

September 07, 2022

To,

Listing Compliance Department
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai - 400001.

Scrip Code: 543280

Listing Compliance Department
National Stock Exchange of India Limited
Exchange Plaza, Plot No. C/1. G Block,
Bandra -Kurla Complex, Bandra (East),
Mumbai- 400051.

Scrip Symbol: NAZARA

Sub: Annual Report of Nazara Technologies Limited ("the Company") for the Financial Year 2021-2022 along with the Notice convening the 23rd Annual General Meeting ("AGM")

Ref: Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations")

Dear Sir/Madam,

With reference to the captioned subject and in continuation to earlier intimation dated August 30, 2022, regarding the date of 23rd AGM of the Company, please find enclosed herewith Annual Report for the Financial Year 2021-22 along with Notice of 23rd AGM scheduled to be held on Thursday, September 29, 2022 at 02:00 P.M. (IST) through video-conferencing / other audio-visual means.

Further, Annual Report and the Notice of the 23rd AGM for Financial year 2021-22 have also been made available on the website of the Company at www.nazara.com and the Company has dispatched the Annual Report along with Notice of 23rd AGM for Financial year 2021-22 to the Members by electronic means on the email addresses as registered with the Company/Registrar and Share Transfer Agent/ Depository Participant(s).

You are requested to take the above information on record.

Thanking You,

Yours Faithfully

For **Nazara Technologies Limited**

PRAVESH Digitally signed by
PALOD PRAVESH PALOD
Date: 2022.09.07
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Pravesh Palod

Company Secretary and Compliance Officer

M. No.: A57964

Encl: a/a



BUILDING

Diversified Gaming

ECOSYSTEM

23rd ANNUAL REPORT
2021-22



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INVESTOR INFORMATION

Market Capitalisation as at	: ₹ 5,344 Crores
March 31, 2022 on NSE	
CIN	: L72900MH1999PLC122970
BSE Code	: 543280
NSE Symbol	: NAZARA
Bloomberg Code	: NAZARA:IN
AGM Date	: September 29, 2022
AGM Venue	: Video Conferencing (VC)/Other Audio-Visual Means (OAVM)

Disclaimer

This document contains statements about expected future events and financials of Nazara Technologies Ltd., which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that the assumptions, predictions and other forward-looking statements may not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as several factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the Management Discussion and Analysis section of this Annual Report.

Please find our online version at
https://corp.nazara.com/?page_id=5554
 Or simply scan to download



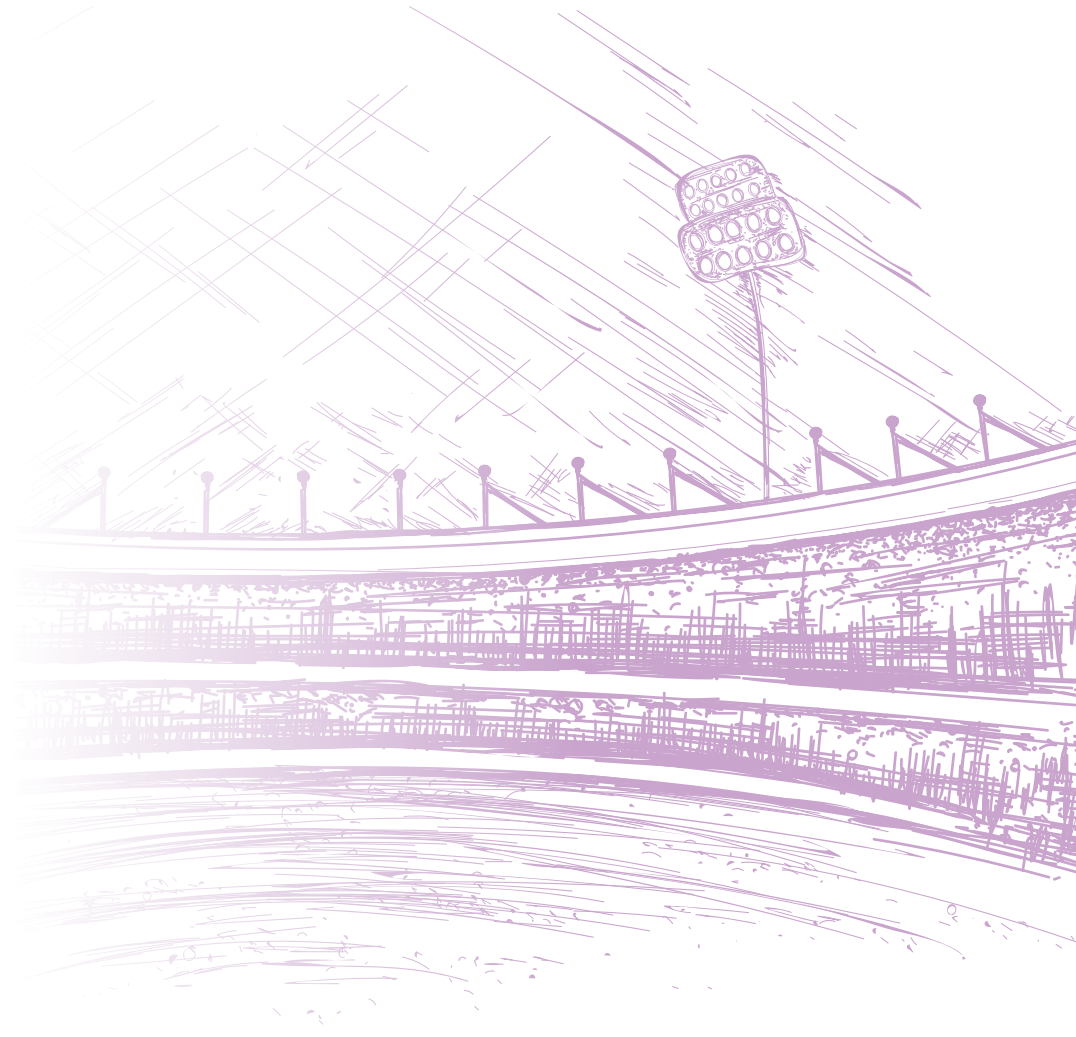
Diversified Gaming Ecosystem



The global gaming market is witnessing a revolution. In the last two years, we have witnessed record levels of engagement and spending, as the pandemic brought many new and lapsed players back to gaming.

At Nazara, we have adopted an ecosystem approach to capture this large market opportunity. We have optimised our business model to stay concurrent with the evolving consumer tastes and developed unique IPs that have generated value for our audience on a global scale.

With our second Annual Report post listing, we pledge transparency in our operations, performance and priorities.



An Overview



Nazara Technologies is a diversified play on entire gaming value chain with offerings across interactive gaming, esports and gamified early learning for India and global markets such as Africa and North America. We accomplish scale by creating our content in-house for both Indian and a global audience.

Our Global Presence



Disclaimer: This map is a generalised illustration only for the ease of the reader to understand the locations, and it is not intended to be used for reference purposes. The representation of political boundaries and the names of geographical features/states do not necessarily reflect the actual position. The Company or any of its directors, officers or employees, cannot be held responsible for any misuse or misinterpretation of any information or design thereof. The Company does not warrant or represent any kind of connection to its accuracy or completeness.

- Adtech
- esports
- Gamified Early Learning
- Telco Subscription

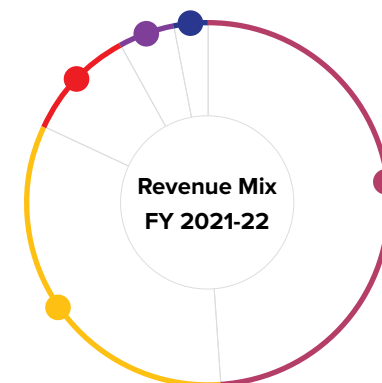
- Telco Subscription

- Telco Subscription

- esports
- Telco Subscription

- Adtech
- esports
- Skill-based Real Money Gaming
- Telco Subscription

49%	esports
33%	Gamified Early Learning
10%	Telco Subscription
5%	Real Money Gaming
3%	Freemium



Journey So Far

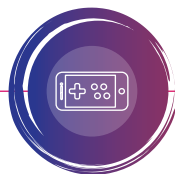
Founded by
Mr. Vikash Mittersain &
Mr. Nitish Mittersain

1999



2004-2006

- ▶ Ushered content-led micro transaction models on telcos
- ▶ Published cricket games around Sachin, Dhoni & Sehwag
- ▶ Strategic decision to be a mobile-first Company



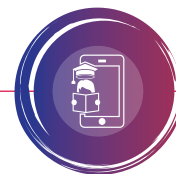
- ▶ Built distribution pipes across 64 countries in Africa, Middle East and Asia
- ▶ Relationships with 121 operators

2007-2015



2015-2019

- ▶ Mr. Manish Agarwal appointed as the CEO in 2015
- ▶ Expanded micro transactions to App stores through Freemium
- ▶ Boosted content offering to create an intersection of sports & gaming
- ▶ Forayed into a subscription service for kids
- ▶ Added US to the distribution pipeline through a dedicated site for esports



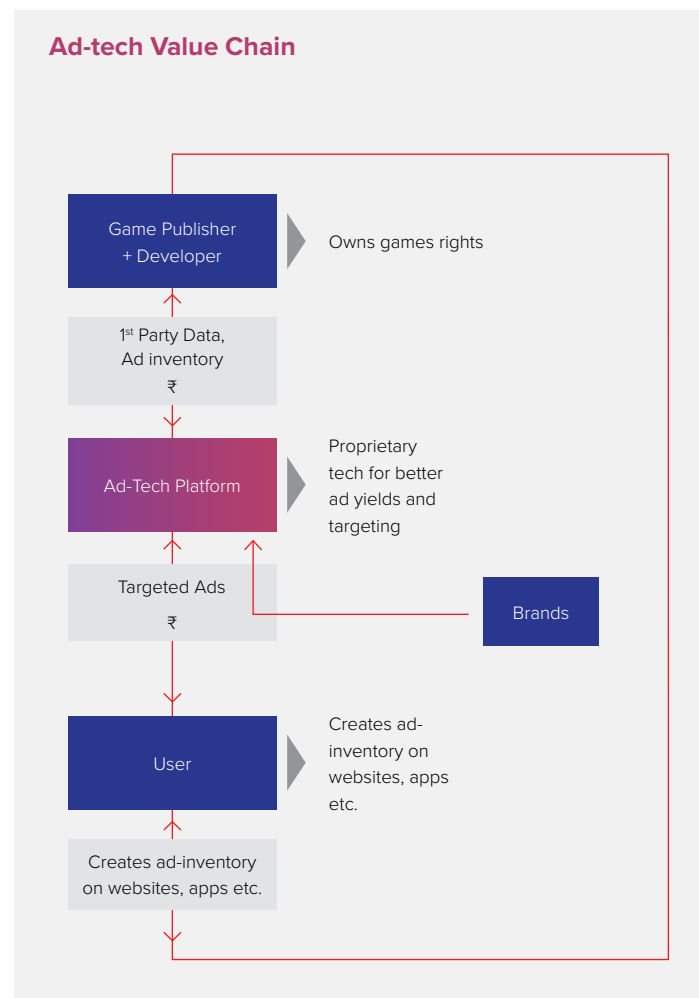
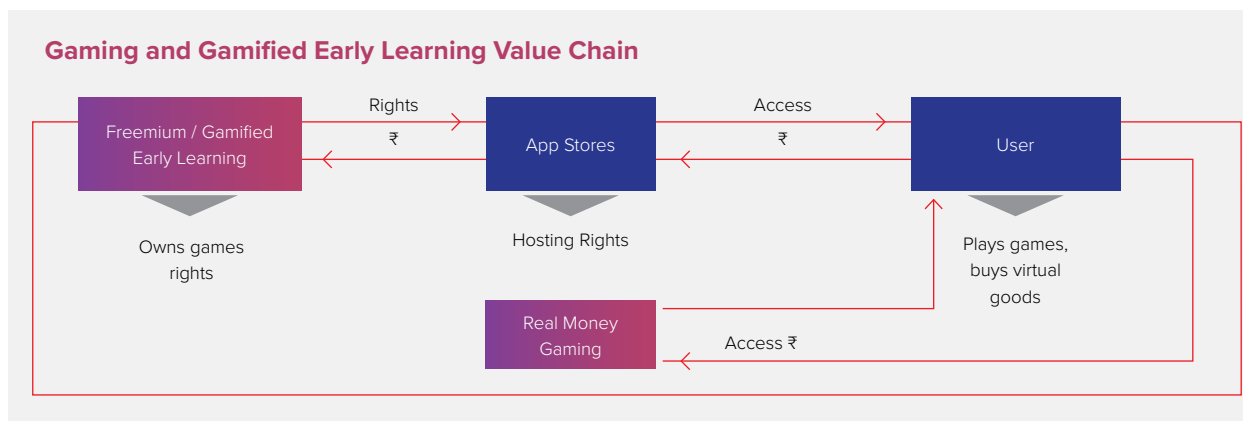
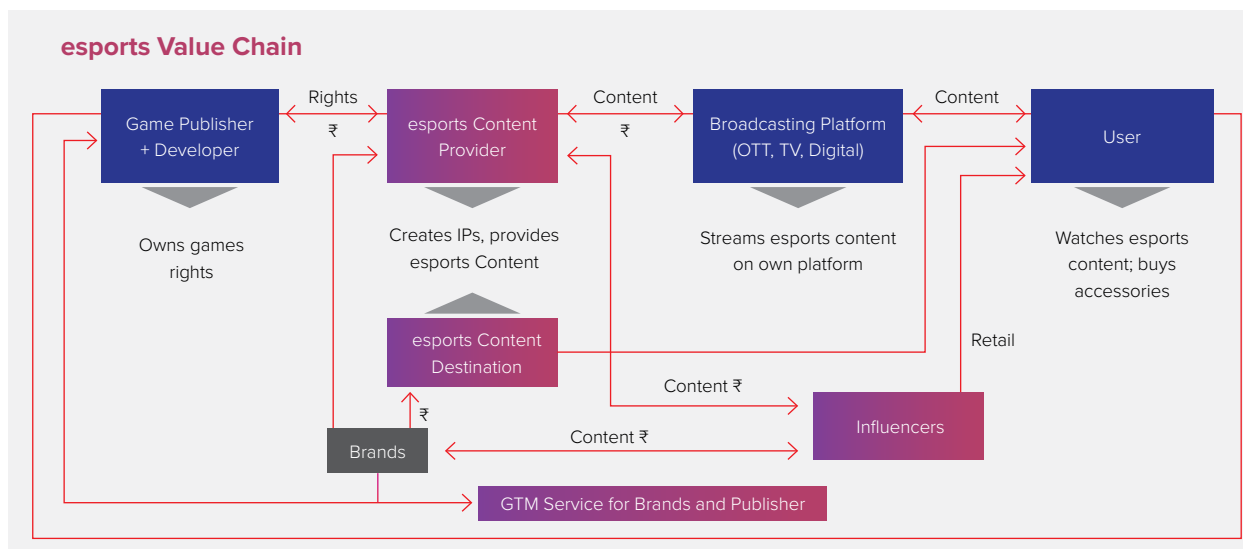
- ▶ Initial Public Offer in March 2021
- ▶ Krafton (IP owner of PUBG) made investment in Nodwin
- ▶ GIC Singapore and other marquee investors made investment
- ▶ Acquired Middle Eastern game publisher Publishme and skill gaming platform OpenPlay
- ▶ Announced 1:1 Bonus Share Issue

2020-2022



Nazara is Well Entrenched

Across Gaming and esports Value Chain



Successfully

Scaled Assets Across Key Business Segments



- **#1** esports company in India and South Asia
- **78%** market share (based on unique IPs)¹
- IP library **10x** of closest competitor²
- Media library **30x** of closest competitor²

- Among **Top 10** largest sports destinations in the US³
- **#1** Multi-sports destination in India³
- **#1** WWE content destination in the US⁴
- Scaling presence in the US market through NFL and NBA

- **#2** in Grossing apps in the US (for kids under 5)⁵
- Month 1 Retention: **94%**
Month 12 Retention: **50%**
- **70%** trial activation rate
- Avg. rating on app Store: **4.34/5.00**



- World's largest cricket simulation game
- **11.7** million MAU
- Time spent per user: ~42 mins/day⁶
- Day 1 retention: **46%**
Day 30 Retention: **6%**

- US headquartered global ad-tech firm
- Working with **57** brands
- **67%** revenue from retained clients
- **18%** growth in retained accounts

Acquisition happened on April 13, 2022

Notes:

¹Based on 2020 data | ²As per Nodwin Estimates | ³Data as of March 2022 (Comscore ranking) | ⁴Data as of January 2022 | ⁵Ranking as per data.ai (formerly App Annie) | ⁶For WCC2 and WCC3

Business Snapshot

	SELECT OFFERINGS	OVERVIEW	TARGET DEMOGRAPHICS	REVENUE MODEL
esports (49% of revenue)	 	#1 player in the fast growing Indian esports segment and leading sports news destination	▶ esports and sports fans ▶ Sports spectators	▶ Media rights, brand sponsorships and esports focused D2C Revenues ▶ Advertisements through ad networks and programmatic demand channels
Gamified Early Learning (33% of revenue)	 	Immersive, self directed learning experience with content designed and developed in house	▶ Children aged 2-7 years	▶ Subscription-based
Skill-based, Fantasy and Trivia Real Money Gaming (5% of revenue)	 	Strategic presence in real money gaming and sports fantasy gaming	▶ Youth ▶ Sports fans	▶ Platform fee collected from skill games played on the platform

SELECT OFFERINGS

OVERVIEW

TARGET DEMOGRAPHICS

REVENUE MODEL

Freemium

(3% of revenue)

WCC3 Google Play Store
downloadWCC3 Apple App Store
download

Casual to mid core, free
to play sports simulation and
children's games

- ▶ Players aged 15-35 years

- ▶ In app purchases & advertisements

Telco Subscription

(10% of revenue)

Games Hub
Games Club
Games Lounge

Bouquet of mobile games
offered as value added services
to telco subscribers

- ▶ Mass mobile internet users
- ▶ First time mobile gamers

- ▶ Partnerships with telecom operators

Datawrkz(Consolidated from April 13,
2022)

**A global advertising
technology firm** focused on
accelerating user and revenue
growth for clients through highly
optimised digital advertising

- ▶ Publishers
- ▶ Agencies
- ▶ Brands

- ▶ Fee-based

Clearly Identified Multi-Pronged

Growth Strategy to Capture the Opportunity

Organic Growth



ESPORTS

NODWIN GAMING:

- ▶ Original content and IPs to drive media rights monetisation
- ▶ Scale esports ecosystem offering

SPORTSKEEDA

- ▶ MAU growth, especially in international markets
- ▶ Dominant position across multiple sports



GAMIFIED EARLY LEARNING

- ▶ Strong product and high consumer propensity to pay allowed price increase
- ▶ With this, unit economics have stabilised*



AD-TECH

- ▶ The Company is establishing an on-the-ground sales presence in the US to accelerate growth. Europe and APAC are also in the pipeline
- ▶ Launching upgraded version of self-serve ad buying platform
- ▶ Increasing monetisation options available to publishers

*Price hike of 13-15% in June 2022

Inorganic Growth



REAL MONEY GAMING

- ▶ Looking at consolidation-led scaling as statutory clarity emerges
- ▶ Eventually operate a platform of skill-based real money gaming assets
- ▶ Continue to build this segment through consolidation and eventually operate a network of skill gaming destinations in India



FREEMIUM AND GAMIFIED EARLY LEARNING

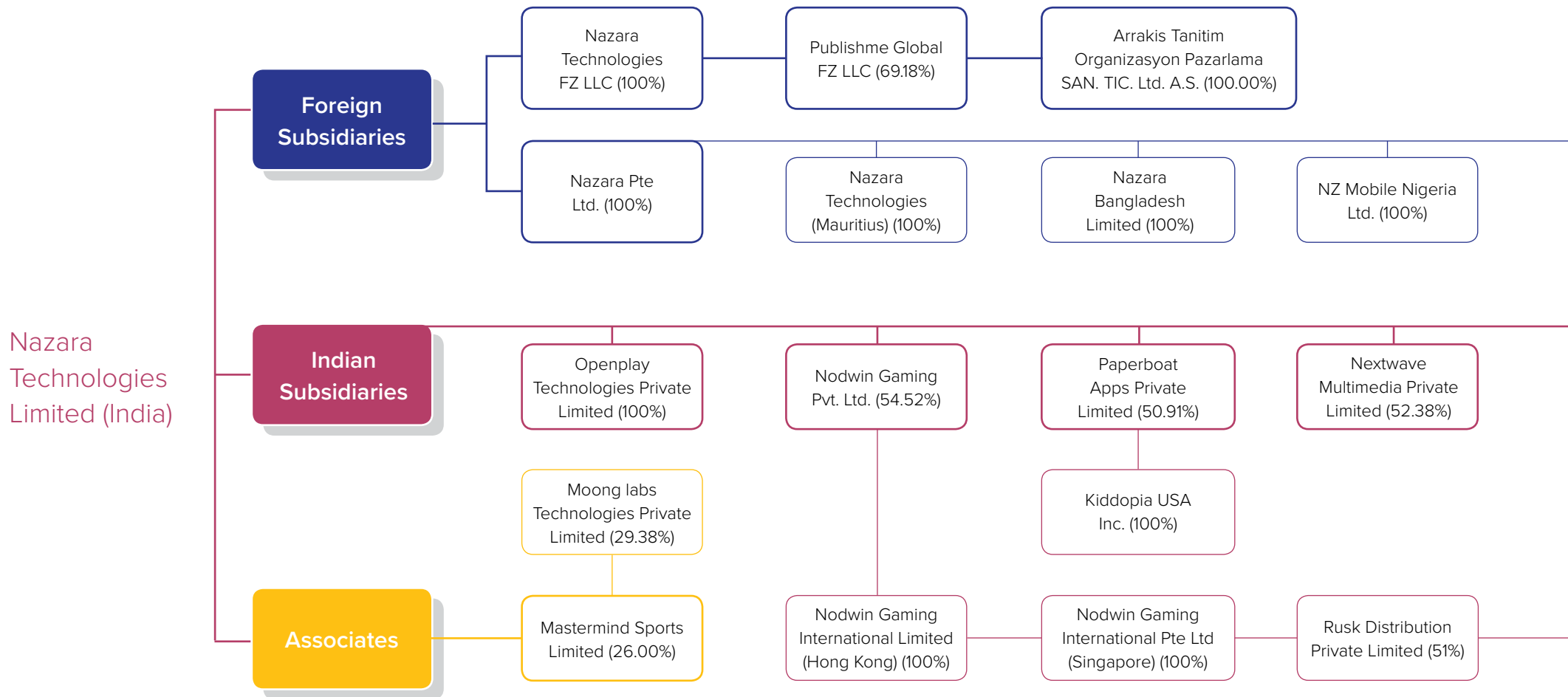
- ▶ Acquire game development studios, in developed markets where valuations have moderated
- ▶ Focus on acquiring game IPs which can be adapted for Indian markets

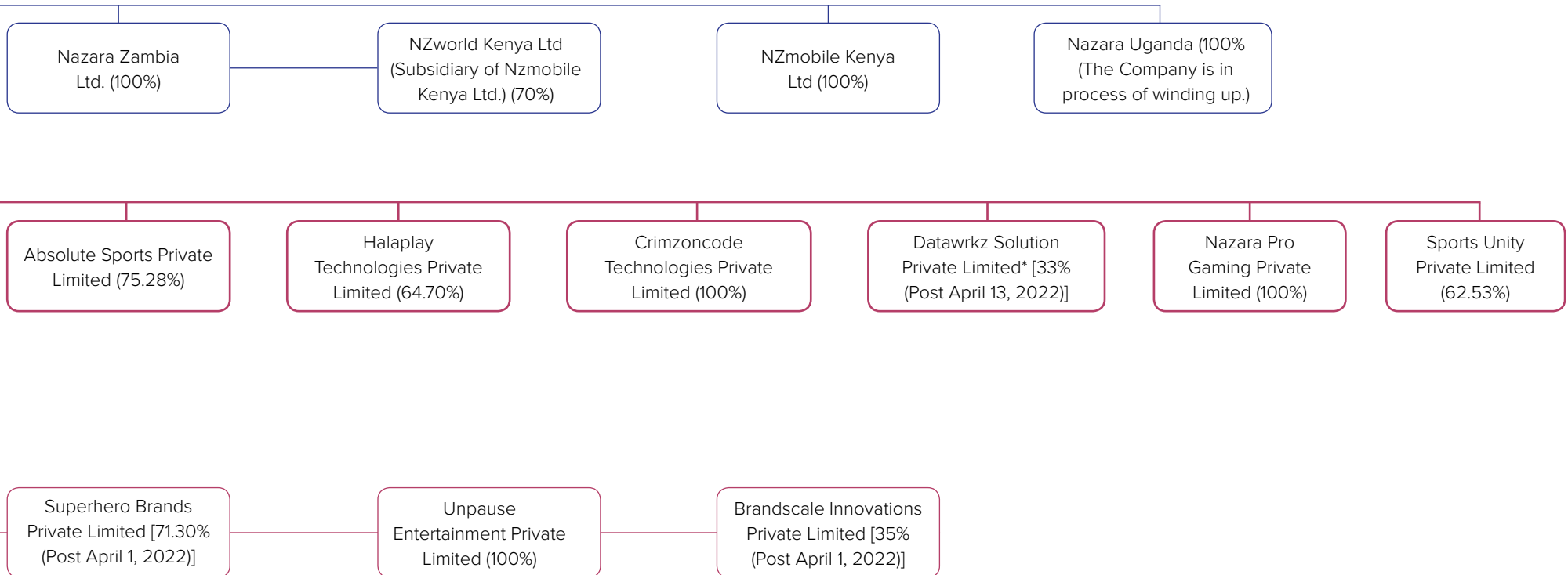


ESPORTS

- ▶ Expand esports playbook to other geographies
- ▶ Continue adding esports adjacencies

Our Corporate Structure





A Compelling

Market Opportunity



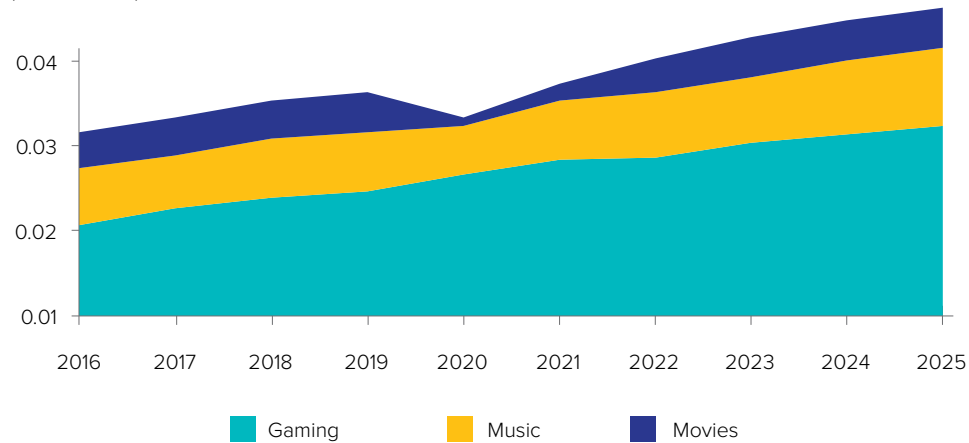
Online gaming is going through a paradigm shift. By 2025, 500 million people are expected to be engaged in online gaming, making it the fourth-largest component of the Indian media & entertainment industry. A variety of industries are expected to experience spectacular growth, including esports, fantasy sports, casual gaming, and other games of skill. Strong user engagement is expected for gaming event IPs , including esports leagues, national online gaming tournaments, and multi-game platforms, where gaming shall be combined with social interaction and commerce. Let's look at some of the trends prevailing in the industry!



TREND #1

Gaming is the new leader in media and entertainment sector

(US\$ trillion)



Investment Case

Rise of esports

Driven by rise in viewership, popularity of big ticket tournaments, increasing prize money along with rise in the number of distribution channels

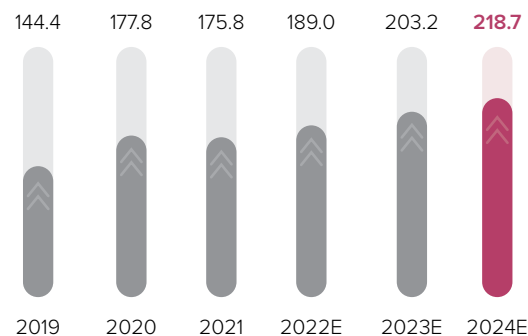
Mobile dominance

Led by smartphone accessibility and the rising trend of cross-platform games & established PC/console franchises coming to mobile

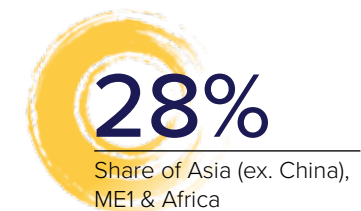
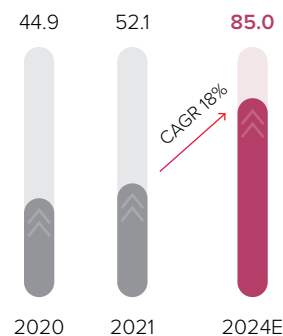
Consolidation

Significant boost to M&A recently as market leading players continue to consolidate

Global gaming industry growing rapidly (US\$ billion)



Robust growth in global sports media rights

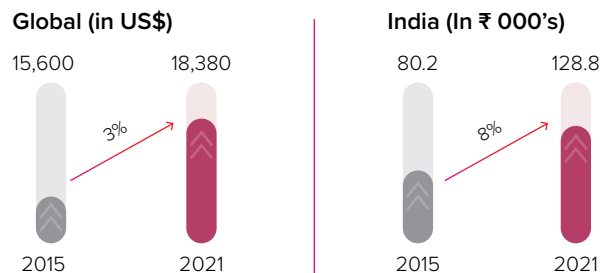


*E-Estimated

TREND #2

Global trends in favour of the gaming ecosystem

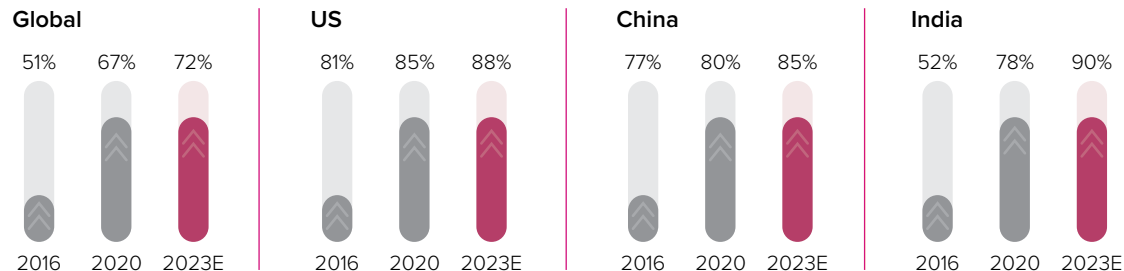
RISING PER CAPITA INCOME¹



Strong economic tailwinds

Rising income levels and disposable income is expected to drive the increase in gaming spends globally and in India

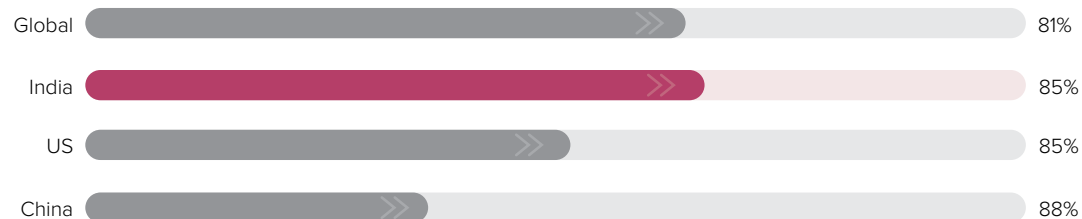
INCREASED SMARTPHONE USER PENETRATION



Lower cost of hardware

Cheaper smartphones and declining cost of mobile data is driving the mobile penetration globally and in India

HIGHER GEN-Z & MILLENNIAL POPULATION



Large digital native population base

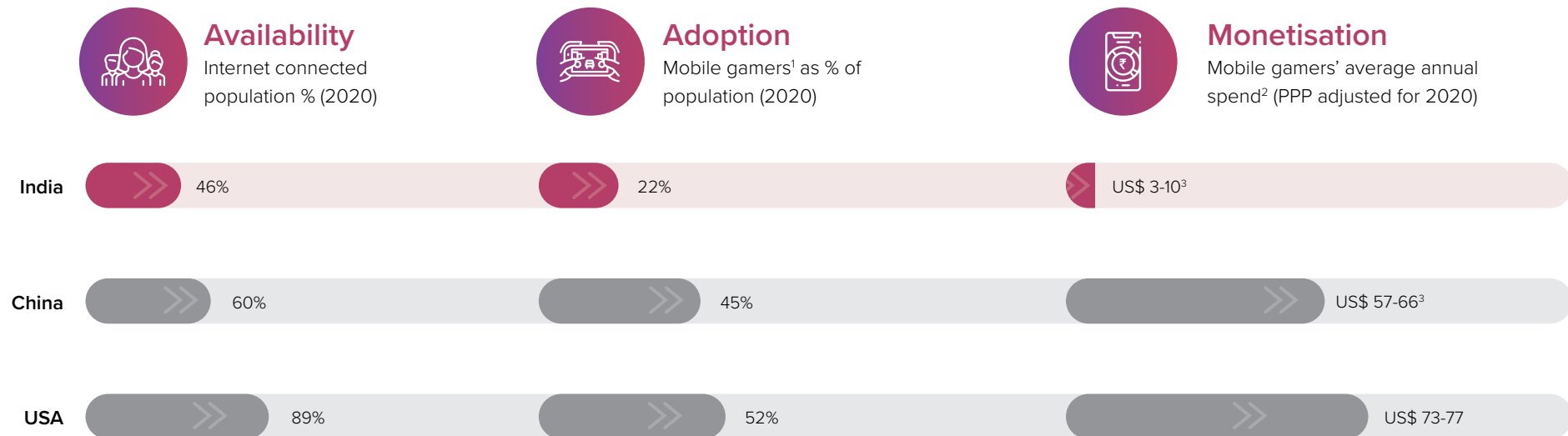
Sizeable and fast growing Gen-Z & millennial population

¹E-Estimated

TREND #3

Massive opportunity for mobile gaming to expand in India

Headroom for growth across key drivers: availability, adoption and monetisation



Monetisation in very nascent stages e.g. India accounted for ~25% of PUBG downloads, but contributes to <5% of their global revenue

1. Defined as a person who plays at least one mobile game 2. Does not include RMG 3. Average annual spend without PPP adjustment for India is US\$ 1-3 and for China is US\$ 35-40

Source: Industry experts, NewZoo, F&S, EIU, Forrester Analytics, BCG analysis

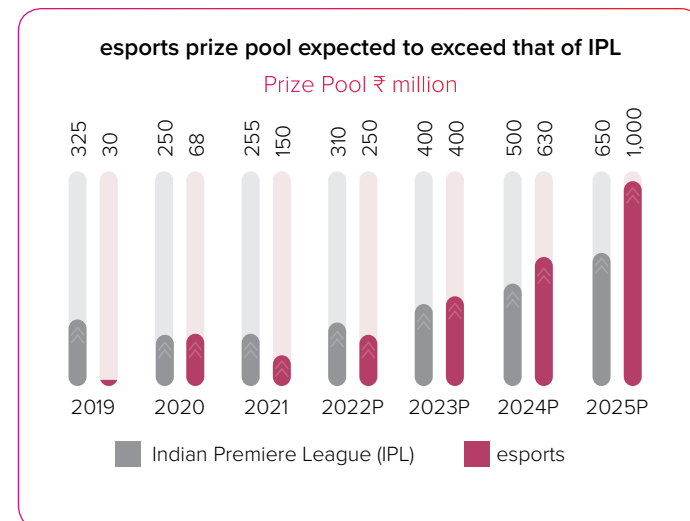
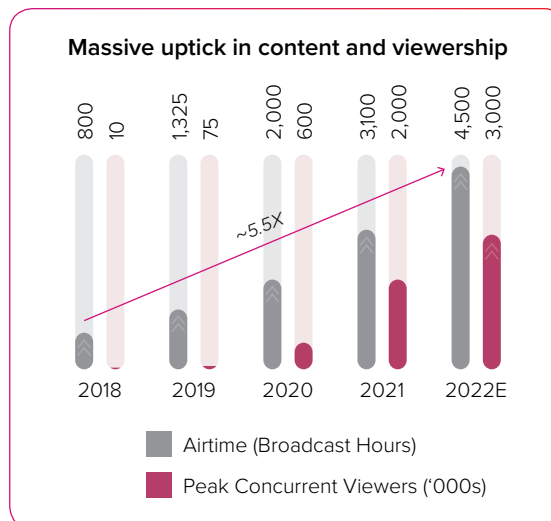
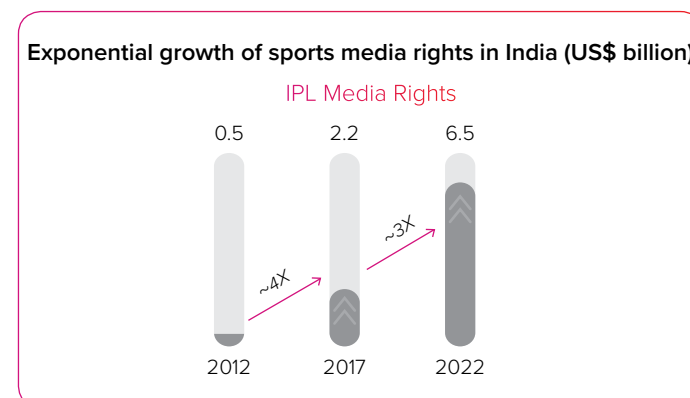
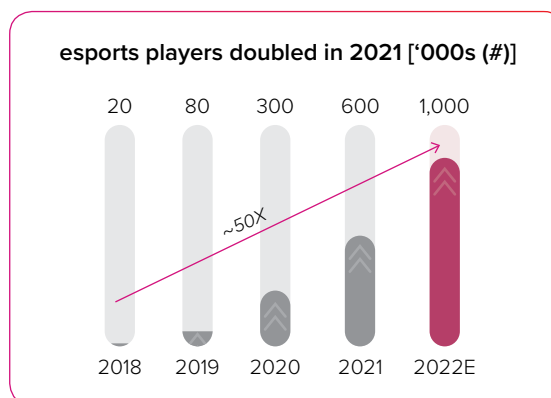
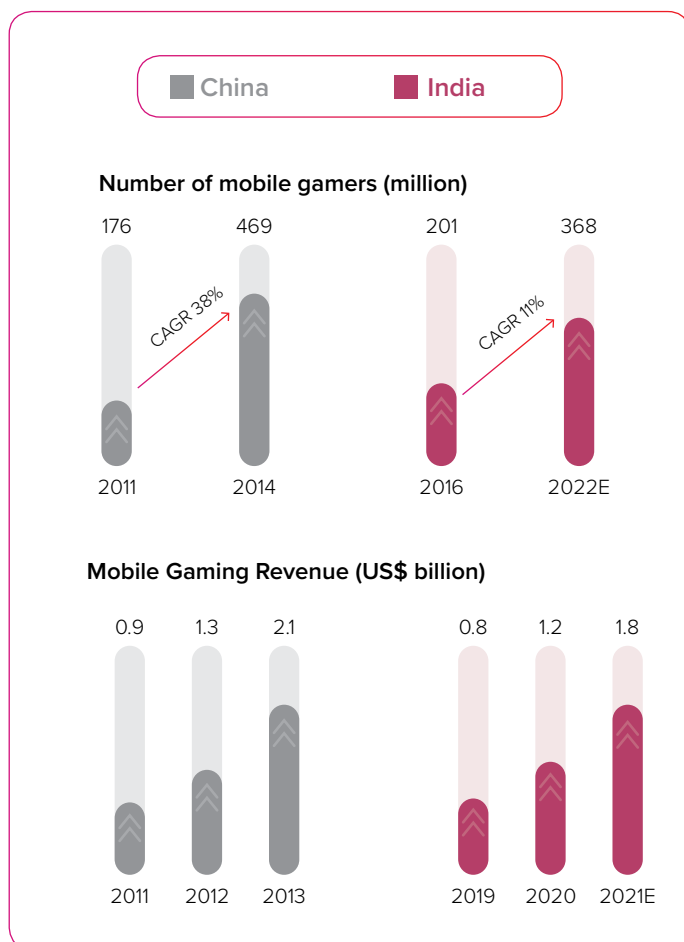
TREND #4

India is well placed to capture the exponential growth seen in the emerging esports markets

Indian mobile gaming market is currently where the market in China was 8-10 years ago and is expected to follow a similar trajectory

Rise in esports adoption

Significant runway ahead for India esports



*E-Estimated; P-Projected

TREND #5

Boom in the Global Ad Spends



Global advertisement expenditure continued on the path of recovery. The ad spends are expected to touch US\$ 738.5 billion mark with a growth of 8.7% in 2022.

Ad spend regional overview (2022F)



- Region-wise, America will be leading the total ad spend market while India, as the fastest growing market, will stay ahead of the US and Brazil

US\$ 329.6 billion

13.1% growth YOY
51.7% digital share of spend

US\$ 158.9 billion

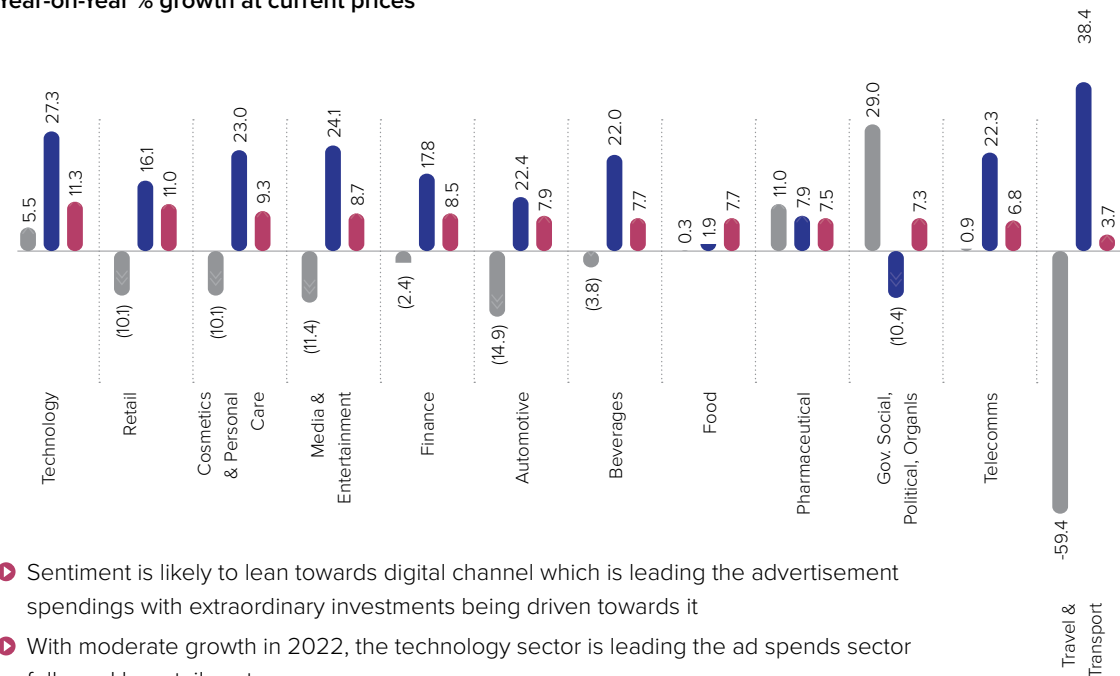
5.8% growth
YOY 55.2% digital share of spend

US\$ 250 billion

5.1% growth YOY
60.7% digital share of spend

Ad spend industry overview, 2020-2022F

Year-on-Year % growth at current prices



- Sentiment is likely to lean towards digital channel which is leading the advertisement spendings with extraordinary investments being driven towards it
- With moderate growth in 2022, the technology sector is leading the ad spends sector followed by retail sectors

The gaming industry has become a mass medium commanding large audiences in the M&E industry at large. The growing concentration and diversified dynamics in the gaming industry have a massive impact on both the gaming experience and advertising opportunities. The gaming industry is adopting latest technologies such as mixed reality, Web3.0, NFTs, and Metaverse. These technologies are enabling massive opportunities for advertisement which to be reflected in the gaming at the first spot.

*F-Forecasted

Investment Case



Nazara is a diversified play on entire value chain

- ▶ 49% of our revenues are from esports, 33% from Gamified Early Learning, 10% from Telco, 5% from Real Money gaming, and 3% from Freemium
- ▶ Added a new growth engine, Adtech through acquisition of Datawrkz*
- ▶ Global footprint with presence across 5 continents



Successfully scaled assets in key business segments

- ▶ Nodwin is #1 esports company in India and South Asia and has market share of 78%
- ▶ Sportskeeda is among top 10 sports destinations globally
- ▶ Kiddopia is #2 in apps in the US for kids under 5
- ▶ World Cricket Championship is the largest cricket simulation game
- ▶ Datawrkz* is a US-headquartered global ad-tech firm



We operate in large addressable markets

- ▶ Global gaming market size is expected to touch US\$ 218.7 billion in 2024 with a CAGR of 8.7% between 2019-24. Rise in smartphone penetration, rise in esports, and robust growth in global sports media rights to propel growth
- ▶ The number of mobile gamers is expected to increase with a CAGR of 11% from 2016-22, resulting in a significant growth in the gaming revenue as well
- ▶ The esports segment has been witnessing a boom in recent times both globally and in India. A massive uptick in the content viewership has been witnessed with almost 5.5x growth in 2022 than it was in 2018. Also, the number of esports players doubled in 2021 compared to 2020 and is expected to touch 100K in 2022

*Acquisition happened on April 13, 2022



Clearly Identified growth strategy

- ▶ Strong growth in Nodwin through increased distribution and monetisation of IPs
- ▶ Increased MAU for Sportskeeda, especially in the higher yielding US markets
- ▶ Gamified early learning with strong product and high consumer propensity to pay allowed price increase
- ▶ Launching upgraded version of self-serve ad buying platform on our Ad-Tech platform
- ▶ Continuing to build the Real Money Gaming Platform through consolidation
- ▶ Focus on acquiring freemium and Gamified Early Learning game IPs which can be adapted for Indian markets
- ▶ Continuing to add esports adjacencies



Strong track record of growth and profitability

- ▶ 58% CAGR in revenue between FY 2019-20 and FY 2021-22
- ▶ 109% EBITDA growth in FY 2021-22 over FY 2020-21
- ▶ Astute capital deployment mindset with a focus on profitable growth emphasising self-sustainability over external investments
 - As on March 31, 2022 cash and bank balance (including liquid investment) was ₹ 7,321 million with net cash flow from operations at ₹ 621 million



Strong leadership team backed by marquee investors

- ▶ Visionary management team instrumental in achieving market leading positions across business offerings

Chairman and Managing

Director's Message



The gaming industry in India has Scaled new heights with record-breaking participation across demographics. The growth streak that started during the pandemic-induced lockdowns has crafted a new history in the Indian gaming industry.

Dear Shareholders...

2021-22 was a year to remember. However tumultuous it was, it brought newfound hope. While the pandemic had clutched the global community, the advent of multiple vaccines, and subsequent mass inoculations, sowed new seeds of hope. A hope we all nurtured together to nourish fresh shoots of recovery. It is the remarkable work of our frontline workers, support of the Government and confidence of the people that has not only boosted our revival but also made India the fastest growing economy worldwide.

And what's growing even faster, is the Indian gaming industry. While the world significantly adopted gaming amid the pandemic, it is during the recovery period after that, that the industry actually strengthened its foothold. With changing lifestyles - working from home & school from home, coupled with the massive adoption of mobile phones and laptops along with record-low internet access charges - the gaming industry isn't just a past time anymore, but has become an essential.

We are proud to be the only listed gaming Company in India, leading the gaming revolution across continents. While the opportunities started to unveil, at Nazara, we understood the task and did it exactly right. From new IPs to fresh titles and acquisitions, we did it all to provide what the consumers demanded - a diverse range of gaming content. From esports to gamified learning to skill-based gaming content, we continued to develop and upgrade it all, in order to provide a wonderful and de-stressing gaming experience to our consumers. Not only did we witness a growth in our casual gaming category, we saw growth across the premium / subscription-based segment as well. With the increasing social engagement of the gaming community and gaming events, the future of the industry remains strong.

A strong company is defined by its strong team and steadfast leadership. With this, I would like to acknowledge the Board and Senior Management for their commitment and support during such turbulent times. It is our team's faith, confidence and efforts that has driven the Company to new orbits. Their creativity, innovation and adaptability are the key pillars of our content, at Nazara.

This is just the beginning of our growth trajectory at Nazara. We are the front-runners in this space and are confident of defining what's next for the areas of our expertise. Our operational efficiencies and quick decision-making have sustained our growth momentum. With an industry-leading attitude and robust financial position, we aim to grow to the next orbit and expand our leadership, not just in India but worldwide.

Stay Connected, Stay safe!

Yours Sincerely,
Vikash Mittersain
Chairman and Managing Director

Director's Message



At Nazara, we have always envisioned gaming at the heart of the entertainment industry. And this vision becomes even more relevant in today's gaming world as players, viewers, and creators come together in a flurry of engagement, attention and activity. The next gaming revolution is here, and we, at Nazara, are witnessing how this industry is coming to the forefront. Our Company has developed strategies to acquire assets synonymous with the dynamic gaming industry trends and accelerate our growth prospects and profitability. Thereby, partaking in the impending gaming upheaval.

Dear Shareholders...

The gaming industry has entered its next orbit of growth globally and in India. The number of players worldwide is expected to grow from 2.9 billion in 2020 to 3.5 billion by 2025. The global games market is further expected to generate around US\$ 200 billion in revenues. The past two years (2020 and 2021) saw not only record-level engagement and spending but also brought many new and lapsed players back to the pastime. While experiential spending will become a significant part of consumers' lives again in the coming years, gaming's bonds are strong and here to stay. These enabling factors impart a favourable position for us to grow and expand further. Being India's first listed gaming Company, we have the first mover advantage to excel in the gaming space.

With the help of our 'Friends of Nazara' ecosystem, we have created a diversified and de-risked business with multiple growth engines in esports, Gamified Early Learning, Freemium and Real Money Gaming. This diversification helps us create a resilient platform that can withstand technological changes and adapt well to shifting consumer tastes and changing regulatory environments. Our investments in Nodwin Gaming & SportsKeeda in esports, Paperboat Apps and Kiddopia in Gamified Learning and Datawrkz in Ad-tech space have demonstrated phenomenal success. Following our investments, these assets experienced record growth and profitability and have emerged at dominant positions in their categories. For the foreseeable future, we want to put revenue growth ahead of margin optimisation. We believe that maintaining market leadership in the verticals in which we operate is essential to our long-term success. Our fundamental DNA is intact, and we will concentrate on cash flows that fuel profitable growth, strongly support corporate governance, be transparent, and focus on LTV/CAC economics.

Going ahead, we plan to continue to expand our 'Friends of Nazara' network through strategic M&A. We will continue to enhance our capacities and capabilities to frame ourselves with a distinguished brand identity in the gaming environment. The recent market downturn and moderation of valuations, especially in developed markets, provide us with a window for acquisitions at attractive deal dynamics. Our areas of focus shall entail Freemium (free-to-play games), as we are looking to acquire game development studios,

including those focused on upcoming technologies such as VR (virtual reality) and Web3 games. We have invested in global gaming funds such as Griffin Gaming Partners and Bitkraft to build our presence in the global gaming ecosystem. There are many new trends and opportunities emerging in the horizons of the gaming landscape and bode well for a gaming Company like ours. We intend to identify these opportunities and optimise our strategies accordingly and continually.

A competent management is the cornerstone of any company's success. With our strategic acquisitions, we intend to create an incredibly dedicated and talented team. Our asset ecosystem comprises passionate founders and capable management. As we work towards adding value through our experience, network, and synergies within the Nazara ecosystem, we will continue to add more of these assets. All this, while maintaining our distinctive approach of giving the original team almost complete operational control. Thereby, enabling them to continue establishing market dominance in their respective categories.

Nazara has a 23 year history in the world of gaming. We constantly strive to add value to our shareholders who have faith in the Company and share our vision of making India a worldwide gaming powerhouse. Nazara's strategy of promoting profitable growth offers a solid foundation for further expansion.

On a closing note, let me express my gratitude to all our stakeholders for their unwavering trust and support in Nazara. I would also like to acknowledge our team's efforts for their continued support in our growth journey. I assure you that Nazara is equipped with the newest technologies, supported by a dedicated workforce and experienced management teams, to navigate and reap the benefits of the considerable potential in the gaming industry.

With Warm Regards,

Nitish Mittersain

Founder & Joint Managing Director

Officer's Message



Dear Shareholders...

I would like to start with a simple quote by Abraham Lincoln:

"The best way to predict the future is to create it"

In recent times, gaming has emerged as the new leader in the media and entertainment sector. Amidst the various local lockdowns, where any forms of outdoor gatherings were restricted, people embraced indoor, digital entertainment - specifically video gaming. Since then, the trend has been in upward momentum. This change has opened a plethora of opportunities for the gaming industry to flourish and excel in the future.

Nazara Technologies is the only listed diversified leading gaming Company in India with diversification across esports, gaming, gamified learning, and ad-tech under a single roof. Favourable macro trends keep us upbeat about the growth prospects:

- ▶ The global gaming industry is larger than music and movies and is expected to touch US\$ 220 billion by 2024 while maintaining a strong growth momentum.
- ▶ Driven by a rise in viewership, popularity of big-ticket tournaments, increasing prize money, and a rise in distribution channels, the global esports audience is expected to reach 640 million by 2024.
- ▶ India is witnessing a massive rise in esports adoption – the number of esports players doubled in 2021 to reach 100,000. We see an enormous uptick in content and viewership of esports tournaments, with the peak concurrent viewership having increased by 5.5x in the last four years.
- ▶ India is also going to participate in the first-ever esports event at the 2022 Asian Games. This is likely to boost the energy of the gamers across the country and eventually increase the number of gaming communities in India.
- ▶ Globally, digital continues to be a key driver of global ad market growth and is on an upward trajectory. In 2021, digital ad spend surged by 32.0% following the pandemic in 2020. It is forecasted to reach US\$ 410 billion, a 55.5% share of global ad spend.
- ▶ More and more gaming companies are acquiring ad-tech firms or building capabilities to get hold of first-party data and offer better ROI to advertisers.

At Nazara, we have successfully scaled our assets to attain a dominant position in the large markets that we operate within. Nodwin has emerged as a distant leader in the esports market in India and South Asia. Sportskeeda has been ranked the tenth largest sports destination in the US and #1 multi-sports destination in India by Comscore. Kiddopia, our gamified early learning app, is #2 grossing apps in the US for kids under five years old. We are the owners of the world's largest cricket simulation game – 'World Cricket Championship'.

We have clearly identified growth levers for our businesses:

ORGANIC GROWTH

- ▶ Nodwin is focused on organic growth in original content and own IPs leading to non-linear growth in media rights monetisation. The Company is also focusing on expanding capabilities and has an ecosystem play to capture the large esports opportunity.
- ▶ With Sportskeeda, our focus will be the growth of Monthly Active Users (MAUs) especially through the expansion of playbooks to newer sports in higher advertising yield US markets.
- ▶ Kiddopia has a powerful product and has shown high retention of customers.
- ▶ With the acquisition of Datawrkz – a US-based programmatic advertising and monetisation company, we have added a new growth engine. The Company is establishing an on-ground presence in the US to accelerate growth.

INORGANIC GROWTH

- ▶ In the Real Money Gaming space, we are closely monitoring the changing regulatory landscape and will look at consolidation-led scaling and operate a destination of skill-based games once regulatory clarity emerges.
- ▶ Our strategy to grow the Freemium and Gamified Early Learning is to acquire more game development studios in developed markets where valuations have moderated.
- ▶ We are planning to expand esports playbook to other geographies while continuing to add esports adjacencies.

In terms of our financial results in FY 2021-22, we had an outstanding year. Our revenues were ₹ 6,217 million in FY 2021-22, which is 37% higher than FY 2020-21. Our EBITDA clocked ₹ 946 million and marked a 109% growth in FY 2021-22. We achieved a 273% Profit after Tax (PAT) growth in FY 2021-22, growing multi-fold from ₹ 507 million as PAT in FY 2021-22. These exceptional growth figures are backed by the significant growth and success of our products across regions.

With Nodwin rising by over 66% and Sportskeeda growing by over 130% over the last year, our esports division has experienced an exponential revenue growth. With a 49% contribution in FY 2021-22 revenue, this segment currently generates the most revenue within the Nazara portfolio. The Company announced a strategic alliance between Nodwin Gaming and Gameloft, one of the biggest game publishers in the world, in FY 2021-22. Additionally, with the acquisition of the company bought from OML, Nodwin grew its partner count from 27 to 103. Sportskeeda became one of India's top sources for sports news and content in FY 2021-22 and among the top ten in the US. Sportskeeda delivered a stellar EBITDA growth of 64% in FY 2021-22. Our Gamified Learning segment's EBITDA was 25%, compared to 7.2% in FY 2020-21. This was largely owing to fewer marketing expenditures post changes in Apple IDFA policy. Revenues from Freemium segment increased by 9% in FY 2021-22. Furthermore, our skill-based real money gaming HalaPlay and OpenPlay expanded by 138% and 485%, respectively, in comparison to FY 2020-21.

Furthermore, our prudent financial planning is a testimony to our 53.03% higher cash and bank balance of ₹ 7,321 million over FY 2020-21.

I would like to express my sincere gratitude to our Board of Directors for their ongoing support. Additionally, I want to thank the Nazara Team, our clients, and investors for continuing to believe in us. I am looking forward to the next fiscal year because we are well-positioned to carry out our strategy going forward and continue to be the market leader. I strongly believe that a fantastic decade of gaming has just begun.

Yours Sincerely,

Manish Agarwal

Chief Executive Officer

Our

Strategies at Play

Our strategies are designed to respond to the current and expected future operating environments of the gaming industry that could potentially strengthen our value creation.

STRATEGY 1:

Global expansion leveraging the existing distribution network

We will continue to invest in indigenous talent, including local game developers and small game studios and increase the gamut of services provided by us to our gamers in the emerging markets. We will also deepen our presence in existing geographies by offering mobile games and content in vernacular languages and capturing the next segment of mobile gamers arising from the increased internet penetration in our existing markets.

In the gamified early learning space, we will continually develop new content to further tap into the large US market and to expand into Spanish, French and German speaking geographies, by developing local and relatable content for each region.

In esports, we will continue to deepen our existing relationships with brand and publishing partners and also establish new relationships for more content and event and format IPs, as well as explore synergistic opportunities for content creation through our esports offerings to esports media platform partners.

STRATEGY 2:

Pursue more strategic acquisitions

We will continue to pursue strategic investment and acquisition opportunities in underserved markets and geographies that complement our existing operations.

However, we will be very selective about the investee companies by considering factors like large TAM, strong local moat, clear use cases and low risk growth capital. Besides, we will also take into consideration certain critical aspects like leadership visibility in the addressable verticals, synergies with existing offerings and alignment with our vision and principles.

STRATEGY 3:

Continue to build capabilities

While our existing management leads us ably in achieving our growth and expansion goals, we will continue to hire more people in key leadership roles to build capacities and capabilities.

We will continue to identify and groom the right talent, including game developers, animators, technology stack engineers, game designers, UI/UX specialists, M&A specialists, HR business partners and marketeers, which shall continue to be a key area of investment for us.

STRATEGY 4:

Build on leading market position and growth opportunity in India

We shall build on our leadership position to leverage India's strong growth potential by strengthening relationships with mobile gamers, sports fans and partners.

We shall continue to collaborate with leading mobile app stores and enhance app store promotion and user recommendations.

We will also adapt the latest advertising trends social media, internet video and live streaming-based.

STRATEGY 5:

Build the existing technology stack to enhance existing platform

We will continue to build the existing technology stack to further enhance the existing platform through innovation and efficient optimisation of the technical infrastructure.

We shall continue to invest in the infrastructure upgradation and further extend our technological leadership. We would also expand our domain expertise by identifying high growth sectors and recruiting industry experts to add value and gain market credibility.

Review



As a responsible entity, we have always upheld our policies relating to environment, social and governance. We aim to fulfil operational priorities, without putting any adverse impact on our external environment, thereby fostering inclusive growth.



ENVIRONMENT

For sustainable growth, we believe in a peaceful coexistence with the environment. We have continually made efforts to minimise both our direct and indirect impact on the environment.

Key initiatives under the ambit of environment entail:



ENERGY EFFICIENCY

Regular lights have been replaced with LED lights, and energy-efficient air conditioners have been employed in our offices to reduce energy use. The Company routinely conducts tree plantation initiatives to balance GHG emissions. We use cloud servers for data storage, enabling us to not only conserve energy, but also mitigate emissions and improve air quality.



WATER MANAGEMENT

Automatic water dispensers are set up for drinking at our offices, helping control the flow of water. Sensors have been installed in taps to prevent water wastage and overflow at cafeterias and restrooms. A committed team routinely checks and monitors water usage and consumption so that appropriate measures can be devised to aid in water recycling and conservation.



WASTE MANAGEMENT

We have taken a collective step to replace single-use plastic with recyclable paper products. This has helped us in reducing and managing our plastic waste. The Company has eliminated the usage of pet plastic bottles for drinking and other purposes. Visual tools explaining the drawbacks of plastic use and the advantages of recycling are placed in strategic locations to raise awareness of waste management practices throughout the organisation. We have set up Do's and Don'ts for waste disposal in order to keep people vigilant from digression. A waste paper shredder is deployed so that the waste produced can be recycled. For dry and wet garbage, there are separate bins for biodegradable and non-biodegradable materials.



SOCIAL

We are dedicated towards promoting social well-being and supporting our societies at large.

Our key social prerogatives across the key stakeholder groups include:



EMPLOYEE-CENTRICITY

High priority is given to create a conducive and a comfortable work environment. The Company's Board has laid forth policies that support gender equality and diversity. At Nazara, moral behaviour and productive labour are of utmost importance. Sexual harassment is not tolerated in the workplace, and the Prevention of Sexual Harassment (POSH) policy is clearly laid out. We treat persons of every sex, caste, and creed with equality. Employees' and their family members' health and safety are ensured, and medical aid is provided.



CUSTOMER-FOCUSED

We are the biggest esports and gamified social media platform in India. Diverse demographics are served by our product offerings. Therefore, it is essential for us to continuously simulate, evaluate, and test our offerings in order to remain true to end users' interest and engagement. We believe establishing and preserving enduring bonds within the gaming industry.



COMMUNITIES

We have consistently acted in the best interests of the communities. In difficult times, we have gone above and beyond to get in touch with community foundations and welfare organisations to provide basic necessities to our communities. The Company provided assistance by distributing food and first aid while Covid-19 upended markets and economies all over the world. We did our utmost to raise awareness on the importance of adopting Covid-appropriate behaviour.



INVESTORS

At Nazara, we are committed to maintaining a transparent relationship with our investors and shareholders. The Investor Relations team is committed to maintaining interactive and informed communications. Any major concern or issue is proactively handled in timely and accurate manner. All Investor Relations and Corporate Governance matters are divulged on the Company's website regularly.



GOVERNANCE

We are committed to upholding strict guidelines for ethical business conduct and adherence to all laws and regulations. The Board of Directors and Management Team promotes sound and well-established corporate governance practices in the interest of its shareholders and other stakeholders including customers, suppliers, employees and the general public. Our Governance policies are reviewed regularly and updated according to the international and domestic laws and jurisdictions.

Board of

Directors

1



C
M
M

Vikash Mittersain

Chairman & Managing Director

2



M
M
M

Nitish Mittersain

Joint Managing Director

3



M

Sasha Mirchandani

Non-Executive, Independent Director

4



C
C
M
M
M

Shobha Jagtiani

Non-Executive, Independent Director

5



C
M
M

Probir Roy

Non-Executive, Independent Director

6



C
M

Kuldeep Jain

Non-Executive, Independent Director

7



Rajiv Ambrish Agarwal

Non-Executive Director

 Audit Committee
 Risk Management Committee

 Stakeholders' Relationship Committee
 Corporate Social Responsibility Committee

 Nomination, Remuneration & Compensation Committee
 Key Managerial Personnel

M - Member
C - Chairman

1 Vikash Mittersain

Chairman & Managing Director

Vikash Mittersain has been associated as Director of the Company since incorporation. He holds a Diploma in Industrial Electronics from Walchand College of Engineering, Sangli. He has several years of experience in multiple business sectors. He is also the Founder and President of India Business Group (Chamber of Commerce).

2 Nitish Mittersain

Joint Managing Director

Nitish Mittersain holds a Bachelor of Commerce degree from the University of Mumbai. He founded the Company in 1999 and has been associated in the promotion of the Company for more than two decades. He is also a Trustee of the Dr. B. K. Goyal Heart Foundation and India Business Group (Chamber of Commerce).

3 Sasha Mirchandani

Non-Executive, Independent Director

Sasha Mirchandani has been associated with the Company since January 4, 2018. He holds a Bachelor of Science degree in Business Administration from Strayer University. He has more than a decade's experience as an angel investor. He is the Co-founder of Mumbai Angel Venture Mentors. He is also a Director of Kae Capital

Management Private Limited. In the past, he has also worked at Blue Run Ventures and MIRC Electronics Limited. He has been appointed on the Board of Governors of the Universal Business School and is a Member at the Young Presidents Organisation, Mumbai. He was also the president of Entrepreneurs Organisation, Mumbai and a Charter Member at TiE, Mumbai.

4 Shobha Jagtiani

Non-Executive, Independent Director

Shobha Jagtiani has been associated with the Company since January 4, 2018. She holds Bachelor of Arts degree and Bachelor of Laws degree from the University of Bombay. She has more than 46 years of experience as a lawyer and is a member of the ITAT Bar Association. She is currently a partner at D.M Harish & Co.

5 Probir Roy

Non-Executive, Independent Director

Probir Roy has been associated with the Company since January 4, 2018. He holds a Bachelor's degree in Economics and Statistics from St. Xavier's College from the University of Mumbai. He also holds a Post-Graduate Diploma in Energy Economics from the University of Surrey. He has more than a decade's experience in the field of Information Technology and Communications. He was a Director of

Coruscant Tec. Private Limited. He was the Vice-Chairman of the Technical Committee of Internet Research of the Media Research Users Council. He is a Co-Founder of Paymate India Private Limited. He has held several senior positions including the post of Vice President, MIS and communications – India at Star TV, News Television (India) Limited. He was the Chief Technology Officer and Chief Operating Officer of Euro RSCG Advertising Private Limited. He was also the head EDP and information systems of Nuclear Power Corporation. He is a special invitee to the Board of Directors of Business Correspondents Federation of India and chairs their Pricing Study Committee. He is currently a Senior Advisor at the World Association of Small and Medium Enterprises and a recipient of the 'Certificate of Recognition' from the Forum of Industry and Academic Knowledge. He has been awarded the 'FIACS Maven 2020' and 'FIACS Intellectual Explorer Award' by the Forum of Industry and Academic Knowledge Sharing in 2020.

6 Kuldeep Jain

Non-Executive, Independent Director

Kuldeep Jain has been associated as Director of the Company since August 20, 2013. He holds a Post Graduate Diploma in Management from The Indian Institute of Management, Ahmedabad. He is an associate of the Institute of Chartered

Accountants of India. He has over a decade's experience in a global consulting firm and was a partner at McKinsey & Company, Inc. He is currently the Managing Director of Clean Max Enviro Energy Solutions Private Limited.

7 Rajiv Ambrish Agarwal

Non-Executive Director

Rajiv Agarwal is a Non-Executive Director of the Company. He holds a Bachelor's degree in Technology (Chemical Engineering) from Banaras Hindu University. He has been associated with RaRe Enterprises since 2006. His focus is on growing RaRe Enterprises' strategic investments in diverse sectors. He has experience and deep understanding of B2B and B2C businesses spanning consumer, education, digital entertainment, media, financial services, payments, auto components, and oil drilling which form a part of RaRe Enterprises' PE portfolio. He is a Nominee Director on Board of Aptech Limited, Alchemy Capital Management Private Limited, Concord Biotech Limited, Hungama Digital Entertainment Private Limited, Fulllife Healthcare Private Limited and Cinestaan Entertainment Private Limited.

Senior

Management Team



Manish Agarwal

Chief Executive Officer, KMP

- ▶ Associated with Nazara Technologies since 2015. He holds BTech from REC, Warangal and PGDM, IIMA. He has over 21 years of experience in various fields including the gaming space and marketing.
- ▶ Other Experiences: In the past he has held several leadership positions with Reliance Games, Zapak Mobile Games Private Limited and Zapak Digital Entertainment Limited, UTV Software Communications Limited, Rediff.com India Limited and Hindustan Unilever Limited. His association with the Company has been instrumental in creating the business besides driving investments and M&A.



Rakesh Shah

Chief Financial Officer, KMP

- ▶ Associated with Nazara Technologies since 2010. He holds B.Com from Bombay University and qualified CA and ICWAI. He has over 24 years of experience in financial, administration and management accounting.
- ▶ Other Experiences: In the past he has been associated with Yahoo India Private Limited, ANZ International, Electronic Data Systems, Vinmar International India Private Limited, Mazda Colors Limited.



Anupriya Sinha Das

Head of Corporate Development, Nazara Technologies

- ▶ Associated with Nazara Technologies since June 2022. She holds BTech from MNNIT, Allahabad and PGDBM from XLRI Jamshedpur. She has over 13 years of experience across Private Equity, Investment Banking and Consumer Technology businesses.
- ▶ Other Experiences: In the past, she led Corporate Strategy team at Pocket Aces where she was driving M&A and fund raise initiatives. Prior to this, she worked in private equity for around seven years at General Atlantic and Everstone Capital, where she managed investments over US\$ 300 million across consumer and technology sectors among others.



Akshat Rathee

Co-founder & Managing Director, Nodwin Gaming Private Limited

- ▶ Co-founded Nodwin Gaming Private Limited in 2014.
- ▶ Other Experiences: Associated with PGM Entertainment, Ernst & Young prior to co-founding Nodwin Gaming Private Limited.



Porush Jain

Founder and Chief Executive Officer, Absolute Sports Private Limited

- ▶ Founded Absolute Sports Private Limited in 2010.
- ▶ Other Experiences: Has experience in various fields including content strategy, coding, marketing and sales.



Ajay Pratap Singh

Chief Operating Officer - Absolute Sports Pvt Ltd

- ▶ 10+ years of experience in growing businesses from ground-up.
- ▶ Other Experiences: In the past held vertical lead and leadership positions for organisations like Tally Solutions, Ed-Tech Start-up SuperProfs, and one of the world's largest vernacular daily, Dainik Bhaskar.



Anirudh Kumar

Chief Strategy Officer, Absolute Sports Private Limited

- ▶ Joined Absolute Sports (Sportskeeda) in 2022. He holds a BA(H) in Economics from Delhi University and an MBA (Strategy and Finance) from ISB, Hyderabad. He has over 17 years of experience in Management Consulting, Marketing & Venture Capital.
- ▶ Other Experiences: He began his career with McKinsey & Co. followed by an entrepreneurial stint. Beyond that, he worked with the Directi Group and Snapdeal.com, where he oversaw digital marketing, analytics, and user growth. He has also managed investments for Matrix Partners, one of the top VC firms in India with over \$1 billion in AUM. He will drive Sportskeeda's overall strategy and M&A.



Anshu Dhanuka

Co-founder & Chief Product Officer, Paper Boat Apps Private Limited

- ▶ Co-founded Paper Boat Apps Private Limited in 2013.
- ▶ Other Experience: Walnut Labs Private Limited (involved in the business of developing solutions for computer software and hardware).



Anupam Dhanuka

Co-founder and Chief Executive Officer, Paper Boat Apps Private Limited

- ▶ Co-founded Paper Boat Apps Private Limited in 2013
- ▶ Other Experience: Walnut Labs Private Limited (involved in the business of developing solutions for computer software and hardware).



Senthil Govindan

Founder and CEO, Datawrkz Business Solutions Private Limited

- ▶ Founded Datawrkz Business Solutions Private Limited in 2013. He holds an MS in Management Information Systems from The University of Arizona and an MBA from IIM Ahmedabad.
- ▶ Other Experiences: Worked with i2 Technologies, Siebel Systems, Oracle Corp, IBM, and Ozone Media before starting Datawrkz.



Jayashree Poochi Ramaswamy

Co-founder and Chief Operations Officer, Next Wave Multimedia Private Limited

- ▶ 25+ years of experience in various fields including digital media and gaming.



Rajendran Poochi Ramasamy

Co-founder & Chief Executive Officer, Next Wave Multimedia Private Limited

- ▶ Co-founded Next Wave Multimedia Private Limited in 1995.
- ▶ Other Experience: Created 200 games for brands, OEM app stores. Created many digital campaigns for Fortune 100 companies in Europe covering web and mobile applications.



James Savio Saldanha

Director, Nazara Technologies FZ-LLC, (Middle East and Africa)

- ▶ Associated with Nazara Technologies FZ-LLC for over 10 years.
- ▶ Other Experiences: more than 10 years of experience in media and mobile entertainment and has been associated with Arvato Mobile Middle East FZ-LLC, Channel [V] and City 7 TV (Arab Venture Corporation).





Corporate Information

BOARD OF DIRECTORS

Mr. Vikash Mittersain

Chairman & Managing Director
DIN: 00156740

Mr. Nitish Mittersain

Joint Managing Director
DIN: 02347434

Mr. Rajiv Ambrish Agarwal

Non-Executive Director
DIN: 00379990

Mr. Kuldeep Jain

Non-Executive & Independent Director
DIN: 02683041

Mr. Sasha Mirchandani

Non-Executive & Independent Director
DIN: 01179921

Ms. Shobha Jagtiani

Non-Executive & Independent Director
DIN: 00027558

Mr. Probir Roy

Non-Executive & Independent Director
DIN: 00111961

KEY MANAGERIAL PERSONNEL

Mr. Manish Agarwal

Chief Executive Officer (CEO)

Mr. Rakesh Shah

Chief Financial Officer (CFO)

Mr. Pravesh Palod

Company Secretary and Compliance
Officer (CS)

(Appointed w.e.f. November 22, 2021)

STATUTORY AUDITORS

Walker Chandiok & Co LLP Chartered

Accountants, 11th Floor, Tower II,
One International Centre,
SB Marg, Prabhadevi (W), Mumbai,
Maharashtra - 400013

INTERNAL AUDITORS

M/s. R. Jaitlia & Co, Chartered Accountants

605, Manish Chambers,
Sonawala Road, Opp. Hotel Karan Palace,
Goregaon (East), Mumbai - 400063

SECRETARIAL AUDITORS

M/s. Manish Ghia & Associates, Company Secretaries

04, Chandan Niwas, 1st Floor, Mathuradas
Vasanji Road, behind Andheri Gymkhana,
Andheri (East), Mumbai - 400069

BANKERS

Standard Chartered Bank
State Bank of India

REGISTERED & CORPORATE OFFICE

51-54, Maker Chambers 3,
Nariman Point, Mumbai - 400021
Tel: +91-22-4033 0800
Fax: +91-22-2281 0606
Email: investors@nazara.com
Website: www.nazara.com

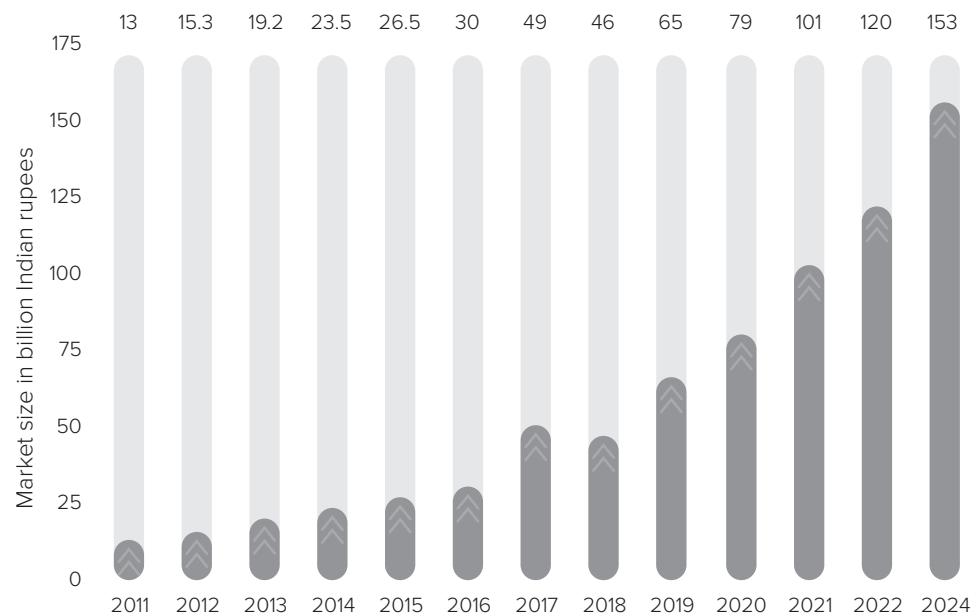
REGISTRAR & SHARE TRANSFER AGENTS

Link Intime India Private Limited
C-101, 247, Park L.B.S. Marg, Vikhroli
(West), Mumbai - 400083
Tel: +91-22-4918 6000
Website: www.linkintime.co.in



Management Discussion and Analysis FY 2021-22

India's online gaming industry is predicted to expand at a 15% CAGR to ₹ 153 billion by FY 2023-24, making it the fourth largest in the Indian Movies & Entertainment (M&E) sector. The online gaming industry grew steadily by 28% in FY 2020-21 to reach ₹ 101 million, even as people returned to work when the impacts of the pandemic reduced. The reason behind this growth can be attributed to the fact that the industry is changing as more advanced technology, software, cloud technology, and the internet are being used to bring games on a worldwide scale. The market's exponential expansion is also playing a key part in quickly increasing the scope of the overall gaming culture in India.



By FY 2023-24, India's internet gamers are predicted to reach nearly 450 million. Increase in work-from-home and school-from-home, and the resultant expansion of the laptop and mobile phone ecosystem, have fuelled the growth of gamers since the outbreak of the Covid-19 pandemic. According to recent research from Mobile Premier League (MPL), an esports and skill-gaming platform, India's tier-III cities and towns have witnessed a significant increase in online gamers in FY 2020-21. Compared to FY 2019-20, the top 30 cities reported up to 170% more players. Some smaller communities have experienced a 100% to 200%

increase in online players. According to a report by Sequoia India and BCG, India's gaming industry is currently smaller than that of the United States and China, accounting for only 1% of the global gaming market, but it generates US\$ 1.5 billion in revenue and is expected to triple to more than US\$ 5 billion by 2025 as a result of the 'mobile first' phenomenon. In India, female gamers are changing the gaming environment. According to the 'Think with Google APAC - Play like a Girl' poll, roughly 52% of India's female gamers reside in cities, while 29% live in rural villages.

The Union Budget FY 2022-23 recommended measures to fulfil the segment's potential and to expand domestic capacity to meet local and worldwide demand by proposing an animation, visual effects, gaming, and comic (AVGC) promotion task group. Removing the restriction on transaction-based games in many major states such as Karnataka, Tamil Nadu, and Kerala is a step to further promote this expansion. In terms of investments, between FY 2013-14 and FY 2019-20, India's online gaming sector has already garnered over US\$ 350 million in venture capital investments. India's average revenue per player has grown from US\$ 2.3 in 2016 to US\$ 8.85 in 2020. The mobile games segment's Average Revenue Per User (ARPU) is projected to amount to US\$ 19.78 by 2022. In addition, gaming penetration in India has increased from 15% in 2016 to 30% in FY 2019-20. The increase in online gaming activity, fuelled by a nearly tenfold increase in gamers over the previous decade, coincided with a similar increase in game development businesses. The major drivers of this rapid expansion are the spread of low-cost cell phones, high-speed internet, and lower data pricing. Thus, the burgeoning younger population, increased disposable incomes, the introduction of new gaming genres, and the fast-increasing number of smartphone and tablet users are all driving the country's rise to become one of the world's major gaming locations.

(Source: <https://www.businessinsider.in/advertising/media/article/gaming-what-to-expect-from-the-indian-gaming-and-e-sports-industry-in-2022/articleshow/88758491.cms>, <https://www.financialexpress.com/brandwagon/how-the-gaming-ecosystem-will-change-in-2022/2445219/>, <https://www.statista.com/statistics/235850/value-of-the-gaming-industry-in-india/>, IBEF, FICCI-EY, Statista)

About Nazara Technologies

Nazara is an India-based diversified gaming and sports media platform with a presence in India and developing and developed global markets such as Africa and North America; and offers products in the interactive gaming, esports, and Gamified Early Learning ecosystems. NODWIN in esports and Sportskeeda in esports media, Kiddopia in Gamified Early Learning, World Cricket Championship (WCC) in mobile games, and Classic Rummy, Halaplay and

Management Discussion and Analysis FY 2021-22 (Contd.)

Qunami in skill-based, rummy, fantasy, and trivia games, and Wings in gaming accessories are among the Company's most well-known IPs. In addition, Nazara has also acquired a majority stake in a programmatic and monetisation company - Datawrkz that enjoys presence in the United States, Singapore and India.

Only Diversified Player in India	IP Owned Assets
Geographically: Developed and Emerging Markets Business Model: Advertising, Subscription, Brand Sponsorships and Media Rights, In-App Purchases, and Adtech Business Segment: esports, Sports Simulation, Early Learners, and Skill-based Fantasy, Gaming Accessories and Gaming Entertainment Shows to Name a Few	- The only player in India with licensed IP across all categories - Only player in India with 100% in-house content development - Develops its software and game engines
Global Distribution Network	Capital Efficient & Sustainable Growth
- Pipelines and networks of distribution with 52 telecoms in 58 countries, including Africa, the Middle East, and South Asia - Apple and Google app store partnerships - Partnership with YT, Loco, Voot and MTV for distribution of esports content	- Debt-free, with a 10+ year track record of positive EBITDA, Net Profit, and Positive Cash Flows - Since its formation, the Company has raised a total of ₹ 5,045 million in main capital

Business Overview of Nazara:

Nazara had a number of revenue-generating business sectors as of March 31, 2022, including Gamified Early Learning, esports, Freemium, and Telecom Subscription.

S. No.	Business Segment	Business Model	Content IP Ownership	IP Name	% Revenue Contribution FY 2021-22
1	esports	Brand sponsorships (ads displayed on the platform) and exclusive premium content (media rights), white label IPs (activation for publishers), B2C business comprising gaming accessories, merchandising and influencer management	Yes	Nodwin, Sportskeeda; Publishme, Rusk DC and Brandscale (Wings)	49%

S. No.	Business Segment	Business Model	Content IP Ownership	IP Name	% Revenue Contribution FY 2021-22
2	Gamified Early Learning	Parents pay a subscription fee to use a gamified app for children aged 2 to 7	Yes	Kiddopia	33%
3	Freemium	Advertisements and virtual products purchased in the games	Yes	WCC	3%
4	Skill-based Real Money Gaming	Fees from skill games played on the platform is collected as a platform charge	Yes	Classic Rummy, Halaplay, Qunami	5%
5	Telco Subscription	Subscriptions for curated game packs are paid through a telecom operator channel	No	-	10%

Overall Business Performance Snapshot

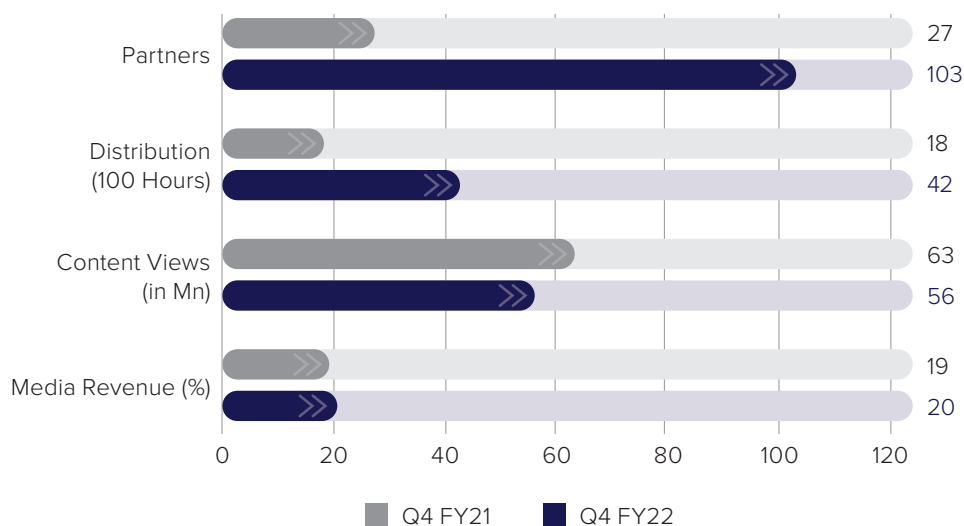
Segment-wise Commentary on Business Performance:

- esports:** Media rights licencing of original content, commercial sponsorships for offline and online events, licencing fees collected from game developers for community activation, sponsorships from brands that want to target the millennial audience, retail of licensed merchandise and gaming accessories as well as sale of advertising inventory via programmatic methods on Sportskeeda are all part of the esports income stream. Traditional sports are being disrupted by esports, which is the result of sports and gaming amalgamating to generate fast-paced spectator entertainment material.
- Nodwin maintained its revenue growth pace in FY 2021-22, with a 55% increase over FY 2020-21. In FY 2021-22, media rights accounted for around 39% of revenues, where the company generates revenues through the sale of media rights of its esports events to broadcasters such as Star Sports, Disney Hotstar, Jio TV and Glance among others. In addition the company earns sponsorships from brands that want to target the millennial audience as well as white label IPs from game publishers. In FY 2021-22, Nodwin also expanded into South Asia. With major IPs like ESL India Premiership, Dew Arena, and others, Nodwin continues to be the leading player in esports in India.

Management Discussion and Analysis FY 2021-22 (Contd.)

Particulars	FY 2021-22	FY 2020-21
Revenue	2,108	1,357
EBITDA	157	122
EBITDA %	7.4%	9%

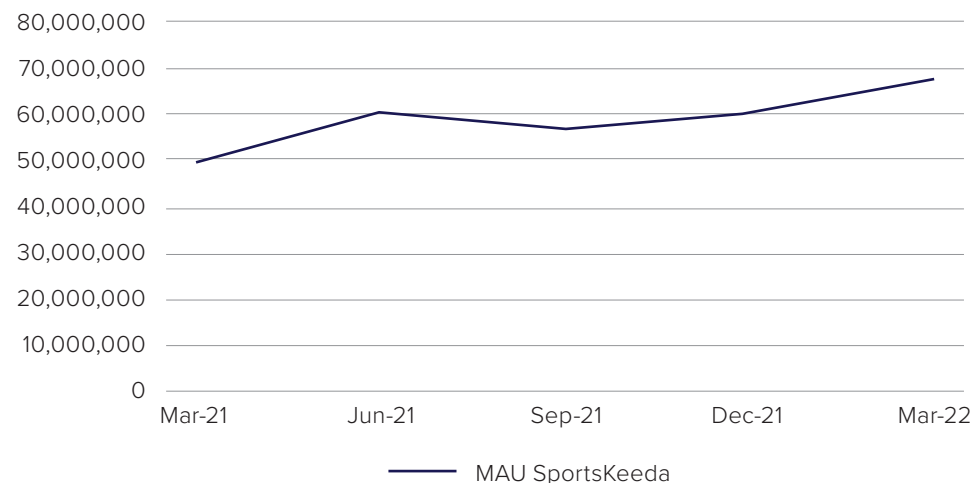
Nodwin Key Performance Indicators



- Sportskeeda, in FY 2021-22, reported an increased MAU by 35% from 50.05 million MAU in March 2021 to 67.52 million MAU in March 2022. Sportskeeda has established itself as a key source of esports news and information in India.

Particulars	FY 2021-22	FY 2020-21
Revenue	792	344
EBITDA	274	167
EBITDA %	34.6%	48.5%

Average MAU Sportskeeda



The new start-ups acquired under esports segment will play a significant role in driving revenue growth and margins in coming years.

Publishme is a full-service games marketing and publishing business with vast experience working with gaming publishers in Turkey and the MENA area. The purchase will assist the company in establishing itself as a regional leader.

Rusk is a digital entertainment company in India that develops content IPs for Gen-Z and millennial consumers. With Nazara's and Nodwin's investment in Rusk Media, the company will be able to massify entertainment-focused gaming and esports content and provide media outlets with material that appeals to 18 to 25-year-olds.

Wings is a gaming accessories company that creates and sells high-quality, low-cost gaming audio equipment. Through this collaboration, Nodwin hopes to expand and deepen its retail presence and accelerate its direct-to-consumer approach for gaming and esports consumers in India.

Management Discussion and Analysis FY 2021-22 (Contd.)

3. **Gamified Early Learning:** As of March 2022, Kiddopia had 3,08,684 paying customers, a de-growth of 9% over March 2021 (3,40,282).

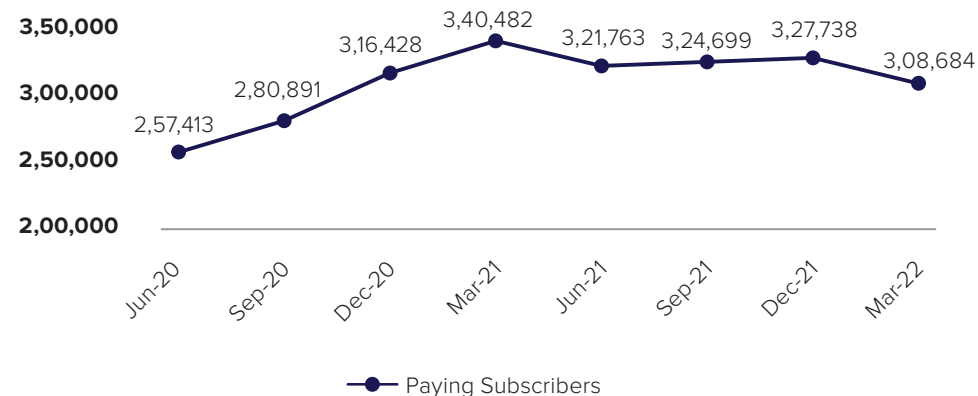
Particulars	FY 2021-22	FY 2020-21
Revenue	2,044	1,759
EBITDA	510	126
EBITDA %	25%	7.2%

- **Marketing Spend:** For FY 2021-22, marketing spends stood at US\$ 9.4 million as compared to US\$ 12.5 million in FY 2020-21, lower by 25% YoY as the company's marketing spends' ability was affected due to a change in the Apple privacy policy in Q1 FY 2021-22
- **LTV (Lifetime Value) – CAC (Consumer Acquisition Cost) & Activation ratio:** Cost per trial remained elevated at US\$ 33-36 mainly due to a change in Apple privacy policy which led us to exploring other marketing channels. Activation ratio from free trial to subscription remained around 70%.
- **Monthly ARPU and Monthly Churn:** None of the core product metrics regressed. Monthly ARPU of the user has been around US\$ 6.3 to US\$ 6.7 and monthly churn is range-bound between 5-6%.

Key Metrics*	Q4 FY 2020-21	Q1 FY 2021-22	Q2 FY 2021-22	Q3 FY 2021-22	Q4 FY 2021-22
Marketing Spend (in US\$ million)	US\$ 3.1	US\$ 1.8	US\$ 2.6	US\$ 2.8	US\$ 2.4
Cost Per Trial	US\$ 26.1	US\$ 26.9	US\$ 33.1	US\$ 34.6	US\$ 36.0
Activation Ratio	71.0%	71.0%	71.0%	70.7%	70.0%
Monthly ARPU	US\$ 6.4	US\$ 6.4	US\$ 6.6	US\$ 6.7	US\$ 6.7
Monthly Churn	6.3%	6.5%	5.3%	5.5%	6.8%

*All data is for Kiddopia on iOS

Kiddopia Paid Subscriber base*



*All data is for Kiddopia on iOS

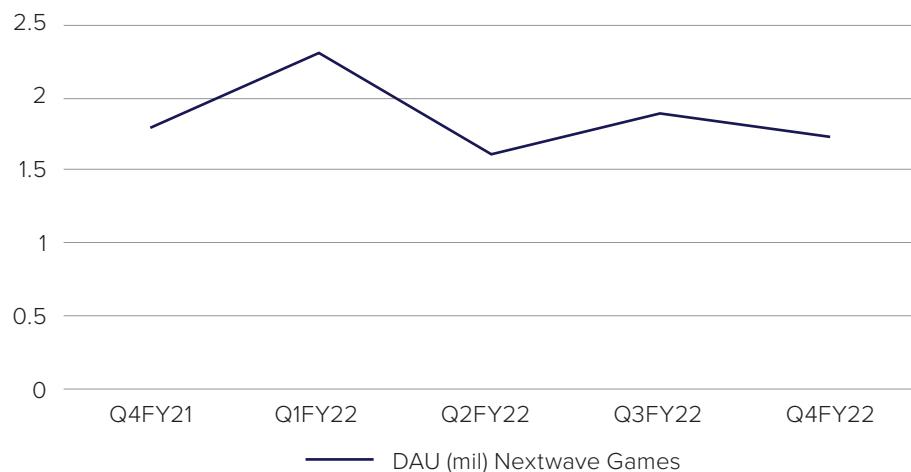
4. **Free to Download (Freemium):** The World Cricket Championship (WCC) is the world's largest mobile cricket simulation game series, offering 42 minutes of gameplay daily. Over 10 million monthly active users play Nextwave Games. The Game has a huge following among mid-core players who enjoy the virtual sports simulation genre, and it receives over 1,00,000 downloads per day without any paid advertising.

Particulars	FY 2021-22	FY 2020-21
Revenue	213	195
EBITDA	40	40
EBITDA %	18.8%	20.5%

- a. The number of Daily Active Users (DAUs) in the World Cricket Championship (WCC) stood at 1.9 million as of March 2022.

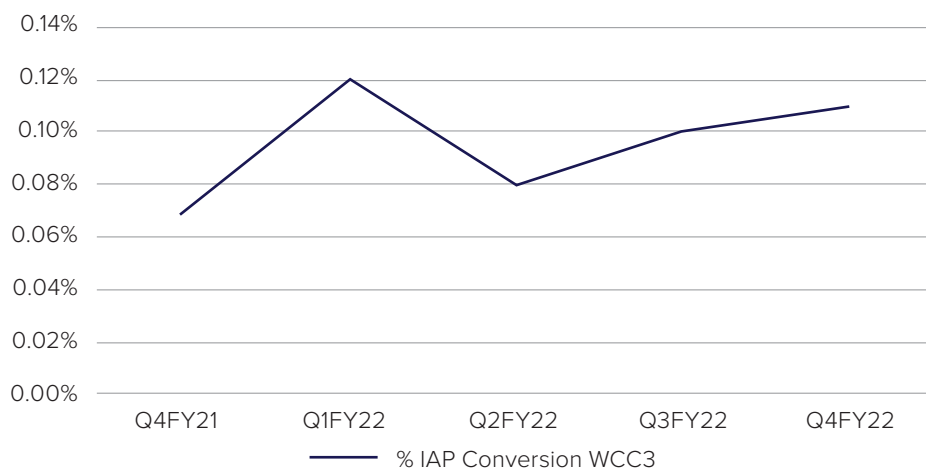
Management Discussion and Analysis FY 2021-22 (Contd.)

DAU (mil) Nextwave Games



- % IAP conversion for WCC3 for FY 2021-22 stood at 0.10%. For FY 2021-22, the % conversion in WCC3 remained in the range 0.10-0.15% as compared to 0.01% in WCC2. The % Conversion in WCC3 is expected to increase further in FY 2021-22 through new product updates

% IAP Conversion WCC3



5. **Telecom Operator-driven Subscription Business:** For the next four years, Nazara has purchased the worldwide distribution rights to a library of premium Disney and Star Wars games based on renowned stories and characters such as Star Wars, Frozen, Big Hero 6, Cars, Duck Tales, Finding Dory, Toy Story, and many others. These premium games will be offered to Nazara's client base through the Company's network of cellular providers. Nazara is the only third-party distributor authorised with the licence to construct and manage Disney-themed stores for premium Disney and Star Wars games on certain telecom channels under this deal with Disney.
6. **Sports Fantasy (Skill-based Real Money Gaming):** Due to a lack of live matches in the first part of FY 2020-21 and regulatory instability created by legislative ordinances issued in a few significant jurisdictions prohibiting real money gambling operations, there was a disruption in FY 2020-21. However, our acquisition of OpenPlay and its integration into the common tech platform has provided us the edge to build the Real Money Segment (RMG) with better improvisation. This acquisition autotuned the Company to build a network of skill gaming destinations while its current user base to attract handsome liquidity for the Company.

Financial Performance as a Measure of Operational Performance:

A. Revenue Performance: Snapshot

Nazara Technologies reported consolidated total operational revenue of ₹ 6,217 million in FY 2021-22, representing a 37% increase over the ₹ 4,542 million reported in FY 2020-21. The Gamified Early Learning and esports segments demonstrated strong growth momentum in FY 2021-22 and laid the groundwork for predictable growth due to proven user engagement and retention KPIs in Gamified Early Learning and multiyear media licencing and game publisher agreements in esports.

Revenue breakup according to segments is as follows:

(in ₹ million)

Revenue from Operations	For FY 2021-22	For FY 2020-21	% Change
esports	3,039	1,701	79%
Gamified Early Learning	2,044	1,759	16%
Freemium	213	195	9%

Management Discussion and Analysis FY 2021-22 (Contd.)

(in ₹ million)

Revenue from Operations	For FY 2021-22	For FY 2020-21	% Change
Real Money Gaming	297	139	115%
Telco Subscription	624	749	(17)%
Total Operational Revenue	6,217	4,542	37%
Other Income	241	143	69%
Total Income	6,458	4,685	38%

Consolidated EBITDA Performance: Snapshot

(in ₹ million)

Particulars	For FY 2021-22	For FY 2021-22 (%)	For FY 2020-21	For FY 2020-21 (%)
EBITDA	946	15.2%	447	9.8%

Year-on-Year Segment-wise Revenue Performance Analysis:

Gamified Early Learning: Paper Boat: As of March 2022, our Gamified Early Learning app 'Kiddopia' had 308,684 paying members, a decline of 9% in the paying subscribers over March 2021. The decline is purely on account of drop in velocity of new users because of lack of scale from current marketing channels.

esports: Quite a few factors supported the 79% tremendous growth figures of esports segment in FY 2021-22. The segment is the highest contributor in the revenue of Nazara with 49% of total revenue generated through esports in FY 2021-22.

Nodwin Gaming: In FY 2021-22, media rights accounted for the bulk of revenue. The company agreed to offer content to Viacom in FY 2020-21. Furthermore, the company also launched several new events that contributed to increased revenue.

Sportskeeda: In the FY 2021-22, Sportskeeda's MAU increased by 34.9% to 67.5 million as of March 2022.. MAU increased on account of early traction from emerging sports vertical such as MMA, American Football and Basketball, especially in the US market.

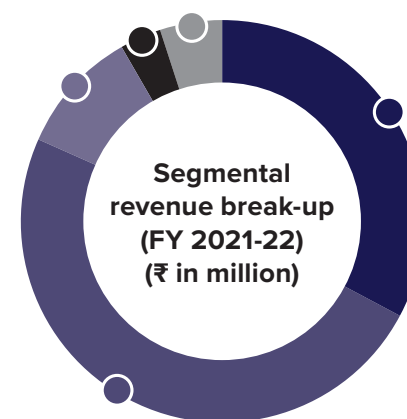
Freemium: The Freemium section comprises our subsidiary NextWave's free-to-download software, the World Cricket Championship (WCC). WCC revenues grown 15% in FY 2021-

22 due to increase in advertising rates. We expect WCC to increase as a result of in-app purchases of virtual goods, and WCC3 — the game's most recent edition, released in July 2021, intended to improve in-app purchase conversion rates.

Telco Subscription: The subscription business shrank by 17% in FY 2021-22 compared to FY 2020-21, owing to a drop in India sales in H2 FY 2021-22.

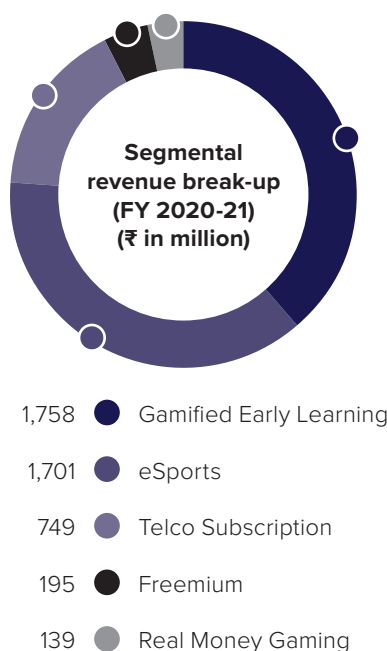
Real Money Gaming: Post the successful acquisition of OpenPlay, the Sports fantasy witnessed a significant growth in financial numbers in FY 2021-22. The segment revenue grew by 115% in FY 2021-22 compared to FY 2020-21.

The trend of increased contribution from Gamified Early Learning and esports and decreased contribution from telecom subscriptions continued in the FY 2021-22's total revenue mix, as illustrated below.



3,039	eSports
2,044	Gamified Early Learning
624	Telco Subscription
297	Real Money Gaming
213	Freemium
150	

Management Discussion and Analysis FY 2021-22 (Contd.)



Quarter 4 Segment-wise Revenue Performance: Snapshot

(in ₹ million)

Revenue from Operations	For Q4 FY 2021-22	For Q4 FY 2021-21	% Change
esports	916	486	88%
Gamified Early Learning	513	506	1%
Freemium	57	43	33%
Real Money Gaming	117	20	485%
Telco Subscription	148	179	(17)%
Total Operational Revenue	1,751	1,234	42%
Other Income	96	22	336%
Total Income	1,847	1,256	47%

Quarterly Consolidated EBITDA Performance: Snapshot

(in ₹ million)

Particulars	For Q4 FY 2021-22	For Q4 FY 2021-22 (%)	For Q4 FY 2020-21	For Q4 FY 2020-21 (%)
EBITDA	149	8.5%	118	9.6%

Q4 FY 2021-22 vs Q4 FY 2020-21: Segment-wise Revenue Performance Analysis:

- Gamified Early Learning:** As of March 2022, Kiddopia had 308,684 paying customers, which was a de-growth of 9% over March 2021 (340,282). **Marketing Spends** for FY 2021-22 marketing spends stood at US\$ 9.4 million as compared to US\$ 12.5 million in FY 2020-21, a decline of 25% YoY as the company's ability to spend was affected due to a change in the Apple privacy policy in Q1 FY 2021-22.
- esports:** In Q4 FY 2021-22, esports segment registered a growth of 88% over the Q4 FY 2020-21. The emergence of esports in the Tokyo Olympics 2020 and Asian Games 2022, plenty of global opportunities have been opened for this segment to flourish. Also, the recent popularity of gaming as a rich and diverse ground for storytelling and community building has acted as a catalyst for the growth of esports.
- Nodwin:** The company's revenue increased by 72% in Q4 FY 2021-22 compared to Q4 FY 2020-21. Media revenue increased by 84% YoY in Q4 FY 2021-22, accounting for 20% of total revenues in Q4 FY 2021-22 and 21% in FY 2021-22.
 - In this quarter, the NH7 weekender (an IP purchased as part of the OML business acquisition) was held. The event was completely sold out. Income from organic growth in our IPs and strategic interests, such as the OML asset purchase, increased significantly. The number of partners increased across all brands and game publishers, including EA Sports FIFA, eISL, Book My Show, PVR, and others.
- Sportskeeda:** The company's revenue climbed by 139% YoY (to ₹ 203 million in Q4 FY 2021-22 compared to ₹ 85 million in Q4 FY 2020-21)

Management Discussion and Analysis FY 2021-22 (Contd.)

7. **Freemium:** The number of Daily Active Users (DAUs) in the World Cricket Championship (WCC) stood at 1.73 million as of March 2022 from 1.80 million in March 2021. The % IAP conversion for WCC3 for Q4 FY 2021-22 stood at 0.11% vs 0.07% in Q4 FY 2020-21.
8. **Telco Subscription:** For FY 2021-22, the Telco Subscription business declined by 17% over FY 2020-21. The drop in revenue was mainly due to a decline in revenue from India Business, while revenue from the Non-Indian geographies remained flat YoY. As a part of our strategy, we are engaging with different telcos. However, this segment is not a growth driver for Nazara.
9. **Real Money Gaming:** In comparison to the same time in FY 2020-21, HalaPlay and OpenPlay reported a 485% growth in the Real Money Gaming segment in Q4 FY 2021-22. The growth was primarily attributed to a notable decrease in cost occurrence per player basis, a decrease in the first-time depositor's break-even time period from 8-9 months to 6-7 months, and an increase in the retention of recurrent users through analytics-based reengagement programmes. Additionally, data-based promotional offers and plugging referral programme leaks have caused the EBITDA to increase sequentially throughout the course of the term.

B. Expenses: Snapshot

Operating Costs

1. Advertising and Promotion

	(in ₹ million)		
Revenue from Operations	For FY 2021-22	For FY 2020-21	% Change
Advertising and Promotion	2,017	2,265	(11)

During the year, the Company witnessed a fall in advertising and promotion expenses. The drop in advertising cost was mainly due to a change in Apple policy which hampered marketing spends in the Gamified Early Learning segment. In FY 2021-22, advertising and promotion expenses accounted for 32% of overall operations costs vs 50% in FY 2020-21. In the esports category, advertising for FY 2021-22 accounted for a full year's cost.

2. Commission

	(in ₹ million)		
	For FY 2021-22	For FY 2020-21	% Change
Commission	504	501	1

Commission fees are primarily incurred in the Kiddopia app and for IAP sales in WCC3, accounting for 8% of revenue for FY 2021-22 vs 11% in FY 2020-21. These include Kiddopia's App Store and Google Play commissions.

Other Expenses

	(in ₹ million)		
	For FY 2021-22	For FY 2020-21	% Change
Other Expenses	473	318	49

Given the Company's extensive operations and considerable revenue growth, the Group managed to retain its cost in other expenses by keeping a close eye on its costs.

3. Content, Event and Web Server

	(in ₹ million)		
	For FY 2021-22	For FY 2020-21	% Change
Content, Event and Web Server	1,396	524	166

In FY 2021-22, content, events, and web servers accounted for 26% of overall operating expenditures. In FY 2020-21, Nazara acquired the rights to distribute a library of premium Disney and Star Wars games based on classic stories and characters, resulting in a cost hike. Due to constraints in the on-ground events, our esports category expenditures decreased. All of this resulted in flattish content and event costs.

Management Discussion and Analysis FY 2021-22 (Contd.)

4. Employee Benefits

(in ₹ million)

	For FY 2021-22	For FY 2020-21	% Change
Employee Benefits	881	487	81

In FY 2021-22, employee benefits accounted for 14% of revenue. The cost of employees increased as the Company's total operations grew.

Non-Operating Costs

a. Impairment Losses

(in ₹ million)

	For FY 2021-22	For FY 2020-21	% Change
Impairment Losses	87	41	112

Company-wise Breakup of Impairment Losses:

(in ₹ million)

Particulars	For FY 2021-22
Intangible Assets under development written off in	
- Absolute Sports	17
- Nextwave Multimedia	4
- Nazara Technologies Limited	4
Impairment loss for the investment and loans in	
- Mastermind Sports Limited	14
- Moonglabs Technologies Private Limited	8
- Sports Unity Private Limited	40
Total	87

The Group recorded a portion of the investment as an impairment loss due to extremely early-stage incubation bets, which did not materialise due to the nature of very early-stage incubations. Some of these incubations were unable to establish product market fit at scale, resulting in losses on their books.

Despite increasing the Company operations and considerable revenue development, the Company managed to retain its cost in other costs by keeping a close eye on its expenses.

b. Finance Cost

(in ₹ million)

	For FY 2021-22	For FY 2020-21	% Change
Finance Costs	6	4	50

c. Depreciation and Amortisation

(in ₹ million)

	For FY 2021-22	For FY 2020-21	% Change
Depreciation and Amortisation	390	355	10

The Group made a number of acquisitions in the last 3-4 years, resulting in the purchase of intangible assets such as goodwill and brand. Goodwill is not amortised, but assessed for impairment on an annual basis. The brand is amortised over ten years, the licence is amortised throughout the life of the asset and the remaining intangible assets are amortised over six years. The increase is mainly attributed to the increase in amortisation of intangible assets due to acquisition of new subsidiaries in FY 2021-22.

Consolidated EBITDA Performance: Snapshot

EBITDA was ₹ 946 million in FY 2021-22, representing a 109% increase over ₹ 452 million in FY 2020-21. As a result, the EBITDA margin increased by 526 bps, going from 10.0% in FY 2020-21 to 15.2% in FY 2021-22.

(in ₹ million)

Particulars	FY 2021-22	FY 2021-22	FY 2020-21	FY 2020-21
EBITDA	946	15.2%	447	9.8%

Management Discussion and Analysis FY 2021-22 (Contd.)

Segment-wise EBITDA Performance: Snapshot

(in ₹ million)

Particulars	FY 2021-22	FY 2021-22	FY 2020-21	FY 2020-21
esports	414	13.6%	289	17.0%
Gamified Early Learning	510	25.0%	126	7.2%
Freemium	40	18.8%	40	20.5%
Real Money Gaming	(1)	-0.3%	(90)	(65.2)%
Telco Subscription	142	22.8%	114	15.2%
Unallocated	(159)		(27)	

Segmental EBITDA (in ₹ million)



Management Discussion and Analysis FY 2021-22 (Contd.)

Year-on-Year Segment-wise EBITDA Performance Analysis:

Gamified Early Learning: Reduced advertising expenditures and increased revenue led to greater EBITDA, which increased from ₹ 126 million in the previous year to ₹ 510 million in FY 2021-22.

esport: Better EBITDA was generated increasing from ₹ 289 million in FY 2020-21 to ₹ 414 million in FY 2021-22, owing to lower variable expenses and increase in revenue.

Freemium: EBITDA remained flat to ₹ 40 million in FY 2021-22 as compared to FY 2020-21.

Telco Subscription: the Telco subscription EBITDA increased from ₹ 114 million in FY 2020-21 to ₹ 142 million in FY 2021-22 with optimisation of cost and allocation of corporate cost separately which was not done in FY 2020-21.

Real Money Gaming: Integration of HalaPlay and OpenPlay has led to EBITDA from ₹ (90) million in FY 2020-21 to ₹ (1) million in FY 2021-22, as variable expenses decreased.

The Company will continue to drive profitable growth and retain market leadership in the categories in which it operates since Nazara operates in high-growth business segments such as interactive gaming, Gamified Early Learning, and esports.

Quarter 4 Segment-wise EBITDA Performance: Snapshot

(in ₹ million)

Particulars	Q4 FY 2021-22	Q4 FY 2021-22	Q4 FY 2020-21	Q4 FY 2020-21
esports	32	3.5%	64	13.2%
Gamified Early Learning	95	18.5%	82	16.2%
Freemium	19	33.3%	8	18.6%
Real Money Gaming	18	15.4%	(10)	(50.0)%
Telco Subscription	44	29.7%	(6)	(3.4)%
Unallocated	(59)		(25)	
Total	149	8.5%	113	9.2%

Company-wise Financial Reporting (as consolidated):

(in ₹ million)

Revenue	Nature of Relationship	For FY 2021-22	For FY 2020-21	% YoY Growth
Nodwin Gaming Private Limited (Consolidated)	Material Subsidiary Company	2,108	1,357	55.3
Publishme Global FZ-LLC (consolidated)	Step-down subsidiary	139	-	-
Absolute Sports Private Limited	Material Subsidiary Company	792	344	130.2
Paper Boat Apps Private Limited (consolidated)	Material Subsidiary Company	2,044	1,759	16.2
NextWave Multimedia Private Limited	Subsidiary Company	188	164	14.6
Halaplay Technologies Private Limited	Subsidiary Company	62	124	(50.0)
OpenPlay Technologies Private Limited	Subsidiary Company	233	-	-

EBITDA	For FY 2021-22	For FY 2020-21
Nodwin Gaming Private Limited (consolidated)	157	122
Publishme Global FZ LLC (consolidated)	(17)	-
Absolute Sports Private Limited	274	167
Paper Boat Apps Private Limited (consolidated)	510	126
NextWave Multimedia Private Limited	36	36
Halaplay Technologies Private Limited	(23)	(8)
OpenPlay Technologies Private Limited	42	-

Management Discussion and Analysis FY 2021-22 (Contd.)

Cash Flow Analysis: Snapshot

The Company produced ₹ 621 million from operations and generated ₹ 3,348 million from financing activities during the year under review. The funds used in investment activities by the Company throughout the year was ₹ 3,495 million. As a result, the net growth in cash and cash equivalents for the year was ₹ 473 million.

Particulars	For FY 2021-22	For FY 2020-21	Reasons for Change
Net cash generated from Operating activities	₹ 621 million	₹ 679 million	37% increase in revenue combined with synergies from inorganic growth led to a whopping increase of 320% in PBT to ₹ 699 million in FY 2021-22 Adjustment for Non-cash items and others stood at ₹ 392 million on account of increased depreciation Working capital situation deteriorated a tad bit from the previous year, which is reflected in the slight deterioration of OCF generated year on year. OCF before tax stood at ₹ 811 million and post payment of taxes of ₹ 190 million stood at ₹ 621 million
Cash used in Investing activities	₹ (3,495) million	₹ (2,680) million	Cash flow from investing activities stood at ₹ (3,495) million led by the acquisition of - Publishme, OML, OpenPlay and the purchase of net current investments to the tune of ₹ 2,931 million

Particulars	For FY 2021-22	For FY 2020-21	Reasons for Change
Cash generated from Financing activities	₹ 3,348 million	₹ 2,170 million	Cash Flow from financing activities stood at ₹ 3,348 million, primarily led by Investment from GIC Singapore and Plutus Wealth capital

When combined with the previous year's closing balance of ₹ 1,400 million, total cash and cash equivalents at the completion of FY 2021-22 were ₹ 1,922 million. This, together with other bank balances, resulted in ₹ 3,227 million in cash available at the end of FY 2021-22.

Cash and Cash Equivalents:

The Company increased its cash and near cash reserves (including current investments) by ₹ 2,537 million during the year under review, bringing the total cash and near cash reserves to ₹ 7,321 million as of March 31, 2022, up from ₹ 4,784 million as of March 31, 2021. The Company and all of its subsidiaries are still debt-free, with no borrowed funds. The following is a breakdown of cash additions from key sources during the year:

- Cash from Operations
- Issuance of equity shares on preferential basis & Option Exercise

The Company's net worth expanded from ₹ 6,582 million in FY 2020-21 to 10,413 million in FY 2021-22, while basic EPS increased from ₹ 3.20 per share in FY 2020-21 to 9.09 per share in FY 2021-22.

Statement of Key Ratios

Types of Ratios	Explanation of Ratios	FY 2021-22	FY 2020-21	% Change	Explanation for Change
Interest Coverage Ratios (Times)	A debt-to-profitability ratio which determines how readily a company can pay interest on its debt	NA	NA	NA	The Company does not have any debt obligations
Current Ratio (Times)	A liquidity ratio which assesses a company's capacity to pay short-term or one-year obligations	5	3	66%	Current ratio has improved with increase in current investments

Management Discussion and Analysis FY 2021-22 (Contd.)

Types of Ratios	Explanation of Ratios	FY 2021-22	FY 2020-21	% Change	Explanation for Change
Debt Equity Ratio (Times)	A measure of how much of a company's activities are funded by debt versus wholly owned money, computed by dividing a company's total borrowings (which include long-term debt, short-term debt, and current maturities of long-term debt) by its shareholders' equity	NA	NA	NA	Company does not have any debt obligations
Debtors Turnover	An accounting metric used to assess how effective a company is in extending credit and collecting debts	8	7	22%	Increase in debtors in line with increase in revenue
Operating Profit Margin (%)	A profitability ratio used to assess the proportion of profit generated by a company's operations before taxes, depreciation, impairment, and interest are deducted	15.2%	10.0%		Increased due to higher revenue and optimisation of advertisement and user acquisition cost
Net Profit Margin (%)	The proportion of Revenue that remains after deducting all Expenses from Total Income	8.2%	3.0%		Increased due to improved operating margin
Return on Net Worth (%)	A percentage-based measure of a company's profitability, computed by dividing the year's Total Comprehensive Income by the year's Average Net Worth	6.8%	2.1%		Return on net worth improved with higher revenue and higher operating margins

Commentary on Key Growth Drivers & Investment - Performance Snapshot:

- esports (Nodwin/Sportskeeda):** Overall, esports media expanded by 78.71% in FY 2021-22 over FY 2020-21, and its growth is predicted to accelerate in FY 2022-23 owing to commercial momentum. Media rights licencing of own content, brand sponsorships for offline and online events, licence fee paid from game publisher for community activation, and programmatic inventory selling on Sportskeeda are all sources of esports revenue. esports is a result of sports and gaming colliding to generate fast-paced, high-thrill spectator entertainment material that is challenging traditional sports across the world. In FY 2021-22, Sportskeeda received an average of 67.5 million monthly visitors, up 35% from FY 2020-21.

Key Drivers:

- The only Company in India with IP and asset rights in grass-roots, regional, national, and international esports
- Exclusive rights and ownership of premier esports content for live streaming and on-demand on YouTube, Facebook, Hotstar, and other platforms
- This framework allows a Grassroots/Regional IPs player to enter the international circuit
- Nazara develops and owns the technological infrastructure that allows international games to be played locally
- Media rights are becoming a bigger part of esports earnings owing to the expanding number of global and local OTT channels.

Management Discussion and Analysis FY 2021-22 (Contd.)

- In addition, Nodwin has an ecosystem approach to capturing large eSports opportunities and has expanded offerings into esports-focused D2C business, providing another lever for growth
- Benefits for operating leverage to kick in as we scale revenues 1) Own IPs and Media rights revenue streams to show non-linear EBITDA growth as IPs scale 2) D2C business to become margin accretive once brands are established

1.1 **Nodwin** is in the esports content sector and is the market leader in India for esports content on OTT platforms, large-scale esports IP, collaborations with major game publishers, and brand sponsorships for endemic and non-endemic businesses. The majority of the Company's income comes from media rights licencing, and Nodwin is currently one of the top five worldwide esports companies in terms of revenue, and it is the global leader in mobile esports. Media rights contributed 21% of revenue in FY 2021-22. In addition, the firm has introduced several additional events that resulted in an increase in income.

Nodwin includes Publishme. Publishme revenue stood at ₹ 139 million and EBITDA at ₹ (17) million for FY 2021-22

In ₹ million	FY 2019-20	FY 2020-21	FY 2021-22
Revenue	780	1,357	2,247
EBITDA	87	132	140

1.2 **Sportskeeda** in FY 2021-22, had an increased MAU by 35% from 50.05 million MAU in March 2021 to 67.52 million MAU in March 2022. Sportskeeda has established itself as a key source of esports news and information in India. Nazara bought Sportskeeda in September of FY 2019-20.

In ₹ million	FY 2019-20	FY 2020-21	FY 2021-22
Revenue	142	344	792
EBITDA	13	167	274

2. **Skill-based Real Money Gaming:** Due to regulatory uncertainties in India, a strategic approach to real money gambling was taken. The Company switched from an aggressive user acquisition-driven development plan to a more conservative, profitability-driven growth model in this area. Due to a shortage of live matches in the first part of FY 2021-22 and regulatory instability created by legislative ordinances established in a few

significant jurisdictions prohibiting real money gambling activities, sports fantasy saw a disruption in FY 2021-22.

Our strategy around RMG segment is first to integrate HalaPlay and OpenPlay into one common tech platform and then going forward, continue to look at building the segment through consolidation

OpenPlay has a very strong LTV/CAC ratio on the back of strong player life cycle management and is one of the rare RMG companies which has the lowest leakage from gross to net gaming revenue on account of small quantum of bonus paid out to players.

OpenPlay's ability to garner higher ARPU from repeat players through data-based re-engagement as well as dynamic rewards mechanism has resulted in improving EBITDA

Key Drivers:

- Even though COVID-19 reduced the rapid rise in user base and engagement, (due to lack of live sports) the Company's fundamentals remain strong
- Sports growth, along with digitalisation, is progressively transforming India into a prime market
- While cricket remains the most popular sport in India, Indians have begun to follow football, kabaddi, basketball, and hockey, among other sports, where 50% of traffic comes from Tier 2 and Tier 3 cities.

In ₹ million	FY 2019-20	FY 2020-21	FY 2021-22
Revenue	397	124	295
EBITDA	(308)	(8)	19

10. **Paper Boat apps (IP: Kiddopia): Gamified Early Learning:** As of March 2022, Kiddopia had 3,08,684 paying customers, which was a de-growth of 9% over March 2021 (3,40,282).

- Marketing Spends:** For FY 2021-22, marketing spends stood at US\$ 9.4 million as compared to US\$ 12.5 million in FY 2020-21, which was lower by 25% YoY of the marketing spends as the company's ability to spend was affected due to a change in the Apple privacy policy in Q1 FY 2021-22.
- LTV (Lifetime Value) – CAC (Consumer Acquisition Cost) & Activation ratio:** Cost per trial remained elevated at US\$ 33-36 mainly due to of the change

Management Discussion and Analysis FY 2021-22 (Contd.)

in Apple privacy policy which led us to explore other marketing channels. Activation ratio from free trial to subscription remained around 70%.

- **Monthly ARPU and Monthly Churn:** Monthly ARPU of the user has been around US\$ 6.3 to US\$ 6.7 and monthly churn is range-bound between 4-7%

Key Drivers:

- Create fresh material for youngsters aged 2 to 7 years on a regular basis to tap into the enormous US market
- Americans spend US\$ 76 billion on early childhood care and education, such as preschool programmes
- The majority of instructors are in favour of gamification programmes for skill development
- Strong unit economics and high retention rates

In ₹ million	FY 2019-20	FY 2020-21	FY 2021-22
Revenue	582	1,759	2044
EBITDA	(33)	126	510

- 3. NextWave (IP: World Cricket Championship):** WCC is the most popular cricket game on the internet with over 12 million monthly active players playing the world's largest cricket simulation game on mobile for 46 minutes each day. The Game has developed a cult following among mid-core gamers who enjoy virtual sports simulation games. WCC3 - the beta version of a new cricket game – was released in May 2020 with the goal of driving IAPs and contributing to revenue growth. The conversion rate on WCC3 is 10.0x higher as compared to the previous title and is expected to reach 1.0% by 2025, according to the Company. Multiplayer, game advancement, and improved game economics, among other things, are already propelling IAP forward. IAP Revenue/Day has increased by []x (US\$). The Freemium category is mostly made up of our subsidiary NextWave's free-to-download software World Cricket Championship. WCC revenues remained unchanged in FY 2021-22 due to a decline in advertising rates in India as a result of COVID-19.

Key Drivers:

- Virtual products are bought in-app for monetisation
- Surge in IAP will be driven by the growth of mid- and hard-core gamers, as well as a higher ARPPU

	2020	2022	2025
Hard-core Gamers	10 million		30 million
Mid-core Gamers	35 million		100 million
Casual Gamers	250 million+		500 million+

- Underlying Consumer Behaviour –ARPPU Games are a new social group for Millennials and Gen Z, and act as catalyst in the growth of mid- and hard-core gamers
- With fewer games and longer shelf life, a greater amount of time spent per day
- Playing, competing, and watching are all contributing to the game's 'cult status'
- Competitive spirit is a crucial motivator of IAP and a critical part of Sports Simulation/ Mobile Battle Arena Shooting (MOBA)
- Cricket attracts 93% of sports viewers in India, and NextWave's cricket IP is equivalent to FIFA (owned by EA) in football

In ₹ million	FY 2019-20	FY 2020-21	FY 2021-22
Revenue	137	164	188
EBITDA	46	36	36

Details of the Investments made by Nazara as on March 31, 2022

The Company has been one of the most active investors in India's gaming industry and M&A has been an important strategy for Nazara's expansion. The 'Friends of Nazara' network with Nodwin, Paperboat applications, Absolute Sports (Sportskeeda), and NextWave, which was just a theory 4 years back, is now a proven reality and ready and waiting to shatter the revenue and user scale orbit.

Management Discussion and Analysis FY 2021-22 (Contd.)

Name of the Party	Amount (₹ in millions)			
	Cash Consideration	Share Swap	Total	Holding (%) (Nazara's or its subsidiaries)
Next Wave Multimedia Private Ltd	300	227	528	52
Nodwin Gaming Private Limited	505	414	919	54
Halaplay Technologies Private Limited	491	146	638	64
Crimzoncode Technologies Private Limited	16	13	29	100
Khichadi Technologies Private Limited	7		7	16
Sports Unity Private Limited	60		60	62
Absolute Sports Private Limited	104	343	448	75
Paper Boat Apps Private Limited	400	435	835	50
Instasportz Consultancy Private Limited	10		10	10
Moong Labs Technologies Private Limited	10		10	29
Rusk Media Private Limited	20		20	3
Openplay Technologies Private Limited	434	1,429	1,864	100
Publish Me Global FZ LLC (including loans)	202		202	69
Hashcube	23		23	12
Mastermind	27		27	26
AFK Gaming Private Limited	5		5	10
Rusk Media Private Limited	100		100	10
Unpause Entertainment Private Limited	0		0	100

Name of the Party	Amount (₹ in millions)			
	Cash Consideration	Share Swap	Total	Holding (%) (Nazara's or its subsidiaries)
Rusk Distribution Private Limited	0		0	51
A division Entertainment Private Limited	730		730	NA
Total	3,451	3,009	6,461	

To address gaps in its portfolio in areas such as Gamified Learning, esports, Freemium, and Real Money Gaming, Nazara will continue to pursue ambitious M&A both within and outside of India.

- ✓ Opportunities in demographics worldwide: Acquire IPs that cater to young boys, female gamers, and children aged 7 to 12
- ✓ Geographical leadership opportunities: Expansion into South Asia, Southeast Asia, and the Middle East for Freemium and esports; seek publishing partners in China for local app store distribution.
- ✓ Building capability and capacity within the Nazara network to establish a strong enabling environment for the growth of Gamified Learning, esports, Freemium, and Real Money Gaming.

Mergers & Acquisition Strategy

Over the upcoming 18-24 months, Nazara intends to invest ₹ 3,000 Crores and more in establishing the ecosystem, with the first phase being a ₹ 500 Crores investment using a combination of Nazara equity and cash. Nazara has a large addressable market to capture and uses the following ideologies for tapping into various territories for different business segments:

- Value-creation Driver
 - o IP
 - o Leadership
 - o Unit Economics

Management Discussion and Analysis FY 2021-22 (Contd.)

- Focus Geography
 - o India: Leadership in a future growth market in the growing consumer trend business
 - o US : Revenue scale with positive LTV/CAC in short to mid-term
 - o MENA : Expansion into other Emerging Markets

WhiteSpaces for Buying IPs:

Augment Nazara IP portfolio and acquire capable teams which have a proven track record of building and scaling multiple IPs.

Gamified Learning	7-12 Kids, USA
Freemium	14-25 Male, India/Global
Freemium	Women Gamers, USA
Skill-based Real Money Gaming	25+ Male, India
esports Tournament & Content IP	14-25 Males

White Spaces for Building Capabilities:

User Acquisition	USA & India
Ad Monetisation	USA & India
Influencer Marketing	India
Game Publishing Agency	MENA
Gaming Content Creation	On-Demand

Outlook

The gaming industry is expanding at a rapid pace across the world. Because of the widespread availability of smartphones and affordable technology, as well as rising disposable income, the industry is on the verge of taking off, and gradual penetration into previously untapped markets will fuel growth, allowing the industry to make a significant contribution to the economy. As the number of gamers in India grows, a convenient gaming culture will emerge.

Nazara intends to:

- ✓ Benefit from Nazara's dominant market position and growth opportunity in India
- ✓ Improve existing services and improve monetisation opportunities

- ✓ Explore strategic acquisition and investment possibilities
- ✓ Build the existing technological architecture continually to strengthen the existing platform

Risks and Mitigation

Financial Risks

Being vulnerable to market risk, credit risk, and liquidity risk, the management of these risks is overseen by the Company's senior management. The senior management ensures that the Company's financial risk operations are regulated by suitable rules and processes, and that financial risks are recognised, measured, and managed in line with the Company's policies and risk goals. The Board of Directors considers and decides on policies for addressing each of these risks, which are summarised below:

1. Market Risk - The risk where the fair value of a financial instrument's future cash flows fluctuates due to changes in market prices is referred to as Market Risk. It affects financial instruments such as deposits, mutual funds, and debt investments. Market risk is divided into three categories: interest rate risk, currency risk, and other price risk, which encompasses equity price risk and commodities risk.

However, when doing sensitivity analysis, the influence of market factors on the carrying values of gratuity and other post-retirement obligations, provisions, and the non-financial assets and liabilities of overseas businesses is not included

- 1.1 Equity/Investment Price Risk - The Company has made a number of important investments (including unlisted subsidiaries, associates and other investee companies). Some of these are start-ups (early stage) while others are in the growth stage.

Diversification helps the Company minimise share value risk by investing in various gaming firms. The Company's Board of Directors reviews and pre-approves all investment decisions. In addition, the Board reviews and evaluates the exposure to unlisted equity securities in non-current and current investments at the reporting date. In particular, the Board considers and evaluates unobservable inputs (such as long-term growth rates and weighted average cost of capital), 5-year cash flow projections, actual performance when compared to cash flow projections approved by the respective entity's Board of Directors, and sensitivity analysis performed by an independent external valuation expert.

Management Discussion and Analysis FY 2021-22 (Contd.)

- 1.2 Foreign Currency Risk - Foreign Currency Risk is the risk that an exposure's fair value or future cash flows may face due to fluctuations in foreign exchange rates. The Company's exposure to the risk of fluctuations in foreign exchange rates is principally related to its operational activities (where revenue or expenses are denominated in a foreign currency) and net investments in foreign subsidiaries. The Company did not use derivative instruments to hedge or speculate.
2. Credit Risk - The risk where a counterparty fails to satisfy its commitments under a financial instrument or consumer contract, resulting in a financial loss is called Credit Risk. The Company is subject to credit risk as a result of its operational activities (mainly trade receivables) and financing activities. It evaluates and manages credit risk using an internal credit rating system. Internal credit rating is conducted for each type of financial instrument with varying features. Each class of financial assets can be classified into Low Credit Risk, Moderate Credit Risk and High Credit Risk ratings based on the assumptions, inputs, and criteria related to the class of financial assets.
- Each business segment has traditionally handled credit risk through credit approvals, credit limitations, and ongoing monitoring of the credit worthiness of clients to whom credit terms are issued in the usual course of business.
3. Liquidity Risk - The risk where the Company is unable to settle or satisfy its commitments when they become due is known as Liquidity Risk. Senior management oversees procedures and policies relating to such risks. The management team analyses the net liquidity situation using rolling predictions based on predicted cash flows. The Company's policy on liquidity risk is to have enough cash on hand and invest in liquid mutual funds to cover its operating needs with an adequate degree of headroom.

Operational Risks

- o The Company's ability to attract users at the lowest possible cost and sustain LTV/CAC in the Gamified Learning sector might be influenced by changes made by distribution platforms such as Apple and Google on a regular basis. The Company collaborates intensively with numerous partners to stay ahead of any such shifts, and it also has a skilled in-house team that can identify a new normal far sooner than their peer groups.
- o The Company's ability to maintain high growth in esports revenue in India is primarily dependent on an increase in the revenue scale of the Indian mobile gaming market (non-real money gaming), which will result in the entry of more global gaming publishers in India and accelerated investment in esports by game publishers. As the industry leader and most trusted esports partner among worldwide publishers, the Company continues to engage and evangelise the Indian market to game publishers, brands, and other stakeholders.
- o The Company's ability to grow revenue on a large scale in Freemium through in-app purchases of virtual items within the game is highly dependent on the habit of Indian gamers to convert from playing to paying gamers, as well as the supply side of game designers who can create game designs to encourage micro transactions within the game.
- o The Company's capacity to build its sports media business is highly dependent on changes in data privacy regulations imposed by app stores, Governments, and huge global ad networks like Facebook and Google on a regular basis.
- o The Company's capacity to expand its Real Money Gaming business is subject to changing legal and regulatory concerns, such as changes in direct tax regimes. The Supreme Court and the High Court see a game as a game of skill or a game of chance, and Indian states are making anti-online real money gaming rulings based on the inherent societal optics of connecting this with vice. The Company actively collaborates with other Real Money Gaming industry leaders and Government agencies to educate various stakeholders on the game of skill vs. chance.
- o The gaming sector is heavily data-driven, making it vulnerable to cyber security breaches, malicious viruses, and phishing assaults. Indiscreet and unauthorised publication of personal customer information and data compromise harms reputation and brand and has a long-term financial impact due to contract termination. The Company has put in place appropriate and suitable IT measures to monitor and keep such malpractices under control. Furthermore, firewalls and anti-virus software safeguard data privacy and dramatically decrease such dangers.
- o Secure intellectual property (IP) and exclusive media rights are two of the gaming industry's main development drivers. Infringement of IP rights over game names and content, or acquired or held IPs, results in financial losses, long-drawn claims and litigation, and an unfavourable environment in industry operations. The

Management Discussion and Analysis FY 2021-22 (Contd.)

Company has made enough and sufficient arrangements in this respect. It has a registration for the protection of intellectual property rights with the Office of the Controller General of Patents, Designs, and Trademarks of the Government of India's Department for Promotion of Industry and Internal Trade.

Internal Control Systems and Adequacy

The Company has suitable internal financial control mechanisms in place that are proportionate to the magnitude of its activities. Internal control systems, which include policies and procedures, are intended to assure good management of the Company's operations, asset security, and the prevention and detection of frauds and mistakes. Since they are put in place in the Company to act as a deterrent to any wrongdoings by the Company and to prevent any misbehaviour, they should be effective in providing credible financial reports to avoid frauds.

To maintain the highest levels of Internal Control, the Audit Committee reviews systems and processes on a regular basis. The Company's Auditors made no major or severe observations during the year under review, indicating inefficiency or inadequacy of such controls. M/s. R. Jaitlia and Co., Chartered Accountants conducted a thorough internal audit. Post-audit evaluations were also conducted to ensure that the findings were followed up on. The Company's Board of Directors are responsible for ensuring that necessary internal controls are in place throughout preparation and presentation of financial statements.

Human Resources

A 'People's Policy,' has been established by the Company which outlines important requirements that apply to all of the Company's employees. This pertains to equal opportunity, business behaviour codes, working hours, probation, internal transfers, promotions, misconduct and sexual harassment, leave, departure, business travel, and whistle-blower issues.

To address sexual harassment accusations, an Internal Complaints Committee was constituted under the Policy on Sexual Harassment Prevention,' which was enacted on August 23, 2014. The Board's composition is subject to the Company's 'Policy on Board

Diversity,' which was last revised on March 10, 2021. The 'Nomination and Remuneration Policy,' which was last modified on March 10, 2021, applies to Executive and Non-executive Directors, Key Management Personnel, and Senior Management Personnel.

Being a people-driven Company, the capacity to recruit, develop, motivate, retain, and effectively use highly qualified employees across companies is critical to its success. Increased employment by technology-driven enterprises and increased global rivalry for competent gaming experts are anticipated to result in a labour shortage. Game developers and gaming industry specialists who select mobile games and develop/ provide gaming platforms are also important to the Company.

Nazara continues to strive to provide a good, welcoming, safe, and collaborative workplace. The Company's attrition rate for FY 2021-22 was 36.64%. Employees are the most valuable assets, and the Company maintains people-centric policies and procedures. Finding the proper personnel, such as game developers, animators, technology stack engineers, game designers, UI/UX professionals, M&A specialists, HR business partners, and marketers, is a critical investment area for the Company. The Company also plans to invest in organised training and upskilling programmes on an ongoing basis. As a result, this would encourage a culture of entrepreneurship, meritocracy, and diversity.

Cautionary Statement

Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations, and others may constitute 'forward-looking statements' within the meaning of applicable securities laws and regulations. Actual results may differ from those expected or implied. Several factors that could significantly impact the Company's operations include economic conditions affecting demand, supply and price conditions in the markets, changes in technology, changes in Government regulations, tax laws and other statutes, climatic conditions, and such incidental factors over which the Company does not have any direct control. The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise.

Board's Report

Dear Members,

The Board of Directors hereby submits the 23rd Annual Report of the business and operations of Nazara Technologies Limited (“**The Company**” or “**Your Company**” or “**Nazara**”) along with the audited financial statements for the financial year ended March 31, 2022. The consolidated performance of the Company and its subsidiaries has been referred to wherever required.

Result of Operations and State of Affairs

Summary of the operations of the Company on standalone and consolidated basis for the financial year ended March 31, 2022 is as follows:

(₹ in million)

Particulars	Standalone		Consolidated	
	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21
Revenue from Operations	204	329	6,217	4,542
Total Expenditure	676	428	5,754	4,495
Profit before tax & exceptional items	(346)	(9)	699	166
Net Profit/Loss Before tax	(346)	(9)	699	166
Profit/ (Loss) for the year	(338)	8	507	136
Equity Share Capital	130	122	130	122
Other Equity	8,857	4,577	10,283	6,460
Net Block	27	9	4,251	2,986
Net Current Assets	3,952	2,213	9,154	6,813
Cash and Cash Equivalents (including bank balances)	285	562	3,228	3,724
Earnings/(Loss) per Share				
Basic (in ₹)	(10.81)	0.28	9.09	3.20
Diluted (in ₹)	(10.81)	0.28	9.09	3.08

Business Overview:

The Company is an India-based diversified gaming and sports media platform with a presence in India along with developing and developed global markets such as Africa and North America, and offers products in the interactive gaming, esports, and gamified early learning ecosystems. NODWIN in esports and Sportskeeda in esports media, Kiddopia in gamified early learning, World Cricket Championship (WCC) in mobile games and Classic

Rummy, Halaplay and Qunami in skill-based, rummy, fantasy, and trivia games, and Wings in gaming accessories are among the Company's most well-known IPs. In addition, Nazara has also acquired a majority stake in a programmatic and monetisation company Datawrkz. Datawrkz has presence in Singapore and the United States.

During the year under review, on Standalone basis the Company has registered a turnover of ₹ 204 millions as against ₹ 329 million in the previous year. The other income stood at ₹ 126 million as against ₹ 90 million in the previous year. The total expenditure stood at ₹ 676 million as against ₹ 428 million in the previous year. Your Company had registered a total comprehensive loss of ₹ 340 million for the financial year ended on March 31, 2022 as against comprehensive profit of ₹ 2 million in the previous year.

The operating and financial performance of your Company has been covered in the Management Discussion and Analysis Report which forms part of the Annual Report.

Dividend:

In view of the losses during the financial year under review, the Board of Directors have decided not to recommend any dividend for the financial year ended March 31, 2022.

The Dividend Distribution Policy, in terms of Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') is available on the Company's website at <https://corp.nazara.com/wp-content/uploads/2021/03/Dividend-Distribution-Policy.pdf>

Transfer to Reserves:

The Board of Directors of your Company has not transferred any amount to the General Reserves for the year ended March 31, 2022.

Subsidiaries & Associates:

The Company has 25 (Twenty-Five) subsidiaries including 11 (Eleven) direct, 14 (Fourteen) step-down subsidiaries and 2 (Two) associates as on March 31, 2022. The detailed list of subsidiaries and associates as on March 31, 2022 is provided as **Annexure 1**. There has been no material change in the nature of the business of these subsidiaries. The following are additions during the year under review:

- On August 10, 2021, the Company increased its equity stake in Absolute Sports Private Limited by acquisition of 3000 equity shares of ₹ 1/- each for an aggregate consideration of ₹ 9.60 millions representing 1.40% of the paid up share capital.

Board's Report (Contd.)

- On July 29, 2021, Nazara Technologies FZ LLC, a wholly owned subsidiary of the Company, incorporated a wholly owned subsidiary, Publishme Global FZ LLC in Dubai Media City. On December 7, 2021, the stake was reduced to 69.18% consequent to the issuance of further 30.82% stake to the founders of Arrakis Tanitim Organizasyon Pazarlama SAN. TIC. Ltd. A. S. (Publishme) in accordance with the definitive agreements entered on September 20, 2021 amongst Publishme Global FZ LLC, Publishme and the founders and shareholders of Publishme and Nazara Technologies FZ LLC.
- Publishme Global FZ LLC has acquired 100% equity stake in Arrakis Tanitim Organizasyon Pazarlama SAN. TIC. Ltd. A. S. (Publishme) on September 22, 2021 in accordance with the definitive agreements entered on September 20, 2021 amongst Publishme Global FZ LLC, Publishme and the founders and shareholders of Publishme and Nazara Technologies FZ LLC, pursuant to which Publishme became subsidiary of Publishme Global FZ LLC and in turn step down subsidiary of Nazara Technologies FZ LLC and the Company;
- On September 01, 2021, the Company acquired 23.30% equity stake in Openplay Technologies Private Limited (Openplay), in terms of the Acquisition Agreement dated August 27, 2021 entered between the Company, Openplay, Unnati Management Consultants LLP and Sreeram Reddy Vanga. The Company acquired the balance 76.70% equity stake in OpenPlay on November 24, 2021 and accordingly, with this acquisition, OpenPlay became the wholly owned subsidiary of the Company with effect from November 24, 2021.
- On February 01, 2022, Nodwin Gaming Private Limited, a material subsidiary of the Company, incorporated a wholly owned subsidiary, Unpause Entertainment Private Limited in India.
- On February 28, 2022, Nodwin Gaming Private Limited, a material subsidiary of the Company, acquired 51% equity stake in Rusk Distribution Private Limited.

Apart from above, Nazara Uganda Limited, a step down wholly owned subsidiary of the Company, has initiated the process of winding up by filing the application with the relevant authorities on April 13, 2022. Nazara Uganda Limited is not a material subsidiary and does not have any business operations as on date.

Further, in accordance with the Section 129(3) of the Companies Act, 2013 ("Act") read with Rule 5 of Companies (Accounts of Companies) Rules, 2014, a statement containing the salient features of the financial statement of the Subsidiaries/Associates of the Company in the prescribed format AOC-1 is attached to the financial statements of the Company. The said

form also highlights the financial performance of each of the subsidiaries/associates/joint venture of the Company as per the Act included in the Consolidated Financial Statements pursuant to Rule 8(1) of the Companies (Accounts) Rules, 2014.

Further, pursuant to the provisions of Section 136 of the Act, the Standalone Financial Statements of the Company, Consolidated Financial Statements along with relevant documents and separate audited financial statements in respect of subsidiaries, are available on the website of the Company at www.nazara.com

Nodwin Gaming Private Limited, Paper Boat Apps Private Limited, Nazara Technologies FZ LLC and Nazara Technologies (Mauritius) are the material unlisted subsidiaries of your Company. The Audit Committee and the Board reviews the financial statements, significant transactions of all subsidiary Companies, and the minutes of unlisted subsidiary Companies are placed before the Board.

Your Company in accordance with the SEBI Listing Regulations as amended, has formulated and adopted a Policy for determining its 'material subsidiaries'. The said policy is uploaded on the website of the Company at <https://corp.nazara.com/wp-content/uploads/2021/03/Policy-on-Material-Subsidiaries.pdf>.

Consolidated Financial Statements:

Your directors have pleasure in attaching the audited consolidated financial statements pursuant to Section 129 (3) of the Act and Regulation 34 of SEBI Listing Regulations. The Consolidated Financial Statements have been prepared in accordance with the Accounting Standards prescribed under Section 133 of the Act.

Share Capital:

The paid up share capital of the Company as on March 31, 2022 is ₹ 13,04,84,908/- divided into 3,26,21,227 fully paid up equity shares of ₹ 4/- each.

During the year under review, your Company has made the following allotments on preferential basis/ pursuant to exercise of options under ESOP Schemes:

- 14,29,266 fully paid up equity shares of ₹ 4/- each at a price of ₹ 2,206/- for a cash consideration aggregating to ₹ 3,152.96 millions to Gamnat Pte. Ltd and Plutus Wealth Management LLP, on preferential private / placement basis by way of resolution of the Board of Directors passed on November 18, 2021.
- 6,48,125 fully paid up equity shares of ₹ 4/- each at a price of ₹ 2,206/- aggregating to ₹ 1,429.76 millions to Unnati Management Consultants LLP, shareholder of OpenPlay Technologies Private Limited, on preferential / private placement basis, for consideration

Board's Report (Contd.)

other than cash [i.e. being consideration for acquisition of balance stake (7,670 equity shares of ₹ 10/- each) of Openplay Technologies Private Limited], by way of resolution of the Board of Directors passed on November 24, 2021.

3. 91,000 equity shares of ₹ 4/- each were allotted at an exercise price of ₹ 282.91/- each upon exercise of option to the eligible employees of the Company under Nazara Technologies ESOP 2017 by way of resolution passed at the meeting of the Nomination, Remuneration & Compensation Committee of the Company held on December 11, 2021.

Post the balance sheet date (i.e March 31, 2022), the paid-up equity share capital of the Company was further increased from ₹ 13,04,84,908/- divided into 3,26,21,227 equity shares of ₹ 4/- each to ₹ 13,13,29,216/- consisting of 3,28,32,304 Equity shares of ₹ 4/- each on account of the following allotments done by the Company:

1. 1,10,617 fully paid up equity shares of ₹ 4/- each at a price of ₹ 2,260/- aggregating to ₹ 249.99 millions to Senthil Govindan, Mayank Khirwadkar, Arunprabu K and Garale Vishal Tukaram, shareholders of Datawrkz Business Solutions Private Limited, on preferential / private placement basis, for consideration other than cash (i.e. being part consideration for acquisition of 22,499 equity shares of ₹ 1/- each of Datawrkz Business Solutions Private Limited), by way of resolution of the Board of Directors passed on April 14, 2022.
2. 1,00,460 equity shares of ₹ 4/- each were allotted at an exercise price of ₹ 282.91/- each upon exercise of options to the eligible employees of the Company under Nazara Technologies ESOP 2017 by way of resolution passed at the meeting of the Nomination, Remuneration & Compensation Committee of the Company held on April 27, 2022.

Employee Stock Options:

The Nomination, Remuneration and Compensation Committee of the Board of Directors of the Company, inter alia, administers and monitors the Employees' Stock Option Plan of the Company. During the year under review, there was no change in the ESOP schemes of the Company.

The Company has two operative Employee Stock Option Schemes i.e. Nazara Technologies Employee Stock Option Plan 2017 ("ESOP 2017") and Nazara Technologies Employee Stock Option 2020 ("ESOP 2020") with an objective to reward the Eligible Employees for their performance in the Company and to share the wealth created by the Company with them.

The above Schemes are in line with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SBEB & SE Regulation") The Company has obtained certificates from the Secretarial Auditors of the Company stating that

the Schemes have been implemented in accordance with the SBEB & SE Regulations and the resolutions passed by the members.

The certificates are available for inspection by members in electronic mode. The details as required to be disclosed under the SBEB & SE Regulations can be accessed at https://corp.nazara.com/?page_id=5554.

Change in Registered Office of the Company

During the year under review, the registered office of your Company has been shifted from 51-57, Maker Chambers 3, Nariman Point, Mumbai -400021 to 51-54, Maker Chambers 3, Nariman Point, Mumbai – 400021.

Public Deposits

During the year under review, your Company has not accepted any deposits within the meaning of Section 73 and 76 of the the Act read with Companies (Acceptance of Deposits) Rules, 2014. As on March 31, 2022, there were no deposits lying unpaid or unclaimed.

Particulars of Loans, Guarantees or Investments:

The particulars of loans given, guarantees given, investments made and securities provided by the Company during the year under review, are in compliance with the provisions of Section 186 of the Act and the Rules made thereunder and details are given in the Notes to the Standalone Financial Statements forming part of the Annual Report. All the loans given by the Company to the bodies corporate are towards business purposes.

Particulars of Contracts or Arrangements with related parties referred to in section 188(1) of the Act

All the transactions with related parties were in the ordinary course of the business and on the arm's length basis and are reported in the Notes to the Standalone Financial Statements. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3) of the Act in Form AOC-2 is not applicable.

The Policy on Materiality of Related Party Transactions and on dealing with Related Party Transactions as approved by the Board is available on the Company's website and can be accessed at <https://corp.nazara.com/wp-content/uploads/2022/06/Policy-on-Related-Party-Transactions.pdf>.

Directors:

As on March 31, 2022, the Board of Directors of your Company comprises of Seven (7) Directors consisting of a Managing Director, a Joint Managing Director and five (5) Non-Executive Directors, out of which Four (4) are Independent Directors including one Woman



Board's Report (Contd.)

Independent Director. The constitution of the Board of the Company is in accordance with Section 149 of the Act, and Regulation 17 of SEBI Listing Regulations.

During the year under review, Mr. Karan Bhagat, Non-Executive Director resigned w.e.f. May 05, 2021 under section 168 and other applicable provisions of Act, rules made thereunder and SEBI Listing Regulations. The Board placed on record its high degree of appreciation for the valuable and excellent contribution made by him during his tenure as a Director of the Company.

On the basis of the written representations received from the Directors, none of the above Directors are disqualified under Section 164 (2) of the Act.

Mr. Nitish Mittersain (DIN: 02347434), Director of the Company, is liable to retire by rotation at the ensuing Annual General Meeting (AGM) and being eligible, offers himself for re-appointment. A resolution seeking shareholder's approval for his re-appointment along with the required details forms part of the Notice of AGM.

Declaration of Independence

The Company has received declarations from the Independent Directors confirming that they meet the criteria of Independence as prescribed under Section 149(6) of the Act along with the Rules framed thereunder and Regulation 16 of SEBI Listing Regulations.

The Non-Executive Directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees, commission and reimbursement of expenses, if any, incurred by them for the purpose of attending meetings of the Company. The Independent Directors have confirmed that they have registered their names in the data bank maintained with the Indian Institute of Corporate Affairs.

In the opinion of the Board, there has been no change in the circumstances which may affect their status as Independent Director of the Company and the Board is satisfied of the integrity, expertise, and experience including proficiency in terms of Section 150(1) of the Act and applicable rules made thereunder.

Annual Evaluation

The Nomination, Remuneration and Compensation Committee of the Company has laid down the criteria for performance evaluation of the Board and individual directors including the Independent Directors and Chairperson covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its committees, Board Culture, execution and performance of specific duties, obligations and governance. It includes circulation of evaluation forms separately for evaluation of the Board, its Committees, Independent Directors / Non-Executive Directors / Executive Directors and the Chairman of

your Company. In a separate meeting of Independent Directors which was held on May 12, 2022, performance of Non-Independent Directors, the Board as a whole and the Chairman of the Company was evaluated, taking into account the views of Executive Directors and Non-Executive Directors.

At the board meeting that followed the meeting of the Independent Directors and meeting of Nomination, Remuneration and Compensation Committee, the performance of the Board, its Committees, and individual directors was also discussed. Performance evaluation of Independent Directors was done by the entire Board, excluding the Independent Directors being evaluated.

Key Managerial Personnel:

During the year under review, Ms. Pratibha Mishra, Company Secretary & Compliance Officer of the Company has resigned w.e.f. July 09, 2021 and Mr. Kiran Joshi was appointed as Interim Compliance Officer of the Company w.e.f. July 10, 2021. Further, Mr. Pravesh Palod, was appointed as Company Secretary & Compliance Officer with effect from November 22, 2021 and Mr. Kiran Joshi had stepped down from the position of Interim Compliance Officer w.e.f. November 22, 2021.

The Board places on record its appreciation for Ms. Pratibha Mishra and Mr. Kiran Joshi for their contribution during their tenure.

Pursuant to the provisions of Section 203 of the Act, Mr. Vikash Mittersain, Chairman & Managing Director, Mr. Nitish Mittersain, Joint Managing Director, Mr. Manish Agarwal, Chief Executive Officer, Mr. Rakesh Shah, Chief Financial Officer and Mr. Pravesh Palod, Company Secretary & Compliance Officer are the Key Managerial Personnel of the Company as on March 31, 2022.

Number of Meetings of Board of Directors:

During the year under review, the Board of Directors met 11 (Eleven) times, the details of which are given in the Corporate Governance Report. The intervening gap between two consecutive meetings was within the period prescribed under the Act, Secretarial Standards on Board Meetings and SEBI Listing Regulations as amended from time to time.

Committees of the Board

The Board of Directors of your Company have formed various Committees, as per the provisions of the Act and as per SEBI Listing Regulations and as a part of the best corporate governance practices, the terms of reference and the constitution of those Committees is in compliance with the applicable laws.

Board's Report (Contd.)

In order to ensure focused attention on business and for better governance and accountability, the Board has constituted the following committees:

a) Audit Committee

The Audit Committee was reconstituted w.e.f. October 29, 2021 and as on March 31, 2022, the Audit Committee comprises of Mr. Kuldeep Jain, Mr. Probir Roy, Ms. Shobha Jagtiani and Mr. Nitish Mittersain as its Members. The Committee comprises of majority of Independent Directors with Mr. Kuldeep Jain, being the Chairman. The Chief Financial Officer of your Company is the permanent invitee.

The details with respect to the Composition, powers, roles, terms of reference, etc. of the aforesaid committee are given in the "Corporate Governance Report" which is presented in a separate section and forms part of the Annual Report.

b) Nomination, Remuneration and Compensation Committee

As on March 31, 2022, the Nomination, Remuneration and Compensation Committee comprises of Mr. Probir Roy, Ms. Shobha Jagtiani and Mr. Kuldeep Jain as its members.

The details with respect to the Composition, powers, roles, terms of reference, etc. of the aforesaid committee are given in the "Corporate Governance Report" which is presented in a separate section and forms part of the Annual Report.

c) Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee was reconstituted w.e.f. October 29, 2021 and as on March 31, 2022, the Corporate Social Responsibility Committee comprises of Mr. Vikash Mittersain, Mr. Nitish Mittersain, Ms. Shobha Jagtiani, and Mr. Sasha Mirchandani as its members. The details with respect to the Composition, powers, roles, terms of reference, etc. of the aforesaid committee are given in the "Corporate Governance Report" which is presented in a separate section and forms part of the Annual Report.

d) Stakeholders Relationship Committee

As on March 31, 2022, the Stakeholders' Relationship Committee comprises of Ms. Shobha Jagtiani, Mr. Probir Roy and Mr. Vikash Mittersain as its members. The details with respect to the Composition, powers, roles, terms of reference, etc. of the aforesaid committee are given in the "Corporate Governance Report" which is presented in a separate section and forms part of the Annual Report.

e) Risk Management Committee

Pursuant to provisions of Regulation 21 of the SEBI Listing Regulations, the Risk Management Committee of Company was constituted on April 22, 2021 for inter alia

evaluating and monitoring key risks including strategic, operational, financial, cyber security and compliance risks & framing, implementing, monitoring and reviewing Risk Management plan, policies, systems and framework of the Company. Further, the Risk Management Committee was reconstituted w.e.f. October 29, 2021 and as on March 31, 2022, the Risk Management Committee comprises of Ms. Shobha Jagtiani, Mr. Nitish Mittersain and Mr. Rakesh Shah as its members.

The details with respect to the Composition, powers, roles, terms of reference, etc. of the aforesaid committee are given in the "Corporate Governance Report" which is presented in a separate section and forms part of the Annual Report.

Company's Policy on Appointment and Remuneration of Directors, Key Managerial Personnel and Senior Management Personnel

The Nomination and Remuneration Policy of the Company on remuneration and other matters including criteria for determining qualifications, positive attributes, independence of a Director and other matters provided under sub-section (3) of Section 178 of the Act, is placed on the website of the Company at <https://corp.nazara.com/wp-content/uploads/2021/03/Nomination-and-Remuneration-Policy.pdf>.

Compliance with Secretarial Standards on Board and General Meetings:

The Company has devised proper systems to ensure compliance with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India and the Company complies with all the applicable provisions of the same during the year under review.

Internal Financial Control Systems and their Adequacy:

Your Company has in place adequate internal financial control system commensurate with the size of its operations. Internal control systems comprising of policies and procedures are designed to ensure sound management of your Company's operations, safe keeping of its assets, prevention and detection of frauds and errors, optimal utilisation of resources, reliability of its financial information and compliance. Systems and procedures are periodically reviewed by the Audit Committee to maintain the highest standards of Internal Control. During the year under review, no material or serious observation has been received from the Auditors of your Company citing inefficiency or inadequacy of such controls. An extensive internal audit is carried out by M/s. R. Jaitlia and Co., Chartered Accountants and post audit reviews are also carried out to ensure follow up on the observations made.

Business Responsibility and Sustainability Report:

In accordance with the SEBI Listing Regulations, the Business Responsibility and Sustainability Report (BRSR) in lieu of the Business Responsibility Report, describing the initiatives taken



Board's Report (Contd.)

by the Company from an environmental, social and governance perspective is available on the Company's website and can be accessed at <https://corp.nazara.com/wp-content/uploads/2021/06/Business-Responsibility-Policy.pdf>.

Corporate Governance:

Your Company is fully committed to follow good Corporate Governance practices and maintain the highest business standards in conducting business. The Company continues to focus on building trust with shareholders, employees, customers, suppliers and other stakeholders based on the principles of good corporate governance viz. integrity, equity, transparency, fairness, sound disclosure practices, accountability and commitment to values. Your Company is compliant with the provisions relating to Corporate Governance.

The report on Corporate Governance, as stipulated under Regulation 34 of SEBI Listing Regulations forms an integral part of this Annual Report. The Report on Corporate Governance also contains certain disclosures required under the Act.

A Certificate from M/s. Manish Ghia & Associates, Secretarial Auditors of the Company confirming compliance to the conditions of Corporate Governance as stipulated under SEBI Listing Regulations, is annexed to this Report.

Management Discussion and Analysis Report:

As per Regulation 34 of SEBI Listing Regulations, a separate section on Management Discussion and Analysis Report highlighting the business of your Company forms part of Annual Report. It inter-alia, provides details about the economy, business performance review of the Company's various businesses and other material developments during the year 2021-22.

Investments/ Acquisitions made by the Company/ Subsidiaries

Your Company has the Legacy of creating shareholder value through strategic M&A and has proven track record of creating value through its past acquisitions be it Paper Boat Apps Private Limited, Nodwin Gaming Private Limited, Absolute Sports Private Limited, Nextwave Multimedia Private Limited etc. In order to further increase the shareholders value, your Company has been continuously looking for opportunities to pursue strategic investments with agility and alacrity in dynamic, fast evolving and highly competitive gaming business. During the year under review, your Company and its subsidiaries have made various strategic investments, the details of which are as follows:

1. OpenPlay Technologies Private Limited

Your Company has acquired 100% equity stake of Openplay Technologies Private Limited (OpenPlay) from its existing shareholders for a total consideration of ₹ 1864.10 million, in two tranches. Your Company has invested ₹ 434.3 million in cash and balance ₹ 1429.76 million by way of swap of equity shares of your Company. OpenPlay operates a multi-game consumer gaming platform under the "Classic Games" brand which hosts popular skill based games and operates highest standards of technology, game fairness, advance player protection, security, AML and advertising standards. With this acquisition, it offers an opportunity for your Company to build a network of skill gaming destinations operating on one common tech platform.

2. Arrakis Tanitim Organizasyon Pazarlama San.Tic. Ltd. A.S. (Publishme, Turkey)

Publishme Global FZ LLC (Publishme Global), one of step- down wholly owned subsidiary of the Company, have signed definitive agreements on September 20, 2021 with Publishme, Turkey and the founders and shareholders of Publishme Global and Nazara Technologies FZ LLC (Nazara Dubai) for a) acquisition of 100% stake of Publishme, Turkey through secondary purchase from the founders and existing shareholders of Publishme, Turkey and b) subscription of 30.82% stake by the founders of Publishme, Turkey in Publishme Global, for cash consideration of ₹ 17.20 crores. Publishme is a full-service games marketing and publishing agency which works extensively with gaming publishers in Turkey and MENA (Middle East & North African) region. The said transaction was completed on December 7, 2021 and consequently your Company through Nazara Dubai is now holding 69.18% stake in Publishme Global and Publishme, Turkey respectively.

3. Acquisition of Gaming & Live IPs

Nodwin Gaming Private Limited (Nodwin), a material subsidiary of our Company, on September 17, 2021, had entered into an "Agreement for Sell" with OML Entertainment Private Limited (OML) and Mr. Ajay Nair for acquisition of Gaming and Live IPs business of OML by way of slump sale for a lump sum cash consideration of ₹ 730 million and the said acquisition was completed on October 01, 2021. Nodwin believes that the continuous growth in the IP Portfolio is central to building a vibrant ecosystem of fans, talent, broadcasters and brands and with addition of some of the largest IPs in India like NH7 weekender is going to accelerate the massification of esports and gaming entertainment across the spectrum of fans and brands.

Board's Report (Contd.)

4. Rusk Media Private Limited

For the purpose of massification of entertainment first gaming and esports content in the country and enable media platforms to have access to content that 18-25 years olds is looking for, on October 25, 2021, your Company acquired 5.54% of the paid up share capital of Rusk Media Private Limited (Rusk Media) for a cash consideration of ₹ 20.16 million. Rusk Media is a digital entertainment Company which creates content IPs for the Gen-Z and millennial audiences in India. Additionally, Nodwin acquired further 10.26% equity stake, on fully diluted basis, of Rusk Media for cash consideration of ₹ 100 million. Accordingly, the Company along with Nodwin, is collectively holding 14.1% equity stake in Rusk Media as on March 31, 2022.

5. Rusk Distribution Private Limited

Nodwin had acquired 51% equity stake of Rusk Distribution Private Limited (Rusk Distribution) on February 28, 2022. Rusk Distribution is engaged in business of sales and marketing of advertising spots and solutions in digital content being hosted on Advertising based Video on demand, sublicensing of content intellectual properties to Over the Top (OTT) or linear platforms. The objective of said acquisition is monetisation of digital content across all media distribution platforms and brands. Consequent to the said acquisition, Rusk Distribution has become subsidiary of Nodwin Gaming Private Limited and a step down subsidiary of the Company with effect from February 28, 2022.

6. Griffin Gaming Partners II, L.P

With the aim to access into global gaming ecosystem and to build network with limited partners in gaming fund, Nazara Technologies FZ LLC (Nazara Dubai), a wholly owned subsidiary, on March 07, 2022, had entered into definitive agreements with Griffin Gaming Partners II, L.P.(The Fund) , GGP GP II, LLC (The Fund Manager), for the purpose of admission of Nazara Dubai as its limited partner and purchase of limited interest in the Fund for capital commitment not exceeding USD 4 million (approx. ₹ 300 million) in cash, in one or more tranches. Griffin Partners Fund II, L.P is a firm which prefers to invest in gaming platforms and infrastructure, gaming content, and game studios. Nazara Dubai will invest upto USD 1.34 millions (approx. ₹ 100 million) upfront while the balance investment amount of USD 2.66 (approx. ₹ 200 million) will be deployed over a period of 3 years.

7. BITKRAFT Ventures Opportunity Fund I and BITKRAFT Ventures Opportunity Fund II

With the aim to access into global gaming ecosystem and to build network with limited partners, Nazara Pte. Ltd. (Nazara Singapore), a wholly owned subsidiary, on March 29,

2022, has entered into definitive agreements with the following BITKRAFT funds, a firm prefers to invest in gaming, esports, and interactive media:

- a. BITKRAFT Ventures Opportunity GP I, LLC, Bitkraft Esports Ventures Management, LLC and Mr. Scott Rupp for the purpose of admission of Nazara Singapore as Limited Partner and purchase of Limited Partner interest in the BITKRAFT VENTURES OPPORTUNITY FUND I, L.P. for a capital commitment not exceeding USD 1.25 millions, in cash, in one or more tranches.
- b. BITKRAFT Ventures GP II, LLC, Bitkraft Esports Ventures Management LLC and Mr. Scott Rupp for the purpose of admission of Nazara Singapore as Limited Partner and purchase of Limited Partner interest in the BITKRAFT Ventures Fund II, L.P. for a capital commitment not exceeding USD 1.25 millions, payable in cash, in one or more tranches.

Nazara Singapore will invest USD 2.5 million in aforesaid BITKRAFT Funds out of which USD 0.875 million will invest upfront while the balance investment amount i.e. USD 1.625 million will be deployed over a period of 3 years.

Subsequent to the Balance Sheet Date and upto the date of this report, the Company has made the following investments/ acquisitions,

1. Datawrkz Business Solution Private Limited

Your Company had entered into an Investment Agreement with Datawrkz Business Solution Private Limited (Datawrkz) and its shareholders on January 18, 2022 for making strategic investment by acquisition of 37,498 equity shares of Re. 1/- each representing 55% of the equity share capital, on fully diluted basis, of Datawrkz Business Solutions Private Limited along with its wholly owned subsidiaries ("Target Company") from its existing shareholders at a total consideration not exceeding to ₹ 1240 million, in two tranches. Datawrkz is a leading advertising technology provider for publishers, agencies, and brands. With this acquisition, your Company aims to enhance in-house capabilities for optimising its customer acquisition spends as well as enhance yields on ad monetisation on larger scale.

Your Company, on April 14, 2022, acquired 22,499 equity shares having face value of Re.1/- (Rupees One Only) each representing 33% equity share capital, on fully diluted basis, for a total consideration of ₹ 599.99 million. The consideration was discharged a) partly by way of cash consideration of ₹ 350 million and (b) partly by way of issuance and allotment of 1,10,617 equity shares of ₹ 4/- each of the Company at a price of 2260/- each. Further, your company reserves an option to acquire additional 22% of the equity

Board's Report (Contd.)

share capital of the Target Company, on fully diluted basis, in the second tranche that is expected to close in Q4 FY 2022-2023.

2. Paper Boat Apps Private Limited

Your Company has acquired additional 71 equity shares of ₹10 each of Paper Boat Apps Private Limited, material subsidiary, by making further investment of ₹100 million on April 20, 2022, consequent to achievement of the target revenue as provided under third closing of the Investment Agreement dated October 11, 2019 entered by the Company. With this acquisition, the Company holds 51.58% of Equity stake in the Paper Boat.

3. Superhero Brands Private Limited

With view to enter into D2C (Direct to Customer) business and to cater to gaming fans across the country by increasing offerings with licensed merchandise, Nodwin had entered into an investment agreement with Superhero Brands Private Limited (Superhero) and its shareholders on January 12, 2022 for acquisition of 100% equity stake of Superhero for a total cash consideration of ₹49 million. Nodwin, on May 04, 2022, already acquired 19,995 equity shares of ₹10/- each representing 71.3% equity stake of Superhero, for a consideration of ₹35 million.

4. Brandscale Innovations Private Limited

With a view to strengthen and improve the D2C revenue, Nodwin acquired 35% equity stake, on fully diluted basis, of Brandscale Innovations Private Limited by way of subscription of 567 equity shares of ₹100/- each for a total consideration of ₹100 million. Brandscale Innovations Private Limited deals in the business of trading, manufacturing gaming accessories including but not limited to audio headphones and other gaming accessories across computer and mobile under the brand name "Wings". With this acquisition, Nodwin aims to unlock the power of its community and strengthen its D2C revenues.

Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future:

No significant or material orders were passed by the regulators or courts or tribunals which impact the going concern status and Company's operations in future.

Maintenance of Cost Records:

During the period under review, provisions of Rule 8(5)(ix) of the Companies (Accounts) Rules, 2014 read with Section 148(1) and rule 3 and 4 of the Companies (Cost Records and Audit) Rules, 2014 are not applicable on the Company.

Auditors & Reports

Statutory Auditors:

M/s. Walker Chandiok & Co. LLP, Chartered Accountants, Mumbai (Firm Registration No.001076N/N500013) were appointed as Statutory Auditors of your Company at the 20th Annual General Meeting for a term of five consecutive years from the conclusion of 20th Annual General Meeting of Company till the conclusion of its 25th Annual General Meeting. The Company has received their eligibility certificate confirming that they are not disqualified from continuing as Auditors of the Company.

The Auditors' Report does not contain any qualifications, reservations, adverse remarks or disclaimers. Further, Notes to Accounts are self-explanatory and do not call for any comments.

Secretarial Auditors:

Pursuant to Section 204 of the Act, your Company had appointed M/s. Manish Ghia & Associates, Company Secretaries, as its Secretarial Auditors to undertake the Secretarial Audit of your Company for the financial year ended March 31, 2022. The Secretarial Audit Report in the prescribed Form No. MR-3 is attached as **Annexure 2**.

There are no qualifications or observations or adverse remarks or disclaimer of the Secretarial Auditors in its Report.

Paper Boat Apps Private Limited and Nodwin Gaming Private Limited are the Indian material unlisted subsidiaries of the Company for the financial year ended March 31, 2022. In terms of Regulation 24A of SEBI Listing Regulations read with Section 204 of the Act, Secretarial Audit of the above-mentioned subsidiaries has been conducted for the financial year 2021-22 by Practicing Company Secretaries and the said report has been annexed as **Annexure 2**.

Reporting of Frauds by Auditors:

During the year under review, neither the Statutory Auditors or Secretarial Auditors have reported to the Audit Committee under Section 143(12) of the Act, any instances of fraud committed against your Company by its officers and employees, details of which would need to be mentioned in the Board's Report.

Annual Return:

Pursuant to Section 134(3)(a) and Section 92(3) of the Act, read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, a copy of the annual return is placed on the website of the Company and can be accessed at https://corp.nazara.com/?page_id=5554

Board's Report (Contd.)

Internal Auditors:

Pursuant to the provisions of Section 138 of the Act, and The Companies (Accounts) Rules, 2014, on the recommendation of the Audit Committee, M/s. R. Jaitlia and Co., Chartered Accountants were re-appointed by the Board of Directors to conduct internal audit of the Company.

Code for Prevention of Insider Trading:

Your Company has adopted a Code of Conduct to regulate, monitor and report trading by designated persons and their immediate relatives and a Code of Fair Disclosure to formulate a framework and policy for disclosure of events and occurrences that could impact price discovery in the market for its securities as per the requirements under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. The Code of Fair Disclosure has been made available on the Company's website at www.nazara.com and can be accessed at <https://corp.nazara.com/wp-content/uploads/2021/07/Nazara-Code-of-Fair-Disclosure-and-Code-of-Conduct-for-Prevention-of-Insider-Trading.pdf>

Vigil Mechanism/Whistle Blower Policy:

The Company has a Whistle Blower Policy and has established the necessary vigil mechanism for directors and employees in confirmation with Section 177(9) of the Act and Regulation 22 of SEBI Listing Regulations to report concerns about unethical behavior.

The policy is to provide a mechanism, which ensures adequate safeguards to employees and Directors from any victimization on raising of concerns of any violations of legal or regulatory requirements, incorrect or misrepresentation of any financial statement and reports, and so on. The employees of the Company have the right/ option to report their concern/ grievance to the Chairperson of the Audit Committee. The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations. During the year under review, no person was denied access to the Chairperson of the Audit Committee.

Under the Whistle Blower Policy, confidentiality of those reporting violation(s) is protected and they shall not be subject to any discriminatory practices. This policy is uploaded on the Company's website at www.nazara.com and can be accessed at <https://corp.nazara.com/wp-content/uploads/2021/03/Whistle-Blower-Policy.pdf>.

Corporate Social Responsibility (CSR)

The Company's CSR initiatives and activities are aligned to the requirements of Section 135 of the Act. The brief outline of the CSR Policy of the Company and the initiatives undertaken

by the Company on CSR activities during the year are set out in **Annexure 3** of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014.

For other details regarding the CSR Committee, please refer to the Corporate Governance Report, which forms part of this report. The Policy is available on the Company's website and can be accessed at <https://corp.nazara.com/wp-content/uploads/2021/06/Corporate-Social-Responsibility-Policy.pdf>.

Policy on Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

Your Company has always believed in providing a safe and harassment free workplace for every individual working in any office through various interventions and practices. The Company endeavors to create and provide an environment that is free from discrimination and harassment including sexual harassment.

Your Company has in place a robust policy on prevention of sexual harassment at workplace. The policy aims at prevention of harassment of employees and lays down the guidelines for identification, reporting and prevention of sexual harassment. The Company has zero tolerance approach for sexual harassment at workplace. There is an Internal Complaints Committee ("ICC") which is responsible for redressal of complaints related to sexual harassment and follows the guidelines provided in the policy.

The details of complaints pertaining to sexual harassment that were filed, disposed of and pending during the financial year are provided in the Report of Corporate Governance.

Conservation of Energy, Technology Absorption and Foreign Exchange Earning & Outgo:

The Company consciously makes all efforts to conserve energy across its operations. In terms of the provisions of Section 134(3)(m) of the Act read with the Companies (Accounts) Rules 2014, the report on conservation of energy, technology absorption, foreign exchange earnings and outgo forms part of this report as **Annexure 4**.

Particulars of Employees

Disclosure pertaining to remuneration and other details as required under Section 197 of the Act, read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of the Annual Report as **Annexure 5**.

The statement containing names of top ten employees in terms of remuneration drawn and the particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in a separate section forming part of this report.

Board's Report (Contd.)

Further, the report and the accounts are being sent to the Members excluding the aforesaid annexure. In terms of Section 136 of the Act, the said annexure is open for inspection and any Member interested in obtaining a copy of the same may write to the Company Secretary at investors@nazara.com.

Risk Management:

The Company has devised and adopted a Risk Management Policy and implemented a mechanism for risk assessment and management. The policy provides for identification of possible risks associated with the business of the Company, assessment of the same at regular intervals and taking appropriate measures and controls to manage, mitigate and handle them. The key categories of risk jotted down in the policy are strategic risks, financial risks, operational risks and such other risk that may potentially affect the working of the Company. A copy of the risk management policy is placed on the website of the Company at www.nazara.com and can be accessed at <https://corp.nazara.com/wp-content/uploads/2022/03/Risk-Management-Policy.pdf>.

Update on Covid-19 Impact and our Initiatives:

Your Company has evaluated short-term as well as long-term impact of the Covid-19 pandemic on the gaming and e-sports industry, and in particular on the Company as well as the Group and believes that the pandemic will not have a significant negative effect on the Company's financial position and results of its operations.

Material changes and commitments, if any, affecting the financial position of the Company occurred between the end of the financial year to which this financial statement relates and the date of the report:

There have been no other material changes and commitments that occurred after the closure of financial year till the date of report, which may affect the financial position of the Company, except as stated in this report.

Directors' Responsibility Statement: -

Pursuant to the requirement under Section 134(3)(c) of the Act, the Directors hereby confirm and state that:

- a) in the preparation of the annual financial statements for the financial year ended March 31, 2022, the applicable accounting standards had been followed and no material departures have been made for the same;

- b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year ended on March 31, 2022 and of loss of the Company for that period;
- c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) they have prepared the annual accounts for the year ended March 31, 2022 on a going concern basis;
- e) they have laid down internal financial controls and the same have been followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

The details of application made or any proceeding is pending under the Insolvency and Bankruptcy Code, 2016 ("IBC") during the year along with its status as at the end of Financial year:

There was no application made or any proceeding pending under IBC during the year under review.

The details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof:

There was no instance of one-time settlement with any Bank or Financial Institutions during the period under review.

Cost Audit:

The Company is not required to maintain cost records as specified by the Central Government under Section 148(1) of the Companies Act, 2013 and accordingly such accounts and records are not made and maintained by the Company in the prescribed manner. Further, there is no requirement for appointment of Cost Auditor for the Company for conducting Cost Audit for the financial year ending March 31, 2022.

Board's Report (Contd.)

Others:

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these matters during the year under review:

1. Issue of equity shares with differential rights as to dividend, voting or otherwise were issued;
2. Issue of sweat equity shares to the employees of your Company under any Scheme;
3. The Managing Director of the Company does not receive any remuneration or commission from any of its subsidiaries;
4. There has been no failure in implementation of any Corporate Action.

Cautionary Statement:

Statements in this Report, particularly those which relate to Management Discussion and Analysis as explained in a separate Section in this Report, describing the Company's objectives,

projections, estimates and expectations may constitute 'forward looking statements' within the meaning of applicable laws and regulations. Actual results might differ materially from those either expressed or implied in the statement depending on the circumstances.

Acknowledgement:

Your Directors would like to express their gratitude to the shareholders for reposing unstinted trust and confidence in the management of the Company and will also like to place on record their sincere appreciation for the continued co-operation, guidance, support and assistance extended by our users, bankers, customers, Government & Non-Government Agencies & various other stakeholders.

Your Directors also place on record their appreciation of the vital contribution made by employees at all levels and their unstinted support, hard work, solidarity, cooperation and stellar performance during the year under review.

Place : Mumbai
Date : May 13, 2022

Vikash Mittersain
Chairman & Managing Director
DIN: 00156740

By order of the Board of Directors
For **Nazara Technologies Limited**

Nitish Mittersain
Joint Managing Director
DIN: 02347434

Annexure - 1

Companies/Bodies Corporate which are Company's Subsidiaries, Joint Ventures or Associate Companies as per the provisions of Companies Act, 2013 as on March 31, 2022:

Sr. No.	Name of Company	% of Ownership interest held by the Company
Direct Subsidiaries		
1.	Nazara Technologies FZ LLC	100
2.	Nazara Pte Limited	100
3.	Nazara Pro Gaming Private Limited	100
4.	Crimzoncode Technologies Private Limited	100
5.	Openplay Technologies Private Limited	100
6.	Absolute Sports Private Limited	75.28
7.	Halaplay Technologies Private Limited	64.70
8.	Sports Unity Private Limited	62.53
9.	Nodwin Gaming Private Limited	54.52
10.	Paper Boat Apps Private Limited	50.91
11.	Nextwave Multimedia Private Limited	52.38
Step Down Subsidiaries		
1.	Nazara Technologies (Mauritius)	100
2.	NZ Mobile Nigeria Limited	100
3.	Nazara Zambia Limited	100
4.	NZmobile Kenya Limited	100
5.	*Nazara Uganda Limited	100
6.	Nazara Bangladesh Limited	100
7.	Publishme Global FZ LLC	69.18

Sr. No.	Name of Company	% of Ownership interest held by the Company
8.	Arrakis Tanitim Organizasyon Pazarlama SAN. TIC. Ltd. A. S.	69.18
9.	NZworld Kenya Limited	70.00
10.	Nodwin Gaming International Limited	54.52
11.	Nodwin Gaming International Pte Ltd	54.52
12.	Rusk Distribution Private Limited	27.81
13.	Unpause Entertainment Private Limited	54.52
14.	Kiddopia Inc.	50.91
Associate Companies		
1.	Mastermind Sports Limited	26.00
2.	Moong Labs Technologies Private Limited	29.38

* Nazara Uganda Limited is under Winding-up process.

For Nazara Technologies Limited

Vikash Mittersain
Chairman & Managing Director
DIN: 00156740
Place: Mumbai
Date: May 13, 2022

Nitish Mittersain
Joint Managing Director
DIN: 02347434
Place: Mumbai
Date: May 13, 2022

Annexure - 2

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Nazara Technologies Limited
Mumbai

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Nazara Technologies Limited** (L72900MH1999PLC122970) and having its registered office at 51-54, Maker Chambers 3, Nariman Point, Mumbai - 400021 (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended March 31, 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended March 31, 2022 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - (d) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (repealed w.e.f. August 13, 2021); and The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (effective from August 13, 2021);
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (repealed w.e.f. August 9, 2021); and The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (effective from August 9, 2021) **(Not applicable to the Company during the audit period);**
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 **(Not applicable to the Company during the audit period);**
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 **(Not applicable to the Company during the audit period); and**
 - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (vi) There are no laws that are specifically applicable to the Company based on their sector/ industry.

Annexure - 2 (Contd.)

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India;

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Standards, Guidelines etc. mentioned above

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance except that some of the Board Meetings of the Company during the year under review, were held at a shorter notice with the consent of the directors and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views, if any are captured and recorded as part of the minutes. However, in the minutes of the meetings of Board and its Committees, for the period under review, no dissents were noted and hence we have no reason to believe that decisions by the Board were not approved by all the directors present.

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

We further report that during the audit period:

1. the board of directors at its meeting held on April 22, 2021, has approved to invest its surplus funds in mutual funds/debt funds/ liquid funds, etc, amounting to ₹ 150 Crores; and the said limit was further enhanced to ₹ 450 Crores in the Board meeting held on November 22, 2021;
2. the members of the Company vide Special Resolution passed in the 22nd Annual General Meeting held on September 20, 2021, has approved the increase in the investment limits u/s 186 of the Companies Act, 2013 from ₹ 400 Crores to ₹ 550 Crores and the said limits were further enhanced to ₹ 1000 Crores in its members meeting vide Special Resolution passed in the Extra-Ordinary General Meeting held on April 4, 2022;

3. the board of directors at its meeting held on March 4, 2022, approved the issue of 1,10,617 Equity Shares of face value of ₹ 4/- each at a premium of ₹ 2,256/- per share, on preferential basis to the shareholders of Datawrkz Business Solutions Private Limited;
4. the board of directors has approved the following acquisitions/investments: -
 - a. on January 17, 2022, approved the acquisition of 55% equity stake of Datawrkz Business Solutions Private Limited for a total consideration aggregating to ₹ 124 Crores, pursuant to which it would become a subsidiary of the Company;
 - b. on August 27, 2021, approved the acquisition of 100% equity stake in Openplay Technologies Private Limited for total consideration aggregating to ₹ 186.40 Crores, to be paid partly by way of cash and partly by way of issuance of equity shares of the Company, pursuant to which Openplay Technologies Private Limited, became wholly owned subsidiary of the Company w.e.f November 24, 2021;
5. Unpause Entertainment Private Limited (Unpause) got incorporated on February 1, 2022 as a wholly owned subsidiary of Nodwin Gaming Private Limited, subsidiary of the Company, pursuant to which Unpause became step down wholly owned subsidiary of the Company;
6. Nodwin Gaming Private Limited, subsidiary of the Company has acquired 51% stake in Rusk Distribution Private Limited (Rusk Distribution) on February 28, 2022, pursuant to which Rusk Distribution became subsidiary of Nodwin Gaming Private Limited and in turn became step down subsidiary of the Company;
7. Publishme Global FZ-LLC has been incorporated in Dubai City on July 29, 2021 as a wholly owned subsidiary of Nazara Technologies FZ LLC (Dubai), wholly owned subsidiary of the Company, pursuant to which Publishme Global FZ-LLC became step down wholly owned subsidiary of the Company; Further, the stake was reduced to 69.18% consequent to the issuance of further 30.82% stake to the founders of Arrakis Tanitim Organizasyon Pazarlama SAN. TIC. Ltd. A. S. (Publishme) in accordance with the definitive agreements entered on September 20, 2021 amongst Publishme Global FZ LLC, Publishme and the founders and shareholders of Publishme and Nazara Technologies FZ LLC.
8. Publishme Global FZ LLC has acquired 100% equity stake in Arrakis Tanitim Organizasyon Pazarlama SAN. TIC. Ltd. A. S. (Publishme) on September 22, 2021 in accordance with the definitive agreements entered on September 20, 2021 amongst Publishme Global FZ LLC, Publishme and the founders and shareholders of Publishme and Nazara Technologies FZ LLC, pursuant to which Publishme became subsidiary of Publishme

Annexure - 2 (Contd.)

Global FZ LLC and in turn step down subsidiary of Nazara Technologies FZ LLC and the Company;

9. the Company has on August 10, 2021 invested ₹ 0.96 crores in cash for acquiring additional 3,000 equity shares of Re.1 each in Absolute Sports Private Limited during the period under review;
10. the Company has on October 25, 2021 acquired 5.54% of the paid up share capital of Rusk Media Private Limited (Rusk Media) for a cash consideration of ₹ 2.01 crores. Further, Nodwin Gaming Private Limited, subsidiary of the company had acquired 10.26% equity stake, on fully diluted basis, of Rusk Media for cash consideration of Rs.10 crores.
11. In terms of Special resolution passed by the members at their extra ordinary general meeting held on November 3, 2021, board of directors:-
 - a. on November 18, 2021, allotted 14,29,266 equity shares of face value of ₹ 4/- each at ₹ 2206/- per share (including premium of ₹ 2202/- per share) aggregating to

₹ 315.29 crores to Gamnat Pte Limited and Plutus Wealth Management LLP for cash consideration on preferential basis;

- b. on November 24, 2021, allotted 6,48,125 equity shares of face value of ₹ 4/- each at ₹ 2206/- per share (including premium of Rs.2202/- per share) aggregating to ₹ 142.98 crores for consideration other than cash [i.e. being consideration for acquisition of balance stake (7,670 equity shares of ₹ 10/- each) of Openplay Technologies Private Limited] on preferential basis to Unnati Management Consultants LLP, existing shareholder of Openplay Technologies Private Limited;
12. the Nomination and Remuneration Committee of Board of Directors through circular resolution on December 11, 2021, allotted 91,000 equity shares of face value of ₹ 4/- each at an exercise price of ₹ 282.91/- per share to the option holders under Nazara Technologies Employee Stock Option Plan 2017.

This report is to be read with our letter of even date which is annexed as 'Annexure-A' and forms an integral part of this report.

Place: Mumbai

Date: May 13, 2022

UDIN: F006252D000296850

For **Manish Ghia & Associates**

Company Secretaries

(Unique ID: P2006MH007100)

CS Mannish L. Ghia

Partner

M. No. FCS 6252, C.P. No. 3531

PR 822/2020



Annexure - 2 (Contd.)

'Annexure A'

To,
The Members,

Nazara Technologies Limited

Mumbai

Our report of even date is to read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provided a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Book of Accounts of the Company.
4. wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulation, standards is the responsibility of management. Our examination was limited to the verification of procedures on the test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.
7. On account of the restrictions imposed by the Government Authorities on opening of offices, travel and movement due to Covid-19 pandemic during the period under review, we for the purpose of completion of our audit have relied on documents and papers provided in electronic form through email/other virtual means for verification of compliances.

For **Manish Ghia & Associates**
Company Secretaries
(Unique ID: P2006MH007100)

CS Mannish L. Ghia
Partner
M. No. FCS 6252, C.P. No. 3531
PR 822/2020

Place: Mumbai
Date: May 13, 2022
UDIN: F006252D000296850

Annexure - 2 (Contd.)

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2022

[Pursuant to Regulation 24A of The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Nodwin Gaming Private Limited
Gurgaon

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Nodwin Gaming Private Limited** (CIN: U93000HR2014PTC051557) and having its registered office at Plot No. 119 Sector-31 Gurugram Gurgaon – 122001, Haryana (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended March 31, 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended March 31, 2022 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder **(Not applicable to the Company during the audit period);**
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) The Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 **(Not applicable to the Company during the audit period);**
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (applicable up to August 12, 2021); and The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (applicable w.e.f. August 13, 2021) **(not applicable to the Company during the audit period);**
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (applicable up to August 8, 2021); and The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (applicable w.e.f. August 9, 2021) **(not applicable to the Company during the audit period);**
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 **(Not applicable to the Company during the audit period);**
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 **(Not applicable to the Company during the audit period);** and
- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 **(the Company being unlisted and a material subsidiary of a listed company, only limited provision are applicable).**
- (vi) There are no laws that are specifically applicable to the Company based on their sector/industry.

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India;

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Standards etc. mentioned above except as mentioned hereunder:

Annexure - 2 (Contd.)

- (a) the Company has not appointed independent directors as required under Section 149 of the Act read with Rule 4 of Companies (Appointment and Qualification of Directors) Rules, 2014; and
- (b) the Company has not constituted the mandatory Board Committees viz., i) Audit Committee and ii) Nomination and Remuneration Committee.

We further report that

On account of non-appointment of Independent Directors mentioned hereinbefore, we are unable to confirm that Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance except that some of the Board Meetings of the Company during the year under review, were held at a shorter notice with the consent of the directors and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views, if any are captured and recorded as part of the minutes. However, in the minutes of board meetings for the period under review, no dissents were noted and hence we have no reason to believe that decisions by the Board were not approved by all the directors present.

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

We further report that the requirement of Secretarial Audit has become applicable to the Company pursuant to the provisions of Regulation 24A of the Securities and Exchange Board

of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as the Company is a **material unlisted subsidiary** of its parent company viz., Nazara Technologies Limited.

We further report that during the audit period the Company has:

1. obtained approval of the members for alteration of the object clause and liability clause of its Memorandum of Association by way of a special resolution passed at the Extra-Ordinary General Meeting held on June 7, 2021;
2. obtained approval of the Board of Directors vide resolution passed at their meeting held on September 17, 2021 for the acquisition of gaming and live IP's businesses from OML Entertainment Private Limited through a slump sale basis, for an amount aggregating to ₹ 73 Crores;
3. obtained approval of the Board of Directors vide resolution passed at their meeting held on December 10, 2021 for acquisition of 10.26% equity stake in Rusk Media Private Limited for an amount up to ₹ 10 Crores;
4. obtained approval of the Board of Directors vide resolution passed at their meeting held on January 12, 2022 for acquisition of 100% equity stake in Superhero Brands Private Limited for an amount of ₹ 4.90 Crores, consequent to which Superhero Brands Private Limited will become wholly owned subsidiary of the Company;
5. incorporated Rusk Distribution Private Limited on January 20, 2022 as a subsidiary of the Company with initial subscription of 5,100 equity shares of ₹ 10/- each i.e. 51% of the newly incorporated company; and
6. incorporated Unpause Entertainment Private Limited on February 1, 2022 as a wholly owned subsidiary with initial subscription of 10,000 equity shares (1 equity share held by Mr. Akshat Rathee as a nominee shareholder of the Company) of ₹ 10/- each.

This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

For **Manish Ghia & Associates**
Company Secretaries
(Unique ID: P2006MH007100)

Pankaj Kumar Nigam
Partner
M. No. FCS 7343, C.P. No. 7979
PR 822/20

Place: Ghaziabad
Date: May 12, 2022
UDIN: F007343D000300779

Annexure - 2 (Contd.)

‘Annexure A’

To,
The Members,

Nodwin Gaming Private Limited

Gurgaon

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provided a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Book of Accounts of the Company.

4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulation, standards is the responsibility of management. Our examination was limited to the verification of procedures on the test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.
7. On account of the restrictions imposed by the Government Authorities on opening of offices, travel and movement due to Covid-19 pandemic during the year under review, we for the purpose of completion of our audit have relied on documents and papers provided in electronic form through email/other virtual means for verification of compliances.

Place: Ghaziabad

Date: May 12, 2022

UDIN: F007343D000300779

For **Manish Ghia & Associates**

Company Secretaries

(Unique ID: P2006MH007100)

Pankaj Kumar Nigam

Partner

M. No. FCS 7343, C.P. No. 7979

PR 822/20

Annexure - 2 (Contd.)

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2022

[Pursuant to Regulation 24A of The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Paper Boat Apps Private Limited
Mumbai

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Paper Boat Apps Private Limited** (CIN: U74120MH2013PTC246788) and having its registered office at 505, Wellington Business Park 1, Near Marol Naka, Andheri Kurla Road, Andheri East, Mumbai - 400059, Maharashtra (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended March 31, 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended March 31, 2022 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder **(Not applicable to the Company during the audit period);**
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) The Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

- (v) The following Regulations prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 **(Not applicable to the Company during the audit period);**
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (applicable up to August 12, 2021); and The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (applicable w.e.f. August 13, 2021) **(not applicable to the Company during the audit period);**
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (applicable up to August 8, 2021); and The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (applicable w.e.f. August 9, 2021) **(not applicable to the Company during the audit period);**
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 **(Not applicable to the Company during the audit period);**
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 **(Not applicable to the Company during the audit period);** and
 - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 **(the Company being unlisted and a material subsidiary of a listed company, only limited provision is applicable).**

Annexure - 2 (Contd.)

- (vi) There are no laws that are specifically applicable to the Company based on their sector/ industry.

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India;

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Standards etc. mentioned above

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance except that some of the Board Meetings of the Company during the year under review, were held at a shorter notice with the consent of the directors and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views, if any are captured and recorded as part of the minutes. However, in the minutes of board meetings for the period under review, no dissents were noted and hence we have no reason to believe that decisions by the Board were not approved by all the directors present.

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

We further report that the requirement of Secretarial Audit has become applicable to the Company pursuant to the provisions of Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as the Company is a **material unlisted subsidiary** of its parent company viz., Nazara Technologies Limited.

We further report that during the audit period:

1. the board of directors at its meeting held on April 12, 2021, has approved the 'Paper Boat Employee Stock Option Policy' for the permanent employees of the Company. Further the same has also been approved by the Members of the Company vide Special Resolution passed in Extra Ordinary General Meeting dated April 23, 2021.
2. the board of directors at its meeting held on April 23, 2021, approved the grant of 42 options at an exercise price of ₹ 1,54,000/- per option to eligible employees of the Company under the aforesaid Employee Stock Option Policy; and
3. the board of directors at its meeting held on April 23, 2021 approved shifting of the registered office of the Company from 23, Happy Home Society, Nehru Road, Vile Parle (East) Mumbai-400057 to 505, Wellington Business Park 1, Near Marol Naka, Andheri Kurla Road, Andheri East, Mumbai-400059 w.e.f. June 1, 2021.

This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

Place: Mumbai
Date: May 12, 2022
UDIN: F007343D000300735

For **Manish Ghia & Associates**
Company Secretaries
(Unique ID: P2006MH007100)

Pankaj Kumar Nigam
Partner
M. No. FCS 7343, C.P. No. 7979
PR 822/20



Annexure - 2 (Contd.)

'Annexure A'

To,
The Members,

Paper Boat Apps Private Limited
Mumbai

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provided a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Book of Accounts of the Company.

4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulation, standards is the responsibility of management. Our examination was limited to the verification of procedures on the test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.
7. On account of the restrictions imposed by the Government Authorities on opening of offices, travel and movement due to Covid-19 pandemic during the year under review, we for the purpose of completion of our audit have relied on documents and papers provided in electronic form through email/other virtual means for verification of compliances.

Place: Mumbai

Date: May 12, 2022

UDIN: F007343D000300735

For **Manish Ghia & Associates**
Company Secretaries
(Unique ID: P2006MH007100)

Pankaj Kumar Nigam
Partner
M. No. FCS 7343, C.P. No. 7979
PR 822/20

ANNEXURE 3

Annual Report on Corporate Social Responsibility (CSR) Activities for the financial year 2021-22

(Pursuant to Rule 8 (1) of Companies (Corporate Social Responsibility Policy) Rules, 2014)

1. Brief outline on CSR Policy of the Company

Recognizing that business enterprises are economic organs of society and draw on societal resources, it is Nazara's belief that a company's performance must be measured by its Triple Bottom Line contribution to building economic, social and environmental capital towards enhancing societal sustainability. Nazara believes that in the strategic context of business, enterprises possess beyond mere financial resources, the transformational capacity to create game-changing development models by unleashing their power of entrepreneurial vitality, innovation and creativity. It is important for businesses not only to provide products and services to satisfy the customer, but also to ensure that the business is not harmful to the environment in which it operates. In order for an organisation to be successful, the business must be built on ethical practices.

Further, we at Nazara believe that an effective CSR strategy shall be well formulated articulated and aligned with business. It must also have the unstinting support of the key stakeholders to become a long-term sustainability agenda.

NAZARA'S VISION:

"to actively contribute to the social and economic development of the communities in which we operate and in doing so to build a better and sustainable way of life for the weaker sections of society."

For details of the CSR Policy, kindly refer to the following weblink: <https://corp.nazara.com/wp-content/uploads/2021/06/Corporate-Social-Responsibility-Policy.pdf>

2. Composition of the CSR committee:

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Vikash Mittersain	Chairman & Managing Director	2	2
2.	Mr. Nitish Mittersain	Member, Joint Managing Director	2	2
3.	*Mr. Probir Roy	Member, Independent, Non-Executive Director	2	2

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
4.	Ms. Shobha Jagtiani	Member, Independent, Non-Executive Director	2	2
5.	**Mr. Sasha Mirchandani	Member, Independent, Non-Executive Director	2	-

*Mr. Probir Roy cease to be the Member of the CSR Committee w.e.f. October 29, 2021.

**Mr. Sasha Mirchandani was appointed as Member of the CSR Committee w.e.f. October 29, 2021.

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company:

- Composition of the CSR committee shared above and is available on the Company's website on: <https://corp.nazara.com/wp-content/uploads/2021/12/Composition-of-Board-Committee.pdf>.
- CSR policy on: <https://corp.nazara.com/wp-content/uploads/2021/06/Corporate-Social-Responsibility-Policy.pdf>.
- CSR projects on: Currently there are no ongoing projects.

4. Provide the details of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report):

Not Applicable.

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:

Sr. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set-off for the financial year, if any (in ₹)
		NIL	

Annexure - 3 (Contd.)

6. Average net profit of the Company as per section 135(5): ₹ 3,88,53,163/-

7.

- Two percent of average net profit of the Company as per section 135(5): ₹ 7,77,063/-
- Surplus arising out of the CSR projects or programs or activities of the previous financial years: Nil
- Amount required to be set off for the financial year, if any: Nil
- Total CSR obligation for the financial year (7a+7b-7c): ₹ 7,77,063/-

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
31,00,000*	NIL	-	-	NIL	-

*out of ₹ 31,00,000, a sum of ₹ 8,00,000 is pending for utilization.

(b) Details of CSR amount spent against ongoing projects for the financial year:

Currently there are no ongoing projects.

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sr. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/ No).	Location of the Project		Amount spent for the project (in ₹).	Mode of implementation - Direct (Yes/ No).	Mode of implementation - Through implementing agency.	
				State.	District.			Name.	CSR registration number.
1	Project Blue	(iv)	Yes	Maharashtra	Mumbai	1,00,000	Yes	Vivekananda Youth Connect Foundation	CSR00004816
2	Food distribution to underprivileged children, daily wage workers, migrant laborers, cancer patients and their relatives, elderly people.	(i)	Yes	Maharashtra	Mumbai	2,00,000	Yes	Roti Foundation Mumbai	CSR00006332
3	ACT Vaccination	(xii)	No	Karnataka	Bengaluru	10,00,000	Yes	United Way of Bengaluru	CSR00000324
4	Medical Assistance to poor people by way of donation, medication and treatment	(i)	Yes	Maharashtra	Mumbai	15,00,000*	Yes	Dr. B.K. Goyal Heart Foundation	CSR00029277
5	Help Tribals Fight Hunger	(i)	No	Maharashtra	Shahapur	3,00,000	Yes	Earthangels Welfare Foundation	CSR00006478
Total						31,00,000			

*out of ₹ 15,00,000, a sum of ₹ 8,00,000 is pending for utilization.

Annexure - 3 (Contd.)**(d) Amount spent in Administrative Overheads:**

NIL

(e) Amount spent on Impact Assessment, if applicable:

NIL

(f) Total amount spent for the Financial Year (8b+8c+8d+8e):

₹ 31,00,000/- (Rupees Thirty One Lakh only)

(g) Excess amount for set off, if any

Sr. No.	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the Company as per section 135(5)	7,77,063
(ii)	Total amount spent for the Financial Year	31,00,000*
(iii)	Excess amount spent for the financial year [(ii)-(i)]	23,22,937
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	23,22,937

*out of ₹ 31,00,000, a sum of ₹ 8,00,000 is pending for utilization.

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sr. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years (in ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer	
Not Applicable							

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

Currently there are no ongoing projects.

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details):**(a) Date of creation or acquisition of the capital asset(s):**

None

(b) Amount of CSR spent for creation or acquisition of capital asset:

NIL

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.:

Not Applicable

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset):

Not Applicable

11. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per Section 135(5):

Not Applicable

For **Nazara Technologies Limited****Nitish Mittersain**

Member of CSR Committee

Place: Mumbai

Date: May 13, 2022

Vikash Mittersain

Chairman of CSR Committee

Place: Mumbai

Date: May 13, 2022

Annexure - 4

Disclosure pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts), Rules 2014:

(A) Conservation of Energy

(i) The steps taken or impact on conservation of energy	Your Company, being a leading gaming Company requires minimal energy consumption and every attempt is made to ensure optimal use of energy, avoid wastages and conserve energy as far as possible
(ii) the steps taken by the Company for utilising alternate sources of energy	
(iii) the capital investment on energy conservation equipments	

(B) Technology absorption, adaptation and innovation

(i) the efforts made towards technology absorption	The Company continues to take prudential measures in respect of technology absorption, adaptation and take innovative steps to use the scarce resources effectively.
(ii) the benefits derived like product improvement, cost reduction, product development or import substitution	
(iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-	
(a) the details of technology imported	
(b) the year of import;	
(c) whether the technology been fully absorbed	
(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof	
(iv) the expenditure incurred on Research and Development	

(C) Foreign Exchange Earnings and Outgo:

(₹ in millions)		
Particulars	FY 2021-22	FY 2020-21
Foreign Exchange Earnings:		
Export of services at FOB value	174.05	183.53
Foreign Exchange Expenditure:		
Expenditure	0.06	2.10

For **Nazara Technologies Limited**

Nitish Mittersain

Joint Managing Director

DIN: 02347434

Place: Mumbai

Date: May 13, 2022

Vikash Mittersain

Chairman & Managing Director

DIN: 00156740

Place:- Mumbai

Date: May 13, 2022

Annexure - 5

Statement of Disclosure of Remuneration under Section 197 (12) of the Companies Act, 2013 and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

1. The ratio of remuneration of each director to the median remuneration of the employees of the Company for the financial year: -

Sr. No.	Name of the Director	Designation	Ratio of remuneration of Each director to median remuneration of employees
1	Mr. Vikash Mittersain	Chairman and Managing Director	26.69
2	Mr. Nitish Mittersain	Joint Managing Director	83.38
3	Mr. Sasha Mirchandani	Independent Director	N.A.
4	Ms. Shobha Jagtiani	Independent Director	N.A.
5	Mr. Probir Roy	Independent Director	N.A.
6	Mr. Kuldeep Jain	Independent Director	N.A.
7	Mr. Rajiv Agarwal	Non-Executive Director	N.A.
8	*Mr. Karan Bhagat	Non-Executive Director	N.A.

Independent Directors and Non-Executive Directors were paid only sitting fees during the financial year under review. Hence, their ratio to Median Remuneration is not applicable.

*Mr. Karan Bhagat resigned with effect from May 05, 2021.

2. The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, during the Financial Year 2021-22:

Sr. No.	Name of the Director/Key Managerial Personnel	Designation	Percentage increase in remuneration
1	Mr. Vikash Mittersain	Chairman and Managing Director	82.12
2	#Mr. Nitish Mittersain	Joint Managing Director	11.61

Sr. No.	Name of the Director/Key Managerial Personnel	Designation	Percentage increase in remuneration
3	Mr. Sasha Mirchandani	Independent Director	N.A.
4	Ms. Shobha Jagtiani	Independent Director	N.A.
5	Mr. Probir Roy	Independent Director	N.A.
6	Mr. Kuldeep Jain	Independent Director	N.A.
7	Mr. Rajiv Agarwal	Non-Executive Director	N.A.
8	*Mr. Karan Bhagat	Non-Executive Director	N.A.
9	#Mr. Manish Agarwal	Chief Executive Officer	12.71
10	#Mr. Rakesh Shah	Chief Financial Officer	44.25
11	**Ms. Pratibha Mishra	Company Secretary and Compliance Officer	-
12	***Mr. Pravesh Palod	Company Secretary and Compliance Officer	-

#This includes performance incentives.

*Mr. Karan Bhagat resigned with effect from May 05, 2021.

**Ms. Pratibha Mishra resigned with effect from July 09, 2021. Hence percentage increase/decrease in the remuneration during financial year 2021-22 is not applicable, hence not stated.

***Mr. Pravesh Palod was appointed as a Company Secretary of the Company with effect from November 22, 2021. Hence percentage increase/decrease in the remuneration during financial year 2021-22 is not applicable, hence not stated.

Independent Directors and Non-Executive Directors were paid only sitting fees during the financial year under review. Hence, their ratio to Median Remuneration is not applicable.

- The percentage increase in the median remuneration of employees during the Financial Year 2021-22: (9.44%)
- The number of permanent employees on rolls of the Company: 73
- Average percentile increase already made in salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.



Annexure - 5 (Contd.)

Average percentage change in the salaries of employees other than the Managerial Personnel for the FY 2021-22, was (3.76%) over the previous financial year which is mainly due to attrition, replacement of skilled resources with competent junior's. The average percentage increase in the salaries of the managerial personnel for the FY 2021-22 was 21.83% over the previous financial year.

6. Affirmation that the remuneration is as per the Remuneration Policy of the Company:

It is affirmed that the remuneration paid is as per the Remuneration Policy adopted by the Company.

Nitish Mittersain

Joint Managing Director

DIN: 02347434

Place: Mumbai

Date: May 13, 2022

For and on behalf of the Board of Directors

Nazara Technologies Limited

Vikash Mittersain

Chairman & Managing Director

DIN: 00156740

Place: Mumbai

Date: May 13, 2022

Corporate Governance Report

I. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Effective Corporate Governance practice is about commitment to values, ethical business conduct and constitutes strong fundamentals on which a successful commercial enterprise is built to last. The process ensures that these practices are utilized in a manner that meets stakeholders' aspirations and societal expectations. It is this conviction that has led the Company to make strong corporate governance values integral to its operations. The Company has established systems and procedures based on the overview and strategic counsel of the Board and it is fully equipped to discharge its responsibilities and to provide management the strategic direction it needs.

We believe that good Corporate Governance is much more than complying with legal and regulatory requirements. Keeping in view the above, your Company pledges to continue the legacy of following the law by letter and spirit and hereby acknowledges the responsibility and faith reposed by the stakeholders.

The Company is in compliance with the provisions stipulated under Regulation 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "SEBI Listing Regulations"), as applicable, with regard to corporate governance.

The details of Nazara's Board structure and committees that constitute the governance structure of the organisation is covered under the report.

II. BOARD OF DIRECTORS:

- i. The main role of the Board is that of trusteeship in order to protect and enhance the shareholder value. The Company believes that good Corporate Governance is an essential foundation for strong performance. Its Board, Executive Management and employees being the ambassadors of its vision, collectively act to maintain the highest level of Corporate Governance with a responsibility to meet the stakeholder expectations. We believe that our Board should have an appropriate mix of Executive, Non-Executive and Independent Directors to maintain its Independence, and separate its functions of governance and management. Your Board represents a confluence of varied skills, experience and expertise from diverse background. The Directors possess requisite qualification, experience and expertise in their respective functional areas, which enable them to discharge their responsibilities and provide effective leadership to the management. The Board also provides

direction and exercises appropriate control to ensure that the Company is managed in a manner that fulfils and boost the morale of the stakeholders, strategic investors and public.

As on March 31, 2022, the Company's Board comprised of 7 (seven) Directors viz., 2 (two) Executive Directors, 5 (five) Non-Executive Directors of which 4 (four) are Independent Directors. The Listing Regulations also mandate that the Board of Directors of the top 500 listed entities shall have at least one Independent Women Director. The Company has one Women Independent Director. The Chairman of the Board is Executive Director. The profile of Directors can be found on https://corp.nazara.com/?page_id=2718.

- ii. The composition of the Board as on March 31, 2022 conforms to Regulation 17 of the SEBI Listing Regulations, which stipulates that (i) the Board should have at least one Independent Woman Director; (ii) not less than 50% of the Directors should be Non-Executive Directors; and (iii) where the Company does not have a regular non-executive chairperson, at least half of the board of directors shall comprise of independent directors.
- iii. None of the Directors on the Board holds directorships in more than twenty (20) Indian Companies including ten public limited companies. Further, none of the Directors on the Board is a member of more than ten (10) Committees and Chairperson of more than five (5) Committees across all public companies in which he/she is a Director. None of the Independent Directors of the Company serve as Independent Directors in more than seven (7) listed entities and none of the Whole-time Directors of the Company serve as Independent Directors in more than three (3) listed entities. Necessary disclosures regarding Committee positions in other public companies as on March 31, 2022 have been made by the Directors. None of the Directors are related to each other except Nitish Mittersain, being son of Vikash Mittersain.
- iv. Independent Directors are Non-Executive Directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Companies Act, 2013 (the "Act") along with rules framed thereunder. In terms of Regulation 25(8) of SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that may affect their status as an independent Director or could impair or impact their ability to discharge their duties. Based on the declarations received from the

Corporate Governance Report (Contd.)

Independent Directors, the Board of Directors have confirmed that they meet the criteria of Independence as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations and that they are Independent of the management. Further, the Independent Directors have in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014, confirmed that they have enrolled themselves in the Independent Directors' Databank maintained with the Indian Institute of Corporate Affairs. The Company has issued formal letters of appointment to the Independent Directors. As required under Regulation 46 of the SEBI Listing Regulations, as amended, the terms and conditions of appointment of Independent Directors including their role, responsibility and duties are available on our website at https://corp.nazara.com/?page_id=5937.

- v. Eleven (11) Board Meetings were held during the year under review and the maximum time gap between two meetings did not exceed one hundred and twenty days. The necessary quorum was present for all the meetings. The said meetings were held on the following dates:

Sr. No.	Date of Board Meeting	Mode of Board Meeting
1.	April 22, 2021	Video Conferencing
2.	May 28, 2021	Video Conferencing
3.	July 30, 2021	Video Conferencing
4.	August 27, 2021	Video Conferencing
5.	September 17, 2021	Video Conferencing
6.	October 06, 2021	Video Conferencing
7.	October 29, 2021	Video Conferencing
8.	November 22, 2021	Video Conferencing
9.	January 17, 2022	Video Conferencing
10.	February 11, 2022	Video Conferencing
11.	March 04, 2022	Video Conferencing

- vi. All the information that is required to be made available to the Directors in terms of provisions of the SEBI Listing Regulations and the Act, so far as applicable to the Company, is made available to the Board. Actions taken/ status reports on decisions of the previous meeting(s) are placed at the next meeting(s) for information and further recommended actions, if any.
- vii. The names and categories of the Directors on the Board, their attendance at Board Meetings held during the year under review and at the last Annual General Meeting ("AGM"), name of other listed entities where the Directors of the Company are Director and the number and categories of their Directorships and Committee Chairmanships / Memberships held by them in other public limited companies as on March 31, 2022 are given herein below:

***Name of the Director	Category/status of Directorship	Number of Board Meetings attended during the FY 2021-22	#No. of Directorship(s) in other Public Companies	Whether attended last AGM held on September 20, 2021	**No. of Committee Positions in other Public Companies		*Directorship in other listed entities	
					Chairperson	Member	Name of the entity	Category of Directorship
Vikash Mittersain (Chairman and Managing Director) DIN: 00156740	Non-Independent, Executive	10	1	Yes	-	-	-	-

Corporate Governance Report (Contd.)

***Name of the Director	Category/status of Directorship	Number of Board Meetings attended during the FY 2021-22	#No. of Directorship(s) in other Public Companies	Whether attended last AGM held on September 20, 2021	**No. of Committee Positions in other Public Companies		*Directorship in other listed entities	
					Chairperson	Member	Name of the entity	Category of Directorship
Nitish Mittersain (Joint Managing Director) DIN: 02347434	Non-Independent, Executive	11	1	Yes	-	-	-	-
Kuldeep Jain (Independent Director) DIN: 02683041	Independent, Non-Executive	7	-	No	-	-	-	-
Sasha Mirchandani (Independent Director) DIN: 01179921	Independent, Non-Executive	11	2	Yes	-	2	1. Hathway Cable & Datacom Limited 2. Zee Entertainment Enterprises Limited	Non-Executive - Independent Director
Shobha Jagtiani (Independent Director) DIN: 00027558	Independent Non-Executive	10	-	Yes	-	-	-	-
Probir Roy (Independent Director) DIN: 00111961	Independent Non-Executive	11	-	Yes	-	-	-	-
Rajiv Ambrish Agarwal (Non-Executive Director) DIN: 00379990	Non-Independent Non- Executive	10	2	Yes	-	-	APTECH Limited	Non-Executive Director, Non Independent Director

*Directorship in other listed entities means listed entities whose securities are listed on a stock exchange

#Other directorships do not include directorships of private limited companies, foreign companies and companies registered under Section 8 of the Act. Further, none of them is a member of more than ten committees or chairman of more than five committees across all the public companies in which he / she is a Director.

**For the purpose of determination of limit of the Committees, chairpersonship and membership of the Audit Committee and Stakeholders' Relationship Committee has been considered as per Regulation 26(1)(b) of SEBI Listing Regulations.

***Karan Bhagat (Non-Executive Director) (DIN: 03247753), ceased to be the Director of the Company w.e.f. May 05, 2021 and the disclosure as required above are not applicable and hence not stated. Further, Karan Bhagat had attended one meeting during the F.Y. 2021-22.

- viii. During FY 2021-22, one meeting of the Independent Directors was held on May 27, 2021. The Independent Directors, inter-alia, reviewed the performance of Non-Independent Directors, Board as a whole and Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors.

Corporate Governance Report (Contd.)

- ix. Details of equity shares and convertible instruments of the Company held by the Directors as on March 31, 2022 are given below:

Name	Category	Number of equity shares
Nitish Mittersain	Non- Independent, Executive	10,11,453
Vikash Mittersain	Non-Independent, Executive	250
Rajiv Agarwal	Non-Independent, Non Executive	6,000

*None of the Directors holding any convertible instruments issued by the Company.

- x. The Company does not have any pecuniary relationship with any of the Directors and has not entered into any transaction, material or otherwise, with them except for the remuneration, sitting fees and payments/reimbursement of travelling, lodging and boarding expenses.
- xi. The Members of the Board are committed towards ensuring that the Board is in compliance with the highest standards of Corporate Governance. The table below summarises the key skills, expertise, competencies and attributes which are taken into consideration by the NRC while recommending appointment of Directors to the Board.

Director skills, expertise, competencies and attributes desirable in Company's business and sector in which it functions.

Nature of Expertise	Particulars	Name of Director
Business expertise	Experience of global business dynamics, understanding of various geographical markets, cultures, people and regulatory frameworks.	- Sasha Mirchandani - Kuldeep Jain - Rajiv Ambrish Agarwal - Vikash Mittersain - Nitish Mittersain - Probir Roy
Corporate Strategy & planning	Ability to scan and analyse the business trends, experience to guide and provide strategic directions to the management team, and driving change with the objective of growth.	- Kuldeep Jain - Rajiv Ambrish Agarwal - Shobha Jagtiani - Probir Roy - Nitish Mittersain

Nature of Expertise	Particulars	Name of Director
Expertise/ Experience in Finance & Accounts/ Audit	Experience in leading finance function of variety of entities, ability to drive the Company to benchmark with best practices in various procedural areas of finance function.	- Probir Roy - Kuldeep Jain
Governance	Experience in statutory compliances, developing governance practices, driving business ethics and values so as to protect interests of stakeholders.	- Shobha Jagtiani - Probir Roy - Rajiv Ambrish Agarwal - Vikash Mittersain

- i) The details of the Familiarisation programme of the Independent Directors is disclosed on the Company's website via. https://corp.nazara.com/?page_id=5937.
- ii) No Independent Director resigned before the expiry of his tenure during this financial year.

III. COMMITTEES OF THE BOARD:

- i) The Board has constituted various Committees with an optimum representation of its members and with specific terms of reference in accordance with the Act and the SEBI Listing Regulations. The objective is to focus effectively on the issues and ensure expedient resolution of the diverse matters. The Committees operate as the Board's empowered agents according to their terms of reference. These Committees usually meet as per statutory and other business requirements. The Board has constituted the below mentioned mandatory committees:
- Audit Committee;
 - Nomination, Remuneration & Compensation Committee;
 - Stakeholders Relationship Committee; and
 - Corporate Social Responsibility Committee.
 - Risk Management Committee

The Committees are represented by a combination of Non- Executive Independent Directors and Key Managerial Personnel of the Company. These Committees play an important role in the overall Management of day-to-day affairs and governance of the Company. The Committees meet at regular intervals and take necessary steps to perform its duties entrusted by the Board. The recommendations of the Committee(s) are submitted to the Board for its approval.

Corporate Governance Report (Contd.)

During the year, all recommendations of the Committee(s) were duly considered and approved by the Board. Minutes of proceedings of Committee meetings are circulated to the respective committee members and placed before Board meetings for noting.

a) AUDIT COMMITTEE:

The Audit Committee was constituted on January 04, 2018 and was reconstituted on October 29, 2021 in line with the provisions of Regulation 18 of SEBI Listing Regulations and Section 177 of the Act. The following are the details of the Audit Committee composition, Audit Committee meetings and attendance for the year ended March 31, 2022.

• COMPOSITION, ATTENDANCE AND DETAILS OF AUDIT COMMITTEE MEETINGS:

Name of the Members	Position	Category	No. of meetings attended
*Sasha Mirchandani	Chairman	Independent, Non-Executive	04
**Kuldeep Jain	Chairman	Independent, Non-Executive	02
Probir Roy	Member	Independent, Non-Executive	07
Shobha Jagtiani	Member	Independent, Non-Executive	07
Nitish Mittersain	Member	Non-Independent, Executive	07

*Sasha Mirchandani ceased to be the Chairman/Member of the Audit Committee w.e.f. October 29, 2021.

**Kuldeep Jain was appointed as Chairman/Member of the Audit Committee w.e.f. October 29, 2021.

Mr. Pravesh Palod, Company Secretary acts as the Secretary to the Audit Committee and is the Compliance Officer to ensure the compliance and effective implementation of Insider Trading Code.

During the year under review, the Audit Committee met Seven (7) times i.e. May 28, 2021, July 30, 2021, October 06, 2021, October 29, 2021, January 17, 2022, February 11, 2022 & March 04, 2022. The necessary quorum was present for all the Meetings.

The Company invites such of the executives as it considers appropriate, representatives of the Statutory Auditors and Internal Auditors, to be present at its meetings.

The previous AGM of the Company was held on September 20, 2021 and was attended by Sasha Mirchandani, the Chairman of Audit Committee.

• TERMS OF REFERENCE:

- Oversight of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommendation to the Board, the appointment, re-appointment, and replacement, remuneration and terms of appointment of the statutory auditor and the fixation of audit fee;
- Review and monitor the auditor's independence and performance and the effectiveness of audit process;
- Approval of payments to the statutory auditors for any other services rendered by statutory auditors;
- Reviewing with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to.
 - Matters required to be stated in the Director's responsibility statement to be included in the board's report in terms of Section 134(3)(c) of the Companies Act, 2013;
 - Changes, if any, in accounting policies and practices and reasons for the same;
 - Major accounting entries involving estimates based on the exercise of judgment by management;
 - Significant adjustments made in the financial statements arising out of audit findings;
 - Compliance with listing and other legal requirements relating to financial statements;
 - Disclosure of any related party transactions; and

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- (vii) Qualifications and modified opinions in the draft audit report.
- f) Reviewing with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;
- g) Scrutiny of inter-corporate loans and investments;
- h) Valuation of undertakings or assets of our Company, wherever it is necessary;
- i) Evaluation of internal financial controls and risk management systems;
- j) Approval or any subsequent modification of transactions of our Company with related parties;
- k) Reviewing with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document/ prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- l) Approving or subsequently modifying transactions of our Company with related parties;
- m) Evaluating undertakings or assets of our Company, wherever necessary;
- n) Establishing a vigil mechanism for directors and employees to report their genuine concerns or grievances;
- o) Reviewing, with the management, the performance of statutory and internal auditors and adequacy of the internal control systems;
- p) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- q) Discussion with internal auditors on any significant findings and follow up thereon;
- r) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- s) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern;
- t) Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- u) Approval of appointment of the chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- v) Reviewing the functioning of the whistle blower mechanism, in case the same is existing;
- w) Carrying out any other functions as provided under the Act, the SEBI Listing Regulations and other applicable laws; and
- x) To formulate, review and make recommendations to the Board to amend the Audit Committee charter from time to time.
- y) Reviewing the utilisation of loan and/or advances from investment by the holding company in the subsidiary exceeding ₹ 100 Crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments
- z) The powers of the Audit Committee include the following:
 - (i) To investigate activity within its terms of reference;
 - (ii) To seek information from any employees;
 - (iii) To obtain outside legal or other professional advice; and
 - (iv) To secure attendance of outsiders with relevant expertise, if it considers necessary.
- aa) The Audit Committee shall mandatorily review the following information:
 - (i) Management discussion and analysis of financial condition and result of operations;
 - (ii) Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
 - (iii) Management letters/letters of internal control weaknesses issued by the statutory auditors;
 - (iv) Internal audit reports relating to internal control weaknesses;

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- (v) The appointment, removal and terms of remuneration of the chief internal auditor; and
- (vi) Statement of deviations:
 - quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI Listing Regulations; and
 - annual statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of the SEBI Listing Regulations.

b) NOMINATION REMUNERATION & COMPENSATION COMMITTEE:

The Nomination Remuneration & Compensation Committee was reconstituted on January 4, 2018 in line with the provisions of Regulation 19 of SEBI Listing Regulations and Section 178 of the Act.

• COMPOSITION, ATTENDANCE AND DETAILS OF NOMINATION REMUNERATION & COMPENSATION COMMITTEE MEETINGS:

Name of the Members	Position	Category	No. of meetings attended
Probir Roy	Chairman	Independent, Non-Executive	03
Shobha Jagtiani	Member	Independent, Non-Executive	03
Kuldeep Jain	Member	Independent, Non-Executive	02

During the year under review, the Nomination Remuneration & Compensation Committee met three (3) times i.e. May 27, 2021, July 30, 2021, and November 22, 2021. The necessary quorum was present for all the Meetings.

The previous AGM of the Company was held on September, 20, 2021 and was attended by Probir Roy, the Chairman of the Nomination Remuneration & Compensation Committee.

• TERMS OF REFERENCE:

- a) Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy,

relating to the remuneration of the directors, key managerial personnel and other employees;

- b) Formulating of criteria for evaluation of performance of independent directors and the Board;
- c) Devising a policy on Board diversity;
- d) Identifying persons who are qualified to become directors or who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance. Our Company shall disclose the remuneration policy and the evaluation criteria in its annual report;
- e) Analysing, monitoring and reviewing various human resource and compensation matters;
- f) Determining our Company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;
- g) Determining compensation levels payable to the senior management personnel and other staff (as deemed necessary), which shall be market-related, usually consisting of a fixed and variable component; and recommend to the board, all remuneration, in whatever form, payable to senior management
- h) Reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;
- i) Performing such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- j) Framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including:
 - (i) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; or

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- (ii) The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003;
- k) Determining whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors;
- l) Perform such other activities as may be delegated by the Board of Directors and/or are statutorily prescribed under any law to be attended to by such committee; and
- m) Recommend to the board, all remuneration, in whatever form, payable to senior management.

• EMPLOYEE STOCK OPTION SCHEME:

The Company has two Employee Stock Option Scheme namely Nazara Technologies Employee Stock Option Plan 2017 ("ESOP 2017"), Nazara Technologies Employee Stock Option 2020 ("ESOP 2020"). The details of Stock Option Scheme including the number of outstanding options are given as an annexure to the Board's Report.

• PERFORMANCE EVALUATION:

The performance evaluation criteria for Independent Directors is determined by the Nomination Remuneration & Compensation Committee. An indicative list of factors on which evaluation was carried out includes participation and contribution by a director, commitment, effective deployment of knowledge and expertise, integrity and maintenance of confidentiality and independence of behaviour and judgement.

• REMUNERATION POLICY:

Pursuant to provisions of Section 178 of the Companies Act, 2013 read with Rules made thereunder, the Board has adopted a Policy on criteria for appointment of Directors, Key Managerial Personnel, Senior Management and their remuneration. The Remuneration Policy is available on the website of the Company at <https://corp.nazara.com/wp-content/uploads/2021/03/Nomination-and-Remuneration-Policy.pdf>.

• DETAILS OF THE REMUNERATION FOR THE YEAR ENDED MARCH 31, 2022:

Based on the recommendation of Nomination Remuneration & Compensation Committee, all decisions relating to the remuneration of the Directors are taken by the Board in accordance with the Shareholders' approval. The details of remuneration and other benefits paid/payable to Non- Executive Directors and to Executive Directors of the Company for the Financial Year ended March 31, 2022 is provided hereinafter:

i. Non-Executive Directors:

(In ₹)	
Name of the Directors	**Sitting Fees [#]
Kuldeep Jain	2,90,000
Sasha Mirchandani	4,30,000
Shobha Jagtiani	6,40,000
Probir Roy	6,50,000
Rajiv Agarwal	3,00,000
*Karan Bhagat	-
Total	23,10,000

* Karan Bhagat has voluntarily abstained from receiving any sitting fees for the meetings attended during the year.

** There was no commission paid and no stock options were granted to Non -Executive Directors during the year under review.

[#] Out of the total sitting fees of ₹ 23,10,000 (Rupees Twenty Three Lakhs and Ten-Thousand Only), the sitting fees of ₹ 2,40,000 (Rupees Two Lakhs and Forty-Thousand Only) is paid after the closure of Financial Year 2021-22.

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ii. Managing Director and Executive Director:

(In ₹)

Name	Salary	Benefits, perquisites and allowances	Incentive
Vikash Mittersain (Chairman and Managing Director)	1,01,20,307	4,51,703	-
Nitish Mittersain (Joint Managing Director)	2,13,57,708	16,67,400	1,00,00,000
Total	3,14,78,015	21,19,103	1,00,00,000

The Company has entered into employment agreement with Managing Director and Joint Managing Director which covers the tenure of office of the Managing Director and Joint Managing Director is for 5 (five) years from their respective date of appointment

There is no separate provision for payment of severance fee. The Company has a Nomination & Remuneration Policy for remuneration of Directors, Key Managerial Personnel and Senior Management of the Company, placed on the website of the Company i.e. <https://corp.nazara.com/wp-content/uploads/2021/03/Nomination-and-Remuneration-Policy.pdf>.

c) STAKEHOLDERS' RELATIONSHIP COMMITTEE:

The Stakeholders' Relationship Committee was constituted by our Board at their meeting held on January 04, 2018 in line with the provisions of Regulation 20 of SEBI Listing Regulations and Section 178 of the Act.

COMPOSITION, ATTENDANCE AND DETAILS OF STAKEHOLDERS' RELATIONSHIP COMMITTEE

Name of the Members	Position	Category	No. of meetings attended
Shobha Jagtiani	Chairman	Independent, Non-Executive	04
Probir Roy	Member	Independent, Non-Executive	04
Vikash Mittersain	Member	Non-Independent, Executive	03

During the period under review, the Stakeholders' Relationship Committee met four (4) times i.e. May 27, 2021, July 30, 2021, October 29, 2021 and February 11, 2022. The necessary quorum was present for the Meeting.

The previous AGM of the Company was held on September 20, 2021 and was attended by Shobha Jagtiani, the Chairman of the Stakeholders' Relationship Committee.

• TERMS OF REFERENCE:

- Redressal of grievances of shareholders, debenture holders and other security holders, including complaints related to the transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings, etc.;
- Allotment of shares, approval of transfer or transmission of shares, debentures or any other securities;
- Issue of duplicate certificates and new certificates on split/consolidation/renewal;
- Non-receipt of declared dividends, balance sheets of our Company, annual report or any other documents or information to be sent by our Company to its shareholders
- Review of measures taken for effective exercise of voting rights by shareholders;
- Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the registrar and share transfer agent;
- Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company;
- Formulation of procedures in line with the statutory guidelines to ensure speedy disposal of various requests received from shareholders from time to time;
- To sub-divide, consolidate and or replace any share or other securities certificate(s) of the Company;
- Allotment and listing of shares;
- To authorise affixation of common seal of the Company;

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- l. To issue duplicate share or other security(ies) certificate(s) in lieu of the original share/security(ies) certificate(s) of the Company;
- m. To approve the transmission of shares or other securities arising as a result of death of the sole/any joint shareholder;
- n. To dematerialise or rematerialise the issued shares;
- o. Ensure proper and timely attendance and redressal of investor queries and grievances;
- p. Carrying out any other functions contained in the Companies Act, 2013 and/or equity listing agreements (if applicable), as and when amended from time to time; and
- q. To further delegate all or any of the power to any other employee(s), officer(s), representative(s), consultant(s), professional(s), or agent(s)

• **NAME, DESIGNATION AND ADDRESS OF COMPLIANCE OFFICER:**

Pravesh Palod, Company Secretary,
Nazara Technologies Limited, 51-54, Maker Chambers 3, Nariman Point,
Mumbai- 400021. Telephone: 022-40330800

• **DETAILS OF INVESTOR COMPLAINTS RECEIVED AND REDRESSED DURING FY 2021-22 ARE AS FOLLOWS:**

Opening Balance	Received during the year	Resolved during the year	Closing balance
Nil	134	134	Nil

d) **CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:**

The Corporate Social Responsibility Committee was constituted in line with the provisions of Section 135 of the Act by our Board at their meeting held on and was reconstituted by the Board on October 29, 2021. The following are the details of Corporate Social Responsibility Committee composition, number of meetings and attendance during FY 2021-22.

• **COMPOSITION, ATTENDANCE AND DETAILS OF CORPORATE SOCIAL RESPONSIBILITY COMMITTEE MEETINGS:**

Name of the Members	Position	Category	No. of meetings attended
Vikash Mittersain	Chairman	Non-Independent, Executive	01
Nitish Mittersain	Member	Non-Independent, Executive	02
*Probir Roy	Member	Independent, Non-Executive	02
Shobha Jagtiani	Member	Independent, Non-Executive	02
**Sasha Mirachandani	Member	Independent, Non-Executive	-

*Probir Roy ceased to be the Member w.e.f. October 29, 2021.

**Sasha Mirchandani was appointed as Member w.e.f. October 29, 2021.

During the period under review, the Corporate Social Responsibility Committee met Two (2) times i.e. May 27, 2021 and July 30, 2021. The necessary quorum was present for the Meeting.

The previous AGM of the Company was held on September, 20, 2021 and was attended by Vikash Mittersain, the Chairman of the Corporate Social Responsibility Committee.

• **TERMS OF REFERENCE:**

- a. Formulating and recommending to the Board the corporate social responsibility policy of the Company, including any amendments thereto in accordance with Schedule VII of the Companies Act, 2013 and the rules made thereunder;
- b. Identifying corporate social responsibility policy partners and corporate social responsibility policy programmes;
- c. Recommending the amount of corporate social responsibility policy expenditure for the corporate social responsibility activities and the distribution of the same to various corporate social responsibility programmes undertaken by the Company;
- d. Identifying and appointing the corporate social responsibility team of the Company including corporate social responsibility manager, wherever required;

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- e. Delegating responsibilities to the corporate social responsibility team and supervise proper execution of all delegated responsibilities;
- f. Reviewing and monitoring the implementation of corporate social responsibility programmes and issuing necessary directions as required for proper implementation and timely completion of corporate social responsibility programmes; and
- g. Performing such other duties and functions as the Board may require the corporate social responsibility committee to undertake to promote the corporate social responsibility activities of the Company.

e) RISK MANAGEMENT COMMITTEE

The Risk Management Committee was constituted by our Board at their meeting held on April 22, 2021 in line with the provisions of Regulation 21 of SEBI Listing Regulations. The Risk Management Committee was reconstituted by the Board w.e.f. October 29, 2021.

The following are the details of Risk Management Committee composition, number of meetings and attendance during the Financial year 2021-2022.

• COMPOSITION, ATTENDANCE AND DETAILS OF RISK MANAGEMENT COMMITTEE MEETINGS:

Name of the Members	Position	Category	No. of meetings attended
*Shobha Jagtiani	Chairman	Non-Executive, Independent	01
**Nitish Mittersain	Member	Executive, Non-Independent	02
#Sasha Mirchandani	Member	Non-Executive, Independent	01
#Kuldeep Jain	Member	Non-Executive, Independent	Nil
Rakesh Shah	Member	Chief Financial Officer	02

*Shobha Jagtiani was appointed as Chairman/Member of the Risk Management Committee w.e.f. October 29, 2021.

**Nitish Mittersain ceased to be the Chairman of the Risk Management Committee w.e.f. October 29, 2021.

#Sasha Mirchandani and Kuldeep Jain ceased to be the member of the Risk Management Committee w.e.f. October 29, 2021.

During the period under review, the Risk Management Committee met Two (2) times i.e. October 29, 2021 and March 29, 2022. The necessary quorum was present for the Meeting.

• TERMS OF REFERENCE:

- (i) Framing, implementing, reviewing and monitoring the risk management plan for the Company;
- (ii) Laying down risk assessment and minimisation procedures and the procedures to inform the Board.
- (iii) Performing such other activities as may be delegated by the Board of Directors and/or are statutorily prescribed under any law to be attended to by the Risk Management Committee.

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IV. GENERAL BODY MEETINGS:

i. General Meeting:

➤ Annual General Meeting ("AGM"):

Particulars	FY 18-19	FY 19-20	FY 20-21
Date	December 23, 2019	December 30, 2020	September, 20, 2021
Time	11:00 A.M	3:30 P.M.	12.00 Noon
Venue	51-57, Maker Chambers 3, Nariman Point, Mumbai-400021	Video Conferencing	Video conferencing
Special Resolution passed at AGM	1. Increase in limits of loans, Investments and Guarantees not exceeding ₹ 400 Crores pursuant to Section 186 of the Companies Act, 2013. 2. Issue of Equity shares for consideration other than cash (i.e Swap of shares of Crimzoncode Technologies Private Limited with the Equity shares of the Company) on private placement basis to Identified persons 3. Issue of Equity shares for consideration other than cash (i.e swap of sale shares of Paper Boat Apps Private Limited with equity shares of the Company) on private placement basis to Identified persons	1. Re-Designation and Appointment of Kuldeep Jain (DIN: 02683041) as Independent Director of the Company 2. Approval for payment of remuneration to Vikash Pratapchand Mittersain (DIN: 00156740), Chairman & Managing Director of the Company 3. Approval for payment of remuneration to Nitish Vikash Mittersain (DIN: 02347434), Joint Managing Director of the Company 4. Offer and Issuance of Equity Shares for consideration other than cash on Private Placement basis 5. Approval of Nazara Technologies Limited Employee Stock Option Plan 2020	1. To increase in loans and investment limits from ₹ 400 Crore to ₹ 550 Crores under Section 186 of the Companies Act, 2013.

➤ Extraordinary General Meeting:

During the year, the Company held One (1) Extraordinary General Meetings (EGM) on November 3, 2021.

Date	November 03, 2021
Time	11:00 A.M.
Venue	Video Conferencing
Special Resolutions passed with requisite majority	(1) To consider and approve the Issuance of up to 14,29,266 Equity shares on preferential basis to Investors for cash. (2) To consider and approve the issuance of up to 6,48,125 Equity shares for consideration other than cash on preferential basis.

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- ii. Details of special resolution passed through postal ballot, the persons who conducted the postal ballot exercise, details of the voting pattern and procedure of postal ballot:
During FY 2021-22, the Company has not conducted any postal ballot exercise for seeking approval of members.
- iii. Details of special resolution proposed to be conducted through postal ballot:
Currently there are no matters which are required to be passed as a Special resolution through a Postal ballot. Special Resolution by way of a Postal Ballot, if required to be passed in the future, will be decided at that relevant time and the same would be communicated to the stakeholders.

V. OTHER DISCLOSURES:

Particulars	Regulations	Details	Website link for details/ policy
Related party transactions	Regulation 23 of SEBI Listing Regulations and as defined under the Act	During the year under review, there were no materially significant related party transactions. All Related Party Transactions as defined under the Companies Act, 2013 were in the ordinary course of business and on at Arm's Length basis. The Board has approved a policy for Related Party Transactions which become effective from March 30, 2021 which was amended on February 11, 2022 and the same has been uploaded on the Company's website.	https://corp.nazara.com/wp-content/uploads/2022/03/Risk-Management-Policy.pdf
Details of non - compliance by the Company, penalty, strictures imposed on the Company by the stock exchange, or Securities and Exchange Board of India ("SEBI") or any statutory authority on any matter related to capital markets during the last three years.	Schedule V (C) 10(b) to the SEBI Listing Regulations	The Company has complied with all the requirements of the SEBI Listing Regulations. No penalties or strictures have been imposed on the Company by the Stock Exchanges or SEBI or any other Statutory Authority in connection with violation of capital market norms, rules, regulations etc., from the date of listing of shares i.e. March 30, 2021.	
Whistle Blower Policy and Vigil Mechanism	Regulation 22 of SEBI Listing Regulations	The Company has adopted a Whistle Blower Policy and has established the necessary vigil mechanism to provide a formal mechanism to the Directors and employees to report their concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Ethics. No person has been denied access to the Chairman of Audit Committee. The said policy has been uploaded on the Company's website	https://corp.nazara.com/wp-content/uploads/2021/03/Whistle-Blower-Policy.pdf

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Particulars	Regulations	Details	Website link for details/ policy
Details of compliance with mandatory requirements and adoption of the non-mandatory requirements	SEBI Listing Regulations	The Company has complied with all the mandatory requirements under the SEBI Listing Regulations. The Company has also complied with the following discretionary requirements specified in Part E of Schedule II in terms of Regulation 27(l) of the SEBI Listing Regulations: - The auditors report on Company's financial statements are unmodified. - the reports of the Internal Auditors of the Company are presented to the Audit Committee on quarterly basis.	-
Subsidiary companies	Regulation 24 of the SEBI Listing Regulations	The Company has four material non-listed Subsidiary. The Company's Audit Committee reviews the Consolidated Financial Statements of the Company as well as the Financial Statements of the Subsidiaries, including the investments made by the Subsidiaries, if any. The Company has formulated a policy for determining Material Subsidiaries and the policy is disclosed on the website of the Company	https://corp.nazara.com/wp-content/uploads/2021/03/Policy-on-Material-Subsidiaries.pdf
Policy on Determination of Materiality for Disclosures	Regulation 30 of SEBI Listing Regulations	The Company has adopted a Policy for Determining Materiality of Events/ Information. The said policy has been put on the Company's website	https://corp.nazara.com/wp-content/uploads/2021/03/Policy-for-determination-of-Materiality-of-Events.pdf
Policy on Archival and Preservation of Documents	Regulation 9 of SEBI Listing Regulations	The Company has adopted a Preservation of Documents and Archival Policy for preservation of documents. The said policy has been put on the Company's website	https://corp.nazara.com/wp-content/uploads/2021/03/Policy-on-Preservation-and-Archival-of-Documents.pdf
Dividend Distribution Policy	Regulation 43A of the SEBI Listing Regulations	The Company has adopted Dividend Distribution Policy for distributing the profits of the Company to the shareholders. The said policy has been put on the Company's website	https://corp.nazara.com/wp-content/uploads/2021/03/Dividend-Distribution-Policy.pdf

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Particulars	Regulations	Details	Website link for details/ policy
Reconciliation of Share Capital Audit Report	Regulation 76 of the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 and SEBI Circular No D&CC / FITTC/ Cir-16/2002 dated December 31, 2002.	A qualified practicing Company Secretary carried out a share capital audit to reconcile the total admitted equity share capital with the National Securities Depository Limited ("NSDL") and the Central Depository Services (India) Limited ("CDSL") and the total issued and listed equity share capital. The audit report confirms that the total issued / paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialised shares held with NSDL and CDSL. The said audit is applicable to the Company as on the date of this report	-
Details of utilisation of funds raised through preferential allotment or qualified institutions placement	Regulation 32 (7A) of the SEBI Listing Regulations	During the financial year 2021-22, the Company has raised ₹ 3,152.96 million through preferential allotment in accordance with the provisions of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, the Companies Act, 2013 and the rules made thereunder. The aforesaid funds are primarily used for making strategic acquisition and investments in various companies/ body corporates and also to fund the growth plans of the Company including its subsidiaries and associates. Further, the aforesaid funds remains unutilized as on March 31, 2022 and that there is no deviation or variation in use of proceeds raised through preferential issue. During the financial year, the Company has not raised any funds through qualified institutions placement.	-
Certificate from a company secretary in practice that none of the directors on the board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority.	Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI Listing Regulations	The Company has obtained the certificate accordingly from M/s. Manish Ghia & Associates Practicing Company Secretaries for the financial year ended March 31, 2022, copy of which is appended to this report.	-

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Particulars	Regulations	Details	Website link for details/ policy
CEO and CFO Certification	Regulation 17(8) read with Schedule II Part B of the SEBI Listing Regulations	The Chief Executive Officer & Managing Director and Executive Director & Chief Financial Officer have given appropriate certifications to the Board of Directors and annexed to this Report	-
Practicing Company Secretary Certificate on Corporate Governance	In terms of Para E of Schedule V of Regulation 34(3) of the SEBI Listing Regulations	A certificate of compliance from independent practicing company secretary as stipulated under the Regulations, is also obtained and annexed to this report	-
Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part.	-	Particulars of total fees paid to Auditor are provided in Note (i) to the standalone financial statements.	-
Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2018	-	The Company is compliant with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act 2013, which aims to protect women at work place against any form of sexual harassment and prompt redressal of any complaint. During FY 2021-22, no complaint was received by the Company in this regard.	-
Recommendation made to the Board of Directors by its Committees.	-	There was no instance during the financial year 2021-22, wherein the Board of Directors of the Company did not accept recommendations made to it by any of its Committees.	-
Code of Conduct for Board Members and Senior Management Personnel.	-	The Company has formulated and adopted Code of Conduct ('CoC') for members of the board of directors and senior management personnel of the Company which also incorporates the duties of Independent Directors provided in the Companies Act, 2013. The Code has been displayed on the Company's website www.nazara.com. The Company has received confirmation from all members of the Board of Directors and Senior Management Personnel regarding compliance of the Code for the year under review. The declaration signed by Manish Agarwal, Chief Executive Officer stating that the members of board of directors and senior management personnel have affirmed compliance with the code of conduct of board of directors and senior management is forming part of this report.	https://corp.nazara.com/wp-content/uploads/2021/03/Code-of-Conduct-for-Board-of-Directors-Senior-Management.pdf

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Particulars	Regulations	Details	Website link for details/ policy
Disclosure of commodity price risks and commodity hedging activities.	-	The Company does not deal in commodities and hence the disclosure as required under SEBI Listing Regulations is not applicable. Please refer Management Discussion & Analysis Report for the details on foreign exchange risk and hedging activities.	-
Disclosure of Loan and advances in the nature of loans to firms/ companies in which directors are interested.	-	During the financial year 2021-22, the Company and its subsidiaries have not granted any loans or advances to firms/ companies in which the Directors are interested	-

VI. MEANS OF COMMUNICATION

Financial Results	The Yearly results for F.Y. 2021-22 were intimated to the Stock Exchanges immediately after the Board Meeting at which they were approved. The results of the Company were also published in at least one prominent national newspaper and one regional newspaper having wide circulation. Your Company holds meetings with the analyst/investor, post disclosure of financial results in each quarter. The detailed schedule of analyst/investor meet and presentation made before them are disseminated to the stock exchanges and also uploaded on the Company's website at www.nazara.com . The audio recordings and transcripts of analyst/investor meet are also available on the Company's website, as applicable.
Annual Report	Annual Report containing inter alia Audited Financial Statements, Consolidated Financial Statements, Board's Report, Auditor's Report, and other important information is circulated to the shareholders and others entitled thereto. The Management's Discussion and Analysis Report forms a part of the Annual Report. The Annual Report is displayed on the Company's website at www.nazara.com
Communication to shareholders on Email	As mandated by the Ministry of Corporate Affairs (MCA) documents like Notices, Annual Report, ECS advices for dividends, etc. are sent to the shareholders at their email address, as registered with their Depository Participants/ Company/ Registrar and Transfer Agents (RTA), which help in prompt delivery of document, reduce paper consumption, save trees and avoid loss of documents in transit.
Website	All the information and disclosures required to be disseminated as per Regulation 46(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and Companies Act, 2013 are being posted at Company's website: www.nazara.com . The official news releases and presentations to the institutional investors or analysts, if made any are disseminated to the Stock Exchange at www.nseindia.com and www.bseindia.com and the same is also uploaded on the website of the Company www.nazara.com .
Designated E-mail address for investor services	The Company has organised investor conferences calls to discuss its financial results, where investor queries were answered by the Executive Management of the Company. The transcript of the conference calls are posted on the website of the Company viz. www.nazara.com . To serve the investors better and as required under SEBI Listing Regulations the designated e-mail address for investors complaints is investors@nazara.com . This email address for grievance redressal is continuously monitored by the Company's Compliance Officer.
SEBI Complaints Redress System (SCORES)	The investor complaints are processed in a Centralised web-based complaints redress system. The salient features of this system are: Centralised database of all complaints, online upload of Action Taken Reports (ATRs) by concerned companies and online viewing by investors of actions taken on the complaint and its current status.

Corporate Governance Report (Contd.)

VII. GENERAL SHAREHOLDER INFORMATION:

The Company is registered with the Registrar of Companies, Mumbai, Maharashtra. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L72900MH1999PLC122970.

AGM date, time and venue	Date: Thursday, September 29, 2022 Time: 02:00 P.M. Venue: Video Conferencing For details, please refer to the Notice of this AGM. As required under Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard 2 on General Meetings, particulars of Directors seeking re-appointment at this AGM are given in the Annexure to the Notice of this AGM
Financial Year	April 01, 2021 to March 31, 2022
Dividend Payment Date	Your Company has not declared any dividend for the financial year 2021-22.
Registered Office and address for correspondence	51-54, Maker Chambers 3, Nariman Point, Mumbai City, MH-400021 [w.e.f. February 12, 2022] Telephone: 022-40330800 Designated e-mail address for Investor Services: investors@nazara.com Website: www.nazara.com
Name and Address of Stock Exchanges where Company's securities are listed	National Stock Exchange of India Limited Exchange Plaza, C-1, Block G, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051. Trading Symbol – NAZARA BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001 Scrip Code: 543280 ISIN: INE418L01021
Listing fees	The necessary annual listing fees have been duly paid to both the Stock Exchanges i.e BSE and NSE.

Corporate Governance Report (Contd.)

Share Registrar and Transfer Agents	Link Intime India Private Limited C 101, 247 Park, L.B.S.Marg, Vikhroli (West), Mumbai – 400083, Maharashtra, India Tel No.: +91-22-4918 6270 Fax No.: +91-22-4918 6060 Investor query registration: rnt.helpdesk@linkintime.co.in Website: www.linkintime.co.in Depository services: National Securities Depository Limited Trade World, A Wing, 4th & 5th Floors, Kamala Mills Compound, Lower Parel, Mumbai-400 013. Tel.: +91 22 2499 4200; Fax: +91 22 2497 6351 E-mail: info@nsdl.co.in Investor Grievance: relations@nsdl.co.in Website: www.nsdl.co.in Central Depository Services (India) Limited Marathon Futurex, A-Wing, 25th Floor, NM Joshi Marg, Lower Parel (East), Mumbai-400013. Tel.: +91 22 2305 8640 / 8642 / 8639 / 8663 E-mail: helpdesk@cdslindia.com Investor Grievance: complaints@cdslindia.com Website: www.cdslindia.com
Company Secretary & Compliance officer	Pravesh Palod

Corporate Governance Report (Contd.)

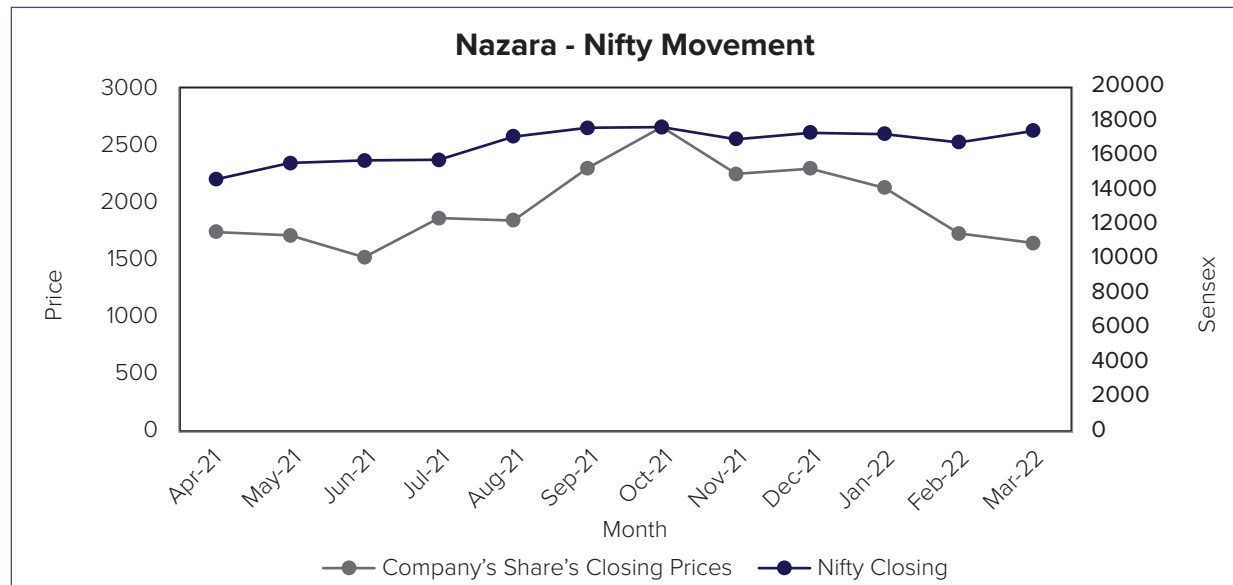
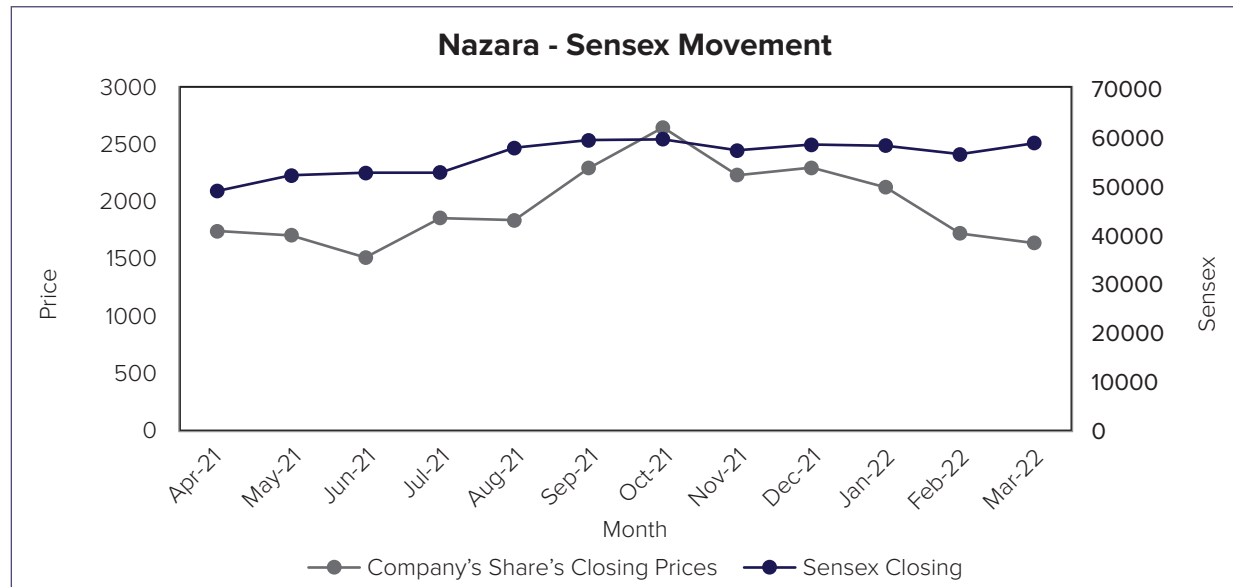
➤ Market Price Data:

High, Low and number of shares traded during each month in last financial year on BSE and NSE:

Month	BSE			NSE		
	High (₹)	Low (₹)	No. of Shares Traded	High (₹)	Low (₹)	No. of Shares Traded
Apr-21	1835.00	1412.50	909325	1836.00	1455.55	10646566
May-21	1896.05	1639.35	558819	1897.00	1641.00	4849718
Jun-21	1757.40	1452.00	845954	1757.95	1461.95	5985654
Jul-21	1988.00	1515.00	666756	1988.00	1512.00	9269042
Aug-21	1949.50	1562.15	358625	1950.00	1561.00	3860033
Sep-21	2414.60	1775.35	802794	2414.40	1775.40	9970999
Oct-21	3354.40	2273.45	620365	3356.00	2262.00	8023352
Nov-21	2650.00	2115.00	159341	2645.00	2151.00	1692507
Dec-21	2446.30	2145.80	76280	2452.20	2130.80	630932
Jan-22	2677.65	2102.50	277728	2687.00	2106.00	1863139
Feb-22	2245.35	1676.50	267073	2245.00	1678.00	1686273
Mar-22	1867.55	1582.00	231660	1868.45	1588.00	2456121

➤ Performance of the share price of the Company in comparison to the S&P BSE Sensex and Nifty 50:

Month	BSE		NSE	
	Nazara share price	S&P BSE Sensex	Nazara share price	Nifty 50
Apr-21	1740.30	48782.36	1736.75	14631.10
May-21	1704.70	51937.44	1705.40	15582.80
Jun-21	1510.55	52482.71	1514.95	15721.50
Jul-21	1855.70	52586.84	1855.35	15763.05
Aug-21	1835.90	57552.39	1836.85	17132.20
Sep-21	2292.35	59126.36	2292.10	17618.15
Oct-21	2645.70	59306.93	2652.10	17671.65
Nov-21	2230.80	57064.87	2241.50	16983.20
Dec-21	2293.75	58253.82	2289.10	17354.05
Jan-22	2123.45	58014.17	2122.15	17264.15
Feb-22	1721.20	56247.28	1720.60	16793.90
Mar-22	1637.85	58568.51	1638.30	17464.75

Corporate Governance Report (Contd.)

Corporate Governance Report (Contd.)

➤ Share Transfer System:

Nomination Facility for shares held in physical form

Shareholders who hold shares in physical form and wish to make/ change a nomination in respect of their shares in the Company, as permitted under Section 72 of the Companies Act, 2013, may submit request to Registrar and Transfer Agent (RTA) in the prescribed Forms SH-13/SH-14.

For Shares held in Electronic Form

Shareholders holding shares in electronic form may please note that instructions regarding change of address, bank details, email address, nomination and power of attorney should be given directly to the Depository Participant (DP).

Number of Shares held in Physical Form

As on March 31, 2022, a total of 10,35,828 (Ten Lakhs Thirty-Five Thousand Eight Hundred and Twenty-Eight) Equity Shares were held in physical form.

➤ Shareholding as on March 31, 2022:

i. Distribution of equity shareholding as on March 31, 2022:

Range	Number of shareholders	% of total shareholders	Total shares for the range	% of issued capital
1 to 500	153357	99.1043	3372099	10.3371
501 to 1000	662	0.4278	517541	1.5865
1001 to 2000	294	0.1900	429353	1.3162
2001 to 3000	110	0.0711	282280	0.8653
3001 to 4000	52	0.0336	181855	0.5575
4001 to 5000	51	0.0330	235749	0.7227
5001 to 10000	89	0.0575	654448	2.0062
10001 and above	128	0.0827	26947902	82.6085
Total	154743	100.00	32621227	100.00

ii. Categories of equity shareholding as on March 31, 2022:

Category	Number of equity shares held	Percentage of holding (%)
Promoters and Promoter Group	63,03,054	19.32
Mutual Funds	9,00,456	2.76
Venture Capital Funds	1,19,614	0.37
Banks and Financial Institutions	99	0.00
Insurance Companies	38,816	0.12
Alternate Investment Fund	2,09,100	0.64
Foreign Portfolio Investors	33,77,550	10.35
Public	1,05,37,952	32.30
Foreign Companies	20,73,261	6.36
HUF	3,06,840	0.94
NRI & others	41,83,871	12.83
NBFCs registered with RBI	3551	0.01
Trusts	2630	0.01
Body Corporate and Others	45,64,433	13.99
GRAND TOTAL	3,26,21,227	100.00

iii. Top ten equity shareholders of the Company as on March 31, 2022:

Sr. No.	Name of the shareholder	Number of equity shares held	Percentage of holding
1.	Mitter Infotech LLP	52,63,225	16.13
2.	Arpit Khandelwal	34,46,210	10.56
3.	Jhunjhunwala Rakesh Radheshyam	32,94,310	10.10
4.	Plutus Wealth Management LLP	22,51,586	6.90
5.	Gamnat Pte. Limited	11,77,680	3.61
6.	Instant Growth Limited	11,43,578	3.51
7.	Nitish Mittersain	10,11,453	3.10

Corporate Governance Report (Contd.)

Sr. No.	Name of the shareholder	Number of equity shares held	Percentage of holding
8.	Unnati Management Consultants LLP	6,48,125	1.99
9.	Emerging Investment Limited	5,50,810	1.69
10.	Riyaz Suterwalla	5,00,000	1.53

vii. Dematerialisation of shares and liquidity:

The Company's shares are compulsorily traded in dematerialised form on NSE and BSE. Shares held in demat and physical mode (folio-based) as on March 31, 2022:

Category	Number of shares	% of total equity
Demat mode	3,15,85,399	96.82
Physical mode	10,35,828	3.18
Total	3,26,21,227	100.00

➤ Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity:

The Company has not issued any GDRs/ADRs/Warrants or any convertible instruments in the past and hence, as on March 31, 2022, the Company does not have any outstanding GDRs/ADRs/Warrants or any convertible instruments.

➤ Commodity price risk or foreign exchange risk and hedging activities:

Please refer to Management Discussion and Analysis Report for the same.

➤ Equity shares in the suspense account:

The Company does not have any equity shares in the suspense account.

➤ Transfer of unclaimed / unpaid amounts to the Investor Education and Protection Fund:

The Company does not have any instances of transferring any amount to the Investor Education and Provident Fund.

➤ Plant Location:

Since the Company provides services, the Company does not have any manufacturing plant. It operates from Registered & Corporate Office and branches located at different places throughout India.

➤ Secretarial Audit:

The Board of Directors at their meeting held on May 28, 2021 has appointed M/s. Manish Ghia & Associates, Practicing Company Secretaries, to conduct secretarial audit of its records and documents for FY 2021-22. The secretarial audit report confirms that the Company has complied with all applicable provisions of the Companies Act, 2013, Secretarial Standards, Depositories Act, 2018, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, SEBI (Prohibition of Insider Trading) Regulations, 2015, each as amended and all other regulations and guidelines of SEBI as applicable to the Company. The Secretarial Audit Report forms part of the Board's Report.

➤ Credit Rating:

The Company has not issued any securities/instruments for which credit rating is required.

Place : Mumbai
Date : May 13, 2022

Vikash Mittersain
Chairman & Managing Director
DIN: 00156740

By order of the Board of Directors
For **Nazara Technologies Limited**

Nitish Mittersain
Joint Managing Director
DIN: 02347434



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CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To

The Members

Nazara Technologies Limited

51-54, Maker Chambers 3,

Nariman Point,

Mumbai – 400021

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Nazara Technologies Limited** having CIN: L72900MH1999PLC122970 and having registered office at 51-54, Maker Chambers 3, Nariman Point, Mumbai - 400021 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial

Year ending March 31, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No	Name of Director	DIN	Date of Appointment in Company
1	Ms. Shobha Hareesh Jagtiani	00027558	January 4, 2018
2	Mr. Probir Roy	00111961	January 4, 2018
3	Mr. Vikash Pratapchand Mittersain	00156740	December 8, 1999
4	Mr. Rajiv Ambrish Agarwal	00379990	June 22, 2020
5	Mr. Sasha Gulu Mirchandani	01179921	January 4, 2018
6	Mr. Nitish Vikash Mittersain	02347434	December 8, 1999
7	Mr. Kuldeep Jain	02683041	August 20, 2013

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Manish Ghia & Associates**

Company Secretaries

(Unique ID: P2006MH007100)

CS Mannish L. Ghia

Partner

M. No. FCS 6252, C.P. No. 3531

PR 822/2020

Place: Mumbai

Date: May 13, 2022

UDIN: F006252D000296894

CEO AND CFO CERTIFICATION

Pursuant to Regulation 17 (8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

To,

The Board of Directors,

Nazara Technologies Limited

We, Manish Agarwal, the Chief Executive Officer (CEO) and Rakesh Shah, the Chief Financial Officer (CFO) of Nazara Technologies Limited ("the Company") to the best of our knowledge and belief, certify that:

- A. We have reviewed the financial statements and the cash flow statement for the financial year ended March 31, 2022 and that these statements:
1. do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 2. together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. We further state that to the best of our knowledge and belief, there are no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.

- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to address these deficiencies.
- D. We have indicated, based on our most recent evaluation, wherever applicable, to the Auditors and the Audit committee that:
1. there has been no significant change in internal control over financial reporting during the financial year ended March 31, 2022;
 2. there has been no significant change in accounting policies during the financial year ended March 31, 2022, and;
 3. there has been no instance of significant fraud of which we have become aware and the involvement therein, if any, of the management or any employee having significant role in the Company's internal control systems over financial reporting.

Manish Agarwal

Chief Executive Officer

Place: Mumbai

Date: May 13, 2022

Rakesh Shah

Chief Financial Officer

Place: Mumbai

Date: May 13, 2022



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COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

(Pursuant to Regulation 34(c) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

To

The Members

Nazara Technologies Limited

Mumbai - 400021.

We have examined the compliance of conditions of Corporate Governance by **Nazara Technologies Limited**, for the year ended on March 31, 2022 as stipulated under Regulation 34 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementation thereof

adopted by the Company for ensuring compliance with the conditions of the Corporate Governance as stipulated in the said Listing Regulations.

In our opinion and to the best of our information and according to the explanations given to us and based on the representations made by the Directors and the Management, we certify that the Company has complied with the mandatory conditions of Corporate Governance as stipulated in relevant regulation(s) of above mentioned Listing Regulations.

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

For **Manish Ghia & Associates**

Company Secretaries

(Unique ID: P2006MH007100)

CS Mannish L. Ghia

Partner

M. No. FCS 6252, C.P. No. 3531

PR 822/2020

Place: Mumbai

Date: May 13, 2022

UDIN: F006252D000296905

ANNUAL DECLARATION BY THE CHIEF EXECUTIVE OFFICER (CEO) PURSUANT TO SCHEDULE V(D) OF THE LISTING REGULATIONS

The Company has laid down a 'Code of Business Conduct and Ethics' for the Directors and the Senior Management Personnel and also been placed on the company's website.

Pursuant to the Regulation 26(3) of the Listing Regulations, I, Manish Agarwal, Chief Executive Officer (CEO) of the Company hereby declare that the Board members and the Senior Management Personnel of the Company have affirmed the compliance with the Code of Conduct of the Company for the financial year ended March 31, 2022.

Place: Mumbai

Date: May 13, 2022

Manish Agarwal

Chief Executive Officer

Business Responsibility & Sustainability Report FY 2021-22

(The report is prepared on Standalone Basis)

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1. Corporate Identity Number (CIN) of the Listed Entity:	L72900MH1999PLC122970
2. Name of the Listed Entity:	Nazara Technologies Limited
3. Year of incorporation:	December 8, 1999
4. Registered office address:	51-54, Maker Chambers 3, Nariman Point, Mumbai, Maharashtra -400021
5. Corporate address:	51-54, Maker Chambers 3, Nariman Point, Mumbai, Maharashtra 400021
6. E-mail:	investors@nazara.com
7. Telephone:	022 4033 0800
8. Website:	www.nazara.com
9. Financial year for which reporting is being done:	April 1, 2021 to March 31, 2022
10. Name of the Stock Exchange(s) where shares are listed:	BSE Limited (BSE) Code: 543280 National Stock Exchange of India Limited (NSE) Symbol: NAZARA
11. Paid-up Capital:	₹ 130.48 million
12. Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report:	Name: Mr. Nitish Mittersain Designation: Joint Managing Director Telephone Number: 022-40330800 E-mail ID: nitish@nazara.com
13. Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e., only for the entity) or on a consolidated basis (i.e., for the entity and all the entities which form a part of its consolidated financial statements, taken together):	Disclosures made in this report are on a standalone basis and pertain only to Nazara.

II. Products/services

14. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	% Of Turnover of the entity
1.	Telco Subscription	Players subscribing to curated game packs and payment collected through telecom operator channel	86.98%
2.	Freemium	Ads & virtual items purchased within the games	13.02%

15. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/Service	NIC Code	% of total Turnover Contributed (FY 2021-22)
1.	Telco Subscription	61101	86.98%
2.	Freemium	73100	13.02%

III. Operations

16. Number of locations where plants and/or operations/offices of the entity are situated:

The Company is in the gaming business and does not undertake any manufacturing activities and hence does not have any plants. The Company does not have any international offices.

Location	Total number of offices
National	1

17. Markets served by the entity:

In addition to serving Indian markets, the Company provides services in more than 70 countries

a. What is the contribution of exports as a percentage of the total turnover of the entity?

The contribution of exports as a percentage of total turnover is 85.32%

Business Responsibility & Sustainability Report FY 2021-22 (Contd.)

b. A brief on types of customers

- Gamers
- Sponsors and Advertisers
- Telecom Partners and Customers
- Parents (Educational content for Young Children)

IV. Employees

18. Details as at the end of Financial Year: FY 2021-22

a. Employees and workers (including differently abled):

Sr. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (B)	% (B / A)
EMPLOYEES						
1.	Permanent (D)	73	61	83.56%	12	16.44%
2.	Other than Permanent (E)	0	0	0	0	0
3.	Total employees (D + E)	73	61	83.56%	12	16.44%

Note:

All of Nazara Technologies Limited's workforce is categorised as 'Employees' and none as 'Workers'. Hence in all the sections, details sought of the 'Workers' category are Not Applicable to Nazara Technologies Limited.

b. Differently abled Employees and workers:

Sr. No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent (D)	0	0	NA	0	NA
2.	Other than Permanent (E)	0	0	NA	0	NA
3.	Total differently abled employees (D + E)	0	0	NA	0	NA

19. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	8*	1	12.5%
Key Management Personnel	4*	1*	25%

Note:

*Mr. Karan Bhagat Non-Executive Director resigned w.e.f. May 5, 2021 and Ms. Pratibha Mishra Company Secretary (CS) of the Company has resigned w.e.f. July 9, 2021 and Mr. Praveesh Palod was appointed w.e.f. November 22, 2021 in place of Ms. Pratibha Mishra.

20. Turnover rate for permanent employees

	FY 2019-20			FY 2020-21			FY 2021-22		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	31.42%	5.23%	36.64%	15.29 %	1.17	16.47%	29.67%	1.29%	30.97%

V. Holding, Subsidiary and Associate Companies (including joint ventures)

21. (a) Names of holding / subsidiary / associate companies / joint ventures

Please refer to Page No. 66 for the list of subsidiaries, associate companies and joint ventures. The Company's subsidiaries, associate companies and joint ventures follows its separate business responsibility initiatives.

VI. CSR Details

22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No) Yes

(ii) Turnover (in ₹): 329 million

(iii) Net worth (in ₹): 4,697 million

(iv) Total amount spent on CSR for FY 2022: ₹ 3.1 million

Business Responsibility & Sustainability Report FY 2021-22 (Contd.)

VII. Transparency and Disclosures Compliances

23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism In Place (Yes/No) (If yes, then provide web-link for grievance redress policy)	FY 2021-22			FY 2020-21		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes	0	0	NA	0	0	NA
Investors	Yes	134	0	NA	26	0	NA
Employees	Yes	0	0	NA	0	0	NA
Customers	Yes	0	0	NA	0	0	NA
Value Chain Partners	Yes	0	0	NA	0	0	NA
Others (Please Specify)	Yes	0	0	NA	0	0	NA

The Company policies are placed on the Company's website under Corporate Governance and Policies and the same can be accessed through the web link: https://corp.nazara.com/?page_id=5928

24. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1.	Acquisitions	Opportunity	Acquisitions are made based on the understanding of the market growth of the industry. With the gaming market growing steadily for the last five years, India's online gaming industry is predicted to grow at a 15% CAGR to ₹ 153 billion by FY 2023-24.	-	These acquisitions will help augment capability and/or expand the Company's presence into new markets and cater to a new set of customers. However, funding this acquisition could lead to equity dilution, as our acquisitions are funded by a mix of cash and equity.

Note: The Company intends to conduct further material issue assessment that can impact the way the way the Company conducts its business operations.

Business Responsibility & Sustainability Report FY 2021-22 (Contd.)

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

The National Guidelines on Responsible Business Conduct (NGRBC) comprises nine thematic pillars of business responsibility that are known Principles. These principles are interdependent, interrelated and non-divisible and all business are urged to address them holistically.

Principle 1 (P1): Businesses should conduct and govern themselves with integrity and in a manner that is ethical, transparent and accountable.

The principle ensures ethical behaviour in all operation, functions and processes, is the basic of businesses that are guiding their governance of economic, social and environmental responsibilities. It considers that businesses are an integral part of society and they will hold themselves accountable for the effective adoption, the implementation and the making of disclosures on their performance.

Principle 2 (P2): Businesses should provide goods and service in a manner that is sustainable and safe.

The principle emphasises that businesses have to focus on safety and resource-efficiency in the design and manufacture of their products. These products have to be manufactured in such a way, by which it creates value by minimising and mitigating its adverse impacts in the environment and society through all stages of its life cycle, from design to final disposal. This principle encourages businesses to understand every material sustainability issues across their product life cycle and value chain.

Principle 3 (P3): Businesses should respect and promote the well-being of all employees, including those in their value chains.

The principle encloses all policies and practises that are about the equity, dignity and well-being and the provision of decent work, for every employee that who are engaged within a business or in its value chain, without any discrimination and in a way that contributes to the diversity. The principle identifies the well-being of an employee and the welfare of his/ her family.

Principle 4 (P4): Businesses should respect the interests of and be responsive to all its stakeholders.

This principle recognises the businesses operate in an eco-system that consists of some stakeholders, being shareholders and investors and their activities affect natural resources, habitats, communities and the environment. The principle brings into light that businesses have a responsibility to maximise the positive effects and minimise and mitigate the negative impacts of the products, operations and operations and practises on their stakeholders.

Principle 5 (P5): Businesses should respect and promote human rights.

This principle identifies the human rights are rights that have to be inherent to all human beings and these guidelines are applied without discrimination. These human rights are considered to be inherent, inalienable, interrelated, interdependent and indivisible. This principle is inspired, informed and guided by the Constitution of India and the International Bill of Rights, and recognises the primacy of the State's duty to protect and fulfil human rights.

Principle 6 (P6): Businesses should respect and make efforts to protect and restore the environment.

This principle gives preference to environmental issues that are interconnected at the local, regional and global levels doing businesses to address the problems like pollution, biodiversity conservation, sustainable use of natural resources and climate change in a comprehensive and systematic manner. The principle encourages firms to adopt environmental practises and processes that minimise or eliminates the harmful effects of their operations across the value chain. Moreover, it also persuades businesses to follow the Precautionary Principle in all its actions.

Principle 7 (P7): Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.

This principle concedes that businesses operate within a specified national and international legislative and policy framework that guide their growth and also provides specific restrictions and boundaries. The principle recognises the legitimacy of businesses to engage with governments for redressal of a grievance or for influencing public policy. In addition to this, the law demands that public policy advocacy has to expand public good.

Principle 8 (P8): Businesses should promote inclusive growth and equitable development.

The principle identifies the challenges of the social and economic development that are faced by the country and enhances the national and development agenda according to the government policies and priorities. This is significant in zones that are affected by social disharmony and low human development. The principle mentioned the need for collaboration amongst businesses, government agencies and civil society in this development agenda. This principle reiterates that business success, inclusive growth and equitable development are interdependent.

Principle 9 (P9): Businesses should engage with and provide value to their consumers in a responsible manner.

The principle is based on the fact that the primary aim of a business entity is to supply goods and services to its consumers that are safe to use, creating value for both. It recognises

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consumers having freedom of choice for the usage of goods and services, and the enterprises strive to provide the products that are safe, competitively priced, easy to use and safe to dispose of, for the benefit of their consumers. The businesses play a significant role with other relevant stakeholders, in mitigating the adverse effects from excessive consumption of its products that have overall well-being of individuals and society.

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No) b. Has the policy been approved by the Board? (Yes/No) c. Web-Link of the Policies, if available	Y	Y	Y	Y	Y	Y	Y	Y	Y
	Y	Y	Y	Y	Y	Y	Y	Y	Y
	https://corp.nazara.com/?page_id=5928 Some policies may also include a combination of internal policies of the Company which are accessible to all internal stakeholders and policies placed on the Company's website.								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes. The Company's Code of Conduct largely imbibes the above-mentioned principles and the Company expects its stakeholders to adhere to the same in all their dealings.								
4. Name of the national and international codes/certifications/labels/ standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g., SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	Not Applicable								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	P1	P2	P3	P4	P5	P6	P7	P8	P9
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	The Company is actively developing specific commitments, goals and targets that align with the nine principles in regards to ESG and overall business development and growth.								

Governance, leadership and oversight

7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)

Our environmental, social, and governance review, as a gaming and sports media company, provides a window into how we are approaching our key responsibilities beyond the business needs. The section's goal is to convey how we're accomplishing our mission while staying loyal to our obligations and applying our values throughout the organisation.

ESG Initiatives and focus areas:

Environment- Key focus areas under Environment

• Energy Efficiency

Regular lights have been replaced with LEDs, and energy efficient air conditioners have been employed in our offices to cut energy use. We conduct tree plantation efforts on a regular basis to balance the discharge of GHGs. We have cloud servers for data storage because the Company provides a large digital media platform for gaming, learning, and esports. This allows us to not only save energy, but also to contribute in a tiny manner to reducing toxic emissions and improving air quality.

• Water Management

At our offices, we have automatic water dispensers for drinking, which help regulate the amount of water flow. Taps in the employee bathrooms and cafeteria feature sensors to prevent water waste and spillage. A dedicated team monitors and maintains track of water consumption and usage on a regular basis so that adequate systems for water recycling and conservation may be implemented.

• Waste Management

There is a concentrated attempt to reduce plastic waste and the usage of recyclable paper.

For drinking water and other purposes, we have consciously replaced the use of pet plastic bottles. Visual aids highlighting the negative effects of plastic use and the benefits of recycling were placed in strategic spots throughout the organisation to educate and support waste management processes. Waste disposal Dos and Don'ts have been posted around the organisation to keep

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people on the lookout for digression. The waste paper shredder is used to recycle the garbage that is generated. Wet and dry wastes are separated into biodegradable and non-biodegradable bins.

Social- Key focus areas under Social

● **Customer Focused**

We're the biggest gamified and esports social networking site in India. Our product line appeals to a wide range of people.

As a result, we must constantly simulate, evaluate, and test our services to ensure that they are true to end users' interest and engagement.

Within the gaming environment, we believe in establishing and keeping solid partnerships.

● **Employee-Centricity**

The Company places a high value on a healthy and pleasant working environment. The Company's Board of Directors has established policies to promote diversity and gender equality. The value of excellent behaviour and ethical work is paramount in Nazara. At work, there is a zero-tolerance policy for sexual harassment, and the Prevention of Sexual Harassment (POSH) policy is fully defined. We treat persons of all sexes, castes, and creeds with respect. Employees' and their family members' health and safety are ensured, and medical aid is provided.

● **Communities**

We've always risen to the occasion when it came to the wellbeing of the community. During difficult times, we have gone above and beyond to assist local welfare organisations and foundations with basic requirements and necessities.

As Covid-19 wreaked havoc on markets and businesses all around the world, Nazara stepped in to help by donating food and first aid. We assisted in raising awareness of the importance of adopting Covid-appropriate behaviour in the most effective way possible.

● **Investors**

We are committed to fostering good two-way communication with our investors and shareholders in general at Nazara in order to improve transparency and adequate disclosures to stakeholders. The Investor Relations team is dedicated to keeping investors informed and engaged.

Any big problem or issue is dealt with ahead of time and accurately. The Company's website publishes all Investor Relations and Corporate Governance information on a regular basis.

Governance:

- At Nazara, we strive to maintain high standards of ethical business conduct and compliance of all laws and regulations. The Board of Directors and Management Team promotes sound and well-established corporate governance practices in the interest of its shareholders and other stakeholders including customers, suppliers, employees and the general public. The Company regularly reviews its Governance policies, such that it operates within the periphery of international and local jurisdictions and legal structure.

Looking Forward

The future growth potential of Nazara relies on sustainability, innovation, talent retention, government regulations and acquisitions. Last year we worked towards acquiring – Datawrkz, Planet Superheros, Publish Me, Open Play, OML Entertainment, and Rusk Media.

Nazara is looking to build a strong gaming, ad tech, and early gamified educational offerings globally. We strongly believe that growth of the gaming focused ad tech will be exponential in the coming decade across geographies with the growth of gamers and game publishers across freemium, web3.0 and skill based real money gaming. We also believe that the gamified early learning and education market will keep growing and we want to work towards guiding the current and next generation towards the right direction.

8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	- Name: Mr. Nitish Mittersain - DIN: 02347434 - Designation: Joint Managing Director
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	- Yes. - DIN: 02347434 - Name: Mr. Nitish Mittersain - Designation: Joint Managing Director - Telephone Number: 022-40330800 - E-mail ID: nitish@nazara.com

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10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually (A)/ Half yearly (H)/ Quarterly (Q)/ Any other – please specify)								
Performance against above policies and follow up action	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
	Y	Y	Y	Y	Y	Y	Y	Y	Y	A	A	A	A	A	A	A	A	A
	Policies wherever stated have been approved by the Board/ Committee of the Board/Senior management of the Company or as required by regulations.									The Company policies are reviewed by the management, internal auditors, statutory auditors and consultants on periodic basis. We amend our policies on the basis of recommendation/rectification by management/auditors/consultants/ any statutory requirement. We aim to be in forefront in all compliances.								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	The Company complies with all applicable regulations.																	

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.

Yes, all policies and processes are subject to audits and internal reviews conducted by the Company from time to time.

12. If answer to question (1) above is “No” i.e., not all Principles are covered by a policy, reasons to be stated:

Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
The entity does not consider the Principles material to its business (Yes/No)	-	-	-	-	-	-	-	-	-
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)	-	-	-	-	-	-	-	-	-
The entity does not have the financial or/human and technical resources available for the task (Yes/ No)	-	-	-	-	-	-	-	-	-
It is planned to be done in the next financial year (Yes/ No)	-	-	-	-	-	-	-	-	-
Any other reason (please specify)	-	-	-	-	-	-	-	-	-

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SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorised as “Essential” and “Leadership”. While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

Principle 1: Business should conduct and govern itself with ethics, transparency and accountability	Principle 2: Business should provide goods and services that are safe and contribute to sustainability throughout their life cycle	Principle 3: Business should promote the well being of all employee.
Principle 4: Business should respect the interests of, and be responsive towards, all stakeholders, especially those who are disadvantaged, vulnerable and marginalised	Principle 5: Business should respect and promote human rights	Principle 6: Business should respect, protect and make efforts to restore environment
Principle 7: Business, when engaged in influencing public and regulatory policy/policies, should do so in a responsible manner	Principle 8: Business should support inclusive growth and equitable development	Principle 9: Business should engage with and provide value to their customers and consumers in a responsible manner

PRINCIPLE 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics/ principles covered under the training and its impact	% Age of persons in respective category covered by the awareness programmes
Board of Directors & Key Managerial Personnel	Refer Note-1 provided below	Refer Note-1 provided below	Refer Note-1 provided below
Employees other than BoD and KMPs	Refer Note-2 provided below	Refer Note-2 provided below	Refer Note-2 provided below

Note-1:

During the year the Company's held several meetings with the Directors and KMPs discussions were held around update on the overall performance of the Company. These presentations covered the entire range of business activities including macro-economic and market review, equity performance, earnings outlook, Company's strategy, business model, operations, service and product offerings, CSR Funds. Senior Function Heads also participate periodically in the meetings with the Board members for deeper understanding of various aspects of the business.

Note-2:

Employees are provided with Orientation and on the job trainings to improve awareness of Company's business and to help train and improve their performance.

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- 2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):**

The Company conducts all its operations in ethical and transparent manner. Hence the Company has not incurred any fines / penalties /punishment/ award/ compounding fees/ settlement amount from regulators/ law enforcement agencies/ judicial institutions in the FY 2021-2022.

- 3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.**

Not Applicable

- 4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.**

Yes, Transparency and ethical business practices are important to the Company. The Company covers anti-corruption or anti-bribery under its HR Policy. The HR Policy outlines the ethical and responsible business standards for management, employees, agents, suppliers, vendors, non-governmental organisations (NGOs), and business partners.

Web-Link: https://corp.nazara.com/?page_id=5928

- 5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery.**

The Directors/KMPs/employees of the Company behave in an ethical and transparent manner. Hence, no disciplinary action was taken by any law enforcement agency for the charges of bribery.

- 6. Details of complaints with regard to conflict of interest:**

	FY 2021-22		FY 2020-21	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of Directors	-	NA	-	NA
Number of complaints received in relation to issues of Conflict of the KMPs	-	NA	-	NA

Note: No complaints with regard to conflict of interest have been observed as the Company conducts all its operations in ethical and transparent manner.

- 7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.**

Not Applicable. The Company does not have any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

Leadership Indicators

- 1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:**

No. The Company will work towards addressing this in the future to ensure the Value Chain Partners understand the importance of the NVG Principles.

- 2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If yes, provide details of the same.**

Yes, the Company has a Code of Conduct Policy for Board Members and Senior Management Personnel of the Company pursuant to the Listing Regulations.

Further, the Board Members and KMPs confirms that there was no material, financial and commercial transactions, where they have interest that may have any potential conflict with the interest of the Company, at the beginning of every financial year and as and when there is any change in such interest. The Directors do not participate in agenda items at the Board/Committee Meetings in which they are interested or deemed to be interested party.

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PRINCIPLE 2: Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

1. **Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.**

The Company's Capex and R&D expenditures over the years have been confined to investments in information technology. Accordingly, investments were made by way of addition to capital assets in the form of IT infrastructure like equipment, software and communication networks to give impetus to the Company's digital initiatives.

2. a. **Does the entity have procedures in place for sustainable sourcing? (Yes/No)**

Yes

- b. **If yes, what percentage of inputs were sourced sustainably?**

The Company has a positive relationship with its content providers, vendors, and other suppliers, and its business strategies incorporate them in its expansion.

3. **Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for:**

Since the Company's business activity is to cater mobile entertainment services to mobile operators and not related to any manufacturing activity, the reporting on use of energy, water, raw material etc., is not applicable. Nonetheless, the Company continually seeks out opportunities to recycle waste.

4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes/No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

The Company does not have any physical products hence Extended Producer Responsibility (EPR) is not applicable

Leadership Indicators

1. **Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?**

The Company's business activity is to cater mobile entertainment services to mobile operators and not related to any manufacturing activity. Although the Company has not conducted an LCA for its services, it is actively working to collect data to have such assessments in the coming years to the extent possible/applicable.

2. **If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.**

Not Applicable

3. **Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry)**

Not Applicable. The Company caters to mobile entertainment services to mobile operators and not related to any manufacturing activity. The Company and does not have any physical products.

4. **Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:**

Not Applicable. The Company caters to mobile entertainment services to mobile operators and not related to any manufacturing activity. The Company and does not have any physical products.

5. **Reclaimed products and their packaging materials (as percentage of products sold) for each product category.**

Not Applicable. The Company caters to mobile entertainment services to mobile operators and not related to any manufacturing activity. The Company and does not have any physical products.

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PRINCIPLE 3: Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

1. a. Details of measures for the well-being of employees:

Category	% Of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent employees											
Male	61	61	83.56%	NA	NA	NA	NA	61	100%	NA	NA
Female	12	12	16.43%	NA	NA	12	100%	NA	NA	NA	NA
Total	73	73	100%	NA	NA	12	100%	61	100%	NA	NA

2. Details of retirement benefits, for Current FY and Previous Financial Year

Benefits	FY 2021-22		FY 2020-21	
	No. of employees covered as a % of total employees	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % Of total employees	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	Y	100%	Y
Gratuity	100 %	Y	100%	NA
ESI	15.07%	Y	11.25%	Y
Others – please specify	NA	NA	NA	NA

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Yes

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Yes, the Company follows and encourages equality through its Code of Conduct. It believes in promoting diversity and inclusion in its work culture which allows all employees to bring their authentic selves to work and contribute wholly with their skills, experience and perspective for creating unmatched value for all stakeholders

The Company is dedicated to the idea that everyone should have an equal chance at work. The organisation will work to ensure that access to employment, training, promotion, and employee treatment is:

- Free from discrimination on the basis of gender, sexual orientation, race, colour, caste, creed, religion, marital status, disability, or age; and
- Based solely on the objective assessment of ability and job-related criteria.

When job opportunities exist, the Company feels it is in the organisation's best interests to make sure that the people, abilities, and skills present across the community are taken into account. In order to achieve this, the firm encourages, whenever practical, the growth and maintenance of a staff that generally reflects the variety of the communities in which we operate across India.

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent employees	
	Return to work rate	Retention rate
Male	100%	100%
Female	100%	100%
Total	100%	100%

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

	Yes/No (If yes, give details of the mechanism)
Permanent Employees	The Company's HR Policy and Stakeholders' Relationship Committee, actively works to address any grievances and complaints.
Other than Permanent Employees	

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7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

No. The Company and its employees have not identified any employee associations.

8. Details of training given to employees and workers:

Note:

Currently the Company is actively working to provide a positive, friendly, safe and collaborative working environment. The Company will continually invest in structured training and upskilling programmes.

Category	FY 2021-22					FY 2020-21				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Male	61	61	100%	-	-	73	73	100%	-	-
Female	12	12	100%	-	-	10	10	100%	-	-
Total	73	73	100%	-	-	83	83	100%	-	-

9. Details of performance and career development reviews of employees and worker:

Category	FY 21-22			FY 20-21		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	62	38	62%	71	31	44%
Female	11	10	91%	12	8	67%
Total	73	48	66%	83	39	47%

10. Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?

Yes. The Company has taken steps to provide the employees with a safe and healthy work environment by implementing safety measures like emergency

exits, fire alarms, fire extinguishers, smoke detectors, etc. which are part of the occupational health and safety management system.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

Not Applicable, the Company is service based and hence does not have any work-related hazards. The Company ensures safety of all its employees.

c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)

Not Applicable, The Company's business activity is to cater mobile entertainment services to mobile operators and not related to any manufacturing activity. Hence the Company does not have any workers.

d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes . Medical Insurance Policy is provided to all employees.

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY 2021-22	FY 2020-21
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Permanent Employees	0	0
Total recordable work-related injuries			
No. of fatalities			
High consequence work-related injury or ill-health (excluding fatalities)			

Note:

The Company does not have any safety related incidents as the Company belongs to the services industry and does not have any manufacturing facilities/plants.

12. Describe the measures taken by the entity to ensure a safe and healthy work place.

The Company continues to strive to provide a good, welcoming, safe, and collaborative workplace.

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13. Number of Complaints on the following made by employees and workers:

	FY 2021-22			FY 2020-21		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	0	NA	NA	0	NA	NA
Health & Safety	0	NA	NA	0	NA	NA

Note:

The Company promptly addresses any employee complaints in regards to working, health and safety conditions. The Company has always maintained good ethical business practices and ensures a safe working environment for all its employees.

14. Assessments for the year:

	% Of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	0
Working Conditions	0

Note:

The Company has not conducted any statutory audits but is actively working to collect data and effectively assess the Company's offices on health and safety practices. The Company ensures safe working conditions for all its employees.

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

Not Applicable.

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N)?

Yes

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

Yes. The Company is compliant to statutory dues of employees towards income tax, provident fund, professional tax, ESIC etc. as applicable from time to time. Automated tool & system is in place to ensure that statutory dues have been deducted and deposited to the value chain partners. Value chain partners (vendors) are expected to be equally responsible to comply with the contract.

3. Provide the number of employees / workers having suffered high consequence work-related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21
Employees	0	0	0	0

4. Does the entity provide transition assistance programmes to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)

No, company does not have any third party to support assistance in transition programmes. The Company has always followed ethical and transparent practices of conducting its business operations and has not witnessed any retirement or termination of employment.

5. Details on assessment of value chain partners:

	% Of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices Working Conditions	The Company expects the value chain partners to follow extant regulations, including fair labour practices, healthy, and safe working conditions.

Business Responsibility & Sustainability Report FY 2021-22 (Contd.)

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

No corrective action plan has been necessitated on the above-mentioned parameters.

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

The Company views key stakeholders as those who can be reasonably anticipated to be significantly impacted by the organisation's activities, products, or services; or whose actions can be reasonably anticipated to have an impact on the ability of the organisation to implement its strategies or achieve its objectives.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalised Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Gaming enthusiasts (Customers)	No	Email, Social media platforms, and Website	As and when required	Customer Service and Feedback on products/ services
Vendors	No	Emails and phone	As and when required	Business requirements
Employees	No	Direct & other communication mechanisms	Regularly	Company follows an open-door policy

Stakeholder Group	Whether identified as Vulnerable & Marginalised Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Analysts	No	Emails and Conference calls	As and when required	Business requirements
Directors	No	Emails, Conference calls, Board & Committee Meetings	As and when required	Statutory and Business requirements
Communities	Yes	CSR organisations	Regular	CSR Activities
Stakeholders	No	General meeting (Notices through emails/ newspaper publications)	As and when required	Statutory and Business requirements

Leadership Indicators

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

From the following fiscal year, the Company will work to further strengthen the stakeholder and board consultation process regarding ESG. The Board is actively working with employees and stakeholders to identify the material factors and collect data on key factors impacting ESG.

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2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

No. The Board of the Company is actively working with employees and stakeholders to identify the materials factors and collect data on key factors impacting ESG.

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalised stakeholder groups.

The Company has identified the disadvantaged, vulnerable & marginalised stakeholders and engages with them through CSR Projects. The Company has helped several underprivileged children, daily wage workers, migrant laborers, elderly people, cancer patients and their relatives belonging to vulnerable and marginalised groups.

PRINCIPLE 5: Businesses should respect and promote human rights

Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 21-22			FY 20-21		
	Total (A)	No. employees/ workers covered (B)	% (B/A)	Total (C)	No. employee/ workers covered (D)	% (D/C)
Employees						
Permanent	73	73	100%	83	83	100%
Other than permanent	0	0	NA	0	0	NA
Total Employees	73	73	100%	83	83	100%

Note:

The Company provides orientation through its HR policy to every employee that is hired which covers human rights issues and policy(ies).

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2021-22					FY 2020-21				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent	73	0	0	73	100%	83	0	0	83	100%
Male	61	0	0	61	100%	73	0	0	73	100%
Female	12	0	0	12	100%	10	0	0	10	100%

3. Details of remuneration/salary/wages:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	2	₹ 21.79 million	NA	NA
Key Managerial Personnel (Other than BOD)	3	₹ 16.30 million	1	₹ 0.2 million
Employees other than BoD and KMP	80	₹ 0.34 million	13	₹ 0.45 million

4. Do you have a focal point (Individual/Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes, The HR Department is guided by the Code of Conduct Policy with respect to Human Rights specific to child labour/ forced labour is governed as per International Labor Organisation's (ILO) Declaration on Fundamental Principles and Rights at Work. The Company conducts business in an ethical manner and actively addresses issues regarding human rights.

Business Responsibility & Sustainability Report FY 2021-22 (Contd.)

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

The Company has an internal mechanism under the HR Policy to actively and promptly redress grievances related to human rights issues. The Company conducts business in an ethical manner and actively addresses issues regarding human rights.

6. Number of Complaints on the following made by employees and workers:

	FY 2021-22			FY 2020-21		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	0	0	-	1	0	Resolved
Discrimination at workplace	0	0	-	0	0	-
Child Labour	0	0	-	0	0	-
Forced Labour/ Involuntary Labour	0	0	-	0	0	-
Wages	0	0	-	-	-	-
Other human Rights related issues	0	0	-	-	-	-

Note:

The Company has adopted a 'Policy on Prevention of Sexual Harassment' ('POSH') Policy and there is an Internal Complaints' Committee formed to redress sexual harassment complaints. The Company conducts business in an ethical manner and actively addresses all complaints promptly.

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

Yes, The Company has a 'Policy on Prevention of Sexual Harassment' (POSH) policy in place to prevent adverse consequences to the complainant in discrimination and harassment cases. The Company encourages ethical behaviour and transparency as a business.

8. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes, in certain business agreements and contracts where relevant the Company has human rights requirements.

9. Assessments for the year:

	% Of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child Labour	The Company is in compliance with the laws, as applicable
Forced or Involuntary Labour	
Sexual Harassment	The Company internally monitors compliance for all relevant laws and policies pertaining to these issues.
Discrimination at workplace	
Wages	
Others – please specify	

10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.

Not Applicable. The Company conducts its business in the most ethical and transparent manner. Hence the Company does not have any corrective actions taken or underway.

Leadership Indicators

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.

No. The Company has not witnessed a requirement for its business process to be modified / introduced as the Company has not faced any human rights grievances/complaints. The Stakeholders' Relationship Committee, constituted by the Board actively works to address any grievances and complaints.

2. Details of the scope and coverage of any Human rights due-diligence conducted.

The Company does not conduct any human rights due-diligence but is in the process of collecting more data.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes, the registered and corporate offices are located in commercial premises which have elevators and infrastructure for differently abled visitors

Business Responsibility & Sustainability Report FY 2021-22 (Contd.)

4. Details on assessment of value chain partners:

	% Of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	The Company expects its value chain partners to adhere to the same values, principles and business ethics upheld by the Company in all their dealings.
Discrimination at workplace	
Child labour	No specific assessment in respect of value chain partners has been carried out.
Forced Labour/ Involuntary labour	
Wages	
Others - Specify	

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

Not Applicable. The Company conducts its business in the most ethical and transparent manner. Hence the Company does not have any corrective actions taken or underway.

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1. Details of total energy consumption (in KWH or multiples) and energy intensity, in the following format:

Parameter	FY 2021-22	FY 2020-21
Total electricity consumption (A)	87,840 kwh	1,22,100 kwh
Total fuel consumption (B)	NA	NA
Energy consumption through other sources (C)	NA	NA
Total energy consumption (A+B+C)	87,840 kwh	1,22,100 kwh
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees)	NA	NA
Energy intensity (optional) – the relevant metric may be selected by the entity	NA	NA

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. Not Applicable, the Company does not have any independent assessment/ evaluation/assurance has been carried out by an external agency.

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

Not Applicable.

3. Provide details of the following disclosures related to water, in the following format:

The water usage is restricted to human use only and efforts have been made by the Company to ensure that water is consumed judiciously in the Company's office premises. There is no mechanism installed to track water utilisation. However, efforts have been made to ensure that water is utilised carefully by installing energy efficient water taps and fittings. The Company is actively working to collect data on water usage and wastage.

Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. Not Applicable

4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

No. The Company has not implemented a mechanism for Zero Liquid Discharge.

5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

The Company being in a service sector company does not have significant air emissions. The Company is actively looking to collect data and address any possible emissions generated.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. N

Business Responsibility & Sustainability Report FY 2021-22 (Contd.)

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2021-22	FY 2020-21
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	-	-
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	-	-
Total Scope 1 and Scope 2 emissions per rupee of turnover		-	-
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity		-	-

Note:

The Company is actively working to collect more data on Scope 1 and 2 emissions.

7. Does the entity have any project related to reducing Green House Gas emission? If yes, then provide details.

Not Available, the Company currently does not have any project related to reducing Green House Gas emissions. The Company is actively collecting data on any possible Green House Gas emissions.

8. Provide details related to waste management by the entity, in the following format:

The Company has procedures in place to handle waste at its office premises for - paper, plastic, water and excess electricity consumption waste. The Company is actively trying to collect data on the amount of waste generated.

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your Company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

The Company caters to mobile entertainment services to mobile operators and not related to any manufacturing activity hence the Company does not produce any hazardous and toxic chemicals.

10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

No, the Company does not have operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc).

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Not Applicable. The Company has not conducted any environmental impact assessments of projects as the Company is in the digital products and services business.

12. Is the entity compliant with the applicable environmental law/ regulations/guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

Yes, given the nature of business, the Company is in compliance with all the applicable laws.

Leadership Indicators

1. Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format:

The Company is actively working towards consuming cleaner forms of energy and collecting data on it. The Company will address this in the coming future.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. N

2. Provide the following details related to water discharged:

The Company is actively collecting data on water discharged from its offices. The Company will address this in the future.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. N

Business Responsibility & Sustainability Report FY 2021-22 (Contd.)

3. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

For each facility / plant located in areas of water stress, provide the following information:

(i) Name of the area

(ii) Nature of operations

(iii) Water withdrawal, consumption and discharge in the following format:

Not Applicable, The Company is actively collecting data on water withdrawal, consumption and discharge from its offices. The Company will address this in the future.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. N

4. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY 2021-22	FY 2020-21
Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	(Metric tonnes of CO ₂ Equivalent)	NA	NA
Total Scope 3 emissions per rupee of turnover		NA	NA
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity		NA	NA

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Not Applicable, the Company is not currently tracking Scope 3 emissions.

5. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

Not Applicable. The Company does not have any direct or indirect impact on ecologically biodiverse lands.

6. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives.

Yes. The Company continues to use innovative technology for the betterment of its digital products and to improve customer's user experience. The Company's products do not have any significant impact on resource efficiency/emissions/effluent discharge/ waste generated but the Company encourages recycling through the wet and dry-waste bins in offices. The Company also utilises energy efficient LEDs, HVAC appliances and plumbing fixtures.

7. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ Web-Link.

Yes. The Company with the collective agreement of the board of directors and has developed a business continuity and disaster management plan under its Risk Management Policy. The Company identifies the material issues identified and management strategies are in place to handle these material risks. Web-Link: <http://3.6.115.102/wordpress/wp-content/uploads/2019/12/6.Risk-Managementt-Policy.pdf>

8. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?

Not Applicable. The Company caters to mobile entertainment services to mobile operators and not related to any manufacturing activity and hence it does not envisage any adverse impact to the environment from its value chain.

9. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

Not Applicable. The Company caters to mobile entertainment services to mobile operators and not related to any manufacturing activity and hence it has not assessed environmental impacts of value chain partners.

Business Responsibility & Sustainability Report FY 2021-22 (Contd.)

PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1. a. Number of affiliations with trade and industry chambers/ associations.

The Company is part of the Internet & Mobile Association of India (IAMAI).

b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/ National)
1.	Internet & Mobile Association of India (IAMAI)	National

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

Not Applicable, (No adverse order received in last Financial Year)

Leadership Indicators

1. Details of public policy positions advocated by the entity:

There is no public policy advocated by the Company right now but is actively working to identify key issues faced by the industry and its customers.

PRINCIPLE 8: Businesses should promote inclusive growth and equitable development

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Currently the Company does not have any Social Impact Assessment (SIA) projects in place.

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

Not Applicable, the Company has not undertaken any ongoing Rehabilitation and Resettlement (R&R) projects.

3. Describe the mechanisms to receive and redress grievances of the community.

All agreements between the Company and the stakeholders, contain clauses on handling of grievances, disputes etc. Additionally, The Company has a relevant representative to provide feedback for implementation if required.

4. Percentage of input material (Inputs to total inputs by value) sourced from suppliers

Not Applicable. Since the Company caters to mobile entertainment services to mobile operators and not related to any manufacturing activity.

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (SIA) (Reference: Question 1 of Essential Indicators above):

The Company's products/services don't have any negative social impacts. The Company puts emphasis on customer satisfaction and social impact.

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

The Company has served several people belonging to the marginalised and vulnerable communities. The Company intends to serve more people belonging to aspirational districts as identified by government bodies in the coming future.

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalised /vulnerable groups? (Yes/No)

No

(b) From which marginalised /vulnerable groups do you procure? NA

(c) What percentage of total procurement (by value) does it constitute? NA

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

Purchasing video games and well-known intellectual property is a crucial aspect of the Company's operations. Through acquisitions, the company has gained access to a number of iconic IPs, including World Cricket Championship (WCC), Kiddopia, Halaplay, Qunami, and others. The Company depends on intellectual property (IP) leased from third parties for its operations and has agreements in place for the use of IP, including copyrights and trademarks, in the process of generating and developing games based on animated television programmes and comic book characters. The Company owns the intellectual

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property rights to the content it creates for its eSports business, and it also relies on IP licenced from other parties for the events it hosts, in accordance with agreements with those third parties for event-specific IP licensing.

Note: The Company has acquired several IPs through acquisitions. The Company has included adequate provisions in its existing arrangements with its employees, co-developers and third parties with whom the Company conducts business to confirm ownership of IP and to limit access to, and disclosure and use of, its proprietary information.

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

The Company has never had any corrective actions taken or underway in regards to intellectual property. The Company ensures strict adherence to all ethical and legal obligations as a Company.

6. Details of beneficiaries of CSR Projects:

Sr. No.	CSR Project	No. of persons benefitted from CSR Projects	% Of beneficiaries from vulnerable and marginalised groups
1.	United Way of Bengaluru	1,165	91% Slum Community, 9% Domestic workers
2.	Contribution to Roti Foundation Mumbai	5,000	100% of Underprivileged children, daily wage workers, migrant labourers, elderly people, cancer patients and their relatives are beneficiaries that belong from vulnerable and marginalised groups
3.	Earthangels Welfare Foundation	492	100% of the beneficiaries (Tribal Communities in Shahpur district) are from vulnerable and marginalised groups
4.	Dr. B.K Goyal Heart Foundation	40	100% of the beneficiaries belong to the vulnerable and marginalised groups
5.	Vivekananda Youth Connect Foundation	300	24% of beneficiaries from vulnerable and marginalised group

PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

The Company's customers are provided with multiple mechanisms to report complaints or feedback. Each customer concern is addressed with utmost care at all levels. The Company acknowledges, analyses the incidents and develops an action plan to resolve it. The Company engages with the customer, to validate the action plan and regularly updates customers about the progress of action taken. Any feedback from the customer is taken positively and action plans are refined to improve and update performance.

2. Turnover of products and/ services as a percentage of turnover from all products/ service that carry information about:

Not applicable

3. Number of consumer complaints in respect of the following:

	FY 2021-22		Remarks	FY 2020-21		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	0	0	NA	0	0	NA
Advertising	0	0	NA	0	0	NA
Cyber-security	0	0	NA	0	0	NA
Restrictive Trade Practices	0	0	NA	0	0	NA
Unfair Trade Practices	0	0	NA	0	0	NA
Others	NA	NA	NA	NA	NA	NA

Note: The Company addresses all consumer complaints promptly and ensures consumers are satisfied by the Company's services. The Company ensures that all its digital products abide the Information Technology Act, 2000 (IT Act) to ensure transparency. Currently the Company has only received queries from customers which have been promptly addressed.

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4. Details of instances of product recalls on account of safety issues:

Not Applicable, since the Company caters to mobile entertainment services to mobile operators and not related to any manufacturing activity.

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

Yes the Company has put in place appropriate and suitable IT measures to monitor and keep malpractices that involve cybersecurity under control.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

Please refer to the answer to Q.5 above. All the initiatives explained above has ensured that Nazara did not have any incidents leading to regulatory issues / penalties.

Leadership Indicators

1. Channels / platforms where information on products and services of the entity can be accessed (provide Web-Link, if available).

The information on products and services of the Company can be accessed by the Web-Link: <https://corp.nazara.com/>

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

Not applicable, the Company does not have any products/services that can entail safety issues or a usage abuse.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

The Company has a business continuity mechanism in place to handle any disruption of services and a suitable communication plan.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

Not Applicable

5. Provide the following information relating to data breaches:

- a) Number of instances of data breaches along-with impact: 0
- b) Percentage of data breaches involving personally identifiable information of customers: 0%

Standalone Financial Statements

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Independent Auditor's Report

To the Members of Nazara Technologies Limited

Report on the Audit of the Standalone Financial Statements

Opinion

- We have audited the accompanying standalone financial statements of Nazara Technologies Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.
- In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2022, and its loss (including other comprehensive loss), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matter

- Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.
- We have determined the matter described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
Impairment assessment of investments in subsidiaries, associates, and joint ventures As described in Note 5 to the standalone financial statements, carrying value of investment in subsidiaries, associates and joint ventures as at 31 March 2022 is ₹5,056 million, ₹ Nil and ₹ Nil respectively. The management has noted impairment indicators in some of these entities as Company's share in net asset is lower than the carrying value of investment as at 31 March 2022. In view of the above, the Management of the Company has carried out an impairment testing for the investment made in aforesaid entities using discounted cash flow model. Key assumptions used in management's assessment include estimates of future financial performance, terminal value and discount rates, among others, as attributable to such subsidiaries, associates and joint ventures. Based on the management's assessment, impairment loss of ₹198 million, ₹10 million and ₹61 million has been recognized on subsidiaries, associates and joint ventures respectively as at 31 March 2022. Considering the materiality of the amounts involved and significant degree of judgement and subjectivity involved in the estimates and key assumptions used in determining recoverable amount of aforesaid investments, we have considered this matter as key audit matter.	Our audit procedures in relation to assessing the carrying value of investments included but were not limited to, the following: ● Obtained an understanding of management's impairment assessment process and evaluated the design and tested operating effectiveness of controls over the impairment assessment and carrying value of investments. ● Obtained the impairment analysis carried out by the management including report of external independent valuation expert, where used; ● Assessed the professional competence, objectivity and capabilities of the external independent valuation expert engaged by management; ● Assessed the methodology used by the management to estimate the recoverable value of investment in subsidiaries, associates and joint ventures; ● Reconciled the cash flow projections used in the impairment assessment to business plans approved by the management; ● Engaged auditor's expert to validate the reasonableness of assumptions such as discount rates, terminal growth rate and methodology used by the Management; ● Assessed the reasonableness of market related assumptions used in the model based on historical trends, current developments and future plans; ● Tested the arithmetical accuracy and sensitivity analysis performed by management of key assumptions such as discount and growth rates; and Assessed the appropriateness of disclosures made in the standalone financial statements in accordance with the requirements of applicable Indian Accounting Standards.

Independent Auditor's Report (Contd.)

Information other than the standalone financial statements and Auditor's Report thereon

6. The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report, Management Discussion and Analysis, and Directors' Report but does not include the standalone financial statements and our auditor's report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

7. The accompanying standalone financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS specified under section 133 of the Act and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
8. In preparing the standalone financial statements, 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 intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

10. Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.
11. As part of an audit in accordance with Standards on Auditing, specified under section 143(10) of the Act 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 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 on whether the Company has adequate internal financial controls system 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 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

Independent Auditor's Report (Contd.)

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; and

- 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;
- 12. 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.
- 13. 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.
- 14. 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

- 15. As required by section 197(16) of the Act based on our audit, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.
- 16. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act we give in the Annexure I a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- 17. Further to our comments in Annexure I, as required by section 143(3) of the Act based on our audit, we report, to the extent applicable, that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying standalone financial statements;

- b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c) The standalone financial statements dealt with by this report are in agreement with the books of account;
- d) in our opinion, the aforesaid standalone financial statements comply with Ind AS specified under section 133 of the Act;
- e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 from being appointed as a director in terms of section 164(2) of the Act;
- f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company as on 31 March 2022 and the operating effectiveness of such controls, refer to our separate Report in Annexure II wherein we have expressed an unmodified opinion; and
- g) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us :
 - i. The Company does not have any pending litigations which would impact its financial position as at 31 March 2022;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2022;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2022;
 - iv. (a) The management has represented that, to the best of its knowledge and belief no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person or entity, including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;

Independent Auditor's Report (Contd.)

- (b) The management has represented that, to the best of its knowledge and belief no funds have been received by the Company from any person or entity, including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.

- v. The Company has not declared or paid any dividend during the year ended 31 March 2022.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Nikhil Vaid

Partner

Membership No.: 213356

UDIN: 22213356AIYCOF1571

Place: Hyderabad

Date: 13 May 2022

Annexure I

Annexure I referred to in paragraph 16 of the Independent Auditor's Report of even date to the members of Nazara Technologies Limited on the standalone financial statements for the year ended 31 March 2022

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment, right of use assets. .
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The property, plant and equipment and right of use assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of physical verification program adopted by the Company, is reasonable having regard to the size of the Company and the nature of its assets.
- (c) The Company does not own any immovable property (including investment properties) (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee). Accordingly, reporting under clause 3(ii)(c) of the Order is not applicable to the Company.
- (d) The Company has not revalued its Property, Plant and Equipment and Right of Use assets or intangible assets during the year.
- (e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Accordingly, reporting under clause 3(i)(e) of the Order is not applicable to the Company.
- (ii) (a) The Company does not hold any inventory. Accordingly, reporting under clause 3(ii)(a) of the Order is not applicable to the Company.
- (b) The Company has not been sanctioned working capital limits by banks or financial institutions on the basis of security of current assets during any point of time of the year. Accordingly, reporting under clause 3(ii)(b) of the Order is not applicable to the Company.
- (iii) (a) The Company has provided loans or advances in the nature of loans, to subsidiaries, joint ventures and associates as per details given below:

(in ₹ million)

Particulars	Guarantees	Security	Loans	Advances in nature of loans
Aggregate amount during the year				
- Subsidiaries	Nil	Nil	14	Nil
- Joint ventures	Nil	Nil	15	Nil
- Associates	Nil	Nil	3	Nil
- Others	Nil	Nil	Nil	Nil
Balance outstanding as at balance sheet date	Nil	Nil	73	Nil
- Subsidiaries	Nil	Nil	19	Nil
- Joint ventures	Nil	Nil	3	Nil
- Associates	Nil	Nil	Nil	Nil
- Others				

- (b) In our opinion, and according to the information and explanations given to us, the investments made, guarantees provided, security given and terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are, prima facie, not prejudicial to the interest of the Company.
- (c) In respect of loans and advances in the nature of loans granted by the Company, the schedule of repayment of principal and the payment of the interest has not been stipulated and accordingly, we are unable to comment as to whether the repayments/receipts of principal interest are regular.
- (d) In the absence of stipulated schedule of repayment of principal and payment of interest, we are unable to comment as to whether there is any amount which is overdue for more than 90 days. Reasonable steps have been taken by the Company for recovery of such principal amounts and interest.
- (e) The Company has not granted any loan or advance in the nature of loan which has fallen due during the year. Further, no fresh loans were granted to any party to settle the overdue loans/advances in nature of loan.
- (f) The Company has granted loans or advances in the nature of loans which are repayable on demand, as per details below:

Annexure I (Contd.)

(in ₹ million)

Particulars	All Parties	Promoters	Related Parties
Aggregate of loans/advances in nature of loan	32	Nil	32
- Repayable on demand (A)			
- Agreement does not specify any terms or period of repayment (B)			
Total (A+B)	32	Nil	32
Percentage of loans/advances in nature of loan to the total loans	100%	Nil	100%

- (iv) In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of sections 185 and 186 of the Act in respect of loans, investments, guarantees and security, as applicable.
- (v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there is no amount which has been considered as deemed deposit within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.
- (vi) The Central Government has not specified maintenance of cost records under sub-section (1) of section 148 of the Act, in respect of Company's business activity. Accordingly, reporting under clause 3(vi) of the Order is not applicable.
- (vii) (a) In our opinion, and according to the information and explanations given to us, the Company is regular in depositing undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no statutory dues referred to in subclause (a) above that have not been deposited with the appropriate authorities on account of any dispute.
- (viii) According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been recorded in the books of accounts.

- (ix) According to the information and explanations given to us, the Company does not have any loans or other borrowings from any lender. Accordingly, reporting under clause 3(ix) of the Order is not applicable to the Company.
- (x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) During the year, the Company has made preferential allotment of shares. In our opinion and according to the information and explanations given to us, the Company has complied with the requirements of section 42 and section 62 of the Act and the Rules framed thereunder with respect to the same. Further, the amounts so raised were used for the purposes for which the funds were raised, though idle funds which were not required for immediate utilisation have been invested in readily realisable liquid investments.
- (xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the period covered by our audit.
- (b) No report under section 143(12) of the Act has been filed with the Central Government for the period covered by our audit.
- (c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. Further, the details of such related party transactions have been disclosed in the standalone financial statements, as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act.
- (xiv) (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system as required under section 138 of the Act which is commensurate with the size and nature of its business.
- (b) We have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.

Annexure I (Contd.)

- (xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with them and accordingly, provisions of section 192 of the Act are not applicable to the Company.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clause 3(xvi) of the Order is not applicable to the Company.
- (xvii) The Company has incurred cash losses amounting to ₹ 82 million in the current financial year but had not incurred cash losses in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the plans of the Board of Directors and management and based on our examination of the evidence supporting the assumptions nothing has come to our

attention that cause us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

- (xx) According to the information and explanations given to us, the Company does not have any unspent amount in respect of any ongoing or other than ongoing project as at the expiry of the financial year. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.
- (xxi) The reporting under clause 3(xxi) is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Nikhil Vaid

Partner

Membership No.: 213356

UDIN: 22213356AIYCOF1571

Place: Hyderabad

Date: 13 May 2022

Annexure II

Annexure II to the Independent Auditor's Report of even date to the members of Nazara Technologies Limited on the standalone financial statements for the year ended March 31, 2022

Independent Auditor's Report on the internal financial controls with reference to the standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the standalone financial statements of Nazara Technologies Limited ('the Company') as at and for the year ended 31 March 2022, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements 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 Institute of Chartered Accountants of India (framework). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India ('ICAI') prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to

obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected.

Annexure II (Contd.)

Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2022, based on the framework.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Nikhil Vaid

Partner

Membership No.: 213356

UDIN: 22213356AIYCOF1571

Place: Hyderabad

Date: 13 May 2022



Nazara™

Standalone Balance Sheet

As at March 31, 2022

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

Particulars	Notes	As at March 31, 2022	As at March 31, 2021
ASSETS			
Non-current assets			
Property and equipment	3	1	1
Right-of-use assets	4 (a)	26	7
Intangible assets	4 (b)	0	1
Financial assets			
Investments	5	5,093	3,382
Loans and deposits	6	40	44
Deferred tax assets (net)	29	59	45
Other non-current assets	7	18	22
Total non-current assets		5,237	3,502
Current assets			
Financial assets			
Investments	5	3,609	1,061
Loans and deposits	6	2	75
Trade receivables	8	5	42
Cash and bank balances	9	285	562
Other current financial assets	10	26	437
Other current assets	11	25	36
Total current assets		3,952	2,213
Total assets		9,189	5,715

As per our report of even date

For Walker Chandiok & Co LLP

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Nikhil Vaid

Partner

Membership No: 213356

Place: Hyderabad

Date : May 13, 2022

For and on behalf of the Board of directors of Nazara Technologies Limited

Vikash Mittersain

Chairman Cum Managing Director

DIN-00156740

Rakesh Shah

Chief Financial Officer

Place: Mumbai

Date : May 13, 2022

Particulars	Notes	As at March 31, 2022	As at March 31, 2021
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	12	130	122
Other equity	13	8,857	4,577
Total Equity		8,987	4,699
Liabilities			
Non-current liabilities			
Provisions	14	16	15
Total non-current liabilities		16	15
Current liabilities			
Financial liabilities			
Trade payables due to	15		
Micro and Small Enterprises		0	2
Other than Micro and Small Enterprises		19	132
Lease liabilities	26	26	-
Other financial liabilities	16	109	843
Other current liabilities	17	25	16
Provisions	14	6	7
Current tax liabilities (net)		1	1
Total current liabilities		186	1,001
Total Equity and Liabilities		9,189	5,715
(#) Zero represents amount less than ₹ one million.			
Significant accounting policies	2		

The accompanying notes are an integral part of the standalone financial statements

Nitish Mittersain

Joint Managing Director

DIN-02347434

Pravesh Palod

Company Secretary

Membership No : 57964

Manish Agarwal

Chief Executive Officer

Standalone Statement of Profit and Loss

For the year ended March 31, 2022

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

Particulars	Notes	For the year ended March 31, 2022	For the year ended March 31, 2021
INCOME			
Revenue from operations	18	204	329
Other income	19	126	90
Total income		330	419
EXPENSES			
Content and server cost		43	22
Advertising expenses		7	62
Employee benefits expense	20	206	174
Depreciation and amortisation	21	38	54
Finance costs	22	3	2
Impairment losses	23 A	302	61
Other expenses	23 B	77	53
Total expenses		676	428
(Loss) before tax		(346)	(9)
Tax expense			
Current tax		-	13
Taxes for earlier years		5	(4)
Deferred tax (credit)		(13)	(26)
Total tax expense		(8)	(17)
(Loss) / Profit for the year		(338)	8

As per our report of even date

For Walker Chandio & Co LLP

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Nikhil Vaid

Partner

Membership No: 213356

For and on behalf of the Board of directors of Nazara Technologies Limited

Vikash Mittersain

Chairman Cum Managing Director

DIN-00156740

Rakesh Shah

Chief Financial Officer

Nitish Mittersain

Joint Managing Director

DIN-02347434

Pravesh Palod

Company Secretary

Membership No : 57964

Manish Agarwal

Chief Executive Officer

Place: Hyderabad
Date : May 13, 2022

Place: Mumbai
Date : May 13, 2022

Particulars	Notes	For the year ended March 31, 2022	For the year ended March 31, 2021
Other comprehensive income			
Item that will not be reclassified subsequently to the statement of profit and loss			
Remeasurements of post-employment benefit obligation		(1)	(0)
Income tax relating items that will not be reclassified to profit and loss		0	0
Item that will be reclassified subsequently to the statement of profit and loss			
Change in fair value of FVOCI debt instruments		(1)	(6)
Income tax relating to items that will be reclassified to profit and loss		-	
Other comprehensive (loss) for the year, net of tax		(2)	(6)
Total comprehensive (loss) / income for the year		(340)	2
Earnings per equity share (Face value of ₹ 4 per share each)	27		
Basic		(10.81)	0.28
Diluted		(10.81)	0.28
(#) Zero represents amount less than ₹ one million.			
Significant accounting policies	2		

The accompanying notes are an integral part of the standalone financial statement



Nazara™

Standalone Statement of Cash Flow

For the year ended March 31, 2022

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Cash flow from operating activities		
(Loss) before tax	(346)	(9)
Adjustments for :		
Fair value gain on financial instruments at fair value through profit and loss	(56)	(6)
Fair value gain on non-current investments	(17)	-
Sundry balances written-back	(20)	(3)
Depreciation and amortisation	38	55
Share based payment expenses	22	6
Bad debts written off	-	2
Provision for doubtful debts	2	1
Unwinding of interest on loans and advances	(0)	(3)
Interest on lease liabilities	3	2
Lease concession gain	-	(14)
Unrealised foreign exchange (gain)/loss, net	(2)	3
Net gain on sale of current investments	(15)	(12)
Impairment losses	302	61
Interest income	(11)	(13)
Dividend income	-	(39)
Operating profit/(loss) before working capital changes	(100)	31
Working capital adjustments:		
Increase/(decrease) in trade payables	(94)	53
Increase/(decrease) in provisions	-	3
Increase in other liabilities	9	12
Increase/(decrease) in other financial liabilities(*)	(734)	800
Decrease in trade receivables	37	36
(Increase) in loans and advances	(18)	(68)
Decrease/(Increase) in other financial assets	409	(350)
Decrease/(Increase) in other assets	12	(17)
Cash generated from/(used in) operations	(479)	500
Direct taxes paid (net of refunds)	(1)	(13)
Net cash flow from/(used in) operating activities (A)	(480)	487
Cash flow from investing activities		
Purchase of property and equipment, including intangible assets	(1)	(1)
Acquisition of shares in subsidiary/associates	(444)	(363)

As per our report of even date

For Walker Chandiok & Co LLP

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Nikhil Vaid

Partner

Membership No: 213356

Place: Hyderabad

Date : May 13, 2022

For and on behalf of the Board of directors of Nazara Technologies Limited

Vikash Mittersain

Chairman Cum Managing Director

DIN-00156740

Rakesh Shah

Chief Financial Officer

Place: Mumbai

Date : May 13, 2022

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Purchase of non-current investments	(20)	-
Purchase of current investments	(3,145)	(1,025)
Movement of restricted bank balances	(19)	(536)
Sale of current investments	664	302
Interest received on fixed deposits, income tax refund, bonds and loans given to subsidiary	6	6
Investment in fixed deposits	(249)	-
Dividend received from subsidiary company	-	39
Net cash flow (used in) investing activities (B)	(3,208)	(1,578)
Cash flow from financing activities		
Issue of equity shares (including premium)	3,176	1,118
Repayment of lease liabilities	(32)	(40)
Net cash flow from financing activities (C)	3,144	1,078
Net decrease in cash and cash equivalents (A)+(B)+(C)	(545)	(13)
Cash in hand at the beginning of the year	1	1
Balances with bank at the beginning of the year	561	38
Cash and cash equivalents at the end of the year	17	26
Cash and cash equivalents as above comprises of the following		
Cash in hand	1	1
Balances with bank	35	561
Total cash and cash equivalents (refer note 9)	36	562
Less: Restricted bank balances	(19)	(536)
Net cash and cash equivalents	17	26
Significant accounting policies (refer note 2)		

(*) Company has made payment of ₹ 516 million during the current year ended on March 31, 2022 for expenses incurred towards IPO of the Company. Movement of payables to vendors and receivable from selling shareholders is considered under 'cashflow generated from operating activities'. Amount collected from selling shareholders towards such IPO expenses kept in a specific bank account.

(#) Zero represents amount less than ₹ one million.

Significant accounting policies (refer note 2)

The accompanying notes are an integral part of the standalone financial statements

Nitish Mittersain

Joint Managing Director

DIN-02347434

Pravesh Palod

Company Secretary

Membership No : 57964

Manish Agarwal

Chief Executive Officer

Standalone Statement of Changes in Equity

For the year ended March 31, 2022

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

(a) Equity shares:

of ₹ 4 each issued, subscribed and fully paid

Particulars	No. of shares	Amount
As at April 1, 2020	2,79,96,663	112
Changes in Equity Share Capital due to prior period errors	-	-
Add: Issued during the year (*)	24,56,173	10
As at March 31, 2021	3,04,52,836	122
Changes in Equity Share Capital due to prior period errors	-	-
Add: Issued during the year (*)	21,68,391	8
As at March 31, 2022	3,26,21,227	130

(b) Other equity

Particulars	Capital redemption reserve	Securities premium	Retained earnings	Share based payment reserve	Capital contribution from shareholder	Total reserves and surplus	Debt instruments through other comprehensive income	Other equity (refer note 6)	Total other reserves	Total
As at April 1, 2020 (Restated)	1	1,784	463	256	357	2,861	19	435	454	3,315
Profit for the year	-	-	8	-	-	8	-	-	-	8
Other comprehensive (loss) for the year	-	-	(0)	-	-	(0)	(6)	-	(6)	(6)
Issuance of equity shares (net of share issue expenses ₹ 12 million) (*)	-	1,562	-	-	-	1,562	-	(435)	(435)	1,127
Issuance of equity shares on exercise of employee stock options	-	272	-	(145)	-	127	-	-	-	127
Share based compensation cost related to employee	-	-	-	6	-	6	-	-	-	6
As at March 31, 2021	1	3,618	471	117	357	4,564	13	-	13	4,577
(Loss) for the year	-	-	(338)	-	-	(338)	-	-	-	(338)
Other comprehensive (loss) for the year	-	-	(0)	-	-	(0)	(2)	-	(2)	(2)
Issuance of equity shares (net of share issue expenses ₹ 3 million) (*)	-	4,572	-	-	-	4,572	-	-	-	4,572
Issuance of equity shares on exercise of employee stock options	-	45	-	(19)	-	26	-	-	-	26
Share based compensation cost related to employee	-	-	-	22	-	22	-	-	-	22
As at March 31, 2022	1	8,235	133	120	357	8,846	11	-	11	8,857

(#) Zero represents amount less than ₹ one million.

(*) Issued equity shares for acquisition of Investments totalling ₹ 1,430 million (March 31, 2021 ₹ 581 million)



Nazara™

Statement of Changes In Equity For the year ended March 31, 2021 (Contd.)

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

Notes:

1) Capital redemption reserve

Capital redemption reserve was created on buyback of equity shares of the Company in accordance with the provisions of Companies Act 2013

2) Securities premium

Securities premium reserve is used to record premium on issue of shares. The reserve is utilised in accordance with the provisions of Companies Act, 2013.

3) Retained earnings

Retained earnings comprise of the Company's accumulated undistributed earnings.

4) Shared based payment reserve

The Company has share option schemes under which options to subscribe for the Company's shares have been granted to certain executives and senior employees. The share-based payment reserve is used to recognise the value of equity-settled share-based payments provided to employees, including key management personnel, as part of employee benefit expense.

5) Capital contribution from shareholder

Share based payment made by a shareholder.

6) Other equity

This represents, share pending issuance towards purchase consideration, including contingent consideration, to be paid in the form of equity shares on account of purchase of investment in subsidiaries.

7) Debt instruments through other comprehensive income

This reserve represents cumulative gains and losses arising on the fair valuation of debt instruments on the balance sheet date measured at FVOCI. The reserves accumulated will be reclassified to retained earnings and profit and loss respectively, when such instruments are disposed.

Significant accounting policies (refer note 2)

The accompanying notes are an integral part of the standalone financial statements

As per our report of even date

For Walker Chandiok & Co LLP

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Nikhil Vaid

Partner

Membership No: 213356

For and on behalf of the Board of directors of Nazara Technologies Limited

Vikash Mittersain

Chairman Cum Managing Director

DIN-00156740

Rakesh Shah

Chief Financial Officer

Nitish Mittersain

Joint Managing Director

DIN-02347434

Pravesh Palod

Company Secretary

Membership No : 57964

Manish Agarwal

Chief Executive Officer

Place: Hyderabad
Date : May 13, 2022

Place: Mumbai
Date : May 13, 2022

Summary of significant accounting policies and other explanatory information to the standalone financial statements

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

1. Corporate information

Nazara Technologies Limited (the “Company”) was incorporated in India on December 8, 1999 and is primarily engaged in providing subscription/download of games/ other contents through consumer base in India and worldwide and digital support services to group companies. The shares of the Company were listed on the National Stock Exchange of India Limited (NSE) and the Bombay Stock Exchange Limited (SSE) on March 30, 2021. The registered office of the company is situated at 51-54, Maker Chambers 3, Nariman point, Mumbai-400021.

The standalone financial statements (SFS) were authorised for issue in accordance with a resolution of Board of Directors on May 13, 2022.

2. Significant accounting policies

i) Basis of preparation

The standalone financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the ‘Act’) and Companies (Indian Accounting Standards) Rules, 2015 (as amended), and other relevant provisions of the Act. The standalone financial statements have been prepared on a historical cost convention and accrual basis, except for the certain financial assets and liabilities that are measured at fair value. The Company has uniformly applied the accounting policies during the periods presented.

Monetary amounts are expressed in Indian Rupee (INR) and are rounded off to millions, except for earning per share. Due to rounding off, the numbers presented throughout the document may not add up precisely to the totals and percentages may not precisely reflect the absolute figures.

The standalone financial statements correspond to the classification provisions contained in Ind AS 1, “Presentation of Financial Statements”. For clarity, various items are aggregated in the statement of profit and loss and balance sheet. These items are disaggregated separately in the notes to the financial statements, where applicable.

ii) 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 be sold or consumed in normal operating cycle

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

All other assets are classified as non-current.

A liability is current when:

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

All other liabilities are classified as non-current.

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

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

iii) Use of estimates and judgements

The preparation of financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosures, and the disclosure of contingent liabilities, at the end of the reporting period. The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur. The areas involving significant judgement and estimates are as follows:

Summary of significant accounting policies and other explanatory information to the standalone financial statements (Contd.)

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

a) Estimation of defined benefit obligation

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

b) Estimation of fair value of unlisted securities for impairment analysis

The Company follows the guidance of Ind AS 109 - Financial Instruments: to determine the fair value of its investment in equity instruments using market and income approaches. The market approach includes the use of financial metrics and ratios of comparable companies, such as revenue, earnings, comparable performance multiples, recent financial rounds and the level of marketability of the investments. The selection of comparable companies requires management judgment and is based on number of factors, including comparable company sizes, growth rates and development stages. The income approach includes the use of discounted cash flow model, which requires significant estimates regarding the investees' revenue, costs, and discount rates based on the risk profile of comparable companies. Estimates of revenue and costs are developed using available historical and forecast data. These estimates may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

c) Non-cash and contingent consideration

Estimating fair value of non-cash consideration, including contingent consideration, in respect of acquisition of investment in subsidiaries or associates involves management judgement. Fair value of the equity shares of the Company is determined based on weighted average price at which the most recent financials rounds occurred in the past one year or on the basis of estimates such as probability of achieving the performance targets. These measurements are based on information available at the acquisition date and are based on expectations and assumptions that have been deemed reasonable by management.

d) Share based payment

The Company evaluates the terms to determine whether share-based payment is equity settled or cash settled. Further, the Company measures the fair value of equity settled transactions with employees at the grant date of the equity instruments. The basis and assumptions used in these calculations are disclosed in note 30. These inputs are used in the option valuation model to determine the fair value of share awards are subjective estimates. Changes to these estimates will cause the fair value of our share-based awards and related share-based compensations expense may vary.

e) Expected credit loss

The Company determines the allowance for credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions. The Company considers current and anticipated future economic conditions relating to industries the Company deals with and the countries where it operates. In calculating expected credit loss, the Company has also considered credit information for its customers to estimate the probability of default in future and has taken into account estimates of possible effect from the pandemic relating to COVID-19.

f) Estimation of uncertainties relating to pandemic Covid-19

The Covid-19 has brought unprecedented uncertainty across the globe (including all places of business our Company and clients operates in). While the Company has quickly adopted to alternate business continuity scenario, the uncertainty still prevails regarding the timelines of resuming to normal work conditions. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company has used credit reports and related information, economic forecasts and consensus estimates from market sources on the expected future performance of the Company, including in respect of each long-term investments that the Company has invested into.

From business perspective, the Company is buoyed with the resilience of digital and interactive gaming market. While there is surge in demand for digital and interactive games, primarily on account of work from home restrictions, the Management of the Company will remain committed to further investing into the Company's business and that of our investee entities to drive top line

Summary of significant accounting policies and other explanatory information to the standalone financial statements (Contd.)

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

profitable growth in business. In addition, the Company has been frugal in its financial matters and prudent in its investment decisions while monitoring the evolving market conditions closely, to ensure its own continuity and mitigating the risk impacting the business segment it operates in.

Management has evaluated short-term as well as long-term impact of the Covid-19 pandemic on the gaming and e-sports industry, and in particular on the Company as well as the Group and believes that the pandemic will not have a significant negative effect on the Company's financial position and results of its operation. In preparation of these financial statements, the Company has taken into account internal and external sources of information to assess possible impacts of the pandemic, including but not limited to assessment of liquidity and going concern, recoverable values of its financial and non-financial assets, impact on revenues and estimates of operating costs. Based on current indicators of future economic conditions, the Company has sufficient liquidity and expects to fully recover the carrying amount of its assets.

iv) Revenue recognition

Revenue arises mainly from income from services, other operating revenue and other income. To determine whether the Company should recognise revenues, the Company follows 5-step process:

- identifying the contract, or contracts, with a customer
- identifying the performance obligations in each contract
- determining the transaction price
- allocating the transaction price to the performance obligations in each contract
- recognizing revenue when, or as, we satisfy performance obligations by transferring the promised goods or services

Revenue from operations

Revenue from subscription/ download of games/ other contents is recognised when a promise in a customer contract (performance obligation) has been satisfied, usually over the period of subscription. The amount of revenue to be recognised (transaction price) is based on the consideration expected to be received in exchange for services, net of credit notes, discounts etc. If a contract contains more than one performance obligation, the transaction price is allocated to each

performance obligation based on their relative standalone selling price.

Revenue from advertising services, including performance-based advertising, is recognised after the underlying performance obligations have been satisfied, usually in the period in which advertisements are displayed.

Revenue is reported on a gross or net basis based on management's assessment of whether the Company is acting as a principal or agent in the transaction. The determination of whether the Company act as a principal or an agent in a transaction is based on an evaluation of whether the good or service are controlled prior to transfer to the customer.

Revenue is measured at the fair value of the consideration received or receivable, considering contractually defined terms of payment, and excluding variable considerations such as volume or cash discounts and taxes or duties collected on behalf of the government.

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.

A contract liability is an entity's obligation to transfer goods or services to a customer for which the entity has received consideration (or the amount is due) from the customer and presented as 'Deferred revenue'. Advance payments received from customers for which no services have been rendered are presented as 'Advance from customer's'.

Unbilled revenues are classified as a financial asset where the right to consideration is unconditional upon passage of time.

Other operating revenue

Other operating revenue mainly consists of Technology platform fees, digital marketing fees, administrative & other support services provided to subsidiaries and is recognised in the period in which services are rendered. 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.

Other income

Interest income is recorded using the effective interest rate ('EIR') method. EIR is the rate that exactly discounts the estimated future cash payments or receipts

Summary of significant accounting policies and other explanatory information to the standalone financial statements (Contd.)

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

over the expected life of the financial instrument or over a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of the financial liability. Interest income is included under the head “finance income” in the statement of profit and loss account.

Dividends

Dividend income is recognised when the Company’s right to receive dividend is established by the reporting date. The right to receive dividend is generally established when shareholders approve the dividend.

v) Financial instrument

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

a) Financial assets

Initial recognition and measurement

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

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in three broad categories: financial assets at amortised cost financial asset at fair value through other comprehensive income (FVOCI) financial asset at fair value through profit and loss (FVTPL)

Financial asset at amortised cost

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

Such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised 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 and loss. The losses arising from impairment are recognised

statement of profit and loss. This category generally applies to trade and other receivables.

Financial asset at fair value through other comprehensive income (FVOCI)

A financial asset that meets the following two conditions is measured at fair value through OCI unless the asset is designated at fair value through profit and loss under fair value option.

The financial asset is held both to collect contractual cash flows and to sell.

The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in OCI. However, the Company recognises interest income, impairment losses and reversals and foreign exchange gain or loss in the statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Financial asset at fair value through profit and loss (FVTPL)

FVTPL is a residual category and any financial asset which does not meet the criteria for categorisation as at amortised cost or as FVOCI, is classified as at FVTPL.

All equity investments (except investment in subsidiary, associate and joint venture) included within the FVTPL category are measured at fair value with all changes recognised in the statement of profit and loss.

In addition, the Company may elect to designate an instrument, which otherwise meets amortised cost or FVOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as ‘accounting mismatch’)

Derecognition

When the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a ‘pass-through’ arrangement;

Summary of significant accounting policies and other explanatory information to the standalone financial statements (Contd.)

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

It evaluates if and to what extent it has retained the risks and rewards of ownership. A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised when:

The rights to receive cash flows from the asset have expired, or

Based on above evaluation, either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

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

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

Impairment of financial assets

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

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

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 or the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

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

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

ECL impairment loss allowance (or reversal) recognised during the period is recognised 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.

b) Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit and loss or at amortised cost, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings, net of directly attributable transaction costs. The Company's financial liabilities include trade payables, lease obligations, and other payables.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at amortised cost

After initial recognition, interest-bearing loans and borrowings and other payables are subsequently measured at amortised 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.

Summary of significant accounting policies and other explanatory information to the standalone financial statements (Contd.)

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

Amortised 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 as finance costs in the statement of profit and loss.

Derecognition

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 derecognition 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.

c) Offsetting of financial instruments

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

d) Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model because of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

vi) Income tax

Income tax expense comprises current and deferred income tax. It is recognised in

net profit in the Statement of profit and loss except to the extent that it relates to an item recognised directly in equity or in other comprehensive income.

a) Current tax

Provision for current tax is made under the tax payable method, based on the liability computed, after taking credit for allowances and exemptions as per the provisions of Income Tax Act, 1961.

Current income tax relating to items recognised outside profit and loss is recognised outside profit and 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. Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

b) Deferred tax

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

Summary of significant accounting policies and other explanatory information to the standalone financial statements (Contd.)

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

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 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 and loss is recognised outside profit and loss (either in OCI or in equity). 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 a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

vii) Property and equipment

All items of property and equipment are initially recorded at cost. Cost of property and equipment comprises purchase price, non-refundable taxes, levies, and any directly attributable cost of bringing the asset to its working condition for the intended use. After initial recognition, property and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. The carrying values of property and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. The cost of an item of property and equipment is recognised as an

asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The cost includes the cost of replacing part of the property and equipment and borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying property and equipment.

Property and equipment are eliminated from standalone financial statements, either on disposal or when retired from active use. Losses arising in case of retirement of property and equipment and gains or losses arising from disposal of property and equipment are recognised in statement of profit and loss in the year of occurrence.

The assets' residual values, useful lives and methods of depreciation are reviewed at each financial year and adjusted prospectively, if appropriate. Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets. Useful lives (except computer equipments) used by the Company are different from rates prescribed under Schedule II of the Companies Act 2013. These rates are based on evaluation of useful life estimated by the management supported by internal technical evaluation. The useful lives of the property, plant and equipment are as follows:

Nature of Assets	Useful Life
Furniture and fixtures	5 years
Office equipment	3 years
Computer equipment	3 years
Vehicles	3 years

viii) Intangible assets

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the assets will flow to the company and the cost of the asset can be measured reliably.

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is charged to profit or loss in the period in which the expenditure is incurred.

Summary of significant accounting policies and other explanatory information to the standalone financial statements (Contd.)

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

Intangible assets are amortised over the useful economic life of 3 years and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

The amortisation expense on intangible assets is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

ix) Impairment of non-financial assets

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

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

The impairment calculations are based on detailed budgets and forecast calculations for each of the Company's CGUs covering a period of five years and applying a long-term growth rate to project future cash flows after the fifth year.

Impairment losses of operations are recognised in the statement of profit and loss.

At each reporting date if there is an indication that previously recognised impairment

losses no longer exist or have decreased, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed in the statement of profit and loss only to the extent of lower of its recoverable amount or carrying amount net of depreciation considering no impairment loss recognised in prior years only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised.

x) Leases

The Company evaluates each contract or arrangement, whether it qualifies as lease as defined under Ind AS 116.

Company as lessee

The Company's leased assets consist of leases for building. The Company assesses whether a contract contains lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- the contract involves the use of an identified asset
- the Company has substantially all the economic benefits from use of the asset through the period of the lease and
- the Company has the right to direct the use of the asset.

The Company determines the lease term as the non-cancellable period of a lease, together with periods covered by an option to extend the lease, where the Company is reasonably certain to exercise that option.

The Company at the commencement of the lease contract recognises a Right-of-Use (ROU) asset at cost and corresponding lease liability, except for leases with term of less than twelve months (short term leases) and low-value assets. For these short term and low value leases, the company recognises the lease payments as an operating expense on a straight-line basis over the lease term.

The cost of the ROU assets comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the inception date of the lease plus any initial direct costs, less any lease incentives received. Subsequently, the ROU assets are measured at cost less any accumulated depreciation and accumulated impairment losses, if any. ROU asset are depreciated using the

Summary of significant accounting policies and other explanatory information to the standalone financial statements (Contd.)

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

straight-line method from the commencement date over the shorter of lease term or useful life of ROU assets. The estimated useful lives of ROU assets are determined on the same basis as those of property and equipment. The Company applies IAS 36 to determine whether a RoU asset is impaired and accounts for any identified impairment loss as described in the impairment of non-financial assets above.

For lease liabilities at the commencement of the lease, the Company measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate is readily determined, if that rate is not readily determined, the lease payments are discounted using the incremental borrowing rate that the Company would have to pay to borrow funds, including the consideration of factors such as the nature of the asset and location, collateral, market terms and conditions, as applicable in a similar economic environment.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

xi) Cash and cash equivalents

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

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

xii) Cash flow statement

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

xiii) Provisions, contingent liabilities, and contingent assets

A provision is recognised when the company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre tax rate that reflects

the current market assessments of time value of money and the risks specific to the liability. The increase in the provision due to passage of time is recognised as interest expense. The provisions are reviewed at each Balance Sheet date and adjusted to reflect the current management estimates.

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

Contingent assets are not recognised in the financial statements. However, it is disclosed only when an inflow of economic benefits is probable.

xiv) Employee benefits

a) Post-employment benefits

The Company contributes to statutory provident fund in accordance with Employees Provident Fund and Miscellaneous Provisions Act, 1952 that is a defined contribution plan and contribution paid or payable is recognised as an expense in the year in which the employees render services.

The Company's obligation because of gratuity is determined based on actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The Company 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 and net interest expense.

Re-measurement, comprising of actuarial gains and losses and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are 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 and loss in

Summary of significant accounting policies and other explanatory information to the standalone financial statements (Contd.)

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

b) Short - term employee benefits

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

c) Compensated absences

The Company has a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each Balance Sheet date using projected unit credit method on the additional amount expected to be paid / availed as a result of the unused entitlement that has accumulated at the Balance Sheet date. The Company presents the leave as a current liability in the Balance Sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

d) Share-based payments

Employees (including senior executives) of the Company receive remuneration in the form of share- based payments in form of employee stock options, whereby employees render services as consideration for equity instruments (equity settled transactions).

The cost is recognised in employee benefits expense or debited to investment in subsidiary (in respect of employee stock options granted to an employee rendering services to a subsidiary), together with a corresponding increase in stock option outstanding reserves in equity over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognised or an increase in investment in subsidiary for equity settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The expense or credit for a period represents the movement in cumulative expense recognised as at

the beginning and end of that period and is recognised in employee benefits expense.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Company's best estimate of the number of equity instruments that will ultimately vest. The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

xv) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss (excluding other comprehensive income) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events such as bonus issue, bonus element in a right issue, shares split and reserve share splits (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders after taking into account the after-income tax effect of interest and other financing costs associated with dilutive potential equity shares and the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

xvi) Segment reporting

The Company presents standalone Ind AS financial statements along with the consolidated Ind AS financial statements. In accordance with Ind AS 108, segment reporting, the Company has disclosed the segment information in the consolidated financial statements

xvii) Investment in subsidiaries, associates, and joint venture

The Company has accounted for its investment in subsidiaries or associates or joint venture at cost less impairment. The Company assesses investments in subsidiaries, associates and joint venture for impairment whenever events or changes in circumstances indicate that the carrying amount of the investment may not be recoverable. If any such indication exists, the Company estimates the recoverable amount of the investment in subsidiary, associate or joint venture. The

Summary of significant accounting policies and other explanatory information to the standalone financial statements (Contd.)

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

recoverable amount of such investment is the higher of its fair value less cost of disposal (FVLCD) and its value-in-use (VIU). The VIU of the investment is calculated using projected future cash flows. If the recoverable amount of the investment is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the statement of profit and loss

Investment in a subsidiary or an associate or a joint venture acquired in stages are accounted after re-measuring the equity interest held up to the date on which control or significant influence was first achieved, at its fair value on date of obtaining control or significant influence.

xviii) Foreign currency transactions

a) Functional currency

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

b) Transactions and balances

Transactions in foreign currencies are initially recorded by the Company at its functional currency spot rates at the date the transaction first qualifies for

recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.

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).

xix) Recent accounting pronouncement adopted as on April 1, 2022

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There are no standards that are issued but not yet effective on March 31, 2022.

Summary of significant accounting policies and other explanatory information to the standalone financial statements (Contd.)

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

3. Property and equipment

Particulars	Computer equipments	Office equipments	Furniture and fixtures	Vehicles	Total
Gross block (at cost)					
As at April 1, 2020	29	5	1	4	39
Additions	1	0	-	-	1
Deletions	-	-	-	-	-
As at March 31, 2021	30	5	1	4	40
Additions	0	0	-	-	1
Deletions	(1)	-	-	(1)	(2)
As at March 31, 2022	29	5	1	3	39
Accumulated depreciation					
As at April 1, 2020	28	5	1	4	38
For the year	1	0	0	0	1
As at March 31, 2021	29	5	1	4	39
For the year	1	0	-	-	1
Deletions	(1)	-	-	(1)	(2)
As at March 31, 2022	29	5	1	3	38
Net block					
As at March 31, 2021	1	0	-	(0)	1
As at March 31, 2022	0	0	-	(0)	1

(#) Zero represents amount less than ₹ one million.

4A. Right-of-use assets

Particulars	Building	Total
Gross block (at cost)		
As at April 1, 2020	93	93
Additions (refer note 26)	12	12
As at March 31, 2021	105	105
Additions (refer note 26)	55	55
As at March 31, 2022	160	160
Accumulated depreciation		
As at April 1, 2020	46	46
For the year	52	52
As at March 31, 2021	98	98
For the year	36	36
As at March 31, 2022	134	134
Net block		
As at March 31, 2021	7	7
As at March 31, 2022	26	26

4B. Intangible assets

Particulars	Computer software	NGDP Platform	Mygamma and Djuzz platform	Total
Gross block (at cost)				
As at April 1, 2020	19	11	4	34
Additions	-	-	-	-
As at March 31, 2021	19	11	4	34
Additions	-	-	-	-
As at March 31, 2022	19	11	4	34
Accumulated amortisation				
As at April 1, 2020	17	11	4	32
For the year	1	0	-	1
As at March 31, 2021	18	11	4	33
For the year	1	-	-	1
As at March 31, 2022	19	11	4	34
Net block				
As at March 31, 2021	1	0	-	1
As at March 31, 2022	0	0	-	0

(#) Zero represents amount less than ₹ one million.

5. Non current and current investments

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of shares	Amount	No. of shares	Amount
a. Non-current investments				
(i) Investment in subsidiaries				
Unquoted equity and preference shares (at cost)				
Equity instruments at cost				
Nazara Technologies FZ LLC	5,000	1	5,000	1
Equity shares of AED 10 each, fully paid up				
Nazara Pro Gaming Private Limited (refer note E)	9,999	0	9,999	0
Equity shares of ₹ 10 each, fully paid up				
Nazara Pte Limited	1,000	0	1,000	0
Equity shares of SGD 1 each, fully paid up				
Next Wave Multimedia Private Limited	17,460	528	17,460	528
Equity shares of ₹ 100 each, fully paid up				
Nodwin Gaming Private Limited	8,207	920	8,207	920

Summary of significant accounting policies and other explanatory information to the standalone financial statements (Contd.)

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of shares	Amount	No. of shares	Amount
Equity shares of ₹ 100 each, fully paid up				
Paper Boat Apps Private Limited	5,422	835	5,422	835
Equity shares of ₹ 10 each, fully paid up				
Absolute Sports Private Limited (refer note A)	1,40,173	448	1,37,173	438
Equity shares of ₹ 1 each, fully paid up				
Crimzoncode Technologies Private Limited (refer note E)	38,46,208	20	38,46,208	20
Equity shares of ₹ 10 each, fully paid up				
Halaplay Technologies Private Limited (refer note E)				
Equity shares of ₹ 100 each, fully paid up	54,452	260	54,452	260
Halaplay Technologies Private Limited (refer note E)				
Equity shares of ₹ 1 each, fully paid up	40,002	84	40,002	84
Compulsorily convertible preference shares (at cost)				
Halaplay Technologies Private Limited (refer note E)	43,619	294	43,619	294
0.1% cumulative compulsorily convertible preference shares of ₹ 100 each, fully paid up				
OpenPlay Technologies Private Limited (refer note B)				
Equity shares of ₹ 10 each, fully paid up	10,000	1,864	-	-
(ii) Investment in associates				
Unquoted equity instrument (at cost)				
Moonglab Technologies Private Limited (refer note C and E)	5,658	10	4,392	10
Equity shares of ₹ 10 each, fully paid up				
(iii) Investment in joint venture				
Unquoted equity instrument (at cost)				
Sports Unity Private Limited (refer note E)	30,45,000	61	30,45,000	61
Equity shares of ₹ 10 each, fully paid up				
Total (a)		5,325		3,451
b. Investment in others				
Unquoted equity and preference shares (at fair value through profit and loss)				
Investment in Rusk Media Private Limited (refer note D)				
Equity shares of ₹ 10 each, fully paid up	1,601	37	-	-

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of shares	Amount	No. of shares	Amount
Instasportz Consultancy Private Limited	1,171	-	1,171	-
Equity shares of ₹ 10 each, fully paid up				
Compulsorily convertible preference share instruments (at fair value through profit and loss)				
Khichadi Technologies Private Limited	2,143	-	2,143	-
0.01% compulsorily convertible preference shares of ₹ 100 each, fully paid up				
Total (b)		37		-
c. Impairment on investments (refer note E)				
Halaplay Technologies Private Limited		178		26
Sports Unity Private Limited		61		37
Moonglab Technologies Private Limited		10		6
Crimzoncode Technologies Private Limited		20		-
Nazara Pro Gaming Private Limited		0		-
Total (c)		269		69
Aggregate value of unquoted investments (a+b-c)		5,093		3,382

Notes:

- A** The Company has invested ₹ 10 million in cash for acquiring additional 3,000 equity shares of ₹ 1 each in Absolute Sports Private Limited during the current year.
- B** The Company had invested ₹ 1,864 million for acquisition of 100 percent stake in OpenPlay Technologies Private Limited in 2 tranches as follows: Tranche 1: 2,330 shares (representing 23.30% stake) by paying cash of ₹ 434 million and Tranche 2: 7,670 shares (representing 76.70% stake) by preferential allotment of shares on private placement basis.
- C** The Company has acquired additional 1,266 equity shares of ₹ 10 each at par value, under right issue by Moonglab Technologies Private Limited during the current year.
- D** The Company has invested ₹ 20 million in cash for acquiring 1,601 equity shares of ₹ 10 each in Rusk Media Private Limited ("Rusk Media") during the current year. The Company has fair valued the investment in Rusk media and recorded gain of ₹ 17 million as gain "Fair value gain on non-current investments".



Summary of significant accounting policies and other explanatory information to the standalone financial statements (Contd.)

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

E As at March 31, 2022 the Company performed impairment assessment for its investments and recorded impairment loss of ₹ 200 million.

Particulars	As at March 31, 2022		As at March 31, 2021	
	No of units	Amount	No of units	Amount
d. Current investments				
(i) Investments in mutual funds at FVTPL (unquoted)				
SBI Magnum Medium Duration Fund Regular (refer note 1)	4,49,392	19	4,49,392	18
BNP Paribas Arbitrage Fund	2,34,53,784	317	65,84,734	85
Edelweiss Arbitrage Fund - Direct Plan Growth	3,12,94,886	515	51,11,892	80
HDFC Floating Rate Debt Fund - Direct Plan	69,02,455	276	26,28,162	101
HDFC Low Duration Fund - Direct Plan	-	-	26,41,424	126
ICICI Prudential Floating Interest Fund - DP	9,19,784	331	3,63,605	125
ICICI Prudential Savings Fund - Direct Plan Growth	-	-	2,26,914	95
Kotak Equity Arbitrage Fund (G) Direct	1,28,05,753	405	45,359	126
L & T Arbitrage Opportunities Fund Direct Growth	3,16,86,633	514	51,67,700	81
Nippon India Arbitrage Fund - Direct Growth	2,14,49,822	489	36,89,903	80
SBI Banking & PSU Fund Regular Growth (refer note 2)	16,375	42	16,375	40
SBI Magnum Low Duration Fund -Regular Growth	12,784	37	12,784	35
Axis Ultra Short Term Fund (G) Direct	1,95,52,601	243	-	-
SBI Arbitrage Opportunities Fund	37,06,456	101	-	-
Aditya Birla SL Floating Rate Fund (G) Direct	8,95,038	253	-	-
Total investment in mutual funds at FVTPL (a)		3,542		992
(ii) Investments in tax free bonds at FVOCI (unquoted)				
7.39% HUDCO tax free bond series IIA	7,007	8	7,007	9
7.39% HUDCO bond tax free bond series IIA	7,529	9	7,529	9
7.35% IRFC tax free bond series IIA	5,878	7	5,878	7
7.35% NABARD tax free bond series IIA	5,010	7	5,010	6
7.35% NHAI tax free bond series IIA	14,285	17	14,285	18
7.39% NHAI tax free bond series IIA	15,419	19	15,419	20
Total investment in tax free bonds at FVOCI (b)		67		69
Aggregate value of unquoted investments (a+b)		3,609		1,061
Grand Total including market value thereof		3,609		1,061

Note:

- Investments having cost of ₹ 11 million (March 31, 2021: 9 million) pertaining to SBI Magnum Medium Duration Fund Regular which was marked as lien against bank guarantee of the Company has been satisfied during the year.
- Investments having cost of ₹ 30 million pertaining to SBI Banking & PSU Fund Regular Growth has been marked as lien against the bank guarantee of the Company.

(#) Zero represents amount less than ₹ one million.

6. Loans and deposits

Particulars	As at March 31, 2022	As at March 31, 2021
Non-current		
Unsecured, considered good		
Security deposits (refer note 6.1)	40	44
Loan to employees	0	0
	40	44
Current		
Unsecured, considered good		
Security deposits	1	2
Loans given to related parties (refer note 24 and 6.2)	95	72
Less: Impairment of loans given	(95)	-
Loan to employees	1	1
	2	75

6.1 The Company has placed a deposit of ₹ 29 million (March 31, 2021: ₹ 29 million) to National Stock Exchange of India Limited on account of initial public offerings.

6.2 The Company has given loans to related parties repayable on demand, rate of interest for such loans being 13% p.a. Details are as follows:

Type of borrowers	As at March 31, 2022		As at March 31, 2021	
	Amount of loan or advance in nature of loan outstanding	Percentage to the total loans or advances in nature of loans	Amount of loan or advance in nature of loan outstanding	Percentage to the total loans or advances in nature of loans
Promoters/ directors/KMPs	-	-	-	-
Other related parties	95	100.00%	72	100.00%

(#) Zero represents amount less than ₹ one million.

Summary of significant accounting policies and other explanatory information to the standalone financial statements (Contd.)

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

7. Other non-current assets

Particulars	As at March 31, 2022	As at March 31, 2021
Prepaid expense	3	3
Advance income-tax (net of provision amounting to ₹ 13 million (March 31, 2021: ₹ 20 million))	15	19
	18	22

8. Trade receivables

Particulars	As at March 31, 2022	As at March 31, 2021
Unsecured, considered good (*)	6	42
Considered having significant increase in credit risk	21	20
Trade Receivables - credit impaired	78	78
Less - Impairment Allowance (allowance for bad and doubtful debts)		
Unsecured, considered good	(1)	-
Considered having significant increase in credit risk	(21)	(20)
Trade Receivables - credit impaired	(78)	(78)
	5	42

(*) includes ₹ 2 million (March 31, 2021: ₹ 6 million) receivable from related parties (refer note 24)

8.1: Trade Receivables ageing schedule as at 31 March 2022

	Outstanding for following periods from due date of payment					
	< 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed trade receivables - Considered good	5	1	-	-	-	6
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	1	1	19	21
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	78	78
Total	5	1	1	1	97	105

Trade Receivables ageing schedule as at 31 March 2021

	Outstanding for following periods from due date of payment					
	< 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed trade receivables - Considered good	40	1	1	0	-	42
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	2	13	5	20
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	14	64	78
Total	40	1	3	27	69	140

9. Cash and bank balances

Particulars	As at March 31, 2022	As at March 31, 2021
i) Cash and cash equivalents		
Cash on hand	1	1
Balances with banks		
- in current accounts (refer note 9.1)	35	561
ii) Other bank balances		
- in fixed deposits with remaining maturity of less than 12 months	249	-
	285	562

9.1 Balance with banks in current accounts includes an amount of ₹ 19 million (March 31, 2021: ₹ 536 million) pertains to amount held on behalf of selling share holders who were a part of offer for sale listing of the Company. This balance is restricted cash and cash equivalents which not available with the Company for its normal operating, investing and financing activities.

Summary of significant accounting policies and other explanatory information to the standalone financial statements (Contd.)

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

10. Other current financial assets

Particulars	As at March 31, 2022	As at March 31, 2021
Expenses recoverable from selling shareholders (refer note 10.1)	17	419
Unsecured, considered good		
Unbilled revenue (refer note 10.2)		
- considered good	2	9
- Impaired	6	6
- Less: Allowance for unbilled revenue	(6)	(6)
Interest accrued but not due		
- from tax free bond	2	2
- from loan given	-	7
- from fixed deposit	5	-
	26	437

10.1 Includes ₹ 2 million (March 31, 2021: ₹ 57 million) receivable from related parties (refer note 24)

10.2 Unbilled Revenue ageing schedule as at 31 March 2022

	Outstanding for following periods from due date of billing					
	< 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Unbilled Revenue- Considered good	2	0	-	-	-	2
(ii) Undisputed Unbilled Revenue – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Unbilled Revenue – credit impaired	-	-	-	-	-	-
(iv) Disputed Unbilled Revenue– considered good	-	-	-	-	-	-
(v) Disputed Unbilled Revenue – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Unbilled Revenue – credit impaired	-	-	-	-	6	6
Total	2	0	-	-	6	8

Unbilled Revenue ageing schedule as at 31 March 2021

	Outstanding for following periods from due date of billing					
	< 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Unbilled Revenue- Considered good	9	-	-	-	-	9
(ii) Undisputed Unbilled Revenue – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Unbilled Revenue – credit impaired	-	-	-	-	-	-
(iv) Disputed Unbilled Revenue– considered good	-	-	-	-	-	-
(v) Disputed Unbilled Revenue – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Unbilled Revenue – credit impaired	-	-	-	-	6	6
Total	9	-	-	-	6	15

(#) Zero represents amount less than ₹ one million.

11. Other current assets

Particulars	As at March 31, 2022	As at March 31, 2021
Advance to vendors	1	1
Prepaid expenses	1	5
Balances with government authorities	23	30
Total	25	36

Summary of significant accounting policies and other explanatory information to the standalone financial statements (Contd.)

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

12. Equity share capital

Particulars	As at March 31, 2022	As at March 31, 2021
Authorised shares		
37,500,000 (March 31, 2021: 37,500,000) equity shares of ₹ 4 each	150	150
	150	150
Issued, subscribed and fully paid up		
32,621,227 (March 31, 2021: 30,452,836) equity shares of ₹ 4 each	130	122
	130	122

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

Name of the shareholder	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	% Holding	No. of Shares	% Holding
Mitter Infotech LLP	52,63,225	16.13%	52,63,225	17.28%
Arpit Khandelwal	34,46,210	10.56%	34,46,210	11.32%
Rakesh Jhunjunwala	32,94,310	10.10%	32,94,310	10.82%
Plutus Wealth Management LLP	22,51,586	6.90%	20,00,000	6.57%

As per records of the Company, including its register of shareholders / members, the above shareholding represents both legal and beneficial ownerships of shares.

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

Equity shares of ₹ 4 each	No of units	Amount
As at April 1, 2020	2,79,96,663	112
Add : Issued during the year	24,56,173	10
As at March 31, 2021	3,04,52,836	122
Add : Issued during the year (*)	21,68,391	8
As at March 31, 2022	3,26,21,227	130

(*) Of the above: On November 18, 2021, Board of Directors approved allotment of 1,429,266 fully paid up equity shares of ₹ 4 each at a price of ₹ 2,206 per equity share, on preferential basis by way of private placement to the allottees Gamnat Pte Limited and Plutus Wealth Management for a cash consideration of ₹ 3,153 million. The proceeds

from the issue are to be used primarily for making strategic acquisitions and investments in various companies/body corporates and also to fund the growth plans of the Company including its subsidiaries and associates.

On November 24, 2021, Board of Directors approved the allotment of 648,125 fully paid up equity shares of ₹ 4 each at a price of ₹ 2,206 per equity share to Unnati Management Consultants LLP, for consideration for acquisition of 7,670 equity shares of ₹ 10 each of OpenPlay Technologies Private Limited (consisting 76.70% stake), on preferential basis by way of private placement. Pursuant to this, OpenPlay Technologies Private Limited became 100% subsidiary of the Company.

(c) Terms/rights attached to equity shares

1 Voting rights:

The Company has only one class of equity shares having a par value of ₹ 4 per share. Each holder of the equity share is entitled to one vote per share.

2 Right as to dividend:

The dividend proposed by the Board of directors is subject to approval of the shareholders in the ensuing annual general meeting, except in case of interim dividend.

3 Liquidation preference:

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

4 Termination agreement:

Pursuant to the Termination Agreement dated December 24, 2020 entered between the Company and Westbridge Venture II Investment Holdings taken on record by the Board of Directors, Westbridge has sold off its stake in equity shares to Plutus Wealth Management and Mr. Arpit Khandelwal. However, specific rights available to Westbridge Venture II Investment Holdings stands terminated effective December 24, 2020.

(d) Shares reserved for issue under options

For details of shares reserved for issue under the employee stock option (ESOP) plan of the Company refer note 30.

(e) Aggregate number of bonus shares issued during the period of five years immediately preceding the reporting date:

Particulars	As at March 31, 2022	As at March 31, 2021
Equity shares allotted as fully paid bonus shares by capitalisation of reserve	1,99,25,088	1,99,25,088
	1,99,25,088	1,99,25,088

Summary of significant accounting policies and other explanatory information to the standalone financial statements (Contd.)

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

(f) Aggregate number of equity shares issued for consideration other than cash during the year of five years immediately preceding the reporting date:

Particulars	As at March 31, 2022	As at March 31, 2021
Equity shares allotted for consideration other than cash		
Financial Year 2021-22	6,48,125	-
Financial Year 2020-21	7,98,548	7,98,548
Financial Year 2019-20	4,89,735	4,89,735
Financial Year 2017-18	7,94,641	7,94,641
	27,31,049	20,82,924

(g) Shares held by promoters at the end of the year Equity shares of ₹ 4/- each fully paid:

Particulars	As at March 31, 2022			As at March 31, 2021		
	No. of shares	% [^]	% [*]	No. of shares	% [^]	% [*]
Mitter Infotech LLP (Promoter)	52,63,225	16.13%	-1.15%	52,63,225	17.28%	-2.28%
Promoter Group:						
Nitish Mittersain	10,11,453	3.10%	-0.22%	10,11,453	3.32%	0.00%
Neeraja Mittersain	17,500	0.05%	0.00%	17,500	0.06%	0.00%
Vishal V Chiripal	1,805	0.01%	0.00%	1,750	0.01%	0.00%
Kanta Pratapchand Jain	1,750	0.01%	0.00%	1,750	0.01%	0.00%
Kavita N Saraogi	1,750	0.01%	0.00%	1,750	0.01%	0.00%
Meena Gupta	1,750	0.01%	0.00%	1,750	0.01%	0.00%
Rajesh Pratapchand Jain	1,750	0.01%	0.00%	1,750	0.01%	0.00%
Vedprakash Chiripal	1,750	0.01%	0.00%	1,750	0.01%	0.00%
Vikash Mittersain	250	0.00%	0.00%	250	0.00%	0.00%
Rahul Balkrishna Goyal	71	0.00%	0.00%	40	0.00%	0.00%

[^] % of total shares | ^{*} % Change during the year

13. Other equity

Particulars	As at March 31, 2022	As at March 31, 2021
Capital redemption reserve account		
Opening balance	1	1
Changes during the year	-	-
Closing balance	1	1
Securities premium		
Opening balance	3,618	1,784
Addition during the year	4,575	1,701
Less: Share issue expense	(3)	(12)
Add: Issue of equity shares upon exercise of employee stock option	45	145
Closing balance	8,235	3,618
Surplus in the statement of profit and loss and other comprehensive income		
Opening balance	471	463
Add: Profit/(loss) for the year	(338)	8
Other comprehensive (loss) for the year	(0)	(0)
Closing balance	133	471
Debt instrument through Other Comprehensive Income		
Opening balance	13	19
Other comprehensive (loss) for the year	(2)	(6)
Closing balance	11	13
Share based payment reserve		
Opening balance	117	256
Additions during the year	22	6
Less: Issue of equity shares upon exercise of employee stock option	(19)	(145)
Closing balance	120	117
Other reserves		
Opening balance	-	435
Changes during the year	-	(435)
Closing balance	-	-
Capital contribution from shareholder		
Opening balance	357	357
Changes during the year	-	-
Closing balance	357	357
Total reserve and surplus	8,857	4,577

(#) Zero represents amount less than ₹ one million.

Summary of significant accounting policies and other explanatory information to the standalone financial statements (Contd.)

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

14. Provisions

Particulars	As at March 31, 2022	As at March 31, 2021
Non-current		
Provisions for employee benefits		
Gratuity (refer note 28)	16	15
	16	15
Current		
Provision for employee benefits		
Compensated absences	3	4
Gratuity (refer note 28)	3	3
	6	7

15. Trade payables

Particulars	As at March 31, 2022	As at March 31, 2021
Trade payable (refer note 15.1)		
Micro enterprises and small enterprises	0	2
Other than micro enterprises and small enterprises (*)	19	132
Total	19	134

(*) includes ₹ Nil million (March 31, 2021: ₹ 3 million) payable to related parties (refer note 24)

15.1 Trade Payables ageing schedule as at 31 March 2022

	Outstanding for following periods from due date of payment				
	< 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	0	-	-	-	0
(ii) Others	9	5	1	4	19
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	9	5	1	4	19

Trade Payables ageing schedule as at 31 March 2021

	Outstanding for following periods from due date of payment				
	< 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	2	-	-	-	2
(ii) Others	111	2	11	8	132
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	113	2	11	8	134

15.2 The amounts due to micro and small suppliers registered under the Micro, Small and Medium Enterprises Development Act 2006 (MSMED Act) as at March 31, 2022 and March 31, 2021 have been identified on the basis of information available with the Management.

Particulars	As at March 31, 2022	As at March 31, 2021
a) Principal amount due to suppliers under MSMED Act	0	2
b) Interest accrued and due to suppliers under MSMED Act on the above amount	-	-
c) Payment made to suppliers (other than interest) beyond appointed day during the year	-	-
d) Interest paid to suppliers under MSMED Act	-	-
e) Interest due and payable to suppliers under MSMED Act towards payments already made	-	-
f) Interest accrued and remaining unpaid at the end of the accounting year	-	-
g) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act.	-	-

(#) Zero represents amount less than ₹ one million.

Summary of significant accounting policies and other explanatory information to the standalone financial statements (Contd.)

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

16. Other financial liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Payable to employees	56	39
Deposit from customers	-	14
Payable to selling shareholders (*)	19	536
Payable for expenses (#)	34	254
Total	109	843

(*) includes ₹ 2 million (March 31, 2021: 67 million) payable to related parties (refer note 24)

(#) includes ₹ 17 million (March 31, 2021: 236 million) payables to vendors for Offer for Sale (OFS).

17. Other current liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Tax deducted at source payable	3	15
Other statutory dues	1	1
Advances from customers (*)	13	-
Deferred revenue	4	-
Other liabilities	4	-
Total	25	16

(*) Includes ₹ 8 million (March 31, 2021: Nil) advance received from related parties (refer note 24)

18. Revenue from operations

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Revenue from contract with customers		
Telco subscription	26	151
Freemium (*)	27	29
(*) Includes ₹ 2 million revenue from related parties (March 31, 2021: ₹ 0 million) (refer note 24)		
Other operating revenue (refer note 24)		
Technology platform fees	74	75
Digital marketing fees	8	44
Administrative and business support services	50	30
Other support service	19	-
Total	204	329

18.1 Geographical disaggregation of revenue

Particulars	Telco subscription	Freemium	Technology platform fees	Digital marketing fees	Admin., business and other support services	Total
For the year ended March 31, 2022						
India	19	11	-	-	-	30
Middle East	2	1	32	3	22	60
Asia-Pacific	5	1	31	4	39	80
Africa	-	-	11	1	8	20
USA	-	14	-	-	-	14
Total	26	27	74	8	69	204
For the year ended March 31, 2021						
India	139	6	-	-	-	145
Middle East	-	1	30	2	13	46
Asia-Pacific	12	20	32	41	13	118
Africa	-	1	13	1	4	19
USA	-	1	-	-	-	1
Total	151	29	75	44	30	329

18.2 Timing of revenue recognition

Particulars	Telco subscription	Freemium	Technology platform fees	Digital marketing fees	Admin. and business support services	Total
For the year ended March 31, 2022						
Recognised at a point in time	26	27	-	-	-	53
Recognised over period of time	-	-	74	8	69	151
Total	26	27	74	8	69	204
For the year ended March 31, 2021						
Recognised at a point in time	151	29	-	-	-	179
Recognised over period of time	-	-	75	44	30	150
Total	151	29	75	44	30	329

(#) Zero represents amount less than ₹ one million.

Summary of significant accounting policies and other explanatory information to the standalone financial statements (Contd.)

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

19. Other income

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest income on		
- bank deposits	5	1
- tax free bonds	4	4
- loans (refer note 19.1)	-	7
- income tax refund	1	-
Unwinding of interest on security deposits	0	1
Unwinding of interest on loan to employee (refer note 24)	-	2
Dividend received from subsidiary (refer note 24)	-	39
Net gain on sale of current investments	15	12
Fair value gain on financial instruments at fair value through profit or loss	56	6
Fair value gain on non-current investments	17	-
Sundry balances written-back	20	3
Gain on exchange fluctuation (net)	2	-
Lease concession gain	-	14
Miscellaneous income	6	1
	126	90

19.1 Includes ₹ 11 million interest income on loans from related parties which has been impaired during the year (March 31, 2021: ₹ 7 million) (refer note 24)

20. Employee benefits expense

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Salaries and bonus		
Employees	66	64
Key management personnel (refer note 24)	106	90
Contribution to provident and other funds (refer note 28)	8	8
Gratuity expense (refer note 28)	2	2
Compensated absences	-	2
Compensation related to share based payments (refer note 24 and 30)	22	6
Staff welfare expenses	2	2
	206	174

21. Depreciation and amortisation

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Property and equipment (refer note 3)	1	1
Right-of-use assets (refer note 4(a))	36	52
Intangible assets (refer note 4(b))	1	1
	38	54

22. Finance costs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest on lease liabilities	3	2
Total	3	2

23A. Impairment losses

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Loss on fair value on non-current investment	-	18
Loss on Impairment of financial assets	102	-
Impairment on investment in subsidiary, associates and joint ventures (refer note 5)	200	43
Total	302	61

23B. Other expenses

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Legal and professional	26	15
Travelling and conveyance	3	3
Sales promotion and business development	5	4
Payment to auditors (refer note (i) below)	12	2
Corporate social responsibility expenditure (refer note (ii) below)	3	3
Content management	1	2
Rates and taxes	5	6

Summary of significant accounting policies and other explanatory information to the standalone financial statements (Contd.)

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Repairs and maintenance	1	2
Insurance	1	1
Donation	1	1
Communication	1	1
Directors fees	2	2
Bad debts	-	2
Printing and stationery	1	0
Consumables	1	1
Rent expense	4	0
Allowance for doubtful debts	2	1
Loss on exchange fluctuation (net)	-	3
Miscellaneous	8	4
	77	53

(i) Payment to auditors

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
As auditor		
- Audit fees	12	2
In other capacity	-	-
	12	2

(ii) Corporate social responsibility expenditure

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Gross amount required to be spent during the year	0	3
Amount spent during the year		
i) Construction / acquisition of any asset	-	-
ii) On purposes other than (i) above	3	3
Total amount spent during the year	3	3
Shortfall at the end of year	-	-
Total of previous years shortfall	-	-
Reason for shortfall	NA	NA
Nature of CSR activities	Donation to trust	Donation to trust
Related party transactions (refer note 24)		
Donation to B.K.Goyal Heart Foundation	2	3

(#) Zero represents amount less than ₹ one million.

24. Related party transactions

(A) Names of the related parties and related party relationship

Entity with significant influence	West Bridge Venture II Investment Holdings (till December 24, 2020)
Subsidiaries	Nazara Technologies FZ LLC Nazara Pte Limited Nazara Pro Gaming Private Limited Nextwave Multimedia Private Limited Nodwin Gaming Private Limited Halaplay Technologies Private Limited Absolute Sports Private Limited Paper Boat Apps Private Limited Crimzoncode Technologies Private Limited OpenPlay Technologies Private Limited (w.e.f November 24, 2021)
Stepdown subsidiaries	Nazara Technologies Nazara Zambia Limited Nzmobile Nigeria Limited Nzmobile Kenya Limited Nazara Uganda Limited Nazara Bangladesh Limited Nzworld Kenya Limited Kiddopia Inc. Nodwin Gaming International Limited Publishme Global FZ LLC (w.e.f July 29, 2021) Arrakis Tanitim Organizasyon Pazarlama SAN. TIC. A.S.(w.e.f September 22, 2021) Rusk Distribution Private Limited (w.e.f February 28, 2022) Unpause Entertainment Private Limited (w.e.f February 1, 2022)
Joint venture	Sports Unity Private Limited
Associate	Moonglab Technologies Private Limited
Associate of subsidiary	Mastermind Sports Limited
Enterprises owned or controlled by key management personnel	Mitter Infotech LLP

Summary of significant accounting policies and other explanatory information to the standalone financial statements (Contd.)

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

Key management personnel	Vikash Mittersain - Chairman Cum Managing Director
	Nitish Mittersain - Joint Managing Director
	Manish Agarwal - Chief Executive Officer
	Rakesh Shah - Chief Financial Officer
	Turabbhai Chimthanawala - Company Secretary (till December 31, 2020)
	Pratibha Mishra - Company Secretary (till July 09, 2021)
	Pravesh Palod - Company Secretary (from November 22, 2021)
Others	B.K.Goyal Heart Foundation

(B) Related party transactions

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Freemium		
Nextwave Multimedia Private Limited	2	0
Crimzoncode Technologies Private Limited	0	-
Technology platform fees		
Nazara Technologies FZ LLC	31	30
Nazara Pte Limited	31	32
Nazara Technologies	4	7
NZMobile Kenya Limited	7	6
Digital marketing fees		
Nazara Technologies FZ LLC	3	2
Nazara Pte Limited	4	41
Nazara Technologies	0	1
NZMobile Kenya Limited	1	0
Administrative and business support services		
Nazara Technologies FZ LLC	21	13
Nazara Pte Limited	21	13
Nazara Technologies	3	3
NZMobile Kenya Limited	5	2
Other Support Services		
Nazara Technologies FZ LLC	18	-
Nazara Pte Limited	1	-
Dividend received		
Nazara Pte Limited	-	39
Remuneration to Key management personnel (KMP)		
Vikash Mittersain	11	6
Nitish Mittersain	33	30
Manish Agarwal (*) (#)	67	49
Rakesh Shah	16	11
Turabbhai Chimthanawala	-	0
Pratibha Mishra	0	0
Pravesh Palod	0	-

(*) Includes amortisation of perquisite on interest free loan amounting to ₹ Nil million (March 31, 2021: ₹ 2 million)

(#) Includes compensation related to share based payments amounting to ₹ 22 million (March 31, 2021: 6 million)

B) Related party transactions (continued)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Content cost		
Crimzoncode Technologies Private Limited	0	2
Moong labs Technologies Private Limited	3	2
Nextwave Multimedia Private Limited	4	-
Professional (Under Other expenses)		
Nextwave Multimedia Private Limited	-	0
Donation		
B.K.Goyal Heart Foundation	2	3
Repayment of loan from KMP		
Manish Agarwal	-	16
Loan given		
Nazara Pro Gaming Private Limited	12	50
Moong labs Technologies Private Limited	3	-
Crimzoncode Technologies Private Limited	2	2
Halaplay Technologies Private Limited	-	8
Sports Unity Private Limited	15	5
Repayment of loan and interest		
Halaplay Technologies Private Limited	9	3
Crimzoncode Technologies Private Limited	1	1
Nazara Pro Gaming Private Limited	-	1
Interest income		
Crimzoncode Technologies Private Limited (*)	1	0
Nazara Pro Gaming Private Limited (*)	8	6
Halaplay Technologies Private Limited (*)	0	1
Moong labs Technologies Private Limited (*)	0	-
Sports Unity Private Limited (*)	2	0
Manish Agarwal	-	2

(*) Interest on loan given to above parties has been impaired during the year

Summary of significant accounting policies and other explanatory information to the standalone financial statements (Contd.)

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

C) Amounts outstanding as at the balance sheet date:

Particulars	As at March 31, 2022	As at March 31, 2021
Loan receivable from subsidiary company, including interest accrued thereon		
Nazara Pro Gaming Private Limited	81	60
Crimzoncode Technologies Private Limited	8	6
Halaplay Technologies Private Limited	-	9
Sports Unity Private Limited	21	5
Moong labs Technologies Private Limited	3	0
Balance payables at year end		
Mastermind Sports Limited	-	2
Moong labs Technologies Private Limited	-	1
Advance received from related parties		
Nazara Technologies	0	-
Nazara Technologies FZ LLC	7	-
Nazara Pte Limited	0	-
Amount recoverable from subsidiary company (trade receivable)		
Nazara Pte Limited	-	5
NZ Mobile Kenya Limited	1	0
NZ World Kenya Limited	-	1
Nextwave Multimedia Private Limited	1	0
Unbilled revenue		
Crimzoncode Technologies Private Limited	-	0
Expenses recoverable from selling shareholders		
Mitter Infotech LLP	2	57
Payable to Selling Shareholders		
Mitter Infotech LLP	2	67

D) Compensation of KMP

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Short-term employee benefits	102	87
Post-employment benefits (refer note 1 below)	4	3
Compensation related to share based payments (refer note 30)	22	6
Total remuneration	128	96

Notes:

- 1) Remuneration to key managerial personnel doesn't include provision made for gratuity and compensated absences as they are determined on actuarial basis for the Company as a whole.
 - 2) The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. This assessment is undertaken each financial year through examining the financial position of the related party and market in which the related party operates. Outstanding balances at the year-end are unsecured and settlement occurs in cash.
- (#) Zero represents amount less than ₹ one million.

25. Capital and others commitments

Particulars	As at March 31, 2022	As at March 31, 2021
Other commitments		
Bank guarantees (refer note 25.1)	30	46
Cost of content	105	6
Total commitments	135	52

25.1 The Company has given bank guarantee of ₹ 30 million (March 31, 2021: ₹ 30 million) to National Stock Exchange of India Limited on account of initial public offerings.

26. Leases

The Company's leased assets primarily consist of leases for office premises. Leases of office premises generally have lease term between 1 to 3 years, lease rentals have an escalation of 5%. The effective interest rate for lease liabilities is 9.25%.

- Refer note 4(a) for movement of right-of-use assets.
- Below are the carrying amounts of lease liabilities (included under financial liabilities) and the movements during the year:

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Balance as at opening	-	40
Additions during the year	55	12
Finance expense	3	2
Lease concession gain	-	(14)
Payments	(32)	(40)
Balance as at closing	26	-
Current	26	-
Non-current	-	-

Summary of significant accounting policies and other explanatory information to the standalone financial statements (Contd.)

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

The contractual maturity analysis of lease liabilities on undiscounted basis:

Particulars	As at March 31, 2022	As at March 31, 2021
Less than one year	26	-
Gross value	27	-
Less - Unamortised interest	(1)	-
More than one year less than 5 years	-	-
Total	26	-

iii) The following are the amounts recognised in profit or loss:

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Amortisation expense on right-of-use assets	36	52
Finance expense on lease liabilities	3	2
Expense relating to short-term leases (included in other expenses)	4	0
Total amount recognised in profit or loss	43	54

iv) The Company has extended lease of it's office premises with effect from April 11, 2022 for a period of 12 months.

(#) Zero represents amount less than ₹ one million.

27. Earnings per share

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

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Basic		
Net profit attributable to equity shareholders	(338)	8
Weighted average number of equity shares in calculating basic EPS	3,12,32,514	2,88,20,485
Basic Earnings per share	(10.81)	0.28
Diluted		
Net profit attributable to equity shareholders	(338)	8
Weighted average number of equity shares in calculating basic EPS	3,12,32,514	2,88,20,485
Effect of dilution (refer note below)	2,70,593	5,22,420
Weighted average number of equity shares outstanding (including dilutive)	3,15,03,108	2,93,42,905
Earnings per share	(10.81)	0.28

Note:

There are 270,593 (March 31, 2021 : 482,905) potential equity shares in the form of stock options granted to employees and Nil (March 31, 2021 : 39,515) potential equity shares in the form of other equity.

28. Employment benefits plan

I) Defined Contribution plan

(a) Provident fund and ESIC

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Company's contribution to provident fund and other funds charged to profit and loss	8	8
	8	8

II) Defined benefit plan

(a) Gratuity

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. This benefit is unfunded.

The following tables summarise the components of net gratuity benefit expense recognised in the statement of profit and loss and other comprehensive income.

A Balance Sheet

(i) The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

Particulars	As at March 31, 2022	As at March 31, 2021
Liability at the beginning of the year	18	16
Interest cost	1	1
Current service cost	1	1
Past service cost	-	-
Benefits paid	(2)	-
Re-measurements - Actuarial loss - due to changes financial assumptions	(0)	0
Re-measurements - Actuarial (gain) - due to changes experience adjustment	1	0
Liability at the end of the year	19	18

Summary of significant accounting policies and other explanatory information to the standalone financial statements (Contd.)

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

(ii) Balance sheet reconciliation

Particulars	As at March 31, 2022	As at March 31, 2021
Opening net liability	18	16
Expense recognised in statement of profit and loss	2	2
Expense recognised in OCI	1	0
Benefit paid directly by the employer	(2)	-
Amounts recognised in the balance sheet	19	18
Current	3	3
Non - current	16	15
Amounts recognised in the balance sheet	19	18

B Statement of profit and loss

i) Expense recognised in statement of profit and loss

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Current service cost	1	1
Net interest cost	1	1
Expenses recognised in profit and loss	2	2

ii) Expense recognised in other comprehensive income

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Remeasurements actuarial loss	1	0
Net expense	1	0

C Assumptions

i) Expense recognised in statement of profit and loss

Particulars	As at March 31, 2022	As at March 31, 2021
Discount rate	6.44%	6.06%
Future salary increases	10.00%	10.00%
Projected benefit obligation	6 years	6 years
Rate of employee turnover	15%	15%
Mortality rate during employment	Indian Assured Lives Mortality 2012-14 (Urban)	
Mortality rate after employment	NA	

D A quantitative sensitivity analysis for significant assumption as at balance sheet date are as shown below:

Particulars	As at March 31, 2022	As at March 31, 2021
Discount rate (- 1%)	0.87	0.80
Discount rate (+ 1%)	(0.79)	(0.88)
Salary escalation Rate (- 1%)	(0.47)	(0.46)
Salary escalation Rate (+ 1%)	0.48	0.48
Employee turnover (- 1%)	0.01	0.01
Employee turnover (+ 1%)	(0.01)	(0.01)

Methods and assumptions used in preparing sensitivity and their limitations: The liability was projected by changing certain assumptions and the total liability post the change in such assumptions have been captured in the table above. This sensitivities are based on change in one single assumption, other assumptions being constant. In practice, scenario may involve change in several assumptions where the stressed defined benefit obligation may be significantly impacted..

E Maturity analysis of projected benefit obligation

Particulars	As at March 31, 2022	As at March 31, 2021
1st following year	3	3
2nd following year	3	3
3rd following year	4	2
4th following year	2	3
5th following year	2	2
Sum of years to 6 to 10	7	6
Sum of years 11 and above	7	7

(#) Zero represents amount less than ₹ one million.

Summary of significant accounting policies and other explanatory information to the standalone financial statements (Contd.)

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

29. Income taxes

A Income tax expense in the statement of profit and loss consists of:

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Tax expense		
Current tax	-	13
Taxes for earlier years	5	(4)
Deferred tax (credit)	(13)	(26)
Income tax expense reported in the statement of profit or loss	(8)	(17)
Income tax recognised in other comprehensive income		
Deferred tax (credit) arising on income and expense recognised in other comprehensive income	(0)	(0)
Total	(0)	(0)

B The reconciliation between the provision of income tax of the Company and amounts computed by applying the Indian statutory income tax rate to profit before taxes is as follows:

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
(Loss) before tax	(346)	(9)
Enacted income tax rate in India	25.17%	25.17%
Computed expected tax expense	(87)	(2)
Effect of:		
Income not considered for tax purpose	(7)	(10)
Expenses not allowed for tax purpose	76	1
Income taxed at special rate	(4)	(1)
Taxes for earlier years	5	(4)
Deferred tax asset of earlier year reversed	8	-
Others	1	(0)
	(8)	(17)

C Movement of deferred tax asset for the year ended March 31, 2022

Particulars	April 1, 2021	Amount charged to statement of profit and loss	Amount charged to other comprehensive income	March 31, 2022
Impact of difference between depreciation/ amortisation	3	0	-	3
Provision for doubtful receivables	26	0	0	27
Impact of expenditure charged to statement of profit and loss in the current year but allowed for tax purposes on payment basis	8	(3)	-	5
Fair value gain on mutual funds	(2)	(10)	-	(12)
Fair value loss / (gain) on non-current investment	8	(8)	-	-
Tax on carried forward loss	-	27	-	27
Others	2	7	-	9
Net deferred tax assets, net	45	13	0	59

D Movement of deferred tax asset for the year ended March 31, 2021

Particulars	April 1, 2020	Amount charged to statement of profit and loss	Amount charged to other comprehensive income	March 31, 2021
Impact of difference between depreciation/ amortisation	3	(0)	-	3
Provision for doubtful receivables	26	0	-	26
Impact of expenditure charged to statement of profit and loss in the current year but allowed for tax purposes on payment basis	5	3	0	8
Fair value gain on mutual funds	(10)	8	-	(2)
Fair value loss / (gain) on non-current investment	(6)	14	-	8
Others	1	1	-	2
Net deferred tax assets, net	19	26	0	45

Summary of significant accounting policies and other explanatory information to the standalone financial statements (Contd.)

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

30. Share based payments

(a) During the year ended March 31, 2022 ESOP 2017 and ESOP 2020 scheme are in operation.

(b) Details of ESOP 2016 and 2017 are as follows:

Under the ESOP 2016 and 2017, stock options of the Company were granted to senior executives of the Company and its subsidiary employees with more than 12 months of service. The share options vest if employees are in service until one year from the date of grant.

The fair value of the share options was estimated at the grant date using Black Scholes pricing model and, taking into account the terms and conditions upon which the share options were granted.

The contractual term of each option granted (comprising the vesting year and the exercise year) is six years. There are no cash settlement alternatives. The Company does not have a past practice of cash settlement for these share options.

ESOP 2016

Particulars

Date of grant	January 2, 2017
Date of board approval	November 24, 2016
Date of member approval	December 26, 2016
Number of options granted	782,638 to eligible employees of the Company and subsidiary company
Method of settlement	Equity
Vesting year	One year
Exercise year	Five years
Vesting conditions	100% vesting after one year
Exercise price	₹ 234.32

Particulars	March 31, 2022	March 31, 2021
	Number of options	
Outstanding at the beginning of the year	-	2,33,046
Granted during the year	-	-
Lapsed during the year	-	-
Exercised during the year	-	2,33,046
Outstanding at the end of the year	-	-
Exercisable at the end of the year	-	-
Weighted average remaining contractual life (in years)	-	-

ESOP 2017

Details of ESOP 2017 are as follows:

Particulars

Date of grant	January 17, 2018
Date of board approval	December 11, 2017
Date of member approval	December 15, 2017
Number of options granted	562,733 to eligible employees of the subsidiary company
Method of settlement	Equity
Vesting year	One year
Exercise year	Five years
Vesting conditions	100% vesting after one year
Exercise price	₹ 282.91

Particulars	March 31, 2022	March 31, 2021
	Number of options	
Outstanding at the beginning of the year	2,98,247	5,62,733
Granted during the year	-	-
Forfeited during the year	-	-
Exercised during the year	91,000	2,64,486
Outstanding at the end of the year	2,07,247	2,98,247
Exercisable at the end of the year	2,07,247	2,98,247
Weighted average remaining contractual life (in years)	1.75 years	2.75 years

ESOP 2020

Under the ESOP 2020, stock options of the Company were granted to Chief Executive Officer of the Company. The share options vest in two equal tranches of if employees are in service until one year from the date of grant.

The fair value of the tranche 1 of share options was estimated at the grant date using Black Scholes pricing model and fair value of the tranche 2 of share options was estimated at the grant date using Monte Carlo Simulation, taking into account the terms and conditions upon which the share options were granted.

The contractual term of each tranche granted (comprising the vesting year and the exercise year) is six years and for tranche 2 is 6.5 Years. There are no cash settlement alternatives. The Company does not have a past practice of cash settlement for these share options.

Summary of significant accounting policies and other explanatory information to the standalone financial statements (Contd.)

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

Particulars	
Date of grant	December 31, 2020
Date of board approval	November 23, 2020
Date of member approval	December 30, 2020
Number of options granted	147,955 to eligible employee of company
Method of settlement	Equity
Vesting year	One year
Exercise year	Five years
Vesting period	One year for Tranche I (50%); and One and a half years for Tranche II (remaining 50%).
Vesting conditions	Tranche 1 will vest on completion of one year from ESOP issuance date and tranche 2 will vest on the completion of one year from the date of successful initial public offering of the Company provided, the market capitalisation of the Company in the last three months from the date of vesting is not less than one point five times the market capitalisation at the time of Initial public offering of the Company.
Exercise price	₹ 728.00

Particulars	March 31, 2022	March 31, 2021
	Number of options	
Outstanding at the beginning of the year	1,47,955	-
Granted during the year	-	1,47,955
Forfeited during the year	-	-
Exercised during the year	-	-
Outstanding at the end of the year	1,47,955	1,47,955
Exercisable at the end of the year	1,47,955	1,47,955
Weighted average remaining contractual life (in years)	4.75 years for tranche I and 5.25 years for tranche II	5.75 years for tranche I and 6.25 years for tranche II

(c) The valuation model used for computing weighted average fair value considering the following inputs:

Particulars	ESOP 2020 Tranche I	ESOP 2020 Tranche II	ESOP 2017	ESOP 2016
Dividend yield (%)	0%	0%	0%	0%
Expected volatility (%)	55.00%	55.00%	23.04%	25.00%
Risk free interest rate (%)	3.40%	3.63%	7.16%	6.27%
Spot price (₹)	862.00	862.00	563.03	361.95
Option fair value (₹)	259.90	110.00	365.46	206.64
Exercise Price (₹)	728.00	728.00	282.91	234.32
Expected life of options granted (years)	1 years	1.5 years	3.5 years	3.5 years
Model used	Black Scholes	Monte Carlo Simulation	Black Scholes	Black Scholes

The expected life of the share options for ESOP 2016 and ESOP 2017 are based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. Expected life of share options for ESOP 2020 scheme is based on intent letter provided by the eligible employee to the Company. The expected volatility reflects the assumption that the historical volatility over a year similar to the life of the options is indicative of future trends, which may not necessarily be the actual outcome.

(d) The expense recognised for employee service received during the year is shown in the following table:

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Compensation related to share based payments	22	6
	22	6

31. Segment information

The Company has opted to present information relating to its segment in its consolidated financial statements. In accordance with Ind AS 108 - 'Operating Segments', no disclosure related to segment are therefore presented in these standalone financial statements.

Summary of significant accounting policies and other explanatory information to the standalone financial statements (Contd.)

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

32A Financial assets and financial liabilities

Details of financial assets (recorded at fair value)

Particulars	Carrying value	
	March 31, 2022	March 31, 2021
Investment in mutual funds	3,542	992
Investment in tax free bonds	67	69
Investment in others	37	-
Total	3,646	1,061

Financial assets and liabilities (at amortised cost)

Particulars	Carrying value	
	March 31, 2022	March 31, 2021
Financial assets - Non-current		
Loans and deposits	40	44
Financial assets - Current		
Trade receivable	5	42
Cash and cash equivalents	285	562
Loans and deposits	2	75
Other financial assets	26	437
Total assets	358	1,160
Financial liabilities		
Trade and other payables	19	134
Other financial liabilities	109	843
Lease liabilities	26	-
Total liabilities	154	977

Notes:

Financial assets and liabilities include cash and cash equivalents, tax free deposits, trade receivables, unbilled receivables, finance lease receivables, employee and other advances, eligible current and non-current assets, trade payables, and eligible current liabilities and non-current liabilities. The fair value of cash and cash equivalents, trade receivables, unbilled receivables, trade payables, other current financial assets and liabilities approximate their carrying amount largely due to the short-term nature of these instruments. Investment in mutual funds measured using net asset values at the reporting date multiplied by the quantity held, which represents the fair value of these instruments.

32B Fair value hierarchy for assets and liabilities

Fair value measurement

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 under current market conditions.

The Company categorises assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed in their measurement which are described as follows:

i) Level 1

Quoted (unadjusted) prices in active markets for identical assets or liabilities.

ii) Level 2

Other techniques for which all inputs which have a significant effect on the recorded fair values are observable, either directly or indirectly.

iii) Level 3

Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

The carrying amount and fair value measurement hierarchy for assets as at March 31, 2022 is as follow

	Carrying Value	Fair Value	Fair value measurement using			Total
			Quoted prices	Significant observable inputs	Significant unobservable inputs	
			Level 1	Level 2	Level 3	
Mutual funds	3,542	3,542	3,542	-	-	3,542
Tax free bonds	67	67	67	-	-	67
Other investments	37	37	-	37	-	37
Total	3,646	3,646	3,609	37	-	3,646

The carrying amount and fair value measurement hierarchy for assets as at March 31, 2021 is as follow

	Carrying Value	Fair Value	Fair value measurement using			Total
			Quoted prices	Significant observable inputs	Significant unobservable inputs	
			Level 1	Level 2	Level 3	
Mutual funds	992	992	992	-	-	992
Tax free bonds	69	69	69	-	-	69
Total	1,061	1,061	1,061	-	-	1,061

There have been no transfers between Level 1, 2 and 3 during the year March 31, 2022 and March 31, 2021.

Summary of significant accounting policies and other explanatory information to the standalone financial statements (Contd.)

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

33. Financial risk management objectives and policies

The Company's principal financial liabilities include trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations. The Company also holds investments in mutual funds and debt instrument.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management ensures that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

1) Market risk

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

The following assumptions have been made in calculating the sensitivity analysis:

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2022 and March 31, 2021

1 (A) Equity/ Investment price risk

The Company has made several strategic investments (including unlisted subsidiaries, associates and other investee companies). Some of these are startups (early stage) companies and others in their growth phase.

These unlisted investments are susceptible to market price risks (impairment) arising from uncertainties about the performance of the gaming and other industry in India and globally, which could impact their recoverable values. The Company manages the equity price risk through diversification and invests across several gaming

companies. The Company's Board of Directors review and pre-approve all such decision to invest. In addition, at the reporting date, the exposure to unlisted equity securities in non-current and current investments are reviewed and evaluated by the Board. In specific, the Board review and evaluates the unobservable inputs (i.e. long-term growth rates and weighted average cost of capital), cash flow projections for 5 year , actual performance when compared to cash flow projections approved by respectively entities Board of Directors, and sensitivity performed by an independent external valuation expert.

Comparison of Fair Value and Carrying Value of material unlisted investments is as follows:

	As at March 31, 2022		As at March 31, 2021	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Investments Carried at Cost				
Next Wave Multimedia Private Limited	528	559	528	576
Nodwin Gaming Private Limited	920	5,504	920	5,504
Paper Boat Apps Private Limited	835	1,760	835	1,760
Absolute Sports Private Limited	448	723	438	723
Halaplay Technologies Private Limited	460	460	612	925
Crimzoncode Technologies Private Limited	-	-	20	22
Moonglab Technologies Private Limited	-	-	4	4
Sports Unity Private Limited	-	-	23	23
OpenPlay Technologies Private Limited	1,864	1,864	-	-
Investments Carried at FVTPL				
Rusk Media Private Limited	37	37	-	-
Total	5,092	10,907	3,380	9,537

1 (B) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency) and the Company's net investments in foreign subsidiaries.

Summary of significant accounting policies and other explanatory information to the standalone financial statements (Contd.)

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

The Company did not enter into any derivative instruments for hedge or speculation. The year end foreign currency exposures are given below:

i) Amounts receivable in foreign currency on account of the following:

Currency	Particulars	As at March 31, 2022	As at March 31, 2021
		Amount in ₹ million	
US\$	Cash and bank balances	2	4
Other Currencies	Cash and bank balances	0	0
US\$	Trade receivable	3	10
SAR	Trade receivable	1	-
US\$	Other financial assets	1	3
SAR	Other financial assets	1	-
		8	17

ii) Amounts payable in foreign currency on account of the following:

Currency	Particulars	As at March 31, 2022	As at March 31, 2021
		Amount in ₹ million	
US\$	Advances from Customers	6	-
AED	Advances from Customers	7	-
US\$	Deferred Revenue	4	-
US\$	Trade payables	1	15
		18	15

33. Financial risk management objectives and policies (continued)

2) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure.

Trade receivables

Trade receivables and unbilled revenue are typically unsecured and are derived from revenue earned from customer. Credit risk is being managed by each business segment through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Company grants credit terms in the normal course of business.

On account of adoption of Ind AS 109, the Company uses expected credit loss model to assess the impairment loss or gain. The Company uses a provision matrix to compute the expected credit loss allowance for trade receivables and unbilled revenues. The provision matrix takes into account factors such as default risk of industry, historical experience for customers etc. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets.

At March 31, 2022 and March 31, 2021 receivables (including unbilled) from Company's top 5 customers accounted for approximately 90.84% and 89.82%, respectively of all the receivables (including unbilled) outstanding. As at March 31, 2022 receivable (including unbilled) from one customer accounted for 39.72% of all receivable (including unbilled) outstanding (March 31, 2021: 28.92%).

The Company evaluates that there exists concentration of risk with respect to trade receivables due to its dependency on limited numbers of customers for a significant portion of receivables outstanding.

Ageing of trade receivable (net of provision for expected credit loss) is as follows:

Number of days outstanding	As at March 31, 2022	As at March 31, 2021
Less than 60 days	4	38
60 to 180 days	1	1
180 to 360 days	-	1
More than 360	-	2
Total	5	42

Movement of expected credit loss is as follows:

Number of days outstanding	March 31, 2022	March 31, 2021
Opening	98	97
Provision made during the year	2	1
Provision reversed / utilised during the year	(0)	(0)
Closing	100	98

Summary of significant accounting policies and other explanatory information to the standalone financial statements (Contd.)

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Management. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

The Company's maximum exposure to credit risk for the components of the balance sheet at March 31, 2022 and March 31, 2021 is the carrying amounts.

3) Liquidity risk

Liquidity risk is the risk that the Company will not be able to settle or meet its obligations as they fall due. The Company's policy on liquidity risk is to maintain sufficient liquidity in the form of cash and investment in liquid mutual funds to meet the Company's operating requirements with an appropriate level of headroom. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

Maturity profile of financial liabilities

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

As at March 31, 2022	On Demand	Less than 1 year	1 to 5 years	More than 5 years	Total
Trade payables	-	19	-	-	19
Other financial liabilities	-	109	-	-	109
Lease liabilities	-	26	-	-	26
Total	-	154	-	-	154
As at March 31, 2021	On Demand	Less than 1 year	1 to 5 years	More than 5 years	Total
Trade payables	-	134	-	-	134
Other financial liabilities	-	843	-	-	843
Lease liabilities	-	-	-	-	-
Total	-	977	-	-	977

34. Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity shareholders. The primary purpose is to maximise the shareholders value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The capital structure is governed by policies reviewed and approved by Board of Directors and is periodically monitored by various matrices, including funding requirements.

35. Financial ratios

Ratios / measures	March 31, 2022	March 31, 2021	% Change	Reason for Variance
Current ratio (times)	21.28	2.21	862.45%	Change in ratio is attributed to increase in investments in mutual funds and reduction in expense payable.
Debt equity ratio (times)	0.00	-	100.00%	Principal reason for change in ratio is attributed to recognition of lease liability during the year.
Debt service coverage ratio (times)	NA	NA	NA	The ratio is not applicable due to negative operating income (EBIT) in current as well as previous year.
Return on equity (%)	-4.93%	0.20%	-2517.42%	Change in ratio is due to combination of negative PAT, along with higher base due to issuance of shares during the year vis-à-vis minuscule PAT in previous year.
Trade receivables turnover ratio (times)	8.62	5.20	65.61%	Principal reason for change is the reduction in receivables balance and revenue from operation during the year. The extent of decrease in average receivables is greater than that of revenue, leading to net increase in turnover ratio.

Summary of significant accounting policies and other explanatory information to the standalone financial statements (Contd.)

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

Ratios / measures	March 31, 2022	March 31, 2021	% Change	Reason for Variance
Trade payables turnover ratio (times)	1.45	1.14	27.29%	Principal reason for change is the reduction in trade payables balance and adjusted expenses during the year. The extent of decrease in average payables is greater than that of adjusted expenses, leading to net increase in turnover ratio.
Net capital turnover ratio (times)	0.08	0.45	-81.82%	There is increase in working capital along with decrease in revenue from operation during the current year. Working capital has increased primarily due to additional investment made in mutual fund during the year.
Net profit (%)	-166.42%	0.76%	-22091.71%	During the year company has incurred loss, leading to negative net profit margin vis-à-vis minuscule profit margin in previous year.
Return on capital employed (%)	-6.83%	-2.39%	185.61%	Principal reason for change is the reduction in EBIT in current year vis-a-vis previous year, along with increase in capital employed. Substantial increase in capital employed is due to issuance of shares in the current year.
Return on investment (%)	1.08%	0.51%	114.01%	Change in ratio is due to greater increase in income from investments vis-à-vis increase in investment during year.

Ratios / measures	Methodologies
Current ratio (times)	Current assets over current liabilities
Debt equity ratio (times)	Debt over total shareholders' equity [Debt includes current and non-current lease liabilities]
Debt service coverage ratio (times)	EBIT over total debt [EBIT - Earnings before interest and taxes, excluding other income]
Return on equity [%]	PAT over total average shareholder's equity [PAT - Profit after tax]
Trade receivables turnover ratio (times)	Revenue from operations over average trade receivables
Trade payables turnover ratio (times)	Adjusted expenses over average trade payables [Adjusted expenses refers to other expenses net of non-cash expenses, director's fees and donations]
Net capital turnover ratio (times)	Revenue from operations over average working capital
Net profit [%]	Net profit over revenue
Return on capital employed [%]	EBIT over average capital employed [EBIT - earning before interest and taxes excluding other income] [Capital employed refers to total shareholders' equity and debt]
Return on investment [%]	Interest income, net gain on sale of investments and net fair value gain over average investments [Investments includes non-current investment, current investment and margin-money deposit]

Summary of significant accounting policies and other explanatory information to the standalone financial statements (Contd.)

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

36. Events after the reporting date

- i Vide Extraordinary General Meeting (EGM) held on April 04, 2022 through Video Conferencing ("VC"), shareholders approved (1) Issuance of upto 1,10,617 equity shares for consideration other than cash on preferential basis as part consideration for acquisition of stake in Datawrkz Business Solutions Private Limited and (2) increase in limits to ₹ 10,000 million in order to provide loan, guarantee or security in respect of loan made to any person or body corporate or to make investment in any other body corporate under Section 186 of the Companies Act, 2013.
- ii The Company has acquired 22,499 equity shares of ₹ 1 each of Datawrkz Business Solutions Private Limited ("Datawrkz") on April 14, 2022 and paid consideration of ₹ 600 million to the Sellers by way of (a) cash consideration of ₹ 350 million and (b) issuance and allotment of 110,617 equity shares of ₹ 4 each of the Company at a price of ₹ 2,260 each. With this the Company now holds 33% of the issued and paid up share capital of Datawrkz on fully diluted basis.
- iii The Company has proposed to acquire additional 71 equity shares of Paper Boat Apps Private Limited ("Paper Boat") for a total consideration of ₹ 100 million as approved by Board of Directors on April 14, 2022, Pursuant to this, Company's stake in Paper Boat will increase from 50.91% to 51.58%.
- iv On May 13, 2022, the Board of Directors of the Company have approved the issue of bonus shares to existing shareholders in the ratio 1:1 of the Company which is subject to approval from shareholders and other requisite approvals, if any.

For Walker Chandiok & Co LLP

Chartered Accountants
Firm's Registration No.: 001076N/N500013

Nikhil Vaid

Partner
Membership No: 213356

Place: Hyderabad
Date : May 13, 2022

For and on behalf of the Board of directors of Nazara Technologies Limited

Vikash Mittersain

Chairman Cum Managing Director
DIN-00156740

Rakesh Shah

Chief Financial Officer

Place: Mumbai
Date : May 13, 2022

Nitish Mittersain

Joint Managing Director
DIN-02347434

Pravesh Palod

Company Secretary
Membership No : 57964

Manish Agarwal

Chief Executive Officer

Consolidated Financial Statements

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Independent Auditor's Report

To the Members of Nazara Technologies Limited

Report on the Audit of the Consolidated Financial Statements Opinion

Opinion

1. We have audited the accompanying consolidated financial statements of **Nazara Technologies Limited** ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), its associates and joint venture, as listed in Annexure 1, which comprise the Consolidated Balance Sheet as at 31 March 2022, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiaries, associates and joint venture the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India of the consolidated state of affairs of the Group, its associates and joint venture, as at 31 March 2022, and their consolidated profit (including other comprehensive income), consolidated cash flows and the consolidated changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group, its associates and joint venture in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the rules 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 together with the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph 15 of the Other Matters section below is sufficient and appropriate to provide a basis for our opinion.

4. Key audit matters are those matters that, in our professional judgment and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries, associates and joint venture, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.
5. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
Impairment assessment of goodwill and acquired intangible assets (refer note 2.4.12 and 2.4.13 for accounting policy) As described in Note 4 to the consolidated financial statements, carrying value of goodwill and acquired intangible assets as at 31 March 2022 is ₹ 2,632 million and ₹ 1,069 million, respectively. The management has noted impairment indicators in respect of few cash generating units (CGUs) on account of Company's share in net asset value of these CGUs being lower than the carrying value goodwill and acquired intangible assets in these CGUs as at 31 March 2022. In view of the above, management's assessment of impairment of goodwill and acquired intangible assets requires estimation and judgement with respect to certain inputs used and assumptions made to prepare the forecasted financial	Our audit procedures in relation to assessing the recoverability of carrying value of goodwill and acquired intangible assets included but were not limited to the following: ● Obtained an understanding of management's impairment assessment process and evaluated the design and tested operating effectiveness of controls around identification of indicators of impairment under Ind AS 36, Impairment of assets; ● Obtained the impairment analysis carried out by the management, including report of external independent valuation expert, where used; ● Assessed the professional competence, objectivity and capabilities of the external independent valuation expert engaged by management; ● We have assessed the methodology used by the management to estimate the recoverable value of each CGU; ● Reconciled the cash flow projections used in the impairment assessment to business plans approved by the management;

Independent Auditor's Report (Contd.)

Key audit matter	How our audit addressed the key audit matter
information of these CGUs, which is used to calculate the recoverable value of the goodwill and acquired intangible assets, using discounted cash flow model. Key assumptions used in management's assessment include estimates of future financial performance, terminal value and discount rates, among others, as attributable to such CGUs. Based on the management's assessment, no impairment loss has been recognized during the current year. Considering the materiality of the amounts involved and significant degree of judgement and subjectivity involved in the estimates and key assumptions used in determining the cash flows used in the impairment evaluation, we have determined evaluation of need for impairment of goodwill and acquired intangible assets as a key audit matter.	- Engaged auditor's expert to validate the reasonableness of assumptions, such as discount rates, terminal growth rate and methodology used by the management; - Assessed the reasonableness of the market related assumptions used in the valuation model based on historical trends, current developments and future plans; - Obtained an approved cash flow forecast and evaluated historical accuracy to such forecasts pertaining to earlier periods for each CGU; - Tested the arithmetical accuracy and sensitivity analysis performed by management of the key assumptions such as discount and terminal growth rates; and - Assessed appropriateness of disclosures made in the consolidated financial statements in relation to goodwill and acquired intangible assets for each CGU and its recoverability in accordance with the requirements of applicable Indian Accounting Standards.
Business combination accounting under Ind AS 103 (refer note 2.3.11 and 2.4.8 for accounting policy) As described in Note 39 to the consolidated financial statements, Group has acquired certain businesses for which business combination accounting has been done in accordance with Ind AS 103 – Business Combination in the current year for a cumulative consideration of INR 1,337 million. Pursuant to these acquisitions, the Group has primarily acquired and accounted for identifiable intangible assets amounting to ₹ 619 million and Goodwill of ₹ 944 million as at respective date of acquisition representing a significant portion of purchase price being attributed to aforesaid assets.	Our audit procedures in relation to assessing the accounting for business combination included but were not limited to the following: - Obtained an understanding of management's process of business combination accounting and evaluated the design and tested operating effectiveness of controls around the same; - Obtained and understood the terms and arrangements for the various business acquisitions made by the Group during the year to assess the control over the business and the acquisition date in accordance with Ind AS 103. - Obtained inputs and workings used for fair valuation of intangible assets carried out by the management, including the purchase price allocation reports of external independent valuation expert;

Key audit matter	How our audit addressed the key audit matter
Accounting of these acquisitions as per Ind AS 103 requires recognition of identifiable assets and liabilities which includes management's assessment of identification and valuation of intangible assets at fair values as on the date of acquisition, with the excess of acquisition price over the identified fair values being recognised as goodwill. Such measurement at fair values requires significant estimation and judgement with respect to certain inputs used and assumptions, which are used to calculate the fair value of such intangible assets and resulting goodwill using various valuation methods. The management has appointed external valuation experts for allocating the purchase price to the identifiable assets and liabilities. The key assumptions used in valuation of identifiable intangible assets in these acquisitions included estimates of future financial performance, terminal value, percentage of royalty replacement cost and discount rates, amongst others. Considering the multiple material acquisitions during the current year and significant degree of judgement and subjectivity involved in the estimates and key assumptions used for valuations performed as per the requirements of Ind AS 103, we have determined accounting for business combination as a key audit matter.	- Assessed the professional competence, objectivity and capabilities of the external independent valuation expert engaged by management; - Assessed the methodology used by the management to estimate the fair value of identified intangible assets; - Engaged auditor's expert to validate the reasonableness of assumptions, such as future financial performance, terminal value, percentage of royalty replacement cost and discount rates and methodology used by the management; and - Assessed appropriateness of disclosures made in the consolidated financial statements in relation to business combination in accordance with the requirements of applicable Indian Accounting Standards

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

- The Holding Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, and Directors' Report, but does not include the consolidated financial statements and our auditor's report thereon.

Independent Auditor's Report (Contd.)

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

7. The accompanying consolidated financial statements have been approved by the Holding Company's Board of Directors. The Holding Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group including its associates and joint ventures in accordance with the Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India. The Holding Company's Board of Directors are also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of consolidated Ind AS financial statements. Further, in terms of the provisions of the Act the respective Board of Directors of the companies included in the Group, and its associate companies and joint venture companies covered under the Act are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. These financial statements have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.

8. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associates and joint venture are responsible for assessing the ability of the Group and of its associates and joint venture 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 intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.
9. Those respective Board of Directors are also responsible for overseeing the financial reporting process of the companies included in the Group and of its associates and joint venture.

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

10. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.
11. As part of an audit in accordance with Standards on Auditing specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
 - Obtain an understanding of internal 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 on whether the Holding Company has adequate internal financial controls system with reference to financial statements in place and the operating effectiveness of such controls;

Independent Auditor's Report (Contd.)

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates and joint ventures to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates and joint ventures to cease to continue as a going concern;
 - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation; and
 - Obtain sufficient appropriate audit evidence regarding the financial information/ financial statements of the entities or business activities within the Group, and its associates and joint venture, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the financial statements, of which we are the independent auditors. For the other entities included in the financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.
12. 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.
 13. 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.
 14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters

in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

15. We did not audit the financial statements of fourteen subsidiaries, whose financial statements reflects total assets of ₹ 1,511 million and net assets of ₹ 573 million as at 31 March 2022, total revenues of ₹ 542 million and net cash inflows amounting to ₹ 186 million for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net loss (including other comprehensive loss) of ₹ 5 million for the year ended 31 March 2022, as considered in the consolidated financial statements, in respect of one associate and one joint venture, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, associates and joint venture, and our report in terms of sub-section (3) of section 143 of the Act in so far as it relates to the aforesaid subsidiaries, associates and joint ventures, are based solely on the reports of the other auditors.

Further, of these subsidiaries, associates and joint ventures, nine subsidiaries, are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries and associates located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion on the consolidated financial statements, in so far as it relates to the balances and affairs of such subsidiaries, associates and joint ventures located outside India, is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above

Independent Auditor's Report (Contd.)

matters with respect to our reliance on the work done by and the reports of the other auditors.

16. The consolidated financial statements also include the Group's share of net loss (including other comprehensive loss) of ₹ 0 million for the year ended 31 March 2022, as considered in the consolidated financial statements, in respect of one associate, whose financial information has not been audited by us. This financial information is unaudited and have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the aforesaid associate, is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the management, this financial information is not material to the Group.

Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matter with respect to our reliance on the financial information certified by the management.

Report on Other Legal and Regulatory Requirements

17. As required by section 197(16) of the Act based on our audit and on the consideration of the reports of the other auditors, referred to in paragraph 15, on separate financial statements of the subsidiaries, associates and joint venture, we report that the Holding Company, six subsidiary companies, incorporated in India whose financial statements have been audited under the Act have paid remuneration to their respective directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act. Further, we report that four subsidiary companies, and one joint venture company incorporated in India whose financial statements have been audited under the Act have not paid or provided for any managerial remuneration during the year. Accordingly, reporting under section 197(16) of the Act is not applicable in respect of such subsidiaries and joint venture company. Further, we report that the provisions of section 197 read with Schedule V to the Act are not applicable to one associate company incorporated in India whose financial statements have been audited under the Act, since it is not a public company as defined under section 2(71) of the Act.
18. As required by clause (xxi) of paragraph 3 of Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act based on the consideration of the Order reports issued by us and by the respective other auditors as mentioned in paragraph 15 above, of companies included in the consolidated financial statements and covered under the Act we report that there are

no qualifications or adverse remarks reported in the respective Order reports of such companies.

19. As required by section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on separate financial statements and other financial information of the subsidiaries, associates and joint venture incorporated in India whose financial statements have been audited under the Act, we report, to the extent applicable, that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;
- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;
- c) The consolidated financial statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
- d) In our opinion, the aforesaid consolidated financial statements comply with Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015;
- e) On the basis of the written representations received from the directors of the Holding Company, its subsidiary companies, associate companies and joint venture company and taken on record by the Board of Directors of the Holding Company, its subsidiary companies, associate companies and joint venture company, respectively, and the reports of the statutory auditors of its subsidiary companies, associate companies and joint venture company, covered under the Act, none of the directors of the Group companies, its associate companies and joint venture companies, are disqualified as on 31 March 2022 from being appointed as a director in terms of section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, and its subsidiary companies, associate companies and joint venture companies covered under the Act, and the operating effectiveness of such controls, refer to our separate report in 'Annexure II' wherein we have expressed an unmodified opinion; and

Independent Auditor's Report (Contd.)

- g) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements and other financial information of the subsidiaries, associates and joint venture incorporated in India whose financial statements have been audited under the Act:
- i. There were no pending litigations as at 31 March 2022 which would impact the consolidated financial position of the Group, its associates and joint venture;
 - ii. The Holding Company, its subsidiary companies, associate companies and joint venture companies did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2022;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies, associate companies and joint venture companies covered under the Act, during the year ended 31 March 2022;
 - iv.
 - a) The respective managements of the Holding Company and its subsidiary companies, associate companies and joint venture company incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries, associates and joint ventures respectively that, to the best of their knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Holding Company or its subsidiary companies, its associate companies or its joint venture companies to or in any person or entity, including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company, or any such subsidiary companies, its associate companies or its joint venture companies ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;

- b) The respective managements of the Holding Company and its subsidiary companies, associate companies and joint venture company incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries, associates and joint venture respectively that, to the best of their knowledge and belief no funds have been received by the Holding Company or its subsidiary companies, or its associate companies or its joint venture companies from any person or entity, including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Holding Company, or any such subsidiary companies, its associate companies or its joint venture companies shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- c) Based on such audit procedures performed by us and that performed by the auditors of the subsidiaries, associates and joint venture, as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.
- v. The Holding Company, its subsidiary companies, associate companies, and joint venture company have not declared or paid any dividend during the year ended 31 March 2022.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Nikhil Vaid

Partner

Membership No.: 213356

UDIN: 21213356AAAACK8291

Place: Hyderabad

Date: 13 May 2022

Independent Auditor's Report (Contd.)

Annexure 1

List of entities included in the Statement

Sr. No.	Particulars
	Subsidiaries (including Step down subsidiaries)
1	Nazara Technologies FZ LLC
2	Nazara Technologies Pte Limited
3	Nextwave Multimedia Private Limited
4	Absolute Sports Private Limited
5	Nodwin Gaming Private Limited
6	Nazara Pro Gaming Private Limited
7	CrimzonCode Technologies Private Limited
8	Paper Boat Apps Private Limited
9	Halaplay Technologies Private Limited
10	Nazara Technologies (Mauritius)
11	Nazara Zambia Limited
12	Nz Mobile Nigeria Limited
13	Nazara Uganda Limited
14	Nzmobile Kenya Limited

Sr. No.	Particulars
15	Nzworld Kenya Limited
16	Nazara Bangladesh Limited
17	Nodwin International Private Limited
18	Kiddopia Inc.
19	Open Play Technologies Private Limited
20	Publishme Global FZ LLC
21	Arrakis Tanitim Organizasyon Pazarlama San Tic AS
22	Nodwin Gaming Pte. Ltd.
23	Unpaused Entertainment Private Limited
24	Rusk Distribution Private Limited
	Associates
25	Mastermind Sports Limited
26	Moong labs Technologies Private Limited
	Joint Venture
27	Sports Unity Private Limited

Annexure II to the Independent Auditor's Report of even date to the members of Nazara Technologies Limited on the consolidated financial statements for the year ended 31 March 2022

Independent Auditor's Report on the internal financial controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the consolidated financial statements of Nazara Technologies Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), its associates and joint venture as at and for the year ended 31 March 2022, we have audited the internal financial controls with reference to financial statements of the Holding Company, its subsidiary companies, associate companies and joint venture company, which are companies covered under the Act, as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The respective Board of Directors of the Holding Company, its subsidiary companies, its associate companies and joint venture company, which are companies covered under the Act, are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements 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 (framework). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Holding Company, its subsidiary companies, its associate companies and joint venture company, as aforesaid, based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India ('ICAI') prescribed under Section 143(10) of

the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements of the Holding Company, its subsidiary companies, its associate companies and joint venture company as aforesaid.

Meaning of Internal Financial Controls with Reference to Financial Statements

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

Annexure I (Contd.)

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

Opinion

8. In our opinion and based on the consideration of the reports of the other auditors on internal financial controls with reference to financial statements of the subsidiary companies, associate companies and joint venture company, the Holding Company, its subsidiary companies, its associate companies and joint venture companies, which are companies covered under the Act, have in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2022, based on the framework.

Other Matter

9. We did not audit the internal financial controls with reference to financial statements insofar as it relates to six subsidiary companies, which are companies covered under the Act, whose financial statements reflect total assets of ₹ 202 million and net assets of ₹ 78 million as at 31 March 2022, total revenues of ₹ 69 million and net cash outflows amounting to ₹ 21 million for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of

net loss (including other comprehensive loss) of ₹ 5 million for the year ended 31 March 2022, in respect of one joint venture company, which is company covered under the Act, whose internal financial controls with reference to financial statements have not been audited by us. The internal financial controls with reference to financial statements in so far as it relates to such subsidiary companies and joint venture company have been audited by other auditors whose reports have been furnished to us by the management and our report on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements for the Holding Company, its subsidiary companies, its associate companies and joint venture company, as aforesaid, under Section 143(3)(i) of the Act in so far as it relates to such subsidiary companies, associate companies and joint venture company is based solely on the reports of the auditors of such companies. Our opinion is not modified in respect of this matter with respect to our reliance on the work done by and on the reports of the other auditors.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Nikhil Vaid

Partner

Membership No.: 213356

UDIN: 21213356AAAACK8291

Place: Hyderabad

Date: 13 May 2022



Nazara™

Consolidated Balance Sheet

As at March 31, 2022

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

Particulars	Notes	As at March 31, 2022	As at March 31, 2021
ASSETS			
Non-current assets			
Property and equipment	3	36	17
Right-of-use assets	31	41	21
Goodwill	4A	2,632	1,684
Other intangible assets	4B	1,531	1,239
Intangible assets under development	4B	11	24
Investment accounted using the equity method	5	-	42
Financial assets			
Investments	5	325	80
Loans	6	0	0
Other financial assets	7	72	46
Income tax asset	33	234	212
Deferred tax assets (net)	33	59	46
Other non-current assets	8	3	3
Total non-current assets		4,944	3,414
Current assets			
Inventories		13	-
Financial assets			
Investments	5.2	4,093	1,060
Trade receivables	9	847	686
Cash and cash equivalents	10	2,081	1,400
Other bank balances	11	1,147	2,324
Loans	6	6	29
Other financial assets	12	698	1,007
Other current assets	13	269	307
Total current assets		9,154	6,813
Total assets		14,098	10,227
EQUITY AND LIABILITIES			
EQUITY			
Share capital	14	130	122

As per our report of even date

For Walker Chandiok & Co LLP

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Nikhil Vaid

Partner

Membership No: 213356

Place: Hyderabad

Date : May 13, 2022

For and on behalf of the Board of directors of Nazara Technologies Limited

Vikash Mittersain

Chairman Cum Managing Director

DIN-00156740

Rakesh Shah

Chief Financial Officer

Place: Mumbai

Date : May 13, 2022

Particulars	Notes	As at March 31, 2022	As at March 31, 2021
Other equity	15	10,283	6,460
Equity attributable to equity holder of the Company		10,413	6,582
Non-controlling interest		1,570	1,208
Total equity		11,983	7,790
Liabilities			
Non-current liabilities			
Financial liabilities			
Lease obligation	31	10	2
Other financial liabilities	16	-	4
Deferred tax liabilities (net)	33	323	260
Provisions	17	51	35
Total non-current liabilities		384	301
Current liabilities			
Financial liabilities			
Trade payables due to	18		
(a) total outstanding dues of micro enterprises and small enterprises; and		3	2
(b) total outstanding dues of creditor other than micro enterprises and small enterprises		496	608
Lease obligation	31	33	11
Other financial liabilities	19	663	1,117
Other current liabilities	20	404	297
Provisions	17	16	13
Income taxes liabilities (net)	33	116	88
Total current liabilities		1,731	2,136
Total equity and liabilities		14,098	10,227
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the consolidated financial statements

Nitish Mittersain

Joint Managing Director

DIN-02347434

Pravesh Palod

Company Secretary

Membership No : 57964

Manish Agarwal

Chief Executive Officer

Consolidated Statement of Profit and Loss

For the year ended March 31, 2022

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

Particulars	Notes	For the year ended March 31, 2022	For the year ended March 31, 2021
INCOME			
Revenue from operations	21	6,217	4,542
Other income	22	241	143
Total income		6,458	4,685
EXPENSES			
Purchase of stock in trade		12	-
Changes in inventory		(12)	-
Content, event and web server		1,396	524
Advertising and business promotion		2,017	2,265
Commission		504	501
Employee benefits	23	881	487
Finance costs	24	6	4
Depreciation and amortisation	25	390	355
Impairment losses	26	87	41
Other expenses	27	473	318
Total expenses		5,754	4,495
Profit before, share of net loss of investment accounted for using the equity method and tax		704	190
Share of loss of investments accounted using equity method		(5)	(24)
Profit before tax		699	166
Tax expense:	33		
Current tax		272	104
Adjustment of tax relating to earlier years		0	(2)
Deferred tax (benefits)		(80)	(72)
Total tax expenses		192	30
Profit for the year		507	136
Attributable to:			
Equity holders of the Company		284	92

As per our report of even date

For Walker Chandiok & Co LLP

Chartered Accountants
Firm's Registration No.: 001076N/N500013

Nikhil Vaid

Partner
Membership No: 213356

Place: Hyderabad
Date : May 13, 2022

For and on behalf of the Board of directors of Nazara Technologies Limited

Vikash Mittersain

Chairman Cum Managing Director
DIN-00156740

Rakesh Shah

Chief Financial Officer

Place: Mumbai
Date : May 13, 2022

Nitish Mittersain

Joint Managing Director
DIN-02347434

Pravesh Palod

Company Secretary
Membership No : 57964

Manish Agarwal

Chief Executive Officer

Particulars	Notes	For the year ended March 31, 2022	For the year ended March 31, 2021
Non-controlling interest		223	44
Other Comprehensive Income ('OCI') Item that will not be reclassified subsequently to the statement of profit and loss			
Remeasurements of post-employment benefit obligation		(2)	(1)
Income tax relating to items that will not be reclassified to profit and loss		0	1
Item that will be reclassified subsequently to the statement of profit and loss			
Net profit / (loss) on FVOCI debt instruments		(1)	(6)
Income tax relating to items that will be reclassified to profit and loss		-	-
Exchange differences upon translation of foreign operations		73	(40)
Other comprehensive income/(loss) for the year		70	(46)
Attributable to:			
Equity holders of the Company		67	(48)
Non-controlling interest		3	2
Total comprehensive income/(loss) for the year		577	90
Attributable to:			
Equity holders of the Company		351	44
Non-controlling interest		226	46
Earnings per equity shares of ₹ 4 each (in ₹)	28		
Basic		9.09	3.20
Diluted		9.09	3.08
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the consolidated financial statement



Consolidated Statement of Cash Flow

For the year ended March 31, 2022

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Cash flow from operating activities		
Profit before tax	699	166
Adjustments for:		
Interest expense	6	4
Depreciation and amortisation	390	355
Interest income	(67)	(41)
Sundry balances written back	(32)	(54)
Net gain on sale of current investments	(15)	(12)
Loss on sale of non current investments	0	-
Employee stock option expense	33	7
Fair value gain on financial instruments carried at fair value through profit or loss (net)	(80)	(6)
Profit on sale / write off of property and equipment (net)	(5)	(0)
Bad debts	1	8
Allowance for doubtful debts	29	41
Unrealised loss on exchange fluctuation (net)	43	15
Share of loss of investments accounted using equity method	5	24
Impairment losses	87	36
Loss on sale of investment	-	1
Lease concession gain	(2)	(16)
	1,091	528
Changes in working capital:		
(Decrease) in trade payables	(222)	(20)
Increase in provisions	8	9
Increase / (decrease) in other liabilities	(349)	825
(Increase) in trade receivables	(130)	(78)
Decrease / (Increase) in other assets	399	(432)
Changes in inventory	(13)	-
Decrease in loans and advances	26	7
Cash generated from operations	811	839
Direct taxes paid	(190)	(160)
Net cash generated from operating activities	621	679
Cash flow from Investing activities		
Purchase of property and equipment including intangible under development	(123)	(32)

As per our report of even date

For Walker Chandio & Co LLP

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Nikhil Vaid

Partner

Membership No: 213356

Place: Hyderabad

Date : May 13, 2022

For and on behalf of the Board of directors of Nazara Technologies Limited

Vikash Mittersain

Chairman Cum Managing Director

DIN-00156740

Rakesh Shah

Chief Financial Officer

Place: Mumbai

Date : May 13, 2022

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Proceeds from sale of property and equipment	9	11
Purchase of non-current investments	(243)	-
Net cash acquired on acquisition	(1,293)	(100)
Purchase of current investments	(3,622)	(1,025)
Proceeds from redemption/maturity of current investments	691	343
Proceeds from redemption/maturity of non-current investments	-	42
Acquisition of shares from non-controlling interest	-	(234)
Acquisition of associates	-	(1,189)
Redemption/maturity of bank deposits	1,185	-
Movement of restricted bank balances (Refer note 10.1)	(159)	(536)
Interest received on investments	60	40
Net cash (used in) investing activities	(3,495)	(2,680)
Cash flow from financing activities		
Proceed from issue of equity share capital	3,163	1,117
Proceeds from issue of shares by subsidiaries (net of share issue expenses)	230	1,110
Payment of share issue expenses	(3)	-
Payment of finance lease liabilities	(38)	(53)
Payment of interest on finance lease liabilities	(5)	(4)
Net cash generated from financing activities	3,348	2,170
Net increase in cash and cash equivalents	473	169
Effects of exchange rate changes of cash and cash equivalents	48	(26)
Cash and cash equivalents at beginning of year	1,400	721
Cash and cash equivalents at end of year	1,922	864
Cash and cash equivalents as per above comprises of the following:		
Cash in hand	1	1
Balances with bank	1,506	1,320
Restricted bank balances	(159)	(536)
Deposit with original maturity of less than 3 months	574	79
Cash and cash equivalents at end of year (refer note 10 & note 9.2 for restricted bank balances)	1,922	864

Consolidated Statement of Changes in Equity

For the year ended March 31, 2022

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

a) Equity Share Capital

Particulars	No. of shares	Amount
At April 1, 2020	2,79,96,663	112
Add: Issue during the year (*)	24,56,173	10
As at March 31, 2021	3,04,52,836	122
Add: Issue during the year (*)	21,68,391	8
As at March 31, 2022	3,26,21,227	130

(b) Other equity

Particulars	Reserves and Surplus								Other reserve				Total equity attributable to equity holders	Non-controlling Interest
	Capital redemption reserve	Securities premium	Retained earnings	Share based payment reserve	Capital contribution from shareholder	Non-controlling interest put option	Statutory reserves	Total reserves and surplus	Debt instruments through other comprehensive income	Foreign currency translation reserve account	Other Equity (refer note 39)	Total other reserves		
As at April 1, 2020	1	1,785	1,809	257	357	(50)	0	4,159	19	286	435	740	4,899	690
Profit for the year	-	-	92	-	-	-	-	92	-	-	-	-	92	44
Other comprehensive income / (loss) for the year	-	-	(0)	-	-	-	-	(0)	(6)	(42)	-	(48)	(48)	2
Employee stock option expense charged for the year	-	-	-	6	-	-	-	6	-	-	-	-	6	-
Issuance of equity shares	-	1,689	-	-	-	-	-	1,689	-	-	(435)	(435)	1,254	-
Transfer to securities premium on exercise of options	-	145	-	(145)	-	-	-	-	-	-	-	-	-	-
Transaction with non-controlling interest	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Impact of change in controlling interest without change in control	-	-	(343)	-	-	-	-	(343)	-	-	-	-	(343)	(38)
Share issued by subsidiary to non-controlling interest	-	-	600	-	-	-	-	600	-	-	-	-	600	510
As at March 31, 2021	1	3,619	2,158	118	357	(50)	0	6,203	13	244	-	257	6,460	1,208
Profit for the year	-	-	281	-	-	-	-	281	-	-	-	-	281	223
Other comprehensive income / (loss) for the year	-	-	(2)	-	-	-	-	(2)	(1)	74	-	73	71	3
Employee stock option expense charged for the year	-	-	-	22	-	-	-	22	-	-	-	-	22	11
Acquisition of subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	189
Issuance of equity shares	-	4,571	-	-	-	-	-	4,571	-	-	-	-	4,571	-
Transfer to securities premium on exercise of options	-	44	-	(19)	-	-	-	25	-	-	-	-	25	-
Transaction with non-controlling interest	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Impact of change in controlling interest without change in control	-	-	(1,313)	-	-	-	-	(1,313)	-	-	-	-	(1,313)	(125)
Share issued by subsidiary to non-controlling interest	-	-	166	-	-	-	-	166	-	-	-	-	166	61
As at March 31, 2022	1	8,234	1,290	121	357	(50)	0	9,953	12	318	-	330	10,283	1,570

(*) Issued equity shares for acquisition of investments totalling to ₹ 1,430 million (March 31, 2021 ₹ 581 million)

(#) Zero represents amount less than ₹ one million.

Nature and purpose of reserves:

1) Capital redemption reserve

Capital redemption reserve was created on buyback of equity shares of the Group in accordance with Provisions of Companies Act, 2013

2) Securities premium

Securities premium reserve is used to record premium on issue of shares. The reserve is utilised in accordance with provisions of Companies Act, 2013.



Nazara™

Consolidated Statement of Changes in Equity

For the year ended March 31, 2021 (Contd.)

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

3) Retained earnings

Retained earnings comprise of the Group's accumulated undistributed earnings.

4) Share based payment reserve

The Group has share option schemes under which options to subscribe for the Group's shares have been granted to certain executives and senior employees of the Group. The share-based payment reserve is used to recognise the value of equity-settled share-based payments provided to employees, including key management personnel, as part of their remuneration.

5) Capital contribution from shareholder

Share based payment made by a shareholder.

6) Statutory reserve

Reserves created as per provision of United Arab Emirates law, 10% of the profit for the year should be transferred to statutory reserves restricted to accumulated amount of AED 25000 reserve. The reserve is not available for distribution except in the circumstances stipulated by the law

7) Foreign currency translation reserve

The exchange differences arising from the translation of financial statements of foreign operations with functional currency other than Indian rupees is recognised in other comprehensive income and is presented within equity in the foreign currency translation reserve.

8) FVOCI debt instruments

This reserve represents cumulative gains and losses arising on the fair valuation of debt instruments on the balance sheet date measured at FVOCI. The reserves accumulated will be reclassified to retained earnings and consolidated statement of profit and loss respectively, when such instruments are disposed.

9) Non- controlling interest put option

This reserve pertains to put options with non-controlling interest for one subsidiary. Put options are exercisable on achievement of target PAT subject to maximum payout of ₹ 150 million as per the arrangements.

10) Other equity

This represents, share pending issuance towards purchase consideration including contingent consideration to be paid in the form of equity shares on account of purchase of investment in subsidiaries.

The accompanying notes are an integral part of the consolidated financial statements

As per our report of even date

For Walker Chandio & Co LLP

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Nikhil Vaid

Partner

Membership No: 213356

Place: Hyderabad

Date : May 13, 2022

For and on behalf of the Board of directors of Nazara Technologies Limited

Vikash Mittersain

Chairman Cum Managing Director

DIN-00156740

Rakesh Shah

Chief Financial Officer

Place: Mumbai

Date : May 13, 2022

Nitish Mittersain

Joint Managing Director

DIN-02347434

Pravesh Palod

Company Secretary

Membership No : 57964

Manish Agarwal

Chief Executive Officer

Significant accounting policies and other explanatory information to the consolidated financial statement

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

1. Corporate information

Nazara Technologies Limited (the “Company”) was incorporated in India on December 8, 1999 and the Company along with its subsidiaries (the Group) is primarily engaged in providing subscription/download of games, gamified early learning, esports and other contents through consumer base in India and worldwide. The shares of the Company were listed on the National Stock Exchange of India Limited (NSE) and the Bombay Stock Exchange Limited (BSE) on March 30, 2021. The registered office of the Company is situated at 51-57, Maker chambers 3, Nariman point, Mumbai-400021.

The consolidated financial statements were authorised for issue in accordance with a resolution of Board of Directors on May 13, 2022.

2. Basis of preparation and significant accounting policies

2.1. Basis of preparation

The consolidated financial statements of the Company and its subsidiaries (hereinafter referred together as “the Group”), associates and joint venture, have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016, notified under Section 133 of the Companies Act, 2013, the relevant provisions of the Companies Act, 2013 (“the Act”), as applicable.

The consolidated financial statements have been prepared on a historical cost convention and accrual basis, except for the certain financial assets and liabilities that are measured at fair value. The Company has uniformly applied the accounting policies during the periods presented.

Monetary amounts are expressed in Indian Rupee (₹) and are rounded off to millions, except for earning per share. Due to rounding off, the numbers presented throughout the document may not add up precisely to the totals and percentages may not precisely reflect the absolute figures.

All assets and liabilities have been classified as current or non-current as per the Company’s normal operating cycle and other criteria set out in Schedule III of Companies Act, 2013.

The consolidated financial statements correspond to the classification provisions contained in Ind AS 1, “Presentation of Financial Statements”. For clarity, various items are aggregated in the consolidated statement of profit and loss and consolidated balance sheet. These items are disaggregated separately in the notes to the financial statements, where applicable.

2.2. Basis of consolidation

The consolidated financial statements comprise the Financial Statements of the Group and its associates and joint venture. The consolidated financial statements have been prepared in accordance with the Indian Accounting Standard on “Consolidated Financial Statements” (Ind AS 110) and “Disclosure of Interest in Other Entities” (Ind AS 112), notified under Section 133 of the Companies Act, 2013.

2.2.1 Subsidiaries

Subsidiaries are all entities over which the Group has control. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

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

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

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

The Group re-assesses whether it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Significant accounting policies and other explanatory information to the consolidated financial statement (Contd.)

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

Consolidation procedure

- a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the Ind AS consolidated financial statements at the acquisition date.
- b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.
- c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group. Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

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

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on 31 March.

2.2.2 Investments accounted for using the equity method

Investments accounted for using the equity method are entities in respect of which, the Company has:

- a) Significant influence, but not control, over the financial and operating policies. Generally, a Company has a significant influence if it holds between 20 and 50 percent of the voting power of another entity or / and representation on the board of directors or / and power to participate in the financial and operating policy decisions of the investee but does not have control or joint control of those policies, in accordance with Ind AS 28 Investments in Associates and Joint Ventures ('Ind AS 28').

- b) Joint control, when it shares control over rights to net assets of the arrangement with one or more parties contractually and decisions about the relevant activities require the unanimous consent of the parties irrespective of shareholding percentage, in accordance with Ind AS 28.

Investments in such entities are accounted for using the equity method and are initially recognised at cost. The carrying amount of investment is increased/decreased to recognise investors share of profit or loss of the investee after the acquisition date.

2.2.3 Non-controlling interest

Non-controlling interests in the net assets (excluding goodwill) of consolidated subsidiaries are identified separately from the Company's equity. The interest of non-controlling shareholders may be initially measured either at fair value or at the non-controlling interest's proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-to-acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interest is the amount of those interests at initial recognition plus the non-controlling interest's share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if it results in the non-controlling interest having a deficit balance. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary
- Derecognises the carrying amount of any non-controlling interests
- Derecognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities

Significant accounting policies and other explanatory information to the consolidated financial statement (Contd.)

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

2.2.4 List of entities consolidated

Particulars	Country of incorporation	Ownership interest held by the Company	
		As at March 31, 2022	As at March 31, 2021
Subsidiaries			
Nazara Technologies FZ LLC	Dubai	100.00%	100.00%
Nazara Pte Ltd	Singapore	100.00%	100.00%
Nazara Pro Gaming Private Limited	India	100.00%	100.00%
Next Wave Multimedia Private Limited ('Next Wave')	India	52.38%	52.38%
Nodwin Gaming Private Limited ('Nodwin')	India	54.52%	54.52%
Absolute Sports Private Limited ('Absolute')	India	75.28%	72.71%
Paper Boat Apps Private Limited ('Paper Boat')	India	50.91%	50.91%
Crimzoncode Technologies Private Limited ('Crimzon')	India	100.00%	100.00%
Halaplay Technologies Private Limited ('Halaplay')	India	64.70%	74.02%
OpenPlay Technologies Private Limited	India	100.00%	-
Step-down-subsidiaries			
Nazara Technologies	Mauritius	100.00%	100.00%
Nodwin International	Hongkong	54.52%	54.99%
Nodwin Gaming International Pte. Ltd	Singapore	54.52%	-
Nazara Zambia Limited	Zambia	100%	99.98%
Nzmobile Nigeria Limited	Nigeria	100%	99.90%
Nzmobile Kenya Limited	Kenya	100%	99.90%
Nazara Uganda Limited	Uganda	100%	99.00%
Nzworld Kenya Limited ('Kenya')	Kenya	70.00%	70.00%
Nazara Bangladesh Limited	Bangladesh	100.00%	100.00%
Kiddopia Inc	USA	50.91%	50.91%
Publishme Global FZ LLC ("Publishme")	Dubai	69.19%	-
Arrakis Tanitim Organisasyon Pazarlama San. tic. A.S.	Turkey	69.18%	-
Unpaused Entertainment Private Limited ("Unpaused")	India	54.52%	-
Rusk Distribution Private Limited ("Rusk")	India	27.81%	-
Associate			
Moonglabs Technologies Private Limited ('Moonglabs')	India	29.38%	24.41%
Associate of subsidiary			
Mastermind Sports Limited ('Mastermind')	India	26.00%	26.00%
Joint venture			
Sports Unity Private Limited ('Sports Unity')	India	62.53%	62.53%

Significant accounting policies and other explanatory information to the consolidated financial statement (Contd.)

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

2.3. Significant accounting judgments, estimates and assumptions

The preparation of consolidated financial statements in conformity with IndAS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, revenue and expenses and disclosure of contingent liabilities at the date of the consolidated financial statements and the results of operations during the reporting period. Although these estimates are based on management's best knowledge of current events and actions, actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognised prospectively in current and future periods.

The areas involving significant judgement and estimates are as follows:

2.3.1 Estimated useful life of property and equipment and intangible assets

The charge in respect of periodic depreciation/ amortisation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. Management at the time the asset is acquired/ capitalised periodically, including at each financial year end, determines the useful lives and residual values of Group's assets. The lives are based on historical experience with similar assets as well as anticipation of future events, which may affect their life, such as changes in technology. The estimated useful life is reviewed at least annually.

2.3.2 Impairment of non-financial assets including ROU

Non-financial assets are reviewed for impairment, whenever events or changes in circumstances (including modification of the lease term) indicate that the carrying amount of such assets may not be recoverable. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). The calculation of value in use and fair value involves use of significant estimates and assumptions, which includes turnover, growth rates and net margins used to calculate projected future cash flows, risk adjusted discount rate, future economic and market conditions. Estimates of revenue and costs are developed using available historical and forecast data. These estimates may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

2.3.3 Estimation of defined benefit obligation

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

2.3.4 Revenue recognition

a) Timing of revenue recognition

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

b) Principal v agent relationship

The Group exercises judgement in determining whether the service providers (distribution and payment channels, advertising network/ exchanges etc.) is acting in the capacity of principal or agent for the services that are rendered through them. The Group ascertains the same based on the criteria such as who is the primary obligor under the contract, and who controls good or service prior to transfer to the customer, who has discretion in pricing, who bears the credit risk, etc. The Group has concluded that the Group is acting as principal in the revenue arrangement, where the Group is the primary obligor in the arrangement/s, has pricing latitude and is also exposed to credit risks. The Group has determined that fee paid to distribution channel, i.e. platform service providers like Play store or App Store, or payment channels should be recorded as expenses in the statement of profit or loss.

Significant accounting policies and other explanatory information to the consolidated financial statement (Contd.)

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

c) Purchase of advertisement services from a customer

A subsidiary company has rendered services related to e-sports production amounting to ₹ 750 million (March 31, 2021: ₹ 750 million) to a customer. In addition, subsidiary company has availed advertisement services (dissimilar services) amounting to ₹ 758 million (March 31, 2021: ₹ 759 million) from the same party. Management has applied judgment in assessment of substance of the transaction, including measurement of revenues at the fair value of the advertisement services obtained from the customer.

d) Persuasive evidence of the arrangement

The Group provides services to a few overseas customers based on the verbal or oral arrangement, which is in line with customary business practices with customers of a subsidiary. In such arrangements, the multi-week arrangement is also recognised at a point in time, i.e. upon occurrence of the experiences and an assessment of collectability in respect of services performed, usually based on the past collection trend with the customer/ customer group.

2.3.5 Estimation of fair value of unlisted securities for impairment analysis

The Company follows the guidance of Ind AS 109 – Financial Instruments: to determine the fair value of its investment in equity instruments, using market and income approaches. The market approach includes the use of financial metrics and ratios of comparable companies, such as revenue, earnings, comparable performance multiples, recent financial rounds and the level of marketability of the investments. The selection of comparable companies requires management judgment and is based on a number of factors, including comparable company sizes, growth rates and development stages. The income approach includes the use of discounted cash flow model, which requires significant estimates regarding the investees' revenue, costs, and discount rates based on the risk profile of comparable companies. Estimates of revenue and costs are developed using available historical and forecast data. These estimates may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

2.3.6 Capitalisation of internally generated intangibles

Distinguishing the research and development phases of a new customised apps and determining whether the recognition requirements for the capitalisation of development costs are met requires judgement. After capitalisation, management monitors whether the recognition requirements continue to be met and whether

there are any indicators that capitalised costs may be impaired.

2.3.7 Recognition of deferred tax assets

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the losses can be utilised. In assessing the probability, the Group considers whether the entity has sufficient taxable temporary differences, which will result in taxable amounts against which the unused tax losses or unused tax credits can be utilised before they expire. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

2.3.8 Business combination

In accounting for business combinations, judgment is required in identifying whether an identifiable intangible asset is to be recorded separately from goodwill. Additionally, estimating the acquisition date fair value of the identifiable assets (including useful life estimates), and liabilities assumed involves management judgment. These measurements are based on information available at the acquisition date and are based on expectations and assumptions that have been deemed reasonable by management.

Estimating fair value of purchase consideration, including contingent consideration, in respect of acquisition of investment in subsidiary/s or associate/s involves management judgement. Fair value of the equity shares of the Company is determined based on weighted average price at which the most recent financials rounds occurred in the past one year.

The fair value of the contingent consideration, when the arrangement involves future delivery of fixed number of equity shares, is estimated to be acquisition date fair value of equity shares of the Company and those payable in cash are discounted using incremental borrowing rate (IBR) of the Company.

The estimate also includes probability of achieving the performance targets. These measurements are based on information available at the acquisition date and are based on expectations and assumptions that have been deemed reasonable by management.

Changes in these judgments, estimates, and assumptions can materially affect the results of operations.

Significant accounting policies and other explanatory information to the consolidated financial statement (Contd.)

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2.3.9 Share based payments

Employees (including senior executives) of the Group receive remuneration in the form of share-based payments in form of employee stock options, whereby employees render services as consideration for equity instruments (equity settled transactions).

The cost is recognised in employee benefits expense or debited to investment in subsidiary (in respect of employee stock options granted to an employee rendering services to a subsidiary), together with a corresponding increase in stock option outstanding reserves in equity, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognised or an increase in investment in subsidiary for equity settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Company's best estimate of the number of equity instruments that will ultimately vest. The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

2.3.10 Expected credit loss

The Company determines the allowance for credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions. The Company considered current and anticipated future economic conditions relating to industries the Company deals with and the countries where it operates. In calculating expected credit loss, the Company has also considered credit reports and other related credit information for its customers to estimate the probability of default in future and has taken into account estimates of possible effect from the pandemic relating to COVID-19.

2.3.11 Assessment of control, significant influence and joint control

The Group's assessment of control in partially-owned subsidiaries involves significant judgement to assess whether it has current ability to direct the relevant

activities of such subsidiaries, through contractual or other rights and obligations of co-investors, in order to determine whether the group is exposed, or has rights, to variable returns from its involvement in such companies and has ability to affect those returns through its power over such companies, in accordance with Ind AS 110, Consolidated Financial Statements ('Ind AS 110').

The Group assesses that it has significant influence over investee when it has more than 20% voting rights or / and representation on the board of directors or / and power to participate in the financial and operating policy decisions of the investee but does not have control or joint control of those policies, in accordance with Ind AS 28, Investments in Associates and Joint Ventures ('Ind AS 28').

The Group considers an investment as joint venture when it shares control over rights to net assets of the arrangement with one or more parties contractually and decisions about the relevant activities require the unanimous consent of the parties irrespective of shareholding percentage, in accordance with Ind AS 28.

2.3.12 Uncertainty relating to the global health pandemic on COVID-19

The Covid-19 has brought unprecedented uncertainty across the globe (including all places of business our Group and clients operates in). While the Group has quickly adopted to alternate business continuity scenario, the uncertainty still prevails regarding the timelines of resuming to normal work conditions. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Group has used credit reports and related information, economic forecasts and consensus estimates from market sources on the expected future performance of the Group, including in respect of each business segment the Group operate into.

From business perspective, the Group is buoyed with the resilience of digital and interactive gaming, e-sports, learning app market in these challenging times and are confident of its ability to maintain Group's market position as a leading gaming and esports organisation. This included launching of several new games and products which are received positive response from the users/ subscribers.

While there is a surge in demand for learning app for kids, digital and interactive games, online esports tournaments hosting, primarily on account of global travel restrictions, and limitations on public gatherings making large scale in-person esports events impossible, the Group's fantasy sports business saw a significant decline due to adverse impact on the number of daily fantasy sports leagues due

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to mass-cancellation or deferral of live-in person sports events, particularly Cricket and Football. The management do not anticipate such volatility to continue in the long-term, although the Company will remain committed to investing in each of the business segment to drive top line profitable growth.

The principal risks that the Group could be impacted includes uncertainty around new business, customer renewals, price risk, product and technology risk etc. that might arise due to adverse market conditions on account of COVID 19 pandemic. The Group has been quite frugal in its financial matters and prudent in its investment decisions, while monitoring the evolving market conditions closely, to ensure its own continuity and mitigating the risk impacting its business segment.

Management has evaluated short-term as well as long-term impact of the Covid-19 pandemic on the gaming and esports industry, and in particular on the Group and believes that the pandemic will not have a significant negative effect on the Group's financial position and results of its operation. In preparation of these financial statements, the Group has taken into account internal and external sources of information to assess possible impacts of the pandemic, including but not limited to assessment of liquidity and going concern, recoverable values of its financial and non-financial assets, impact on revenues and estimates of operating costs. Based on current indicators of future economic conditions, the Group has sufficient liquidity and expects to fully recover the carrying amount of its assets. In addition, the management has reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future, being a period of not less than twelve months from the date of approval of these financial statements. The Group therefore continues to adopt the going concern basis in preparing its financial statements.

However, in view of the volatility in the global economic conditions pursuant to this pandemic; the impact of Covid-19 on the Group's financial statements may differ from the estimate as on the date of the approval of the financial statements. The Group will continue to closely monitor any material changes to future economic conditions

2.4. Summary of significant accounting policies

2.4.1 Current versus non-current classification

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

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

All other assets are classified as non-current.

A liability is current when:

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

The Group classifies all other liabilities as non-current.

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

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

2.4.2 Foreign currency translation and transactions

Functional and presentation currency

The consolidated financial statements are presented in ₹, which is also the parent company's functional currency. For each entity the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency. The Group uses the direct method of consolidation and on disposal of a foreign operation the gain or loss that is reclassified to profit or loss reflects the amount that arises from using this method.

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Transactions and translations

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the group uses an 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 settlement or translation of monetary items are recognised in profit or loss with the exception of the following:

- Exchange differences arising on monetary items that forms part of a reporting entity's net investment in a foreign operation are recognised in profit or loss in the separate financial statements of the reporting entity or the individual financial statements of the foreign operation, as appropriate. In the consolidated financial statements that include the foreign operation and the reporting entity (e.g., consolidated financial statements when the foreign operation is a subsidiary), such exchange differences are recognised initially in OCI. These exchange differences are reclassified from equity to profit or loss on disposal of the net investment.
- Exchange differences arising on monetary items that are designated as part of the hedge of the Group's net investment of a foreign operation. These are recognised in OCI until the net investment is disposed of, at which time, the cumulative amount is reclassified to profit or loss.
- Tax charges and credits attributable to exchange differences on those monetary items are also recorded in OCI.

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).

2.4.3 Revenue recognition

To determine whether the Company should recognise revenues, the Company follows 5-step process:

- a. identifying the contract, or contracts, with a customer
- b. identifying the performance obligations in each contract
- c. determining the transaction price
- d. allocating the transaction price to the performance obligations in each contract
- e. recognising revenue when, or as, we satisfy performance obligations by transferring the promised goods or services

Revenue is recognised when the Group transfers promised goods or services to customers in an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods and services.

In this regard, revenue is recognised when: (i) the parties to the contract have approved the contract (in writing, orally, or in accordance with other customary business practices) and are committed to perform their respective obligations; (ii) the entity can identify each party's rights regarding the goods or services to be transferred; (iii) the entity can identify the payment terms for the goods or services to be transferred; (iv) the contract has commercial substance (that is, the risk, timing, or amount of the entity's future cash flows is expected to change as a result of the contract); and (v) it is probable that the entity will collect substantially all of the consideration to which it will be entitled in exchange for the goods or services that will be transferred to the customer.

Revenue is measured at the fair value of the consideration received or receivable, considering contractually defined terms of payment, and excluding variable considerations such as volume or cash discounts and taxes or duties collected on behalf of the government.

Accrual for sales returns is provided at the point of sale, based upon past experience. Adjustments to such returns is made as new information becomes available.

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A contract liability is an entity's obligation to transfer goods or services to a customer for which the entity has received consideration (or the amount is due) from the customer and presented as 'Deferred revenue'. Advance payments received from customers for which no services have been rendered are presented as 'Advance from customer's'. Unbilled revenues are classified as a financial asset where the right to consideration is unconditional upon passage of time.

i) *Telco subscription*

Revenue from Telco subscription, is recognised when a promise in a customer contract (performance obligation) has been satisfied. usually over the period of subscription. The amount of revenue to be recognised (transaction price) is based on the consideration expected to be received in exchange for services, net of credit notes, discounts etc. If a contract contains more than one performance obligation, the transaction price is allocated to each performance obligation based on their relative standalone selling price.

ii) *Subscription of Gamified Early learning application from App Stores like Google Play and Apple Appstore*

The Group generated subscription revenue from its gamified early learning offering Kiddopia. Revenue from subscription, is recognised when a promise in a customer contract (performance obligation) has been satisfied, usually over the period of subscription. The amount of revenue to be recognised (transaction price) is based on the consideration expected to be received in exchange for services, net of credit notes, discounts etc. If a contract contains more than one performance obligation, the transaction price is allocated to each performance obligation based on their relative standalone selling price.

iii) *Freemium*

The Group generated revenues under freemium segment from In app sales of virtual items and advertising as described below.

● *In-app sale of virtual items*

Revenues attributable to the sale of one-time in-game/app virtual items, including skills, privileges, or other consumables, features or functionality,

to the players/ users, are recognised after the underlying performance obligations have been satisfied.

● *Advertising*

The Group derives its advertising revenue from advertisement contracts with online advertising networks, exchanges and direct sales of advertisers. Revenue from advertising services, including performance-based advertising, is recognised after the underlying performance obligations have been satisfied, usually in the period in which advertisements are displayed.

iv) *eSports*

The esports business of the Group generates brand and media sponsorship revenues primarily from sale of various forms of sponsorship and promotional campaign on customers' online platforms or social media and from sponsorship at its in-person esports experiences. Brand and media sponsorship revenues include exclusive or non-exclusive title sponsorships, media rights, additional infrastructural placement, social media rights (including rights to create and post social content and clips). Brand and media arrangements typically include contract terms for a time periods ranging from weeks to few months. All revenues are stated net of the amount of goods and service tax (GST). For licenses of exhibition rights for internally-produced programming, each individual episode or film delivered represents a separate performance obligation and revenues are recognised when the episode or film is made available to the licensee for exhibition and the license period has begun. For license agreements that include delivery of content on one or more dates for a fixed fee, consideration is allocated based on the relative standalone selling price of each episode or film. Estimation of standalone selling prices requires judgment, which can impact the timing of recognising revenues. Agreements to license programming are often long term, with collection terms ranging from one to five years.

v) *Online skill based and other real money games*

The Group charges a nominal fee and/or commission, usually referred to as 'platform fee', from the players, i.e. a specified percentage of total gaming transaction. The Group recognises the platform fees as revenue

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at the conclusion of league or match. The aforesaid is primarily on account of (a) the Group do not have control the deposit received from the players and (b) total value of the game played on the online platform by the players is merely 'transaction of money' between the players over which the Company do not have any title or interest, either present or future.

In addition, the Group provides various bonuses to the players/ users, including referral bonus, joining bonus etc. Such bonuses are presented on gross basis in the consolidated statement of profit and loss under the head "advertisement, event and promotion".

vi) *Principal vs agent*

Revenue is reported on a gross or net basis based on management's assessment of whether the Group is acting as a principal or agent in the transaction. The determination of whether the Group act as a principal or an agent in a transaction is based on an evaluation of whether the good or service are controlled prior to transfer to the customer.

In case of Telco subscription and gamified early learning segment, the Group reports revenue on gross basis, including both self-developed and licensed games/ content, since the Group has pricing discretion, such games/ applications are hosted on Group's platform, and the Group is responsible for sales and marketing as well as customer service. Revenue share / fees paid to game/ content developers, distribution channel (i.e. telco aggregators and platform service providers, like Play store or App Store) and payment channel are recorded as expenses in the consolidated statement of profit and loss.

The Group reports Telco subscription segment revenue from subscription arrangement with telco service providers as well as advertising revenues from advertising network and exchanges on net basis since the Group do not have pricing discretion and establishes or maintains a direct relationship with the end user/ advertiser.

Certain advertising arrangements that are directly between the Group and advertisers are recognised on a gross basis equal to the price paid by the customer since we are the primary obligor and determine the price.

Any third-party costs related to such direct relationships are recognised as direct cost of revenues

vii) *Accounts receivables*

Accounts receivables are recorded at the original invoice amount, less an estimate made for doubtful accounts, if any. The Group provides an allowance for doubtful accounts for potential credit losses based on its evaluation of the collectability and the customers' creditworthiness. Accounts receivables are written off when they are determined to be uncollectible.

2.4.4 Income taxes

Income tax expense comprises current tax expenses and net change in the deferred tax assets or liabilities during the year. Current and deferred taxes are recognised in the Consolidated statement of profit and loss, except when they relate to item that are recognised in Other comprehensive income or directly in Equity, in which case, the current and deferred tax are also recognised in Other comprehensive income or directly in Equity respectively.

2.4.4.1 Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in respective tax jurisdictions where the Group operates.

Current income tax relating to items recognised outside profit and loss is recognised outside profit and 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.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

2.4.4.2 Deferred tax

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

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- When the deferred tax liability 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 taxable temporary differences associated with investments in subsidiaries 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 and the carry forward of 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 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 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 and loss is recognised outside profit and loss (either in OCI or in equity). 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 a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. Acquired deferred tax benefits recognised within the measurement period reduce goodwill related to that acquisition if they result from new information obtained about facts and circumstances existing at the acquisition date. If the carrying amount of goodwill is zero, any remaining deferred tax benefits are recognised in OCI/ capital reserve depending on the principle applicable for bargain purchase gains. All other acquired tax benefits realised are recognised in profit and loss.

Minimum Alternate Tax (MAT) paid in accordance with Income-tax Act, 1961 for entities in India, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Group will pay normal income tax. Accordingly, MAT is recognised as an asset in the Consolidated balance sheet when it is highly probable that the future economic benefit associated with it will flow to the Group having reasonable certainty that it can be utilised against the normal taxes payable under the Income-tax Act, 1961.

2.4.5 Share-based payments

Employees (including senior executives) of the Group receive remuneration in the form of share- based payments in form of employee stock options, whereby employees render services as consideration for equity instruments (equity-settled transactions).

The cost is recognised in employee benefits expense, together with a corresponding increase in Stock Option Outstanding reserves in equity, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the

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vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

In respect of equity settled share based payment resulting from shareholders of the group to employees, the amount equivalent to the cost recorded by the group is recorded at fair value of the shares as part of equity under Contribution from Shareholders.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met.

2.4.6 Employee benefits

2.4.6.1 Post employment benefits

Retirement benefit in the form of provident fund is defined contribution scheme. The Group has no obligation, other than the contribution payable to such scheme. The Group recognises contribution payable to such schemes as an expense, when an employee renders the related service.

The Group's obligation on account of gratuity is determined based on actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The Group recognises the service costs comprising current service costs and net interest expense or income in the net defined benefit obligation as an expense in the consolidated statement of profit and loss.

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

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

2.4.6.2 Short - term employee benefits

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

2.4.6.3 Compensated absences

The Company has a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each balance sheet date using projected unit credit method on the additional amount expected to be paid / availed as a result of the unused entitlement that has accumulated at the balance sheet date. Expense on non-accumulating compensated absences is recognised in the period in which the absences occur. The Company presents the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

2.4.7 Non-controlling interest put option and other liabilities

Any contract with a single or multiple settlement option that contains an obligation for the Group to purchase equity in a subsidiary for cash gives rise to a financial liability for the present value of the estimated cash flow. An amount equal to the financial liability is recorded in equity on initial recognition of a put option. The financial liability is subsequently remeasured through equity. Where considered significant, the Group's put options are discounted to their

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fair value as on initial recognition. The unwinding of the interest expense is charged through the equity over the period to exercise.

The fair value of the put options over non-controlling interest in a subsidiary company is determined by using a discounted future cash flow analysis. The Group uses its judgment to select a variety of methods and assumptions made are based on market and Group specific conditions existing at each reporting period.

2.4.8 Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree if any. Acquisition-related costs are expensed as incurred.

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

- Deferred tax assets or liabilities, and the assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Tax and Ind AS 19 Employee Benefits respectively.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed.

If the fair value of the net assets acquired is in excess of the aggregate consideration transferred (bargain purchase), the Group re-assesses

whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in Other Comprehensive Income (OCI) and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

2.4.9 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.

2.4.9.1 Financial assets

Initial recognition and measurement

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

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in the following broad categories:

- financial asset assets at amortised cost
- financial asset at fair value through OCI (FVOCI)
- financial asset at fair value through profit and loss (FVTPL)

Financial asset at amortised cost

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

Such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into

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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 and loss. The losses arising from impairment are recognised consolidated statement of profit and loss. This category generally applies to trade and other receivables

Financial asset at fair value through OCI (FVTOCI)

A financial asset that meets the following two conditions is measured at fair value through OCI unless the asset is designated at fair value through profit and loss under fair value option.

- The financial asset is held both to collect contractual cash flows and to sell.
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in OCI. However, the Group recognises interest income, impairment losses and reversals and foreign exchange gain or loss in the Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Financial asset at fair value through profit and loss (FVTPL)

FVTPL is a residual category and any financial asset which does not meet the criteria for categorisation as at amortised cost or as FVOCI, is classified as at FVTPL.

All investments (except investment in associate and joint venture) included within the FVTPL category are measured at fair value with all changes recognised in the Profit and Loss

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

Derecognition

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

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

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

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

Impairment of financial assets

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

The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. 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 Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly,

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12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used.

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

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

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

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

- Financial assets measured as at amortised 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 consolidated balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Group does not reduce impairment allowance from the gross carrying amount.

Financial asset measured at FVTOCI: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

2.4.9.2 Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit and loss or at amortised cost, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings, net of directly attributable transaction costs.

The Group's financial liabilities include trade payables, lease obligations, and other payables.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at amortised cost

After initial recognition, interest-bearing loans and borrowings and other payables are subsequently measured at amortised 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.

Amortised 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 as finance costs in the consolidated statement of profit and loss.

Derecognition

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 derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the consolidated statement of profit and loss.

2.4.9.3 Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated 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.

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2.4.9.4 Reclassification of financial assets

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Group's senior management determines change in the business model as a result of external or internal changes which are significant to the Group's operations. Such changes are evident to external parties. A change in the business model occurs when the Group either begins or ceases to perform an activity that is significant to its operations. If the Group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Group does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

2.4.10 Investment in associate and joint venture

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

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

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

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

joint venture, the fair value of the previously held investment at that date when significant influence or joint control is obtained is deemed to be cost for initial application of equity accounting.

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

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

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

2.4.11 Property and equipment

Property and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any.

After initial recognition, property and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. The carrying values of property and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. The cost of an item of property and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Group and the cost of the

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item can be measured reliably. The cost includes the cost of replacing part of the property and equipment and borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying property and equipment.

The Group identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.

Property and equipment are eliminated from consolidated financial statements, either on disposal or when retired from active use. Losses arising in case of retirement of Property and equipment and gains or losses arising from disposal of property and equipment are recognised in consolidated statement of profit and loss in the year of occurrence.

The assets' residual values, useful lives and methods of depreciation are reviewed at each financial year and adjusted prospectively, if appropriate. Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets. Useful lives used by the Group are different from rates prescribed under Schedule II of the Companies Act 2013. These rates are based on evaluation of useful life estimated by the management supported by internal technical evaluation. The range of useful lives of the property and equipment are as follows:

Property and equipment	Useful lives estimated by the management (years)
Furniture and fixtures	5 to 10 years
Computer equipment	3 years
Office equipment	3 to 5 years
Vehicles	3 to 8 years
Computer Software	6 years
NGDP Platform	6 years
License	Depends on the period of license
Copy right and trade mark	6 years
Brand	10 years
Customer relationship	6 years
Non compete	6 years
Developed Technology	6 years

2.4.12 Intangible assets

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the assets will flow to the Group and the cost of the asset can be measured reliably.

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding the amount at which development cost is capitalised, are not capitalised and the related expenditure is charged to Statement of profit or loss in the period in which the expenditure is incurred.

Developed technology, Software, License, Copyright, Brand, customer relationship and Non-compete, acquired in a business combination are recognised at fair value at the acquisition date.

Intangible assets are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

The Group amortises intangible assets over the period of 3 to 10 years, as the Group expects to generate future benefits from the given assets for a period of 3 to 10 years.

The amortisation expense on intangible assets is recognised in the consolidated statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the consolidated statement of profit and loss when the asset is derecognised.

2.4.13 Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment

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testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are considered. If no such transactions can be identified, an appropriate valuation model is used.

The impairment calculations are based on detailed budgets and forecast calculations for each of the Group's CGUs covering a period of five years and applying a long-term growth rate to project future cash flows after the fifth year.

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.

Impairment losses of operations are recognised in the consolidated statement of profit and loss.

At each reporting date if there is an indication that previously recognised impairment losses no longer exist or have decreased, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed in the consolidated statement of profit and loss only to the extent of lower of its recoverable amount or carrying amount net of depreciation considering no impairment loss recognised in prior years only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised.

2.4.14 Leases

The Group evaluates at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an

identified asset for a period of time in exchange for consideration.

The Group as lessee

The Group's leased assets consist of leases for Buildings. The Group assesses whether a contract contains lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

- the contract involves the use of an identified asset
- the Group has substantially all the economic benefits from use of the asset through the period of the lease and
- the Group has the right to direct the use of the asset.

The Group determines the lease term as the non-cancellable period of a lease, together with periods covered by an option to extend the lease, where the Group is reasonably certain to exercise that option.

The Group at the commencement of the lease contract recognises a Right-of-Use (ROU) asset at cost and corresponding lease liability, except for leases with term of less than twelve months (short term leases) and low-value assets. For these short term and low value leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the lease term.

The cost of the ROU assets comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the inception date of the lease plus any initial direct costs, less any lease incentives received. Subsequently, the ROU assets are measured at cost less any accumulated depreciation and accumulated impairment losses, if any. ROU asset are depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of ROU assets. The estimated useful lives of ROU assets are determined on the same basis as those of property and equipment.

The Group applies IAS 36 to determine whether a RoU asset is impaired and accounts for any identified impairment loss as described in the impairment of non-financial assets above.

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For lease liabilities at the commencement of the lease, the Group measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate is readily determined, if that rate is not readily determined, the lease payments are discounted using the incremental borrowing rate that the Group would have to pay to borrow funds, including the consideration of factors such as the nature of the asset and location, collateral, market terms and conditions, as applicable in a similar economic environment.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

The Group recognises the amount of the re-measurement of lease liability as an adjustment to the right-of-use assets. Where the carrying amount of the right-of-use assets is reduced to zero and there is a further reduction in the measurement of the lease liability, the Group recognises any remaining amount of the remeasurement in consolidated statement of income. Lease liability payments are classified as cash used in financing activities in the consolidated statement of cash flows.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of lease hold land (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment's that are low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense in statement of profit and loss.

2.4.15 Provisions, Contingent liabilities and contingent assets

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the consolidated statement of profit and loss.

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.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group; or a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is disclosed, where an inflow of economic benefits is probable.

2.4.16 Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period adjusted for bonus elements and share split in equity shares, if any, issued during the year. The weighted average number of equity shares outstanding during the year is adjusted for events such as bonus issue, bonus element in a right issue, shares split and reserve share splits (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders after taking into account the after income tax effect of interest and other financing costs associated with dilutive potential equity shares and the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

2.4.17 Segment reporting

Ind AS 108 establishes standards for the way that business enterprises report information about operating segments and related disclosures about products, services and geographic areas, and major customers. The Group's operations predominately relate to mobile gaming services. Based on the "management approach" as defined in Ind AS 108, the Chief Operating Decision Maker

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(CODM) evaluates the Group's performance and allocates resources based on an analysis of various performance indicators by business segments and geographical segments.

Accordingly, information has been presented both along business segments and geographical segments. The accounting principles used in preparation of the consolidated financial statements are consistently applied to record revenue and expenditure in individual segments and are as set out in the significant accounting policies.

Business segments of the Group are primarily Telco subscription, Freemium, Gamified early learning, eSports and Real Money gaming.

Revenue and identifiable operating expenses in relation to segments are categorised based on items that are individually identifiable to that segment. Allocated expenses of segments include expenses incurred for rendering services which are categorised in relation to the associated turnover of the segment. Certain expenses which form part of significant component of total expenses, are not specifically allocable to specific segments as the underlying asset are used interchangeably. The Management believes that it is not practical to provide disclosures relating to those costs and expenses and accordingly, these expenses are separately disclosed as 'unallocated' and adjusted against total income of the Group.

Assets and liabilities used in the Group's business that are not identified to any of the reportable segments, are those being used interchangeably between segments.

Geographical information on revenue and business segment revenue information are collated based on individual customers invoiced or in relation to which the revenue is otherwise recognised.

2.4.18 Cash and cash equivalents

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

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

2.4.19 Cash flow statement

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

2.4.20 Recent accounting pronouncement adopted as on April 1, 2022

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There are no standards that are issued but not yet effective on March 31, 2022.

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3. Property and equipment

Particulars	Computer equipments	Office equipments	Furniture and fixtures	Motor cars	Leasehold improvement	Total
Gross block						
Balance as at April 1, 2020	49	12	9	8	2	80
Additions	4	0	0	0	-	4
Disposals	(1)	(0)	(0)	-	-	(1)
Adjustments (*)	(0)	-	-	-	-	(0)
Balance as at March 31, 2021	52	12	9	8	2	83
Additions	12	2	3	6	0	23
Additions through business combination (refer note 39)	4	9	4	4	0	21
Disposals	(3)	(1)	(0)	(7)	(0)	(11)
Adjustments (*)	0	0	(2)	0	(0)	(2)
Balance as at March 31, 2022	65	22	14	11	2	114
Accumulated depreciation						
Balance as at April 1, 2020	39	8	3	6	1	57
Depreciation	6	2	1	0	1	10
Disposals	(1)	(0)	(0)	-	-	(1)
Adjustments (*)	(0)	-	-	-	-	(0)
Balance as at March 31, 2021	44	10	4	6	2	66
Depreciation	8	7	2	1	0	18
Disposals	(2)	(0)	-	(4)	(0)	(6)
Adjustments (*)	0	0	(0)	0	(0)	(0)
Balance as at March 31, 2022	50	17	6	3	2	78
Net block		5				
As at March 31, 2022	15	5	8	8	(0)	36
As at March 31, 2021	8	2	5	2	(0)	17

(*) Represents exchange difference resulting from translation of property and equipment relating to foreign subsidiaries.

(#) Zero represents amount less than ₹ one million.

4A. Goodwill

Carrying amount of goodwill is allocated to each operating segment as under -

Particulars	Gamified early learning	Freemium	eSports	Real money gaming	Total
Gross block					
Balance as at April 1, 2020	557	191	754	185	1,687
Additions during the year	-	-	-	-	-
Balance as at March 31, 2021	557	191	754	185	1,687
Additions through business combination (refer note 39)	-	-	567	377	944
Adjustment (*)	-	-	4	-	4
Balance as at March 31, 2022	557	191	1,325	562	2,635
Impairment					
Balance as at April 1, 2020	-	-	-	-	-
During the year (refer note (b))	-	(3)	-	-	(3)
Balance as at March 31, 2021	-	(3)	-	-	(3)
During the year	-	-	-	-	-
Balance as at March 31, 2022	-	(3)	-	-	(3)
Net block					
Balance as at March 31, 2022	557	188	1,325	562	2,632
Balance as at March 31, 2021	557	188	754	185	1,684

The Group performed its annual impairment test for years ended March 31, 2022 and March 31, 2021 respectively. The Group considers forecasts of profitability, free cashflows available to the CGU, enterprise value and strategic business plans among other factors when reviewing indicators of impairment. As on the date of testing, the value of goodwill or other assets of the segment did not indicate any impairment. The Group has performed sensitivity analysis on the inputs used to arrive the recoverable amount of the CGU, a reasonable change in input does not lead to impairment of goodwill.

- During the year ended March 31, 2022, the Group had acquired controlling stake in Openplay and Publishme. Hence, the recoverable amount of the goodwill, created on acquisition of these subsidiaries was determined based on recent value of the transaction.
- During year ended March 31, 2022, subsidiary of the Company has entered into an "Agreement for sale" with OML Technologies Private Limited to acquire gaming and live IP on slump sale basis. Hence, the recoverable amount of the goodwill, created on acquisition was determined based on recent value of the transaction.
- The Management calculated value in use using cash flow projections from financial budgets approved by senior management covering a five-year period at the time of acquisition or prepared at a later date. The Management compared current year cash



Significant accounting policies and other explanatory information to the consolidated financial statement (Contd.)

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

flows and their expectations of future cashflows with the projections and noted no material adverse deviations. The Management believes that any reasonable change in assumptions will not trigger impairment.

(d) During the previous year ended on March 31, 2021, the Group had impaired goodwill of ₹ 3.25 million in freemium segment which arose on acquisition of Crimzoncode Technologies Private Limited as recoverable value is lower than the carrying value.

(*) Represents exchange difference resulting from translation of goodwill relating to foreign subsidiaries.

4B. Other Intangible assets

	Computer Software	NGDF platform	Mygamma and Djuzz platform	License	Copyright & Trademark	Brand	Customer relationship	Non Compete	Developed Technology	Total	Intangible asset (Games) under development
Gross block											
Balance as at April 1, 2020	143	11	4	303	3	943	79	226	159	1,871	63
Additions	2	-	-	-	-	-	-	-	-	2	14
Disposals	47	-	-	-	-	-	-	-	-	47	(47)
Adjustments (*)	(2)	-	-	-	-	-	-	-	-	(2)	-
Balance as at March 31, 2021	190	11	4	303	3	943	79	226	159	1,918	30
Additions	2	-	-	-	-	-	-	-	-	2	10
Additions through business combination (refer note 39)	92	-	-	360	-	167	-	-	-	619	-
Disposals	-	-	-	-	-	-	-	-	-	-	(1)
Adjustments (*)	0	-	-	-	-	-	-	-	-	0	-
Balance as at March 31, 2022	284	11	4	663	3	1,110	79	226	159	2,539	39
Accumulated amortisation and Impairment											
Balance as at April 1, 2020	70	11	4	131	0	44	21	85	34	400	-
Amortisation	34	0	-	71	1	94	13	38	26	277	-
Impairment (refer note 26)	-	-	-	-	-	-	-	-	-	-	6
Adjustments (*)	2	-	-	-	-	-	-	-	-	2	-
Balance as at March 31, 2021	106	11	4	202	1	138	34	123	60	679	6
Amortisation	41	-	-	100	0	103	13	38	29	324	-
Impairment (refer note 26)	-	-	-	-	-	-	-	-	4	4	22
Disposals	-	-	-	-	-	-	-	-	-	-	-
Adjustments (*)	1	-	-	0	-	-	-	-	0	1	-
Balance as at March 31, 2022	149	11	4	302	1	241	47	161	94	1,008	28
As at March 31, 2022	136	-	-	361	2	869	32	65	65	1,531	11
As at March 31, 2021	84	-	-	101	2	805	45	103	99	1,239	24

(*) Represents exchange difference resulting from translation of intangible assets relating to foreign subsidiaries.

(#) Zero represents amount less than ₹ one million.

Significant accounting policies and other explanatory information to the consolidated financial statement (Contd.)

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

4B. Intangible assets (games) under development ageing schedule

	Amount in intangible assets under development for the period				
	< 1 year	1-2 years	2-3 years	> 3 years	Total
As at March 31, 2022	3	5	-	3	11
As at March 31, 2021	9	8	4	3	24

5. Investments

Particulars	As at March 31, 2022		As at March 31, 2021	
	Shares	Amount	Shares	Amount
Non-current investments				
Investment accounted for using the equity method (refer note 36 and note 38)				
Investment in associates				
Mastermind Sports Limited - equity shares of USD 0.01 each (refer note 5.1(a) below)				
Gross carrying value	83,526	20	83,526	20
Less: impairment loss		(20)		(6)
Net carrying value (including goodwill of ₹ Nil million, (March 31, 2021: ₹ 14 million))	83,526	-	83,526	14
Moonglab Technologies Private Limited - equity shares of ₹ 10 each (refer note 5.1(b) below)				
Gross carrying value	4,392	6	4,392	7
Less: impairment loss		(6)		(2)
Net carrying value (including goodwill of ₹ Nil million, (March 31, 2021: ₹ 5 million))	4,392	-	4,392	5
Investment in joint venture				
Sports Unity Private Limited - equity shares of ₹ 10 each (refer note 5.1(c) below)				
Gross carrying value	30,45,000	25	30,45,000	29
Less: impairment loss		(25)		(6)
Net carrying value (including goodwill of ₹ Nil million, (March 31, 2021: ₹ 33.62 million))	30,45,000	-	30,45,000	23
Total		-		42

Investment in others	As at March 31, 2022		As at March 31, 2021	
	Shares	Amount	Shares	Amount
Unquoted equity and preference shares (at fair value through profit and loss)				
Instasportz Consultancy Private Limited (Equity shares of ₹ 10 each)	1,171	-	1,171	-
AFK Gaming Private Limited (Equity shares of ₹ 10 each)	2,783	6	2,783	6

Investment in others	As at March 31, 2022		As at March 31, 2021	
	Shares	Amount	Shares	Amount
Hashcube Inc (Convertible preference shares of USD 0.00001 each)	24,51,546	30	24,51,546	28
Khichadi Technologies Private Limited (Preference shares of ₹ 100 each)	2,143	-	2,143	-
Rusk Media Private Limited (Equity shares of ₹ 10 each)	1,601	37	-	-
Rusk Media Private Limited (Compulsory convertible preference shares of ₹ 10 each)	4,276	100	-	-
Griffin Gaming Partners Fund	-	119	-	-
		292		34
Total (a)		292		34

Investments in debentures	As at March 31, 2022		As at March 31, 2021	
	Units	Amount	Units	Amount
Quoted bonds at amortised cost				
5.75% debentures Tata Motors	2,000	17	2,000	16
5.25% debentures JSW Steel	2,000	16	2,000	15
5.30% debentures Marble II	-	-	2,000	15
Total (b)		33		46
Total non-current investment (c = a + b)		325		80
Aggregate amount of quoted investments and market value thereof		33		46
Aggregate amount of unquoted investments		292		75
Aggregate amount of impairment / fair value loss in value of investments		51		14

5.1 Notes

- (a) The Group's carrying value of investment in Mastermind Sports Limited is ₹ 20 million (net of share of loss ₹ 0 million recorded in the consolidated financial statements). There is reduction in the fair value per share of Mastermind on account of decrease in expected future cashflows. Considering reduction in fair value of investment in Mastermind, an impairment of ₹ 14 million is recorded in the consolidated financial statements for the year ended March 31, 2022 (March 31, 2021: ₹ 6 million).
- (b) The Group's carrying value of investment in Moonglabs Technologies Private Limited is ₹ 6 million (net of share of loss ₹ 1 million recorded in the consolidated financial statements). There is reduction in the fair value per share of Moonglabs on account of decrease in expected future cash flows. Considering reduction in fair value of investment in Moonglabs, an impairment of ₹ 4 million is recorded in the consolidated financial statements for the year ended March 31, 2022 (March 31, 2021: ₹ 2 million).
- (c) The Group's carrying value of investment in Sports Unity Private Limited is ₹ 25 million (net of share of loss ₹ 4 million recorded in the consolidated financial statements). There is reduction in the fair value per share of Sports Unity on account of decrease in expected future cashflows. Considering reduction in fair value of investment in Sports Unity, an impairment of ₹ 19 million is recorded in the consolidated financial statements for the year ended March 31, 2022 (March 31, 2021: ₹ 6 million).

Significant accounting policies and other explanatory information to the consolidated financial statement (Contd.)

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

5.2 Current investments

Particulars	As at March 31, 2022		As at March 31, 2021	
	Units	Amount	Units	Amount
Investments in mutual funds				
Quoted investments at fair value through profit and loss				
SBI Magnum Medium Duration Fund Reg (G) (refer note 5.3 (a))	4,49,392	18	4,49,392	18
BNP Paribas Arbitrage Fund	2,34,53,784	317	65,84,734	85
Edelweiss Arbitrage Fund - Direct Plan Growth	3,12,94,886	515	51,11,892	80
HDFC Floating Rate Debt Fund - Direct Plan	63,05,682	252	26,28,162	101
HDFC Low Duration Fund - Direct Plan	5,96,773	24	26,41,424	126
ICICI Prudential Floating Interest Fund - Direct Plan	9,19,784	331	3,63,605	125
ICICI Prudential Savings Fund - Direct Plan Growth	-	-	2,26,914	95
Kotak Equity Arbitrage Fund (G) Direct	1,28,05,753	405	45,359	126
L And T Arbitrage Opportunities Fund Direct Growth	3,16,86,633	514	51,67,700	80
Nippon India Arbitrage Fund - Direct Growth	2,14,49,822	489	36,89,903	80
SBI Banking & PSU Fund Regular Growth	16,375	42	16,375	40
SBI Banking & PSU Fund Regular Growth (refer note 5.3(b))	12,784	36	12,784	35
Axis Ultra Short Term Fund (G) Direct	1,95,52,601	243	-	-
SBI Arbitrage Opportunities Fund	37,06,456	101	-	-
Aditya Birla SL Floating Rate Fund (G) Direct	8,95,038	253	-	-
Aditya Birla SL Arbitrage Direct-Growth	22,51,328	51	-	-
ICICI Pru Equity Arbitrage Direct-Growth	17,48,647	51	-	-
Invesco India Arbitrage-Growth	19,89,151	51	-	-
Kotak Equity Arbitrage Direct-Growth	16,19,924	51	-	-
Whitespace Alpha Fund	1,24,994	13	-	-
ABSL Arbitrage Mutual Fund	11,36,560	26	-	-
Axis Ultra Short Term Mutual Fund	22,14,320	28	-	-
BNP Paribas Arbitrage Mutual Fund	19,07,137	26	-	-

Particulars	As at March 31, 2022		As at March 31, 2021	
	Units	Amount	Units	Amount
Kotak Low Duration Mutual Fund	14,262	41	-	-
Nippon India Arbitrage Mutual Fund	13,61,446	31	-	-
Aditya Birla Sun life arbitrage fund growth- regular plan	11,79,359	25	-	-
Nippon India Arbitrage Fund - Growth Plan	11,79,042	26	-	-
HDFC Liquid Fund-Direct Plan-Growth Option	15,258	64	-	-
Total (a)		4,026		992
Investments in tax free bonds				
Quoted bonds at fair value through other comprehensive income				
7.39% HUDCO tax free bond series IIA	7,007	8	7,007	9
7.39% HUDCO bond tax free bond series IIA	7,529	9	7,529	9
7.35% IRFC tax free bond series IIA	5,878	7	5,878	7
7.35% NABARD tax free bond series IIA	5,010	6	5,010	6
7.35% NHAI tax free bond series IIA	14,285	17	14,285	18
7.39% NHAI tax free bond series IIA	15,419	19	15,419	19
Total (b)		67		69
Total Current investment (d = a + b)		4,093		1,060
Aggregate value of quoted investments		4,093		1,060
Aggregate amount of unquoted investments		-		-
Aggregate amount of impairment in value of investments		-		-

5.3 Notes

- Investments having cost of ₹ 11 million (March 31, 2021: 9 million) pertaining to SBI Magnum Medium Duration Fund Regular which was marked as lien against bank guarantee of the Company has been satisfied during the year.
- Out of the above investment in mutual funds, investments having cost of ₹ 30 million pertaining to SBI Banking & PSU Fund Regular Growth has been marked as lien against the bank guarantee of the Company.

(#) Zero represents amount less than ₹ one million.

Significant accounting policies and other explanatory information to the consolidated financial statement (Contd.)

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

6. Loans

Particulars	As at March 31, 2022	As at March 31, 2021
Non-current		
Unsecured, considered good		
Loan to		
- employees	0	0
Total	0	0
Current		
Unsecured, considered good		
Loan to		
- employees	6	25
Unsecured, considered doubtful		
Loan to		
- related parties (refer note 29 and 6.1)	23	5
- impairment on above	(23)	-
Total	6	29

6.1 The Company has given loans to related parties repayable on demand, rate of interest for such loans being 13% p.a. The purpose of loan is for working capital requirement of related parties. Details are as follows:

Type of borrowers	March 31, 2022		March 31, 2021	
	Amount of loan or advance in nature of loan outstanding	Percentage to the total loans or advances in nature of loans	Amount of loan or advance in nature of loan outstanding	Percentage to the total loans or advances in nature of loans
(i) Promoters	-	-	-	-
(ii) Directors	-	-	-	-
(iii) Key managerial personnel	-	-	-	-
(iv) Related parties	23	100.00%	5	100.00%

(#) Zero represents amount less than ₹ one million.

7. Other non-current financial assets

Particulars	As at March 31, 2022	As at March 31, 2021
Unsecured, considered good		
Security deposits (refer note 7.1)	43	46
Term deposits with bank having remaining maturity more than 12 months	5	-
Advance for acquisition of proposed subsidiary (refer note 7.2)	24	-
Total	72	46

7.1 The Group has placed a deposit of ₹ 29 million (March 31, 2021: ₹ 29 million) to National Stock Exchange of India Limited on account of initial public offerings.

7.2 During the year, the Group has transferred funds to shareholders of Superhero Brands Private Limited against which the shares were transferred subsequently to the Group.

8. Other non-current assets

Particulars	As at March 31, 2022	As at March 31, 2021
Prepaid expenses	3	3
Total	3	3

9. Trade receivables

Particulars	As at March 31, 2022	As at March 31, 2021
Unsecured, considered good (refer note 9.2 and 29)	920	732
Considered having significant increase in credit risk	25	22
Trade receivables - credit impaired	78	78
	1,023	832
Less - expected credit loss		
Unsecured, considered good	(73)	(46)
Considered having significant increase in credit risk	(25)	(22)
Trade receivables - credit impaired	(78)	(78)
Total	847	686

Significant accounting policies and other explanatory information to the consolidated financial statement (Contd.)

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

9.1: Trade Receivables ageing schedule as at March 31, 2022

	Outstanding for following periods from due date of payment					Total
	< 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed trade receivables - considered good	749	42	82	20	27	920
(ii) Undisputed trade receivables – which have significant increase in credit risk	-	1	1	4	19	25
(iii) Undisputed trade receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed trade receivables – considered good	-	-	-	-	-	-
(v) Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed trade receivables – credit impaired	-	-	-	-	78	78
Total	749	43	83	24	124	1,023

Trade Receivables ageing schedule as at March 31, 2021

	Outstanding for following periods from due date of payment					Total
	< 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed trade receivables - considered good	413	132	106	56	25	732
(ii) Undisputed trade receivables – which have significant increase in credit risk	-	-	3	14	5	22
(iii) Undisputed trade receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed trade receivables – considered good	-	-	-	-	-	-
(v) Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed trade receivables – credit impaired	-	-	-	14	64	78
Total	413	132	109	84	94	832

9.2 Trade receivables and unbilled revenue includes certain receivables aggregating to ₹ 73 million and ₹ 10 million respectively (March 31, 2021: ₹ 202 million and ₹ 17 million) relating to customers based out of Nepal where there is uncertainties with regards to the timing of collection. These uncertainties primarily relate to restrictions on payments pursuant to the prevailing foreign exchange regulations in Nepal. The management, on the basis of their assessment and the advice of an independent consultant, expects these amounts to be collected within 12 months from the date of the consolidated financial statements.

(#) Zero represents amount less than ₹ one million.

10. Cash and cash equivalents

Particulars	As at March 31, 2022	As at March 31, 2021
Cash on hand	1	1
Balances with banks		
- on current accounts (refer note 10.1)	1,347	784
- deposits with original maturity for less than 3 months	574	79
- restricted cash & cash equivalent	159	536
Total	2,081	1,400

10.1 Balance with banks in current accounts includes an amount of ₹ 19 million (March 31, 2021: ₹ 536 million) pertains to amount held on behalf of selling share holders who were a part of offer for sale listing of the Company. This balance is restricted cash and cash equivalents which not available with the Company for its normal operating, investing and financing activities.

11. Other bank balances

Particulars	As at March 31, 2022	As at March 31, 2021
Balances with banks		
- in fixed deposits with remaining maturity of less than 12 months	1,147	2,324
Total	1,147	2,324

Significant accounting policies and other explanatory information to the consolidated financial statement (Contd.)

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

12. Other current financial assets

Particulars	As at March 31, 2022	As at March 31, 2021
Unsecured, considered good		
Interest accrued but not due		
- from others	13	11
Unbilled revenue		
- considered good	289	307
Security deposits	17	12
Other receivable (refer note 12.3)	362	244
Receivable from selling share holders (refer note 12.4)		
- from related parties (refer note 29)	2	57
- from others	15	376
Unsecured, doubtful		
Interest accrued but not due		
- from related parties (refer note 29)	2	0
- impairment on above	(2)	-
Unbilled revenue		
- considered having significant increase in credit risk	13	13
- unbilled impaired	6	6
- Less: allowance for unbilled having significant increase in credit risk	(13)	(13)
- Less: allowance for unbilled impaired	(6)	(6)
Total	698	1,007

12.1 Unbilled revenue ageing schedule as at March 31, 2022

	Outstanding for following periods from due date of billing					Total
	< 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed unbilled revenue-considered good	223	12	8	5	42	289
(ii) Undisputed unbilled revenue – which have significant increase in credit risk	-	-	-	-	13	13
(iii) Undisputed unbilled revenue – credit impaired	-	-	-	-	-	-
(iv) Disputed unbilled revenue–considered good	-	-	-	-	-	-
(v) Disputed unbilled revenue – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed unbilled revenue – credit impaired	-	-	-	-	6	6
Total	223	12	8	5	61	308

Unbilled revenue ageing schedule as at March 31, 2021

	Outstanding for following periods from due date of billing					Total
	< 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed unbilled revenue-considered good	170	82	12	-	43	307
(ii) Undisputed unbilled revenue – which have significant increase in credit risk	0	-	-	-	13	13
(iii) Undisputed unbilled revenue – credit impaired	-	-	-	-	-	-
(iv) Disputed unbilled revenue–considered good	-	-	-	-	-	-
(v) Disputed unbilled revenue – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed unbilled revenue – credit impaired	-	-	-	-	6	6
Total	170	82	12	-	61	326

Significant accounting policies and other explanatory information to the consolidated financial statement (Contd.)

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

Note:

12.2 On account of Ind AS 115, Revenue from Contracts with Customers, unbilled revenue where the right to consideration is unconditional upon passage of time is classified as financial assets.

12.3 Other receivable includes receivable from platform service providers who are acting as agent of the Group.

12.4 Receivable from selling share holders comprises share issue expenses incurred in connection with Offer for Sale (OFS) of shares of the Company held by some of the existing shareholders. As per understanding between the Company and selling shareholders, the expenses which Company has incurred on account of OFS shall be borne by selling share holders in the ratio of proceeds from the sale of equity shares during OFS.

Selling shareholders offered 5.29 million shares for sale @ offer price of ₹ 1,101 per share. Total of ₹ 5,815 million was received by the Company from this OFS, of which ₹ 5,280 million has been transferred to selling share holders as at March 31, 2021. Out of the balance, ₹ 517 million is adjusted against receivable from selling shareholders and balance sum of ₹ 19 million will be paid to them. The Company has disclosed receivable from selling shareholders under other current financial assets (March 31, 2021: Other non-current financial assets). The above sum of ₹ 19 million is kept in a separate bank account and the same is disclosed as restricted bank balance.

(#) Zero represents amount less than ₹ one million.

13. Other current assets

Particulars	As at March 31, 2022	As at March 31, 2021
Advance to suppliers	43	23
Prepaid expenses	106	78
Advance recoverable in cash or kind or for value to be received	11	-
Balance with government authorities	109	206
Total	269	307

14. Equity share capital

Particulars	As at March 31, 2022	As at March 31, 2021
Authorised shares		
37,500,000 (March 31, 2021: 37,500,000) equity shares of ₹ 4 each	150	150
Issued, subscribed and paid-up		
32,621,227 (March 31, 2021: 30,452,836) equity shares of ₹ 4 each	130	122
	130	122

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

Equity shares of ₹ 4 each

Name of the shareholder	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	% Holding	No. of Shares	% Holding
Mitter Infotech LLP	52,63,225	16.13%	52,63,225	17.28%
Arpit Khandelwal	34,46,210	10.56%	34,46,210	11.32%
Rakesh Jhunjhunwala	32,94,310	10.10%	32,94,310	10.82%
Plutus Wealth Management LLP	22,51,586	6.90%	20,00,000	6.57%

As per records of the Company, including its register of shareholders / members, the above shareholding represents both legal and beneficial ownerships of shares.

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

Equity shares of ₹ 4 each	No of shares	Amount
As at April 1, 2020	2,79,96,663	112
Add : Issued during the year (*)	24,56,173	10
As at March 31, 2021	3,04,52,836	122
Add : Issued during the year (**)	21,68,391	8
As at March 31, 2022	3,26,21,227	130

(*) 11,60,093 equity shares issued to Instant Growth Limited at ₹ 862 per share totalling ₹ 988 million. (net of share issue expenses ₹ 12 million)

(**) On November 18, 2021, Board of Directors approved allotment of 1,429,266 fully paid up equity shares of ₹ 4 each at a price of ₹ 2,206 per equity share, on preferential basis by way of private placement to the allottees Gamnat Pte Limited and Plutus Wealth

Significant accounting policies and other explanatory information to the consolidated financial statement (Contd.)

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

Management for a cash consideration of ₹ 3,153 million. The proceeds from the issue are to be used primarily for making strategic acquisitions and investments in various companies/body corporates and also to fund the growth plans of the Company including its subsidiaries and associates.

On November 24, 2021, Board of Directors approved the allotment of 6,48,125 fully paid up equity shares of ₹ 4 each at a price of ₹ 2,206 per equity share to Unnati Management Consultants LLP, for consideration with respect to acquisition of 7,670 equity shares of ₹ 10 each of OpenPlay Technologies Private Limited (consisting 76.70% stake), on preferential basis by way of private placement. Pursuant to this, OpenPlay Technologies Private Limited became 100% subsidiary of the Company.

(c) Terms / rights attached to equity shares

1 Voting rights:

The Company has only one class of equity shares having a par value of ₹ 4 per share. Each holder of the equity share is entitled to one vote per share.

2 Right as to dividend

The dividend proposed by the Board of directors is subject to approval of the shareholders in the ensuing annual general meeting, except in case of interim dividend.

3 Liquidation preference

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

4 Termination agreement

Pursuant to the Termination Agreement dated December 24, 2020 entered between the Company and Westbridge Venture II Investment Holdings taken on record by the Board of Directors, Westbridge has sold off its stake in equity shares to Plutus Wealth Management and Mr. Arpit Khandelwal. However, specific rights available to Westbridge Venture II Investment Holdings stands terminated effective December 24, 2020.

(d) Shares reserved for issue under options

For details of shares reserved for issue under the employee stock option (ESOP) plan of the Company refer note 34.

(e) Aggregate number of bonus shares issued during the period of five years immediately preceding the reporting date:

Particulars	As at March 31, 2022	As at March 31, 2021
	No. of shares	No. of shares
Equity shares allotted as fully paid bonus shares by capitalisation of reserve	1,99,25,088	1,99,25,088
	1,99,25,088	1,99,25,088

(f) Aggregate number of shares issues for consideration other than cash during the period of five years immediately preceding the reporting date:

Particulars	As at March 31, 2022	As at March 31, 2021
	No. of shares	No. of shares
Equity shares allotted for consideration other than cash	-	-
Financial Year 2021-22	6,48,125	-
Financial Year 2020-21	7,98,548	7,08,548
Financial Year 2019-20	4,89,735	4,89,735
Financial Year 2017-18	7,94,641	7,94,641
	27,31,049	20,82,924

(g) Shares held by promoters at the end of the year Equity shares of ₹ 4/- each fully paid:

Particulars	As at March 31, 2022			As at March 31, 2021		
	No. of shares	% [^]	% [*]	No. of shares	% [^]	% [*]
Mitter Infotech LLP	52,63,225	16.13%	(1.15%)	52,63,225	17.28%	-2.28%
Nitish Mittersain	10,11,453	3.10%	(0.22%)	10,11,453	3.32%	0.00%
Neeraja Mittersain	17,500	0.05%	(0.01%)	17,500	0.06%	0.00%
Vishal V Chiripal	1,805	0.01%	0.00%	1,750	0.01%	0.00%
Kanta Pratapchand Jain	1,750	0.01%	0.00%	1,750	0.01%	0.00%
Kavita N Saraogi	1,750	0.01%	0.00%	1,750	0.01%	0.00%
Meena Gupta	1,750	0.01%	0.00%	1,750	0.01%	0.00%
Rajesh Pratapchand Jain	1,750	0.01%	0.00%	1,750	0.01%	0.00%
Vedprakash Chiripal	1,750	0.01%	0.00%	1,750	0.01%	0.00%
Vikash Mittersain	250	0.00%	0.00%	250	0.00%	0.00%
Rahul Balkrishna Goyal	71	0.00%	0.00%	40	0.00%	0.00%
Total	63,03,054	19.32%		63,02,968	20.69%	

[^] % of total shares | ^{*} % Change during the year

Significant accounting policies and other explanatory information to the consolidated financial statement (Contd.)

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

15. Other equity

Particulars	As at March 31, 2022	As at March 31, 2021
Capital redemption reserve account		
Opening balance	1	1
Add: Changes during the year	-	-
Closing balance	1	1
Securities premium		
Opening balance	3,619	1,785
Add: Addition during the year	4,574	1,701
Less: Share issue expenses	(3)	(12)
Add: Addition on account of transfer from share based payment reserve on exercise of ESOP	44	145
Closing balance	8,234	3,619
Retained earnings		
Opening balance	2,158	1,809
Add: Profit during the year	281	92
Add: Other comprehensive income	(2)	(0)
Add: Transactions with non-controlling interest	(1,147)	257
Closing balance	1,290	2,158
Debt instrument measured through other comprehensive income		
Opening balance	13	19
Add: Other comprehensive income for the year	(1)	(6)
Closing balance	12	13
Share based payment reserve		
Opening balance	118	257
Add: Additions during the year	22	6
Less: Transfer to securities premium on exercise of options	(19)	(145)
Closing balance	121	118
Capital contribution from shareholder		
Opening balance	357	357
Add: Changes during the year	-	-
Closing balance	357	357

Particulars	As at March 31, 2022	As at March 31, 2021
Non-controlling interest put option		
Opening balance	(50)	(50)
Add: Changes during the year	-	-
Closing balance	(50)	(50)
Statutory reserve		
Opening balance	0	0
Add: Changes during the year	-	-
Closing balance	0	0
Foreign currency translation reserve		
Opening balance	244	286
Add: Additions during the year	74	(42)
Closing balance	318	244
Other equity		
Opening balance	-	435
Add: Additions during the year	-	-
Less: Issue of shares during the year	-	(435)
Closing balance	-	-
Total	10,283	6,460
Non-controlling interests		
Opening balance	1,208	690
Add: On acquisition	189	-
Add: Share of profit/(loss) for the year	226	46
Add: Share of share based payment reserve for the year	11	-
Add: Transactions with controlling interest	(64)	472
Closing balance	1,570	1,208

(#) Zero represents amount less than ₹ one million.

16. Other non-current financial liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Loan from body corporate (interest rate of 13% p.a.)	-	4
Total	-	4

Significant accounting policies and other explanatory information to the consolidated financial statement (Contd.)

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

17. Provisions

Particulars	As at March 31, 2022	As at March 31, 2021
Non-current		
Provisions for employees benefits		
Provision for gratuity (refer note 32(III))	42	30
Provision for end of service benefits (refer note 32(IV))	6	5
Compensated absences (refer note 32(III))	2	-
Total	51	35
Current		
Provisions for employees benefits		
Provision for gratuity (refer note 32(III))	6	5
Compensated absences (refer note 32(III))	11	8
Total	16	13

18. Trade payables

Particulars	As at March 31, 2022	As at March 31, 2021
Micro enterprises and small enterprises (refer note 18.1 below)	3	2
Other than micro enterprises and small enterprises		
- to related parties (refer note 29)	-	15
- to others	496	593
Total	499	610

18.1 The Group has amounts due to micro and small suppliers registered under the Micro, Small and Medium Enterprises Development Act 2006 (MSMED Act) as at March 31, 2022 and March 31, 2021

Particulars	As at March 31, 2022	As at March 31, 2021
Principal amount due to suppliers under MSMED Act	3	2
Interest accrued and due to suppliers under MSMED Act on the above amount	-	0
Payment made to suppliers (other than interest) beyond appointed day during the year	-	-
Interest paid to suppliers under MSMED Act	-	-

Particulars	As at March 31, 2022	As at March 31, 2021
Interest due and payable to suppliers under MSMED Act towards payments already made	-	-
Interest accrued and remaining unpaid at the end of the accounting year	-	0
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act.	-	-

18.2 Trade Payables ageing schedule as at March 31, 2022

	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	3	-	-	-	3
(ii) Others	474	12	3	7	496
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	477	12	3	7	499

Trade Payables ageing schedule as at March 31, 2021

	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	2	-	-	-	2
(ii) Others	577	8	13	10	608
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	579	8	13	10	610

(#) Zero represents amount less than ₹ one million.

Significant accounting policies and other explanatory information to the consolidated financial statement (Contd.)

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

19. Other current financial liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Payable to employees	105	52
Payable for expenses	460	452
Player balance	29	27
Payable to selling shareholders (refer note 12.3)		
- related parties (refer note 29)	2	67
- others	17	469
Interest on delay payments to MSME vendors (refer note 18.1)	-	0
Non-controlling interest put option liabilities (refer note 19.1)	50	50
Total	663	1,117

19.1 The Company entered into agreement with Promoters and Investors of Absolute Sports Private Limited on 28 June 2019, wherein options are given to promoters to sell ₹ 50 million worth of equity to Nazara upon Company achieving minimum of 80% of the audited target net revenue of ₹ 400 million in financial year 2020-21 at fair market value of Company. Hence, put option liability of ₹ 50 million (March 31, 2021: ₹ 50 million) is accounted by the Company.

20. Other current liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Contract liabilities (refer note 21)	306	247
Advances from customers (refer note 20.1)		
- from others	33	15
Tax deducted at source payable	22	25
Statutory dues payable	43	10
Total	404	297

20.1 Out of the above advance from customers, advance of ₹ Nil million (March 31, 2021: ₹ 14 million) pertains to refund of entertainment tax deducted by a customer, against a bank guarantee furnished by the Group amounting to ₹ Nil million (March 31, 2021: ₹ 16 million).

21. Revenue from operations

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Revenue from contract with customers		
Gamified early learning	2,044	1,758
eSports	3,039	1,701
Telco subscription	624	749
Freemium	213	195
Real money gaming	297	139
Total	6,217	4,542

Disaggregation of revenue by geography

Particulars	Telco subscription	Freemium	eSports	Gamified early learning	Real money gaming	Total
March 31, 2022						
India	19	18	1,713	-	296	2,046
Africa	116	-	-	-	1	117
Middle East	276	1	139	-	-	416
APAC	188	72	491	-	-	751
North America	-	91	430	1,699	-	2,220
Rest of the world	25	31	266	345	-	667
Total	624	213	3,039	2,044	297	6,217
March 31, 2021						
India	140	195	1,224	-	127	1,686
Africa	93	-	-	-	12	105
Middle East	250	-	7	-	-	257
APAC	254	-	351	-	-	605
North America	-	-	113	1,758	-	1,871
Rest of the world	12	-	6	-	-	18
Total	749	195	1,701	1,758	139	4,542

Significant accounting policies and other explanatory information to the consolidated financial statement (Contd.)

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

Disaggregation of revenue by pattern of revenue recognition

Particulars	Telco subscription	Freemium	eSports	Gamified early learning	Real money gaming	Total
March 31, 2022						
At a point in time	624	166	1,745	56	1	2,592
Over the period of time	-	47	1,294	1,988	296	3,625
Total	624	213	3,039	2,044	297	6,217
March 31, 2021						
At a point in time	151	174	503	65	-	893
Over the period of time	598	21	1,198	1,693	139	3,649
Total	749	195	1,701	1,758	139	4,542
Particulars	Telco subscription	Freemium	eSports	Gamified early learning	Real money gaming	Total
March 31, 2022						
Subscription	624	-	-	1,988	-	2,612
Platform fees	-	-	-	-	297	297
Advertising	-	166	930	-	-	1,096
In app sales	-	47	-	56	-	103
Brand sponsorship and media rights licensing	-	-	2,109	-	-	2,109
Total	624	213	3,039	2,044	297	6,217
March 31, 2021						
Subscription	749	-	-	1,693	-	2,442
Platform fees	-	-	-	-	139	139
Advertising	-	155	344	-	-	499
In app sales	-	40	-	65	-	105
Brand sponsorship and media rights licensing	-	-	1,357	-	-	1,357
Total	749	195	1,701	1,758	139	4,542

Contract liabilities (refer note 20)

Particulars	As at March 31, 2022	As at March 31, 2021
Opening balance	247	249
Reversed during the year	(247)	(249)
Additional deferred revenue accounted during the year	306	247
Closing balance	306	247

22. Other income

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest Income on		
- bank deposits	58	29
- tax free bonds	4	4
- income tax refund	1	0
- loan given (refer note 29)	2	0
- financial assets recorded at amortised cost	2	4
Unwinding of interest on security deposits	0	1
Unwinding of interest on loan to employee (refer note 29)	-	2
Net gain on sale of current investments	15	12
Sundry balances written back	32	54
Fair value gain on financial instruments carried at fair value through profit and loss (net)	62	11
Fair value gain on investment at fair value through profit or loss	18	-
Profit on sale of property and equipment (net)	5	0
Gain on early termination of leases	-	1
Lease concession gain (refer note 31)	2	15
SEIS scrips	24	-
Other	16	10
Total	241	143

(#) Zero represents amount less than ₹ one million.

Significant accounting policies and other explanatory information to the consolidated financial statement (Contd.)

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

23. Employee benefit

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Salaries and bonus		
- to key managerial personnel (refer note 29)(*)	106	90
- to others	700	365
Contribution to provident and other funds (refer note 32(I))	16	11
Compensation related to share based payments (refer note 29 and 34) #	33	6
Gratuity expenses (refer note 32 (II))	9	6
Compensated absences	3	5
End of services benefit (refer note 32 (IV))	2	1
Staff welfare	13	3
Total	881	487

(*) includes amortisation of prepaid perquisite amounting to ₹ Nil million (March 31, 2021: ₹ 2 million)

(#) includes compensation to key managerial personnel amounting to ₹ 22 million (March 31, 2021: ₹ 6 million)

24. Finance costs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest on lease obligation (refer note 31)	5	4
Interest on others	1	0
Total	6	4

(#) Zero represents amount less than ₹ one million.

25. Depreciation and amortisation

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Depreciation on property and equipment (refer note 3)	18	10
Amortisation on right-of-use assets (refer note 31)	48	68
Amortisation on intangible assets (refer note 4B)	324	277
Total	390	355

26. Impairment losses

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Impairment loss on		
- goodwill (refer note 4A)	-	3
- intangible assets (refer note 4B)	26	6
- financial assets	62	32
Total	87	41

27. Other expenses

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Legal and professional	129	92
Allowance for doubtful debts	30	41
Travelling and conveyance	37	35
Communication	23	24
Repairs and maintenance	8	18
Rates and taxes	54	17
Payment gateway	15	9
Information technologies	-	8
Bad debts	1	8
Bank charges	6	5
Rent (refer note 31)	34	7
Insurance	4	4
Wallet key expense	12	-
Administration and office expense	14	3
Payment to auditors (refer note 27.1)	12	2
Corporate social responsibility (refer note 27.2)	4	3
Director fees	2	2
Loss on sale of investment	0	1
Loss on exchange fluctuation (net)	43	15
Miscellaneous expenses	45	24
Total	473	318

Significant accounting policies and other explanatory information to the consolidated financial statement (Contd.)

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

27.1 Payment to auditors

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
As auditor		
- Audit fee	12	2
- Reimbursement of expenses	-	-
In other capacity		
- for other services (included in legal and professional fees)	-	-
Total	12	2

27.2 Corporate social responsibility expenditure

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Gross amount required to be spent during the year	1	3
Amount spent during the year		
i) Construction / acquisition of any asset	-	-
ii) On purposes other than (i) above	4	3
	4	3
Shortfall at the end of year	-	-
Total of previous years shortfall	-	-
Reason for shortfall	NA	NA
Nature of CSR activities	Donation to trust	Donation to trust
Related party transactions (refer note 29)		
Donation to B.K.Goyal Heart Foundation	2	3

(#) Zero represents amount less than ₹ one million.

28. Earnings per share (EPS)

The following table reflects the income and share data used in the basic and diluted EPS computation

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Basic		
Profit attributable to equity shareholders of parent for the calculation of basic EPS	284	92
Weighted average number of equity shares in calculating basic EPS	3,12,32,514	2,88,27,214

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Earnings per share	9.09	3.20
Diluted		
Profit attributable to equity shareholders of parent for the calculation of basic EPS	284	92
Potential dilutive effect related to share based compensation	22	(2)
Adjusted earnings attributable to equity holders	306	90
Weighted average number of equity shares in calculating basic EPS	3,12,32,514	2,88,27,214
Effect of dilution on stock options granted	2,70,593	6,02,198
Weighted average number of equity shares outstanding (including dilutive)	3,15,03,108	2,94,29,412
Earnings per share	9.09	3.08

29. Related party disclosures

(A) Names of the related parties and related party relationship

Entity with significant influence	West Bridge Venture II Investment Holdings (till 24 December 2020)
Associate	MoongLabs Technologies Private Limited
Joint venture	Sports Unity Private Limited
Associate of subsidiary	Mastermind Sports Limited
Key management personnel	Vikash Mittersain - Chairman cum Managing Director Nitish Mittersain - Managing Director Manish Agarwal - Chief Executive Officer Rakesh Shah - Chief Finance Officer Turabbhai Chimthanawala - Company Secretary (till December 31, 2020) Pratibha Mishra - Company Secretary (till July 09, 2021) Pravesh Palod - Company Secretary (from November 22, 2021)
Enterprises owned or controlled by key management personnel	Mitter Infotech LLP
Others	B K Goyal foundation

Significant accounting policies and other explanatory information to the consolidated financial statement (Contd.)

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

(B) Related party transactions for the year ended on:

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Remuneration to key management personnel		
Nitish Mittersain	33	30
Manish Agarwal (*) (#)	67	49
Rakesh Shah	16	11
Vikas Mittersain	11	6
Turabbhai Chimthanawala	-	0
Pratibha Mishra	0	0
Pravesh Palod	0	-
Loan recovered from key management personnel		
Manish Agarwal	-	16
Loan given		
Moong labs Technologies Private Limited	3	-
Sports Unity Private Limited	15	5
Interest income		
Moong labs Technologies Private Limited (**)	0	-
Sports Unity Private Limited (**)	2	0
Manish Agarwal	-	2
CSR expenses		
B K Goyal foundation	2	3
Content		
Mastermind Sports Limited	-	5
Moonglabs Technologies Private Limited	3	2
Advertisement income		
Sports Unity Private Limited	-	1
Commission		
Sports Unity Private Limited	-	0

(*) Includes amortisation of perquisite on interest free loan amounting to ₹ Nil million (March 31, 2021: ₹ 2 million)

(#) Includes compensation related to share based payments amounting to ₹ 22 million (March 31, 2021: ₹ 6 million)

(**) Interest on loan given to above parties has been impaired during the year

C) Amounts outstanding as at the balance sheet date

Particulars	As at March 31, 2022	As at March 31, 2021
Trade payables		
Mastermind Sports Limited	-	14
Moonglabs Technologies Private Limited	-	1
Receivable from selling share holders		
Mitter Infotech LLP	2	57
Loan given to joint venture and associate		
Sports Unity Private Limited	19	5
Moong labs Technologies Private Limited	4	-
Interest accrued but not due		
Sports Unity Private Limited	2	0
Moong labs Technologies Private Limited	0	-
Payable to selling shareholders		
Mitter Infotech LLP	2	67
Trade receivable		
Sports Unity Private Limited	0	0

D) Compensation of Key management personnel for the year ended on

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Short-term employee benefits (including ESOP expense)	102	87
Compensation related to share based payments	22	6
Post- employment benefits (refer note 1 below)	4	3
Total remuneration	128	96

Notes:

- Remuneration to key managerial personnel doesn't include provision made for gratuity and compensated absences as they are determine on actuarial basis for the Company as a whole.
- The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. This assessment is undertaken each financial year through examining the financial position of the related party and market in which the related party operations. Outstanding balances at the year-end are unsecured and settlement occurs in cash.
(#) Zero represents amount less than ₹ one million.

Significant accounting policies and other explanatory information to the consolidated financial statement (Contd.)

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

30. Commitments and contingencies

Particulars	As at March 31, 2022	As at March 31, 2021
Other commitments		
Cost of content and other commitments	105	6
Bank guarantee	30	30
Total commitments	135	36

The Company has given bank guarantee of ₹ 30 million (March 31, 2021: ₹ 30 million) to National Stock Exchange of India Limited on account of initial public offerings as against SBI Banking & PSU Fund Regular Growth, investment in mutual fund having cost of ₹ 30 million (fair value ₹ 42 million) as on March 31, 2022 (cost: ₹ 30 million, fair value : ₹ 40 million as on March 31, 2021)

Commitment in relation to acquisition of subsidiary (refer note 30.1)	Upto 200	Upto 200
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30.1 The Company has committed to purchase of additional equity shares from the promoters as below:

Particulars	Total consideration
Cash consideration of ₹ 100 million	Under investment agreement with promoters of Paper Boat, a consideration of ₹ 100 million shall be payable on achieving target revenue of 80% of US\$ 17 million by Paper Boat between 12 to 24 months from November 07, 2019 being first closing date as per the agreement. The proportion of shares to be transferred shall be as mutually agreed between the promoters and the Company. Further, number of shares to be purchased will be based on a valuation of the subsidiary company as per its fair market value.
Cash consideration upto ₹ 100 million	Under investment agreement with promoters of Paper Boat, a consideration equal to 50% of the audited EBIDTA generated during 24 to 36 months from the first closing date i.e. November 07, 2019, being no more than ₹ 100 million shall be payable by Nazara for purchase of additional equity shares from promoters. This shall be payable on achieving target revenue of 80% of US\$ 30.6 million during above mentioned period.

31. Leases

A Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases. The Group recognises lease obligation to make lease payments and right-of-use assets representing the right to use the underlying assets.

B Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets

C Right-of-use asset

The carrying amount of right-of-use asset by class and location can be analysed as follows:

Office premises

Particulars	Mumbai	Bangalore	Gurugram	Chennai	Delhi	Dubai	Turkey	Total
As at April 1, 2020	104	10	8	11	5	5	-	143
Additions	12	-	-	-	-	3	-	15
Termination	(0)	(10)	(8)	-	-	(1)	-	(19)
Adjustments(*)	-	-	-	-	-	(0)	-	(0)
As at March 31, 2021	116	-	-	11	5	7	-	139
Additions	59	-	-	-	5	2	5	71
Additions through business combination (refer note 39)	-	-	-	-	-	-	9	9
Termination	(11)	-	-	(2)	-	(1)	-	(14)
Adjustments(*)	-	-	-	-	-	-	(5)	(5)
As at March 31, 2022	164	-	-	9	10	8	9	200
Accumulated amortisation								
As at April 1, 2020	46	3	3	2	1	2	-	57
Amortisation	56	2	1	4	3	2	-	68
Termination	(0)	(5)	(4)	-	-	-	-	(9)
Adjustments(*)	-	-	-	-	-	2	-	2

Significant accounting policies and other explanatory information to the consolidated financial statement (Contd.)

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

Particulars	Mumbai	Bangalore	Gurugram	Chennai	Delhi	Dubai	Turkey	Total
As at March 31, 2021	102	-	-	6	4	6	-	118
Amortisation	37	-	-	3	3	3	2	48
Termination	(5)	-	-	-	-	-	-	(5)
Adjustments(*)	-	-	-	-	-	(1)	(1)	(2)
As at March 31, 2022	134	-	-	9	7	8	1	159
Net carrying value as at March 31, 2022	30	-	-	-	3	0	8	41
Net carrying value as at March 31, 2021	14	-	-	5	1	1	-	21

(*) Represents exchange difference resulting from translation of RoU relating to foreign subsidiaries.

D Lease obligation

Particulars	Mumbai	Bangalore	Gurugram	Chennai	Delhi	Dubai	Turkey	Total
As at April 1, 2020	51	6	7	9	5	2	-	80
Addition	12	-	-	-	-	-	-	12
Termination	(0)	(4)	(7)	-	-	-	-	(11)
Interest	2	0	1	1	0	0	-	4
Lease concession gain	(14)	-	-	(1)	-	-	-	(15)
Repayment of lease obligation	(44)	(2)	(1)	(4)	(4)	(2)	-	(57)
Adjustments(*)	-	-	-	-	-	(0)	-	(0)
As at March 31, 2021	7	-	0	5	1	(0)	-	13
Addition	55	-	-	-	5	2	5	67
Additions through business combination (refer note 39)	-	-	-	-	-	-	11	11
Termination	(2)	-	-	(1)	-	-	-	(3)
Interest	3	-	-	0	1	0	1	5
Lease concession gain	(1)	-	-	(1)	-	(0)	-	(2)
Repayment of lease obligation	(33)	-	-	(3)	(4)	(2)	(1)	(43)
Adjustments(*)	-	-	-	-	-	1	(6)	(5)
Balance as at March 31, 2022	29	-	0	0	3	1	10	43

Particulars	As at March 31, 2022	As at March 31, 2021
Non-current	10	2
Current	33	11
Total	43	13

(*) Represents exchange difference resulting from translation of lease liability relating to foreign subsidiaries.

Future minimum finance lease payments as at the end of the reporting period are as follows:

As at March 31, 2022

	Mumbai	Bangalore	Gurugram	Chennai	Delhi	Dubai	Turkey	Total
Undiscounted future lease payments								
Within 1 year	28	-	-	-	3	1	3	35
Over 1 year	3	-	-	-	-	-	7	10
Total	31	-	-	-	3	1	10	45
Less: interest	(2)	-	-	-	(0)	(0)	-	(2)
Net present value	29	-	-	-	3	1	10	43

As at March 31, 2021

	Mumbai	Bangalore	Gurugram	Chennai	Delhi	Dubai	Total
Undiscounted future lease payments							
Within 1 year	5	-	-	5	2	-	12
Over 1 year	2	-	-	0	-	-	2
Total	7	-	-	5	2	-	14
Less: interest	(1)	-	-	(0)	-	-	(1)
Net present value	6	-	-	5	2	-	13

Amount recognised in statement of profit and loss account	For the year ended March 31, 2022	For the year ended March 31, 2021
Amortisation on right-of-use assets	48	68
Interest on lease obligation	5	4
Rent relating to short term leases	34	7

Amount recognised in statement of cash flow	For the year ended March 31, 2022	For the year ended March 31, 2021
Payment of lease rentals	(38)	(53)
Interest paid on lease liabilities	(5)	(4)
Total cash outflow	(43)	(57)

Significant accounting policies and other explanatory information to the consolidated financial statement (Contd.)

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

32. Gratuity and post employment benefits

I) Defined contribution plan - Provident fund and ESIC

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Company's contribution to provident fund and other funds charged to statement of profit and loss	16	11
Total	16	11

II) Defined benefit plan - Gratuity

The Group provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/ termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. This benefit is unfunded.

The following tables summarise the components of net gratuity benefit expense recognised in the statement of profit and loss and other comprehensive income.

A Balance Sheet

i) The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

Particulars	As at March 31, 2022	As at March 31, 2021
Liability at the beginning of the year	35	29
Additions through business combination (refer note 39)	6	-
Interest cost	2	2
Current service cost	7	4
Liability Transferred Out/ Divestments	(1)	-
Benefits paid	(3)	-
Re-measurement - actuarial (gain)/loss - due to changes in demographic assumptions	1	0
Re-measurement - actuarial (gain)/loss - due to changes in financial assumptions	(0)	1
Re-measurement - actuarial (gain)/loss - due to changes in experienced adjustments	1	(1)
Liability at the end of the year	48	35

ii) Balance sheet reconciliation

Particulars	As at March 31, 2022	As at March 31, 2021
Opening net liability	35	29
Additions through business combination (refer note 39)	6	-
Expense recognised in statement of profit and loss	9	6
Expense recognised in other comprehensive income	2	1
Liability Transferred Out/ Divestments	(1)	-
Benefit paid directly by the employer	(3)	-
Amounts recognised in the balance sheet	48	35
Non Current	42	30
Current	6	5

B Statement of profit and loss

i) Expense recognised in statement of profit and loss

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Current service cost	7	4
Interest cost	2	2
Total	9	6

ii) Expense recognised in other comprehensive income

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Remeasurements actuarial (gain) / loss	2	1
Total	2	1

C The principal assumptions used in determining gratuity obligations are shown below

Particulars	As at March 31, 2022	As at March 31, 2021
Discount rate	6.06% to 7.25%	4.59% to 6.95%
Future salary increases	10% to 15%	7% to 15%
Projected benefit obligation	6 years	6 years
Rate of employee turnover / withdrawal rate	15% to 35%	10% to 35%
Mortality rate during employment	IALM(2006-2008) or IALM (2012-14)	IALM(2006-2008) or IALM (2012-14)

Significant accounting policies and other explanatory information to the consolidated financial statement (Contd.)

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

D Sensitivity of key assumptions are shown below

Particulars	As at March 31, 2022	As at March 31, 2021
Discount rate (- 1%)	6	2
Discount rate (+ 1%)	(5)	(2)
Salary Escalation Rate (- 1%)	(4)	(1)
Salary Escalation Rate (+ 1%)	5	1
Employee turnover (- 1%)	(1)	(0)
Employee turnover (+ 1%)	2	0

Methods and assumptions used in preparing sensitivity and their limitations: The liability was projected by changing certain assumptions and the total liability post the change in such assumptions have been captured in the table above. This sensitivities are based on change in one single assumption, other assumptions being constant. In practice, scenario may involve change in several assumptions where the stressed defined benefit obligation may be significantly impacted.

E Maturity analysis of projected benefit obligation

Particulars	As at March 31, 2022	As at March 31, 2021
1st following year	6	5
2nd following year	5	4
3rd following year	6	4
4th following year	5	5
5th following year	4	3
Sum of the year to 6 to 10	17	14
More than 10 years	22	18

III Compensated absences

The Group accrues for the compensated absences, a long term employee benefit plan based on the entire available leave balance standing to the credit of the employees at the year end. The value of such leave balance eligible for carry forward, is determined by actuarial valuation as at the balance sheet date and is charged to statement of profit and loss in the period determined. The provision as at March 31, 2022: ₹ 13 million (March 31, 2021: ₹ 8 million)

Actuarial assumptions	As at March 31, 2022	As at March 31, 2021
Discount Rate(per annum)	6.06% to 6.70%	4.59% to 6.95%
Rate of salary increase	10% to 15%	7% to 15%
Rate of Employee turnover	15 % to 17%	10% to 35%
Mortality rate	IALM(2006-2008) or IALM (2012-14)	IALM(2006-2008) or IALM (2012-14)

IV End of service benefit

In respect of one subsidiary, end of service benefits, a long term employee benefit plan based on the period served by an employee in the organisation based on last drawn salary. The value of such benefit is determined on the basis of past period served by employees as at the balance sheet date. End of service benefit payable as at March 31, 2022 was ₹ 6 million (March 31, 2021: ₹ 5 million) and expense during the year ended March 31, 2022: ₹ 2 million (March 31, 2021: ₹ 1 million) (net of reversal).

Movement of end of service benefit is as follows

Particulars	As at March 31, 2022	As at March 31, 2021
Opening balance	5	4
Add: Provision made during the year	2	1
Less: Payment made during the year	(0)	-
Add / (less): Adjustment on account of exchange translation	(1)	(0)
Closing balance	6	5

(#) Zero represents amount less than ₹ one million.

33. Income Tax

I) Income tax expense in the statement of profit and loss consists of:

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Current income tax:		
Income tax (current year)	272	104
Income tax (earlier year)	0	(2)
Deferred tax (credit)/charge	(80)	(72)
Income tax expense reported in the statement of profit and loss	192	30
Income tax recognised in other comprehensive income		
- Deferred tax arising on income and expense recognised in other comprehensive income	(0)	(1)
Total	192	29

Significant accounting policies and other explanatory information to the consolidated financial statement (Contd.)

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

II) The reconciliation between the provision of income tax of the Company and amounts computed by applying the Indian statutory income tax rate to profit before taxes is as follows:

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Profit before tax	699	166
Enacted income tax rate in India	25%	25%
Computed expected tax expense	176	42
Effects of unrecognised deferred tax assets	37	(35)
Effects of differential tax rates (overseas tax rates and tax laws)	(16)	33
Expenses not allowed for tax purpose	8	(19)
Income not considered for tax purpose	(22)	11
Tax of earlier year/s	0	2
Impact of capital gain on sale of investments	(4)	(1)
Others	13	(3)
Total income tax expense	192	30

III) Note on undistributed profit of subsidiaries

The Group has not recognised deferred tax liability associated with undistributed earnings of its subsidiaries as it cannot control the timing of the reversal of these temporary differences and it is probable that such differences will not reverse in the foreseeable future.

The taxable temporary differences relating to investment in subsidiaries associated with respect to undistributed earnings for which a deferred tax liability has not been created:

IV) Movement of deferred tax liabilities

Movement of deferred tax liabilities for the year ended March 31, 2022

Particulars	For the year ended March 31, 2021	Additions through business combination (refer note 39)	Recognised in profit and loss / other comprehensive income	For the year ended March 31, 2022
Deferred tax liability arising on account of:				
Property and equipment and intangible assets	264	134	(53)	345
Deferred tax asset arising on account of:				
Provision for doubtful debts	30	-	(2)	27
Impact of expenditure charged to statement of profit and loss in the current year but allowed for tax purposes on payment basis	23		2	30
Others	(3)	-	27	24
Total	214	134	(80)	264

Movement of deferred tax liabilities for the year ended March 31, 2021

Particulars	As at April 1, 2020	Additions through business combination	Recognised in profit and loss / other comprehensive income	As at March 31 2021
Deferred tax liability arising on account of:				
Property and equipment and intangible assets	308	-	(44)	264
Deferred tax asset arising on account of:				
Provision for doubtful debts	28	-	2	30
Impact of expenditure charged to statement of profit and loss in the current year but allowed for tax purposes on payment basis	23	-	-	23
Others	(27)	-	24	(3)
Exchange difference adjustment	-	-	1	-
Total	284	-	(71)	214

Significant accounting policies and other explanatory information to the consolidated financial statement (Contd.)

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

V) Movement of advance tax net off current tax liability

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Opening balance	124	66
Additions through business combination	76	-
Provision for tax expense	(272)	(102)
Tax paid during the year net off refunds	190	160
Adjustment on account of translation of foreign subsidiaries	-	(0)
Closing balance	118	124

34. Share based payments

(a) During the year ended March 31, 2022, ESOP 2020, ESOP 2016 and Absolute Sports ESOP Trust and paperboat ESOP schemes were in operation.

(i) ESOP 2017

Under the ESOP 2017, stock options of the Company were granted to senior executives of the Company and its subsidiary employees with more than 12 months of service. The share options vest if employees are in service until one year from the date of grant. The fair value of the share options was estimated at the grant date using Black Scholes pricing model and taking into account the terms and conditions upon which the share options were granted. The contractual term of each option granted (comprising the vesting year and the exercise year) is six years. There are no cash settlement alternatives. The Company does not have a past practice of cash settlement for these share options.

(ii) ESOP 2020

Under the ESOP 2020, stock options of the Company were granted to Chief Executive Officer of the Company. The share options vest in two equal tranches of if employees are

in service until one year from the date of grant. The fair value of the tranche 1 of share options was estimated at the grant date using Black Scholes pricing model and fair value of the tranche 2 of share options was estimated at the grant date using Monte Carlo Simulation, taking into account the terms and conditions upon which the share options were granted. The contractual term of each tranche 1 option granted (comprising the vesting year and the exercise year) is six years and for tranche 2 is 6.5 Years. There are no cash settlement alternatives. The Company does not have a past practice of cash settlement for these share options.

(iii) Absolute ESOP trust scheme

29,000 equity shares of face value ₹ 1/- each are held by Absolute Sports ESOP Trust ('Trust') for the purpose of issuing shares under the subsidiary's Employee Stock Option Plan ('ESOP'). These equity shares held by the Trust were transferred to the Trust by Mr. Srinivas Rowjee Cuddapah, one of the shareholders in the subsidiary. In accordance with the Trust deed, the shares held by the Trust are to be issued to eligible employees covered under the ESOP of the subsidiary. Under Ind AS, since the subsidiary as the sponsor retains the majority of the risks and rewards relating to management of the Trust, Trust is considered acting to be merely as an agent of the subsidiary. During the year, the subsidiary bought back the shares allotted to trust at face value and also introduced new ESOP scheme with 12,000 shares.

Under the above ESOP plan, options are granted to eligible employees with various vesting conditions. Maximum number of shares that can be issued under the ESOP plan is 12,000.

(iv) Paperboat ESOP 2021

The Board of Directors and members of the subsidiary have approved ESOP policy (ESOP 2021) to grant share options to senior executive of the subsidiary who are in permanent employment based on terms and conditions as may be fixed or determined by the Board of the subsidiary in accordance with the provisions of the law or guidelines issued by the relevant Authority.

Significant accounting policies and other explanatory information to the consolidated financial statement (Contd.)

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

(b) Details of employee stock option plan

Particulars	ESOP 2017	ESOP 2020	Absolute Sports Private Limited				Paperboat Apps Private Limited
			Grant I- Sankalp Sharma	Grant I - Other employees	Grant II	Grant III	ESOP 2021
Date of grant	January 17, 2018	December 31, 2020	September 30, 2021	September 30, 2021	October 28, 2021	November 15, 2021	April 23, 2021
Date of board approval	December 11, 2017	November 23, 2020	September 23, 2021	September 23, 2021	September 23, 2021	September 23, 2021	April 23, 2021
Date of member approval	December 15, 2017	December 30, 2020	September 24, 2021	September 24, 2021	September 24, 2021	September 24, 2021	April 23, 2021
Number of options granted	562,733	147,955	5,500	3,400	800	200	42
Method of settlement	Equity	Equity	Equity	Equity	Equity	Equity	Equity
Vesting period	One year	One year for Tranche I (50%); and One and a half years for Tranche II (remaining 50%).	End of year -1 of grant date - 4300 shares, End of year -2 of grant date - 300 shares, End of year -3 of grant date - 450 shares, End of year -4 of grant date - 450 shares	End of year -1 of grant date - 20%, End of year -2 of grant date - 20%, End of year -3 of grant date - 30%, End of year -4 of grant date - 30%	End of year -1 of grant date - 20%, End of year -2 of grant date - 20%, End of year -3 of grant date - 30%, End of year -4 of grant date - 30%	End of year -1 of grant date - 20%, End of year -2 of grant date - 20%, End of year -3 of grant date - 30%, End of year -4 of grant date - 30%	Tranche 1: 12 months from grant date Tranche 2: 24 months from grant date Tranche 3: 36 months from grant date
Exercise period	Five years	Five years	Four years	Four years	Four years	Four years	Eight years
Vesting conditions	100% vesting after one year	One year for Tranche I (50%); and One and a half years for Tranche II (remaining 50%)	100% vesting after four years	100% vesting after four years	100% vesting after four years	100% vesting after four years	10% after year one, 20% after year two, 30% after year three and 40% after year four.
Exercise price	₹ 282.91	₹ 728.00	₹ 5,357.00	₹ 5,357.00	₹ 5,357.00	₹ 5,357.00	₹ 154,000.00

There were no cancellations or modifications to the rewards during the year ended March 31, 2022

Significant accounting policies and other explanatory information to the consolidated financial statement (Contd.)

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

The details of activity for the year ended March 31, 2022 are summarised below:

Particulars	ESOP 2017	ESOP 2020	Absolute ESOP	Paperboat ESOP 2021
	Number of options	Number of options	Number of options	Number of options
Outstanding at the beginning of the year	298,247	147,955	3,000	-
Granted during the year	-	-	9,900	42
Lapsed / surrendered during the year	-	-	3,000	-
Exercised during the year	91,000	-	-	-
Outstanding at the end of the year	207,247	147,955	9,900	42
Exercisable at the end of the year	207,247	147,955	9,900	42
Weighted average remaining contractual life (in years) at the year end	1.75 years	4.75 years for tranche I and 5.25 years for tranche II	3.5 years for Vesting 1, 4.5 years for Vesting 2, 5.5 years for Vesting 3, 6.5 years for Vesting 4 for all Grants	5.5 for Tranche I, 6 for Tranche II and 6.5 for Tranche III

The details of activity for the year ended March 31, 2021 are summarised below:

Particulars	ESOP 2016	ESOP 2017	ESOP 2020	Absolute ESOP
	Number of options	Number of options	Number of options	Number of options
Outstanding at the beginning of the year	2,33,046	5,62,733	-	6,000
Granted during the year	-	-	1,47,955	-
Lapsed during the year	-	-	-	-
Exercised during the year	2,33,052	2,64,486	-	(3,000)
Outstanding at the end of the year	-	2,98,247	1,47,955	3,000
Exercisable at the end of the year	-	2,98,247	1,47,955	3,000
Weighted average remaining contractual life (in years) at the year end	-	2.75 years	5.75 years for tranche I and 6.25 years for tranche II	-

Significant accounting policies and other explanatory information to the consolidated financial statement (Contd.)

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

(c) Computation of weighted average fair value considering the following inputs:

Particulars	ESOP 2016	ESOP 2017	ESOP 2020 Tranch I	ESOP 2020 Tranch II	Absolute ESOP	Paperboat ESOP 2021 Tranch I	Paperboat ESOP 2021 Tranch II	Paperboat ESOP 2021 Tranch III
Dividend yield (%)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Expected volatility (%)	25.00%	23.04%	55.00%	55.00%	Range from 36.33% - 34.44% for Grant 1 36.14% - 34.50% for Grant 2 36.75% - 34.29% for Grant 3	39.25%	38.73%	38.55%
Risk free interest rate (%)	6.27%	7.16%	3.40%	3.63%	Range from 4.99% - 5.85% for Grant 1 5.09% - 5.99% for Grant 2 5.03% - 5.90% for Grant 3	0.80%	1.02%	1.24%
Spot price (₹)	361.95	563.03	862.00	862.00	2,049.07	324,604.00	324,604.00	324,604.00
Exercise price (₹)	234.32	282.91	728.00	728.00	5,357.00	154,000.00	154,000.00	154,000.00
Option value (₹)	206.64	365.46	259.00	259.90	Range from 1782.04 - 2508.43 for Grant 1 1782.78 - 2527.43 for Grant 2 1798.40 - 2509.74 for Grant 3	197,709.00	200,862.00	204,470.00
Expected life of options granted (years)	3.5 years	3.5 years	1 years	1.5 years	3.5 years for Vesting 1, 4.5 years for Vesting 2, 5.5 years for Vesting 3, 6.5 years for Vesting 4 for all Grants	5.5 years	6 years	6.5 years
Model used	Black Scholes	Black Scholes	Black Scholes	Monte Carlo simulation	Black & Scholes	Black & Scholes	Black & Scholes	Black & Scholes

The expected life of the share options for ESOP 2016 and ESOP 2017 are based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. Expected life of share options for ESOP 2020 scheme is based on intent letter provided by the eligible employee to the Company. The expected volatility reflects the assumption that the historical volatility over a year similar to the life of the options is indicative of future trends, which may not necessarily be the actual outcome.

(d) The expense recognised for employee service received during the year is shown in the following table:

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Expense arising from equity-settled share based payment transactions	33	6
Total	33	6

Significant accounting policies and other explanatory information to the consolidated financial statement (Contd.)

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

35. Segment information

a) Description of segments and principal activities :

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Group. The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Managing Director and CEO of the Group. The Group has identified the following segments as reporting segments based on the information reviewed by CODM:

- 1 Telco subscription
- 2 Gamified early learning
- 3 Freemium
- 4 eSports
- 5 Real money gaming

b) Segment revenue and segment results

As at and for the year ended March 31, 2022

Description	Telco subscription	Gamified early learning	Freemium	eSports	Real money gaming	Total
Revenue	624	2,044	213	3,039	297	6,217
Segment results	120	441	(35)	250	(52)	724
Unallocated corporate expense	-	-	-	-	-	(227)
Other income	-	-	-	-	-	207
Profit before exceptional item and tax						704
Share of net (loss) of associate by using equity method	-	-	-	-	-	(5)
Profit before tax						699
Tax expense	-	-	-	-	-	192
Profit for the year						507
Segment assets	498	1,287	383	2,768	1,053	5,989
Unallocated corporate assets	-	-	-	-	-	8,109
Total assets						14,098
Segment liabilities	293	422	17	718	92	1,542
Unallocated corporate liabilities	-	-	-	-	-	573
Total liabilities						2,115
Other disclosures						
Investments in associates (net of impairment)	-	-	-	-	-	-
Investments in joint venture (net of impairment)	-	-	-	-	-	-
Impairment losses	-	-	-	-	-	87
Depreciation and amortisation	45	70	67	148	60	390

As at and for the year ended March 31, 2021

Description	Telco subscription	Gamified early learning	Freemium	eSports	Real money gaming	Total
Revenue	749	1,758	195	1,701	139	4,542
Segment results	75	53	(30)	187	(97)	188
Unallocated corporate expense	-	-	-	-	-	(63)
Other income	-	-	-	-	-	66
Profit before exceptional item and tax						191
Share of net (loss) of associate by using equity method	-	-	-	-	-	(24)
Profit before tax						167
Tax expense	-	-	-	-	-	31
Profit for the year						136
Segment assets	695	1,439	421	1,386	443	4,384
Unallocated corporate assets	-	-	-	-	-	5,843
Total assets						10,227
Segment liabilities	568	447	59	324	71	1,469
Unallocated corporate liabilities	-	-	-	-	-	968
Total liabilities						2,437
Other disclosures						
Investments in associates	-	-	-	-	-	19
Investments in joint venture	-	-	-	-	-	23
Impairment losses	-	-	-	-	-	41
Depreciation and amortisation	62	73	68	113	39	355

Note

There is no inter segment revenue and entire revenue is from external customers only.

36. I Financial assets and financial liabilities

a) Financial assets at fair value through profit and loss

Particulars	Carrying value		Fair value	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Investments in mutual fund	4,026	992	4,026	992
Investments in convertible preference shares	130	28	130	28
Investment in AFK Gaming Private Limited	6	6	6	6
Investment in Rusk Media Private Limited	37	-	37	-
Investment in Griffin Gaming Partners Fund	119	-	119	-
Total	4,318	1,026	4,318	1,026

Significant accounting policies and other explanatory information to the consolidated financial statement (Contd.)

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

b) Financial assets at fair value through other comprehensive income

Particulars	Carrying value		Fair value	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Financial assets - current				
Investments in tax free bonds	67	69	67	69
Total	67	69	67	69

c) Financial assets and liabilities at amortised cost

Particulars	Carrying value		Fair value	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Financial assets - non-current				
Loans	0	0	0	0
Investments in debentures	33	46	33	46
Other financial assets	72	46	72	46
Financial assets - current				
Trade receivable	847	686	847	686
Cash and cash equivalents	2,081	1,400	2,081	1,400
Other bank balances	1,147	2,324	1,147	2,324
Loans	6	29	6	29
Other financial assets	698	1,007	698	1,007
Total financial assets	4,883	5,537	4,883	5,537
Financial liabilities - non-current				
Lease obligation	10	2	10	2
Other financial liabilities	-	4	-	4
Financial liabilities - current				
Trade payable	499	610	499	610
Lease obligation	33	11	33	11
Other financial liabilities	663	1,117	663	1,117
Total liabilities	1,205	1,744	1,205	1,744

Notes

- Financial assets and liabilities include cash and cash equivalents, tax free deposits, trade receivables, unbilled receivables, finance lease liabilities, employee and other advances, eligible current and non-current assets, trade payables, and eligible current liabilities and non-current liabilities. The fair value of cash and cash equivalents, trade receivables, unbilled receivables, trade payables, other current financial assets and liabilities approximate their carrying amount largely due to the short-term nature of

these instruments. Investment in mutual funds measured using net asset values at the reporting date multiplied by the quantity held, which represents the fair value of these instruments.

- The fair values of lease liabilities, security deposits, loans and other financial assets and liabilities are considered to be the same as their carrying values, as there is an immaterial change in the lending rates.

II Fair value hierarchy for assets and liabilities

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 under current market conditions.

The Group categorises assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed in their measurement which are described as follows:

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities

Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair values are observable, either directly or indirectly.

Level 3: Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data. The following table provides the fair value measurements hierarchy of the Group's assets and liabilities:

Fair value measurements hierarchy of the Group's assets and liabilities as at March 31, 2022:

	Quoted prices in active market (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Financial assets - non-current				
Investments in convertible preference shares	-	-	130	130
Investment in AFK Gaming Private Limited	-	-	6	6
Investment in Rusk Media Private Limited	-	-	37	37
Investment in Griffin Gaming Partners Fund	-	-	119	119
Financial assets - current				
Investments in mutual fund	4,026	-	-	4,026
Investments in tax free bonds	67	-	-	67
Total financial assets	4,093	-	292	4,385

Significant accounting policies and other explanatory information to the consolidated financial statement (Contd.)

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

Fair value measurements hierarchy of the Group's assets and liabilities as at March 31, 2021:

	Quoted prices in active market (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Financial assets - non-current				
Investments in convertible preference shares	-	-	28	28
Investment in AFK Gaming Private Limited	-	-	6	6
Financial assets - current				
Investments in mutual fund	992	-	-	992
Investments in tax free bonds	69	-	-	69
Total financial assets	1,061	-	34	1,095

There have been no transfer between Level 1, Level 2 and Level 3 during the period March 31, 2022 and March 31, 2021.

(#) Zero represents amount less than ₹ one million.

36A Financial risk management objectives and policies

The Group's principal financial liabilities include trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include trade and other receivables and cash and cash equivalents that derive directly from its operations. The Group also holds investments in mutual funds and debt instruments.

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks. The Group's senior management ensures that the Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. The Board of Directors of Holding Group and other group companies reviews and agrees policies for managing each of these risks, which are summarised below.

A) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises: currency risk and other price risk, such as equity price risk.

(I) Equity / investment price risk

The Group has made several strategic investments (including unlisted subsidiaries, associates and other investee companies). Some of these are startups (early stage) companies and others in their growth phase.

These unlisted investments are susceptible to market price risks (impairment) arising from uncertainties about the time of the gaming industry in India and globally, which could impact their recoverable values. The Group manages the equity price risk through diversification and invests across several gaming companies. The Group's Board of Directors review and pre-approve all such decision to invest. In addition, at the reporting date, the exposure to unlisted equity securities in non-current and current investments are yearically reviewed and evaluated by the Board. In specific, the Board review and evaluates the unobservable inputs (i.e. long-term growth rates and weighted average cost of capital), cash flow projections for 5 year, actual performance when compared to cash flow projections approved by respectively entities Board of Directors, and sensitivity performed by an independent external valuation expert. (refer note 36)"

(II) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense is denominated in a foreign currency) and the Group's net investments in foreign subsidiaries.

The Group did not enter into any derivative instruments for hedge or speculation. The year end foreign currency exposures are given below:

(i) Amounts receivable in foreign currency on account of the following:

Currency	Particulars	As at March 31, 2022	As at March 31, 2021
USD	Cash and bank balances	1,312	562
	Trade receivable	319	452
	Other current assets	18	110
	Other financial assets	135	-
	Other current financial assets	67	-
	Other non current assets	69	-
	Non-current investments	62	42
NPR	Trade receivable	65	-
	Cash and bank balances	140	-
	Other current financial assets	14	-
SAR	Trade receivable	16	-
	Other current financial assets	35	-
	Other financial assets	1	-
Others	Trade receivable	53	8
	Other current financial assets	39	-
	Cash and bank balances	3	0
Total		2,347	1,173

Significant accounting policies and other explanatory information to the consolidated financial statement (Contd.)

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

(ii) Amounts payable in foreign currency on account of the following:

Currency	Particulars	As at March 31, 2022	As at March 31, 2021
USD	Trade payable	75	72
	Advances from customers	16	-
	Other financial liabilities	149	-
	Current liabilities	88	-
	Other current liabilities	53	106
AED	Trade payable	17	27
	Current liabilities	15	-
	Non current liabilities	14	-
	Other current liabilities	2	15
NGN	Trade payable	2	3
	Other financial liabilities	5	-
	Other current liabilities	2	2
KES	Trade payable	2	11
	Other financial liabilities	8	-
	Other current liabilities	5	3
ZMW	Trade payable	-	0
	Other financial liabilities	0	-
	Other current liabilities	0	0
UGX	Trade payable	-	0
	Other financial liabilities	0	-
	Other current liabilities	-	1
BDT	Trade payable	0	0
	Other financial liabilities	0	-
	Other current liabilities	0	0
Others	Trade payable	5	1
Total		457	241

Sensitivity Analysis:

Currency	As at March 31, 2022		As at March 31, 2021	
	5% increase	5% decrease	5% increase	5% decrease
USD	80	(80)	49	(49)
NPR	11	(11)	-	-
SAR	3	(3)	-	-
Others	4	(4)	0	(0)
Total	98	(98)	50	(50)

B) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure.

The Group assesses and manages credit risk based on internal credit rating system. Internal credit rating is performed for each class of financial instruments with different characteristics. The Group assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

- (i) Low credit risk
- (ii) Moderate credit risk
- (iii) High credit risk

Trade receivables

Trade receivables and unbilled revenue are typically unsecured and are derived from revenue earned from customers. Credit risk is managed by each business segment through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Group grants credit terms in the normal course of business.

On account of adoption of Ind AS 109, the Group uses expected credit loss model to assess the impairment loss or gain. The Group uses a provision matrix to compute the expected credit loss allowance for trade receivables and unbilled revenues. The provision matrix takes into account factors such as default risk of industry, historical experience for customers etc. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets.

At March 31, 2022 and March 31, 2021 receivables (including unbilled) from Company's top 5 customers accounted for approximately 34.69% and 37.99%, respectively of all the receivables (including unbilled) outstanding. As at March 31, 2022 receivable (including unbilled) from one top customer accounted for 16.15% of all receivable (including unbilled) outstanding (March 31, 2021 : 14.28%). An impairment analysis is performed at each reporting date on an individual basis based on historical data. The maximum exposure to credit risk at the reporting date is the carrying value of trade receivables disclosed in note 9. The Company does not hold collateral as security.

Significant accounting policies and other explanatory information to the consolidated financial statement (Contd.)

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

The Group evaluates that there exists concentration of risk with respect to trade receivables due to its dependency on limited numbers of customers for a significant portion of receivables outstanding.

The inability to recover the amount payable by such top customers may have an adverse impact on their recoverability.

Movement of expected credit loss as at March 31, 2022 is as follows:

Particulars	As at March 31, 2022	As at March 31, 2021
Opening balance	165	123
Add: Provision made during the year	30	41
Less: Payment made during the year	-	-
Add / (less): Adjustment on account of exchange translation	1	1
Closing balance	196	165

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Management. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

The Group's maximum exposure to credit risk for the components of the balance sheet at March 31, 2022 and March 31, 2021 is the carrying amounts.

C) Liquidity risk

Liquidity risk is the risk that the Group will not be able to settle or meet its obligations as they fall due. The Group's policy on liquidity risk is to maintain sufficient liquidity in the form of cash and investment in liquid mutual funds to meet the Group's operating requirements with an appropriate level of headroom. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Group's net liquidity position through rolling forecasts on the basis of expected cash flows.

Maturity profile of financial liabilities

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

As at March 31, 2022

	Less than 1 year	1 to 5 years	More than 5 years	Total
Trade payables	477	22	-	499
Other financial liabilities	663	-	-	663
Lease liabilities	33	10	-	43
Total	1,173	32	-	1,205

As at March 31, 2021

	Less than 1 year	1 to 5 years	More than 5 years	Total
Trade payables	610	-	-	610
Other financial liabilities	1,117	4	-	1,121
Lease liabilities	11	2	-	13
Total	1,738	6	-	1,744

36B Capital management

For the purpose of the Group's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity shareholders. The primary purpose is to maximise the shareholders value. The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The capital structure is governed by policies approved by Board of Directors and is monitored by various matrices, funding requirements are reviewed periodically.

(#) Zero represents amount less than ₹ one million.

Significant accounting policies and other explanatory information to the consolidated financial statement (Contd.)

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

37 Disclosure as per Schedule III of the Companies Act 2013**a)** Statement showing shares of entities in consolidated net assets and consolidated statement of profit and loss as at and for the year ended March 31, 2022

Name of the entity in the Group	Net assets i.e. total assets minus total liabilities		Share in profit and loss		Share in total comprehensive income / loss	
	%	Amount	%	Amount	%	Amount
(A) Holding company						
Nazara Technologies Limited	33.72%	4,040	(15.20%)	(77)	(14.21%)	(82)
(B) Subsidiaries						
Nazara Technologies FZ LLC	6.63%	794	9.30%	47	13.32%	77
Nazara Pte Limited	3.73%	447	23.24%	118	22.98%	133
Nazara Pro Gaming Private Limited	(0.60%)	(72)	(1.86%)	(9)	(1.63%)	(9)
Nextwave Multimedia Private Limited	2.57%	308	(1.63%)	(8)	(1.37%)	(8)
Nodwin Gaming Private Limited	11.26%	1,349	0.20%	1	0.18%	1
Absolute Sports Private Limited	5.19%	621	29.32%	149	25.34%	146
Crimzone Code Private Limited	0.01%	1	(0.61%)	(3)	(0.53%)	(3)
Halaplay Technologies Private Limited	3.20%	384	(4.72%)	(24)	(4.17%)	(24)
Paperboat Apps Private Limited	7.72%	926	17.88%	91	15.67%	90
Openplay Technologies Private Limited	5.41%	648	4.04%	20	3.77%	22
(C) Stepdown subsidiaries						
Nazara Technologies	6.90%	827	(22.80%)	(116)	(14.41%)	(83)
Nazara Zambia Limited	0.00%	1	1.28%	6	0.98%	6
Nzmobile Nigeria Limited	(0.88%)	(105)	(4.82%)	(24)	(3.53%)	(20)
Nzmobile Kenya Limited	1.20%	143	2.51%	13	1.98%	11
Nazara Uganda Limited	0.04%	5	0.40%	2	0.38%	2
Nazara Bangladesh Limited	(0.13%)	(16)	0.01%	0	(0.05%)	(0)
Nzworld Kenya Limited	(0.87%)	(105)	(3.02%)	(15)	(2.42%)	(14)
Nodwin International Gaming Limited	0.05%	6	0.25%	1	0.26%	1
Kiddopia INC	0.91%	109	20.13%	102	17.90%	103
Nodwin Gaming International Pte. Limited	0.18%	22	4.23%	21	3.80%	22
PublishME Global FZ LLC	0.50%	60	(0.68%)	(3)	(5.83%)	(34)
Arrakis Tanitim Organisasyon Pazarlama SAN. TIC. Limited A.S.	0.17%	20	(0.49%)	(2)	3.29%	19
Unpause Entertainment Private Limited	0.00%	0	-%	-	-%	-
Rusk Distribution Private Limited	(0.00%)	(0)	(0.02%)	(0)	(0.02%)	(0)

Significant accounting policies and other explanatory information to the consolidated financial statement (Contd.)

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

Name of the entity in the Group	Net assets i.e. total assets minus total liabilities		Share in profit and loss		Share in total comprehensive income / loss	
	%	Amount	%	Amount	%	Amount
Non-controlling interest	13.10%	1,570	44.01%	223	39.15%	226
(E) Associate of subsidiary						
Mastermind Sports Limited	-%	-	(0.07%)	(0)	(0.06%)	(0)
Moong Lab technologies Private Limited	-%	-	(0.03%)	(0)	(0.03%)	(0)
(F) Joint venture						
Sports Unity Private Limited	-%	-	(0.85%)	(4)	(0.75%)	(4)
Total	100.00%	11,983	100.00%	507	100.00%	577

b) Statement showing shares of entities in consolidated net assets and consolidated statement of profit and loss as at and for the year ended March 31, 2021

Name of the entity in the Group	Net assets i.e. total assets minus total liabilities		Share in profit and loss		Share in total comprehensive income / loss	
	%	Amount	%	Amount	%	Amount
(A) Holding company						
Nazara Technologies Limited	17.21%	1,340	40.06%	55	51.19%	46
(B) Subsidiaries						
Nazara Technologies FZ LLC	10.58%	824	47.60%	65	52.61%	47
Nazara Pte Limited	3.87%	301	9.35%	13	8.06%	7
Nazara Pro Gaming Private Limited	(0.80%)	(62)	(40.73%)	(56)	(61.83%)	(56)
Nextwave Multimedia Private Limited	4.06%	316	(7.64%)	(10)	(11.53%)	(10)
Nodwin Gaming Private Limited	17.28%	1,346	8.43%	12	12.31%	11
Absolute Sports Private Limited	5.94%	463	56.98%	78	85.77%	77
Crimzone Code Private Limited	0.11%	8	(4.78%)	(7)	(7.27%)	(7)
Halaplay Technologies Private Limited	3.96%	309	(0.13%)	(0)	1.01%	1
Paperboat Apps Private Limited	10.74%	837	18.58%	25	28.25%	25
(C) Stepdown subsidiaries						
Nazara Technologies	11.68%	910	(1.03%)	(1)	(25.58%)	(23)
Nazara Zambia Limited	(0.07%)	(5)	(2.46%)	(3)	(2.67%)	(2)
Nzmobile Nigeria Limited	(1.09%)	(85)	(12.28%)	(17)	(14.33%)	(13)
Nzmobile Kenya Limited	1.69%	132	4.63%	6	(0.75%)	(1)

Significant accounting policies and other explanatory information to the consolidated financial statement (Contd.)

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

Name of the entity in the Group	Net assets i.e. total assets minus total liabilities		Share in profit and loss		Share in total comprehensive income / loss	
	%	Amount	%	Amount	%	Amount
Nazara Uganda Limited	0.03%	2	3.34%	5	5.04%	5
Nazara Bangladesh Limited	(0.20%)	(16)	(10.02%)	(14)	(15.05%)	(14)
Nzworld Kenya Limited	(1.16%)	(91)	(17.14%)	(23)	(18.06%)	(16)
Nodwin International Gaming Limited	0.05%	4	1.62%	2	2.02%	2
Kiddopia INC	0.08%	6	1.97%	3	2.89%	3
Non-controlling interest	15.51%	1,208	32.25%	44	51.35%	46
(E) Associate of subsidiary						
Mastermind Sports Limited	0.18%	14	(10.45%)	(14)	(15.87%)	(14)
Moong Lab technologies Private Limited	0.06%	4	(3.31%)	(5)	(5.02%)	(5)
(F) Joint venture						
Sports Unity Private Limited	0.30%	23	(14.85%)	(20)	(22.55%)	(20)
Total	100.00%	7,790	100%	136	99.99%	90

* % in 0 decimal

(#) Zero represents amount less than ₹ one million.

38. Materially partly owned subsidiaries

A) Investment in subsidiaries

Financial information of subsidiaries that have material non-controlling interests is provided below:

Subsidiary	Activities	As at March 31, 2022	As at March 31, 2021	Principal place of business
Nodwin Gaming Private Limited ('Nodwin') (*)	Brand Sponsorship and Media rights for eSports	45.48%	45.48%	India
Absolute Sports Private Limited ('Absolute')	Sports website, Live scores application	24.72%	27.29%	India
Paper Boat Apps Private Limited ('Paper Boat') (**)	Gamified early learning Mobile Application	49.09%	49.09%	India

(*) The numbers below are consolidated for its wholly owned subsidiary Nodwin Gaming International Limited (since August 1, 2020), Nodwin Gaming International PTE Limited (since October 23, 2020), Rusk Distribution Private Limited (since January 20, 2022) and Unpause Entertainment Private Limited (since February 1, 2022)

(**) The numbers below are consolidated for its wholly owned subsidiary Kiddopia Inc.



Significant accounting policies and other explanatory information to the consolidated financial statement (Contd.)

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

Information regarding non-controlling interest

Particulars	Nodwin	Absolute	Paper Boat	Others	Total
As at April 1, 2020	200	65	249	176	690
Total comprehensive income / (loss) attributable to non-controlling interest	11	29	27	(21)	46
Adjustment due to change in interest without change in control	5	-	-	(43)	(38)
Transaction with subsidiary	501	-	-	9	510
As at March 31, 2021	717	94	276	121	1,208
On account of business combination				190	190
Total comprehensive income / (loss) attributable to non-controlling interest	21	50	187	(32)	226
Adjustment due to change in interest without change in control	-	(10)	-	(115)	(125)
Transaction with subsidiary	-	6	5	61	72
As at March 31, 2022	737	140	468	225	1,570

(a) Summarised statement of profit and loss for the year ended

Particulars	Nodwin	Absolute	Paper Boat	Nodwin	Absolute	Paper Boat
	For the year ended March 31, 2022			For the year ended March 31, 2021		
Revenue	2,110	792	2,044	1,357	343	1,758
Profit for the year	44	199	381	27	107	55
Total comprehensive profit for the year	44	196	381	26	106	55
Attributable to non-controlling interests	21	50	187	11	29	27

Notes

1 The subsidiaries had no contingent liabilities or commitments as at March 31, 2022 and March 31, 2021.

b) Summarised balance sheet

Particulars	Nodwin	Absolute	Paper Boat	Nodwin	Absolute	Paper Boat
	As at March 31, 2022			As at March 31, 2021		
Non-current assets	997	12	35	158	11	46
Current assets	1,347	568	992	1,823	291	580
Total assets	2,344	580	1,027	1,981	302	626
Non current liability	83	6	6	4	1	(0)
Current liability	649	84	435	436	23	474
Total liabilities	732	90	441	440	24	474
Total equity	1,612	490	586	1,541	278	153
Intangible Assets	17	78	482	46	88	548
Deferred tax liability	(4)	(20)	(121)	(12)	(22)	(138)
Net Assets	1,625	548	947	1,576	344	563
Attributable to:						
Equity holders of parent	887	408	479	859	250	287
Non-controlling interest	737	140	468	717	94	276

Significant accounting policies and other explanatory information to the consolidated financial statement (Contd.)

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

c) Summarised cash flow information:-

Particulars	Nodwin	Absolute	Paper Boat	Nodwin	Absolute	Paper Boat
	As at March 31, 2022			As at March 31, 2021		
Operating activities	79	165	563	23	89	96
Investing activities	(1,050)	(155)	(394)	2	(170)	(1)
Financing activities	(4)	3	(1)	1,097	(1)	(5)
Net increase / (decrease) in cash and cash equivalents	(975)	13	168	1,122	(82)	90

B) Investment in associates and joint venture

The Group has interest in associates and joint venture are as under

Associates and joint venture	Activities	Relationship	As at March 31, 2022	As at March 31, 2021
Mastermind Sports Limited ('Mastermind')	Value added services	Associate	26.00%	26.00%
"Moong Labs Technologies Private Limited ('Moonglabs')"	Development of mobile software	Associate	29.38%	24.41%
Sports Unity Private Limited ('Sports Unity')	Development of quiz products	Joint venture	62.53%	62.53%

a) Summaries statement of net assets as at March 31, 2022:

	Moong Labs	Mastermind	Sports Unity
Non- current assets	0	69	14
Current assets	17	14	3
Current liabilities	13	6	7
Non- current liabilities	0	0	25
Total equity	4	77	(15)
Carrying amount of the investment	-	-	-

Summaries statement of net assets as at March 31, 2021

	Moong Labs	Mastermind	Sports Unity
Non- current assets	0	0	1
Current assets	3	11	2
Current liabilities	4	3	5
Non- current liabilities	8	0	10
Total equity	(9)	8	(13)
Carrying amount of the investment	4	14	23

b) Summaries statement of profit and loss:**Summarised statement of profit and loss for the year ended on March 31, 2022**

	Moong Labs	Mastermind	Sports Unity
Revenue	6	2	2
Profit / (loss) for the year	(0)	0	(24)
Total comprehensive income / (loss) for the year	(0)	0	(24)
Group's share of (loss) for the year	(0)	(0)	(5)

Summarised statement of profit and loss for the year ended on March 31, 2021

	Moong Labs	Mastermind	Sports Unity
Revenue	3	10	11
(loss) for the year	(8)	(30)	(23)
Total comprehensive (loss) for the year	(8)	(30)	(23)
Group's share of (loss) for the year	(2)	(8)	(14)

The associates and joint venture had no contingent liabilities or capital commitments as at March 31, 2022 and March 31, 2021.

Significant accounting policies and other explanatory information to the consolidated financial statement (Contd.)

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

c) Reconciliation of net equity in associates

Reconciliation of net equity in associates as at March 31, 2022:

	Moong Labs	Mastermind	Sports Unity
Opening balance of investment	4	14	23
Add: Share of total comprehensive (loss)	(0)	(0)	(4)
Less: impairment	(4)	(14)	(19)
Add: Foreign exchange gain/(loss)	-	-	-
Closing balance of investment	-	-	-

Reconciliation of net equity in associates as at March 31, 2021:

	Moong Labs	Mastermind	Sports Unity
Opening balance of investment	9	28	44
Add: Share of total comprehensive (loss)	(2)	(8)	(14)
Less: impairment	(2)	(6)	(6)
Add: Foreign exchange (loss)	(0)	(1)	-
Closing balance of investment	4	14	23

(#) Zero represents amount less than ₹ one million.

39. Business combination

A. There were no acquisitions of controlling interest during the year ended March 31, 2021. Summary of acquisitions during the year ended March 31, 2022 is as follows

Subsidiary / Business acquired during the year	Date of Acquisition	Description of the acquiree	% of voting equity instruments acquired	Description of control over the acquiree
Openplay Technologies Private Limited ("Openplay") (*)	September 01, 2021	The Company is engaged in building and publishing multiplayer skill games under the brand "Classic Games".	23.30%	Sole control over the decision making of significant matters of the acquiree.
Publishme Global FZ LLC ("PMG") (**)	September 22, 2021	The Company is a full-service games marketing and publishing agency which works extensively with gaming publishers in Turkey and MENA region.	100.00%	Majority of voting rights
Gaming business and Live intellectual properties (IPs) of OML Entertainment Private Limited ("OML") (***)	October 01, 2021	creation and management of live IPs and gaming talent management.	-	Acquisition of Gaming business and live IPs of OML is through agreement to sell.

* During the year, the Group has acquired remaining 76.70% stake in Openplay by way of issue of 7,670 equity shares of the Company to existing shareholder for consideration of ₹ 1,430 million.

** During the year, the founder of Arrakis Tanitim Organisasyon Pazarlama SAN. TIC. Limited A.S. (subsidiary of PMG) subscribed to 30.82% stake in PMG. Post this purchase, the Group's stake in PMG reduced to 69.18%

*** Nodwin has entered into an "Agreement to sell" with OML on September 17, 2021 to record the terms and conditions of the acquisition of Gaming and Live IPs of OML and has acquired Gaming business and Live IPs of OML Entertainment Private Limited ("OML") as a going concern on a slump sale basis, for a lump sum cash consideration of ₹ 730 million. The effective date of the acquisition is October 1, 2021.

Significant accounting policies and other explanatory information to the consolidated financial statement (Contd.)

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

B Quantitative details of shares acquired and purchase consideration

Particulars	Openplay Technologies Private Limited	Publishme Global FZ LLC
Number of equity shares acquired	2,330	5,301
Fair value per share	1,86,410	20,185

Purchase consideration

	Openplay Technologies Private Limited	Publishme Global FZ LLC	OML Entertainment Private Limited
Cash consideration	434	173	730
Total consideration	434	173	730

C Disclosure related to net assets acquired in business combination:

Particulars	Openplay Technologies Private Limited	Publishme Global FZ LLC	OML Entertainment Private Limited
Non-current assets	268	51	368
Property and equipment	6	7	8
Right-of-use assets	-	9	-
Intangible assets	258	1	360
Other non current financial assets	2	1	-
Non-current tax assets	2	32	-
Deferred tax assets (net)	-	1	-
Current assets	83	50	25
(a) Current investments	1	-	-
(b) Trade receivables	9	34	14
(c) Cash and cash equivalents	37	9	-
(d) Other current financial assets	16	3	-
(e) Other current assets	20	4	11
Total assets	351	101	393
Non-current liabilities	50	9	91
(a) Provision for gratuity	6	0	0
(b) Provisions	-	-	-

Particulars	Openplay Technologies Private Limited	Publishme Global FZ LLC	OML Entertainment Private Limited
(c) Lease liabilities	-	9	-
(d) Deferred tax liabilities	44	-	91
Current liabilities	54	56	2
(a) Trade payables	22	26	-
(b) Other current financial liabilities	-	23	2
(c) Other current liabilities	20	3	-
(d) Provision for compensated absences	-	0	-
(e) Provisions	12	2	-
(f) Lease liabilities	-	2	-
Total liabilities	104	65	93
Total identifiable net assets as on date of acquisition	247	36	300
Non-controlling interest	189	-	-
Goodwill arising on acquisition	377	137	430
Purchase consideration transferred	434	173	730

D The fair value measurements are based on significant inputs that are not observable in the market. The fair value estimate is based on the below criterias:

Particulars	Openplay Technologies Private Limited	Publishme Global FZ LLC	OML Entertainment Private Limited
Assumed discount rate	27%	NA	13.50%
Long-term sustainable growth rates	5%	NA	5.00%

The goodwill comprises the value of expected synergies arising from these acquisitions and a workforce list, which is not separately recognised. Goodwill is allocated to segments as listed below. It does not meet the criteria for recognition as an intangible asset under Ind AS 38. None of the goodwill recognised is expected to be deductible for income tax purposes.

Particulars	Openplay Technologies Private Limited	Publishme Global FZ LLC	OML Entertainment Private Limited
eSports	-	137	430
Real money gaming	377	-	-

Significant accounting policies and other explanatory information to the consolidated financial statement (Contd.)

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

E Details pertaining to identifiable intangible assets as on the date of acquisition

Particulars	Openplay Technologies Private Limited	Publishme Global FZ LLC	OML Entertainment Private Limited
Identifiable intangible assets			
Brand	167	-	-
Software	91	-	-
Intellectual properties	-	-	360
Deferred tax liability on intangible assets	(45)	-	(91)
Net identifiable intangible assets	213	-	269

F Analysis of cash flows on acquisition

Particulars	Openplay Technologies Private Limited	Publishme Global FZ LLC	OML Entertainment Private Limited
Purchase consideration transferred	(434)	(173)	(730)
Net cash acquired with the subsidiary	37	9	-
Net Cashflow on acquisition	(397)	(164)	(730)

G Disclosure related to combined entity's revenue and profits as if the acquisition had been done at beginning of the period

Particulars	Revenue for the year ended on March 31, 2022	Pre-acquisition period revenue		Consolidated Revenue as if the acquisition had been done at the beginning of the year
		Openplay Technologies Private Limited	Publishme Global FZ LLC	
Revenue				
Gamified early learning	2,044	-	-	2,044
eSports	3,039	-	223	3,262
Telco subscription	624	-	-	624
Freemium	213	-	-	213
Real money gaming	297	166	-	463
Total Revenue	6,217	166	223	6,606
Profit for the year ended March 31, 2022	507	22	5	534

On acquisition of gaming and live IP from OML on a slump sale basis, the subsidiary of the group had acquired only the net assets pertaining to the said business and hence, the data for revenue from operation is not available in case of the said acquisition.

(#) Zero represents amount less than ₹ one million.

40. Financial ratios

Ratios / measures	March 31, 2022	March 31, 2021	% Change	Reason for variance
Current ratio (times)	5	3	65.75%	There is increase in investment of mutual fund during the current year, along with reduction in expense payable.
Debt equity ratio (times)	11	4	180.53%	Variance is due to recognition of additional lease liability in the current year.
Debt service coverage ratio (times)	11	4	180.53%	Ratio improved due to increase in the EBIT
Return on equity (%)	5.96%	2.35%	154.15%	There is issue of shares during the year, along with increase in profit after tax.
Trade receivables turnover ratio (times)	8	7	22.10%	There is increase in receivables and revenue from operation during the year.
Trade payables turnover ratio (times)	7	5	52.41%	The reduction in payable balance is greater than that for expenses, leading to net increase in turnover ratio.
Net capital turnover ratio (times)	1	1	(20.93%)	There is increase in working capital during the current year. Working capital has increased due to substantial investment in mutual fund.
Net profit (%)	9.28%	1.97%	370.62%	There is increase in revenue along with increase in net profit during the year.
Return on capital employed (%)	5.50%	0.87%	530.38%	There is increase in EBIT along with increase in capital employed during the current year.
Return on investment (%)	1.81%	0.78%	131.41%	There is increase in interest income along with increase in investment during current year.

Significant accounting policies and other explanatory information to the consolidated financial statement (Contd.)

(All amounts in ₹ million, except share and per share data, unless otherwise stated)

Ratios / measures	Methodologies
Current ratio	Current assets over current liabilities
Debt equity ratio	Debt over total shareholders' equity [Debt includes current and non-current lease liabilities]
Debt service coverage ratio	EBIT over total debt [EBIT - Earnings before interest and taxes, excluding other income]
Return on equity [%]	PAT over total average shareholder's equity [PAT - Profit after tax]
Trade receivables turnover ratio	Revenue from operations over average trade receivables
Trade payables turnover ratio [days]	Adjusted expenses over average trade payables [Adjusted expenses refers to other expenses net of non-cash expenses and donations]
Net capital turnover ratio	Revenue from operations over average working capital
Net profit [%]	Net profit over revenue
Return on capital employed [%]	EBIT over average capital employed [EBIT - earning before interest and taxes excluding other income] [Capital employed refers to total shareholders' equity and debt]
Return on investment	Interest income, net gain on sale of investments and net fair value gain over average investments [Investments includes non-current investment, current investment and margin-money deposit]

consideration other than cash on preferential basis as part consideration for acquisition of stake in Datawrkz Business Solutions Private Limited and (2) increase in limits to ₹ 1,000 Crores in order to provide loan, guarantee or security in respect of loan made to any person or body corporate or to make investment in any other body corporate under Section 186 of the Companies Act, 2013.

- ii The Group has acquired 22,499 equity shares of ₹ 1 each of Datawrkz Business Solutions Private Limited ("Datawrkz") on April 13, 2022 and paid consideration of ₹ 600 million to the Sellers by way of (a) cash consideration of ₹ 350 million and (b) issuance and allotment of 1,10,617 equity shares of ₹ 4 each of the Company at a price of ₹ 2,260 each. With this the Company now holds 33% of the issued and paid up share capital of Datawrkz on fully diluted basis.
- iii Nazara Uganda Limited ("NUL") incorporated in Uganda, step down subsidiary of the Group, has initiated the process of winding up by filing the application on April 13, 2022. NUL does not have any business operations and therefore the winding up of NUL will not affect the turnover/revenue of the Group.
- iv The Holding Company has proposed to acquire additional 71 equity shares of Paper Boat Apps Private Limited ("Paper Boat") for a total consideration of ₹ 100 million as approved by Board of Directors on April 14, 2022, Pursuant to this, Company's stake in Paper Boat will increase from 50.91% to 51.58%.
- v Subsidiary of the Company, Nodwin Gaming Private Limited has acquired 35% equity stake, on fully diluted basis, in Brandscale Innovations Private Limited by way of subscription of 567 equity shares having a face value of ₹ 100 each for a total consideration of ₹ 100 millions on April 22, 2022.
- vi On May 13, 2022, the Board of Directors of the Company have approved the issue of bonus shares to existing shareholders in the ratio of 1:1 of the Company which is subject to approval from shareholders and other requisite approvals, if any.

41. Events after the reporting period

- i Vide Extraordinary General Meeting (EGM) held on April 04, 2022 through Video Conferencing ("VC"), shareholders approved (1) Issuance of upto 1,10,617 equity shares for

As per our report of even date

For Walker Chandiok & Co LLP

Chartered Accountants
Firm's Registration No.: 001076N/N500013

Nikhil Vaid

Partner
Membership No: 213356

Place: Hyderabad
Date : May 13, 2022

For and on behalf of the Board of directors of Nazara Technologies Limited

Vikash Mittersain

Chairman Cum Managing Director
DIN-00156740

Rakesh Shah

Chief Financial Officer

Place: Mumbai
Date : May 13, 2022

Nitish Mittersain

Joint Managing Director
DIN-02347434

Pravesh Palod

Company Secretary
Membership No : 57964

Manish Agarwal

Chief Executive Officer

Form AOC - 1

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

(Amounts ₹ in millions)

Part "A": Subsidiaries

Name of the Subsidiary Company	Nazara Technologies FZ LLC	Nazara Bangladesh Ltd	Nazara Pte Ltd	Nazara Technologies (Mauritius)	NZMobile Nigeria Ltd	Nazara Zambia Ltd	NZ mobile Kenya Ltd	Nazara Uganda Ltd	NZworld Kenya Ltd	Kiddopia INC.	Nodwin Gaming International Limited	Nodwin Gaming International Pte Limited	Nazara Pro Gaming Private Limited
Reporting period for the subsidiary concerned, if different from the holding company's reporting period.	March 31, 2022	March 31, 2022	March 31, 2022	March 31, 2022	March 31, 2022	March 31, 2022	March 31, 2022	March 31, 2022	March 31, 2022	March 31, 2022	March 31, 2022	March 31, 2022	March 31, 2022
Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	AED	BDT	USD	USD	NGN	ZMW	KES	UGX	KES	USD	USD	USD	INR
	Rate: 20.74	Rate: 0.9	Rate: 76.18	Rate: 76.18	Rate: 0.18	Rate: 4.28	Rate: 0.67	Rate: 0.02	Rate: 0.67	Rate: 76.18	Rate: 76.18	Rate: 76.18	
Share capital	1.04	0.09	0.06	0.29	0.18	0.06	0.07	0.02	0.02	0.01	0.01	0.01	0.10
Reserves & surplus	902.57	-16.46	447.33	826.51	-103.55	0.48	140.01	3.92	-149.29	110.39	5.69	21.92	-71.99
Total assets	940.24	37.42	529.63	898.23	142.97	1.00	299.09	4.20	10.92	524.68	60.93	267.23	10.40
Total Liabilities	36.11	53.44	82.25	71.44	246.35	0.45	159.02	0.09	160.14	414.27	55.23	245.30	82.29
Investments	142.46	-	0.29	0.10	-	-	-	-	-	-	-	-	-
Turnover	262.67	-	263.99	25.81	10.82	-	59.20	-	1.39	1199.33	15.11	516.59	0.38
Profit before taxation	47.49	-0.19	146.77	-22.18	-24.44	6.73	17.43	2.72	-21.92	129.14	1.29	25.83	-9.42
Provision for taxation	-	0.00	9.16	-	0.03	0.24	8.31	0.96	-	27.12	-	4.39	-
Profit after taxation	47.49	-0.19	137.61	-22.18	-24.47	6.49	9.11	1.76	-21.92	102.02	1.29	21.44	-9.42
Proposed Dividend	-	-	-	93.14	-	-	-	-	-	-	-	-	-
% of shareholding	100	100	100	100	100	100	100	100	70.00	50.91	54.52	54.52	100
Date on which it became the Subsidiary of the Company	August 07, 2011	July 24, 2014	March 11, 2013	March 29, 2013	May 15, 2013	May 27, 2013	June 04, 2013	October 31, 2013	April 01, 2018	June 07, 2019	August 02, 2019	June 30, 2021	May 16, 2017

Form AOC - 1 (Contd.)

(Amounts ₹ in millions)

Part "A": Subsidiaries

Name of the Subsidiary Company	Nextwave Multimedia Private Limited	Sports Unity Private Limited	Nodwin Gaming Private Limited	Halaplay Technologies Private Limited	Absolute Sports Private Limited	Paper Boat Apps Private Limited	Crimzoncode Technologies Private Limited	Openplay Technologies Private Limited	Publishme Global FZ LLC	Arrakis Tanitim Organizasyon Pazarlama SAN. TIC. Ltd. A. S.	Rusk Distribution Private Limited	Unpause Entertainment Pvt Ltd
Reporting period for the subsidiary concerned, if different from the holding company's reporting period.	March 31, 2022	March 31, 2022	March 31, 2022	March 31, 2022	March 31, 2022	March 31, 2022	March 31, 2022	March 31, 2022	March 31, 2022	March 31, 2022	March 31, 2022	March 31, 2022
Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	INR	INR	INR	INR	INR	INR	INR	INR	AED 20.74	TRY 5.14	INR	INR
Share capital	3.33	48.70	0.15	17.36	0.19	0.11	38.46	0.10	0.16	0.01	0.10	0.10
Reserves & surplus	182.84	-63.42	1584.04	0.13	490.25	475.02	-39.25	135.25	-9.32	11.88	-0.11	Unpause Entertainment Private Limited is yet to commence operations
Total assets	204.30	17.07	2150.51	0.18	579.97	544.17	7.62	219.31	249.36	32.77	6.40	
Total Liabilities	18.12	31.79	566.32	0.03	89.53	69.04	8.41	83.96	99.77	13.18	6.42	
Investments	-	-	217.38	0.15	0.00	0.02	-	63.85	62.76	-	-	
Turnover	191.74	1.58	1749.10	0.06	791.87	1057.77	0.47	399.47	97.84	226.15	6.20	
Profit before taxation	10.19	-21.76	53.98	-0.01	280.00	430.89	-3.40	54.70	-9.12	7.91	-0.11	
Provision for taxation	1.38	-	10.89	-	73.72	104.88	0.00	12.95	-	6.06	-	
Profit after taxation	8.81	-21.76	43.09	-0.01	206.31	326.01	-3.40	41.75	-9.12	1.85	-0.11	
Proposed Dividend	-	-	-	-	-	-	-	-	-	-	-	
% of shareholding	52.38	62.53	54.52	64.70	75.28	50.91	100	100	69.18	69.18	27.81	54.52
Date on which it became the Subsidiary of the Company	December 22, 2017	May 10, 2019	January 10, 2018	April 08, 2019	September 16, 2019	January 17, 2020	February 21, 2020	September 01, 2021	July 29, 2021	September 22, 2021	February 28, 2022	February 01, 2022

**Form AOC - 1 (Contd.)****Part “B”: Associates and Joint Ventures****Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures**

Name of associates/Joint Ventures	Mastermind Sports Limited	Moong Labs Technologies Private Limited
Latest audited Balance Sheet Date	March 31, 2022	March 31, 2022
Shares of Associate/Joint Ventures held by the company on the year end		
(i) No. of Shares	83,526 ordinary shares	5,658 Equity Shares of ₹ 10/- each
(ii) Amount of Investment in Associates/Joint Venture (Amt. in millions)	26.04	10
(iii) Extend of Holding%	26	*29.38
Description of how there is significant influence	Associate of subsidiary	Associate Company
Reason why the associate/joint venture is not consolidated	N.A	N.A
Net worth attributable to shareholding as per latest audited Balance Sheet (Amt. in millions)	77.1	4.41
Profit/Loss for the year (Amt. in millions)	0.56	0.05
i. Considered in Consolidation	Yes	Yes

**The percentage calculation of extent of holding is not on fully diluted basis.*

By order of the Board of Directors
For **Nazara Technologies Limited**

Place : Mumbai
Date : May 13, 2022

Vikash Mittersain
Chairman & Managing Director
DIN No. 00156740

Nitish Mittersain
Joint Managing Director
DIN No. 02347434

Notes: The following information shall be furnished at the end of the statement:

- Names of subsidiaries which are yet to commence operations: Unpause Entertainment Pvt. Ltd.
- The amount “0.00” represents value less than one million.

NAZARA TECHNOLOGIES LIMITED**CIN:** L72900MH1999PLC122970**Regd. Office:** 51-54, Maker Chambers 3, Nariman Point, Mumbai – 400 021**Tel.:** +91-22-40330800 **Fax:** +91-22-22810606 **Email:** investors@nazara.com **Website:** www.nazara.com

NOTICE

NOTICE is hereby given that the 23rd (Twenty-Third) Annual General Meeting (**“AGM”**) of the Members of **NAZARA TECHNOLOGIES LIMITED (“the Company”)** will be held on Thursday, the 29th day of September, 2022 at 02:00 p.m. (IST) through Video Conferencing (“VC”) / Other Audio Visual Means (“OAVM”), to transact, with or without modification(s) the following businesses:

ORDINARY BUSINESS:

- 1.** To receive, consider and adopt:
 - a) the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2022, together with the Reports of the Board of Directors and the Auditors thereon; and
 - b) the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2022, together with the Report of the Auditors thereon.
- 2.** To appoint a Director in place of Mr. Nitish Vikash Mittersain (DIN: 02347434), who retires by rotation and, being eligible, offers himself for re-appointment.

For and on behalf of Board of Directors,
Nazara Technologies Limited

Pravesh Palod

Company Secretary and Compliance Officer
M. No. A57964

Date : August 29, 2022

Place: Mumbai

Registered Office:

51-54, Maker Chambers 3, Nariman Point, Mumbai – 400 021

CIN: L72900MH1999PLC122970

Website: www.nazara.com

Email: investors@nazara.com

Tel.: +91-22-40330800

Fax: +91-22-22810606

Notice (Contd.)

NOTES:

1. In view of the continuing COVID-19 pandemic and pursuant to General Circulars No. 14/2020 dated April 08, 2020, General Circular No. 17/2020 dated April 13, 2020, General Circular No. 20/2020 dated May 05, 2020, General Circular No. 02/2021 dated January 13, 2021, General Circular No. 21/2021 dated December 14, 2021, General Circular No. 02/2022 dated May 5, 2022 and other relevant circulars issued by the Ministry of Corporate Affairs ("MCA Circulars"), Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, Circular No. SEBI/HO/CFD/CMD2/CIR /P/2021/11 dated January 15, 2021 and Circular SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 issued by the Securities and Exchange Board of India ("SEBI Circulars") and in compliance with the provisions of the Companies Act, 2013 ("Act") and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Company is convening the 23rd Annual General Meeting ('AGM') through Video Conferencing ('VC') or Other Audio-Visual Means ('OAVM'), without the physical presence of the Members.
2. The deemed venue for the 23rd AGM shall be the Registered Office of the Company situated at 51-54, Maker Chambers 3, Nariman Point, Mumbai – 400 021.
3. Pursuant to the provisions of the Act, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his / her behalf and the proxy need not be a member of the Company. Since this AGM is being held pursuant to the MCA circulars and SEBI circulars through VC / OAVM, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for the AGM and hence the proxy form, attendance slip and route map of AGM are not annexed to this Notice.
4. In accordance with the aforesaid MCA Circulars, SEBI Circulars and applicable provisions of the Act and Listing Regulations, the 23rd AGM of the Company is being conducted through VC/ OAVM. Central Depository Services (India) Limited (CDSL) will be providing facility for voting through remote e-voting, for participation in the AGM through VC/ OAVM and e-voting during the AGM. The procedure for voting through remote e-voting, e-voting during AGM and participating in AGM through VC/OAVM is explained at Notes below and is also available on the website of the Company at www.nazara.com.
5. In terms of the provisions of Section 152 of the Act, Mr. Nitish Vikash Mittersain, Joint Managing Director, retires by rotation at the Meeting. The Nomination, Remuneration and Compensation Committee and the Board of Directors recommend his re-appointment. Mr. Nitish Vikash Mittersain is interested in the Ordinary Resolution at Item no 2 above, with regard to his re-appointment. Relatives of Mr. Nitish Vikash Mittersain may be deemed to be interested in the aforesaid resolution, to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the Ordinary Business set out of the Notice.
6. The relevant details, pursuant to Regulation 36(3) of the Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director retiring by rotation seeking re-appointment at this AGM are furnished as an Annexure to the Notice.
7. Members of the Company under the category of Institutional Investors are encouraged to attend and vote at the AGM through VC / OAVM. Institutional Investors, who are Members of the Company and Corporate Members intending to appoint an authorised representative to attend the AGM through VC and to vote thereat through remote e-voting are requested to send a certified copy of the Board Resolution/ Letter of Authorisation/ Power of Attorney to the Scrutiniser by e-mail at scrutinizer@mgconsulting.in with a copy marked to cs@nazara.com.
8. The Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
9. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the Directors are interested under Section 189 of the Act, will be available electronically for inspection by the Members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice up to the date of 23rd AGM, i.e. September 29, 2022. Members seeking to inspect such documents can send an email to cs@nazara.com and the Certificate from the Secretarial Auditors of the Company certifying that the ESOP Scheme(s) of the Company are being implemented in accordance with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, shall be available for inspection electronically during the AGM.
10. In case of joint holders, the member whose name appears as the first holder in the order of their names as per the Register of Members of the Company will be entitled to cast vote at the AGM.

Notice (Contd.)

11. Members who have not yet registered their e-mail addresses are requested to register the same with their respective Depository Participants ("DP") in case the shares are held by them in electronic form and with Link Intime India Private Limited ("LI IPL") in case the shares are held by them in physical form.
12. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, etc., to their DPs if the shares are held by them in electronic form and to LI IPL if the shares are held by them in physical form.
13. In accordance with the aforesaid MCA Circulars and SEBI Circulars, the Notice of the AGM along with the Annual Report 2021-22 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/ Depositories, unless any Member has requested for a physical copy of the same.
Members may note that the Notice and Annual Report 2021-22 will also be available on the Company's website www.nazara.com, websites of the Stock Exchanges, that is, BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and on the website of CDSL www.evotingindia.com.
14. As per the provisions of Section 72 of the Act and SEBI Circular, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/she may submit the same in ISR-3 or SH-14 as the case may be. The said forms can be downloaded from the Company's website https://corp.nazara.com/?page_id=6620. Members are requested to submit the said details to their Depository Participants in case the shares are held by them in dematerialised form and to LI IPL in case the shares are held by them in physical form, quoting their folio number.
15. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised to not leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified from time to time.
16. The Company has sent individual letters to all the Members holding shares of the Company in physical form for furnishing their PAN, KYC details and Nomination pursuant

to SEBI Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 3, 2021 in Form ISR-1. The Form ISR-1 is also available on the website of the Company at https://corp.nazara.com/?page_id=6620 Attention of the Members holding shares of the Company in physical form is invited to go through and submit the said Form ISR-1.

17. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the Listed Companies to issue securities in dematerialized form only while processing service requests, viz., issue of duplicate securities certificate; claim from unclaimed suspense account; renewal / exchange of securities certificate; endorsement; sub-division / splitting of securities certificate; consolidation of securities certificates / folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR-4. The said form can be downloaded from the Company's website https://corp.nazara.com/?page_id=6620. It may be noted that any service request can be processed only after the folio is KYC Compliant.
18. Members desirous of seeking any information relating to the accounts and operations of the Company are requested to write to the Company at least 7 (Seven) days in advance of the Meeting through email on cs@nazara.com to enable the Company to provide the information required at the meeting. The same will be replied by the Company suitably.
19. Non-Resident Indian members are requested to inform the Company's RTA, immediately of any change in their residential status on return to India for permanent settlement, their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code, IFSC and MICR Code, as applicable if such details were not furnished earlier.
20. To comply with the provisions of Section 88 of the Companies Act, 2013 read with Rule 3 of the Companies (Management and Administration) Rule 2014, the Company shall be required to update its database by incorporating some additional details of its members in its records. Members are therefore requested to kindly submit their e-mail ID and other details to their respective depositories.
21. **Green Initiative:** To support the Green Initiative, members who have not registered their e-mail address are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars etc. from the Company electronically.

Notice (Contd.)

Instructions for e-Voting And Joining the Agm are as Follows:

A. VOTING THROUGH ELECTRONIC MEANS

- i. As you are aware, in view of the continuing COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the MCA. The forthcoming AGM will thus be held through VC or OAVM. Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
- ii. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of Listing Regulations, and MCA Circulars, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorised e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
- iii. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
- iv. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
- v. In line with the MCA Circulars the Notice calling the AGM has been uploaded on the website of the Company at www.nazara.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com.
- vi. The voting rights of members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date i.e., Thursday, September 22, 2022 (Cut-off date).
- vii. Any person, who acquires shares of the Company and become members of the Company after dispatch of the Notice and holding shares as on the cut-off-date i.e. Thursday, September 22, 2022 may follow the same instructions as mentioned above for e-voting. A person who is not a member as on the Cut-off date should treat the Notice for information purpose only.
- viii. Only those Members/ Shareholders, who will be present in the AGM through VC/OAVM facility and have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system in the AGM. Members who have already cast their votes by remote e-voting are eligible to attend the Meeting through VC/OAVM; however, these Members are not entitled to cast their vote again during the Meeting. A Member can opt for only single mode of voting i.e. through Remote e-voting or voting through VC/OAVM mode during the AGM.
- ix. The Company has appointed M/s. Manish Ghia & Associates, Company Secretaries (Membership No.: FCS 3531: COP No. 6252) as Scrutinizer to scrutinize the process of remote e-voting and voting on the date of AGM in a fair and transparent manner.
- x. The Voting results will be declared within 2 (Two) working days from the conclusion of AGM. The results declared along with the Scrutinizer's Report shall be uploaded on the website of the Company i.e. www.nazara.com and on the website of CDSL e-voting i.e. www.evotingindia.com and the same shall also be communicated to BSE Limited and the National Stock Exchange of India Limited, where the shares of the Company are listed.
- xi. The Notice of the 23rd AGM and instructions for e-voting along with instruction for participating in the Meeting through Video conferencing are being sent by electronic mode to all members whose e-mail address are registered with the Company/Depository Participant(s).

Notice (Contd.)

INSTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:

- a) The voting period begins on **Saturday, September 24, 2022 at 09:00 a.m.** and ends on **Wednesday, September 28, 2022 at 05:00 p.m.** During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Thursday, September 22, 2022 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- b) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- c) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

- d) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:

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

Notice (Contd.)

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

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

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

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

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

- ✓ The shareholders should log on to the e-voting website www.evotingindia.com.
- ✓ Click on “Shareholders” module.
- ✓ Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- ✓ Next enter the Image Verification as displayed and Click on Login.
- ✓ If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.

Notice (Contd.)

- ✓ If you are a first-time user follow the steps given below:

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

- f) After entering these details appropriately, click on “SUBMIT” tab.
- g) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- h) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- i) Click on the EVSN of **Nazara Technologies Limited** on which you choose to vote. The EVSN of the Company is **220903041**.
- j) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- k) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.

- l) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- m) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- n) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- o) If a demat account holder has forgotten the login password, then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- p) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutiniser to verify the same.
 - Alternatively, Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorised signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; cs@nazara.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutiniser to verify the same.

**Notice (Contd.)****INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:**

- The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
- The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
- Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
- Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
- Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least **3 (three) days** prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at cs@nazara.com. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **3 (three) days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at cs@nazara.com. These queries will be replied to by the Company suitably by email. The Company reserves the right to limit the number of members asking questions depending on the availability of time at the AGM.
- Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

- Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
- If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

- For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to **Company/RTA email id**.
- For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)
- For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 022-23058542/43.

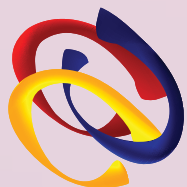
All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022- 23058542/43.

Notice (Contd.)**Annexure to the 23rd AGM Notice**

Additional information on Director recommended for re-appointment in the Annual General Meeting in pursuance of Regulation 36 of the SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015 and Secretarial Standard-2 issued by the Institute of Company Secretaries of India:

Name of the Director	Mr. Nitish Vikash Mittersain
DIN	02347434
Date of Birth (Age)	March 03, 1979 (43 years)
Nationality	Indian
Date of First Appointment	December 08, 1999
Designation	Joint Managing Director
Qualification	Commerce Graduate from University of Mumbai
Experience (including expertise in specific functional area) / Brief Resume	Mr. Nitish Mittersain is the Founder and Joint Managing Director of Nazara Technologies Limited and has more than 21 years' of experience in the internet and mobile sectors. He is also trustee of the Dr. B. K. Goyal Heart Foundation and India Business Group (Chamber of Commerce).
Terms & Conditions of Re-appointment	Joint Managing Director, liable to retire by rotation
Relationship with other Directors / Key Managerial Personnel of the Company	Son of Mr. Vikash Pratapchand Mittersain, Chairman & Managing Director and not related to any other Director / Key Managerial Personnel
Number of Meetings of the Board attended during the financial year 2021-22	Please refer Corporate Governance Report
Shareholding in the Company as on March 31, 2022 including shareholding as a beneficial owner.	10,11,453 Equity Shares of ₹ 4/- each
Remuneration proposed to be paid	As per existing approved terms of appointment
Remuneration last drawn (FY 2021-22)	Please refer Corporate Governance Report
List of Directorships in other Companies	Neerja International Fashions Limited Cube3 Labs Private Limited Paper Boat Apps Private Limited Cube 3 Pte Limited
Names of Listed Entities in which the Director also holds the Directorship and the membership of Committees of the Board as on March 31, 2022	None
List of Chairmanship or membership of various Committees in others public Companies (includes only Audit Committee and Stakeholders Relationship Committee) as on March 31, 2022	None
Listed entities from which the Director has resigned in the past three years	None

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