Auditors' Report on the Restated Consolidated Summary statement of Assets and Liabilities as at September 30, 2017, March 31, 2017, 2016, 2015, 2014, and 2013 and Profits and Losses and Cash Flows for six month period ended September 30, 2017 and for each of the years ended March 31, 2017, 2016, 2015, 2014, and 2013 of Nazara Technologies Limited (collectively, the "Restated Consolidated Summary Statements")

January 17, 2018

To
The Board of Directors
Nazara Technologies Limited
51-57, Maker Chambers 3,
Nariman Point, Mumbai 400021, Maharashtra, India

Dear Sirs,

1. We have examined the attached Restated Consolidated Summary Statements of Nazara Technologies Limited (formerly known as Nazara Technologies Private Limited) ('the Company') and its subsidiaries (together referred to as "the Group") and its associate, as at and for six month period ended September 30, 2017 and as at and for each of the years ended March 31, 2017,2016, 2015, 2014, and 2013, annexed to this report and prepared by the Company for the purpose of inclusion in the offer document in connection with the proposed Initial Public Offer ("IPO"). The Restated Consolidated Summary Statements, which have been approved by the Board of Directors of the Company, have been prepared in accordance with the requirements of:
    a. Sub-clauses (i), (ii) and (iii) of clause (b) of Sub-section (1) of Section 26 of Part I of Chapter III of the Companies Act 2013 (the "Act") read with Rules 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014 (the "Rules"); and
    b. relevant provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended issued by the Securities and Exchange Board of India ("SEBI") on August 26, 2009, as amended from time to time in pursuance of the Securities and Exchange Board of India Act, 1992 (the "ICDR Regulations").

Management's Responsibility for the Restated Consolidated Summary Statements

2. The preparation of the Restated Consolidated Summary Statements, which is to be included in the Draft Red Herring Prospectus ("DRHP"), is the responsibility of the Management of the Company for the purpose set out in paragraph 13 below. The Management's responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Consolidated Summary Statements. The Management is also responsible for identifying and ensuring that the Company complies with the Rules and the ICDR Regulations.

Auditors' Responsibilities

3. We have examined such Restated Consolidated Summary Statements taking into consideration:
    a. the terms of reference and terms of our engagement agreed with you vide our engagement letter dated October 25, 2017, requesting us to carry out the assignment, in connection with the proposed IPO of the Company;
    b. the Guidance Note on Reports in Company Prospectuses (Revised 2016) issued by the Institute of Chartered Accountants of India (the "Guidance Note"); and
    c. the requirements of Section 26 of the Act read with applicable provisions within Rule 4 to 6 of the Rules and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act and the ICDR Regulations in connection with the IPO.
4. The Company proposes to make an IPO which comprise an offer for sale made by certain shareholders' of existing equity shares of Rs,10 each, at such premium, arrived at by the book building process (referred to as the 'Offer' or 'Issue'), as may be decided Board of Directors of the Company.

Restated Consolidated Summary Statements as per audited consolidated financial statements:

5. The Restated Consolidated Summary Statements have been compiled by the management from the audited interim financial statements of the Group and its associate as at and for the six months ended September 30, 2017 and the audited financial statements of the Group as at and for each of the years ended March 31, 2017, 2016, 2015, 2014 and 2013 prepared in accordance with accounting principles generally accepted in India, at the relevant time ("Indian GAAP") which have been approved by the Board of Directors at their meetings held on January 17, 2018, November 30, 2017 and November 24, 2016, January 4, 2018, January 4, 2018 and January 4, 2018, respectively and other financial records.

Those consolidated financial statements include financial information in relation to the Company's subsidiaries and its associate as listed below, which are included in the above-mentioned consolidated financial statements:

Sr. No	Name of the entity	Name of the audit firm	Relationship	Period covered
1	Nazara Pte Ltd, Singapore	Bestar Assurance PAC	Subsidiary	As at and for the years ended March 31, 2016, 2015 and 2014
		Ernst & Young LLP	Subsidiary	As at and for the six month period ended September 30, 2017 and as at and for the year ended March 31, 2017
2	Nazara Technologies, Mauritius,	Clarkson & Associates	Subsidiary	As at and for the six month period ended September 30, 2017 and as at and for the years ended March 31, 2017, 2016, 2015 and 2014
3	Nzmobile (Nigeria) Limited, Nigeria	Rosewater Partners	Subsidiary	As at and for the six month period ended September 30, 2017, as at and for the years ended March 31, 2017, 2016 and 2015 and as at March 31, 2014 and for the period from May 15, 2013 to March 31, 2014
4	Nzmobile Kenya Limited, Kenya	Baker Tilly Merali's	Subsidiary	As at and for the six month period ended September 30, 2017, as at and for the years ended March 31, 2017, 2016 and 2015, and as at March 31, 2014 and for the period from June 4, 2013 to March 31, 2014
5	Nzmobile Zambia Limited, Zambia	CMI Solutions	Subsidiary	As at and for the six month period ended September 30, 2017, as at and for the years ended March 31, 2017,

				2016 and 2015 and as at March 31, 2014 and for the period from May 27, 2013 to March 31, 2014
6	Nazara Uganda Limited, Uganda	Abet & Company	Subsidiary	As at and for the six month period ended September 30, 2017, as at and for the years ended March 31, 2017, 2016 and 2015, and as at March 31, 2014 and for the period from October 31, 2013 to March 31, 2014
7	Nazara Bangladesh Ltd, Bangladesh	Ahmed Zaker & Co.	Subsidiary	As at and for the six month period ended September 30, 2017, as at and for the year ended March 31, 2017, as at March 31, 2016 and for the period from July 1, 2015 to March 31, 2016, and as at June 30, 2015 and for the period from July 24, 2014 to June 30, 2015,
8	Master Mind Sports Ltd, United Kingdom (acquired during the six month period ended September 30, 2017)	Harshit Khandwala	Associate	As at September 30, 2017 and for the period from July 1, 2017 to September 30, 2017
9	Nazara Technologies FZ LLC, Dubai	Ernst & Young, Dubai	Subsidiary	As at and for the six month period ended September 30, 2017 and as at and for the years ended March 31, 2017, 2016, 2015, 2014 and 2013
10	Nazara Europe Limited, United Kingdom	Kingston Smith LLP	Subsidiary	As at August 2, 2016 and for the period from April 1, 2016 to August 2, 2016. As at and for the years ended March 31, 2015, 2014 and 2013
		Unaudited	Subsidiary	As at and for the years ended March 31, 2016

6. For the purpose of our examination, we have relied on:

a) Auditors' Report on the Consolidated interim financial statements of the Company as at and for the six month period ended September 30, 2017 and Consolidated financial statements of the Company as at for each of the years ended March 31, 2017, 2016, 2015, 2014 and 2013 as referred in paragraph 5 above issued by us dated January 17, 2018, November 30, 2017 and November 24, 2016, January 4, 2018, January 4, 2018 and January 4, 2018, respectively .

b) As indicated in auditors report on consolidated interim financial statements as at and for the six month period ended September 30, 2017 and consolidated financial statements as at for the years ended March 31, 2017, 2016, 2015, 2014 and 2013 referred to in paragraph 6 (a) above, we did not audit financial statements of certain subsidiaries, whose share of total assets, total revenues and net cash inflows / (outflows) included in the Restated Consolidated Summary Statements, for the relevant years is tabulated below:

(Rs. In Million)

Period ended / Years ended	Number of subsidiaries	Total assets	Total revenues	Net cash (outflow) / inflows
September 30, 2017	8	1,513.30	517.58	281.13
March 31, 2017	8	1,585.56	1,127.96	(20.98)
March 31, 2016	9	1,011.23	942.07	470.08
March 31, 2015	9	572.60	633.69	236.68
March 31, 2014	8	159.85	254.34	77.82
March 31, 2013	2	42.31	96.86	(4.15)

These financial statements, prepared in accordance with accounting principles generally accepted in their respective countries, have been audited by other auditors as listed in paragraph 5 above under generally accepted auditing standards applicable in their respective countries and whose audit reports have been furnished to us. Our opinion in so far as it relates to the amounts included in these Restated Consolidated Summary Statements are based solely on the reports of other auditors and the conversion adjustments prepared by the management of the Company and audited by us.

The consolidated financial statements for the year ended March 31, 2016 included the following amounts relating to one subsidiary Nazara Europe Limited, whose financial statements were not audited, and were instead consolidated based on financial information certified by management of the Company, which have been relied upon by us and our opinion, in so far as it relates to the amounts related to such subsidiary as at and for the year ended March 31, 2016, included in these Restated Consolidated Summary Statements, are based solely on the management certified accounts:

(Rs million)

As at and for the period/ year ended	**Total Assets**	**Total Revenue**	**Cash Inflow / (Outflow)**
March 31, 2016	0.95	NIL	0.21

The consolidated interim financial statements for the six month period ended September 30, 2017 included the Group's share of loss of Rs. 0,32 million in respect of its associate Master Mind Sports Limited, whose financial statements for the three month period ended September 30, 2017 have been audited by H S Saluja & Co, whose report have been furnished to us and our opinion in so far as it relates to the amounts included in these Restated Consolidated Summary Statements are based on solely on the reports of other auditor.

7. Based on our examination, in accordance with the requirements of Section 26 of Part I of Chapter III of the Act read with Rules 4 to 6 of the Rules, ICDR Regulations and the Guidance Note, we report that we have examined the following summarised financial statements of the Company contained in Restated Consolidated Summary Statements which as stated in Para 2.1 of Annexure V to this report have been arrived at after making adjustments and regrouping/reclassifications as in our opinion were appropriate and more fully described in Annexure IV – Restated Consolidated Summary Statement of Material Adjustments and Regroupings, read with paragraph 10 below:

a) The Restated Consolidated Summary Statement of Assets and Liabilities of the Company as at for the six months period ended September 30, 2017 and as at each of the years ended March 31, 2017, 2016, 2015, 2014 and 2013 examined by us, as set out in Annexure I to this report.

b) The Restated Consolidated Summary Statement of Profit and Loss of the Company for six months period ended September 30, 2017 and for each of the years ended March 31, 2017, 2016, 2015 2014 and 2013 examined by us, as set out in Annexure II to this report.

c) The Restated Consolidated Summary Statement of Cash Flows of the Company for the six months period ended September 30, 2017 and for each of the years ended March 31, 2017, 2016, 2015, 2014 and 2013 examined by us, as set out in Annexure III to this report.

d) Based on the above and according to the information and explanations given to us, we further report these Restated Consolidated Summary Statements:

i) have been made after incorporating adjustments for the for the changes in accounting policies retrospectively in respective financial years to reflect the same accounting treatment as per changed accounting policy for all the reporting periods;

ii) have been made after incorporating adjustments and regroupings for the material amounts in the respective financial years to which they relate;

iii) do not contain any extra-ordinary items that need to be disclosed separately in the Restated Consolidated Summary Statements;

iv) There are no qualifications in the auditors' reports on the audited consolidated interim financial statements of the Company as at and for the six month period ended September 30, 2017 and audited consolidated financial statements of the Company as at and for the years ended March 31, 2017, 2016, 2015, 2014 and 2013 which require any adjustments to the Restated Consolidated Summary Statements;

v) Other audit qualifications included in the auditors' report on the consolidated financial statements as at and for the year ended March 31, 2013, which do not require any corrective adjustment in the Restated Consolidated Summary Statements.

The comparative financial information in respect of statement for the corresponding year ended March 31, 2012, is not audited by us.

8. We have not audited any financial statements of the Group and its associate as of any date or for any period subsequent to September 30, 2017. Accordingly, we express no opinion on the financial position, results of operations or cash flows of the Group and its associate as of any date or for any period subsequent to September 30, 2017.

Other Financial Information:

9. At the Company's request, we have also examined the following restated consolidated financial information proposed to be included in the DRHP, prepared by the management and approved by the Board of Directors of the Company and annexed to this report relating to the Group and its associate as at and for the six month period ended September 30, 2017 and as at and for the years ended March 31, 2017, 2016, 2015, 2014, and 2013.

   i. Restated Consolidated Statement of Share Capital, as Annexure VI,
   ii. Restated Consolidated Statement of Reserves and Surplus, as Annexure VII,
   iii. Restated Consolidated Statement of Long-term provisions, as Annexure VIII,
   iv. Restated Consolidated Statement of Trade payables, as Annexure IX,
   v. Restated Consolidated Statement of Other Current Liabilities, as Annexure X,
   vi. Restated Consolidated Statement of Short-term Provisions, as Annexure XI,
   vii. Restated Consolidated Statement of Property plant and equipment and Intangible Assets, as Annexure XII,
   viii. Restated Consolidated Statement of Non-current Investments, as Annexure XIII,
   ix. Restated Consolidated Statement of Deferred tax asset, as Annexure XIV,
   x. Restated Consolidated Statement of Long-term loans and Advances, as Annexure XV,
   xi. Restated Consolidated Statement of Other non-current assets, as Annexure XVI,
   xii. Restated Consolidated Statement of Current Investments, as Annexure XVII,
   xiii. Restated Consolidated Statement of Trade Receivables, as Annexure XVIII,
   xiv. Restated Consolidated Statement of Cash and Bank Balance, as Annexure XIX,
   xv. Restated Consolidated Statement of Short-term loans and advances, as Annexure XX,
   xvi. Restated Consolidated Statement of Other current assets, as Annexure XXI,
   xvii. Restated Consolidated Statement of Revenue from operations, as Annexure XXII,
   xviii. Restated Consolidated Statement of Other Income, as Annexure XXIII,
   xix. Restated Consolidated Statement of Employee benefits expense, as Annexure XXIV,
   xx. Restated Consolidated Statement of Other expenses, as Annexure XXV,
   xxi. Restated Consolidated Statement of Accounting Ratios, as Annexure XXVI,
   xxii. Consolidated Capitalization Statement, as Annexure XXVII,
   xxiii. Consolidated Statement of Dividend Paid, as Annexure XXVIII,
   xxiv. Restated Consolidated Statement of Related Party Transactions, as Annexure XXIX
   xxv. Restated Consolidated Statement of Other Disclosures, as Annexure XXX

10. According to the information and explanations given to us, in our opinion, the Restated Consolidated Summary Statements and the abovementioned restated consolidated financial information contained in Annexures IV to XXX accompanying this report, read with Summary of Significant Accounting Policies disclosed in Para 2.1 of Annexure V, are prepared after making adjustments and regroupings as considered appropriate and have been prepared in accordance with Section 26 of Part I of Chapter III of the Act read with Rules 4 to 6 of the Rules, the ICDR Regulations and the Guidance Note.

11. This report should not be in any way construed as a reissuance or re-dating of any of the previous audit reports issued by us or by other firm of Chartered Accountants, nor should this report be construed as a new opinion on any of the financial statements referred to herein.

12. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

13. Our report is intended solely for use of the management for inclusion in the offer document to be filed with SEBI, BSE Limited, National Stock Exchange of India Limited and Registrar of the Companies, Maharashtra in connection with the proposed IPO of the Company. Our report should not be used, referred to or distributed for any other purpose except with our prior consent in writing.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Govind Ahuja
Partner
Membership No: 048966

Place: Mumbai
Date: January 17, 2018

Nazara Technologies Limited
(Formerly Known as Nazara Technologies Private Limited)

Annexure I – Restated consolidated summary statement of assets and liabilities

(Rupees in million, unless otherwise stated)

Particulars	Annexure	As at September 30, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Equity and liabilities							
Shareholders' funds							
Share capital	VI	19.89	19.89	19.89	19.89	20.34	20.34
Reserves and surplus	VII	2,097.24	2,144.31	1,564.87	1,073.60	652.79	361.81
		2,117.13	**2,164.20**	**1,584.76**	**1,093.49**	**673.13**	**382.15**
Non-current liabilities							
Long-term provisions	VIII	13.69	13.05	11.68	8.49	7.07	5.03
		13.69	**13.05**	**11.68**	**8.49**	**7.07**	**5.03**
Current liabilities							
Trade payable	IX						
Outstanding dues to micro enterprises and small enterprises		-	-	-	-	-	-
Outstanding dues to creditors other than micro enterprises and small enterprises		307.41	240.16	261.65	247.75	92.16	90.04
Other current liabilities	X	85.73	158.07	136.09	72.04	14.43	8.09
Short-term provisions	XI	59.62	7.34	4.71	3.75	2.21	1.41
		452.76	**405.57**	**402.45**	**323.54**	**108.80**	**99.54**
Total		**2,583.58**	**2,582.82**	**1,998.89**	**1,425.52**	**789.00**	**486.72**
Assets							
Non-current assets							
Fixed assets							
Property, plant and equipment	XII	9.26	10.28	15.17	5.21	5.84	6.54
Intangible assets	XII	5.77	8.04	4.53	5.57	5.98	8.29
Intangible assets under development		2.80	1.40	3.60	-	-	-
Non-current investments	XIII	44.59	38.05	24.00	22.65	-	-
Deferred tax assets (net)	XIV	36.44	42.46	18.28	9.94	1.97	3.86
Long term loans and advances	XV	62.28	61.29	45.28	23.97	7.85	8.70
Other non current assets	XVI	1.73	1.68	1.57	-	51.73	114.37
		162.87	**163.20**	**112.43**	**67.34**	**73.37**	**141.76**
Current assets							
Current investments	XVII	736.90	656.31	528.15	327.83	173.85	75.00
Trade receivables	XVIII	365.71	259.50	334.35	211.58	121.00	129.07
Cash and bank balances	XIX	859.85	1,138.31	763.43	538.39	284.10	93.15
Short-term loans and advances	XX	33.78	34.32	35.21	26.57	9.11	3.65
Other current assets	XXI	424.47	331.18	225.32	253.81	127.57	44.09
		2,420.71	**2,419.62**	**1,886.46**	**1,358.18**	**715.63**	**344.96**
Total		**2,583.58**	**2,582.82**	**1,998.89**	**1,425.52**	**789.00**	**486.72**

Notes:
The above statement should be read with the notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV and V.

As per our report of even date

For S.R.Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number : 101049W/E300004

per Govind Ahuja
Partner
Membership no : 048966

Place of Signature: Mumbai
Date: January 17, 2018

For and on behalf of the Board of directors of Nazara Technologies Limited
(Formerly Known as Nazara Technologies Private Limited)

Vikash Mittersain
Chairman Cum Managing Director
DIN: 00156740

Nitish Mittersain
Managing Director
DIN: 02347434

Rakesh Shah
Chief Financial Officer

Vinav Agarwal
Company Secretary

Place of Signature: Mumbai
Date: January 17, 2018

Nazara Technologies Limited
(Formerly Known as Nazara Technologies Private Limited)

Annexure II - Restated consolidated summary statement of profits and losses

(Rupees in million, unless otherwise stated))

Particulars	Annexure	For the six month ended September 30, 2017	For the year ended March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Income							
Revenue from operations	XXII	838.93	1,901.58	2,111.63	1,529.75	873.58	542.14
Other income	XXIII	48.06	87.60	78.43	47.77	27.70	19.08
Total income		**886.99**	**1,989.18**	**2,190.06**	**1,577.52**	**901.28**	**561.22**
Expenses							
Purchase of content		45.06	107.32	111.05	70.56	58.76	71.47
Advertising cost		236.88	529.43	653.20	402.18	194.10	103.63
Employee benefit expenses	XXIV	152.43	238.64	232.38	135.76	118.77	93.95
Other expenses	XXV	136.67	404.13	358.84	213.59	133.70	99.59
Depreciation and amortisation expense	XII	5.95	11.58	9.50	7.95	7.99	9.08
Total expenses		**576.99**	**1,291.10**	**1,364.97**	**830.04**	**513.32**	**377.72**
Restated profit before tax		**310.00**	**698.08**	**825.09**	**747.48**	**387.96**	**183.50**
Tax expenses							
Current tax		106.66	129.90	188.21	164.47	96.61	54.13
Deferred tax charge / (credit)		4.57	(29.02)	(8.33)	(7.95)	1.90	(2.58)
Total tax expense		**111.23**	**100.88**	**179.88**	**156.52**	**98.51**	**51.55**
Restated profit for the period before share of profit/(loss) from associate		**198.77**	**597.20**	**645.21**	**590.96**	**289.45**	**131.95**
Share of (loss) from associate		(0.32)	-	-	-	-	-
Restated profit for the period/year		**198.45**	**597.20**	**645.21**	**590.96**	**289.45**	**131.95**

Notes:
The above statement should be read with the notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV and V.

As per our report of even date

For S.R.Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number : 101049W/E300004

per Govind Ahuja
Partner
Membership no : 048966

Place of Signature: Mumbai
Date: January 17, 2018

For and on behalf of the Board of directors of Nazara Technologies Limited (Formerly Known as Nazara Technologies Private Limited)

Vikash Mittersain
Chairman Cum Managing Director
DIN: 00156740

Nitish Mittersain
Managing Director
DIN: 02347434

Rakesh Shah
Chief Financial Officer

Vinav Agarwal
Company Secretary

Place of Signature: Mumbai
Date: January 17, 2018

Nazara Technologies Limited
(Formerly Known as Nazara Technologies Private Limited)

Annexure III - Restated consolidated summary statement of cash flows

(Rupees in million, unless otherwise stated)

Particulars	For the six month ended	For the year ended				
	September 30, 2017	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Cash flow from operating activities						
Profit before tax, as restated	310.00	698.08	825.09	747.48	387.96	183.50
Adjustment to reconcile profit before tax to net cash flows						
Depreciation and amortisation expense	5.95	11.58	9.50	7.95	7.99	9.08
Expenses on employee stock option scheme	47.53	22.85	-	-	-	-
(Gain)/loss on write off of fixed assets	-	(0.13)	0.37	-	-	0.47
Bad debts	3.51	12.76	6.86	7.81	3.49	6.18
Provision for doubtful debts	7.74	39.36	27.60	16.17	10.79	3.58
Investment Written Off	-	6.70	-	-	-	-
Unrealised foreign exchange loss	17.43	103.09	34.38	1.75	0.91	0.14
Provision for doubtful debts written back	-	-	-	(1.07)	(3.79)	-
Liabilities written back / provision no longer required	(23.56)	(7.20)	(12.38)	(12.86)	-	(2.07)
Net gain on sale of current investments	(5.77)	(26.13)	(16.97)	(4.35)	(1.59)	-
Interest income	(18.43)	(51.79)	(40.99)	(24.71)	(20.67)	(17.00)
Dividend income	-	(0.37)	(3.51)	(3.49)	(0.78)	-
Operating profit before working capital changes	**344.40**	**808.80**	**829.95**	**734.68**	**384.31**	**183.88**
Movements in working capital :						
Increase / (decrease) in trade payables	89.04	(8.41)	23.03	166.23	3.64	42.26
Increase in long-term provisions	0.61	1.43	3.02	1.33	1.96	1.47
Increase / (decrease) in short term provisions	0.20	2.00	(0.35)	0.15	0.34	(0.13)
Increase / (decrease) in other current liabilities	(41.18)	21.92	27.55	27.56	6.73	(29.25)
(Increase) / decrease in trade receivables	(120.17)	5.41	(133.58)	(114.19)	(3.20)	(67.80)
(Increase) / decrease in loans and advances	(0.54)	0.58	(15.69)	(15.17)	(7.46)	41.08
(Increase) / decrease in other current assets	(99.94)	(116.46)	19.22	(126.56)	(72.22)	21.53
Cash generated from operations	172.42	715.27	753.15	674.03	314.10	193.04
Direct taxes paid (net of refunds)	(88.95)	(147.34)	(161.77)	(154.29)	(93.68)	(50.33)
Net cash flow from operating activities (A)	**83.47**	**567.93**	**591.38**	**519.74**	**220.42**	**142.71**
Cash flows from investing activities						
Purchase of fixed assets, including intangible assets under development	(4.07)	(8.13)	(22.38)	(6.85)	(4.81)	(7.01)
Proceeds from disposal of property, plant and equipment	-	0.23	0.05	-	-	-
Purchase of current investments	(361.50)	(505.07)	(927.85)	(506.48)	(260.48)	(65.00)
Proceeds from redemption/maturity of current investments	368.47	403.02	744.52	356.85	163.22	-
Purchase of non current investments	(87.54)	(21.77)	-	(22.15)	-	-
Investment in bank deposits (having original maturity of more than three months)	(306.12)	(1,454.14)	(71.38)	(138.20)	(198.09)	(206.59)
Redemption/maturity of bank deposits (having original maturity of more than three months)	506.98	997.34	175.50	202.67	129.45	214.24
Interest received	21.96	43.62	33.53	26.99	11.71	11.56
Dividends received from current investments	-	0.37	3.51	3.49	0.78	-
Net cash flow from/ (used in) investing activities (B)	**138.18**	**(544.53)**	**(64.50)**	**(83.68)**	**(158.22)**	**(52.80)**
Cash flows from financing activities						
Buyback of shares	-	-	-	(133.93)	-	(79.68)
Dividend paid on equity shares	(300.38)	-	(198.92)	-	-	-
Tax on equity shares dividend	-	-	(0.29)	-	-	-
Tax on buyback of shares	-	-	(3.91)	(26.46)	-	-
Net cash flow used in financing activities (C)	**(300.38)**	**-**	**(203.12)**	**(160.39)**	**-**	**(79.68)**
Net increase in cash and cash equivalents (A + B + C)	**(78.77)**	**23.40**	**323.76**	**275.67**	**62.20**	**10.23**
Effect of exchange differences on cash & cash equivalents held in foreign currency	0.04	(69.38)	7.70	(6.01)	(0.30)	0.50
Cash and cash equivalents at the beginning of the period/year	648.37	694.35	362.89	93.23	31.33	20.60
Cash and cash equivalents at the end of the period/year	**569.64**	**648.37**	**694.35**	**362.89**	**93.23**	**31.33**
Components of cash and cash equivalents						
Cash in hand	0.25	0.01	0.10	0.05	0.02	0.00*
Balances with bank	569.39	603.07	314.06	195.39	93.21	31.33
Deposit with original maturity of less than 3 months	-	45.29	380.19	167.45	-	-
Total cash and cash equivalents	**569.64**	**648.37**	**694.35**	**362.89**	**93.23**	**31.33**

Notes:

The above statement should be read with the notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV and V.

* Amount is less than 0.01 million

As per our report of even date

For S.R.Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number : 101049W/E300004

per Govind Ahuja
Partner
Membership no : 048966

Place of Signature: Mumbai
Date: January 17, 2018

For and on behalf of the Board of directors of Nazara Technologies Limited
(Formerly Known as Nazara Technologies Private Limited)

Vikash Mittersain
Chairman Cum Managing Director
DIN: 00156740

Nitish Mittersain
Managing Director
DIN: 02347434

Rakesh Shah
Chief Financial Officer

Vinav Agarwal
Company Secretary

Place of Signature: Mumbai
Date: January 17, 2018

Nazara Technologies Limited
(Formerly Known as Nazara Technologies Private Limited)

Annexure IVA - Notes on material adjustments

1. Below mentioned is the summary of results of adjustments made in the audited consolidated financial statements of the respective years and its impact on the restated consolidated summary statement of profit and loss and restated consolidated summary statement of assets and liabilities:

(Rupees in million, unless otherwise stated)

	Particulars	September 30, 2017	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
I.	**Profit after tax (as per audited financial statements)**	**198.45**	**595.28**	**645.24**	**604.40**	**277.90**	**135.95**
II.	**Restatement adjustments:**						
	Depreciation impact due to change of accounting policy (Refer Note A below)	-	-	-	-	-	(3.05)
	Income tax related to earlier years (Refer Note B below)	-	1.92	4.42	(6.34)	-	(1.94)
	Reversal of liability for expenses recorded in the earlier year (Refer Note C below)	-	-	-	(17.50)	17.50	-
	Total	**-**	**1.92**	**4.42**	**(23.84)**	**17.50**	**(4.99)**
III.	**Deferred tax adjustments**						
	Deferred tax impact on above adjustments (Refer Note D below)	-	-	(4.45)	10.40	(5.95)	0.99
	Total	**-**	**-**	**(4.45)**	**10.40**	**(5.95)**	**0.99**
IV.	**Total adjustments (II+III)**	**-**	**1.92**	**(0.03)**	**(13.44)**	**11.55**	**(4.00)**
V.	**Restated profit/(loss) after tax (I+IV)**	**198.45**	**597.20**	**645.21**	**590.96**	**289.45**	**131.95**

Notes:

A) During the year ended March 31, 2013 , the holding company has changed (with retrospective effect) its method of providing depreciation on fixed assets, other than leasehold improvements, from the Written Down Value ('WDV') method at the rates prescribed in Schedule XIV to the Companies Act, 1956 to the Straight Line Method (SLM). This change in depreciation method has been identified as change in accounting policy.
For the purpose of restated consolidated summary statements, this change in accounting policy has been appropriately adjusted in the opening reserves of March 31, 2012.

B) The Statement of Profit and Loss for the financial year ended March 31, 2013 includes amount written back with regards to Income tax provision which was in excess and has been appropriately adjusted in the opening reserves.
During the year ended March 31, 2017 and March 31, 2016, the group has recorded tax provision of Rs. 1.92 million and Rs. 4.42 million, respectively for the year ended March 31, 2015 which has now been recorded in the relevant year.

C) During the year ended March 31, 2015, the group has reversed liability of Rs. 17.5 million created in the year ended March 31, 2014. This amount has been adjusted to respective years to which it relates in the restated consolidated summary statements.

D) Deferred tax has been computed on adjustments made as detailed above and have been adjusted to the respective years to which they relate.

2. **Adjustments made in the opening balance of surplus in the statement of profits and losses as at March 31, 2012**

Particulars	**(Amount in Rupees)**
Surplus in the statement of profit and loss as at April 1, 2012 as per audited financial statements	**180.19**
Adjustments:	
Depreciation impact due to change of accounting policy (Refer Note A above)	3.05
Deferred tax impact on depreciation (Refer Note D above)	(0.99)
Income tax related to earlier years (Refer Note B above)	1.94
Surplus in the statement of profit and loss as at April 1, 2012 (as restated)	**184.19**

3. **Adjustment made in the reserves and surplus**
During the year ending March 31, 2016, the education cess of Rs. 3.91 million forming part of tax on buy back of shares completed during the year ended March 31, 2015 was adjusted against Surplus in the statement of profit and loss by the holding company. This amount has been adjusted to the year to which it relates in the restated consolidated summary statements.

Annexure IVB - Non adjusting items

Other matter included in the audittor's report on the consolidated financial statements for for the year ended March 31, 2013, which do not require any corrective adjustment in the Restated Unconsolidated Summary Statements are as follows:

Comparative figures (i.e. figures for March 31, 2012) have not been audited by us as they are not required to be included in the proposed Initial Public Offerings (‘IPO’) document to be issued by the Company.

Annexure IVC - Material regrouping

Appropriate adjustments have been made in the restated consolidated summary statements of assets and liabilities, profits and losses and cash flows, wherever required, by reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows, in order to bring them in line with the regroupings as per the audited consolidated financial statements of the Company for six months period ended September 30, 2017 prepared in accordance with Schedule III of Companies Act, 2013, and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2009, as amended.

Annexure V - Notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows

1. Corporate information

Nazara Technologies Limited ('Parent' or 'Holding Company') was incorporated in India on 8th December, 1999 as a Private Limited Company, engaged in providing subscription/download of games/other contents through telecom consumer base in India and worldwide and digital advertising services. The Holding Company along with its subsidiary companies is hereinafter collectively referred to as the 'Group'.

On 13th December 2017, the Company has converted from Private Company to Public Company. Accordingly, the name of the Company has now changed to Nazara Technologies Limited.

2. Basis of preparation

The restated consolidated summary statement of assets and liabilities of the Group and its associate as at September 30, 2017 , March 31, 2017, 2016, 2015, 2014 and 2013 and the related restated consolidated summary statement of profits and losses and related restated consolidated summary statement of cash flows for the six month period ended September 30, 2017 and for the year ended March 31, 2017, 2016, 2015, 2014 and 2013 herein collectively referred to as ("Restated Consolidated Summary Statements") have been compiled by the management from the audited consolidated financial statements for the six month period ended September 30, 2017 and for the years ended March 31, 2017, 2016, 2015, 2014 and 2013 respectively, which were prepared under generally accepted accounting principles in India (Indian GAAP) and approved by the Board of Directors of the Group at that relevant time.

The Restated Consolidated Summary statements have been prepared specifically for the inclusion in the offer document to be filed by the Company with the Securities and Exchange Board of India ('SEBI') in connection with its proposed initial public offering.

These Restated Consolidated Summary Statements of assets and liabilities, profits and losses and cash flows have been prepared to comply in all material respects with the requirements of Sub-clause (i), (ii) and (iii) of clause (b) of Sub-section (1) of Section 26 of Chapter III of The Companies Act, 2013 read with rule 4 of Companies (Prospectus and Allotment of Securities) Rules, 2014 and the relevant provisions of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("the SEBI Guidelines") issued by SEBI on August 26, 2009 as amended from time to time.

The Restated Consolidated Summary Statements and other financial information have been prepared after incorporating adjustments for the material amounts in the respective years to which they relate.

The Group has prepared the consolidated financial statements in accordance with the principles and procedures required for the preparation and presentation of consolidated financial statements as laid down under Accounting Standard 21 and Accounting Standard 25 notified under the Companies Act, 1956 (the "Act") and as per section 133 of the Companies Act, 2013, read with rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016 and other accounting principles generally accepted in India as applicable. The consolidated financial statements have been prepared under the historical cost convention on an accrual basis.

The accounting policies have been consistently applied by the Group and are consistent with those adopted in the preparation of interim consolidated financial statement for the period ended September 30, 2017.

The Group includes the share of loss of associate company for the period ended September 30, 2017 in which the Group has significant influence and which is neither a subsidiary nor a joint venture, which are accounted under "Equity Method" in accordance with Accounting standard (AS) 23 on Accounting for Investment in Associates, as per which the share of loss of associate company has been restricted to the cost of investment.

These consolidated financial statements have been prepared using presentation and disclosure requirements of the Schedule III of Companies Act 2013 in addition to the Revised Schedule VI to the Companies Act, 1956.

List of subsidiary companies and associates included in the 'Restated Consolidated Summary Statements' are as follows:

Name	Country of Incorporation	% of ownership interest					
		Sep 17	Mar 17	Mar 16	Mar 15	Mar 14	Mar 13
Subsidiaries							
Nazara Technologies FZ LLC	Dubai	100%	100%	100%	100%	100%	100%
Nazara Europe Limited (Liquidated w.e.f. 02 Aug, 2016)	United Kingdom	-	-	100%	100%	100%	100%
Nazara Pte Ltd	Singapore	100%	100%	100%	100%	100%	100%
Nazara Pro Gaming Private Limited	India	100%	-	-	-	-	-
Step-down subsidiaries							
Subsidiaries of Nazara Pte Ltd							
Nazara Technologies	Mauritius	100%	100%	100%	100%	100%	-
Nazara Bangladesh Limited $	Bangladesh	100%	100%	100%	100%	100%	-
Subsidiaries of Nazara Technologies							
Nazara Zambia Limited $	Zambia	99.98%	99.98%	99.98%	99.98%	99.98%	-
Nzmobile Nigeria Limited $	Nigeria	99.90%	99.90%	99.90%	99.90%	99.90%	-
Nzmobile Kenya Limited $	Kenya	99.90%	99.90%	99.90%	99.90%	99.90%	-
Nazara Uganda Limited $	Uganda	99%	99%	99%	99%	99%	-
Associates of Nazara Pte Ltd							
Mastermind Sports Limited (w.e.f 05 April, 2016)	United Kingdom	23.34%	17%	-	-	-	-

$ Includes beneficial ownership.

2.1. Summary of significant accounting policies

a. Use of estimates

The preparation of consolidated financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

b. Property, plant and equipment

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses if any. Cost comprises the purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use.

Gains or losses arising from derecognition of property, plant and equipment 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.

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.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to consolidated statement of profit or loss during the reporting period in which they are incurred.

Property, plant and equipment held for sale is valued at lower of their carrying amount and net realisable value. Any write-down is recognised in the consolidated statement of profit and loss.

c. Depreciation on property, plant and equipment

Depreciation on property, plant and equipment calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management. The Group has used the following useful lives to provide depreciation on its property, plant and equipment.

Property, plant and equipment	For the period ended September 2017 and for each of the years ended March 31, 2017, 2016 and 2015		For each of the years ended March 31, 2014 and 2013	
	Useful lives as per Schedule II of the Companies Act, 2013 from April 1, 2014 onwards	Useful lives estimated by the management from April 1, 2014 onwards	Depreciation rates as per Schedule XIV of Companies Act, 1956 till March 31, 2014	Depreciation rates as per useful lives as estimated by the management till March 31, 2014
Furniture and fixtures	10 years	5 years	16 years	5 years
Computer and Printers	3 years	3 years	6 years	3 years
Office equipments	5 years	3 to 4 years	7 years	3 years
Motor Car	8 years	3 years	11 years	3 years

Based on the internal technical evaluation, the Group has considered useful lives as mentioned above instead of the revised useful life as prescribed under Schedule II of the Companies Act, 2013.

The Group depreciates leasehold improvements is amortized over the economic useful life of asset or three years whichever is lower. Reassessment of the useful life is undertaken by the management every year.

d. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any.

Intangible assets are amortised on a straight line basis over the estimated useful economic life i.e. 3 years.

The Group uses a rebuttable presumption that the useful life of an intangible asset will not exceed 10 years from the date when the asset is available for use. If the persuasive evidence exists to the affect that useful life of an intangible asset exceeds 10 years, the Group amortises the intangible asset over the best estimate of its useful life. Such intangible assets and intangible assets not yet available for use are tested for impairment annually, either individually or at the cash-generating unit level. All other intangible assets are assessed for impairment whenever there is an indication that the intangible asset may be impaired.

The amortisation period and the amortisation method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed accordingly. If there has been a significant change in the expected pattern of economic benefits from the asset, the amortisation method is changed to reflect the changed pattern. Such changes are accounted for in accordance with AS-5 Net profit or loss for the period, prior period items and changes in accounting policies.

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.

e. Impairment of fixed 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 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. Where 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.

f. Leases

Where the Group is lessee

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

g. Investments

Investments, which are readily realisable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

Current investments are carried in the consolidated financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the consolidated statement of profit and loss.

h. Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured.

i. Income from services

- Revenue from subscription/download of games/other contents is recognised in the period in which services are rendered as per the contract with operators and content distributors.
- Revenue from advertising services is recognised in the period in which advertisings are displayed.

ii. Interest income

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable. Interest income is included under the head "other income" in the consolidated statement of profit and loss.

iii. Dividends

Dividend income is recognised when the Group's right to receive dividend is established by the reporting date.

i. Foreign currency translation

i. Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

ii. Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

iii. Exchange differences

Exchange differences arising on the settlement of monetary items or on reporting monetary items of Group at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or as expenses in the year in which they arise except those arising from investments in non-integral operations.

j. Translation of foreign operations

Translation of foreign subsidiaries are done in accordance with AS-11 (Revised) "The effect of changes in foreign exchange rates". The financial statements of integrated operations are translated as if the transactions of foreign operations have been those of the Company.

In case of non-integral foreign operations, all assets and liabilities are converted at the closing rate at the end of the period and items of income and expenditure items have been translated at the average rate, which approximates the actual rates. All the resulting exchange differences are accumulated in the foreign currency translation reserves until the disposal of the net investment.

Any goodwill / capital reserve arising on acquisition of non-integral foreign operation is translated at the closing rate.

Exchange gain / loss arising on conversion are recognised under foreign currency translation reserve.

k. Income taxes

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the Group operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the reporting date.

Deferred tax liabilities are recognised for all taxable timing differences. Deferred tax assets are recognised for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the Group has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

At each reporting date, the Group re-assesses unrecognised deferred tax assets. It recognises unrecognised deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The Group writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

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 tax assets and deferred taxes relate to the same taxable entity and the same taxation authority.

l. Provisions

A provision is recognised when the Company has a present obligation as a result of past event; 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 of the amount of obligation. Provisions except for provision for decommission, restoration and similar liabilities that are recognised as cost of Property, Plant and Equipment are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

m. Contingent liabilities

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

n. 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.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

o. Employee stock compensation cost

Measurement and disclosure of the employee share-based payment plans is done in accordance with the Guidance Note on Accounting for Employee Share-based payments, issued by the Institute of Chartered Accountants of India. The Group measures compensation cost relating to employee stock options using the intrinsic value method. Compensation expense is amortised over the vesting period of the option on a straight line basis.

p. Corporate Social responsibility

Corporate social responsibility expense is recognised as it is incurred by the Group or when Group has entered into any legal or constructive obligation for incurring such an expense.

q. Segment reporting

i. Identification of segments

The Group operating businesses are organised and managed separately according to the nature of services provided, with each segment representing a strategic business unit that offers different services and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operate.

ii. Allocation of common costs

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

iii. Unallocated items

Unallocated items include general corporate income and expense items which are not allocated to any business segment.

iv. Segment accounting policies

The Group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the consolidated financial statements of the Group as a whole.

r. Retirement and other employee benefits

The Parent Company has retirement benefits in the form of provident fund, a defined contribution scheme. The Parent Company has no obligation, other than the contribution payable to the provident fund. The Parent Company recognises contribution payable to the provident fund scheme as expenditure, when an employee renders the related service.

The costs of providing benefits under gratuity benefit plan are determined on the basis of actuarial valuation at each year-end. Actuarial valuation is carried out for a plan using the projected unit credit method. Actuarial gains and losses are recognised in full in the period in which they occur in the consolidated statement of profit and loss.

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

s. Derivative instruments

Premium/discount in respect of forward foreign exchange contract to hedge an underlying recorded asset or liability is recognised over the life of the contracts. Exchange differences on such contracts are recognised in the consolidated statement of profit and loss in the year in which the exchange rate changes. Any profit or loss on cancellation or renewal of forward exchange contract is recognised as income or expense for the year.

t. Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

Nazara Technologies Limited
(Formerly Known as Nazara Technologies Private Limited)

Annexure VI - Restated consolidated Statement of Share Capital

(Rupees in million, unless otherwise stated)

Particulars	As at September 30, 2017		As at March 31, 2017		As at March 31, 2016		As at March 31, 2015		As at March 31, 2014		As at March 31, 2013	
	Nos of Shares	Amount	Nos of Shares	Amount	Nos of Shares	Amount	Nos of Shares	Amount	Nos of Shares	Amount	Nos of Shares	Amount
Share capital												
Authorised shares												
Equity shares of Rs 10/- each (refer note 1 below)	2,198,796	21.99	2,198,796	21.99	2,198,796	21.99	1,325,000	13.25	1,325,000	13.25	1,325,000	13.25
Preference shares of Rs 10/- each (refer note 2 below)	1,251,204	12.51	1,251,204	12.51	1,251,204	12.51	2,125,000	21.25	2,125,000	21.25	2,125,000	21.25
	3,450,000	**34.50**	**3,450,000**	**34.50**	**3,450,000**	**34.50**	**3,450,000**	**34.50**	**3,450,000**	**34.50**	**3,450,000**	**34.50**
Issued, subscribed and paid-up												
Equity shares of Rs 10/- each fully paid	1,989,246	19.89	1,989,246	19.89	1,989,246	19.89	**738,042**	7.38	783,442	7.83	783,442	7.83
0.01% optionally convertible participating preference shares (OCPPS) of Rs. 10/- each fully paid up		-		-		-	1,251,204	12.51	1,251,204	12.51	1,251,204	12.51
	1,989,246	**19.89**	**1,989,246**	**19.89**	**1,989,246**	**19.89**	**1,989,246**	**19.89**	**2,034,646**	**20.34**	**2,034,646**	**20.34**

(a) Reconcilation of the shares outstanding at the beginning and at the end of the reporting period

Equity shares

	As at September 30, 2017		As at March 31, 2017		As at March 31, 2016		As at March 31, 2015		As at March 31, 2014		As at March 31, 2013	
	Number	**Rs**	**Number**	**Rs**	**Number**	**Rs**	**Number**	**Rs**	**Number**	**Rs**	**Number**	**Rs**
At the beginning of the year	1,989,246	19.89	1,989,246	19.89	738,042	7.38	783,442	7.83	783,442	7.83	867,938	8.68
Buy-back during the year (refer note 3 below)	-	-	-	-	-	-	(45,400)	(0.45)	-	-	(84,496)	(0.85)
Conversion of OCPPS (refer note 4 below)	-	-	-	-	1,251,204	12.51	-	-	-	-	-	-
Outstanding at the end of the year	**1,989,246**	**19.89**	**1,989,246**	**19.89**	**1,989,246**	**19.89**	**738,042**	**7.38**	**783,442**	**7.83**	**783,442**	**7.83**

OCPPS

	As at September 30, 2017		As at March 31, 2017		As at March 31, 2016		As at March 31, 2015		As at March 31, 2014		As at March 31, 2013	
	Number	**Rs**	**Number**	**Rs**	**Number**	**Rs**	**Number**	**Rs**	**Number**	**Rs**	**Number**	**Rs**
At the beginning of the year	-	-	-	-	1,251,204	12.51	1,251,204	12.51	1,251,204	12.51	1,251,204	12.51
Issued during the year	-	-	-	-	-	-	-	-	-	-	-	-
Conversion into equity shares	-	-	-	-	(1,251,204)	(12.51)	-	-	-	-	-	-
Outstanding at the end of the year	-	-	-	-	-	-	1,251,204	12.51	1,251,204	12.51	1,251,204	12.51

Notes:

1) Authorised share capital of the equity shares of the Company was increased by Rs. 8.74 million via ordinary board resolution passed in extra-ordinary general meeting on March 29, 2016.
2) Authorised share capital of the preference shares of the Company was reduced by Rs. 8.74 million via ordinary board resolution passed in extra-ordinary general meeting on March 29, 2016.
3) During the year ended March 31, 2013, the Company has bought-back 84,496 shares pursuant to resolution passed in extra-ordinary general meeting on October 18, 2012 and amount of Rs. 7.88 million has been utilised from the securities premium. Further during the year ended March 31, 2015, the company has bought-back 0.05 million shares pursuant to the resolution passed in extra-ordinary general meeting on August 8, 2014 and amount of Rs.4.55 milliom has been utilised from the securities premium. (Refer Annexure VII)
4) During the year ended March 31, 2016, the Company has converted 1.25 million OCPPS of Rs 10 each into 1,251,204 equity shares of Rs 10 each pursuant to resolution passed in Board Meeting on March 30,2016. The Board of Directors of the Company at their board meeting held on March 30, 2016 have allotted one equity share for every one OCPPS.

Annexure VI - Restated consolidated Statement of Share Capital

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

Name of the Shareholder	As at September 30, 2017 No. of Shares held	As at September 30, 2017 % of holding in the class	As at March 31, 2017 No. of Shares held	As at March 31, 2017 % of holding in the class	As at March 31, 2016 No. of Shares held	As at March 31, 2016 % of holding in the class	As at March 31, 2015 No. of Shares held	As at March 31, 2015 % of holding in the class	As at March 31, 2014 No. of Shares held	As at March 31, 2014 % of holding in the class	As at March 31, 2013 No. of Shares held	As at March 31, 2013 % of holding in the class
Equity shares of Rs 10 each fully paid												
Mitter Infotech LLP	558,356	28.1%	558,356	28.07%	558,356	28.07%	558,356	75.65%	598,357	76.38%	700,087	89.36%
West Bridge Venture II Investment Holdings	1,352,944	68.0%	1,352,944	68.01%	1,352,944	68.01%	101,740	13.79%	101,740	12.99%	-	-
Emerging Investment Limited	-	-	-	-	-	-	44,065	5.97%	47,209	6.03%	47,209	6.03%
OCPPS of Rs 10 each fully paid												
West Bridge Venture II Investment Holdings	-	-	-	-	-	-	1,251,204	100.00%	1,251,204	100.00%	1,251,204	100.00%

As per records of the Company, including its register of shareholders/ members, the above shareholding represents both legal and beneficial ownerships of shares.

(c) Shares held by holding/ultimate holding company and/or their subsidiaries/associates

Out of equity shares issued by the Company, shares held by its holding company, ulitmate holding company and their subsidiaries/associates are as below:

Name of the shareholder	September 30, 2017 Amount	March 31, 2017 Amount	March 31, 2016 Amount	March 31, 2015 Amount	March 31, 2014 Amount	March 31, 2013 Amount
West Bridge Venture II Investment Holdings, the holding company from March 30, 2016	13.53	13.53	13.53	-	-	-
	-	-	-	-	-	-
Mitter Infotech LLP, the holding firm till March 29, 2016	-	5.58	5.58	5.58	5.98	7.00

Note 1 : Subsequent to 30th September, 2017, West Bridge Venture II Investment Holding sold/transferred 839,650 equity shares to financial investors and certain employees of the Company. Accordingly, West Bridge II Investment Holding is no longer the holding company and West Bridge Venture LLC is no longer the ultimate holding company from 23th November, 2017. (Refer Note 12 (1) of Annexure XXX)

(d) Terms/rights attached to equity shares

1. Voting rights

   Each shareholder is entitled to one vote per equity share having value of Rs 10 per share.

2. Right as to dividend

   The equity shareholder entitled to receive dividend as and when declared by Board of Directors subject to approval of members at the Annual General Meeting.

3. Rights on further issue including anti dilution Rights:

   In the event the Company proposes to make preferential issue of shares then 'West Bridge Ventures II Investment Holdings' ('Investor') have first right to subscribe on a pro-rata percentage of the entire issue on the basis of existing holding on a fully diluted basis so that the existing shareholding percentage in the Company remain same.

   In addition to above, the investor have anti dilution rights including right to be allotted proportionate shares without consideration in case of certain events as defined in shareholder's agreement.

4. Right of first offer, Right of Refusal and Tag Along Rights

   In the event Investor propose to transfer all or part of their securities to any person, it shall first offer to Mitter Infotech LLP and two individual shareholders ('Founders') , a pro rata right to purchase all their shares. Investor shall have the right to exercise certain specified tag along rights in case the Founders proposes to transfer any securities to any person in certain cases as defined in Articles of Association (AOA).

   In the event Emerging Investments Limited and other two company shareholders and one individual shareholders ('Other Shareholders') propose to transfer all or part of their securities to any person, investor and founders have pro rata right to purchase all their Shares.

5. Drag Along Rights:

   In case, the investor receives an offer for sale to third party, the Investor has the right to call upon the founders to sell their part of shareholding subject to certain specified conditions as defined in the AOA of the Company.

Annexure VI - Restated consolidated Statement of Share Capital

6. Liquidation Preference:

   In the Event of "Liquidation Event" as defined in shareholders agreement, equity shareholders will be entitled to receive consideration or proceed on a pro rata basis in the proportions of their ownership in the total paid up capital of the company on a fully diluted basis as defined in the AOA of the Company, after distribution of all preferential amounts.

   "Liquidation event" shall (except for the issue of shares under an IPO) be deemed to include the following:-

   (a) Commencement of any proceedings for the voluntary winding up of the Company in accordance with the Act or the passing of an order of any court appointing a provisional liquidator or administrator in any other proceeding seeking the winding up of the Company; or

   (b) The consummation of a consolidation, merger, reorganization or other similar transaction (whether in one or a series of transactions) of the Company resulting in its Shareholders, collectively, retaining less than a majority of the voting power of the Company or the surviving entity immediately following such transaction after giving effect to any conversion exercise or exchange of any Securities convertible into or exercisable or exchangeable for, such voting Securities, or

   (c) Sale or transfer of more than 50% [fifty percent] of the then outstanding Shares by the Shareholders, such that the Shareholders, which shall include the Investor, prior to any such transaction, retain after such transaction less than 50% of voting power of the Company

   (d) The sale of, transfer of or creation of an encumbrance of any nature whatsoever or the appointment of a receiver in any proceedings, in more than 50% of the value of the assets and properties of the Company, including but not restricted to tangible and intangible assets of the Company, or any order of any court resulting in the sale of, transfer of or creation of an encumbrance of any nature whatsoever in more than 50% of the value of the assets and properties of the Company including but not restricted to tangible and intangible assets of the Company (whether in one or a series of transactions), which has not been vacated within 15 days of the passing of such order by the court. Subsection (d) would not apply to a case of consolidation, merger, reorganisation or other similar transaction referred to in sub-section (b)

7. Other Rights:

   Investor have right to have their representation on the board of the Company with an affirmative voting right and decision on certain reserved matters such as change or alteration in the rights of any class of shareholders, change in share capital of the Company, undertaking any merger, acquisition, consolidation/ amalgamation, change in the composition of board of directors and change in scope of business activity.

(e) Terms of conversion/redemption of (OCPPS)

Till March 29, 2016 , the Company had only one series of preference shares having par value of Rs 10 each.The preference shares were held by the investor. The following were the rights and preferences attached to preference shares.

1. Voting rights

   The preference shareholders shall have right to vote on as converted to equity share basis.

2. Right as to dividend

   The preference shares will carry a fixed rate of dividend at the rate of 0.01% calculated on a fully diluted basis i.e. on as an if converted basis, is identically the same percentage rate as the dividend declared by the Company on its equity shares.

3. Redemption and conversion rights:

   The preference shareholders investor have right to redeeem any time after expiry of 5 years from closing date i.e., 5th September, 2005 at the option of the preference shareholder at the fair market value as determined by an independent valuer.

   Further, the preference shareholders have right to convert at any time in the ratio of 1:1 subject to adjustment of stock splits, bonus, dividends , recapitalisation and other similar events.

   Apart from above, the investor have the right of first offer, right of first refusal, tag along rights, drag along rights as mentioned in paragraph 3, 4 and 5 of Annexure VI (d) as preference shareholders.

   On March 30 2016, as indicated in annexure VI (a) above, the Company had converted 1,251,204 optionally convertible participating preference shares of Rs 10 each into 1,251,204 equity shares of Rs 10 each, hence there are no outstanding OCPPS as at March 31, 2016, 2017 and September 30, 2017.

(f) 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 1 of Annexure XXX).

(g) Aggregate number of shares bought back during the period of five years immediately preceding the reporting date:

Particulars	September 30, 2017	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Equity shares bought back at the beginning of the year	129,896	129,896	129,896	84,496	84,496	-
Equity shares bought back by the Company	-	-	-	45,400	-	84,496
	129,896	129,896	129,896	129,896	84,496	84,496

Note -

The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the group and its associate.

The above statement should be read with the notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV and V.

Nazara Technologies Limited
(Formerly Known as Nazara Technologies Private Limited)
Annexure VII - Restated consolidated Statement of Reserves and Surplus

(Rupees in million, unless otherwise stated)

Particulars	As at September 30, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Reserves and surplus						
Securities premium account						
Balance as per last financial statements	-	-	-	45.45	45.45	124.29
Less:-utilised for buyback of shares (refer note 1 below)	-	-	-	(45.45)	-	(78.84)
Closing balance	-	-	-	-	45.45	45.45
Surplus in the statement of profit and loss						
Balance as per last financial statements	2,115.28	1,518.08	1,072.09	604.34	315.30	184.19
Add: amount transferred from surplus balance in the statement of profit and loss	198.45	597.20	645.21	590.96	289.45	131.95
Less:- utilised for buyback of shares (refer note 1 below)	-	-	-	(88.02)	-	-
Less :- transferred to Statutory Reserve					(0.41)	
Less:- transfer to capital redemption reserve account (refer note 1 below)	-	-	-	(0.46)	-	(0.84)
Less:- tax on buyback of shares (refer note 1 below and note 3 to Annnexure IVA)	-	-	-	(30.36)	-	-
Less:- utilised for dividend distribution	(300.38)	-	(198.93)	-	-	-
Add/ Less : Due to Rate Difference				(4.37)		
Less:- tax on dividend distributed	-	-	(0.29)	-	-	-
Closing balance	2,013.35	2,115.28	1,518.08	1,072.09	604.34	315.30
Capital redemption reserve account						
Balance as per last financial statements	1.30	1.30	1.30	0.84	0.84	-
Add:- transferred from surplus in the statement of profit and loss (refer note 1 below)	-	-	-	0.46	-	0.84
Closing balance	1.30	1.30	1.30	1.30	0.84	0.84
Employee stock options outstanding						
Balance as per last financial statements	22.85	-	-	-	-	-
Add:- options granted	47.53	22.85	-	-	-	-
Closing balance	70.38	22.85	-	-	-	-
Statutory Reserve						
Balance as per last financial statement	0.45	0.45	0.45	0.41	-	-
Add:- transferred from surplus in the statement of profit and loss	-	-	-	-	0.41	-
Add/ Less : Due to Rate Difference	-	-	-	0.04	-	-
Closing balance	0.45	0.45	0.45	0.45	0.41	
Foreign currency translation reserve						
Balance as per last financial statements	4.43	45.04	(0.24)	1.75	0.22	0.19
Add:- addition during the year (net)	7.33	(40.61)	45.28	(7.17)	1.53	0.03
Add/ Less : Due to Rate Difference	-	-	-	5.18	-	-
Closing balance	11.76	4.43	45.04	(0.24)	1.75	0.22
	2,097.24	**2,144.31**	**1,564.87**	**1,073.60**	**652.79**	**361.81**

Notes:

1) During the year ended March 31, 2013, the holding company has bought-back 84,496 shares pursuant to resolution passed in extra-ordinary general meeting on October 18, 2012 and amount of Rs. 78.83 million has been utilised from the securities premium and the holding company has transferred Rs.0.84 million from surplus in the statement of profit and loss to capital redemption reserve account.

   During the year ended March 31, 2015, the holding company has bought-back 45,400 shares pursuant to the resolution passed in extra-ordinary general meeting on August 8, 2014 and amount of Rs. 4.55 million and Rs.88.02 million has been utilised from the securities premium and surplus in the statement of profit and loss respectively. Further, the holding company has transferred Rs.0.45 million from surplus in the statement of profit and loss to capital redemption reserve account and Rs. 30.36 million has been utilised from surplus in the statement of profit and loss towards tax on buyback of shares.

2) The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the group and its associate .

3) The above statement should be read with the notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV and V.

Annexure VIII - Restated consolidated Statement of Long-term provisions

(Rupees in million, unless otherwise stated)

Particulars	As at September 30, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Provision for employee benefits						
Provision for gratuity (Refer Note 3 of Annexure XXX)	13.69	13.05	11.68	8.49	7.07	5.03
	13.69	**13.05**	**11.68**	**8.49**	**7.07**	**5.03**

Notes:

1) The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the group and its associate.

2) The above statement should be read with the notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV and V.

Annexure IX - Restated consolidated statement of Trade Payables

(Rupees in million, unless otherwise stated)

Particulars	As at September 30, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Trade payable						
- Total outstanding dues of micro enterprises and small enterprises (Refer Note 7 in Annexure XXX for details of dues to micor and small enterprises)	-	-	-	-	-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises	307.41	240.16	261.65	247.75	92.16	90.04
	307.41	**240.16**	**261.65**	**247.75**	**92.16**	**90.04**

Notes:

1) The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the group and its associate.
2) The above statement should be read with the notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV and V.

Annexure X - Restated consolidated statement of Other Current Liabilities

(Rupees in million, unless otherwise stated)

Particulars	As at September 30, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Other current liabilities						
Employee payables	25.19	31.35	18.68	12.08	3.79	1.83
Payable for capital expenditure	2.00	2.03	2.09	0.07	-	1.03
Deferred revenue	7.67	10.78	29.87	14.65	-	0.21
Other payables						
Statutory liabilities	5.67	5.87	4.08	7.28	1.63	0.24
Tax deducted at source	45.20	108.04	81.37	37.96	9.01	4.78
	85.73	**158.07**	**136.09**	**72.04**	**14.43**	**8.09**

Notes:

1) The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the group and its associate.
2) The above statement should be read with the notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV and V.

Annexure XI - Restated consolidated statement of Short-term Provisions

(Rupees in million, unless otherwise stated)

Particulars	As at September 30, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Short-term provisions						
Provision for compensated absences	3.91	3.71	1.71	1.83	1.68	1.34
Provision for income tax (net of advance tax)	55.71	3.63	3.00	1.92	0.53	0.07
	59.62	**7.34**	**4.71**	**3.75**	**2.21**	**1.41**

Notes:

1) The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the group and its associate.

2) The above statement should be read with the notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV and V.

Nazara Technologies Limited
(Formerly Known as Nazara Technologies Private Limited)

Annexure XII -Restated consolidated Statement of Fixed Assets (Property plant and equipment and Intangible Assets)

Gross Block

(Rupees in million, unless otherwise stated)

Particulars	Property, plant and equipment						Intangible assets				Grand Total
	Computers	Office equipments	Furniture and fixtures	Vehicles	Leasehold improvements	Total	Computer software	NGDP Platform	Mygamma and Djuzz platform	Total	
As at April 1, 2012	11.27	1.56	1.28	1.09	4.08	19.28	16.28	-	-	16.28	35.56
Additions	2.07	0.44	0.49	-	-	3.00	0.40	-	3.64	4.04	7.04
Disposal	(2.07)	(0.20)	(0.73)	-	-	(3.00)	(0.41)	-	-	(0.41)	(3.41)
#Foreign exchange adjustments	0.00*	0.01	-	-	0.03	0.04	0.00*	-	-	0.00*	0.04
As at March 31, 2013	**11.27**	**1.81**	**1.04**	**1.09**	**4.11**	**19.32**	**16.27**	**-**	**3.64**	**19.91**	**39.23**
Additions	1.86	0.81	-	0.57	-	3.24	1.57	-	-	1.57	4.81
Disposal	-	(0.03)	-	-	-	(0.03)	-	-	-	-	(0.03)
#Foreign exchange adjustments	0.10	0.03	0.00*	-	0.06	0.19	0.02	-	-	0.02	0.21
As at March 31, 2014	**13.23**	**2.62**	**1.04**	**1.66**	**4.17**	**22.72**	**17.86**	**-**	**3.64**	**21.50**	**44.22**
Additions	2.22	0.68	0.06	-	-	2.96	3.88	-	-	3.88	6.84
Disposal	-	-	-	-	-	-	(7.99)	-	-	(7.99)	(7.99)
#Foreign exchange adjustments	0.06	0.01	0.00*	0.03	0.03	0.13	0.00*	-	-	0.00*	0.13
As at March 31, 2015	**15.51**	**3.31**	**1.10**	**1.69**	**4.20**	**25.81**	**13.75**	**-**	**3.64**	**17.39**	**43.20**
Additions	14.74	1.07	0.46	-	-	16.27	2.52	-	-	2.52	18.79
Disposal	(1.25)	(0.35)	-	-	(0.67)	(2.27)	(0.25)	-	-	(0.25)	(2.52)
#Foreign exchange adjustments	0.08	0.03	0.00*	0.03	0.04	0.18	0.01	-	-	0.01	0.19
As at March 31, 2016	**29.08**	**4.06**	**1.56**	**1.72**	**3.57**	**39.99**	**16.03**	**-**	**3.64**	**19.67**	**59.66**
Additions	0.43	0.63	-	2.01	-	3.07	-	7.20	-	7.20	10.27
Disposal	(0.57)	(0.51)	-	(0.61)	(3.57)	(5.26)	(0.02)	-	-	(0.02)	(5.28)
#Foreign exchange adjustments	0.00*	0.00*	0.00*	(0.01)	-	(0.01)	0.00*	-	-	0.00*	(0.01)
As at March 31, 2017	**28.94**	**4.18**	**1.56**	**3.11**	**-**	**37.79**	**16.01**	**7.20**	**3.64**	**26.85**	**64.64**
Additions	-	-	-	2.67	-	2.67	-	-	-	-	2.67
Disposal	0.00*	0.00*	0.00*	(0.02)	-	(0.02)	-	-	-	-	(0.02)
At September 30, 2017	**28.94**	**4.18**	**1.56**	**5.76**	**-**	**40.44**	**16.01**	**7.20**	**3.64**	**26.85**	**67.29**

Depreciation

Particulars	Property, plant and equipment						Intangible assets				Grand Total
	Computers	Office equipments	Furniture and fixtures	Vehicles	Leasehold improvements	Total	Computer software	NGDP Platform	Mygamma and Djuzz platform	Total	
As at April 1, 2012	4.72	0.29	0.62	0.05	3.61	9.29	8.97	-	-	8.97	18.26
Charge for the year	4.53	0.75	0.19	0.42	0.14	6.03	2.95	-	0.10	3.05	9.08
Disposals	(1.75)	(0.20)	(0.59)	-	-	(2.54)	(0.41)	-	-	(0.41)	(2.95)
#Foreign exchange adjustments	0.00*	0.00*	0.00*	-	0.00*	0.00*	0.00*	-	-	0.00*	0.00*
As at March 31, 2013	**7.50**	**0.84**	**0.22**	**0.47**	**3.75**	**12.78**	**11.51**	**-**	**0.10**	**11.61**	**24.39**
Charge for the year	2.47	0.72	0.22	0.53	0.15	4.09	2.69	-	1.21	3.90	7.99
Disposals	-	(0.02)	-	-	-	(0.02)		-	-	-	(0.02)
#Foreign exchange adjustments	0.01	0.00*	0.00*	0.00*	0.02	0.03	0.00*	-	-	-	0.03
As at March 31, 2014	**9.98**	**1.54**	**0.44**	**1.00**	**3.92**	**16.88**	**14.20**	**-**	**1.31**	**15.51**	**32.39**
Charge for the year	2.17	0.69	0.23	0.39	0.17	3.65	3.09	-	1.21	4.30	7.95
Disposals	-	-	-	-	-	-	(7.99)	-	-	(7.99)	(7.99)
#Foreign exchange adjustments	0.04	0.01	0.00*	0.00*	0.02	0.07	0.00*	-	0.00*	0.00*	0.07
As at March 31, 2015	**12.19**	**2.24**	**0.67**	**1.39**	**4.11**	**20.60**	**9.30**	**-**	**2.52**	**11.82**	**32.42**
Charge for the year	4.68	0.77	0.31	0.21	-	5.97	2.41	-	1.12	3.53	9.50
Disposals	(0.96)	(0.34)	-	-	(0.56)	(1.86)	(0.21)	-	-	(0.21)	(2.07)
#Foreign exchange adjustments	0.05	0.02	0.00*	0.02	0.02	0.11	0.00*	-	-	-	0.11
As at March 31, 2016	**15.96**	**2.69**	**0.98**	**1.62**	**3.57**	**24.82**	**11.50**	**-**	**3.64**	**15.14**	**39.96**
Charge for the year	6.12	0.88	0.24	0.66	-	7.90	2.35	1.33	-	3.68	11.58
Disposals	(0.57)	(0.50)	-	(0.55)	(3.57)	(5.19)	(0.01)	-	-	(0.01)	(5.20)
#Foreign exchange adjustments	0.00*	0.00*	0.00*	(0.02)	-	(0.02)	0.00*	-	-	-	(0.02)
As at March 31, 2017	**21.51**	**3.07**	**1.22**	**1.71**	**-**	**27.51**	**13.84**	**1.33**	**3.64**	**18.81**	**46.32**
Charge for the year	2.80	0.37	0.09	0.42	-	3.67	1.07	1.21	-	2.27	5.95
Disposals	-	-	-	-	-	-	-	-	-	-	-
#Foreign exchange adjustments	0.00*	0.00*	0.00*	0.00*	-	0.00*	-	-	-	0.00*	0.00*
As at September 30,2017	**24.31**	**3.44**	**1.31**	**2.13**	**-**	**31.18**	**14.91**	**2.54**	**3.64**	**21.08**	**52.27**

Net block

Particulars	Property, plant and equipment						Intangible assets				Grand Total
	Computers	Office equipments	Furniture and fixtures	Vehicles	Leasehold improvements	Total	Computer software	NGDP Platform	Mygamma and Djuzz platform	Total	
As at March 31, 2013	3.77	0.97	0.82	0.62	0.36	6.54	4.76	-	3.53	8.29	14.83
As at March 31, 2014	3.25	1.08	0.60	0.66	0.25	5.84	3.66	-	2.32	5.98	11.82
As at March 31, 2015	3.32	1.07	0.43	0.30	0.09	5.21	4.45	-	1.12	5.57	10.78
As at March 31, 2016	13.12	1.37	0.58	0.10	-	15.17	4.53	-	-	4.53	19.70
As at March 31, 2017	7.43	1.11	0.34	1.40	-	10.28	2.17	5.87	-	8.04	18.32
As at September 30, 2017	4.63	0.74	0.25	3.63	-	9.26	1.10	4.66	-	5.77	15.03

Notes:

1) The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the group and its associate.
2) The above statement should be read with the notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV and V.

represents exchange difference resulting from translation of fixed assets relating to non-integral operations.

* Amount is less than 0.01 million

Nazara Technologies Limited
(Formerly Known as Nazara Technologies Private Limited)

Annexure XIII - Restated consolidated statement of Non-current Investments

(Rupees in million, unless otherwise stated)

Particulars	As at September 30, 2017		As at March 31, 2017		As at March 31, 2016		As at March 31, 2015		As at March 31, 2014		As at March 31, 2013	
	No. of Shares	**Amount**	**No. of Shares**	**Amount**	**No. of Shares**	**Amount**	**No. of Shares**	**Amount**	**No. of Shares**	**Amount**	**No. of Shares**	**Amount**
Non-current investment												
Trade investment (at cost) (unquoted)												
Investment in associate												
Mastermind Sports Limited (including goodwill of Rs 20,849,902) - Equity shares of USD 0.01 each	72,389	21.22	-	-	-	-	-	-	-	-	-	-
Add: post acquisition share of (loss) for the period ended on 30th Sep, 2017	-	(0.32)	-	-	-	-	-	-	-	-	-	-
	72,389	20.90	-	-	-	-	-	-	-	-	-	-
Investment in others												
Hashcube Inc - Convertible preference shares of USD 0.00001 each	2,451,546	23.69	2,451,546	23.49	2,451,546	24.00	2,451,546	22.65	-	-	-	-
Mastermind Sports Limited (including goodwill of Rs 20,849,902) - Equity shares of USD 0.01 each	-	-	50,116	14.56	-	-	-	-	-	-	-	-
	2,523,935	**44.59**	**2,501,662**	**38.05**	**2,451,546**	**24.00**	**2,451,546**	**22.65**	**-**	**-**	**-**	**-**

Notes:

The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the group and its associate.

The above statement should be read with the notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV and V.

Nazara Technologies Limited
(Formerly Known as Nazara Technologies Private Limited)

Annexure XIV - Restated consolidated statement of Deferred tax assets (net)

(Rupees in million, unless otherwise stated)

Particulars	As at September 30, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Deferred tax assets						
Provision for doubtful debts	13.53	10.85	4.16	0.09	0.40	1.29
Impact of expenditure charged to statement of profit and loss in the current year but allowed for tax purposes on payment basis	19.48	28.41	5.52	3.24	0.10	1.92
Fixed assets: Impact of difference between tax depreciation and depreciation/ amortisation charged for the financial reporting	2.43	1.57	1.03	2.16	1.47	0.65
Impact of revenue offered to tax but recorded in the statement of profit and loss in the subsequent year	1.00	1.63	7.57	4.45	-	-
	36.44	**42.46**	**18.28**	**9.94**	**1.97**	**3.86**

Notes:
1) The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the group and its associate.
2) The above statement should be read with the notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV and V.

Annexure XV - Restated consolidated statement of long term loans and advances

(Rupees in million, unless otherwise stated)

Particulars	As at September 30, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
(Unsecured, considered good)						
Security deposits	15.72	14.70	12.83	2.78	4.90	4.10
Capital advance	-	-	-	1.30	-	-
Advance income -tax (net of provision for tax)	46.56	46.59	32.45	19.89	2.95	4.60
Total	**62.28**	**61.29**	**45.28**	**23.97**	**7.85**	**8.70**

Notes:

1) The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the group and its associate.

2) The above statement should be read with the notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV and V.

Annexure XVI - Restated consolidated statement of other non current assets

(Rupees in million, unless otherwise stated)

Particulars	As at September 30, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Unsecured, considered good unless stated otherwise						
Non-current bank balances (refer annexure XIX)	1.65	1.65	1.50	-	49.10	109.50
Others						
Interest accrued on fixed deposits	0.08	0.03	0.07	-	2.63	4.87
	1.73	**1.68**	**1.57**	**-**	**51.73**	**114.37**

Note:

1) The fixed deposit aggregating to Rs 1.65 million as at September 30, 2017 and March 31, 2016 and Rs 1.50 million as at March 31, 2016 is under lien to bank for issuing bank guarantee.

2) The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the group and its associate.

3) The above statement should be read with the notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV and V.

Nazara Technologies Limited
(Formerly Known as Nazara Technologies Private Limited)

Annexure XVII - Restated consolidated statement of current investments

(Rupees in million, unless otherwise stated)

Particulars	As at September 30, 2017		As at March 31, 2017		As at March 31, 2016		As at March 31, 2015		As at March 31, 2014		As at March 31, 2013	
	No. of Units	Amount	No. of Units	Amount	No. of Units	Amount	No. of Units	Amount	No. of Units	Amount	No. of Units	Amount
1 Current investments (valued at lower of cost and fair value, unless stated otherwise)												
a. Investments in mutual funds (unquoted)												
SBI MF SDFS 367 Days	-	-	-	-	-	-	-	-	-	-	999,990	10.00
HDFC FMP 370D July 2013	-	-	-	-	-	-	-	-	1,000,000	10.00	-	-
SBI SDFS A 16 366 Days-Regular-Growth	-	-	-	-	-	-	-	-	2,250,000	22.50	-	-
SDFS - A 3 420 Days -Regular- Growth	-	-	-	-	-	-	4,031,085	40.31	4,031,085	40.31	-	-
SBI Magnum Gilt - Long Term Plan (G)	-	-	-	-	-	-	685,086	20.00	-	-	-	-
Franklin India Income Builder Account	-	-	-	-	-	-	207,276	10.00	-	-	-	-
SBIMF-Magnum income fund	1,577,816	45.82	1,756,450	51.01	1,757,450	51.01	1,756,450	51.01	1,756,450	51.01	2,248,626	65.00
BNP paribas flexi debt fund	828,972	20.00	828,972	20.00	828,972	20.00	414,993	10.00	-	-	-	-
SBI ultra short term fund	-	-	12,830	25.95	23,994	44.92	67,815	121.48	-	-	-	-
SDFS 17 months - series 1	-	-	-	-	1,003,037	10.03	1,003,037	10.03	1,003,037	10.03	-	-
SDFS 18 months - series XII	-	-	-	-	2,504,000	25.00	2,500,000	25.00	2,500,000	25.00	-	-
SBI dynamic bond fund	-	-	-	-	1,751,096	30.00	1,167,986	20.00	-	-	-	-
ICICI prudential gilt fund	670,604	34.63	670,604	34.63	848,326	40.00	212,054	10.00	-	-	-	-
Kotak gilt investment regular growth	627,212	32.71	627,212	32.71	837,909	40.00	209,563	10.00	-	-	-	-
SBI short term fund	1,210,302	20.00	1,210,302	20.00	1,210,302	20.00	-	-	-	-	-	-
SBI corporate bond	2,858,784	70.00	2,858,784	70.00	850,008	20.00	-	-	-	-	-	-
SBI debt fund series B – 33	2,000,000	20.00	2,000,000	20.00	2,000,000	20.00	-	-	1,500,000	15.00	-	-
SBI regular saving fund	3,470,651	90.00	3,470,651	90.00	2,009,765	50.00	-	-	-	-	-	-
Birla sunlife saving fund	269	0.09	-	-	-	-	-	-	-	-	-	-
Birla sunlife saving fund	-	-	-	-	86,812	25.00	-	-	-	-	-	-
ICICI prudential flexible income - regular growth	-	-	-	-	164,989	47.07	-	-	-	-	-	-
IIFL cash opportunities fund	6,435,543	69.58	4,700,293	49.72	2,850,436	29.99	-	-	-	-	-	-
Birla sun life dynamic bond fund	399,552	10.00	339,552	10.00	-	-	-	-	-	-	-	-
Birla sun life short term opportunities fund	368,370	10.00	368,370	10.00	-	-	-	-	-	-	-	-
BNP paribas medium term income fund	783,447	10.00	783,447	10.00	-	-	-	-	-	-	-	-
DSP black rock income opportunities fund	372,250	10.00	372,250	10.00	-	-	-	-	-	-	-	-
IDFC super saver income fund short term	641,350	20.00	641,350	20.00	-	-	-	-	-	-	-	-
L&T income opportunities fund	1,722,655	30.00	1,722,655	30.00	-	-	-	-	-	-	-	-
Reliance short term fund	853,250	25.00	853,250	25.00	-	-	-	-	-	-	-	-
SBI treasury advantage fund	18,977	32.17	18,977	32.17	-	-	-	-	-	-	-	-
Tata short term bond fund	351,136	10.00	351,136	10.00	-	-	-	-	-	-	-	-
Aditya Birla Sun Life Corporate Bond Fund regualar growth	799,316	10.00	-	-	-	-	-	-	-	-	-	-
Reliance Corporate Bond Fund-Growth Plan	732,295	10.00	-	-	-	-	-	-	-	-	-	-
UTI short term income fund	1,075,645	20.00	1,075,645	20.00	-	-	-	-	-	-	-	-
	27,798,396	**600.00**	**24,662,730**	**591.19**	**18,727,096**	**473.02**	**12,255,345**	**327.83**	**14,040,572**	**173.85**	**3,248,616**	**75.00**
b. Investments in debentures (quoted)												
IIFL Wealth Finance market linked debentures	-	-	100	10.00	-	-	-	-	-	-	-	-
2000 6.38% debentures in Emirates NBD	2,000	13.87	-	-	-	-	-	-	-	-	-	-
2000 5.75% debentures Tata Motor	2,000	14.36	-	-	-	-	-	-	-	-	-	-
2000 4.88% debentures Jubliant Pharma Ltd	2,000	13.38	-	-	-	-	-	-	-	-	-	-
2000 4.50% debentures GlenMark	2,000	13.25	-	-	-	-	-	-	-	-	-	-
2000 5.25% debentures JSW Steel	2,000	13.51	-	-	-	-	-	-	-	-	-	-
2000 5.30% debentures Marble II	2,000	13.40	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-
	12,000	**81.77**	**100**	**10.00**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
c. Investments in tax free bonds (quoted)												
7.39% HUDCO tax free bond series IIA	7,007	7.01	7,007	7.01	7,007	7.01	-	-	-	-	-	-
7.39% HUDCO bond tax free bond series IIA	7,529	7.53	7,529	7.53	7,529	7.53	-	-	-	-	-	-
7.35% IRFC tax free bond series IIA	5,878	5.88	5,878	5.88	5,878	5.88	-	-	-	-	-	-
7.35% NABARD tax free bond series IIA	5,010	5.01	5,010	5.01	5,010	5.01	-	-	-	-	-	-
7.35% NHAI tax free bond series IIA	29,704	14.28	29,704	14.28	29,704	14.28	-	-	-	-	-	-
7.39% NHAI tax free bond series IIA	15,419	15.42	15,419	15.41	15,419	15.42	-	-	-	-	-	-
	70,547	**55.13**	**70,547**	**55.12**	**70,547**	**55.13**	**-**	**-**	**-**	**-**	**-**	**-**
	27,880,943	**736.90**	**24,733,377**	**656.31**	**18,797,643**	**528.15**	**12,255,345**	**327.83**	**14,040,571.80**	**173.85**	**3,248,616**	**75.00**
Notes:												
Aggregate net assest value of unquoted investments in mutual fund based on NAV declared by mutual fund		683.78	-	652.74	-	504.43	-	346.18	-	178.78	-	76.49
Aggregate market value of quoted investments in debentures		80.89	-	10.77	-	-	-	-	-	-	-	-
Aggregate market value of quoted investments in tax free bonds		63.40	-	62.30	-	56.22	-	-	-	-	-	-

Note:

1) The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the group and its associate .

2) The above statement should be read with the notes to restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV and V.

Annexure XVIII - Restated consolidated statement of Trade receivables

(Rupees in million, unless otherwise stated)

Particulars	As at September 30, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Outstanding for a period exceeding six months from the date they are due for payment						
Unsecured, considered good	76.41	42.81	22.58	9.64	2.72	7.00
Unsecured, considered doubtful	15.74	23.44	6.62	2.67	10.73	3.79
	92.15	66.25	29.20	12.31	13.45	10.79
Less: Provision for doubtful debts	(15.74)	(23.44)	(6.62)	(2.67)	(10.73)	(3.79)
	76.41	42.81	22.58	9.64	2.72	7.00
Outstanding for a period less than six months from the date they are due for payment						
Unsecured, considered good	289.30	216.69	311.77	201.94	118.28	122.07
Considered doubtful	22.89	49.84	-	-	-	-
	312.19	266.53	311.77	201.94	118.28	122.07
Provision for doubtful debts	(22.89)	(49.84)	-	-	-	-
	289.30	216.69	311.77	201.94	118.28	122.07
Total	**365.71**	**259.50**	**334.35**	**211.58**	**121.00**	**129.07**

Notes:

1) The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the group and its associate.
2) The above statement should be read with the notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV and V.

Nazara Technologies Limited
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Annexure XIX - Restated consolidated statement of Cash and Bank balances

(Rupees in million, unless otherwise stated)

	Particulars	As at September 30, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
a.	**Cash and cash equivalents**						
	Cash in hand	0.25	0.01	0.10	0.05	0.02	0.00*
	Balances with banks:						
	- On current accounts	569.39	603.07	314.06	195.39	93.21	31.33
	- Deposits with original maturity of less than three months	-	45.29	380.19	167.45	-	-
	Total (A)	569.64	648.37	694.35	362.89	93.23	31.33
b.	**Other bank balances**						
	Deposits with remaining maturity for more than 3 months but less than 12 months	290.21	489.94	69.08	175.50	190.87	61.82
	Deposits with remaining maturity for more than 12 months	1.65	1.65	1.50	-	49.10	109.50
		291.86	491.59	70.58	175.50	239.97	171.32
	Amount disclosed under non- current assets (Refer Annexure XVI)	(1.65)	(1.65)	(1.50)	-	(49.10)	(109.50)
	Total (B)	290.21	489.94	69.08	175.50	190.87	61.82
	Cash and bank balances (A+B)	**859.85**	**1,138.31**	**763.43**	**538.39**	**284.10**	**93.15**

Notes:

1) The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the group and its associate .

2) The above statement should be read with the notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV and V.

* Amount is less than 0.01 million

Annexure XX - Restated consolidated statement of short term loans and advances

(Rupees in million, unless otherwise stated)

Particulars	As at September 30, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Unsecured, considered good						
Security deposits	1.50	0.69	1.74	3.30	-	-
Advances recoverable in cash or kind	1.00	0.94	0.81	19.87	7.74	2.79
Loan to Moonglab technologies private limited (Refer Note 12 (4) (iii) to Annexure XXX)	2.50	-	-	-	-	-
Advance to vendors	9.48	13.86	15.27	-	-	-
Other loans and advances	-	-	-	-	-	-
Prepaid expenses	13.83	15.39	11.01	-	-	-
VAT receivable	1.66	-	-	-	-	-
Service tax receivable	3.81	3.44	6.38	3.40	1.37	0.86
Total	33.78	34.32	35.21	26.57	9.11	3.65

Notes:

1) The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the group and its associate.
2) The above statement should be read with the notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV and V.

Annexure XXI - Restated consolidated statement of other current assets

Particulars	As at September 30, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Others						
Interest accured on fixed deposits and bonds	11.02	13.76	7.28	13.81	15.98	5.66
Unbilled revenue						
Considered good	374.47	314.07	218.04	240.00	111.59	38.43
Considered doubtful	6.55	4.44	-	-	-	-
	381.02	318.51	218.04	240.00	111.59	38.43
Less: Provision for doubtful unbilled revenue	(6.55)	(4.44)	-	-	-	-
	374.47	314.07	218.04	240.00	111.59	38.43
Forward contract receivable	38.98	3.35	-	-	-	-
Total	**424.47**	**331.18**	**225.32**	**253.81**	**127.57**	**44.09**

Notes:

1) The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the group and its associate.
2) The above statement should be read with the notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV and V.

Annexure XXII - Restated consolidated statement of Revenue from operations

(Rupees in million, unless otherwise stated)

Particulars	For the six months ended September 30, 2017	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013
Revenue from subscription/ download of games/other contents	807.70	1,861.75	2,082.10	1,529.75	873.58	542.14
Revenue from advertising services	31.23	39.83	29.53	-	-	-
Revenue from operations	**838.93**	**1,901.58**	**2,111.63**	**1,529.75**	**873.58**	**542.14**

Notes:

1) The figures disclosed above are based on the restated consolidated summary statement of profits and losses of the group and its associate
2) The above statement should be read with the notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV and V.

Annexure XXIII - Restated consolidated statement of other income

(Rupees in million, unless otherwise stated)

Particulars	For the six months ended September 30, 2017	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013	Recurring / Non - recurring	Related/ Not related to business activities
Interest income								
- on bank deposits	16.12	47.74	40.38	24.71	20.67	17.00	Recurring	Non related
- on tax free bonds	2.04	4.05	0.95	-	-	-	Recurring	Non related
- Current investments	0.28	-	-	-	-	-	Recurring	Non related
Dividend income on current investments	-	0.37	3.51	3.49	0.78	-	Recurring	Non related
Net gain on sale of current investments	5.77	26.13	16.97	4.35	1.59	-	Recurring	Non related
Sundry balances written back (net)	23.56	7.20	12.38	12.86	-	2.08	Non-recurring	Related
Provision for doubtful debts written back	-	-	-	1.08	3.79	-	Non-recurring	Related
Other income	0.29	2.11	4.24	1.28	0.87	0.00*	Non-recurring	Non related
Total	**48.06**	**87.60**	**78.43**	**47.77**	**27.70**	**19.08**		

Notes :

1) The figures disclosed above are based on the restated consolidated summary statement of profits and losses of the group and its associate

2) The above statement should be read with the notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV and V.

3) The classification of other income as recurring/non recurring and related /not related to business activity is based on the current operations and business activity of the holding company as determined by the management.

* Amount is less than 0.01 million

Annexure XXIV - Restated consolidated statement of employee benefits expenses

(Rupees in million, unless otherwise stated)

Particulars	For the six months ended September 30, 2017	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013
Salaries, bonus and allowances	99.16	203.15	218.72	131.56	114.30	89.85
Expense on employee stock option scheme (refer note 1 of Annexure XXX)	47.53	22.85	-	-	-	-
Contribution to provident and other funds	4.36	9.39	8.26	2.00	1.43	1.45
Gratuity expenses (refer note 3 Annexure XXX)	0.99	1.91	4.08	1.36	2.00	1.34
Staff welfare expenses	0.39	1.34	1.32	0.84	1.04	1.31
Total	**152.43**	**238.64**	**232.38**	**135.76**	**118.77**	**93.95**

Notes:

1) The figures disclosed above are based on the restated consolidated summary statement of profits and losses of the group and its associate.
2) The above statement should be read with the notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV and V.

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Annexure XXV - Restated consolidated statement of other expenses

(Rupees in million, unless otherwise stated)

Particulars	For the six months ended September 30, 2017	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013
Content management charges	0.69	2.02	0.86	0.81	5.96	11.04
Revenue share on subscription/download of games/other contents	13.91	59.25	105.57	66.75	11.70	-
Consumables for development and testing	0.46	0.44	0.84	0.55	0.80	0.72
Rent expenses	18.82	36.64	45.59	18.04	14.54	12.32
Rates and taxes	3.97	10.12	6.04	2.05	2.88	0.65
Insurance charges	1.11	2.71	2.94	1.74	1.21	0.64
Repairs and maintenance	3.24	6.48	5.87	2.49	1.91	1.38
Corporate social responsibility expenditure (refer note 8 of Annexure XXX)	0.01	4.75	2.99	-	-	-
Sales promotion and business development	5.08	10.27	10.46	7.83	6.91	6.34
Brokerage and discounts	-	-	1.78	0.05	0.33	0.35
Travelling and conveyance	11.35	26.05	27.53	19.85	19.08	13.46
Communication expenses	1.30	3.17	3.52	3.40	3.77	3.83
Printing and stationery	0.24	0.48	0.66	0.45	0.59	0.48
Legal and professional fees	18.65	38.60	41.27	39.11	30.07	26.26
Server charges	11.29	23.59	18.72	15.99	8.71	4.28
IT and call centre outsourcing	-	-	0.05	0.15	0.16	2.27
Bad debts written off	3.51	12.76	6.86	7.81	3.49	6.18
Provision for doubtful debts	7.74	39.36	27.60	16.17	10.79	3.58
Payment to auditors (refer note 1 below)	1.50	4.04	1.57	1.67	1.68	2.17
Loss on exchange fluctuation (net)	27.91	105.11	37.48	3.49	2.33	0.41
Liquidation Damages	-	-	-	-	2.50	-
Miscellaneous expenses	3.79	8.10	6.40	2.85	2.58	2.29
Loss on fixed assets discarding off	-	-	-	-	-	0.47
Bank charges	1.70	2.64	3.23	1.85	0.68	0.43
Investment Written Off	-	6.70	-	-	-	-
Interest expenses	0.40	0.85	1.01	0.49	1.03	0.04
	136.67	**404.13**	**358.84**	**213.59**	**133.70**	**99.59**

Notes:

1) **Payments to auditors**

As auditor						
Audit fees	1.50	3.70	1.40	1.43	1.40	1.30
Reimbursement of expenses	-	0.09	0.03	-	0.04	0.02
Certification services	-	0.25	0.15	0.24	0.21	0.16
Other Matters	-	-	-	-	0.04	0.70
	1.50	**4.04**	**1.58**	**1.67**	**1.69**	**2.18**

2) The figures disclosed above are based on the restated consolidated summary statement of profits and losses of the group and its associate.

3) The above statement should be read with the notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV and V.

Nazara Technologies Limited
(Formerly Known as Nazara Technologies Private Limited)

Annexure XXVI - Restated consolidated statement of Accounting Ratios

(Rupees in million, unless otherwise stated)

Particulars		For the six month ended September 30, 2017	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013
Basic earnings per share (Refer Note 1(a) below)	B/C	99.76	300.21	866.19	774.23	369.45	158.03
Diluted earnings per share (Refer Note 1(b) below)	A/D	98.99	289.90	307.99	278.73	135.33	60.36
Return on net worth (Refer Note 1(c) below)	A/E	9.37%	27.59%	40.71%	54.04%	43.00%	34.53%
Net asset value per equity share (Refer Note 1(d) below)	E/F	1,064.29	1,087.95	796.66	1,481.61	859.21	487.79
Accounting ratios after giving the effect of bonus and subdivision of shares (please refer note 5) -							
Basic earnings per share , after giving the impact of bonus and subdivision of equity shares (refer note 1(a) and 5 below)	B/G	7.98	24.02	69.30	61.94	29.56	12.64
Diluted earnings per share , after giving the impact of bonus and subdivision of equity shares (refer note 1(b) and 5 below)	A/H	7.92	23.19	24.64	22.30	10.83	4.83
Net asset value per equity share , after giving the impact of bonus and subdivision of equity shares (refer note 1(d) and 5 below)	E/I	85.14	87.04	63.73	118.53	68.74	39.02
Net profit after tax, as restated, attributable to equity shareholders	A	198.45	597.20	645.21	590.96	289.45	131.95
Effect of Preference dividend on preference shares including dividend distribution tax		-	-	0.00*	0.00*	0.00*	0.00*
Net profit for calculation of Basic EPS	B	198.45	597.20	645.21	590.96	289.45	131.95
Weighted average number of equity shares outstanding during the period/year, used for Basic earnings per share	C	1,989,246	1,989,246	744,879	763,292	783,442	835,006
Effect of dilution:							
Stock option granted under ESOP		15,553	70,784	105,667	105,667	104,231	99,925
Optionally convertible preference shares		-	-	1,244,367	1,251,204	1,251,204	1,251,204
Weighted average number of equity shares outstanding during the period/year, used for Diluted earnings per share	D	**2,004,799**	**2,060,030**	**2,094,913**	**2,120,163**	**2,138,877**	**2,186,135**
Net worth at the end of the period/year	E	2,117.13	2,164.20	1,584.76	1,093.49	673.14	382.16
Face value per share		10.00	10.00	10.00	10.00	10.00	10.00
Total number of equity shares outstanding at the end of the period/year.	F	1,989,246	1,989,246	1,989,246	738,042	783,442	783,442
Weighted average number of equity shares outstanding during the period / year, after giving the impact of bonus and subdivision of equity shares, used for basic earning per share (refer note 5 below)	G	24,865,575	24,865,575	9,310,988	9,541,150	9,793,025	10,437,575
Weighted average number of equity shares outstanding during the period / year, after giving the impact of bonus and subdivision of equity shares, used for diluted earning per share (refer note 5 below)	H	25,059,988	25,750,371	26,186,410	26,502,038	26,735,959	27,326,684
Total number of equity shares outstanding at the end of the period/year, after giving the impact of bonus and subdivision of equity shares, used for net asset value per share (refer note 5 below)	I	24,865,575	24,865,575	24,865,575	9,225,525	9,793,025	9,793,025

Notes:

1) Ratios have been computed as per the following formulas :

(a) Basic earnings per share (Rs.) = $\dfrac{\text{Net Profit after tax (after preference dividend and related tax), as restated, attributable to equity shareholders}}{\text{Weighted average number of equity shares outstanding during the period/year}}$

(b) Diluted earnings per share (Rs.) = $\dfrac{\text{Net Profit after tax (after preference dividend and related tax), as restated, attributable to equity shareholders}}{\text{Weighted average number of diluted equity shares outstanding during the period/year}}$

(c) Return on net worth (%) = $\dfrac{\text{Net Profit after tax, as restated}}{\text{Net worth at the end of the period/year}}$

(d) Net asset value per equity share (Rs.) = $\dfrac{\text{Net worth at the end of the period/year, as restated}}{\text{Total number of equity shares outstanding at the end of period/year}}$

2) Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the period/year, adjusted by the number of equity shares issued during the period/year multiplied by the time-weighting factor. The time-weighting factor is the number of days for which the specific shares are outstanding as a proportion of the total number of days during the period/year.

3) Earnings per share calculations are done in accordance with Accounting Standard 20 'Earnings Per Share' notified under section 133 of the Companies Act 2013, read together along with paragraph 7 of the Companies (Accounts)

Rules, 2014 ("AS-20").

4) Net worth for ratios mentioned in note 1(c) and 1(d) is = Paid up share capital + Reserves and surplus (including Capital Redemption Reserve, Securities Premium, Stock options outstanding and surplus in statement of Profit and loss).

5) On 28th December, 2017, the shareholders of the Company approved for subdivision of 1 fully paid up equity share having face value of Rs 10/- each into 2.5 fully paid up equity share having face value of Rs 4/- each. Accordingly, the outstanding 1,989,246 equity shares having face value of Rs 10 each aggregating to Rs 19,892,460 as at September 30, 2017 were sub-divided into 4,973,115 equity shares having face value of Rs 4 each aggregating to Rs 19,892,460.

Further, the shareholders also approved the issuance of the Bonus shares in the ratio of 4:1 (4 bonus shares for every 1 equity share held). Consequently, the number of shares has increased from 4,973,115 equity shares to 24,865,575 equity shares.

The Earnings per share calculations have also been presented in accordance with AS-20, after giving effect to the split and bonus, mentioned above. (Refer Note 12(3) of Annexure XXX)

6) The figures disclosed above are based on the restated consolidated summary statements of assets and liabilities and profits and losses of the Company.

7) The above statement should be read with the notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV and V.

8) Ratios for the six month period ended September 30, 2017 are not annualised.

* Amount is less than 0.01 million

Annexure XXVII - Consolidated capitalisation statement as at September 30, 2017

(Rupees in million, unless otherwise stated)

Particulars	**Pre-issue as at September 30, 2017**	**As adjusted for issue (Refer note 1 below)**
Debt (A)	-	-
Shareholders' funds		
Share capital	19.89	19.89
Reserves and surplus, as restated:		
Capital Redemption reserve	1.30	1.30
Employee stock options outstanding	70.38	70.38
Statutory reserve	0.45	0.45
Foreign currency translation reserve	11.76	11.76
Surplus in the statement of profit and loss	2,013.35	2,013.35
Total shareholders' funds (B)	**2,117.13**	**2,117.13**
Total Debt/ equity (A/B)	-	-

Notes:

1) The Company is proposing to have an initial public offering through offer for sale. Hence there will be no change in the shareholder's fund post issue.
2) The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the group and its associate company.
3) The above statement should be read with the notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV and V.

Annexure XXVIII – Consolidated statement of Dividend Paid

Particulars	For the six months ended September 30, 2017	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013
Equity Share Capital						
Issued number of shares on which dividend has been paid	1,989,246	-	1,989,246	-	-	-
Face value per share (Rs.)	10.00	-	10.00	-	-	-
Rate of dividend	1510%	-	1000%	-	-	-
Amount of dividend per share (Rs.)	151.00	-	100.00	-	-	-
Total amount of dividend (Rs in million)	300.38	-	198.93	-	-	-
Total dividend tax (Rs in million)	-	-	0.29	-	-	-

Notes:

1) The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities and profits and losses of the group and its associate company.
2) The above statement should be read with the notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV and V.

Annexure XXIX – Restated consolidated statement of related party disclosures

Related party disclosure in accordance with the Accounting Standard 18 on "Related Party Disclosures" notified under section 133 of the Companies Act 2013, read with rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016 is as under:

	Names of related parties and related party relationship	September 30, 2017	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
a.	**Related parties where control exists**						
	Ultimate holding company	West Bridge Venture LLC	West Bridge Venture LLC	West Bridge Venture LLC (from 30th March, 2016)	-	-	-
	Holding Company / Firm	West Bridge Venture II Investment Holdings (from 30th March, 2016)	West Bridge Venture II Investment Holdings (from 30th March, 2016)	West Bridge Venture II Investment Holdings (from 30th March, 2016) Mitter Infotech LLP (till 29th March, 2016)	Mitter Infotech LLP	Mitter Infotech LLP	Mitter Infotech LLP (formerly Mitter Infotech Pvt Ltd)
b.	**Related parties with whom transactions have taken place during the year**						
	Enterprises owned or controlled by key management personnel	Mitter Infotech LLP (formerly Mitter Infotech Private Limited)	Mitter Infotech LLP (formerly Mitter Infotech Private Limited)	Mitter Infotech LLP (formerly Mitter Infotech Private Limited)	-	-	Neerja International Fashions Ltd
	Key management personnel	Vikash Mittersain - Chairman Cum Managing Director	Vikash Mittersain - Chairman Cum Managing Director	Vikash Mittersain - Chairman Cum Managing Director	Vikash Mittersain - Chairman Cum Managing Director	Vikash Mittersain - Managing Director	Vikash Mittersain - Managing Director
		Nitish Mittersain - Managing Director	Nitish Mittersain - Managing Director	Nitish Mittersain - Managing Director	Nitish Mittersain - Managing Director	Nitish Mittersain - Director and Chief Executive Officer	Nitish Mittersain - Director and Chief Executive Officer
	Associate of subsidiary	Mastermind Sports Limited (from 22nd May 2017)	-	-	-	-	-

c. Note 1 : Subsequent to 30th September, 2017, West Bridge Venture II Investment Holding sold/transferred 839,650 equity shares to financial investors and certain employees of the Company. Accordingly, West Bridge II Investment Holding is no longer the holding company and West Bridge Venture LLC is no longer the ultimate holding company from 23th November, 2017. (Refer Note 12 (1) of Annexure XXXI)

Annexure XXIX – Restated consolidated statement of related party disclosures

c. Details of related party transactions during the year and balances outstanding as at year end

Party Name	Nature of transactions	September 30, 2017	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Holding Company							
Mitter Infotech LLP (formerly Mitter Infotech Private Limited)	Buyback of equity shares at Premium	-	-	-	118.00	-	71.25
Mitter Infotech LLP (formerly Mitter Infotech Private Limited)	Dividend paid	84.31	-	55.84	-	-	-
West Bridge Venture II Investment Holdings	Dividend paid	204.29	-	135.29	-	-	-
Key management personnel							
Vikash Mittersain	Remuneration	2.26	4.90	4.67	4.42	3.00	3.00
Vikash Mittersain	Dividend paid	0.00*	-	0.00*	-	-	-
Vikash Mittersain	Rent paid on their behalf	-	4.75	-	-	-	-
Vikash Mittersain	Recovery of rent paid on their behalf	-	4.75	-	-	-	-
Nitish Mittersain	Remuneration	12.15	30.56	34.38	21.01	20.00	10.00
Nitish Mittersain	Dividend paid	0.00*	-	0.00*	-	-	-
Nitish Mittersain	Rent paid on their behalf	3.62	3.30	4.13	-	-	-
Nitish Mittersain	Recovery of rent paid on their behalf	3.00	3.30	3.80	-	-	-
Associate of subsidiary							
Mastermind Sports Limited	Cost of content	0.12	-	-	-	-	-

d. Balance payables at year end

Party Name	Nature of transactions	September 30, 2017	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Key management personnel							
Vikash Mittersain	Employee payables	-	0.14	-	0.05	-	-
Nitish Mittersain	Employee payables	1.38	6.00	10.00	0.36	-	-
Associate of subsidiary							
Mastermind Sports Limited	Other payables	0.12	-	-	-	-	-

Notes:

1) The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities and profits and losses of the group and its associate company.

2) The above statement should be read with the notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV and V.

3) Remuneration to the 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.

4) During the year ended March 31, 2016, 1,251,204 convertible preference shares held by West Bridge Venture II Investment Holdings has been converted into equity shares on 1:1 ratio basis.

* Amount is less than 0.01 million

Annexure XXX - Other disclosures to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows

1) Employee stock option plans

During the period / year ended 30th September 2017 and 31st March 2017, ESOP 2005 & ESOP 2016 schemes were in operation.

ESOP 2005

Details of ESOP 2005 are as follows:

Particulars	
Date of grant	17th September, 2005
Date of board approval	17th September, 2005
Number of options granted	108,537 to Mr. Nitish Mittersain
Method of settlement	Equity
Vesting period	Four years
Exercise period	Open ended
Vesting conditions	50% vesting after 2 years and balance 50% vesting equally over remaining 2 years
Exercise price	Rs 78

The details of activities under ESOP 2005 scheme have been summarised below:

Particulars	**September 30, 2017 No.**	**March 31, 2017 No.**	**March 31, 2016 No.**	**March 31, 2015 No .**	**March 31, 2014 No.**	**March 31, 2013 No.**
Outstanding at the beginning of the year	-	108,537	108,537	108,537	108,537	108,537
Granted during the year	-	-	-	-	-	-
Forfeited during the year	-	-	-	-	-	-
Exercised during the year	-	-	-	-	-	-
Expired during the year	-	-	-	-	-	-
Outstanding at the end of the year	-	-	108,537	108,537	108,537	108,537
Cancelled during the year (refer note below)	-	108,537	-	-	-	-
Exercisable at the end of the year	-	-	108,537	108,537	108,537	108,537
Weighted average fair value of options granted on the date of grant	-	-	-	-	-	-

Pursuant to the board resolution passed on 24th November 2016, 108,537.00 stock options granted to Mr. Nitish Mittersain has been rescinded.

ESOP 2016

Details of ESOP 2016 are as follows:

Particulars	
Date of grant	02nd January 2017
Date of board approval	24th November 2016
Date of member approval	26th December 2016
Number of options granted	59,411 to eligible employees of the Company and subsidiary company
Method of settlement	Equity
Vesting period	One year
Exercise period	Five years
Vesting conditions	100% vesting after one year
Exercise price	Rs 2,929

The details of activity under the scheme 2016 are summerised below:

Particulars	**Six month period ended 30-September- 2017 No.**	**31-March-2017 No.**	**31-March-2016 No.**
Outstanding at the beginning of the year	59,411	-	-
Granted during the year	-	59,411	-
Forfeited during the year	-	-	-
Exercised during the year	-	-	-
Expired during the year	-	-	-
Outstanding at the end of the year	59,411	59,411	-
Exercisable at the end of the year	-	-	-
Weighted average fair value of options granted on the date of grant	2,583	2583	

Subsequent to 30th September, 2017, the shareholders of the Company have approved for subdivision of shares and bonus, accordingly the number of shares and exercise price would be modified to that extent.

The fair value of stock options granted during the year ended 31st March 2017 is Rs 2,583. The black scholes valuation model has been used for computing the fair value considering the following inputs:

	Six month period ended 30-September- 2017	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
Expected volatility	25%	25%	-	-	-	-
Risk free interest rate	6.27%	6.27%	-	-	-	-
Weighted average share price	4,524	4,524	-	-	-	-
Exercise price	2,929	Rs 2,929	-	-	-	-
Expected life of options granted in the years	3.5 years	3.5 years	-	-	-	-

The expected life of the stock is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may also not necessarily be the actual outcome.

Had the compensation cost been determined in a manner consistent with fair value approach, the Group net income and earning per share as reported would have changed to amount indicated below:

	Six month period ended 30-September- 2017	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
Net profit for calculation of basic EPS	198.45	597.20	-	-	-	-
Add: ESOP cost using the intrinsic value method	47.53	22.85				
Less: ESOP cost using the fair value method	(76.94)	(37.00)	-	-	-	-
Proforma profit	169.04	583.05	-	-	-	-
Earning per share						
Basic						
As reported	99.76	300.21	-	-	-	-
proforma	84.98	293.10	-	-	-	-
Diluted						
As reported	98.99	289.90	-	-	-	-
proforma	84.32	283.03	-	-	-	-
Earning per share of the considering bonus issue and sub division of shares (Refer Note 14(2) of Annexure XXX) -						
Basic						
As reported	7.98	24.02	-	-	-	-
proforma	6.80	23.45	-	-	-	-
Diluted						
As reported	7.92	23.19	-	-	-	-
proforma	6.75	22.64	-	-	-	-

2) Derivative instruments and unhedged foreign currency exposure

A. Derivative instruments as at year end

Particulars	Purpose	30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
Forward contract to buy USD	Hedge of trade payable	USD 0.65	USD 0.05	-	-	-	-

B. Amounts receivable in foreign currency on account of the following:

Currency	Particulars	30-Sep-17		31-Mar-17		31-Mar-16		31-Mar-15		31-Mar-14		31-Mar-13	
		Amt in FC	Amt in Rs.	Amt in FC	Amt in Rs.	Amt in FC	Amt in Rs.	Amt in FC	Amt in Rs.	Amt in FC	Amt in Rs.	Amt in FC	Amt in Rs.
USD	Cash and bank balances	1.33	86.71	3.92	253.45	0.65	43.26	0.25	15.76	0.02	1.20	-	-
	Trade receivable	2.50	163.30	1.18	76.37	9.81	648.99	0.94	58.79	0.40	23.91	0.19	10.51
	Other current assets	1.62	106.11	1.66	107.63	0.40	26.53	0.26	16.39	0.06	3.68	-	-
	Security deposits	0.03	2.20	0.00*	0.26	0.00*	0.26	-	-	-	-	-	-
	Non-current investments	0.69	44.92	0.59	38.05	0.36	24.00	-	-	-	-	-	-
AED	Cash and bank balances	19.52	347.02	13.30	234.34	7.03	126.59	7.24	123.00	4.12	67.19	0.28	4.20
	Trade receivable	3.84	68.33	2.51	44.13	3.17	57.13	0.95	16.22	1.40	22.83	2.31	34.13
	Other current assets	4.48	79.57	7.62	134.21	3.51	63.19	5.76	97.92	1.85	30.08	-	-
	Security deposits	0.02	0.32	0.02	0.32	0.03	0.50	0.03	0.42	0.02	0.37	0.03	0.44
	Non-current investments	4.60	81.79	-	-	-	-	-	-	-	-	-	-
GBP	Cash and bank balances	0.00*	0.08	-	-	0.00*	0.95	0.00*	0.74	0.03	2.54	0.00*	0.08
	Trade receivable	-	-	-	-	-	-	-	-	0.00*	1.11	0.00*	1.10

EURO	Trade receivable	-	-	-	-	-	-	-	-	0.00*	0.07	0.00*	0.02
	Other current assets	1.08	83.65	-	-	-	-	-	-	-	-	-	-
NGN	Cash and bank balances	395.36	71.76	906.38	186.60	436.46	144.14	168.38	52.32	29.94	10.78	-	-
	Trade receivable	157.18	28.53	64.56	13.29	140.94	46.54	34.65	10.77	0.08	0.03	-	-
	Other current assets	327.14	59.38	89.16	18.36	48.26	106.26	41.19	12.80	8.93	3.21	-	-
KES	Cash and bank balances	499.25	313.88	650.65	401.44	536.95	344.31	187.50	124.26	0.12	0.08	-	-
	Trade receivable	5.34	3.35	11.45	7.07	10.94	7.02	5.58	3.70	5.46	3.72	-	-
	Other current assets	28.88	18.15	22.90	14.13	49.41	31.69	26.99	17.89	1.91	1.30	-	-
ZMW	Cash and bank balances	0.46	3.11	1.10	7.33	0.32	1.85	0.22	1.83	0.00*	0.07	-	-
	Trade receivable	0.24	1.60	-	-	0.22	1.26	0.02	0.17	0.11	1.10	-	-
	Other current assets	0.63	4.24	0.41	2.70	0.04	0.25	0.04	0.32	0.01	0.14	-	-
UGX	Cash and bank balances	258.56	4.65	575.87	10.16	371.18	7.20	356.69	7.39	10.51	0.24	-	-
	Trade receivable	52.44	0.94	35.31	0.62	35.95	0.70	39.81	0.83	-	-	-	-
	Other current assets	152.10	2.74	92.36	1.63	41.83	0.81	2.90	0.06	95.49	2.22	-	-
BDT	Cash and bank balances	24.92	19.66	0.10	0.08	0.49	0.40	-	-	-	-	-	-
	Trade receivable	5.91	4.66	20.86	16.49	-	-	-	-	-	-	-	-
	Other current assets	21.14	16.67	21.85	17.28	-	-	-	-	-	-	-	-
			1,617.32		**1,585.94**		**1,683.83**		**561.58**		**175.87**		**50.48**

C . Amounts payable in foreign currency on account of the following:

Currency	Particulars	30-Sep-17		31-Mar-17		31-Mar-16		31-Mar-15		31-Mar-14		31-Mar-13	
		Amt in FC	Amt in Rs.	Amt in FC	Amt in Rs.	Amt in FC	Amt in Rs.	Amt in FC	Amt in Rs.	Amt in FC	Amt in Rs.	Amt in FC	Amt in Rs.
USD	Trade payable	1.47	96.21	1.17	75.91	2.25	149.25	2.55	160.31	0.45	28.32	0.46	25.08
	Advance to Customer	-	-	-	-	-	-	-	-	-	-	0.00*	0.21
AED	Trade payable	2.50	44.47	2.29	40.33	1.07	19.22	1.11	18.94	1.44	23.49	0.96	14.21
GBP	Trade payable	-	-	-	-	-	-	0.00*	0.37	0.00*	0.79	0.00*	0.83
	Other payable	-	-	-	-	-	-	-	-	0.00*	1.34	0.00*	0.78
EUR	Trade payable	0.03	1.98	-	-	-	-	-	-	-	-	0.00*	0.10
NGN	Trade payable	55.56	10.08	8.60	1.77	681.75	229.40	7.38	2.29	2.43	0.87	-	-
KES	Trade payable	116.57	73.29	107.28	66.19	625.13	407.29	13.16	8.72	0.79	0.53	-	-
ZMW	Trade payable	0.91	6.12	0.00*	0.08	0.96	5.66	0.04	0.35	0.02	0.15	-	-
UGX	Trade payable	104.85	1.89	17.06	0.30	607.85	12.07	10.65	0.22	10.14	0.24	-	-
BDT	Trade payable	0.37	0.29	0.17	0.13	0.25	0.20	0.05	0.04	-	-	-	-
			234.33		**184.71**		**823.09**		**191.24**		**55.73**		**41.21**

3) Defined benefit plans (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.

Statement of profit and loss

Net employee benefit expense recognised in the employee cost

Particulars	September 30, 2017	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Current service cost	0.61	1.76	0.80	0.81	0.72	0.94
Interest cost on benefit obligation	0.34	0.68	0.45	0.49	0.34	0.31
Net actuarial (gain)/loss recognised in the year	(0.29)	(1.01)	2.08	(0.90)	(0.04)	(0.61)
Net benefit expense	**0.66**	**1.43**	**3.33**	**0.40**	**1.02**	**0.64**

Changes in the present value of the defined benefit obligation are as follows:

Particulars	September 30, 2017	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Opening defined benefit obligation	10.09	8.79	5.63	5.27	4.24	3.60
Current service cost	0.61	1.76	0.80	0.81	0.72	0.94
Interest cost	0.34	0.68	0.45	0.49	0.34	0.31
Benefit paid	(0.30)	(0.14)	(0.18)	(0.03)	-	-
Actuarial (gain)/loss on obligation	(0.29)	(1.01)	2.08	(0.90)	(0.04)	(0.61)
Closing defined benefit obligation	**10.45**	**10.08**	**8.78**	**5.64**	**5.26**	**4.24**

The principal assumptions used in determining gratuity for the company's plans are shown below:

Particulars	September 30, 2017	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Discount rate (per annum)	6.73%	6.77%	7.72%	7.98%	9.29%	8.00%
Rate of increase in compensation levels	10%	10%	10%	10%	10%	10%
Employee turnover	15%	15%	15%	10%	10%	10%

The estimates of future salary increases, considered in actuarial valuation take account of inflation, seniority, promotion and other relevant factor such as supply and demand factors in the employee market.

Amounts for the current and previous four periods are as follows:

Particulars	September 30, 2017	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Defined benefit obligation	10.45	10.09	8.79	5.63	5.27	4.24
Experience adjustments on plan liabilities	(0.31)	(1.45)	(2.00)	(1.38)	0.46	(0.76)

In respect of Nazara Technologies FZ LLC, gratuity payable as at 31st March 2013 Rs 0.79 million (31st March 2012 Rs 0.21 million) and gratuity expense during the year 31st March 2013: Rs 0.70 million (31st March 2012: Rs 0.19 million)

In respect of Nazara Technologies FZ LLC, gratuity payable as at 31st March 2014 Rs 1.80 million and gratuity expense during the year 31st March 2014: Rs 0.98 million

In respect of Nazara Technologies FZ LLC, gratuity payable as at 31st March 2015 Rs 2.85 million and gratuity expense during the year 31st March 2015: Rs 0.96 million

In respect of Nazara Technologies FZ LLC, gratuity payable as at 31st March 2016 Rs 2.89 million and gratuity expense during the year 31st March 2016: Rs 0.74 million

In respect of Nazara Technologies FZ LLC, gratuity payable as at 31st March 2017: Rs 2.96 million and gratuity expense during the year 31st March 2017: Rs 0.48 million

In respect of Nazara Technologies FZ LLC, gratuity payable as at 30th September 2017: Rs 3.24 million and gratuity expense during the six month period ended 30th September 2017: Rs 0.32 million

4) **Commitments**

Particulars	September 30, 2017	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Estimated accounts of contracts remaining to be executed on capital account and not provided for (net of advances)	1.40	2.80	14.30	10.50	-	-
Other commitments						
Cost of content	33.07	53.28	111.74	39.72	19.47	19.95
Legal and professional fees	1.25	10.85	9.35	4.32	3.39	2.60
Advertising cost	5.00	5.00	-	-	-	-
Other commitments	0.98	1.65	0.88	0.33	-	0.97
Total	**41.70**	**73.58**	**136.27**	**54.87**	**22.86**	**23.52**

5) **Segment information**

A. Description of segments and principal activities

The primary segment reporting format is determined to be business segments as the Company's risks and rates of return are affected predominantly according to nature of services. Secondary information is reported geographically. The operating businesses are organized and managed separately according to the nature of services provided with each segment representing a strategic business unit that offers different services and serves different markets.

1. Subscription/download of games/other contents business

2. Freemium business comprising of advertising services

During the year ended March 31, 2013 to March 31, 2015, the Company was operating in single business segment of subscription/download of games/other contents. From the year ended March 31, 2016, the Company has two business segment, as follows -

B. Segment information

Particulars	30-Sep-2017			31-Mar-2017			31-Mar-2016			31-Mar-2015	31-Mar-2014	31-Mar-2013
	Subscription/ download of games/other contents	Freemium business	Total	Subscription/ download of games/other contents	Freemium business	Total	Subscription/ download of games/other contents	Freemium business	Total	Subscription/ download of games/other contents	Subscription/ download of games/other contents	Subscription/ download of games/other contents
Revenue	807.70	31.23	838.93	1,861.75	39.83	1,901.58	2,082.10	29.53	2,111.63	1,529.75	873.58	542.14
Results												
Segment results	376.68	(24.80)	351.88	842.79	(67.76)	775.03	917.39	(73.26)	844.13	699.71	360.26	164.42
Unallocated corporate expense	-	-	(90.26)	-	-	(164.55)	-	-	(97.47)	-	-	-
Operating profit	-	-	261.62	-	-	610.48	-	-	746.66	699.71	360.26	164.42
Other income	-	-	48.06	-	-	87.60	-	-	78.43	47.77	27.70	19.08
Income tax	-	-	111.23	-	-	100.88	-	-	179.88	156.52	98.51	51.55
Net profit	-	-	198.45	-	-	597.20	-	-	645.21	590.96	289.45	131.95
Other information												
Segment assets	1,736.58	39.87	1,776.45	1,689.54	20.58	1,710.12	1,246.40	19.63	1,266.03	1,425.52	789.00	486.73
Unallocated corporate assets	-	-	807.16	-	-	872.71	-	-	732.88	-	-	-
Total assets	-	-	2,583.61	-	-	2,582.83	-	-	1,998.91	1,425.52	789.00	486.73
Segment liabilities	346.50	22.92	369.42	364.38	11.02	375.40	369.09	3.85	372.94	332.03	115.87	104.57
Unallocated corporate liabilities	-	-	97.03	-	-	43.18	-	-	41.19	-	-	-
Total liabilities	-	-	466.45	-	-	418.58	-	-	414.13	332.03	115.87	104.57
Depreciation	-	-	5.95	-	-	11.58	-	-	9.50	7.95	7.99	9.08
Non cash expense - other than depreciation	-	-	-	-	-	-	-	-	-	-	-	-

Geographical segments:

The Group's operations are principally based on distribution of group by geographical areas.

Revenue

The following table shows the distribution of the Company's revenue by geographical market.

Region	For the six month ended	For the year ended				
	September 30, 2017	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
India	175.18	616.84	977.75	761.87	523.65	401.35
Middle east	255.21	345.04	355.64	319.05	218.59	94.06
Africa	221.39	568.51	442.67	254.76	25.35	-
Rest of the world	187.15	371.19	335.57	194.07	105.99	46.73
Total	**838.93**	**1,901.58**	**2,111.63**	**1,529.75**	**873.58**	**542.14**

The following table shows the carrying amount of segment assets by geographical area in which assets are located -

Region	Carrying amount of segment assets					
	As at 30-September-2017	As at 31-March-2017	As at 31-March-2016	As at 31-March-2015	As at 31-March-2014	As at 31-March-2013
India	875.53	897.71	913.44	791.32	590.37	416.84
Middle east	664.95	418.31	230.82	240.70	123.70	41.12
Africa	670.62	893.26	621.25	243.51	22.39	-
Rest of the world	289.51	284.51	182.67	120.17	47.62	20.30
Total	**2,500.61**	**2,493.79**	**1,948.18**	**1,395.70**	**784.08**	**478.26**

The following table shows the addition to segment assets by geographical area in which assets are located -

Region	Addition to fixed assets and intangible assets					
	For the six months period ended 30-September-2017	For the year ended 31-March-2017	For the year ended 31-March-2016	For the year ended 31-March-2015	For the year ended 31-March-2014	For the year ended 31-March-2013
India	2.67	8.17	18.32	6.65	3.41	2.26
Middle east	-	2.10	0.07	0.18	0.82	1.13
Africa	-	-	-	0.02	-	-
Rest of the world	-	-	0.40	-	0.58	3.64
Total	**2.67**	**10.27**	**18.79**	**6.85**	**4.81**	**7.03**

6) **Leases**

Operating lease: Company as lessee

The Company's significant leasing arrangements are in respect of operating leases for office premises. The initial tenure of the lease are 36 months with no renewal option included in the contracts. There are no restrictions placed upon the company by entering into lease. Leases include a clause to enable upward revision of the rental charge on an annual basis according to rate prescribed in the contract.

Future minimum rentals payable under non-cancellable operating leases are as follows

Particulars	September 30, 2017	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Within one year	-	1.25	20.27	35.82	2.61	-
After one year but not more than five years	-	-	-	75.25	-	-
More than five years	-	-	-	-	-	-
Total	-	**1.25**	**20.27**	**111.07**	**2.61**	**-**

7) **Details of dues to micro and small enterprises as defined under the MSMED Act, 2006**

Micro and small enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 have been determined to the extent such parties have been identified on the basis of information available with the Company and relied upon by the auditors. The Company has not received any instruction from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence, disclosures if any, relating to amounts unpaid as at the year end together with interest payable as required under the said Act have not been given.

8) **Corporate social responsibilities**

As per section 135 pf the Companies Act 2013 and rules therein, the Company is required to spend at least 2 % of average net profit of past three years towards Corporate Social Responsibility (CSR).

Details of corporate social expenditures are as follows:

Particulars	September 30, 2017	March 31, 2017	March 31, 2016	March 31, 2015
Gross amount required to be spent during the year	3.15	7.34	5.50	3.88
Amount spent during the year				
i) Construction/acquisition of any asset	-	2.00	2.00	-
ii) On purposes other than (i) above	0.00*	2.75	0.99	-
Total amount spent during the year	**-**	**4.75**	**2.99**	**-**

9) **Specified bank note disclosure**

The details of Specified Bank Notes (SBN's) held and transacted during the period from November 8, 2016 to December 30, 2016 pursuant to the requirement of Notification G.S.R 308 dated March 30, 2017 as mentioned below:

Particulars	SBNs	Other denomination notes	Total
Closing cash in hand as on 8th November, 2016	0.84	0.00*	0.84
(+) Permitted receipts	-	0.28	0.28
(-) Permitted payments	-	(0.28)	(0.28)
(-) Amount deposited in banks	(0.84)	-	(0.84)
Closing cash in hand as on 30th December, 2016	-	0.00*	0.00*

Nazara Technologies Limited
(Formerly Known as Nazara Technologies Private Limited)

10) **(a) Statement of net assets attributable to owner**

Name of the entity in the Group	30-Sep-17		31-Mar-17		31-Mar-16		31-Mar-15		31-Mar-14		31-Mar-13	
	Net assets i.e. total assets minus total liabilities		Net assets i.e. total assets minus total liabilities		Net assets i.e. total assets minus total liabilities		Net assets i.e. total assets minus total liabilities		Net assets i.e. total assets minus total liabilities		Net assets i.e. total assets minus total liabilities	
	As % of consolidated net assets	Amount	As % of consolidated net assets	Amount	As % of consolidated net assets	Amount	As % of consolidated net assets	Amount	As % of consolidated net assets	Amount	As % of consolidated net assets	Amount
(A) Holding company												
Nazara Technologies Limited (Formerly Known as Nazara Technologies Private Limited)	40.28%	852.73	39.16%	847.41	47.45%	751.91	57.69%	630.83	81.38%	547.81	93.29%	356.50
(B) Subsidiaries												
Nazara Technologies FZ LLC, Dubai	25.08%	530.98	16.93%	366.39	12.80%	202.83	19.68%	215.22	14.20%	95.59	6.64%	25.37
Nazara Europe Ltd, England (Dissolved on 2nd August, 2016)		-		-	0.06%	0.95	0.07%	0.79	0.37%	2.48	0.07%	0.28
Nazara Pte Ltd, Singapore	7.14%	151.17	7.87%	170.37	7.29%	115.57	5.95%	65.10	0.63%	4.26		-
Nazara Pro Gaming Technologies Private Limited (from 16th May, 2017)	0%	0.11		-		-		-		-		-
(C) Stepdown subsidiaries		-		-		-		-		-		-
Nazara Technologies, Mauritius	6.35%	134.52	9.77%	211.43	(0.24%)	(3.73)	(2.01%)	(22.12)	0.20%	1.32		-
Nzmobile Nigeria Limited, Nigeria	7.37%	155.95	10.99%	237.88	12.75%	201.98	6.46%	70.68	2.12%	14.25		-
Nzmobile Kenya Limited, Kenya	11.71%	248.48	13.03%	281.95	18.94%	303.97	11.28%	123.39	0.60%	4.06		-
Nazara Zambia Limited, Zambia	0.01%	0.19	0.36%	7.68	0.18%	2.82	0.17%	1.88	0.17%	1.15		-
Nazara Uganda Limited, Uganda	0.21%	4.52	0.49%	10.53	0.52%	8.27	0.70%	7.69	0.33%	2.22		-
Nazara Bangladesh Limited, Bangladesh	1.83%	38.83	1.41%	30.58	0.01%	0.20	0.00%	0.04		-		-
(D) Associate of subsidiary												
Mastermind Sports Limited (from 22nd May, 2017)	(0.02%)	(0.32)		-		-		-		-		-
Total	**100.00%**	**2,117.16**	**100.00%**	**2,164.22**	**100.00%**	**1,584.77**	**100.00%**	**1,093.50**	**100.00%**	**673.14**	**100.00%**	**382.15**

(b) Consolidated statement of profit and loss attributable to owner -

Name of the entity in the Group	30-Sep-17		31-Mar-2017		31-Mar-16		31-Mar-15		31-Mar-14		31-Mar-13	
	Share in profit/ (loss)		Share in profit		Share in profit		Share in profit		Share in profit		Share in profit	
	As % of consolidated profit	Amount	As % of consolidated profit	Amount	As % of consolidated profit	Amount	As % of consolidated net assets	Amount	As % of consolidated profit	Amount	As % of consolidated profit	Amount
(A) Holding company												
Nazara Technologies Limited (Formerly Known as Nazara Technologies Private Limited)	(16.49%)	(32.77)	13.02%	77.54	19.16%	123.63	41.71%	246.48	66.11%	191.35	82%	107.96
(B) Subsidiaries												
Nazara Technologies FZ LLC, Dubai	50.06%	99.35	26.05%	155.08	30.94%	199.60	29.19%	172.50	34.72%	100.49	18%	23.70
Nazara Europe Ltd, England	-	-	(0.04%)	(0.25)	0.02%	0.14	-0.27%	(1.61)	0.71%	2.05	0%	0.30
Nazara Pte Ltd, Singapore	20.91%	41.50	12.67%	77.33	12.04%	77.69	4.12%	24.33	-1.32%	(3.83)	0%	-
Nazara Pro Gaming Private Limited	-	-		-		-		-		-		-
(C) Stepdown subsidiaries												
Nazara Technologies, Mauritius	52.04%	103.29	46.60%	277.41	36.74%	237.05	25.24%	149.14	(0.11%)	(0.31)		-
Nzmobile Nigeria Limited, Nigeria	(13.59%)	(26.97)	(6.95%)	(41.38)	-0.64%	(4.11)	0.07%	0.41	(0.08%)	(0.23)		-
Nzmobile Kenya Limited, Kenya	6.70%	13.30	8.31%	49.46	2.46%	15.85	0.08%	0.47	-0.05%	(0.13)		-
Nazara Zambia Limited, Zambia	0.37%	0.72	(0.00%)	(0.02)	-0.30%	(1.96)	-0.09%	(0.53)	0.04%	0.11		-
Nazara Uganda Limited, Uganda	0.13%	0.26	(0.16%)	(0.97)	-0.39%	(2.51)	-0.03%	(0.18)	-0.02%	(0.05)		-
Nazara Bangladesh Limited, Bangladesh	0.04%	0.08	0.50%	3.00	-0.03%	(0.16)	-0.01%	(0.04)	-	-		-
(D) Associate of subsidiary												
Mastermind Sports Ltd (from 22nd May, 2017)	0.16%	(0.32)		-		-		-		-		-
Total	**100%**	**198.44**	**100%**	**597.20**	**100%**	**645.22**	**100%**	**590.97**	**100%**	**289.45**	**100%**	**131.96**

11) On 2nd August 2016, Nazara Europe Limited has been dissolved. Nazara Europe Limited has remitted Rs 0.63 million to the Nazara Technologies Private Limited.

* Amount is less than 0.01 million

12. Significant events subsequent to 30th September, 2017 -

1. West Bridge Venture II Investment Holding ('West Bridge') held 68.01% of the total equity capital of the Company and was the holding company as of 30th September 2017. On 23rd November 2017, West Bridge sold/transferred a significant stake to financial investors and certain employees of the Company, resulting in its holding reducing to less than 50%. Consequently, West Bridge is no longer the holding company and West Bridge Venture LLC is no longer the ultimate holding company from 23th November, 2017.

2. On 15th December 2017, the Company increased its authorized equity share capital from Rs 21,987,960 (2,198,796 shares of Rs 10/- each) to Rs 137,487,960 (13,748,796 shares of Rs 10/- each).

3. On 28th December 2017, the shareholders of the Company approved for subdivision of 1 fully paid up equity share having face value of Rs 10/- each into 2.5 fully paid up equity share having face value of Rs 4/- each. The authorised equity share capital was increased to 34,371,990 equity shares of Rs 4 each. Consequently, the outstanding 1,989,246 equity shares having face value of Rs 10 each aggregating to Rs 19,892,460 as at September 30, 2017 were sub-divided into 4,973,115 equity shares having face value of Rs 4 each aggregating to Rs 19,892,460.

   Further, the shareholders also approved the issuance of the Bonus shares in the ratio of 4:1 (4 bonus shares for every 1 equity share held). Consequently, the number of shares as at September 30, 2017 has increased from 4,973,115 equity shares to 24,865,575 equity shares.

   The Earnings per share calculations have also been presented in accordance with Accounting Standard 20 "Earning per Share" notified under section 133 of the Companies Act, 2013, read together with rules thereunder, after giving effect to the split and bonus, mentioned above.

4. The Company has made the following investments after September 30, 2017:

   i. In January 2018, the Company has invested Rs. 767.68 million for 55% of equity share capital of Nodwin Gaming Private Limited ('Nodwin'), a company engaged in activities pertaining to eSports in India. The Company has made this investment by subscribing 3,414 equity shares of Rs 10/- each for Rs. 355.32 million issued by Nodwin for cash and by acquiring 3,962 equity shares of Rs 10/- each from an existing shareholders of Nodwin by issuing 7,53,854 equity Shares of the Company of Rs. 4/- each valued at Rs. 547/- fully paid.

      Nazara issued 485,018 equity shares of Rs. 4 each at Rs. 547 per share to Turtle Entertainment GmBH ("ESL"), German eSports Company for Rs. 265.30 million to part fund this acquisition.

   ii. In December 2017, the Company has invested Rs 322.22 million for 52.38% of equity share capital of Nextwave Multimedia Private Limited ("NextWave"), a company engaged in the business of designing, marketing and publishing games across platforms. The Company made this investment by acquiring 11,921 equity shares of Rs 100 each from the existing shareholders for Rs. 220 million in cash and subscribing to 4,335 equity shares of Rs 100 each aggregating to Rs. 80 million, issued by NextWave for cash. Further, the Company acquired 1,204 equity shares of Rs 100 each from an existing shareholder of NextWave by issuing 3,263 equity Shares of the Company of Rs.10 each valued at Rs. 6,834 fully paid. The Company borrowed Rs 300 million to fund this transaction.

   iii. On August 14, 2017, the Company had given a loan of Rs. 2.5 million to Moonglabs Technologies Pvt Limited ('Moonglabs'), a company engaged in the business of development mobile software. On December 26, 2017, the Company gave an additional loan of Rs.2.5 million to Moonglabs . The loan amount can be converted into fixed number of equity shares, at the option of the Company.

   iv. In November 2017, the Company has invested Rs 4.01 million for a 4 % stake in Halaplay Technologies Private Limited ('Halaplay'), on a fully diluted basis, pursuant to the agreement dated 27th September 2017. Halaplay is engaged in a business of providing a daily fantasy Sports (DFS) platform that empowers users to play game online.

5. In January 2018, the Company has raised Rs 500 million from preferential issue of 8 27,387 equity shares of Rs. 4 each to 14 investors at price of Rs. 604.32 per share for repayment of loans and for working capital.

   * Amount is less than 0.01 million

As per our report of even date

For S.R.Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number : 101049W/E300004

per Govind Ahuja
Partner
Membership no : 048966

Place of Signature: Mumbai
Date: January 17, 2018

For and on behalf of the Board of directors of Nazara Technologies Limited
(Formerly Known as Nazara Technologies Private Limited)

Vikash Mittersain
Chairman Cum Managing Director
DIN: 00156740

Nitish Mittersain
Managing Director
DIN: 02347434

Rakesh Shah
Chief Financial Officer

Vinav Agarwal
Company Secretary

Place of Signature: Mumbai
Date: January 17, 2018

Auditors' Report on the restated Unconsolidated summary statement of Assets and Liabilities as at September 30, 2017, March 31, 2017, 2016, 2015, 2014, and 2013 and Profits and Losses and Cash Flows for six month period ended September 30, 2017and each of the years ended March 31, 2017, 2016, 2015, 2014, and 2013 of Nazara Technologies Limited (collectively, the "Restated Unconsolidated Summary Statements")

January 17, 2018

To
The Board of Directors
Nazara Technologies Limited
51-57, Maker Chambers 3,
Nariman Point, Mumbai 400021, Maharashtra, India

Dear Sirs,

1. We have examined the attached Restated Unconsolidated Summary Statements of Nazara Technologies Limited (formerly known as Nazara Technologies Private Limited) ('the Company') as at and for six month period ended September 30, 2017 and as at and for each of the years ended March 31, 2017,2016, 2015, 2014, and 2013, annexed to this report and prepared by the Company for the purpose of inclusion in the offer document in connection with the proposed Initial Public Offer ("IPO").

   The Restated Unconsolidated Summary Statements, which have been approved by the Board of Directors of the Company, have been prepared in accordance with the requirements of:

   a. Sub-clauses (i), (ii) and (iii) of clause (b) of Sub-section (1) of Section 26 of Part I of Chapter III of the Companies Act 2013 (the "Act") read with Rules 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014 (the "Rules"); and

   b. relevant provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, issued by the Securities and Exchange Board of India ("SEBI") on August 26, 2009, as amended from time to time in pursuance of the Securities and Exchange Board of India Act, 1992 (the "ICDR Regulations").

Management's Responsibility for the Restated Unconsolidated Summary Statements

2. The preparation of the Restated Unconsolidated Summary Statements, which is to be included in the Draft Red Herring Prospectus ("DRHP"), is the responsibility of the Management of the Company for the purpose set out in paragraph 13 below. The Management's responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Unconsolidated Summary Statements. The Management is also responsible for identifying and ensuring that the Company complies with the Rules and the ICDR Regulations.

Auditors' Responsibilities

3. We have examined such Restated Unconsolidated Summary Statements taking into consideration:

   a. the terms of reference and terms of our engagement agreed with you vide our engagement letter dated October 25, 2017, requesting us to carry out the assignment, in connection with the proposed IPO of the Company;

   b. the Guidance Note on Reports in Company Prospectuses (Revised 2016) issued by the Institute of Chartered Accountants of India (the "Guidance Note"); and

   c. the requirements of Section 26 of the Act read with applicable provisions within Rule 4 to 6 of the Rules and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act and the ICDR Regulations in connection with the IPO.

4. The Company proposes to make an IPO which comprise an offer for sale made by certain shareholders' of existing equity shares of Rs,10 each, at such premium, arrived at by the book building process (referred to as the "Offer"), as may be decided Board of Directors of the Company.

Restated Unconsolidated Summary Statements as per audited Unconsolidated financial statements:

5. The Restated Unconsolidated Summary Statements have been compiled by the management from the audited unconsolidated interim financial statements of the Company as at and for the six months ended September 30, 2017 and audited unconsolidated financial statements of the Company as at and for each of the years ended March 31, 2017, 2016, 2015, 2014 and 2013 prepared in accordance with accounting principles generally accepted in India ("Indian GAAP"), which have been approved by the Board of Directors at their meetings held on January 17, 2018, November 21, 2017, November 24, 2016, August 26, 2015, June 27, 2014 and July 31, 2013 respectively.

6. For the purpose of our examination, we have relied on Auditors' Reports on the unconsolidated interim financial statements of the Company as at and for the six month period ended September 30, 2017 and unconsolidated financial statements of the Company as at for each of the years ended March 31, 2017, 2016, 2015, 2014 and 2013 as referred in Para 5 above issued by us dated January 17, 2018, November 21, 2017, November 24, 2016, August 26, 2015, June 27, 2014 and July 31, 2013 , respectively.

7. Based on our examination, in accordance with the requirements of Section 26 of Part I of Chapter III of the Act read with Rules 4 to 6 of the Rules, ICDR Regulations and the Guidance Note, we report that we have examined the following summarised financial statements of the Company contained in Restated Unconsolidated Summary Statements which as stated in Para 2.1 of Annexure V to this report have been arrived at after making adjustments and regrouping/reclassifications as in our opinion were appropriate and more fully described in Annexure IV – Restated Unconsolidated Summary Statement of Material Adjustments and Regroupings:

   a) The Restated Unconsolidated Summary Statement of Assets and Liabilities of the Company as at September 30, 2017, March 31, 2017, 2016, 2015, 2014 and 2013 examined by us, as set out in Annexure I to this report.

   b) The Restated Unconsolidated Summary Statement of Profit and Loss of the Company for six month period ended September 30, 2017 and for each of the years ended March 31, 2017, 2016, 2015 2014 and 2013 examined by us, as set out in Annexure II to this report.

   c) The Restated Unconsolidated Summary Statement of Cash Flows of the Company for the six month period ended September 30, 2017 and for each of the years ended March 31, 2017, 2016, 2015, 2014 and 2013 examined by us, as set out in Annexure III to this report.

   d) Based on the above and according to the information and explanations given to us, we further report these Restated Unconsolidated Summary Statements:

      i) have been made after incorporating adjustments for the changes in accounting policies retrospectively in respective financial years to reflect the same accounting treatment as per changed accounting policy for all the reporting periods;

      ii) have been made after incorporating adjustments and regroupings for the material amounts in the respective financial years to which they relate;

      iii) do not contain any extra-ordinary items that need to be disclosed separately in the Restated unconsolidated Summary Statements;

iv) There are no qualifications in the auditors' reports on the audited unconsolidated interim financial statements of the Company as at and for the six month period ended September 30, 2017 and unconsolidated financial statements of the Company as at and for the years ended March 31, 2017, 2016, 2015, 2014 and 2013, which require any adjustments to the Restated Unconsolidated Summary Statements;

v) Other audit qualifications included in the Annexure to the auditors' report issued under Companies (Auditor's Report) Order, 2003, as applicable, on the unconsolidated financial statements for the year ended March 31, 2013, which do not require any corrective adjustment in the Restated Unconsolidated Summary Statements, are as follows:

(a) Clause (ix) (a)

Undisputed statutory dues provident fund, investors education and protection fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, cess and other material statutory dues have generally been regularly deposited with appropriate authorities *though there has been a slight delay in a few cases.* The provisions relating to excise duty and customs duty are not applicable to the Company.

(b) Clause (ix) (b)
According to information and explanations given to us, no undisputed amounts payable in respect of provident fund, investors education and protection fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date of they became payable, except for the following dues of service tax and income tax, which has not been deposited till March 31, 2013. The provisions relating to excise duty and customs duty are not applicable to the Company.

Name of the statute	Nature of the dues	Amount Rs.	Period to which the amounts relates	Due date	Date of payment
Service Tax Act	Interest on delayed payment of service tax	202,092	April 2011 to March 2012	6th of every month	June 24, 2013
Income Tax Act	Interest on delayed payment of TDS	823,551	April 2010 to March 2011	6th of every month	June 24, 2013
Income Tax Act	Interest on delayed payment of TDS	513,773	April 2011 to March 2012	6th of every month	June 24, 2013

8. We have not audited any financial statements of the Company as of any date or for any period subsequent to September 30, 2017. Accordingly, we express no opinion on the financial position, results of operations or cash flows of the Company as of any date or for any period subsequent to September 30, 2017.

Other Financial Information:

9. At the Company's request, we have also examined the following restated unconsolidated financial information proposed to be included in the DRHP, prepared by the management and approved by the Board of Directors of the Company and annexed to this report relating to the Company for the six month period ended September 30, 2017 and for the years ended March 31, 2017, 2016, 2015, 2014, and 2013.

    i. Restated Unconsolidated Statement of Share Capital, as Annexure VI,
    ii. Restated Unconsolidated Statement of Reserves and Surplus, as Annexure VII,
    iii. Restated Unconsolidated Statement of Long-term provisions, as Annexure VIII,
    iv. Restated Unconsolidated Statement of Trade payables, as Annexure IX,
    v. Restated Unconsolidated Statement of Other Current Liabilities, as Annexure X,
    vi. Restated Unconsolidated Statement of Short-term Provisions, as Annexure XI,
    vii. Restated Unconsolidated Statement of Property plant and equipment and Intangible Assets, as Annexure XII,
    viii. Restated Unconsolidated Statement of Non-current Investments, as Annexure XIII,
    ix. Restated Unconsolidated Statement of Deferred tax asset, as Annexure XIV,
    x. Restated Unconsolidated Statement of Long-term loans and Advances, as Annexure XV,
    xi. Restated Unconsolidated Statement of Other non-current assets, as Annexure XVI,
    xii. Restated Unconsolidated Statement of Current Investments, as Annexure XVII,
    xiii. Restated Unconsolidated Statement of Trade Receivables, as Annexure XVIII,
    xiv. Restated Unconsolidated Statement of Cash and Bank Balance, as Annexure XIX,
    xv. Restated Unconsolidated Statement of Short-term loans and advances, as Annexure XX,
    xvi. Restated Unconsolidated Statement of Other current assets, as Annexure XXI,
    xvii. Restated Unconsolidated Statement of Revenue from operations, as Annexure XXII,
    xviii. Restated Unconsolidated Statement of Other Income, as Annexure XXIII,
    xix. Restated Unconsolidated Statement of Employee benefits expense, as Annexure XXIV,
    xx. Restated Unconsolidated Statement of Other expenses, as Annexure XXV,
    xxi. Restated Unconsolidated Statement of Accounting Ratios, as Annexure XXVI,
    xxii. Unconsolidated Capitalization Statement, as Annexure XXVII,
    xxiii. Unconsolidated Statement of Dividend Paid, as Annexure XXVIII,
    xxiv. Restated Unconsolidated Statement of Related Party Transactions, as Annexure XXIX,
    xxv. Restated Unconsolidated Statement of Tax shelters, as Annexure XXX,
    xxvi. Restated Unconsolidated Statement of Other Disclosures, as Annexure XXXI,

10. According to the information and explanations given to us, in our opinion, the Restated Unconsolidated Summary Statements and the abovementioned restated unconsolidated financial information contained in Annexures IV to XXXI accompanying this report, read with Summary of Significant Accounting Policies disclosed in Para 2 of Annexure V, are prepared after making adjustments and regroupings as considered appropriate and have been prepared in accordance with Section 26 of Part I of Chapter III of the Act read with Rules 4 to 6 of the Rules, the ICDR Regulations and the Guidance Note.

11. This report should not be in any way construed as a reissuance or re-dating of any of the previous audit reports issued by us or by other firm of Chartered Accountants, nor should this report be construed as a new opinion on any of the financial statements referred to herein.

12. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

13. Our report is intended solely for use of the management for inclusion in the offer document to be filed with SEBI, BSE Limited, National Stock Exchange of India Limited and Registrar of the Companies, Maharashtra in connection with the proposed IPO of the Company. Our report should not be used, referred to or distributed for any other purpose except with our prior consent in writing.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Govind Ahuja
Partner
Membership No: 048966

Place: Mumbai
Date: January 17, 2018

Nazara Technologies Limited
(Formerly Known as Nazara Technologies Private Limited)

Annexure I – Restated unconsolidated summary statement of assets and liabilities

(Rupees in million, unless otherwise stated)

Particulars	Annexure	As at September 30, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Equity and liabilities							
Shareholders' funds							
Share capital	VI	19.89	19.89	19.89	19.89	20.34	20.34
Reserves and surplus	VII	850.65	833.70	732.74	610.83	528.17	336.80
		870.54	**853.59**	**752.63**	**630.72**	**548.51**	**357.14**
Non-current liabilities							
Long-term provisions	VIII	10.45	10.09	8.79	5.63	5.27	4.24
		10.45	**10.09**	**8.79**	**5.63**	**5.27**	**4.24**
Current liabilities							
Trade payable	IX						
Outstanding dues to micro enterprises and small enterprises		-	-	-	-	-	-
Outstanding dues to creditors other than micro enterprises and small enterprises		119.00	97.44	166.37	176.98	63.47	75.44
Other current liabilities	X	34.18	38.50	58.89	37.64	10.93	6.89
Short-term provisions	XI	54.18	3.71	1.71	1.83	1.68	1.34
		207.36	**139.65**	**226.97**	**216.45**	**76.08**	**83.67**
Total		**1,088.34**	**1,003.33**	**988.39**	**852.80**	**629.86**	**445.05**
Assets							
Non-current assets							
Fixed assets							
Property, plant and equipment	XII	8.13	8.75	14.86	4.32	4.27	5.12
Intangible assets	XII	5.79	8.06	4.54	5.54	5.89	8.13
Intangible assets under development		2.80	1.40	3.60	-	-	-
Non-current investments	XIII	0.79	0.69	0.69	0.69	0.69	0.64
Deferred tax assets	XIV	32.66	19.42	14.36	10.04	1.97	3.86
Long term loans and advances	XV	31.13	33.67	19.31	10.70	6.21	8.26
Other non current assets	XVI	1.73	1.68	1.57	-	51.73	114.37
		83.03	**73.67**	**58.93**	**31.29**	**70.76**	**140.38**
Current assets							
Current investments	XVII	655.14	656.33	528.16	327.83	173.85	75.00
Trade receivables	XVIII	135.44	116.16	183.88	145.20	91.16	93.83
Cash and bank balances	XIX	20.63	79.58	102.44	219.61	202.00	88.87
Short-term loans and advances	XX	43.69	31.23	26.23	21.19	5.16	2.88
Other current assets	XXI	150.41	46.35	88.75	107.68	86.93	44.09
		1,005.31	**929.65**	**929.46**	**821.51**	**559.11**	**304.68**
Total		**1,088.34**	**1,003.32**	**988.39**	**852.80**	**629.86**	**445.05**

Notes:
The above statement should be read with the notes to restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV and V.

As per our report of even date

For S.R.Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number : 101049W/E300004

per Govind Ahuja
Partner
Membership no : 048966

Place of Signature: Mumbai
Date: January 17, 2018

For and on behalf of the Board of directors of Nazara Technologies Limited
(Formerly Known as Nazara Technologies Private Limited)

Vikash Mittersain
Chairman Cum Managing Director
DIN: 00156740

Nitish Mittersain
Managing Director
DIN: 02347434

Rakesh Shah
Chief Financial Officer

Vinav Agarwal
Company Secretary

Place of Signature: Mumbai
Date: January 17, 2018

Nazara Technologies Limited
(Formerly Known as Nazara Technologies Private Limited)

Annexure II - Restated unconsolidated summary statement of profits and losses

(Rupees in million, unless otherwise stated)

Particulars	Annexure	For the six month ended September 30, 2017	For the year ended March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Income							
Revenue from operations	XXII	321.36	773.62	1,169.56	896.06	619.24	445.29
Other income	XXIII	310.72	36.15	241.48	34.91	27.74	19.90
Total income		**632.08**	**809.77**	**1,411.04**	**930.97**	**646.98**	**465.19**
Expenses							
Purchase of content		30.03	54.19	41.91	11.76	12.72	46.61
Advertising cost		69.43	236.38	510.11	308.07	169.36	101.48
Employee benefit expenses	XXIV	126.56	199.23	197.67	99.17	78.66	67.62
Other expenses	XXV	69.68	194.74	213.95	132.24	89.80	81.38
Depreciation and amortisation expense	XII	5.56	10.78	9.09	6.94	7.08	8.67
Total expenses		**301.26**	**695.32**	**972.73**	**558.18**	**357.62**	**305.76**
Restated profit before tax		**330.82**	**114.46**	**438.31**	**372.79**	**289.36**	**159.43**
Tax expenses							
Current tax		74.26	41.41	121.52	134.37	96.10	54.06
Deferred tax charge / (credit)		(13.24)	(5.06)	(4.33)	(8.06)	1.89	(2.58)
Total tax expense		**61.02**	**36.35**	**117.19**	**126.31**	**97.99**	**51.48**
Restated profit for the period / year		**269.80**	**78.11**	**321.12**	**246.48**	**191.37**	**107.95**

Notes:
The above statement should be read with the notes to restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV and V.

As per our report of even date

For S.R.Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number : 101049W/E300004

per Govind Ahuja
Partner
Membership no : 048966

Place of Signature: Mumbai
Date: January 17, 2018

For and on behalf of the Board of directors of Nazara Technologies Limited
(Formerly Known as Nazara Technologies Private Limited)

Vikash Mittersain
Chairman Cum Managing Director
DIN: 00156740

Nitish Mittersain
Managing Director
DIN: 02347434

Rakesh Shah
Chief Financial Officer

Vinav Agarwal
Company Secretary

Place of Signature: Mumbai
Date: January 17, 2018

Nazara Technologies Limited (Formerly Known as Nazara Technologies Private Limited)

Annexure III - Restated unconsolidated summary statement of cash flows

(Rupees in million, unless otherwise stated)

Particulars	For the six month ended September 30, 2017	For the year ended March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Cash flow from operating activities						
Profit before tax, as restated	330.82	114.46	438.31	372.79	289.36	159.43
Adjustment to reconcile profit before tax to net cash flows						
Depreciation and amortisation expense	5.56	10.78	9.10	6.94	7.08	8.67
Expenses on employee stock option scheme	36.06	17.33	-	-	-	-
(Gain) / loss on write off of fixed assets	-	0.00*	0.00*	-	-	0.47
Bad debts	-	-	0.86	0.58	0.55	4.04
Provision for doubtful debts	7.74	31.35	-	0.16	1.18	3.58
Provision for doubtful debts written back	-	-	(0.26)	(1.08)	(3.79)	-
Liabilities written back / provision no longer required	-	(3.05)	(11.64)	(1.28)	-	(2.07)
Unrealised foreign exchange loss	(0.05)	0.18	0.06	0.73	0.72	0.12
Net gain on sale of current investments	(5.77)	(26.13)	(16.97)	(4.35)	(1.59)	-
Gain on liquidation of subsidiary	-	(0.62)	-	-	-	-
Interest income	(2.15)	(4.24)	(8.31)	(23.67)	(20.73)	(17.83)
Dividend income	(302.52)	(0.37)	(201.03)	(3.49)	(0.78)	-
Operating profit before working capital changes	69.69	139.69	210.12	347.33	272.00	156.41
Movements in working capital :						
Increase / (decrease) in trade payables	21.32	(64.90)	0.62	113.94	(8.36)	34.12
Increase in long-term provisions	0.37	1.29	3.16	0.37	1.02	0.90
Increase / (decrease) in short term provisions	0.20	2.00	(0.12)	0.15	0.34	(0.13)
Increase / (decrease) in other current liabilities	(4.32)	(20.39)	25.14	22.81	4.04	(17.14)
(Increase) / decrease in trade receivables	(26.51)	37.94	(39.73)	(53.57)	0.42	(41.34)
(Increase) / decrease in loans and advances	(0.08)	(1.53)	(13.43)	(15.11)	(3.16)	41.38
(Increase) / decrease in other non current assets	-	-	0.00*	-	-	-
(Increase) / decrease in other current assets	(103.26)	42.11	19.36	(23.80)	(32.53)	21.53
Cash generated from operations	(42.59)	136.21	205.12	392.12	233.77	195.73
Direct taxes paid (net of refunds)	(22.40)	(53.68)	(122.05)	(137.42)	(92.28)	(50.33)
Net cash flow from operating activities (A)	**(64.99)**	**82.53**	**83.07**	**254.70**	**141.49**	**145.40**
Cash flows from investing activities						
Purchase of fixed assets, including intangible assets under development	(4.07)	(5.96)	(22.28)	(6.65)	(3.99)	(5.88)
Acquisition of shares in subsidiary	(0.10)	-	-	-	-	-
Proceeds from disposal of property, plant and equipment	-	0.00*	0.05	-	-	-
Purchase of current investments	(361.50)	(505.07)	(927.85)	(506.48)	(260.49)	(65.00)
Proceeds from redemption/maturity of current investments	368.47	403.02	744.52	356.85	163.22	-
Purchase of non-current investments	-	-	-	-	(0.05)	-
Proceeds from liquidation of subsidiary	-	0.63	-	-	-	-
Investment in bank deposits (having original maturity of more than three months)	-	(1.65)	(1.50)	(138.20)	(198.09)	(206.59)
Redemption / maturity of bank deposits (having original maturity of more than three months)	1.50	-	175.50	202.67	129.45	214.24
Interest received	1.32	2.45	7.82	26.99	11.76	12.39
Dividend received from subsidiary company	302.52	-	197.52	-	-	-
Dividends received from current investments	-	0.37	3.51	3.49	0.78	-
Net cash flow from / (used in) investing activities (B)	**308.14**	**(106.21)**	**177.29**	**(61.33)**	**(157.41)**	**(50.84)**
Cash flows from financing activities						
Buyback of shares	-	-	-	(133.93)	-	(79.68)
Dividend paid on equity shares	(300.38)	-	(198.92)	-	-	-
Tax on equity dividend paid	-	-	(0.29)	-	-	-
Tax on buyback of shares	-	-	(3.91)	(26.46)	-	-
Net cash flow used in financing activities (C)	**(300.38)**	**-**	**(203.12)**	**(160.39)**	**-**	**(79.68)**
Net increase / (decrease) in cash and cash equivalents (A + B + C)	**(57.23)**	**(23.69)**	**57.24**	**32.98**	**(15.92)**	**14.88**
Effect of exchange differences on cash & cash equivalents held in foreign currency	(0.22)	(0.67)	1.09	-	-	-
Cash and cash equivalents at the beginning of the period / year	78.08	102.44	44.11	11.13	27.05	12.17
Cash and cash equivalents at the end of the period / year	**20.63**	**78.08**	**102.44**	**44.11**	**11.13**	**27.05**
Components of cash and cash equivalents						
Cash in hand	0.25	-	-	-	-	-
Balances with bank	20.38	78.08	77.44	44.11	11.13	27.05
Deposit with original maturity of less than 3 months	-	-	25.00	-	-	-
Total cash and cash equivalents	**20.63**	**78.08**	**102.44**	**44.11**	**11.13**	**27.05**

Notes:

The above statement should be read with the notes to restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV and V.

* Amount is less than 0.01 million

As per our report of even date
For S.R.Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number : 101049W/E300004

per Govind Ahuja
Partner
Membership no : 048966

Place of Signature: Mumbai
Date: January 17, 2018

For and on behalf of the Board of directors of Nazara Technologies Limited (Formerly Known as Nazara Technologies Private Limited)

Vikash Mittersain
Chairman Cum Managing Director
DIN: 00156740

Nitish Mittersain
Managing Director
DIN: 02347434

Rakesh Shah
Chief Financial Officer

Vinav Agarwal
Company Secretary

Place of Signature: Mumbai
Date: January 17, 2018

Nazara Technologies Limited
(Formerly Known as Nazara Technologies Private Limited)

Annexure IVA - Notes on material adjustments

1. Below mentioned is the summary of results of adjustments made in the audited unconsolidated financial statements of the respective years and its impact on the restated unconsolidated summary statement of profit and loss and restated unconsolidated summary statement of assets and liabilities:

(Rupees in million, unless otherwise stated)

	Particulars	September 30, 2017	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
I.	**Profit after tax (as per audited financial statements)**	269.80	78.11	321.15	258.00	179.82	111.95
II.	**Restatement adjustments:**						
	Depreciation impact due to change of accounting policy (refer note A below)	-	-	-	-	-	(3.05)
	Income tax related to earlier years (refer note B below)	-	-	4.42	(4.42)	-	(1.94)
	Reversal of liability for expenses recorded in the earlier year (refer note C below)	-	-	-	(17.50)	17.50	-
	Total	**-**	**-**	**4.42**	**(21.92)**	**17.50**	**(4.99)**
III.	**Deferred tax adjustments**						
	Deferred tax impact on above adjustments (refer note D below)	-	-	(4.45)	10.40	(5.95)	0.99
	Total	**-**	**-**	**(4.45)**	**10.40**	**(5.95)**	**0.99**
IV.	**Total adjustments (II+III)**	**-**	**-**	**(0.03)**	**(11.52)**	**11.55**	**(4.00)**
V.	**Restated profit after tax (I+IV)**	**269.80**	**78.11**	**321.12**	**246.48**	**191.37**	**107.95**

Notes:

A) During the year ended March 31, 2013, the Company has changed (with retrospective effect) its method of providing depreciation on fixed assets, other than leasehold improvements, from the Written Down Value ('WDV') method at the rates prescribed in Schedule XIV to the Companies Act, 1956 to the Straight Line Method (SLM). This change in depreciation method has been identified as change in accounting policy.
For the purpose of restated unconsolidated summary statements, this change in accounting policy has been appropriately adjusted in the opening reserves of March 31, 2012.

B) The Statement of profit and loss for the financial year ended March 31, 2013 includes income tax provision written back which was in excess and has been appropriately adjusted in the opening reserves.
During the year ended March 31, 2016, the Company has recorded tax provision of Rs.4.42 million for the year ended March 31, 2015 which has now been recorded in the relevant year.

C) During the year ended March 31, 2015, the Company has reversed liability of Rs.17.5 million created in the year ended March 31, 2014. This amount has been adjusted to respective years to which it relates in the restated unconsolidated summary statements.

D) Deferred tax has been computed on adjustments made as detailed above and have been adjusted to the respective years to which they relate.

2. **Adjustments made in the opening balance of surplus in the statement of profits and losses as at March 31, 2012**

Particulars	(Amount in Rupees)
Surplus in the statement of profit and loss as at April 1, 2012 as per audited financial statements	179.40
Adjustments:	
Depreciation impact due to change of accounting policy (refer note A above)	3.05
Deferred tax impact on depreciation (refer note D above)	(0.99)
Income tax related to earlier years (refer note B above)	1.94
Surplus in the statement of profit and loss as at April 1, 2012 (as restated)	**183.40**

3. **Adjustment made in the reserves and surplus**
During the year ending March 31, 2016, the education cess of Rs. 3.91 million forming part of tax on buy back of shares completed during the year ended March 31, 2015 was adjusted against surplus in the statement of profit and loss. This amount has been adjusted to the year to which it relates in the restated unconsolidated summary statements.

Annexure IVB - Non adjusting items

Other audit qualifications included in the Annexure to the auditors' reports issued under Companies (Auditor's Report) Order, 2003 (as amended), on the unconsolidated financial statements for the year ended March 31, 2013, which do not require any corrective adjustment in the Restated Unconsolidated Summary Statements are as follows:

I. For the year ended March 31, 2013

i. **Clause (ix)(a)**
Undisputed statutory dues provident fund, investor education and protection fund, employees' state insurance, income-tax, wealth tax, service tax, cess and other material statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases. The provisions relating to excise duty and custom duty are not applicable to the Company.

ii. **Clause (ix)(b)**
According to the iformation and explanation given to us, no undisputed amounts payable in respect of provident fund, investors education and protection fund, employees' state insurance, income-tax, wealth tax, service tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable, except for the following dues of service tax and income tax, which has not been deposited till date of the audit report on the financial statements for the year ended March 31, 2013. The provisions relating to excise duty and customs duty are not applicable to the company.

Name of the Statute	Nature of the dues	Amount (Rs) million	Period to which amount relates	Due Date	Date of payment
Finance Act, 1994	Interest on delayed payment of service tax	0.20	April 2011 to March 2012	6th of every month	24-Jun-13
Income Tax Act, 1961	Interest on delayed payment of tds	0.82	April 2010 to March 2011	7th of every month	24-Jun-13
Income Tax Act, 1961	Interest on delayed payment of tds	0.51	April 2011 to March 2012	7th of every month	24-Jun-13

Annexure IVC - Material regroupings

The restated unconsolidated summary statements have been prepared based on the presentation requirements specified under Schedule III of the Companies Act, 2013, which is in line with the erstwhile Revised Schedule VI under the Companies Act, 1956 which was followed for the preparation of the financial statements for the year March 31, 2013.

Appropriate adjustments have been made in the restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows, wherever required, by reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows, in order to bring them in line with the regroupings as per the audited unconsolidated financial statements of the Company for six months period ended September 30, 2017 prepared in accordance with Schedule III of Companies Act, 2013, and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2009, as amended.

Annexure V - Notes to restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows

1. Corporate information

Nazara Technologies Limited (the 'Company') incorporated on December 8, 1999 as a Private Company is primarily engaged in providing subscription/ download of games/other contents through telecom consumer base in India and worldwide and digital advertising services.

On 13th December 2017, the Company has converted from Private Company to Public Company. Accordingly, the name of the Company has now changed to Nazara Technologies Limited.

2. Basis of preparation

The restated unconsolidated summary statement of assets and liabilities of the Company as at September 30, 2017 , March 31, 2017, 2016, 2015, 2014 and 2013 and the related restated unconsolidated summary statement of profits and losses and related restated unconsolidated summary statement of cash flows for the six month period ended September 30, 2017 and for the year ended March 31, 2017, 2016, 2015, 2014 and 2013 herein collectively referred to as ("Restated Unconsolidated Summary Statements") have been compiled by the management from the audited unconsolidated financial statements for the six month period ended September 30, 2017 and for the years ended March 31, 2017, 2016, 2015, 2014 and 2013 respectively, which were prepared under generally accepted accounting principles in India (Indian GAAP) and approved by the Board of Directors of the Company at that relevant time.

The Restated Unconsolidated Summary Statements have been prepared specifically for the inclusion in the offer document to be filed by the Company with the Securities and Exchange Board of India ('SEBI') in connection with its proposed initial public offering.

The Restated Unconsolidated Summary Statements have been prepared by the Company to comply in all material respects with the requirements of Sub-clause (i), (ii) and (iii) of clause (b) of Sub-section (1) of Section 26 of Chapter III of The Companies Act, 2013 read with rule 4 of Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("the SEBI Guidelines") issued by SEBI on August 26, 2009 as amended from time to time.

The Company has prepared the unconsolidated financial statements to comply in all material respects with the accounting standards specified under the Companies Act, 1956 (the "Act") and as per section 133 of the Companies Act, 2013, read with rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016 and other accounting principles generally accepted in India as applicable. The unconsolidated financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the Company and are consistent with those adopted in the preparation of interim unconsolidated financial statement for the period ended September 30, 2017.

These unconsolidated financial statements have been prepared using presentation and disclosure requirements of the Schedule III of Companies Act 2013 and the Revised Schedule VI to the Companies Act, 1956, as applicable.

These statements and other financial information have been prepared after incorporating adjustments for the material amounts in the respective years to which they relate.

2.1. Summary of significant accounting policies

a. Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

b. Property, plant and equipment

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses if any. Cost comprises the purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use.

Gains or losses arising from derecognition of property, plant and equipment 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 and loss when the asset is derecognised.

The Company 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.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when 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 carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Property, plant and equipment held for sale is valued at lower of their carrying amount and net realisable value. Any write-down is recognised in the statement of profit and loss.

c. Depreciation

Depreciation on property, plant and equipment is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management. The Company has used the following rates to provide depreciation on its fixed assets.

Property, plant and equipment	For the period ended September 2017 and for each of the years ended March 31, 2017, 2016 and 2015		For each of the years ended March 31 and 2014	
	Useful lives as per Schedule II of the Companies Act, 2013 from April 1, 2014 onwards	Useful lives estimated by the management from April 1, 2014 onwards	Useful lives as per Schedule XIV of Companies Act, 1956 till March 31, 2014	Depreciation rates as per useful lives as estimated by the management till March 31, 2014
Furniture and fixtures	10 years	5 years	16 years	5 years
Computer and Printers	3 years	3 years	6 years	3 years
Office equipments	5 years	3 years	7 years	3 years
Motor Car	8 years	3 years	11 years	3 years

Leasehold improvements is amortized over the economic useful life of asset or three years whichever is lower.

Based on the internal technical evaluation, the Company has considered depreciation rates and useful lives as mentioned above instead of the useful life as prescribed under Schedule II of the Companies Act, 2013.

Reassessment of the useful life is undertaken by the management every year.

d. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any.

Intangible assets are amortised on a straight line basis over the estimated useful economic life i.e. 3 years. The Company uses a rebuttable presumption that the useful life of an intangible asset will not exceed 10 years from the date when the asset is available for use. If the persuasive evidence exists to the affect that useful life of an intangible asset exceeds 10 years, the Company amortises the intangible asset over the best estimate of its useful life. Such intangible assets and intangible assets not yet available for use are tested for impairment annually, either individually or at the cash-generating unit level. All other intangible assets are assessed for impairment whenever there is an indication that the intangible asset may be impaired.

The amortisation period and the amortisation method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed accordingly. If there has been a significant change in the expected pattern of economic benefits from the asset, the amortisation method is changed to reflect the changed pattern. Such changes are accounted for in accordance with AS 5 Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies.

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 statement of profit and loss when the asset is derecognised.

e. Impairment of fixed 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. Where 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 net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

The company bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the company's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long term growth rate is calculated and applied to project future cash flows after the fifth year.

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

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

f. Lease

Where the Company is lessee

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

g. Investments

Investments, which are readily realisable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

h. Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

i. Income from services

- Revenue from subscription/download of games/ other contents is recognised in the period in which services are rendered as per the contract with operators and content distributors.
- Revenue from advertising services is recognised in the period in which advertisements are displayed.

ii. Interest

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable. Interest income is included under the head 'other income' in the statement of profit and loss.

iii. Dividends

Dividend income is recognised when the Company's right to receive dividend is established by the reporting date.

i. Foreign currency translation

i. Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

ii. Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

iii. Exchange differences

Exchange differences arising on the settlement of monetary items or on reporting monetary items of Company at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or as expenses in the year in which they arise except those arising from investments in non-integral operations.

j. Income taxes

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961 enacted in India. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the reporting date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

At each reporting date the Company re-assesses un-recognised deferred tax assets. It recognises unrecognised deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The Company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

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 tax assets and deferred taxes relate to the same taxable entity and the same taxation authority.

k. Provisions

A provision is recognised when the Company has a present obligation as a result of past event; 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 of the amount of obligation. Provisions except for provision for decommission, restoration and similar liabilities that are recognised as cost of Property, Plant and Equipment are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

l. Contingent liabilities

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

m. 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.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

n. Employee stock compensation cost

Measurement and disclosure of the employee share-based payment plans is done in accordance with the Guidance Note on Accounting for Employee Share-based payments, issued by the Institute of Chartered Accountants of India. The Company measures compensation cost relating to employee stock options using the intrinsic value method. Compensation expense is amortised over the vesting period of the option on a straight line basis.

o. Segment reporting

The Company is exclusively engaged in the business of mobile value added services (VAS). Accordingly, in terms of AS 17 on Segment Reporting, its operations are considered to constitute one single primary segment. The Secondary segments are geographical areas by location of customers.

p. Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognises contribution payable to the provident fund scheme as expenditure, when an employee renders the related service.

The Company operates one defined benefit plan for its employees, viz., gratuity. The costs of providing benefits under this plan are determined on the basis of actuarial valuation at each year-end. Actuarial valuation is carried out for a plan using the projected unit credit method. Actuarial gains and losses are recognised in full in the period in which they occur in the statement of profit and loss.

Long term compensated absences are provided on actuarial valuation carried out by an independent actuary at the year end, which is calculated using projected unit credit method and charged to the statement of profit and loss.

q. Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

r. Corporate Social responsibility

Corporate social responsibility expense is recognized as it is incurred by the Company or when Company has entered into any legal or constructive obligation for incurring such an expense.

Annexure VI - Restated unconsolidated statement of Share capital

(Rupees in million, unless otherwise stated)

Particulars	As at September 30, 2017		As at March 31, 2017		As at March 31, 2016		As at March 31, 2015		As at March 31, 2014		As at March 31, 2013	
	No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount
Share capital												
Authorised shares												
Equity shares of Rs 10/- each (refer note 1 below)	2,198,796	21.99	2,198,796	21.99	2,198,796	21.99	1,325,000	13.25	1,325,000	13.25	1,325,000	13.25
Preference shares of Rs 10/- each (refer note 2 below)	1,251,204	12.51	1,251,204	12.51	1,251,204	12.51	2,125,000	21.25	2,125,000	21.25	2,125,000	21.25
	3,450,000	**34.50**	**3,450,000**	**34.50**	**3,450,000**	**34.50**	**3,450,000**	**34.50**	**3,450,000**	**34.50**	**3,450,000**	**34.50**
Issued, subscribed and paid-up												
Equity shares of Rs 10/- each fully paid	1,989,246	19.89	1,989,246	19.89	1,989,246	19.89	738,042	7.38	783,442	7.83	783,442	7.83
0.01% optionally convertible participating preference shares (OCPPS) of Rs. 10/- each fully paid up	-	-	-	-	-	-	1,251,204	12.51	1,251,204	12.51	1,251,204	12.51
	1,989,246	**19.89**	**1,989,246**	**19.89**	**1,989,246**	**19.89**	**1,989,246**	**19.89**	**2,034,946**	**20.34**	**2,034,946**	**20.34**

(a) Reconcilation of the shares outstanding at the beginning and at the end of the reporting period

Equity shares

	As at September 30, 2017		As at March 31, 2017		As at March 31, 2016		As at March 31, 2015		As at March 31, 2014		As at March 31, 2013	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
At the beginning of the year	1,989,246	19.90	1,989,246	19.90	738,042	7.39	783,442	7.84	783,442	7.84	867,938	8.68
Buy-back during the year (refer note 3 below)	-	-	-	-	-	-	(45,400)	(0.45)	-	-	(84,496)	(0.84)
Conversion of OCPPS (refer note 4 below)	-	-	-	-	1,251,204	12.51	-	-	-	-	-	-
Outstanding at the end of the year	**1,989,246**	**19.90**	**1,989,246**	**19.90**	**1,989,246**	**19.90**	**738,042**	**7.39**	**783,442**	**7.84**	**783,442**	**7.84**

OCPPS

	As at September 30, 2017		As at March 31, 2017		As at March 31, 2016		As at March 31, 2015		As at March 31, 2014		As at March 31, 2013	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
At the beginning of the year	-	-	-	-	1,251,204	12.51	1,251,204	12.51	1,251,204	12.51	1,251,204	12.51
Issued during the year	-	-	-	-	-	-	-	-	-	-	-	-
Conversion into equity shares	-	-	-	-	(1,251,204)	(12.51)	-	-	-	-	-	-
Outstanding at the end of the year	-	-	-	-	-	-	1,251,204	12.51	1,251,204	12.51	1,251,204	12.51

Notes:

1) Authorised share capital of the equity shares of the Company was increased by Rs.8.74 million via ordinary board resolution passed in extra-ordinary general meeting on March 29, 2016.

2) Authorised share capital of the preference shares of the Company was reduced by Rs.8.74 million via ordinary board resolution passed in extra-ordinary general meeting on March 29, 2016.

3) During the year ended March 31, 2013, the Company has bought-back 0.08m shares pursuant to resolution passed in extra-ordinary general meeting on October 18, 2012 and amount of Rs.78.83 million has been utilised from the securities premium. Further during the year ended March 31, 2015, the company has bought-back 0.05 million shares pursuant to the resolution passed in extra-ordinary general meeting on August 8, 2014 and amount of Rs.4.55 million has been utilised from the securities premium. (refer Annexure VII)

4) During the year ended March 31, 2016, the Company has converted 1.25 million OCPPS of Rs 10 each into 1,251,204 equity shares of Rs 10 each pursuant to resolution passed in Board Meeting on March 30,2016. The Board of Directors of the Company at their board meeting held on March 30, 2016 have allotted one equity share for every one OCPPS.

Annexure VI - Restated unconsolidated statement of share capital

(b) Details of shareholders holding more than 5% shares in the Company **(Rupees in million, unless otherwise stated)**

Name of the Shareholder	As at September 30, 2017 No. of Shares held	% of holding in the class	As at March 31, 2017 No. of Shares held	% of holding in the class	As at March 31, 2016 No. of Shares held	% of holding in the class	As at March 31, 2015 No. of Shares held	% of holding in the class	As at March 31, 2014 No. of Shares held	% of holding in the class	As at March 31, 2013 No. of Shares held	% of holding in the class
Equity shares of Rs 10 each fully paid												
Mitter Infotech LLP	558,356	28.07%	558,356	28.07%	558,356	28.07%	558,356	75.65%	598,357	76.38%	700,087	89.36%
West Bridge Venture II Investment Holdings	1,352,944	68.01%	1,352,944	68.01%	1,352,944	68.01%	101,740	13.79%	101,740	12.99%	-	-
Emerging Investment Limited	-	-	-	-	-	-	44,065	5.97%	47,209	6.03%	47,209	6.03%
OCPPS of Rs 10 each fully paid												
West Bridge Venture II Investment Holdings	-	-	-	-	-	-	1,251,204	100.00%	1,251,204	100.00%	1,251,204	100.00%

As per records of the Company, including its register of shareholders / members, the above shareholding represents both legal and beneficial ownerships of shares.

(c) Shares held by holding / ultimate holding company and / or their subsidiaries / associates

Out of equity shares issued by the Company, shares held by its holding company, ulitmate holding company and their subsidiaries / associates are as below:

Name of the shareholder	September 30, 2017 Amount	March 31, 2017 Amount	March 31, 2016 Amount	March 31, 2015 Amount	March 31, 2014 Amount	March 31, 2013 Amount
West Bridge Venture II Investment Holdings, the holding company from March 30, 2016	13.53	13.53	13.53	-	-	-
Mitter Infotech LLP, the holding firm till March 29, 2016	5.58	5.58	5.58	5.58	5.98	7.00

Note 1 : Subsequent to 30th September, 2017, West Bridge Venture II Investment Holding sold/transferred 839,650 equity shares to financial investors and certain employees of the Company. Accordingly, West Bridge II Investment Holding is no longer the holding company and West Bridge Venture LLC is no longer the ultimate holding company from 23th November, 2017. (Refer Note 14 (1) of Annexure XXXI)

(d) Terms / rights attached to equity shares

1. Voting rights

Each shareholder is entitled to one vote per equity share having value of Rs 10 per share.

2. Right as to dividend

The equity shareholder entitled to receive dividend as and when declared by Board of Directors subject to approval of members at the Annual General Meeting.

3. Rights on further issue including anti dilution Rights:

In the event the Company proposes to make preferential issue of shares then 'West Bridge Ventures II Investment Holdings' ('Investor') have first right to subscribe on a pro-rata percentage of the entire issue on the basis of existing holding on a fully diluted basis so that the existing shareholding percentage in the Company remain same.

In addition to above, the investor have anti dilution rights including right to be allotted proportionate shares without consideration in case of certain events as defined in shareholder's agreement.

4. Right of first offer, Right of Refusal and Tag Along Rights

In the event Investor propose to transfer all or part of their securities to any person, it shall first offer to Mitter Infotech LLP and two individual shareholders ('Founders') , a pro rata right to purchase all their shares. Investor shall have the right to exercise certain specified tag along rights in case the Founders proposes to transfer any securities to any person in certain cases as defined in Articles of Association (AOA).

In the event Emerging Investments Limited and other two company shareholders and one individual shareholders ('Other Shareholders') propose to transfer all or part of their securities to any person, investor and founders have pro rata right to purchase all their Shares.

5. Drag Along Rights:

In case, the investor receives an offer for sale to third party, the Investor has the right to call upon the founders to sell their part of shareholding subject to certain specified conditions as defined in the AOA of the Company.

Annexure VI - Restated unconsolidated statement of share capital

6. Liquidation Preference:

In the Event of “Liquidation Event” as defined in shareholders agreement, equity shareholders will be entitled to receive consideration or proceed on a pro rata basis in the proportions of their ownership in the total paid up capital of the company on a fully diluted basis as defined in the AOA of the Company, after distribution of all preferential amounts.

"Liquidation event" shall (except for the issue of shares under an IPO) be deemed to include the following:-
(a) Commencement of any proceedings for the voluntary winding up of the Company in accordance with the Act or the passing of an order of any court appointing a provisional liquidator or administrator in any other proceeding seeking the winding up of the Company; or

(b) The consummation of a consolidation, merger, reorganization or other similar transaction (whether in one or a series of transactions) of the Company resulting in its Shareholders, collectively, retaining less than a majority of the voting power of the Company or the surviving entity immediately following such transaction after giving effect to any conversion exercise or exchange of any Securities convertible into or exercisable or exchangeable for, such voting Securities, or

(c) Sale or transfer of more than 50% [fifty percent] of the then outstanding Shares by the Shareholders, such that the Shareholders, which shall include the Investor, prior to any such transaction, retain after such transaction less than 50% of voting power of the Company

(d) The sale of, transfer of or creation of an encumbrance of any nature whatsoever or the appointment of a receiver in any proceedings, in more than 50% of the value of the assets and properties of the Company, including but not restricted to tangible and intangible assets of the Company, or any order of any court resulting in the sale of, transfer of or creation of an encumbrance of any nature whatsoever in more than 50% of the value of the assets and properties of the Company including but not restricted to tangible and intangible assets of the Company (whether in one or a series of transactions), which has not been vacated within 15 days of the passing of such order by the court. Subsection (d) would not apply to a case of consolidation, merger, reorganisation or other similar transaction referred to in sub-section (b)

7. Other Rights:
Investor have right to have their representation on the board of the Company with an affirmative voting right and decision on certain reserved matters such as change or alteration in the rights of any class of shareholders, change in share capital of the Company, undertaking any merger, acquisition, consolidation / amalgamation, change in the composition of board of directors and change in scope of business activity.

(e) Terms of conversion / redemption of (OCPPS)

Till March 29, 2016 , the Company had only one series of preference shares having par value of Rs 10 each.The preference shares were held by the investor. The following were the rights and preferences attached to preference shares.

1. Voting rights
The preference shareholders shall have right to vote on as converted to equity share basis.

2. Right as to dividend
The preference shares will carry a fixed rate of dividend at the rate of 0.01% calculated on a fully diluted basis i.e. on as an if converted basis, is identically the same percentage rate as the dividend declared by the Company on its equity shares.

3. Redemption and conversion rights:
The preference shareholders investor have right to redeeem any time after expiry of 5 years from closing date i.e., 5th September, 2005 at the option of the preference shareholder at the fair market value as determined by an independent valuer.

Further, the preference shareholders have right to convert at any time in the ratio of 1:1 subject to adjustment of stock splits, bonus, dividends , recapitalisation and other similar events.

Apart from above, the investor have the right of first offer, right of first refusal, tag along rights, drag along rights as mentioned in paragraph 3, 4 and 5 of Annexure VI (d) as preference shareholders.

On March 30 2016, as indicated in annexure VI (a) above, the Company had converted 1,251,204 optionally convertible participating preference shares of Rs 10 each into 1,251,204 equity shares of Rs 10 each, hence there are no outstanding OCPPS as at March 31, 2016, 2017 and September 30, 2017.

(f) 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 4 of Annexure XXXI).

(g) Aggregate number of shares bought back during the period of five years immediately preceding the reporting date:

Particulars	September 30, 2017	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Equity shares bought back at the beginning of the year	129,896	129,896	129,896	84,496	84,496	-
Equity shares bought back by the Company	-	-	-	45,400	-	84,496
	129,896	129,896	129,896	129,896	84,496	84,496

Note -

The figures disclosed above are based on the restated unconsolidated summary statement of assets and liabilities of the Company.

The above statement should be read with the notes to restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV and V.

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Annexure VII - Restated unconsolidated statement of reserves and surplus

(Rupees in million, unless otherwise stated)

Particulars	As at September 30, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Reserves and surplus						
Securities premium account						
Balance as per last financial statements	-	-	-	45.45	45.45	124.29
Less:- utilised for buyback of shares (refer note 1 below)	-	-	-	(45.45)	-	(78.84)
Closing balance	-	-	-	-	45.45	45.45
Surplus in the statement of profit and loss						
Balance as per last financial statements	809.54	731.44	609.53	481.88	290.51	183.40
Add: amount transferred from surplus balance in the statement of profit and loss	269.80	78.11	321.12	246.48	191.37	107.95
Less:- utilised for buyback of shares (refer note 1 below)	-	-	-	(88.02)	-	-
Less:- transfer to capital redemption reserve account (refer note 1 below)	-	-	-	(0.45)	-	(0.84)
Less:- tax on buyback of shares (refer note 1 below and note 3 to Annnexure IVA)	-	-	-	(30.36)	-	-
Less:- utilised for dividend distribution	(300.38)	-	(198.92)	-	-	-
Less:- tax on dividend distributed	-	-	(0.29)	-	-	-
Closing balance	778.97	809.54	731.44	609.53	481.88	290.51
Capital redemption reserve account						
Balance as per last financial statements	1.30	1.30	1.30	0.84	0.84	-
Add:- transferred from surplus in the statement of profit and loss (refer note 1 below)	-	-	-	0.46	-	0.84
Closing balance	1.30	1.30	1.30	1.30	0.84	0.84
Employee stock options outstanding						
Balance as per last financial statements	22.85	-	-	-	-	-
Add:- options granted	47.53	22.85	-	-	-	-
Closing balance	70.38	22.85	-	-	-	-
	850.65	**833.70**	**732.74**	**610.83**	**528.17**	**336.80**

Notes:

1) During the year ended March 31, 2013, the Company has bought-back 84,496 shares pursuant to resolution passed in extra-ordinary general meeting on October 18, 2012 and amount of Rs.78.83 million has been utilised from the securities premium and the Company has transferred Rs.0.84 million from surplus in the statement of profit and loss to capital redemption reserve account.

   During the year ended March 31, 2015, the Company has bought-back 45,400 shares pursuant to the resolution passed in extra-ordinary general meeting on August 8, 2014 and amount of Rs.4.55 million and Rs.88.02 million has been utilised from the securities premium and surplus in the statement of profit and loss respectively. Further, the Company has transferred Rs.0.45 million from surplus in the statement of profit and loss to capital redemption reserve account and Rs.30.36 million has been utilised from surplus in the statement of profit and loss towards tax on buyback of shares.

2) The figures disclosed above are based on the restated unconsolidated summary statement of assets and liabilities of the Company.

3) The above statement should be read with the notes to restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV and V.

Annexure VIII - Restated unconsolidated statement of long-term provisions

(Rupees in million, unless otherwise stated)

Particulars	As at September 30, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Provision for employee benefits						
Provision for gratuity (refer note 7 of Annexure XXXI)	10.45	10.09	8.79	5.63	5.27	4.24
	10.45	**10.09**	**8.79**	**5.63**	**5.27**	**4.24**

Notes:

1) The figures disclosed above are based on the restated unconsolidated summary statement of assets and liabilities of the Company.
2) The above statement should be read with the notes to restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV and V.

Annexure IX - Restated unconsolidated statement of trade payables

(Rupees in million, unless otherwise stated)

Particulars	As at September 30, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Trade payables						
- Total outstanding dues of micro enterprises and small enterprises (refer note 11 in Annexure XXXI for details of dues to micro and small enterprises)	-	-	-	-	-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises	119.00	97.44	166.37	176.98	63.47	75.44
- Trade payables to related entities	-	-	-	-	-	0.00*
	119.00	**97.44**	**166.37**	**176.98**	**63.47**	**75.44**

Notes:

1) The figures disclosed above are based on the restated unconsolidated summary statement of assets and liabilities of the Company.
2) The above statement should be read with the notes to restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV and V.
3) Following are the amount due to related parties:

(Amount in Rupees)

Particulars	Relationship	As at September 30, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Nazara Europe Limited	Subsidiary	-	-	-	-	-	0.00*
Total		-	-	-	-	-	-

* Amount is less than 0.01 million

Annexure X - Restated unconsolidated statement of other current liabilities

(Rupees in million, unless otherwise stated)

Particulars	As at September 30, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Other current liabilities						
Employee payables	25.08	25.46	17.91	8.38	0.97	0.63
Payable for capital expenditure	2.00	2.00	2.09	0.07	-	1.03
Deferred revenue	2.90	5.23	21.87	13.09	-	0.21
Other payables						
Tax deducted at source	1.65	4.36	14.75	11.81	9.73	4.78
Statutory liabilities	2.55	1.45	2.27	4.29	0.23	0.24
	34.18	**38.50**	**58.89**	**37.64**	**10.93**	**6.89**

Notes:

1) The figures disclosed above are based on the restated unconsolidated summary statement of assets and liabilities of the Company.
2) The above statement should be read with the notes to restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV and V.

Annexure XI - Restated unconsolidated statement of short-term provisions

(Rupees in million, unless otherwise stated)

Particulars	As at September 30, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Short-term provisions						
Provision for compensated absences	3.92	3.71	1.71	1.83	1.68	1.34
Provision for income tax (net of advance tax)	50.26	-	-	-	-	-
	54.18	**3.71**	**1.71**	**1.83**	**1.68**	**1.34**

Notes:

1) The figures disclosed above are based on the restated unconsolidated summary statement of assets and liabilities of the Company.
2) The above statement should be read with the notes to restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV and V.

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Annexure XII -Restated Unconsolidated statement of fixed assets (property, plant and equipment and intangible assets)

Gross Block (Rupees in million, unless otherwise stated)

Particulars	Property, plant and equipment						Intangible assets				Grand Total
	Computers	Office equipments	Furniture and fixtures	Vehicles	Leasehold improvements	Total	Computer software	NGDP Platform	Mygamma and Djuzz platform	Total	
As at April 1, 2012	11.16	1.33	1.28	1.09	3.56	18.42	16.26	-	-	16.26	34.68
Additions	1.23	0.39	0.44	-	-	2.06	0.20	-	3.64	3.84	5.90
Disposal	(2.08)	(0.20)	(0.73)	-	-	(3.01)	(0.41)	-	-	(0.41)	(3.42)
As at March 31, 2013	**10.31**	**1.52**	**0.99**	**1.09**	**3.56**	**17.47**	**16.05**	**-**	**3.64**	**19.69**	**37.16**
Additions	1.63	0.79	-	-	-	2.42	1.57	-	-	1.57	3.99
Disposal	-	(0.03)	-	-	-	(0.03)	-	-	-	-	(0.03)
As at March 31, 2014	**11.94**	**2.28**	**0.99**	**1.09**	**3.56**	**19.86**	**17.62**	**-**	**3.64**	**21.26**	**41.12**
Additions	2.16	0.54	0.06	-	-	2.76	3.87	-	-	3.87	6.63
Disposal	-	-	-	-	-	-	(8.00)	-	-	(8.00)	(8.00)
As at March 31, 2015	**14.10**	**2.82**	**1.05**	**1.09**	**3.56**	**22.62**	**13.49**	**-**	**3.64**	**17.13**	**39.75**
Additions	14.71	1.00	0.46	-	-	16.17	2.52	-	-	2.52	18.69
Disposal	(0.07)	-	-	-	-	(0.07)	-	-	-	-	(0.07)
As at March 31, 2016	**28.74**	**3.82**	**1.51**	**1.09**	**3.56**	**38.72**	**16.01**	**-**	**3.64**	**19.65**	58.37
Additions	0.34	0.63	-	-	-	0.97	-	7.20	-	7.20	8.17
Disposal	(0.57)	(0.50)	-	-	(3.56)	(4.63)	-	-	-	-	(4.63)
As at March 31, 2017	**28.51**	**3.95**	**1.51**	**1.09**	**-**	**35.06**	**16.01**	**7.20**	**3.64**	**26.85**	61.91
Additions	-	-	-	2.67	-	2.67	-	-	-	-	2.67
Disposal	-	-	-	-	-	-	-	-	-	-	-
At September 30, 2017	**28.51**	**3.95**	**1.51**	**3.76**	**-**	**37.73**	**16.01**	**7.20**	**3.64**	**26.85**	**64.58**

Depreciation / Amortisation

Particulars	Property, plant and equipment						Intangible assets				Grand Total
	Computers	Office equipments	Furniture and fixtures	Vehicles	Leasehold improvements	Total	Computer software	NGDP Platform	Mygamma and Djuzz platform	Total	
As at April 1, 2012	4.71	0.26	0.62	0.05	3.56	9.20	8.96	-	-	8.96	18.16
Charge for the year	4.38	0.68	0.18	0.42	-	5.66	2.91	-	0.10	3.01	8.67
Disposals	(1.73)	(0.20)	(0.59)	-	-	(2.52)	(0.41)	-	-	(0.41)	(2.93)
As at March 31, 2013	**7.36**	**0.74**	**0.21**	**0.47**	**3.56**	**12.34**	**11.46**	**-**	**0.10**	**11.56**	**23.90**
Charge for the year	2.06	0.58	0.21	0.42	-	3.27	2.60	-	1.21	3.81	7.08
Disposals	-	(0.03)	-	-	-	(0.03)	-	-	-	-	(0.03)
As at March 31, 2014	**9.42**	**1.29**	**0.42**	**0.89**	**3.56**	**15.58**	**14.06**	**-**	**1.31**	**15.37**	**30.95**
Charge for the year	1.72	0.58	0.22	0.20	-	2.72	3.01	-	1.21	4.22	6.94
Disposals	-	-	-	-	-	-	(8.00)	-	-	(8.00)	(8.00)
As at March 31, 2015	**11.14**	**1.87**	**0.64**	**1.09**	**3.56**	**18.30**	**9.07**	**-**	**2.52**	**11.59**	**29.89**
Charge for the year	4.57	0.70	0.30		-	5.57	2.40	-	1.12	3.52	9.09
Disposals	(0.01)	-	-		-	(0.01)	-	-	-	-	(0.01)
As at March 31, 2016	**15.70**	**2.57**	**0.94**	**1.09**	**3.56**	**23.86**	**11.47**	**-**	**3.64**	**15.11**	**38.97**
Charge for the year	6.06	0.80	0.22		-	7.08	2.35	1.33	0.01	3.69	10.77
Disposals	(0.57)	(0.50)	-	-	(3.56)	(4.63)	-	-	(0.01)	(0.01)	(4.64)
As at March 31, 2017	**21.19**	**2.87**	**1.16**	**1.09**	**-**	**26.31**	**13.82**	**1.33**	**3.64**	**18.79**	**45.10**
Charge for the year	2.78	0.35	0.08	0.08	-	3.29	1.07	1.20	-	2.27	5.56
Disposals	-	-	-	-	-	-	-	-	-	-	-
As at September 30,2017	**23.97**	**3.22**	**1.24**	**1.17**	**-**	**29.60**	**14.89**	**2.53**	**3.64**	**21.06**	**50.66**

Net block

Particulars	Property, plant and equipment						Intangible assets				Grand Total
	Computers	Office equipments	Furniture and fixtures	Vehicles	Leasehold improvements	Total	Computer software	NGDP Platform	Mygamma and Djuzz platform	Total	
As at March 31, 2013	2.95	0.78	0.78	0.62	-	5.13	4.59	-	3.54	8.13	13.26
As at March 31, 2014	2.52	0.99	0.57	0.20	-	4.28	3.56	-	2.33	5.89	10.17
As at March 31, 2015	2.96	0.95	0.41	-	-	4.32	4.42	-	1.12	5.54	9.86
As at March 31, 2016	13.04	1.25	0.57	-	-	14.86	4.54	-	-	4.54	19.40
As at March 31, 2017	7.32	1.08	0.35	-	-	8.75	2.19	5.87	-	8.06	16.81
As at September 30, 2017	4.54	0.73	0.27	2.59	-	8.13	1.12	4.67	-	5.79	13.92

Notes:

1) The figures disclosed above are based on the restated unconsolidated summary statement of assets and liabilities of the Company.
2) The above statement should be read with the notes to restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV and V.

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Annexure XIII - Restated unconsolidated statement of non-current investments

(Rupees in million, unless otherwise stated)

Particulars	As at September 30, 2017		As at March 31, 2017		As at March 31, 2016		As at March 31, 2015		As at March 31, 2014		As at March 31, 2013	
	No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount
Non-current investment												
Trade investment (at cost) (unquoted)												
Investment in subsidiaries												
Equity shares of Nazara Technologies FZ LLC of AED 10 each	5,000	0.64	5,000	0.64	5,000	0.64	5,000	0.64	5,000	0.64	5,000	0.64
Equity shares of Nazara Europe Limited of GBP 1 each	-	-	-	-	100	0.00*	100	0.00*	100	0.00*	100	0.00*
Equity shares of Nazara Pte Limited of SGD 1 each	1,000	0.05	1,000	0.05	1,000	0.05	1,000	0.05	1,000	0.05	-	-
Equity shares of Nazara Pro Gaming Private Limited of Rs 10 each	10,000	0.10	-	-	-	-	-	-	-	-	-	-
	16,000	**0.79**	**6,000**	**0.69**	**6,100**	**0.69**	**6,100**	**0.69**	**6,100**	**0.69**	**5,100**	**0.64**

Notes:

1) The figures disclosed above are based on the restated unconsolidated summary statement of assets and liabilities of the Company.
2) The above statement should be read with the notes to restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV and V.

* Amount is less than 0.01 million

Annexure XIV - Restated unconsolidated statement of deferred tax assets

(Rupees in million, unless otherwise stated)

Particulars	As at September 30, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Deferred tax assets						
Provision for doubtful debts	13.53	10.85	4.16	0.09	0.40	1.29
Impact of expenditure charged to statement of profit and loss in the current year but allowed for tax purposes on payment basis	15.70	5.37	1.60	3.34	0.10	1.92
Fixed assets: Impact of difference between tax depreciation and depreciation / amortisation charged for the financial reporting	2.43	1.57	1.03	2.16	1.47	0.65
Impact of revenue offered to tax but recorded in the statement of profit and loss in the subsequent year	1.00	1.63	7.57	4.45	-	-
	32.66	**19.42**	**14.36**	**10.04**	**1.97**	**3.86**

Notes:

1) The figures disclosed above are based on the restated unconsolidated summary statement of assets and liabilities of the Company.

2) The above statement should be read with the notes to restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV and V.

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Annexure XV - Restated unconsolidated statement of long term loans and advances

(Rupees in million, unless otherwise stated)

Particulars	As at September 30, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
(Unsecured, considered good)						
Security deposits	13.20	14.12	12.06	2.36	4.53	3.66
Capital advance	-	-	-	1.30	-	-
Advance income-tax (net of provision for tax)	17.93	19.55	7.25	7.04	1.68	4.60
	31.13	**33.67**	**19.31**	**10.70**	**6.21**	**8.26**

Notes:

1) The figures disclosed above are based on the restated unconsolidated summary statement of assets and liabilities of the Company.

2) The above statement should be read with the notes to restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV and V.

Annexure XVI - Restated unconsolidated statement of other non current assets

(Rupees in million, unless otherwise stated)

Particulars	As at September 30, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Unsecured, considered good unless stated otherwise						
Non-current bank balances (refer annexure XIX)	1.65	1.65	1.50	-	49.10	109.50
Others						
Interest accrued on fixed deposits	0.08	0.03	0.07	-	2.63	4.87
	1.73	**1.68**	**1.57**	**-**	**51.73**	**114.37**

Note:

1) The fixed deposit aggregating to Rs 1.65 million as at September 30, 2017 and March 31, 2016 and Rs 1.5 million as at March 31, 2016 is under lien to bank for issuing bank guarantee.

2) The figures disclosed above are based on the restated unconsolidated summary statement of assets and liabilities of the Company.

3) The above statement should be read with the notes to restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV and V.

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Annexure XVII - Restated unconsolidated statement of current investments

(Rupees in million, unless otherwise stated)

Particulars	As at September 30, 2017		As at March 31, 2017		As at March 31, 2016		As at March 31, 2015		As at March 31, 2014		As at March 31, 2013	
	No. of Units	Rs	No. of Units	Rs	No. of Units	Rs	No. of Units	Rs	No. of Units	Rs	No. of Units	Rs
Current investment (valued at lower of cost and fair value, unless stated otherwise)												
a. Investments in mutual funds (unquoted)												
SBI MF SDFS 367 days	-	-	-	-	-	-	-	-	-	-	999,990	10.00
HDFC FMP 370D July 2013	-	-	-	-	-	-	-	-	1,000,000	10.00	-	-
SBI SDFS A 16 366 days-regular-growth	-	-	-	-	-	-	-	-	2,250,000	22.50	-	-
SDFS - A 3 420 days -regular- growth	-	-	-	-	-	-	4,031,085	40.31	4,031,085	40.31	-	-
SBI magnum gilt - long term plan (G)	-	-	-	-	-	-	685,087	20.00	-	-	-	-
Franklin india income builder account	-	-	-	-	-	-	207,276	10.00	-	-	-	-
SBIMF-Magnum income fund	1,577,816	45.82	1,756,450	51.01	1,756,450	51.01	1,756,450	51.01	1,756,450	51.01	2,248,626	65.00
BNP paribas flexi debt fund	828,972	20.00	828,972	20.00	828,972	20.00	414,993	10.00	-	-	-	-
SBI ultra short term fund	-	-	12,830	25.95	23,994	44.92	67,815	121.48	-	-	-	-
SDFS 17 months - series 1	-	-	-	-	1,003,037	10.03	1,003,037	10.03	1,003,037	10.03	-	-
SDFS 18 months - series XII	-	-	-	-	2,500,000	25.00	2,500,000	25.00	2,500,000	25.00	-	-
SBI dynamic bond fund	-	-	-	-	1,751,096	30.00	1,167,986	20.00	-	-	-	-
ICICI prudential gilt fund	670,604	34.63	670,604	34.63	848,326	40.00	212,054	10.00	-	-	-	-
Kotak gilt investment regular growth	627,212	32.71	627,212	32.71	837,909	40.00	209,563	10.00	-	-	-	-
SBI short term fund	1,210,302	20.00	1,210,302	20.00	1,210,302	20.00	-	-	-	-	-	-
SBI corporate bond	2,858,784	70.00	2,858,784	70.00	850,008	20.00	-	-	-	-	-	-
SBI debt fund series B – 33	2,000,000	20.00	2,000,000	20.00	2,000,000	20.00	-	-	1,500,000	15.00	-	-
SBI regular saving fund	3,470,651	90.00	3,470,651	90.00	2,009,765	50.00	-	-	-	-	-	-
Birla sunlife saving fund	269	0.09	-	-	-	-	-	-	-	-	-	-
Birla sunlife saving fund	-	-	-	-	86,812	25.00	-	-	-	-	-	-
ICICI prudential flexible income - regular growth	-	-	-	-	164,989	47.07	-	-	-	-	-	-
IIFL cash opportunities fund	6,435,543	69.58	4,700,293	49.72	2,850,436	29.99	-	-	-	-	-	-
Birla sun life dynamic bond fund	399,552	10.00	339,552	10.00	-	-	-	-	-	-	-	-
Birla sun life short term opportunities fund	368,370	10.00	368,370	10.00	-	-	-	-	-	-	-	-
BNP paribas medium term income fund	783,447	10.00	783,447	10.00	-	-	-	-	-	-	-	-
DSP black rock income opportunities fund	372,250	10.00	372,250	10.00	-	-	-	-	-	-	-	-
IDFC super saver income fund short term	641,350	20.00	641,350	20.00	-	-	-	-	-	-	-	-
L&T income opportunities fund	1,722,655	30.00	1,722,655	30.00	-	-	-	-	-	-	-	-
Reliance short term fund	853,250	25.00	853,250	25.00	-	-	-	-	-	-	-	-
SBI treasury advantage fund	18,977	32.17	18,977	32.17	-	-	-	-	-	-	-	-
Tata short term bond fund	351,136	10.00	351,136	10.00	-	-	-	-	-	-	-	-
Aditya birla sun life corporate bond fund regualar growth	799,316	10.00	-	-	-	-	-	-	-	-	-	-
Reliance corporate bond fund-growth plan	732,295	10.00	-	-	-	-	-	-	-	-	-	-
UTI short term income fund	1,075,645	20.00	1,075,645	20.00	-	-	-	-	-	-	-	-
	27,798,396	**600.00**	**24,662,730**	**591.19**	**18,722,096**	**473.02**	**12,255,345**	**327.83**	**14,040,572**	**173.85**	**3,248,616**	**75.00**
b. Investments in debentures (quoted)												
IIFL wealth finance market linked debentures	-	-	100	10.00	-	-	-	-	-	-	-	-
	-	**-**	**100**	**10.00**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
c. Investments in tax free bonds (quoted)												
7.39% HUDCO tax free bond series IIA	7,007	7.01	7,007	7.01	7,007	7.01	-	-	-	-	-	-
7.39% HUDCO bond tax free bond series IIA	7,529	7.53	7,529	7.53	7,529	7.53	-	-	-	-	-	-
7.35% IRFC tax free bond series IIA	5,878	5.88	5,878	5.88	5,878	5.88	-	-	-	-	-	-
7.35% NABARD tax free bond series IIA	5,010	5.01	5,010	5.01	5,010	5.01	-	-	-	-	-	-
7.35% NHAI tax free bond series IIA	29,704	14.29	29,704	14.29	29,704	14.29	-	-	-	-	-	-
7.39% NHAI tax free bond series IIA	15,419	15.42	15,419	15.42	15,419	15.42	-	-	-	-	-	-
	70,547	**55.14**	**70,547**	**55.14**	**70,547**	**55.14**	**-**	**-**	**-**	**-**	**-**	**-**
	27,868,943	**655.14**	**24,733,377**	**656.33**	**18,792,643**	**528.16**	**12,255,345**	**327.83**	**14,040,572**	**173.85**	**3,248,616**	**75.00**
Notes:												
Aggregate net assest value of unquoted investments in mutual fund based on NAV declared by mutual fund		683.78	-	652.74	-	504.43	-	346.18	-	178.78	-	76.49
Aggregate market value of quoted investments in debentures		-	-	10.77	-	-	-	-	-	-	-	-
Aggregate market value of quoted investments in tax free bonds		63.40	-	62.30	-	56.22	-	-	-	-	-	-

Note:

1) The figures disclosed above are based on the restated unconsolidated summary statement of assets and liabilities of the Company.

2) The above statement should be read with the notes to restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV and V.

Annexure XVIII - Restated unconsolidated statement of trade receivables

(Rupees in million, unless otherwise stated)

Particulars	As at September 30, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Outstanding for a period exceeding six months fom the date they are due for payment						
Unsecured, considered good	27.75	2.11	1.50	1.51	2.73	6.95
Unsecured, considered doubtful	12.04	12.04	-	0.26	1.18	3.79
	39.79	14.15	1.50	1.77	3.91	10.74
Provision for doubtful debts	(12.04)	(12.04)	-	(0.26)	(1.18)	(3.79)
	27.75	2.11	1.50	1.51	2.73	6.95
Outstanding for a period less than six months from the date they are due for payment						
Unsecured, considered good	107.69	114.05	182.38	143.69	88.43	86.88
Unsecured, considered doubtful	22.89	17.24				
	130.58	131.29	182.38	143.69	88.43	86.88
Provision for doubtful debts	(22.89)	(17.24)	-	-	-	-
	107.69	114.05	182.38	143.69	88.43	86.88
	135.44	**116.16**	**183.88**	**145.20**	**91.16**	**93.83**

Notes:

1) The figures disclosed above are based on the restated unconsolidated summary statement of assets and liabilities of the Company.

2) The above statement should be read with the notes to restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV and V.

Annexure XIX - Restated unconsolidated statement of cash and bank balances

(Rupees in million, unless otherwise stated)

	Particulars	As at September 30, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
a.	**Cash and cash equivalents**						
	Cash in hand	0.25	-	-	-	-	-
	Balances with banks:						
	- On current accounts	20.38	78.08	77.44	44.11	11.13	27.05
	- Deposits with original maturity of less than three months	-	-	25.00	-	-	-
	Total (A)	20.63	78.08	102.44	44.11	11.13	27.05
b.	**Other bank balances**						
	Deposits with remaining maturity for more than 3 months but less than 12 months	-	1.50	-	175.50	190.87	61.82
	Deposits with remaining maturity for more than 12 months	1.65	1.65	1.50	-	49.10	109.50
		1.65	3.15	1.50	175.50	239.97	171.32
	Amount disclosed under non-current assets (refer Annexure XVI)	(1.65)	(1.65)	(1.50)	-	(49.10)	(109.50)
	Total (B)	-	1.50	-	175.50	190.87	61.82
	Cash and bank balances (A+B)	**20.63**	**79.58**	**102.44**	**219.61**	**202.00**	**88.87**

Notes:

1) The figures disclosed above are based on the restated unconsolidated summary statement of assets and liabilities of the Company.

2) The above statement should be read with the notes to restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV and V.

Annexure XX - Restated unconsolidated statement of short term loans and advances

(Rupees in million, unless otherwise stated)

Particulars	As at September 30, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Unsecured, considered good						
Security deposits	1.50	0.69	1.74	3.30	-	-
Advances recoverable in cash or kind	1.01	0.84	0.81	14.49	3.79	2.01
Advances recoverable from subsidiary company (refer note 14(4)(iii) of Annexure XXXI below)	16.99	5.52	-	-	-	-
Loan to Moonglab Technologies Private Limited	2.50	-	-	-	-	-
Advance to vendors	6.14	10.74	12.52	-	-	-
Other loans and advances						
Prepaid expenses	11.74	10.00	4.77	-	-	-
Service tax receivable	3.81	3.44	6.39	3.40	1.37	0.87
	43.69	**31.23**	**26.23**	**21.19**	**5.16**	**2.88**

Notes:

1) The figures disclosed above are based on the restated unconsolidated summary statement of assets and liabilities of the Company.

2) The above statement should be read with the notes to restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV and V.

Annexure XXI - Restated unconsolidated statement of other current assets

(Rupees in million, unless otherwise stated)

Particulars	As at September 30, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Unbilled revenue						
Considered good	147.38	44.12	88.31	94.76	70.96	38.43
Considered doubtful	4.17	2.08	-	-	-	-
	151.55	46.20	88.31	94.76	70.96	38.43
Provision for doubtful unbilled revenue	(4.17)	(2.08)	-	-	-	-
	147.38	44.12	88.31	94.76	70.96	38.43
Interest accured on fixed deposits and bonds	3.03	2.23	0.44	12.92	15.98	5.67
	150.41	**46.35**	**88.75**	**107.68**	**86.94**	**44.10**

Notes:

1) The figures disclosed above are based on the restated unconsolidated summary statement of assets and liabilities of the Company.
2) The above statement should be read with the notes to restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV and V.

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Annexure XXII - Restated unconsolidated statement of revenue from operations

(Rupees in million, unless otherwise stated)

Particulars	For the six months ended September 30, 2017	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013
Revenue from subscription/ download of games/other contents	290.12	733.79	1,140.03	896.06	619.24	445.29
Revenue from advertising services	31.24	39.83	29.53	-	-	-
	321.36	**773.62**	**1,169.56**	**896.06**	**619.24**	**445.29**

Notes:

1) The figures disclosed above are based on the restated unconsolidated summary statement of profits and losses of the Company.

2) The above statement should be read with the notes to restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV and V.

Annexure XXIII - Restated unconsolidated statement of other income

(Rupees in million, unless otherwise stated)

Particulars	For the six months ended September 30, 2017	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013	Recurring / Non - recurring	Related / Not related to business activities
Interest income on								
- Bank deposits	0.11	0.19	7.37	23.67	20.67	17.00	Recurring	Non related
- Tax free bonds	2.04	4.05	0.95	-	-	-	Recurring	Non related
- Loan given to subsidiary	-	-	-	-	0.06	0.83	Non-recurring	Non related
Dividend income on								
- Investment in subsidiaries	302.52	-	197.52	-	-	-	Non-recurring	Non related
- Current investments	-	0.37	3.51	3.49	0.78	-	Recurring	Non related
Net gain on sale of current investments	5.77	26.13	16.97	4.35	1.59	-	Recurring	Non related
Sundry balances written back	-	-	11.64	1.28	-	2.07	Non-recurring	Related
Gain on liquidation of subsidiary	0.06	0.62	-	-	-	-	Non-recurring	Non related
Provision for doubtful debts written back	-	3.05	0.26	1.08	3.79	-	Non-recurring	Related
Other income	0.22	1.74	3.26	1.04	0.85	-	Non-recurring	Non related
	310.72	**36.15**	**241.48**	**34.91**	**27.74**	**19.90**		

Notes :

1) The figures disclosed above are based on the restated unconsolidated summary statement of profits and losses of the Company.
2) The above statement should be read with the notes to restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV and V.
3) The classification of other income as recurring/non recurring and related / not related to business activity is based on the current operations and business activity of the Company as determined by the management.

Annexure XXIV - Restated unconsolidated statement of employee benefits expenses

(Rupees in million, unless otherwise stated)

Particulars	For the six months ended September 30, 2017	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013
Salaries, bonus and allowances	85.08	169.83	184.79	96.13	75.36	64.40
Expenses on employee stock option scheme (refer note 4 of Annexure XXXI)	36.06	17.34	-	-	-	-
Contribution to provident and other funds	4.36	9.39	8.26	2.00	1.43	1.45
Gratuity expenses (refer note 7 Annexure XXXI)	0.67	1.43	3.34	0.40	1.02	0.64
Staff welfare expenses	0.39	1.24	1.28	0.64	0.85	1.13
	126.56	**199.23**	**197.67**	**99.17**	**78.66**	**67.62**

Notes:

1) The figures disclosed above are based on the restated unconsolidated summary statement of profits and losses of the Company.

2) The above statement should be read with the notes to restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV and V.

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Annexure XXV - Restated unconsolidated statement of other expenses

(Rupees in million, unless otherwise stated)

Particulars	For the six months ended September 30, 2017	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013
Content management charges	0.69	2.02	0.86	0.61	5.96	11.04
Revenue share on subscription/download of games/ other contents	13.91	59.24	105.57	66.75	11.70	-
Consumables for development and testing	0.18	0.44	0.66	0.55	0.80	0.72
Rent expenses	17.68	34.02	39.92	13.02	9.70	8.90
Rates and taxes	1.29	7.47	4.55	0.92	2.43	0.23
Insurance charges	0.72	1.76	1.79	0.88	0.68	0.45
Repairs and maintenance	3.09	5.48	4.63	1.72	1.13	1.10
Corporate social responsibility expenditure (refer note 12 of Annexure XXXI)	0.01	4.75	2.99	-	-	-
Sales promotion and business development	4.14	5.51	-	5.52	4.62	4.43
Brokerage and discounts	-	-	1.78	0.05	0.33	0.35
Travelling and conveyance	6.53	9.30	11.10	4.66	12.10	9.89
Communication expenses	0.65	1.41	1.53	1.45	2.02	1.96
Printing and stationery	0.23	0.46	0.54	0.43	0.53	0.36
Legal and professional fees	4.22	11.93	18.87	15.91	18.06	22.64
Server charges	4.78	8.39	9.39	13.78	8.71	3.99
IT and call center outsourcing	-	-	0.05	0.15	0.16	2.27
Bad debts written off	-	-	0.86	0.58	0.55	4.04
Provision for doubtful debts	7.74	31.35	-	0.16	1.18	3.58
Payment to auditors (refer note 1 below)	1.50	4.04	1.58	1.67	1.68	2.27
Loss on exchange fluctuation (net)	-	0.54	1.07	0.42	1.74	0.27
Liquidation Damages	-	-	-	-	2.50	-
Miscellaneous expenses	1.95	4.94	4.53	2.19	1.91	2.12
Loss on fixed assets discarding off	-	-	-	-	-	0.47
Bank charges	0.32	0.89	0.67	0.33	0.29	0.26
Interest expenses	0.05	0.80	1.01	0.49	1.02	0.04
	69.68	**194.74**	**213.95**	**132.24**	**89.80**	**81.38**

Notes:

1) **Payments to auditors**

As auditor						
Audit fees	1.50	3.70	1.40	1.43	1.40	1.30
Reimbursement of expenses	-	0.09	0.03	-	0.04	0.02
Certification services	-	0.25	0.15	0.24	0.21	0.20
Other matters		-	-	-	0.04	0.76
	1.50	**4.04**	**1.58**	**1.67**	**1.69**	**2.28**

2) The figures disclosed above are based on the restated unconsolidated summary statement of profits and losses of the Company.

3) The above statement should be read with the notes to restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV and V.

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Annexure XXVI - Restated unconsolidated statement of accounting ratios

(Rupees in million, unless otherwise stated)

Particulars		For the six months ended September 30, 2017	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013
Basic earnings per share (refer note 1(a) below)	B/C	135.63	39.26	431.11	322.91	244.26	129.28
Diluted earnings per share (refer note 1(b) below)	A/D	134.49	37.89	153.29	116.25	89.47	49.38
Return on net worth (refer note 1(c) below)	A/E	30.99%	9.15%	42.67%	39.08%	34.89%	30.23%
Net asset value per equity share (refer note 1(d) below)	E/F	437.62	429.10	378.35	854.59	700.14	455.87
Accounting ratios after giving the effect of bonus and subdivision of shares (please refer note 5) -							
Basic earnings per share , after giving the impact of bonus and subdivision of equity shares (refer note 1(a) and 5 below)	B/G	10.85	3.14	34.49	25.83	19.54	10.34
Diluted earnings per share , after giving the impact of bonus and subdivision of equity shares (refer note 1(b) and 5 below)	A/H	10.76	3.03	12.26	9.30	7.16	3.95
Net asset value per equity share , after giving the impact of bonus and subdivision of equity shares (refer note 1(d) and 5 below)	E/I	35.01	34.33	30.27	68.37	56.01	36.47
Net profit after tax, as restated, attributable to equity shareholders	A	269.80	78.10	321.12	246.48	191.37	107.95
Effect of preference dividend on preference shares including dividend distribution tax		-	-	0.00*	0.00*	0.00*	0.00*
Net profit for calculation of basic EPS	B	269.80	78.10	321.12	246.48	191.37	107.95
Weighted average number of equity shares outstanding during the period / year, used for basic earnings per share	C	1,989,246	1,989,246	744,879	763,292	783,442	835,006
Effect of dilution:							
Stock option granted under ESOP		16,859	71,720	105,667	105,730	104,231	99,925
Optionally convertible preference shares		-	-	1,244,367	1,251,204	1,251,204	1,251,204
Weighted average number of equity shares outstanding during the period / year, used for diluted earnings per share	D	2,006,105	2,060,966	2,094,913	2,120,226	2,138,877	2,186,135
Net worth at the end of the period / year	E	870.54	853.59	752.63	630.72	548.52	357.15
Face value per share		10	10	10	10	10	10
Total number of equity shares outstanding at the end of the period / year.	F	1,989,246	1,989,246	1,989,246	738,042	783,442	783,442

Weighted average number of equity shares outstanding during the period / year, after giving the impact of bonus and subdivision of equity shares, used for basic earning per share (refer note 5 below)	G	24,865,575	24,865,575	9,310,988	9,541,150	9,793,025	10,437,575
Weighted average number of equity shares outstanding during the period / year, after giving the impact of bonus and subdivision of equity shares, used for diluted earning per share (refer note 5 below)	H	25,076,309	25,762,069	26,186,410	26,502,828	26,735,959	27,326,684
Total number of equity shares outstanding at the end of the period / year, after giving the impact of bonus and subdivision of equity shares, used for net asset value per share (refer note 5 below)	I	24,865,575	24,865,575	24,865,575	9,225,525	9,793,025	9,793,025

Notes:

1) Ratios have been computed as per the following formulas :

(a) Basic earnings per share (Rs.) = $\frac{\text{Net Profit after tax (after preference dividend and related tax), as restated, attributable to equity shareholders}}{\text{Weighted average number of equity shares outstanding during the period/year}}$

(b) Diluted earnings per share (Rs.) = $\frac{\text{Net Profit after tax (after preference dividend and related tax), as restated, attributable to equity shareholders}}{\text{Weighted average number of diluted equity shares outstanding during the period/year}}$

(c) Return on net worth (%) = $\frac{\text{Net Profit after tax, as restated}}{\text{Net worth at the end of the period/year}}$

(d) Net asset value per equity share (Rs.) = $\frac{\text{Net worth at the end of the period/year, as restated}}{\text{Total number of equity shares outstanding at the end of period/year}}$

2) Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the period/year, adjusted by the number of equity shares issued during the period/year multiplied by the time-weighting factor. The time-weighting factor is the number of days for which the specific shares are outstanding as a proportion of the total number of days during the period/year.

3) Earnings per share calculations are done in accordance with Accounting Standard 20 'Earnings Per Share' notified under section 133 of the Companies Act 2013, read with rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016

4) Net worth for ratios mentioned in note 1(c) and 1(d) is = Paid up share capital + Reserves and surplus (including Capital Redemption Reserve, Securities Premium, Stock options outstanding and surplus in statement of Profit and loss).

5) On 28th December, 2017, the shareholders of the Company approved for subdivision of 1 fully paid up equity share having face value of Rs 10/- each into 2.5 fully paid up equity share having face value of Rs 4/- each. Accordingly, the outstanding 1,989,246 equity shares having face value of Rs 10 each aggregating to Rs 19,892,460 as at September 30, 2017 were sub-divided into 4,973,115 equity shares having face value of Rs 4 each aggregating to Rs 19,892,460.

   Further, the shareholders also approved the issuance of the Bonus shares in the ratio of 4:1 (4 bonus shares for every 1 equity share held). Consequently, the number of shares has increased from 4,973,115 equity shares to 24,865,575 equity shares.

   The Earnings per share calculations have also been presented in accordance with AS-20, after giving effect to the split and bonus, mentioned above. (Refer Note 14(2) of Annexure XXXI)

6) The figures disclosed above are based on the restated unconsolidated summary statements of assets and liabilities and profits and losses of the Company.

7) The above statement should be read with the notes to restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV and V.

8) Ratios for the six month period ended September 30, 2017 are not annualised.

* Amount is less than 0.01 million

Annexure XXVII - Unconsolidated capitalisation statement as at September 30, 2017

(Rupees in million, unless otherwise stated)

Particulars	Pre-issue as at September 30, 2017	As adjusted for issue (Refer note 1 below)
Debt (A)	-	-
Shareholders' funds		
Share capital	19.89	19.89
Reserves and surplus, as restated:		
Capital redemption reserve	1.30	1.30
Employee stock options outstanding	70.38	70.38
Surplus in the statement of profit and loss	778.97	778.97
Total shareholders' funds (B)	**870.54**	**870.54**
Total debt / equity (A/B)	-	-

Notes:

1) The Company is proposing to have an initial public offering through offer for sale. Hence there will be no change in the shareholder's fund post issue.
2) The figures disclosed above are based on the restated unconsolidated summary statement of assets and liabilities of the Company.
3) The above statement should be read with the notes to restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV and V.

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Annexure XXVIII – Unconsolidated statement of dividend paid

Particulars	For the six months ended September 30, 2017	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013
Equity Share Capital						
Issued number of shares on which dividend has been paid	1,989,246	-	1,989,246	-	-	-
Face value per share (Rs)	10	-	10	-	-	-
Rate of dividend	1510%	-	1000%	-	-	-
Amount of dividend per share (Rs)	151	-	100	-	-	-
Total amount of dividend (Rs in million)	300.38	-	198.92	-	-	-
Total dividend tax (Rs in million)	-	-	0.29	-	-	-

Notes:

1) The figures disclosed above are based on the restated unconsolidated summary statement of assets and liabilities and profits and losses of the Company.
2) The above statement should be read with the notes to restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV and V.

Annexure XXIX – Restated unconsolidated statement of related party disclosures

Related party disclosure in accordance with the Accounting Standard 18 on "Related Party Disclosures" notified under section 133 of the Companies Act 2013, read with rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016 is as under:

	Names of related parties and related party relationship	September 30, 2017	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
a.	**Related parties where control exists**						
	Ultimate holding company	West Bridge Venture LLC	West Bridge Venture LLC (from 30th March, 2016)	West Bridge Venture LLC (from 30th March, 2016)	-	-	-
	Holding Company / Firm	West Bridge Venture II Investment Holdings (from 30th March, 2016)	West Bridge Venture II Investment Holdings (from 30th March, 2016) Mitter Infotech LLP (formerly Mitter Infotech Private Limited) (till 29th March, 2016)	West Bridge Venture II Investment Holdings (from 30th March, 2016) Mitter Infotech LLP (formerly Mitter Infotech Private Limited) (till 29th March, 2016)	Mitter Infotech LLP (formerly Mitter Infotech Private Limited)	Mitter Infotech LLP (formerly Mitter Infotech Private Limited)	Mitter Infotech LLP (formerly Mitter Infotech Private Limited)
	Subsidiaries	Nazara Technologies FZ LLC	Nazara Technologies FZ LLC	Nazara Technologies FZ LLC	Nazara Technologies FZ LLC	Nazara Technologies FZ LLC	Nazara Technologies FZ LLC (from 07th August, 2011)
			Nazara Europe Limited (Dissolved on 2nd August, 2016)	Nazara Europe Limited	Nazara Europe Limited	Nazara Europe Limited	Nazara Europe Limited (from 15th March, 2012)
		Nazara Pro Gaming Private Limited (from 16th May 2017)	-	-	-	-	-
		Nazara Pte Ltd	Nazara Pte Ltd	Nazara Pte Ltd	Nazara Pte Ltd	Nazara Pte Ltd	Nazara Pte Ltd (from 13rd March, 2013)
	Stepdown subsidiaries	Nazara Technologies	Nazara Technologies	Nazara Technologies	Nazara Technologies	Nazara Technologies	Nazara Technologies (from 29th March, 2013)
		Nazara Zambia Limited	Nazara Zambia Limited	Nazara Zambia Limited	Nazara Zambia Limited	Nazara Zambia Limited (from 27th May, 2013)	-
		Nzmobile Nigeria Limited	Nzmobile Nigeria Limited	Nzmobile Nigeria Limited	Nzmobile Nigeria Limited	Nzmobile Nigeria Limited (from 15th May, 2013)	-
		Nzmobile Kenya Limited	Nzmobile Kenya Limited	Nzmobile Kenya Limited	Nzmobile Kenya Limited	Nzmobile Kenya Limited (from 04th June,2013)	-
		Nazara Uganda Limited	Nazara Uganda Limited	Nazara Uganda Limited	Nazara Uganda Limited	Nazara Uganda Limited (from 31st October, 2013)	-
		Nazara Bangladesh Limited	Nazara Bangladesh Limited	Nazara Bangladesh Limited	Nazara Bangladesh Limited (from 24th July, 2014)	-	-
b.	**Related parties with whom transactions have taken place during the year**						
	Enterprises owned or controlled by key management personnel	Mitter Infotech LLP (formerly Mitter Infotech Private Limited)	-	-	-	-	-

Key management personnel	Vikash Mittersain - Chairman Cum Managing Director	Vikash Mittersain - Chairman Cum Managing Director	Vikash Mittersain - Chairman Cum Managing Director	Vikash Mittersain - Chairman Cum Managing Director	Vikash Mittersain - Managing Director	Vikash Mittersain - Managing Director
	Nitish Mittersain - Managing Director	Nitish Mittersain - Managing Director	Nitish Mittersain - Managing Director	Nitish Mittersain - Managing Director	Nitish Mittersain - Director and Chief Executive Officer	Nitish Mittersain - Director and Chief Executive Officer
Associate of subsidiary	Mastermind Sports Limited (from 22nd May 2017)	-	-	-	-	-

c. Note 1 :Subsequent to 30th September, 2017, West Bridge Venture II Investment Holding sold/transferred 839,650 equity shares to financial investors and certain employees of the Company. Accordingly, West Bridge II Investment Holding is no longer the holding company and West Bridge Venture LLC is no longer the ultimate holding company from 23th November, 2017. (Refer Note 14 (3) of Annexure XXXI)

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Annexure XXIX – Restated unconsolidated statement of related party disclosures

c. Details of related party transactions during the year and balances outstanding as at year end

(Rupees in million, unless otherwise stated)

Party Name	Nature of transactions	September 30, 2017	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Holding Company							
Mitter Infotech LLP (formerly Mitter Infotech Private Limited)	Buyback of equity shares at Premium	-	-	-	118.00	-	71.25
Mitter Infotech LLP (formerly Mitter Infotech Private Limited)	Dividend paid	84.31	-	55.84	-	-	-
West Bridge Venture II Investment Holdings	Dividend paid	204.29	-	135.29	-	-	-
Subsidiaries							
Nazara Pte Ltd	Interest income	-	-	-	-	0.06	-
Nazara Pte Ltd	Dividend received	237.50	-	-	-	-	-
Nazara Pte Ltd	Loan given	-	-	-	-	1.26	-
Nazara Pte Ltd	Recovery of loan given	-	-	-	-	1.26	-
Nazara Pte Ltd	Shares acquired and subscribed	-	-	-	-	0.05	-
Nazara Technologies FZ LLC	Interest income	-	-	-	-	-	0.83
Nazara Technologies FZ LLC	Dividend received	65.02	-	197.52	-	-	-
Nazara Technologies FZ LLC	Recovery of loan given	-	-	-	-	-	10.31
Nazara Technologies FZ LLC	Recoverery of expenses on employee stock option scheme from subsidiary	11.47	5.52	-	-	-	-
Nazara Europe Limited	Proceeds from liquidation of subsidiary	-	0.63	-	-	-	-
Nazara Pro Gaming Private Limited	Shares acquired and subscribed	0.10	-	-	-	-	-
Key management personnel							
Vikash Mittersain	Remuneration	2.26	4.90	4.67	4.42	3.00	3.00
Vikash Mittersain	Dividend paid	0.00*	-	0.00*	-	-	-
Vikash Mittersain	Rent paid on their behalf	-	4.75	-	-	-	-
Vikash Mittersain	Recovery of rent paid on their behalf	-	4.75	-	-	-	-
Nitish Mittersain	Remuneration	12.15	30.56	34.38	21.01	20.00	10.00
Nitish Mittersain	Dividend paid	0.00*	-	0.00*	-	-	-
Nitish Mittersain	Rent paid on their behalf	3.62	3.30	4.13	-	-	-
Nitish Mittersain	Recovery of rent paid on their behalf	3.00	3.30	3.80	-	-	-
Associate of subsidiary							
Mastermind Sports Limited	Cost of content	0.12	-	-	-	-	-

d. Balance payables at year end

Party Name	Nature of transactions	September 30, 2017	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Key management personnel							
Vikash Mittersain	Employee payables	-	0.14	-	0.05	-	-
Nitish Mittersain	Employee payables	1.38	6.00	10.00	0.36	-	-
Subsidiaries							
Nazara Technologies FZ LLC	Amount recoverable	16.99	5.52	-	-	-	-
Nazara Pro Gaming Private Limited	Advances recoverable	0.00*	-	-	-	-	-
Nazara Europe Limited	Other payables	-	-	-	-	-	0.00*
Associate of subsidiary							
Mastermind Sports Limited	Other payables	0.12	-	-	-	-	-

Notes:

1) The figures disclosed above are based on the restated unconsolidated summary statement of assets and liabilities and profits and losses of the Company.
2) The above statement should be read with the notes to restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV and V.
3) Remuneration to the 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.
4) During the year ended March 31, 2016, 1.25 million convertible preference shares held by West Bridge Venture II Investment Holdings has been converted into equity shares on 1:1 ratio basis.

* Amount less than 0.01 million

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Annexure XXX: Restated unconsolidated statement of tax shelter

(Rupees in million, unless otherwise stated)

	Particulars	For the six months ended September 30, 2017	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013
I.	**Profit before tax, as restated**	330.82	114.46	438.31	372.79	289.36	159.43
II.	Tax rate	34.61%	34.61%	34.61%	33.99%	33.99%	32.45%
III.	**Tax thereon at above rates (III=I*II)**	**114.49**	**39.61**	**151.69**	**126.71**	**98.35**	**51.73**
IV.	**Permanent differences:**						
	Interest in tax free bonds exempt under Income tax Act, 1961	(2.03)	(4.05)	(0.43)	-	-	-
	Dividend income exempt under Income Tax Act, 1961	-	(0.37)	(3.52)	(3.49)	(0.78)	-
	Disallowance under section 14A read with rule 8Dof the Income Tax Act, 1961	0.55	0.92	0.14	-	-	-
	Interest on late deposition of tds	-	0.04	0.76	0.87	1.09	0.00*
	CSR expenditure and donation	0.02	2.50	1.62	0.06	0.04	0.12
	Loss / (profit) on sale of fixed assets	-	-	0.00*	-	-	0.47
	Effect on indexation on long term capital gain and others	(0.65)	(10.27)	1.16	-	(1.59)	-
	Tds receivable written off	-	0.27	0.32	-	-	-
	Others	-	0.48	0.05	-	-	-
	Total permanent differences	**(2.11)**	**(10.48)**	**0.10**	**(2.54)**	**(1.24)**	**0.59**
V.	**Timing differences:**						
	Difference between book depreciation and tax depreciation	2.48	1.56	(3.38)	2.02	2.41	4.05
	Disallowance under sec 40(a)(ia) under section Income tax Act, 1961	9.89	-	-	-	-	-
	Deferred revenue	(1.81)	(17.16)	8.78	13.09	-	-
	Provision for employee benefits	0.57	3.29	3.05	0.55	1.36	0.77
	Provision for doubtful debts	7.74	31.36	(0.26)	(0.92)	(2.41)	1.34
	Adjustment on account of reversal of liability for expenses	-	-	-	7.50	(7.50)	-
	Provision for unascertained liabilities	5.91	(2.94)	2.94	-	-	-
	Allowance / disallowance under section 43B of Income Tax Act 1961	14.25	(0.43)	(0.99)	1.62	0.77	0.38
	Lease rent equalisation reserve	(0.76)	0.04	1.68	-	-	-
	Total timing differences	**38.27**	**15.72**	**11.82**	**23.86**	**(5.37)**	**6.54**
VI.	**Total adjustments (IV+V)**	36.16	5.24	11.92	21.32	(6.61)	7.13
VII.	**Tax on adjustments (II*VI)**	**12.51**	1.81	**3.96**	**7.19**	**(2.24)**	**2.31**
VIII.	Rounding off	-	0.00*	0.06	0.47	(0.01)	0.02
IX.	Long term capital gain taxed at lower rate	-	(0.01)	-	-	-	-
X	Dividend from foreign subsidiary taxed at lower rate	(52.74)	-	(34.19)	-	-	-
XI	**Current tax for the period / year (III+VII+VIII+IX)**	**74.26**	**41.41**	**121.52**	**134.37**	**96.10**	**54.06**
XII	**As per restated statement of profit and loss**						
	Current tax	74.26	41.41	121.52	134.37	96.10	54.06
	Deferred tax	(13.24)	(5.06)	(4.33)	(8.06)	1.89	(2.58)
	Total tax expense as per restated statement of profit and loss	**61.02**	**36.35**	**117.19**	**126.31**	**97.99**	**51.48**

Notes:

1) Tax rate includes applicable surcharge, education cess and secondary and higher education cess for the respective year / period concerned.
2) The aforesaid Statement of Tax Shelter has been prepared as per the unconsolidated summary statement of assets and liabilities and profits and losses of the Company.
3) The above statement should be read with the notes to restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure IV and V.

* Amount is less than 0.01 million

Annexure XXXI - Other disclosures to restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows

1) Earnings in foreign currency - accrual basis **(Rupees in million, unless otherwise stated)**

Particulars	For the six month ended September 30, 2017	For the year ended				
		March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Revenue from subscription/download of games/ other contents	132.57	141.34	179.59	134.18	95.59	43.93
Revenue from advertising services	13.60	15.43	12.23	-	-	-
Interest received on loan	-	-	-	-	0.06	0.83
	146.17	**156.77**	**191.82**	**134.18**	**95.65**	**44.76**

2) Expenditure in foreign currency - accrual basis **(Rupees in million, unless otherwise stated)**

Particulars	For the six month ended September 30, 2017	For the year ended				
		March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Cost of content	4.97	4.86	5.36	0.83	4.07	36.13
Travelling and conveyance	2.91	3.82	3.61	0.04	2.78	3.76
Advertising cost	21.33	65.14	242.47	206.22	71.16	21.77
Legal and professional fees	-	-	1.86	0.79	6.69	13.78
Others	2.31	2.68	5.52	8.85	7.29	3.03
Server charges	0.92	-	3.51	8.40	4.76	-
Sales promotion and business development	-	0.35	1.18	0.32	-	-
Content management charges	0.69	2.02	0.76	-	-	-
Others	0.70	0.30	0.08	0.14	2.53	3.03
	31.52	**76.50**	**258.82**	**216.73**	**91.99**	**78.47**

3) Value of imports calculated on CIF basis **(Rupees in million, unless otherwise stated)**

Particulars	For the six month ended September 30, 2017	For the year ended				
		March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Capital goods	-	-	0.40	-	0.58	3.64
	-	**-**	**0.40**	**-**	**0.58**	**3.64**

4) Employee stock option plans

During the period / year ended 30th September 2017 and 31st March 2017, ESOP 2005 & ESOP 2016 schemes were in operation.

ESOP 2005

Details of ESOP 2005 are as follows:

Particulars	
Date of grant	17th September 2005
Date of board approval	17th September 2005
Number of options granted	108,537 to Mr. Nitish Mittersain
Method of settlement	Equity
Vesting period	Four years
Exercise period	Open ended
Vesting conditions	50% vesting after 2 years and balance 50% vesting equally over remaining 2 years
Exercise price	Rs 78

The details of activities under ESOP 2005 scheme have been summarised below:

Particulars	September 30, 2017 No.	March 31, 2017 No.	March 31, 2016 No.	March 31, 2015 No.	March 31, 2014 No.	March 31, 2013 No.
Outstanding at the beginning of the year	-	108,537	108,537	108,537	108,537	108,537
Granted during the year	-	-	-	-	-	-
Forfeited during the year	-	-	-	-	-	-
Exercised during the year	-	-	-	-	-	-
Expired during the year	-	-	-	-	-	-
Cancelled during the year (refer note below)	-	108,537	-	-	-	-
Outstanding at the end of the year	-	-	108,537	108,537	108,537	108,537
Exercisable at the end of the year	-	-	108,537	108,537	108,537	108,537
Weighted average fair value of options granted on the date of grant	78	78	78	78	78	78

Pursuant to the board resolution passed on 24th November 2016, 108,537 stock options granted to Mr. Nitish Mittersain has been rescinded.

ESOP 2016

Details of ESOP 2016 are as follows:

Particulars	
Date of grant	02nd January 2017
Date of board approval	24th November 2016
Date of member approval	26th December 2016
Number of options granted	59,411 to eligible employees of the Company and subsidiary company
Method of settlement	Equity
Vesting period	One year
Exercise period	Five years
Vesting conditions	100% vesting after one year
Exercise price	Rs 2,929

The details of activity under the scheme 2016 are summarised below:

Particulars	Six month period ended 30-September-2017 No.	31-Mar-2017 No.	31-Mar-2016 No.	31-Mar-2015 No.	31-Mar-2014 No.	31-Mar-2013 No.
Outstanding at the beginning of the year	59,411	-	-	-	-	-
Granted during the year	-	59,411	-	-	-	-
Forfeited during the year	-	-	-	-	-	-
Exercised during the year	-	-	-	-	-	-
Expired during the year	-	-	-	-	-	-
Outstanding at the end of the year	59,411	59,411	-	-	-	-
Exercisable at the end of the year	-	-	-	-	-	-
Weighted average fair value of options granted on the date of grant	2,583	2583	-	-	-	-

Subsequent to 30th September, 2017, the shareholders of the Company have approved for subdivision of shares and bonus, accordingly the number of shares and exercise price would be modified to that extent.

The fair value of stock options granted during the year ended 31st March 2017 is Rs 2,583. The black scholes valuation model has been used for computing the fair value considering the following inputs:

	30-Sep-17	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
Expected volatility	25%	25%	-	-	-	-
Risk free interest rate	6.27%	6.27%	-	-	-	-
Weighted average share price	4,524	4,524	-	-	-	-
Exercise price	2,929	2,929	-	-	-	-
Expected life of options granted in the years	3.5 years	3.5 years	-	-	-	-

The expected life of the stock is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may also not necessarily be the actual outcome.

Had the compensation cost been determined in a manner consistent with fair value approach, the Company net income and earning per share as reported would have changed to amount indicated below:

(Rupees in million, unless otherwise stated)

	Six month period ended 30-September- 2017	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
Net profit for calculation of basic EPS	269.80	78.10	-	-	-	-
Add:- ESOP cost using the intrinsic value method	36.06	17.34	-	-	-	-
Less:- ESOP cost using the fair value method	(58.37)	(28.07)	-	-	-	-
Proforma profit	247.49	67.37	-	-	-	-
Earning per share						
Basic						
As reported	135.63	39.26	-	-	-	-
proforma	124.41	33.87	-	-	-	-
Diluted						
As reported	134.49	37.89	-	-	-	-
proforma	123.37	32.69	-	-	-	-
Earning per share after considering the impact of bonus issue and sub division of shares (Refer Note 14(2) of Annexure XXXI) -						
Basic						
As reported	10.85	3.14	-	-	-	-
proforma	9.95	2.71	-	-	-	-
Diluted						
As reported	10.76	3.03	-	-	-	-
proforma	9.87	2.62	-	-	-	-

Expense arising from employee stock option plans

(Rupees in million, unless otherwise stated)

	Six month period ended 30-September- 2017	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13
Recognised in the statement of profit and loss	36.06	17.34	-	-	-	-
Recovered from subsidiary	11.47	5.52	-	-	-	-
Total	**47.53**	**22.86**	**-**	**-**	**-**	**-**

5) Derivative instruments and unhedged foreign currency exposure

The Company did not enter into any derivative instruments for hedge or speculation. The year end foreign currency exposures that have not been hedged by derivative instrument or otherwise are given below:

a) Amounts receivable in foreign currency on account of the following: **(Rupees in million, unless otherwise stated)**

Currency	Particulars	30-Sep-17		31-Mar-17		31-Mar-16		31-Mar-15		31-Mar-14		31-Mar-13	
		Amt in FC	Rs	Amt in FC	Rs	Amt in FC	Rs	Amt in FC	Rs	Amt in FC	Rs	Amt in FC	Rs
USD	Cash and bank balances	0.12	7.62	0.54	34.66	0.12	7.71	0.10	6.53	0.00*	0.14	-	-
	Trade receivables	0.62	40.49	0.23	14.72	0.64	42.47	0.39	24.15	0.38	22.81	0.19	10.51
	Other current assets	0.20	12.80	0.17	11.11	0.03	1.82	0.22	13.51	-	-	-	-
AED	Cash and bank balances	0.00*	0.05	-	-	-	-	-	-	-	-	-	-
	Short term loans and advances	0.96	16.99	0.31	5.52	-	-	-	-	-	-	-	-
GBP	Cash and bank balances	0.00*	0.08	-	-	-	-	-	-	-	-	-	-
EUR	Trade receivables	-	-	-	-	-	-	-	-	0.00*	0.07	0.00*	0.02
	Other current assets	1.08	83.65	-	-	-	-	-	-	-	-	-	-
			161.68		**66.01**		**52.00**		**44.19**		**23.02**		**10.53**

b) Amounts payable in foreign currency on account of the following:

Currency	Particulars	30-Sep-17		31-Mar-17		31-Mar-16		31-Mar-15		31-Mar-14		31-Mar-13	
		Amt in FC	Rs	Amt in FC	Rs	Amt in FC	Rs	Amt in FC	Rs	Amt in FC	Rs	Amt in FC	Rs
USD	Trade payables	0.67	43.90	0.65	42.00	1.40	92.66	1.91	120.47	0.41	25.70	0.46	25.08
	Advance to Customers	-	-	-	-	-	-	-	-	-	-	0.00*	0.20
EUR	Trade payables	0.03	1.98	-	-	-	-	-	-	-	-	0.00*	0.10
GBP	Other payables	-	-	-	-	-	-	-	-	0.01	1.34	0.00*	0.78
			45.88		**42.00**		**92.66**		**120.47**		**27.04**		**26.16**

6) Net dividend remitted in foreign exchange

Year of remittance (ending on)	September 30, 2017	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Period to which it relates	1 April 2017 to 30th September 2017	-	1 April 2015 to 31 March 2016	-	-	-
Number of non-resident shareholders	1	-	1	-	-	-
Number of equity shares of Rs. 10 each held on which dividend was due	44,065	-	44,065	-	-	-
Amount remitted (in USD in million)	0.10	-	0.07	-	-	-
Amount remitted (in Rs in million)	6.65	-	4.41	-	-	-

7) Defined benefit plans (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.

Statement of profit and loss

Net employee benefit expense recognised in the employee cost **(Rupees in million, unless otherwise stated)**

Particulars	September 30, 2017	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Current service cost	0.61	1.76	0.80	0.81	0.72	0.94
Interest cost on benefit obligation	0.34	0.68	0.45	0.49	0.34	0.31
Net actuarial (gain)/loss recognised in the year	(0.29)	(1.01)	2.08	(0.90)	(0.04)	(0.61)
Net benefit expense	**0.66**	**1.43**	**3.33**	**0.40**	**1.02**	**0.64**

Changes in the present value of the defined benefit obligation are as follows:

Particulars	September 30, 2017	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Opening defined benefit obligation	10.09	8.79	5.63	5.27	4.24	3.60
Current service cost	0.61	1.76	0.80	0.81	0.72	0.94
Interest cost	0.34	0.68	0.45	0.49	0.34	0.31
Benefit paid	(0.30)	(0.14)	(0.18)	(0.03)	-	-
Actuarial (gain)/loss on obligation	(0.29)	(1.01)	2.08	(0.90)	(0.04)	(0.61)
Closing defined benefit obligation	**10.45**	**10.08**	**8.78**	**5.64**	**5.26**	**4.24**

The principal assumptions used in determining gratuity for the company's plans are shown below:

Particulars	September 30, 2017	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Discount rate (per annum)	6.73%	6.77%	7.72%	7.98%	9.29%	8.00%
Rate of increase in compensation levels	10%	10%	10%	10%	10%	10%
Employee turnover	15%	15%	15%	10%	10%	10%

The estimates of future salary increases, considered in actuarial valuation take account of inflation, seniority, promotion and other relevant factor such as supply and demand factors in the employee market.

Amounts for the current and previous four periods are as follows:

Particulars	September 30, 2017	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Defined benefit obligation	10.45	10.09	8.79	5.63	5.27	4.24
Experience adjustments on plan liabilities	(0.31)	(1.45)	2.00	(1.38)	0.46	(0.76)

8) **Commitments** **(Rupees in million, unless otherwise stated)**

Particulars	September 30, 2017	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Estimated accounts of contracts remaining to be executed on capital account and not provided for (net of advances)	1.40	2.80	14.30	10.50	-	-
Cost of content and other commitments	40.24	55.29	98.64	22.28	3.39	6.96
Cost of content	33.01	43.34	94.29	21.80	0.25	3.39
Legal and professional fees	1.25	5.30	3.47	0.14	3.15	2.60
Advertising cost	5.00	5.00	-	-	-	-
Other commitments	0.98	1.65	0.88	0.33	-	0.97
Total	**41.64**	**58.09**	**112.94**	**32.78**	**3.39**	**6.96**

9) **Segment information**

The Company publishes its financial statements along with the consolidated financial statements in the annual report or any other financial report. In accordance with AS 17, Segment Reporting, the Company has disclosed the segment information in the consolidated financial statements. Hence, segment disclosures are not included in the financial statements.

10) **Leases**

Operating lease: Company as lessee

The Company's significant leasing arrangements are in respect of operating leases for office premises. The initial tenure of the lease are 36 months with no renewal option included in the contracts. There are no restrictions placed upon the company by entering into lease. Leases include a clause to enable upward revision of the rental charge on an annual basis according to rate prescribed in the contract.

Future minimum rentals payable under non-cancellable operating leases are as follows **(Rupees in million, unless otherwise stated)**

Particulars	September 30, 2017	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Within one year	-	1.25	20.27	35.82	2.61	-
After one year but not more than five years	-	-	-	75.25	-	-
More than five years	-	-	-	-	-	-
Total	**-**	**1.25**	**20.27**	**111.07**	**2.61**	**-**

11) **Details of dues to micro and small enterprises as defined under the MSMED Act, 2006**

Micro and small enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 have been determined to the extent such parties have been identified on the basis of information available with the Company and relied upon by the auditors. The Company has not received any instruction from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence, disclosures if any, relating to amounts unpaid as at the year end together with interest payable as required under the said Act have not been given.

12) **Corporate social responsibility expenditure**

As per section 135 of the Companies Act, 2013 and rules therein, the Company is required to spend at least 2% of average net profit of past three years towards Corporate Social Responsibility (CSR).

Details of corporate social expenditures are as follows:

(Rupees in million, unless otherwise stated)

Particulars	September 30, 2017	March 31, 2017	March 31, 2016	March 31, 2015
Gross amount required to be spent during the year	3.14	7.34	5.50	3.88
Amount spent during the year				
i) Construction/acquisition of any asset	-	2.00	2.00	-
ii) On purposes other than (i) above	0.00*	2.75	0.99	-
Total amount spent during the year	**-**	**4.75**	**2.99**	**-**

13) **Specified bank note disclosure**

The details of Specified Bank Notes (SBN's) held and transacted during the period from November 8, 2016 to December 30, 2016 pursuant to the requirement of Notification G.S.R 308 dated March 30, 2017 as mentioned below:

(Rupees in million, unless otherwise stated)

Particulars	SBNs	Other denomination notes	Total
Closing cash in hand as on 8th November, 2016	0.84	0.00*	0.84
(+) Permitted receipts	-	0.28	0.28
(-) Permitted payments	-	(0.28)	(0.28)
(-) Amount deposited in banks	(0.84)	-	(0.84)
Closing cash in hand as on 30th December, 2016	-	0.00*	0.00*

* Amount is less than 0.01 million

14. **Significant events subsequent to 30th September, 2017-**

1. West Bridge Venture II Investment Holding ('West Bridge') held 68.01% of the total equity capital of the Company and was the holding company as of 30thSeptember 2017. On 23rd November 2017, West Bridge sold/transferred a significant stake to financial investors and certain employees of the Company, resulting in its holding reducing to less than 50%. Consequently, West Bridge is no longer the holding company and West Bridge Venture LLC is no longer the ultimate holding company from 23th November, 2017.

2. On 15thDecember 2017, the Company increased its authorized equity share capital from Rs 21,987,960(2,198,796shares of Rs 10/- each) to Rs 137,487,960(13,748,796shares of Rs 10/- each).

3. On 28th December 2017, the shareholders of the Company approved for subdivision of 1fully paid up equity share having face value of Rs 10/-each into 2.5 fully paid up equity share having face value of Rs 4/-each. The authorised equity share capital was increased to 34,371,990 equity shares of Rs 4 each. Consequently, the outstanding 1,989,246 equity shares having face value of Rs 10 each aggregating to Rs 19,892,460as at September 30, 2017 were sub-divided into 4,973,115 equity shares having face value of Rs 4 each aggregating to Rs 19,892,460.

   Further, the shareholders also approved the issuance of the Bonus shares in the ratio of 4:1 (4 bonus shares for every 1 equity share held). Consequently, the number of shares as at September 30, 2017 has increased from 4,973,115 equity shares to 24,865,575 equity shares.

   The Earnings per share calculations have also been presented in accordance with Accounting Standard 20 "Earning per Share" notified under section 133 of the Companies Act, 2013, read together with rules thereunder, after giving effect to the split and bonus, mentioned above.

4. The Company has made the following investments after September 30, 2017:

   i. In January 2018, the Company has invested Rs. 767.68 million for 55% of equity share capital of Nodwin Gaming Private Limited ('Nodwin'), a company engaged in activities pertaining to eSports in India. The Company has made this investment by subscribing3,414 equity shares of Rs 10/- each for Rs. 355.32 million issued by Nodwin for cash and byacquiring3,962 equity shares of Rs 10/- each from an existing shareholders of Nodwin by issuing 7,53,854 equity Shares of the Company of Rs. 4/- each valued at Rs. 547/- fully paid.

      Nazara issued 485,018 equity shares of Rs. 4 each at Rs. 547 per share to Turtle Entertainment GmBH ("ESL"), German eSports Company for Rs. 265.30 million to part fund this acquisition.

   ii. In December 2017, the Company has invested Rs 322.22 million for 52.38% of equity share capital of Nextwave Multimedia Private Limited ("NextWave"), a company engaged in the business of designing, marketing and publishing games across platforms. The Company made this investment by acquiring 11,921 equity shares of Rs 100 each from the existing shareholders for Rs. 220 million in cash and subscribing to 4,335 equity shares of Rs 100 each aggregating to Rs. 80 million, issued by NextWave for cash. Further, the Company acquired 1,204 equity shares of Rs 100 each from an existing shareholder of NextWave by issuing 3,263 equity Shares of the Company of Rs.10 each valued at Rs. 6,834 fully paid. The Company borrowed Rs 300 million to fund this transaction.

   iii. On August 14, 2017, the Company had given a loan of Rs. 2.5 million to Moonglabs Technologies Pvt Limited ('Moonglabs'), a company engaged in the business of development mobile software. On December 26, 2017, the Company gave an additional loan of Rs.2.5 million to Moonglabs . The loan amount can be converted into fixed number of equity shares, at the option of the Company.

   iv. In November 2017, the Company has invested Rs 4.01 million for a 4% stake in Halaplay Technologies Private Limited('Halaplay'), on a fully diluted basis, pursuant to the agreement dated 27th September 2017. Halaplay is engaged in a business of providing a daily fantasy Sports (DFS) platform that empowers users to play game online.

5. In January 2018, the Company has raised Rs 500 million from preferential issue of 8 27,387 equity shares of Rs. 4 each to 14 investors at price of Rs. 604.32 per share for repayment of loans and for working capital.

* Amount is less than 0.01 million

As per our report of even date

For S.R.Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number : 101049W/E300004

per Govind Ahuja
Partner
Membership no : 048966

Place of Signature: Mumbai
Date: January 17, 2018

For and on behalf of the Board of directors of Nazara Technologies Limited
(Formerly Known as Nazara Technologies Private Limited)

Vikash Mittersain
Chairman Cum Managing Director
DIN: 00156740

Nitish Mittersain
Managing Director
DIN: 02347434

Rakesh Shah
Chief Financial Officer

Vinav Agarwal
Company Secretary

Place of Signature: Mumbai
Date: January 17, 2018

Report on Special Purpose Consolidated Indian Accounting Standards (Ind AS) Financial Statements

To the Board of Directors of Laurus Labs Limited

We have audited the accompanying special purpose consolidated financial statements of Nazara Technologies Private Limited (the "Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred as "the Group") and associate, which comprise the consolidated Opening Balance Sheet as at April 1, 2016 (transition date balance sheet) and Balance Sheets as at March 31, 2017 and September 30, 2017, the consolidated Statement of Profit and Loss, the consolidated Cash Flow Statement and the consolidated Statement of Changes In Equity for the six month period ended on September 30, 2017 and for the year ended March 31, 2017, and a summary of the significant accounting policies and other explanatory information (together hereinafter referred to as "Special Purpose Consolidated Ind AS Financial Statements"). These Special Purpose Consolidated Ind AS Financial Statements have been prepared as part of the Company's conversion to Indian Accounting Standards (Ind AS).

Management's Responsibility for the Special Purpose Ind AS Financial Statements

The Company's Board of Directors is responsible for the preparation of these Special Purpose Consolidated Ind AS Financial Statements in accordance with the basis of accounting described in Note 2.1, and for such internal controls relevant to the preparation of the Special Purpose Consolidated Ind AS Financial Statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these Special Purpose Consolidated Ind AS 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. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Company's preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal financial controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial Statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on these Special Purpose Consolidated Ind AS Financial Statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the

Special Purpose Consolidated Ind AS Financial Statements as at and for the six-month period ended on September 30, 2017, as at and for the year ended March 31, 2017 and the Opening Balance Sheet as at April 1, 2016 are prepared, in all material respects, in accordance with the basis of accounting described in Note 2.1 to those Special purpose Consolidated Ind AS Financial Statements which describes how Ind AS have been applied under Ind AS 1, including assumptions management has made about the standards and interpretations expected to be effective, and the policies expected to be adopted when management prepares its first complete set of Consolidated Ind AS financial statements as at March 31, 2018.

Emphasis of Matter

a) We draw attention to Note 2.1 to the Special Purpose Consolidated Ind AS Financial Statements, which describe the basis of accounting and presentation and further states that the comparative financial information has not been included in these consolidated financial statements. Only a complete set of consolidated financial statements together with comparative financial information can provide a fair presentation of the state of affairs (financial position) the of the Group and its associate, profit (financial performance including other comprehensive income), cash flows and the changes in equity.

b) We also draw attention to Note 2.1 to the Special Purpose Consolidated Ind AS Financial Statements to explain why there is a possibility that these may require adjustments before constituting the final Comparative Ind AS Consolidated Financial Statements.

c) Our opinion is not modified in respect of these matters.

Other Matters

a) The Holding Company has prepared a separate set of consolidated financial statements for the year ended March 31, 2017 and March 31, 2016 in accordance with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and subsequent amendments thereof, on which we issued a separate auditor's report to the shareholders of the Holding Company dated October, 2017 and November 24, 2016, respectively.

b) This report on the Special Purpose Consolidated Ind AS Financial Statements has been issued solely for the information and use of the Board of Directors of the Holding Company in connection with its conversion of the consolidated financial statements to Ind AS and for inclusion in the offer document, prepared by the Holding Company's proposed Initial Public Offer of equity shares of face value of Rs. 10 each, (the "IPO"). Accordingly, this report should not be used, referred to or distributed for any other purpose without our prior written consent.

c) The accompanying Special Purpose Consolidated Ind AS Financial Statements include total assets of Rs.1523.04 milion, Rs. 1595.30 million and Rs. 1016.15 million as at September 30, 2017, March 31, 2017 and April 1, 2016 respectively, total revenues of Rs.517.58 million and Rs.1127.96 million and Net cash (outflow) / inflow Rs.281.13 million, and Rs.20.98 million for the six month period ended on September 30, 2017 and for the year ended March 31, 2017 respectively, in respect of 9 subsidiaries, which has been audited by other auditors, which financial statements, other financial information and auditor's report have been furnished to us by the management. The special purpose consolidated Ind AS financial statements also include the Group's share of net loss of Rs 0.32 million for the period from May 22, 2017 to September 30, 2017 as considered in the special purpose consolidated Ind AS financial statements, in respect of its associate whose financial statements, other financial information have been audited by other auditor and whose report has been furnished to us by the Management. Our opinion on the Special Purpose Consolidated Ind AS Financial Statements, in so far as it relates to the amount and disclosures included in respect of subsidiaries, and its associate, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and its associate, is based solely on the reports of such other auditors.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Govind Ahuja
Partner
Membership No.: 048966

Place: Mumbai
Date:

NAZARA TECHNOLOGIES LIMITED
(formerly knonwn as NAZARA TECHNOLOGIES PRIVATE LIMITED)

Special Purpose Consolidated Balance Sheet as at September 30, 2017

(Rupees in million, unless otherwise stated)

	Note	September 30, 2017	March 31, 2017	April 01, 2016
ASSETS				
Non-current assets				
Property, plant and equipment	3	9.27	10.26	15.17
Intangible assets	4	5.78	8.05	4.54
Intangible assets under development	4	2.80	1.40	3.60
Investment in associate	42	20.90	-	-
Financial assets				
Investments	5	107.40	41.54	27.57
Loans	7	15.72	14.70	12.83
Other financial assets	8	1.73	1.68	1.57
Deferred tax assets (Net)	35	34.47	41.49	17.52
Other non-current assets	9	46.56	46.58	32.45
		244.63	**165.70**	**115.25**
Current assets				
Financial assets				
Investments	6	747.19	725.05	560.65
Trade receivable	10	365.75	259.49	334.41
Cash and cash equivalents	11	569.64	648.37	694.35
Other bank balances	11	290.21	489.94	69.08
Loans	12	4.53	1.27	2.25
Other financial assets	13	424.65	331.23	225.32
Other current assets	14	29.23	33.06	32.87
		2,431.20	**2,488.41**	**1,918.93**
		2,675.83	**2,654.11**	**2,034.18**
EQUITY & LIABILITIES				
Equity				
Equity share capital	15	19.89	19.89	19.89
Other equity		2,189.46	2,215.63	1,602.08
		2,209.35	**2,235.52**	**1,621.97**
LIABILITIES				
Non-current liabilities				
Provisions	17	13.69	13.05	11.68
		13.69	**13.05**	**11.68**
Current liabilities				
Financial liabilities				
Trade payables	18	307.44	240.16	261.65
Other financial liabilities	19	27.19	33.35	20.77
Other current liabilities	20	58.53	124.69	115.32
Provisions	21	3.92	3.71	1.71
Current tax liabilities (Net)		55.71	3.63	1.08
		452.79	**405.54**	**400.53**
		2,675.83	**2,654.11**	**2,034.18**

Summary of significant accounting policies 2

The accompanying notes are an integral part of the special purpose financial statements.

As per our report of even date attached

For S.R.Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number : 101049W/E300004

per Govind Ahuja
Partner
Membership no: 48966

Place of Signature: Mumbai
Date : January 17, 2018

For and on behalf of the Board of directors of
Nazara Technologies Limited

Vikash Mittersain
Chairman Cum Managing Director
DIN-00156740

Nitish Mittersain
Managing Director
DIN-02347434

Rakesh Shah
Chief Financial Officer

Vinav Agarwal
Company Secretary

Place of Signature: Mumbai
Date : January 17, 2018

NAZARA TECHNOLOGIES LIMITED
(formerly knonwn as NAZARA TECHNOLOGIES PRIVATE LIMITED)

Special Purpose Consolidated Statement of Profit and Loss for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

	Note	For the six month ended September 30, 2017	March 31, 2017
Income			
Revenue from operations	22	838.94	1,901.58
Other income	23	70.07	120.90
Total Income		**909.01**	**2,022.48**
Expenses			
Cost of content		45.06	107.32
Employee benefits expense	24	182.13	253.79
Finance cost	25	2.10	2.88
Depreciation and amortisation expense	26	5.94	11.58
Advertising cost		236.66	527.69
Other Expenses	27	134.58	401.21
Total expenses		**606.47**	**1,304.47**
Profit before share of net profits of investments accounted for using equity method and tax		**302.54**	**718.01**
Share of loss net (loss) of associate by using equity method	42	(0.32)	-
Profit before tax		**302.22**	**718.01**
Tax expense:			
Current Tax		106.66	129.90
Adjustment of tax relating to earlier periods		-	1.92
Deferred tax charge/ (credit)		6.81	(24.93)
Total tax expenses		113.47	106.89
Profit for the period/year		**188.75**	**611.12**
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Remeasurements of post-employment benefit obligation		0.29	1.01
Income tax relating to items that will not be reclassified to profit or loss		(0.10)	(0.35)
Items that will be reclassified to profit or loss			
Change in fair value of FVOCI debt instruments		1.10	6.08
Income tax relating to items that will be reclassified to profit or loss		(0.11)	(0.61)
Total comprehensive income for the year, net of tax attributable to Equity holders of the parent		**189.93**	**617.25**
Earning per share (equity shares, par value Rs 10 each)	**30**		
Computed on the basis of total profit for the period/ year			
Basic		94.89	307.21
Diluted		94.15	296.65
Earning per share after considering the impact of bonus issue and sub division of share	**30**		
Computed on the basis of total profit for the period/ year			
Basic		7.35	22.84
Diluted		7.29	22.06
Summary of significant accounting policies	**2**		

The accompanying notes are an integral part of the special purpose financial statements.

As per our report of even date attached

For S.R.Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number : 101049W/E300004

per Govind Ahuja
Partner
Membership no: 48966

Place of Signature: Mumbai
Date : January 17, 2018

For and on behalf of the Board of directors of
Nazara Technologies Limited

Vikash Mittersain
Chairman Cum Managing Director
DIN-00156740

Nitish Mittersain
Managing Director
DIN-02347434

Rakesh Shah
Chief Financial Officer

Vinav Agarwal
Company Secretary

Place of Signature: Mumbai
Date : January 17, 2018

NAZARA TECHNOLOGIES LIMITED
(formerly knonwn as NAZARA TECHNOLOGIES PRIVATE LIMITED)

Consolidated Statement of Change in Equity for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

Equity Share Capital

Particulars	No. of Shares	Rs.
As at April 01, 2016	1,989,246	19.89
As at March 31, 2017	1,989,246	19.89
As at Sept 30, 2017	1,989,246	19.89

Other equity

	Reserves & Surplus					Other Reserves			
	Capital redemption reserve	Retained Earnings	Share based payments	Other reserves	Total Reserves and Surplus	FVOCI debt instruments	Foreign currency translation reserve account	Total other reserves	Total
Balance at the beginning of the reporting period - April 01, 2016	**1.30**	**1,554.26**	**-**	**0.45**	**1,556.01**	**0.98**	**45.09**	**46.07**	**1,602.08**
Profit for the year ended March 31, 2017	-	611.12	-	-	**611.12**	-	-	-	**611.12**
Other comprehensive income	-	0.66	-	-	**0.66**	5.47	(40.69)	(35.22)	**(34.56)**
Transferred from foreign currency translation reserve	-	-	-	-	-	-	-	-	-
Share-based Payments (Note 33)	-	-	36.99	-	**36.99**	-	-	-	**36.99**
Balance at the end of the reporting period March 31, 2017	**1.30**	**2,166.04**	**36.99**	**0.45**	**2,204.78**	**6.45**	**4.40**	**10.85**	**2,215.63**
Balance at the beginning of the reporting period - April 01, 2017	**1.30**	**2,166.04**	**36.99**	**0.45**	**2,204.78**	**6.45**	**4.40**	**10.85**	**2,215.63**
Profit for the half year ended September 30, 2017	-	188.75	-	-	188.75	-	-	-	188.75
Other comprehensive income	-	0.19	-	-	0.19	0.99	7.34	8.33	8.52
Dividend paid (including dividend distribution tax)	-	(300.38)	-	-	(300.38)	-	-	-	(300.38)
Transferred from foreign currency translation reserve	-	-	-	-	-	-	0.01	0.01	0.01
Share-based Payments (Note 33)	-	-	76.94	-	76.94	-	-	-	76.94
Balance at the end of the reporting period September 30, 2017	**1.30**	**2,054.60**	**113.93**	**0.45**	**2,170.28**	**7.44**	**11.75**	**19.19**	**2,189.47**

As per our report of even date attached

For S.R.Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number : 101049W/E300004

per Govind Ahuja
Partner
Membership no: 48966

Place of Signature: Mumbai
Date : January 17, 2018

For and on behalf of the Board of directors of
Nazara Technologies Limited

Vikash Mittersain
Chairman Cum Managing Director
DIN-00156740

Nitish Mittersain
Managing Director
DIN-02347434

Rakesh Shah
Chief Financial Officer

Vinav Agarwal
Company Secretary

Place of Signature: Mumbai
Date : January 17, 2018

NAZARA TECHNOLOGIES LIMITED
(formerly knonwn as NAZARA TECHNOLOGIES PRIVATE LIMITED)

Special Purpose Cash Flow Statement for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

	For the six month ended September 30, 2017	March 31, 2017
Cash flow from operating activities		
Profit before tax for the period/ year	302.22	718.01
Adjustments for :		
Fair value gain or loss on mutual fund and tax free bonds and equity instruments.	(20.79)	(30.18)
Expenses on employee stock option scheme (refer note 33)	76.94	36.99
Depreciation and amortisation expense	5.94	11.58
(Gain) on write off of fixed assets	-	(0.13)
Bad debts	3.51	12.76
Provision for doubtful debts	7.74	39.36
Investment written off	-	6.70
Liabilities written back / provision no longer required	(23.56)	(7.20)
Unrealised foreign exchange loss	15.99	98.24
Net gain on sale of current investments	(5.77)	(26.13)
Interest income	(18.43)	(51.79)
Share of loss of associate by using equity method	0.32	-
Dividend income	-	(0.37)
Operating profit before working capital changes	**344.12**	**807.85**
Movements in working capital :		
Increase in trade payables	89.04	(8.41)
Increase in long-term provisions	0.90	2.44
Increase in short term provisions	0.20	2.00
Increase/ (Decrease) in other current liabilities	(41.18)	21.92
(Increase) / Decrease in trade receivables	(120.17)	5.41
(Increase) / Decrease in loans and advances	(0.54)	0.58
(Increase) in other current assets	(99.91)	(116.53)
Cash generated from operations	172.45	715.26
Direct taxes paid (net of refunds)	(88.95)	(147.34)
Net cash flow from operating activities (A)	**83.50**	**567.92**
Cash flow from investing activities		
Purchase of fixed assets, including intangible assets under development	(4.07)	(8.13)
Proceeds on deletion of fixed assets	-	0.23
Purchase of non-current investments	(87.54)	(21.77)
Purchase of current investments	(361.50)	(505.07)
Proceeds from redemption/maturity of current investments	368.47	403.02
Investment in bank deposits (having original maturity of more than three months)	(306.12)	(1,454.14)
Redemption/maturity of bank deposits (having original maturity of more than three months)	506.98	997.34
Interest received on fixed desposits and bonds	21.96	43.62
Dividends received from current investments	-	0.37
Net cash flow from/ (used in) investing activities (B)	**138.18**	**(544.54)**
Cash flow from financing activities		
Dividend paid on equity shares	(300.38)	-
Net cash used in financing activities (C)	**(300.38)**	**-**
Net decrease in cash and cash equivalents (A)+(B)+(C)	**(78.70)**	**23.38**
Effect of exchange differences on cash & cash equivalents held in foreign currency	(0.04)	(69.36)
Cash and cash equivalents at the beginning of the period/ Year	648.38	694.35
Cash and cash equivalents at the end of the period (Note 11)	**569.64**	**648.37**
Components of cash and cash equivalents		
Cash in hand	0.25	0.01
Balances with bank	569.39	603.07
Deposit with original maturity of less than 3 months	-	45.29
Total cash and cash equivalents (refer note 11)	**569.64**	**648.37**

The accompanying notes are an integral part of the special purpose financial statements.

As per our report of even date attached

For S.R.Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number : 101049W/E300004

per Govind Ahuja
Partner
Membership no: 48966

Place of Signature: Mumbai
Date : January 17, 2018

For and on behalf of the Board of directors of
Nazara Technologies Limited

Vikash Mittersain
Chairman Cum Managing Director
DIN-00156740

Nitish Mittersain
Managing Director
DIN-02347434

Rakesh Shah
Chief Financial Officer

Vinav Agarwal
Company Secretary

Place of Signature: Mumbai
Date : January 17, 2018

Notes to the Special Purpose Consolidated Financial Statements for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

1 Corporate Information

Nazara Technologies Limited ('the Company' or 'the Holding Group') was incorporated in India on 8th December, 1999 as a Private Limited Company, engaged in providing subscription/download of games/other contents through telecom consumer base in India and worldwide and digital advertising services.

In November 2017, the Company has converted from a Private Company to Public Company consequent to which the name has been changed to Nazara Technologies Limited.

The Special purpose consolidated financial statements are approved for issue by the Company's Board of Director on January 17, 2018.

2 Basis of preparation and Significant accounting policies:

2.1 Basis of preparation:

The Special Purpose consolidated Ind AS Financial Statements have been prepared for inclusion in the offer document, prepared by the Company in connection with its proposed Initial Public Offer as set out In the SEBI Circular SEBI/HO/CFD/DIL/CIR/P/2016/47 dated March 31, 2016.The Special Purpose consolidated Ind AS Financial Statements are prepared in accordance with the recognition and measurement principles of Ind AS prescribed under section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Accounting Standards) Amendment Rules, 2016. These financial statements have been prepared in addition to the Financial Statements under Indian GAAP for the same period.

The Company will prepare and issue its first complete Ind AS financial statements as at and for the year ending March 31, 2018. Until the first complete Ind AS financial statements are issued, the balances in the Special Purpose consolidated Ind AS Financial Statements can change if :-

(a) there are any new Ind AS standards issued through March 31, 2018

(b) there are any amendments/modifications made to existing Ind AS standards or interpretations thereof through March 31, 2018 effecting the Ind AS balances in these financial statements and

(c) if the Company makes any changes in the elections and/or exemptions selected on adoption of Ind AS at its transition date of April 1, 2016.

The special purpose consolidated financial information relates to the Company, its subsidiary companies and associates (collectively referred to as "the Group").

Only a complete set of financial statements together with comparative financial information can provide a fair presentation of a Company's state of affairs (financial position), profit (financial performance including other comprehensive income), cash flows and the changes in equity.

While preparing the Special Purpose consolidated Financial statements under Ind AS for the six month period ended September 30, 2017 and for the year ended March 31, 2017, the relevant comparative financial information under Ind AS for the six month period ended September 30, 2016 and for the year ended March 31, 2016 respectively has not been presented.

The consolidated financial statements have been prepared on a historical cost convention and on accrual basis, except for the following assets and liabilities which has been measured at fair value required by relevant Ind AS:

i) Derivative financial instruments,

ii) Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)

2.2 Principles of consolidation and equity accounting:

The Consolidated financial statements comprise the financial statements of Nazara Technologies Limited (the "Company" or "Holding Company") and its subsidiary (collectively the "Group") and its associate as at September 30, 2017 and March 31, 2017 and for the six-month period ended September 30, 2017 and for the year ended March 31, 2017.

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

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

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on 31 March.

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 special purpose 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 (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

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

The acquisition method of accounting under Ind AS is used to account for business combinations by the Group from the date of transition to Ind AS i.e. April 1, 2016. Prior to the date of transition to Ind AS, the business acquisition has been accounted based on previous GAAP.

ii) Associates

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.

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

The Group's investments in its associates are accounted for using the equity method. Under the equity method, the investment in an associate 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 since the acquisition date. Goodwill relating to the associate is included in the carrying amount of the investment and is not tested for impairment individually.

The statement of profit and loss reflects the Group's share of the results of operations of the associate. 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, 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 are eliminated to the extent of the interest in the associate.

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

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

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

2.3 Significant accounting, judgments, estimates and assumptions

The preparation of special purpose consolidated 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 Group 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 Group. Such changes are reflected in the assumptions when they occur.

The areas involving critical estimates or judgements are:

- Estimation of fair value of unlisted securities - Note 38
- Estimation of defined benefit obligation - Note 32

2.4 Summary of significant accounting policies

a) Current versus non-current classification

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

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised 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.

b) **Foreign currency translation and transactions**

Functional and presentation currency

The special purpose consolidated financial statements are presented in INR, 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.

Transactions and balances

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 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).

c) **Revenue recognition**

- **Income from services**

Revenue from subscription/ download of mobile games and other contents is recognised based on provision of services as per contract with the operators and content distributors.

Revenue from advertising services is recognised in the period in which advertisements are displayed.

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.

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made.

(Rupees in million, unless otherwise stated)

- **Deferred Revenue**

  Revenue is recognised over the period during which the services are performed. The amount that covers the expected costs of the services to be provided after the reporting date along with a reasonable profit on those services is deferred and recognised over the period during which the services are performed.

- **Interest**

  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 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 Group's right to receive dividend is established by the reporting date.

  The right to receive dividend is generally established when shareholders approve the dividend.

d) **Income taxes**

Income tax expense comprises of current and deferred tax.

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. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit 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.

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 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.

(Rupees in million, unless otherwise stated)

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.

e) **Share-based payments**

Employees of the Company receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments.

Equity-settled transactions

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using Black Scholes valuation model.

That cost is recognized, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognized as at the beginning and end of that period and is recognized in employee benefits expense.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

f) **Retirement and other employee 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 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 or income.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries.

The Group operates a defined benefit gratuity plan, which requires contributions to be made to a separately administered fund. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method. Liability for gratuity as at the year-end is provided on the basis of actuarial valuation.

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 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.

Compensated absence

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

Long-term employee benefits.

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as a liability at the present value of the defined benefit obligation at the balance sheet date.

g) **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. 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.

h) **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.

i. 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:

- Debt instruments assets at amortized cost
- Debt instruments at fair value through OCI (FVOCI)
- Debt instruments, derivatives and at fair value through profit and loss (FVTPL)

Debt instruments at amortised cost

A Debt instrument 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

Debt instruments 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 recognized in OCI. However, the Group recognizes interest income, impairment losses & 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.

Debt instruments at fair value through profit and loss

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

All investments (except investment in subsidiary) included within the FVTPL category are measured at fair value with all changes recognized in the Profit and Loss

In addition, the Group may elect to designate an instrument, which otherwise meets amortized 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').

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The group makes such election on an instrument- by-instrument basis. The classification is made on initial recognition and is irrevocable.

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

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

Derecognition

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.

(Rupees in million, unless otherwise stated)

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 following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance

b) Financial assets that are debt instruments and are measured as at FVTOCI

c) Trade receivables or any contractual right to receive cash or another financial asset

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

For recognition of impairment loss on other financial assets and risk exposure, the Group 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 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) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. The 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 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.

Debt instruments 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.

ii. 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 statement of profit and loss.

(Rupees in million, unless otherwise stated)

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.

Derivative financial instruments:

The Group uses derivative financial instruments, such as forward currency contracts to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. The forward contracts that meet the definition of a derivative under Ind AS 109 are recognised in the statement of profit and loss.

iii. 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.

iv. 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.

i) **Fair value measurement**

The Group measures financial instrument such as investments at fair value at each balance sheet date.

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

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

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

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

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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

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

Currently Group carries those instruments where in level 1 inputs of the above mentioned fair value hierarchy is used.

The Group's board Committee approves the policies for both recurring and non-recurring fair value measurement. Where seen appropriate external valuers are involved. The board committee reviews the valuation results. This includes a discussion of the major assumptions used in the valuations.

(Rupees in million, unless otherwise stated)

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. External valuers are involved for valuation of significant assets and liabilities. The management selects external valuer on various criteria such as market knowledge, reputation, independence and whether professional standards are maintained by valuer. The management decides, after discussions with the Group's external valuers, which valuation techniques and inputs to use for each case.

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

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See Note --- for further disclosures.

j) **Property, plant and equipment**

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant if the recognition criteria are met.

Capital work in progress is stated at cost net of accumulated impairment losses, if any. Capital work-in-progress comprises of expenditure incurred for construction of building.

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, plant and equipment are eliminated from financial statements, either on disposal or when retired from active use. Losses arising in case of retirement of Property, Plant and equipment and gains or losses arising from disposal of property, plant 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 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, plant and equipment are as follows:

Property, plant and equipment	**Useful lives estimated by the management (years)**
Furniture and fixtures	5 years
Computer and Printers	3 years
Office equipments	3 years
Motor Car	3 years

k) **Intangible assets**

Intangible assets are recognized 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. Internally generated intangibles, excluding capitalized development costs, are not capitalized and the related expenditure is reflected in profit and loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as finite. The amortization period and the amortization method for an intangible asset with a finite useful life 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 amortization period or method, as appropriate, and are treated as changes in accounting estimates.

Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired.

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 recognized in the statement of profit and loss when the asset is derecognized.

l) **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 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.

(Rupees in million, unless otherwise stated)

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.

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 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 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.

m) **Lease**

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

Where the Group as a lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Group is classified as a finance lease. An operating lease is a lease other than a finance lease.

Operating lease:

Operating lease payments are recognised as an expense in the statement of profit and loss on a straight line basis.

n) **Provisions, Contingent liabilities, Contingent assets and Commitments**

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 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.

o) **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.

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.

(Rupees in million, unless otherwise stated)

p) **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 (CODM) evaluates the Group's performance and allocates resources based on an analysis of various performance indicators by business segments and information required based on geography.

Accordingly, information has been presented both along business segments and information required based on geography. The accounting principles used in preparation of the 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 mobile subscription/download of games/other contents and digital advertising services (Freemium).

Information required based on geography is based on business sourced from that geographic region and delivered from both onsite and offsite locations. Middle East comprise of Dubai & Iran and Africa includes Nigeria, Kenya, Zambia, Uganda, Mauritius the Rest of the World comprises all other places except those mentioned above and India.

Revenue and identifiable operating expenses in relation to segments are categorized based on items that are individually identifiable to that segment. Allocated expenses of segments include expenses incurred for rendering services which are categorized 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 are not identified to any of the reportable segments, as these are 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 recognized.

q) **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, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

r) **Corporate Social Responsibility (CSR) Expenditure**

CSR expense is recognized as it is incurred by the Group or when Group has entered into any legal or constructive obligation for incurring such an expense.

Notes to the Special Purpose Consolidated Financial Statements for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

3 Property, plant and equipment

	Property, plant and equipment					
	Computers	**Office equipments**	**Furniture and fixtures**	**Vehicles**	**Leasehold improvements**	**Total**
Gross carrying amount						
As at April 01, 2016	29.07	4.06	1.56	1.72	3.56	39.97
Additions	0.43	0.63	-	2.01	-	3.07
Disposals	(0.57)	(0.50)	-	(0.61)	(3.56)	(5.24)
*Adjustments	(0.01)	(0.01)	-	(0.01)	-	(0.03)
Gross carrying amount as at March 31, 2017	**28.92**	**4.18**	**1.56**	**3.11**	**-**	**37.77**
Additions	-	-	-	2.67	-	2.67
Disposals	-	-	-	-	-	-
*Adjustments	-	-	-	0.02	-	0.02
Gross carrying amount as at September 30, 2017	**28.92**	**4.18**	**1.56**	**5.80**	**-**	**40.46**
Accumulated depreciation						
Accumulated depreciation as at April 01, 2016	15.95	2.69	0.97	1.63	3.56	24.80
Depreciation charge during the period	6.12	0.88	0.24	0.66	-	7.90
Disposals	(0.54)	(0.50)	-	(0.55)	(3.56)	(5.15)
*Adjustments	(0.01)	(0.01)	-	(0.02)	-	(0.04)
Accumulated depreciation as at March 31, 2017	**21.52**	**3.06**	**1.21**	**1.72**	**-**	**27.51**
Depreciation charge during the period	2.81	0.37	0.08	0.41	-	3.67
Disposals	-	-	-	-	-	-
*Adjustments	-	-	-	0.01	-	0.01
Accumulated depreciation as at September 30, 2017	**24.33**	**3.43**	**1.29**	**2.14**	**-**	**31.19**
Net carrying amount as at April 01, 2016	**13.12**	**1.37**	**0.59**	**0.09**	**-**	**15.17**
Net carrying amount as at March 31, 2017	**7.40**	**1.12**	**0.35**	**1.39**	**-**	**10.26**
Net carrying amount as at September 30, 2017	**4.59**	**0.75**	**0.27**	**3.66**	**-**	**9.27**

* represents exchange difference resulting from translation of fixed assets relating to non-integral operations.

4 Intangible assets

	Intangible assets				
	Computer software	**NGDP Platform**	**Mygamma and Djuzz platform**	**Total**	**Intangible asset under development**
Gross carrying amount					
As at April 01, 2016	16.03	-	3.64	19.67	3.60
Additions	-	7.20	-	7.20	-
Disposals	(0.02)	-	-	(0.02)	-
*Adjustments	-	-	-	-	(2.20)
Gross carrying amount as at March 31, 2017	**16.01**	**7.20**	**3.64**	**26.85**	**1.40**
Additions	-	-	-	-	1.40
Disposals	-	-	-	-	-
Transfers	-	-	-	-	-
Gross carrying amount as at September 30, 2017	**16.01**	**7.20**	**3.64**	**26.85**	**2.80**
Accumulated depreciation					
Accumulated depreciation as at April 01, 2016	11.49	-	3.64	15.13	-
Depreciation charge during the year	2.35	1.33	-	3.68	-
Disposals	(0.01)	-	-	(0.01)	-
*Adjustments	-	-	-	-	-
Accumulated depreciation as at March 31, 2017	**13.83**	**1.33**	**3.64**	**18.80**	**-**
Depreciation charge during the period	1.07	1.20	-	2.27	-
Disposals	-	-	-	-	-
Accumulated depreciation as at September 30, 2017	**14.90**	**2.53**	**3.64**	**21.07**	**-**
Net carrying amount as at April 01, 2016	**4.54**	**-**	**-**	**4.54**	**3.60**
Net carrying amount as at March 31, 2017	**2.18**	**5.87**	**-**	**8.05**	**1.40**
Net carrying amount as at September 30, 2017	**1.11**	**4.67**	**-**	**5.78**	**2.80**

* represents exchange difference resulting from translation of fixed assets relating to non-integral operations.

Notes to the Special Purpose Consolidated Financial Statements for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

5 Non-current investments

		September 30, 2017		March 31, 2017		April 01, 2016	
		Number	Amount	Number	Amount	Number	Amount
(i)	**Investment in equity instruments (fully paid-up)**						
	Unquoted equity instruments at fair value through profit or loss						
	Hashcube Inc	2,451,546	25.61	2,451,546	26.98	2,451,546	27.57
	Convertible preference shares of USD 0.00001 each						
	Mastermind Sports Ltd	-	-	50,116	14.56	-	-
	Equity shares of USD 0.01 each						
	Total investment in equity instruments		**25.61**		**41.54**		**27.57**
(ii)	**Investments in debentures**						
	Quoted bonds at amortized cost						
	6.38% debentures in Emirates NBD	2,000.00	13.87	-	-	-	-
	5.75% debentures Tata Motor	2,000.00	14.38	-	-	-	-
	4.88% debentures Jubliant Pharma Ltd	2,000.00	13.38	-	-	-	-
	4.50% debentures GlenMark	2,000.00	13.25	-	-	-	-
	5.25% debentures JSW Steel	2,000.00	13.51	-	-	-	-
	5.30% debentures Marble II	2,000.00	13.40	-	-	-	-
	Total investment in debenture		**81.79**		**-**		**-**
	Total Non-current investments		**107.40**		**41.54**		**27.57**
	Agreegate amount of unquoted investments		**25.61**		**41.54**		**27.57**
	Agreegate amount of quoted investments		**81.79**		**-**		**-**

Notes to the Special Purpose Consolidated Financial Statements for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

6 Current investments

		September 30, 2017		March 31, 2017		April 01, 2016	
		Number	Amount	Number	Amount	Number	Amount
(i)	**Investments in mutual funds**						
	Quoted investments at FVTPL						
	SBIMF-Magnum income fund	1,577,816	66.21	1,756,450	70.91	1,756,450	62.91
	BNP paribas flexi debt fund	828,972	24.56	828,972	23.56	828,972	21.23
	SBI ultra short term fund	-	-	12,830	26.95	23,994	46.72
	SDFS 17 months - series 1	-	-	-	-	1,003,037	12.16
	SDFS 18 months - series XII	-	-	-	-	2,500,000	30.45
	SBI dynamic bond fund	-	-	-	-	1,751,096	31.75
	ICICI prudential gilt fund	670,604	40.03	670,604	38.02	848,326	42.51
	Kotak gilt investment regular growth	627,212	36.82	627,212	35.35	837,909	42.34
	SBI short term fund	1,210,302	23.69	1,210,302	22.88	1,210,302	20.97
	SBI corporate bond	2,858,784	77.93	2,858,784	74.92	850,008	20.26
	SBI debt fund series B – 33	2,000,000	22.82	2,000,000	22.03	2,000,000	20.23
	SBI regular saving fund	3,470,651	102.54	3,470,651	98.15	2,009,765	50.17
	Birla sunlife saving fund	269	0.09	-	-	-	-
	Birla sunlife saving fund	-	-	-	-	86,812	25.42
	ICICI prudential flexible income - regular growth	-	-	-	-	164,989	47.22
	IIFL cash opportunities fund	6,437,753	75.60	4,700,293	53.51	2,850,436	30.09
	Birla sun life dynamic bond fund	339,552	10.29	339,552	9.86	-	-
	Birla sun life short term opportunities fund	368,370	10.41	368,370	10.00	-	-
	BNP paribas medium term income fund	783,447	10.67	783,447	10.26	-	-
	DSP black rock income opportunities fund	372,250	10.40	372,250	10.01	-	-
	IDFC super saver income fund short term	641,350	22.16	641,350	21.40	-	-
	L&T income opportunities fund	1,722,655	33.41	1,722,655	32.16	-	-
	Reliance short term fund	853,280	27.28	853,280	26.30	-	-
	SBI treasury advantage fund	18,977	35.45	18,977	34.30	-	-
	Tata short term bond fund	351,136	11.11	351,136	10.73	-	-
	UTI short term income fund	1,075,645	22.23	1,075,645	21.45	-	-
	Aditya Birla Sun Life Corporate Bond Fund regular growth	799,316	10.04	-	-	-	-
	Reliance Corporate Bond Fund-Growth Plan	732,295	10.04	-	-	-	-
	Total investment in mutual funds		**683.78**		**652.75**		**504.43**
(ii)	**Investments in debentures**						
	Quoted bonds at amortised cost						
	IIFL Wealth Finance market linked debentures	-	-	100	10.00	-	-
	Total investment in debentures		**-**		**10.00**		**-**
(iii)	**Investments in tax free bonds**						
	Quoted bonds at FVTPL						
	7.39% HUDCO tax free bond series IIA	7,007	8.02	7,007	7.77	7,007	7.22
	7.39% HUDCO bond tax free bond series IIA	7,529	8.46	7,529	8.22	7,529	7.54
	7.35% IRFC tax free bond series IIA	5,878	6.41	5,878	6.48	5,878	6.08
	7.35% NABARD tax free bond series IIA	5,010	5.66	5,010	5.49	5,010	5.21
	7.35% NHAI tax free bond series IIA	14,285	16.64	14,285	15.84	14,285	14.70
	7.39% NHAI tax free bond series IIA	15,419	18.22	15,419	18.50	15,419	15.47
	Total investment in tax free bonds at FVTPL		**63.41**		**62.30**		**56.22**
	Total current investments		**747.19**		**725.05**		**560.65**
	Aggregate amount of quoted investments		**747.19**		**725.05**		**560.65**

7 Loans

	September 30, 2017	March 31, 2017	April 01, 2016
Unsecured, considered good			
Security deposits	15.72	14.70	12.83
Total	**15.72**	**14.70**	**12.83**

Notes to the Special Purpose Consolidated Financial Statements for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

8 Non-current - other financial assets

	September 30, 2017	March 31, 2017	April 01, 2016
Fixed deposits bank with original maturity of more than 12 months	1.65	1.65	1.50
Interest receivable	0.08	0.03	0.07
Total	**1.73**	**1.68**	**1.57**

Note:

The fixed deposit aggregating to Rs 1.65 million (March 31, 2017 Rs. 1.65 million & April 01, 2016 Rs.1.50 million) is under lien to bank for issuing bank guarantee as security towards the due observance and performance of the terms and conditions of agreement executed with Bharat Sanchar Nigam Limited.

9 Other non-current assets

	September 30, 2017	March 31, 2017	April 01, 2016
Advance income -tax (net of provision for tax)	46.56	46.58	32.45
Total	**46.56**	**46.58**	**32.45**

10 Trade receivables

	September 30, 2017	March 31, 2017	April 01, 2016
Trade receivables			
Unsecured considered good	365.75	259.49	334.41
Doubtful	38.63	73.28	6.62
Impairment Allowance (allowance for bad and doubtful debts)			
Doubtful	(38.63)	(73.28)	(6.62)
Total	**365.75**	**259.49**	**334.41**

11 Cash and cash equivalents

	September 30, 2017	March 31, 2017	April 01, 2016
Cash on hand	0.25	0.01	0.10
Balances with banks			
- in current accounts	569.39	603.07	314.06
- in fixed Deposits with original maturity for less than 3 months	-	45.29	380.19
	569.64	**648.37**	**694.35**
Other bank balances			
Balances with banks			
- in fixed deposits with original maturity for more than 3 months but less than 12 months	290.21	489.94	69.08
	290.21	**489.94**	**69.08**
Total	**859.85**	**1,138.31**	**763.43**

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:

	September 30, 2017	March 31, 2017	April 01, 2016
Balances with banks:			
-On Current accounts	569.39	603.07	314
-Deposits with original maturity of less than three months	-	45.29	380
Cash on hand	0.25	0.01	0.10
Total	**569.64**	**648.37**	**694.35**

12 Loans

	September 30, 2017	March 31, 2017	April 01, 2016
Unsecured, considered good			
Security deposits	1.50	0.69	1.74
Loan to Moonglab Technologies Private Limited (Refer Note)	2.50	-	-
Loan to employees	0.53	0.58	0.51
Total	**4.53**	**1.27**	**2.25**

Note:

On August 14, 2017, the Company had given a loan of Rs. 2.5 million to Moonglabs Technologies Pvt Limited ('Moonglabs'), a company engaged in the business of development mobile software. In December 26, 2017, the Company gave an additional loan of Rs.2.5 million to Moonglabs . The loan amount can be converted into fixed number of equity shares, at the option of the Company.

Notes to the Special Purpose Consolidated Financial Statements for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

13 Other financial assets

	September 30, 2017	March 31, 2017	April 01, 2016
Interest accrued but not due			
- from banks	11.02	13.76	7.28
Unbilled revenue			
- Unsecured considered good	374.47	314.07	218.04
- Doubtful	6.55	4.44	-
Impairment Allowance (allowance for unbilled revenue)			
- Doubtful	(6.55)	(4.44)	-
Forward contract	39.16	3.40	-
Total	**424.65**	**331.23**	**225.32**

14 Other current assets

	September 30, 2017	March 31, 2017	April 01, 2016
Advances recoverable in cash or kind or for value to be received	1.13	0.39	0.30
Advance to vendors	8.82	13.86	15.27
VAT receivable	1.64	-	-
Prepaid expenses	13.83	15.39	11.01
Service tax receivable	3.81	3.42	6.29
Total	**29.23**	**33.06**	**32.87**

15 Share Capital

	September 30, 2017	March 31, 2017	April 01, 2016
Share capital			
Authorised shares			
2,198,796 (March 31, 2017 : 2,198,796, April 01, 2016: 2,198,796) equity shares of Rs 10 each	21.99	21.99	21.99
1,251,204 (March 31, 2017: 1,251,204, April 01, 2016: 1,251,204) preference shares of Rs 10 each	12.51	12.51	12.51
	34.50	**34.50**	**34.50**
Issued, subscribed and paid-up			
1,989,246 (March 31, 2017: 1,989,246, April 01, 2016: 1,989,246) equity shares of Rs 10 each	19.89	19.89	19.89
	19.89	**19.89**	**19.89**

(a) Details of shareholders holding more than 5% share in the Company

Equity shares

Name of the shareholder	September 30, 2017		March 31, 2017		April 01, 2016	
	No. of Shares	% Holding	No. of Shares	% Holding	No. of Shares	% Holding
Mitter Infotech LLP	558,356	28.07%	558,356	28.07%	558,356	28.07%
West Bridge Venture II Investment Holdings	1,352,944	68.01%	1,352,944	68.01%	1,352,944	68.01%

(b) Shares held by holding/ultimate holding company and / or their subsidiaries / associates

Out of the equity shares and preference shares issued by the Company, shares held by its holding company, ultimate holding company and their subsidiaries/ associates are as below:

Name of the shareholder	September 30, 2017		March 31, 2017		April 01, 2016	
	No. of Shares	Rs.	No. of Shares	Rs.	No. of Shares	Rs.
West Bridge Venture II Investment Holdings, the holding company from 30th March, 2016						
1,352,944 (March 31 2017: 1,352,944, April 01 2016 : 1,352,944) equity shares of Rs 10 each fully paid. **(refer note 1 below)**	1,352,944	13.53	1,352,944	13.53	1,352,944	13.53

Note : West Bridge Venture II Investment Holding have sold/transferred 839,650 equity shares to financial investor and certain employees of the company. Accordingly, West Bridge II Investment Holding is no longer holding company from 23rd November, 2017

Notes to the Special Purpose Consolidated Financial Statements for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

15 Share Capital (Cont'd)

(c) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

	No. of Shares	Rs.
As at April 01, 2016	**1,989,246**	**19.89**
Issued during the year - Exercise of ESOP/ Buy back	-	-
Issued during the year - other than ESOP	-	-
As at March 31, 2017	**1,989,246**	**19.89**
Issued during the year - Exercise of ESOP/ Buy back	-	-
Issued during the year - other than ESOP	-	-
As at Sept 30, 2017	**1,989,246**	**19.89**

(d) Terms/rights attached to equity shares

1. Voting rights

   Each shareholder is entitled to one vote per equity share having value of Rs 10 per share.

2. Right as to dividend

   The equity shareholder entitled to receive dividend as and when declared by Board of Directors subject to approval of members at the Annual General Meeting.

3. Rights on further issue including anti dilution Rights:

   In the event the Company proposes to make preferential issue of shares then 'West Bridge Ventures II Investment Holdings' ('Investor') have first right to subscribe on a pro-rata percentage of the entire issue on the basis of existing holding on a fully diluted basis so that the existing shareholding percentage in the Company remain same.

   In addition to above, the investor have anti dilution rights including right to be allotted proportionate shares without consideration in case of certain events as defined in shareholder's agreement.

4. Right of first offer, Right of Refusal and Tag Along Rights

   In the event Investor propose to transfer all or part of their securities to any person, it shall first offer to Mitter Infotech LLP and two individual shareholders ('Founders') , a pro rata right to purchase all their shares. Investor shall have the right to exercise certain specified tag along rights in case the Founders proposes to transfer any securities to any person in certain cases as defined in Articles of Association (AOA).

   In the event Emerging Investments Limited and other two company shareholders and one individual shareholders ('Other Shareholders') propose to transfer all or part of their securities to any person, investor and founders have pro rata right to purchase all their Shares.

5. Drag Along Rights:

   In case, the investor receives an offer for sale to third party, the Investor has the right to call upon the founders to sell their part of shareholding subject to certain specified conditions as defined in the AOA of the Company.

6. Other Rights:

   Investor have right to have their representation on the board of the Company with an affirmative voting right and decision on certain reserved matters such as change or alteration in the rights of any class of shareholders, change in share capital of the Company, undertaking any merger, acquisition, consolidation/ amalgamation, change in the composition of board of directors and change in scope of business activity.

(e) Shares reserved for issue under options

For details of shares reserved for issue under the employee stock option (ESOP) plan of the Company.

(f) Aggregate number of shares bought back by the Company:

	September 30, 2017	March 31, 2017	April 01, 2016
Equity shares bought back by the Company			
FY 12-13	84,496	84,496	84,496
FY 14-15	45,400	45,400	45,400
	129,896	**129,896**	**129,896**

(g) Details of Other Equity (refer statement of changes in Equity)

Capital redemption reserves

The company has in the past created capital redemption reserve in accordance with the provision of the Act.

16 Dividend distribution made

	September 30, 2017	March 31, 2017	April 01, 2016
Cash dividends on equity shares declared and paid			
Interim dividend paid (including dividend distribution tax) for period ended September 30 2017, Rs. 151 per equity share.	300.38	-	-
	300.38	**-**	**-**

17 Provision

	September 30, 2017	March 31, 2017	April 01, 2016
Provisions for employees benefits			
Provision for Gratuity	13.69	13.05	11.68
Total	**13.69**	**13.05**	**11.68**

Notes to the Special Purpose Consolidated Financial Statements for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

18 Trade payables

	September 30, 2017	March 31, 2017	April 01, 2016
Trade payables	307.44	240.16	261.65
Total	**307.44**	**240.16**	**261.65**

Micro and small enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 have been determined to the extent such parties have been identified on the basis of information available with the Company and relied upon by the auditors. The Company has not received any instruction from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence, disclosures if any, relating to amounts unpaid as at the year end together with interest payable as required under the said Act have not been given.

19 Other financial liabilities

	September 30, 2017	March 31, 2017	April 01, 2016
Employee payables	25.19	31.35	18.68
Payable for capital expenditure	2.00	2.00	2.09
Total	**27.19**	**33.35**	**20.77**

20 Other current liabilities

	September 30, 2017	March 31, 2017	April 01, 2016
Advances from customers	7.66	10.78	29.87
Tax deducted at source	45.09	107.60	81.37
Equalisation levy	0.10	0.44	-
Goods and Services Tax payable	1.06	-	-
Statutory liabilities	4.62	5.87	4.08
Total	**58.53**	**124.69**	**115.32**

21 Provisions - Current

	September 30, 2017	March 31, 2017	April 01, 2016
Compensated absences	3.92	3.71	1.71
Total	**3.92**	**3.71**	**1.71**

22 Revenue from operations

	For the six month ended 30 September 2017	31 March 2017
Revenue from subscription/download of mobile games and other contents	807.70	1,861.75
Revenue from advertising services	31.24	39.83
Total	**838.94**	**1,901.58**

23 Other income

	For the six month ended 30 September 2017	31 March 2017
Dividend income on		
- Current investments	-	0.38
Net gain on sale of current investments	5.78	26.13
Sundry balances written back	23.56	7.20
Fair Value gain on financial instruments at fair value through profit or loss	20.65	30.13
Fair Value gain/(loss) on forward exchange contracts	0.13	0.05
Other income	1.51	5.22
Finance income		
- on bank deposits	16.12	47.74
- on tax free bonds	2.04	4.05
- on long term bonds	0.28	-
Total	**70.07**	**120.90**

Notes to the Special Purpose Consolidated Financial Statements for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

24 Employee benefits expense

	For the six month ended 30 September 2017	31 March 2017
Salaries, Wages and Bonus	99.16	203.15
Contribution to provident and other funds	4.36	9.39
Expenses on employee stock option scheme (refer note 33)	76.94	36.99
Gratuity expenses (refer note 32)	1.28	2.92
Staff welfare expenses	0.39	1.34
Total	**182.13**	**253.79**

25 Finance costs

	For the six month ended 30 September 2017	31 March 2017
Interest	0.40	0.24
Bank charges	1.70	2.64
Total	**2.10**	**2.88**

26 Depreciation and amortisation expenses

	For the six month ended 30 September 2017	31 March 2017
Depreciation of tangible assets (refer note 3)	3.67	7.90
Amortisation of intangible assets (refer note 4)	2.27	3.68
	5.94	**11.58**

27 Other expenses

	For the six month ended 30 September 2017	31 March 2017
Content management charges	0.69	2.02
Revenue share on subscription/download of games/other contents	13.91	59.25
Consumables for development and testing	0.46	0.44
Rent expenses	18.82	36.64
Rates and taxes	3.97	10.12
Insurance charges	1.11	2.71
Repairs and maintenance	3.24	6.48
Corporate social responsibility expenditure (Refer note (ii) below)	0.01	4.75
Sales promotion and business development	5.08	10.27
Brokerage and discounts	-	-
Travelling and conveyance	11.35	26.05
Communication expenses	1.30	3.17
Printing and stationery	0.24	0.48
Legal and professional fees	18.65	38.60
Server charges	11.29	23.59
Bad debts written off	3.51	12.76
Provision for doubtful debts and unbilled revenue	7.74	39.36
Payment to auditors (refer note 29)	1.50	4.04
Loss on exchange fluctuation (net)	27.91	105.11
Miscellaneous expenses	3.80	8.67
Investments written off (refer note (i) below)	-	6.70
Sundry balance written off	-	-
Total	**134.58**	**401.21**

Note :

(i) During the year ended 31st March 2017, the Group has made investment of USD 100,022 (Rs 6,698,331) in Truly Social Limited. The amount of investment is not recoverable as at 31st March 2017, hence the investment is written off.

(ii) Corporate social responsibilities

As per section 135 of the Companies Act 2013 and rules therein, the Group is required to spend at least 2% of average net profit of past three years towards Corporate Social Responsibility (CSR).

Details of corporate social expenditures are as follows:

Particulars	Six month period ended 30-September-2017	March 31, 2017
Gross amount required to be spent during the period	3.14	7.34
Amount spent during the period		
i) Construction / acquisition of any asset	-	2.00
ii) On purposes other than (i) above	0.01	2.75
Total amount spent during the year	**0.01**	**4.75**

Notes to the Special Purpose Consolidated Financial Statements for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

28 Capital and other commitments

	September 30, 2017	March 31, 2017	April 01, 2016
Capital commitments			
Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for	1.40	2.80	14.30
Other commitments			
Cost of content and other commitments	40.30	70.78	121.97

29 Auditors' remuneration excluding service tax (included on legal and professional fees)

	For the six month ended September 30, 2017	March 31, 2017
As auditor		
- Audit fees	1.50	3.70
In other capacity		
-For other services	-	0.25
-Reimbursement of expenses	-	0.09
	1.50	**4.04**

30 Earnings per share

The following table sets forth the computation of basic and diluted earnings per share :

	September 30, 2017	March 31, 2017
Basic		
Net profit for the year attributable to equity shareholders	188.75	611.12
Weighted average number of equity shares of Rs 10 each used for calculation of basic earnings per share (adjusted for partly paid shares)	1,989,246	1,989,246
Earnings per share, basic	**94.89**	**307.21**
Diluted		
Net profit for calculation of diluted EPS	188.75	611.12
Weighted average number of equity shares in calculating basic EPS	1,989,246	1,989,246
Effect of dilution on stock option granted	15,553	70,784
Total number of shares outstanding (weighted average) including dilution	2,004,799	2,060,030
Earnings per share, diluted	**94.15**	**296.65**
Earning per share after considering the impact of bonus issue and sub division of shares		
Basic		
Net profit for the year attributable to equity shareholders	188.75	611.12
Weighted average number of equity shares of Rs 10 each used for calculation of basic earnings per share	1,989,246	1,989,246
Effect of share split	2,983,869	2,983,869
Effect of bonus issue	19,892,460	19,892,460
Total number of shares outstanding (weighted average) including dilution	24,865,575	24,865,575
Earnings per share, basic	**7.59**	**24.58**
Diluted		
Net profit for calculation of diluted EPS	188.75	611.12
Weighted average number of equity shares in calculating basic EPS	1,989,246	1,989,246
Effect of dilution on stock option granted	15,553	70,784
Effect of share split	3,007,199	3,090,045
Effect of bonus issue	20,047,991	20,600,297
Total number of shares outstanding (weighted average) including dilution	25,059,988	25,750,371
Earnings per share, diluted	**7.53**	**23.73**

On 28th December, 2017, the shareholders of the Company approved for subdivision of 1 fully paid up equity share having face value of Rs 10/- each into 2.5 fully paid up equity share having face value of Rs 4/- each. Accordingly, the outstanding 1,989,246 equity shares having face value of Rs 10 each aggregating to Rs 19,892,460 as at September 30, 2017 were sub-divided into 4,973,115 equity shares having face value of Rs 4 each aggregating to Rs 19,892,460. Further, the shareholders also approved the issuance of the Bonus shares in the ratio of 4:1 (4 bonus shares for every 1 equity share held). Consequently, the number of shares has increased from 4,973,115 equity shares to 24,865,575 equity shares.

31 Operating leases

The Company's significant leasing arrangements are in respect of operating leases for office premises. The initial tenure of the lease are 36 months with no renewal option included in the contracts. There are no restrictions placed upon the company by entering into lease. Leases include a clause to enable upward revision of the rental charge on an annual basis according to rate prescribed in the contract.

The future minimum lease rental receivable under non-cancellable operating leases in aggregate are as follows:

	September 30, 2017	March 31, 2017
Not later than one year	-	1.25
Total	**-**	**1.25**

Notes to the Special Purpose Consolidated Financial Statements for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

32 Gratuity and post employment benefits

I) Defined Contribution plan

(a) Provident fund

	For the six month ended September 30, 2017	March 31, 2017	April 01, 2016
Company's contribution to provident fund and charged to P&L	4.22	9.22	8.10

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 / period are as follows:

	September 30, 2017	March 31, 2017	April 01, 2016
Liability at the beginning of the year/period	**13.05**	**11.68**	**7.78**
Interest cost	0.34	0.68	0.45
Current service cost	0.93	2.25	1.54
Benefits paid	(0.34)	(0.55)	(0.18)
Re-measurements - Actuarial (Gain)/Loss - due to changes in demographic assumptions	-	-	(0.03)
Re-measurements - Actuarial (Gain)/Loss - due to changes Financial assumptions	0.02	0.45	0.11
Re-measurements - Actuarial (Gain)/Loss - due to changes experience adjustment	(0.31)	(1.45)	2.01
Liability at the end of the year/period	**13.69**	**13.05**	**11.68**

ii) **Balance sheet recociliation**

	September 30, 2017	March 31, 2017	April 01, 2016
Opening Net liability	**13.05**	**11.68**	**7.78**
Expense recognized in Statement of P&L	1.27	2.93	1.99
Expense recognized in OCI	(0.29)	(1.01)	2.09
Net (Liability)/Asset transfer out	-	-	-
(Benefit Paid Directly by the Employer)	(0.34)	(0.55)	(0.18)
Employers contribution	-	-	-
Amounts recognized in the Balance Sheet	**13.69**	**13.05**	**11.68**

B Statement of profit & loss

i) Expense recognised in Statement of profit or loss

	For the six month ended September 30, 2017	March 31, 2017
Current service cost	0.93	2.25
Net Interest cost	0.34	0.68
Expenses recognized in profit or loss	**1.27**	**2.93**

ii) Expense recognised in Other comprehensive Income

	For the six month ended September 30, 2017	March 31, 2017
Remeasurements Actuarial Gain/loss	(0.29)	(1.00)
Net (income)/Expense	**(0.29)**	**(1.00)**

C The principal assumptions used in determining gratuity obligations are shown below:

	September 30, 2017	March 31, 2017	April 01, 2016
Discount rate	6.73%	6.77%	7.72%
Future salary increases	10.00%	10.00%	10.00%
Weighted Average Duration of the Projected Benefit Obligation	6 years	6 years	6 years
Rate of Employee turnover	15%	15%	15%
Mortality rate during Employment	Indian Assured lives Mortality (2006-08)		
Mortality rate after Employment	NA		

Notes to the Special Purpose Consolidated Financial Statements for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

32 Gratuity and post employment benefits (Cont'd)

D A quantitative sensitivity analysis for significant assumption as at balance sheet date are as shown below:

	September 30, 2017	March 31, 2017	April 01, 2016
Discount rate (- 1%)	(0.48)	(0.47)	(0.41)
Discount rate (+ 1%)	0.54	0.52	0.46
Salary Escalation Rate (- 1%)	0.30	0.29	0.27
Salary Escalation Rate (+ 1%)	(0.29)	(0.28)	(0.26)
Employee turnover (+ 1%)	(0.02)	(0.02)	(0.02)
Employee turnover (+ 1%)	0.02	0.02	0.02

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

	September 30, 2017	March 31, 2017	April 01, 2016
1st following year	1.44	1.38	1.11
2nd following year	1.33	1.28	1.15
3rd following year	1.84	1.78	1.08
4th following year	1.14	1.11	1.51
5th following year	1.05	1.02	0.97
Sum of years to 6 to 10	3.91	3.84	3.64

33 Employee stock option plans

During the period / year ended 30th September 2017 and 31st March 2017, ESOP 2005 & ESOP 2016 schemes were in operation.

ESOP 2005

Details of ESOP 2005 are as follows:

Particulars	
Date of grant	17th September 2005
Date of board approval	17th September 2005
Number of options granted	108,537 to Mr. Nitish Mittersain
Method of settlement	Equity
Vesting period	Four years
Exercise period	Open ended
Vesting conditions	50% vesting after 2 years and balance 50% vesting equally over remaining 2 years
Exercise price	Rs 78

Pursuant to the board resolution passed on 24th November 2016, 108,537 stock options granted to Mr. Nitish Mittersain has been rescinded.

ESOP 2016

Details of ESOP 2016 are as follows:

Particulars	
Date of grant	02nd January 2017
Date of board approval	24th November 2016
Date of member approval	26th December 2016
Number of options granted	59,411 to eligible employees of the Company and subsidiary company
Method of settlement	Equity
Vesting period	One year
Exercise period	Five years
Vesting conditions	100% vesting after one year
Exercise price	Rs 2,929

The options are granted at an exercise price, which is in accordance with the relevant SEBI guidelines in force, at the time of such grants. Each option entitles the holder to exercise the right to apply for and seek allotment of one equity share for the exercise price as stated above.

The expense recognised for employee service received during the year is shown in the following table:

	September 30, 2017	March 31, 2017
Expense arising from equity-settled share based payment transactions	76.94	36.99
	76.94	**36.99**

Weighted average Share price for options exercised during the year:

	ESOP 2016	ESOP 2005
Weighted average Share price	4,524.33	-

Notes to the Special Purpose Consolidated Financial Statements for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

33 Employee stock option plans (Cont'd)

The details of activity under the scheme 2005 are summerised below:

	September 30, 2017		**March 31, 2017**		**April 01, 2016**	
	Number of options	**Weighted Average Exercise Price (Rs.)**	**Number of options**	**Weighted Average Exercise Price (Rs.)**	**Number of options**	**Weighted Average Exercise Price (Rs.)**
Outstanding at the beginning of the year	-	-	108,537	78.00	108,537	78.00
Granted during the year	-	-	-	-	-	-
Forfeited during the year	-	-	-	-	-	-
Exercised during the year	-	-	-	-	-	-
Cancelled during the year (refer note below)	-	-	108,537	-	-	-
Outstanding at the end of the year	-	-	-	-	108,537	-
Exercisable at the end of the year	-	-	-	-	108,537	78.00
Weighted average remaining contractual life (in years)	-	-	-	-	-	0 Years

Pursuant to the board resolution passed on 24th November 2016, 108,537 stock options granted to Mr. Nitish Mittersain has been rescinded.

The details of activity under the scheme 2016 are summerised below:

	September 30, 2017		**March 31, 2017**		**April 01, 2016**	
	Number of options	**Weighted Average Exercise Price (Rs.)**	**Number of options**	**Weighted Average Exercise Price (Rs.)**	**Number of options**	**Weighted Average Exercise Price (Rs.)**
Outstanding at the beginning of the year	59,411	2,929	-	-	-	-
Granted during the year	-	-	59,411	2,929	-	-
Forfeited during the year	-	-	-	-	-	-
Exercised during the year	-	-	-	-	-	-
Outstanding at the end of the year	59,411	2,929	59,411	2,929	-	-
Exercisable at the end of the year	-	-	-	-	-	-
Weighted average remaining contractual life (in years)		5.25 years		5.75 years	-	-

There were no cancellations or modifications to the rewards during the period/ year ended September 30, 2017, March 31, 2017 and April 01, 2016.

The Black Scholes valuation model has been used for computing weighted average fair value considering the following inputs:

	ESOP 2016	**ESOP 2005**
Dividend yield (%)	1.00%	No Options Granted during the year
Expected volatility (%)	25.00%	
Risk free interest rate (%)	6.27%	
Spot price (Rs.)	4,524	
Exercise Price (Rs.)	2,929	
Expected life of options granted (years)	3.5 years	
Model used	Black Scholes	

The expected life of the share options are based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur.The expected volatality reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may not necessarily be the actual outcome.

Notes to the Special Purpose Consolidated Financial Statements for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

34 Related parties disclosures

A) Names of the related parties and related party relationship

Related parties where control exists

Ultimate holding company	West Bridge Venture LLC
Holding Company / Firm	West Bridge Venture II Investment Holdings (from 30th March, 2016)
Key management personnel	Sandeep Singhal - Independent Director
	Kuldeep Jain - Independent Director

B) Related parties with whom transactions have taken place during the year:

Enterprises owned or controlled by key management personnel	Mitter Infotech LLP, the holding firm (till 29th March, 2016)
Associate of step down subsidiaries	Mastermind Sports Limited (from 14th July 2017)
Key management personnel	Vikash Mittersain - Chairman Cum Managing Director
	Nitish Mittersain - Managing Director

C) Subsequent to 30th September, 2017, West Bridge Venture II Investment Holding sold/transferred 839,650 equity shares to financial investors and certain employees of the Company. Accordingly, West Bridge II Investment Holding is no longer the holding company and West Bridge Venture LLC is no longer the ultimate holding company from 23th November, 2017.

D) Related party transactions:

	For the period ended September 30, 2017	March 31, 2017
Remuneration to Key management personnel		
Vikash Mittersain (refer note below)	2.26	4.90
Nitish Mittersain (refer note below)	12.15	30.56
Dividend paid		
Mitter Infotech LLP (formerly Mitter Infotech Private Limited)	84.31	-
West Bridge Venture II Investment Holdings	204.29	-
Vikash Mittersain	0.00*	-
Nitish Mittersain	0.00*	-
Rent paid on behalf of		
Vikash Mittersain	-	4.75
Nitish Mittersain	3.62	3.30
Rent recovered from		
Vikash Mittersain	-	4.75
Nitish Mittersain	3.00	3.30

* Amount is less than 0.01 million

E) Amounts outstanding as at the balance sheet date:

	September 30, 2017	March 31, 2017
Balance payables at year end		
Vikash Mittersain	-	0.14
Nitish Mittersain	1.31	6.00

F) Compensation of Key management personnel

	For the six month ended September 30, 2017	March 31, 2017
Short-term employee benefits	13.59	33.83
Post- employment benefits (*)	0.82	1.64
Total remuneration	**14.41**	**35.47**

(*): Remuneration to the 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.

Notes to the Special Purpose Consolidated Financial Statements for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

35 Income tax

A Income tax expense in the statement of profit and loss consists of:

	For the six month ended 30 September 2017	31 March 2017
Current income tax:		
Income Tax (Current year)	106.66	129.90
Income Tax (Earlier Years)	-	1.92
Deferred tax charge/ (credit)	6.81	(24.93)
Income tax expense reported in the statement of profit or loss	**113.47**	**106.89**
Income tax recognised in other comprehensive income		
- Deferred tax arising on income and expense recognised in other comprehensive income	(0.21)	(0.96)
Total	**113.26**	**105.93**

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:

	For the six month ended 30 September 2017	31 March 2017
Profit before tax	302.22	718.01
Enacted income tax rate in India	34.61%	34.61%
Computed expected tax expense	104.59	248.49
Effect of:		
Effects of unrecognized deferred tax assets	17.68	(23.50)
Effects of overseas tax laws	(38.39)	(56.53)
Effects of differential overseas tax rates	(32.97)	(80.59)
Tax paid at lower rate	52.35	-
Other temporary differences	10.21	19.02
Total income tax expense	**113.47**	**106.89**

C Deferred tax relates to the following: Balance sheet

	Balance sheet		
	September 30, 2017	March 31, 2017	April 01, 2016
Accelerated depreciation for tax purposes	2.43	1.57	1.03
Others			-
43B disallowances	9.91	4.78	9.68
Disallowance for provision aaccounted	15.57	10.85	-
Other items giving rise to temporary differences	8.99	25.86	7.83
Net deferred tax assets	**34.47**	**41.49**	**17.52**

D Reconciliation of deferred tax assets (net):

	September 30, 2017	March 31, 2017
Opening balance as of 1 April	41.49	17.52
Tax income/(expense) during the period recognised in profit or loss	(6.81)	24.93
Tax income/(expense) during the period recognised in OCI	(0.21)	(0.96)
Closing balance	**34.47**	**41.49**

E Deferred tax relates to the following: Statement of profit or loss

	Statement of profit or loss	
	For the six month ended 30 September 2017	31 March 2017
Property, plant and equipment	0.86	0.53
Others		
43B disallowances	5.13	(4.90)
Disallowance for provision aaccounted	4.72	10.85
Other items giving rise to temporary differences	(17.52)	18.45
Net deferred tax credit/ (charge)	**(6.81)**	**24.93**

Notes to the Special Purpose Consolidated Financial Statements for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

F Note on undistributed profit

The Group has not recognised deferred tax liability associated with undistributed earnings of its subsidiaries as it can 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:

	For the six month ended 30 September 2017	31 March 2017	April 01, 2016
Undistributed Earnings	28,169,545	226,372,704	351,976,502
Unrecognised deferred tax liabilities relating to the above temporary	4,874,458	39,033,473	18,894,924

36 Segment information

A Description of segments and principal activities

The primary segment reporting format is determined to be business segments as the Company's risks and rates of return are affected predominantly according to nature of services. Secondary information is reported geographically. The operating businesses are organized and managed separately according to the nature of services provided with each segment representing a strategic business unit that offers different services and serves different markets.

1. Subscription/download of games/other contents business
2. Freemium business comprising of advertising services

B Segment revenue and Segment Results

Description	September 30, 2017			March 31, 2017		
	Subscription / download of games/other contents	Freemium business	Total	Subscription / download of games/other contents	Freemium business	Total
Revenue	807.70	31.24	838.94	1,861.75	39.83	1,901.58
Results	-	-	-	-	-	-
Segment results	377.22	(24.80)	352.42	844.53	(67.76)	776.77
Unallocated corporate expense	-	-	120.27	-	-	179.66
Operating profit	-	-	232.18	-	-	597.11
Other income	-	-	70.07	-	-	120.90
Income tax	-	-	113.47	-	-	106.89
Net profit	-	-	188.75	-	-	611.12

(a) Revenue from External Customers based on geographies

Segment Revenue	For the six month ended September 30, 2017	March 31, 2017
India	175.19	616.84
Middle east	255.21	345.04
Africa	230.19	568.51
Rest of the world	178.36	371.20
Total	**838.94**	**1,901.58**

Notes to the Special Purpose Consolidated Financial Statements for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

36 Segment information (Cont'd)

C Segment Assets, Liabilities and Depreciation/ Amortization

Segment Assets and liabilities are presented in the same way as in the financial statements. These assets and liabilities are allocated based on the operations of the segment.

Description	September 30, 2017			March 31, 2017			April 01, 2016		
	Subscription / download of games/other contents	Freemium business	Total	Subscription / download of games/ other contents	Freemium business	Total	Subscription / download of games/ other contents	Freemium business	Total
Other information									
Segment assets	1,738.51	39.87	1,778.38	1,693.03	20.58	1,713.61	1,249.97	19.63	1,269.60
Unallocated corporate assets	-	-	897.45	-	-	940.50	-	-	764.58
Total assets	-	-	2,675.83	-	-	2,654.11	-	-	2,034.18
Segment liabilities	346.50	22.93	369.43	364.38	11.02	375.40	367.17	3.85	371.02
Unallocated corporate liabilities	-	-	97.05	-	-	43.19	-	-	41.19
Total liabilities	-	-	466.48	-	-	418.59	-	-	412.21
Depreciation	-	-	5.94	-	-	11.58	-	-	9.49
Non cash expense - other than depreciation	-	-	-	-	-	-	-	-	-

The following table shows the carrying amount of segment assets and addition to segment assets by geographical area in which assets are located.

	Carrying amount of segment assets	Addition to fixed assets and intangible assets	Carrying amount of segment assets	Addition to fixed assets and intangible assets	Carrying amount of segment assets	Addition to fixed assets and intangible assets
	September 30, 2017		March 31, 2017		April 01, 2016	
India	967.56	2.67	966.50	8.16	945.85	18.28
Middle east	664.95	-	418.31	2.11	230.82	0.07
Africa	670.62	-	893.26	-	621.25	-
Rest of the world	291.67	-	287.98	-	186.30	0.43
Total	**2,594.80**	**2.67**	**2,566.05**	**10.27**	**1,984.22**	**18.78**

37 Fair Value

The carrying value and fair value of financial instruments by categories are as below:

	Carrying value			Fair value		
	September 30, 2017	March 31, 2017	April 01, 2016	September 30, 2017	March 31, 2017	April 01, 2016
Financial assets - Non-current (measured at amortized cost)						
Security deposits	15.72	14.70	12.83	15.72	14.70	12.83
Fixed deposits with bank and interest accrued	1.73	1.68	1.57	1.73	1.68	1.57
Investments in debentures	81.79	-	-	80.91	-	-
Financial assets - Current (measured at amortized cost)						
Trade receivable	365.75	259.49	334.41	365.75	259.49	334.41
Cash and cash equivalents	569.64	648.37	694.35	569.64	648.37	694.35
Other bank balances	290.21	489.94	69.08	290.21	489.94	69.08
Investments in debentures	-	10.00	-	-	10.77	-
Security deposits	4.53	1.27	2.25	4.53	1.27	2.25
Loan to Moonglab Technologies Private Limited	2.50	-	-	2.50	-	-
Loan to employees	0.53	0.58	0.51	0.53	0.58	0.51
Other financial assets	421.62	330.65	224.81	421.62	330.65	224.81
Total assets	**1,754.02**	**1,756.68**	**1,339.81**	**1,753.14**	**1,757.45**	**1,339.81**
Financial liabilities - Current (measured at amortized cost)						
Trade payable	307.44	240.16	261.65	307.44	240.16	261.65
Other financial liabilities	27.19	33.35	20.77	27.19	33.35	20.77
Total liabilities	**334.63**	**273.51**	**282.42**	**334.63**	**273.51**	**282.42**

The management assessed that fair values of cash and cash equivalents, trade receivables, trade payables, Interest accrued on bank deposits with banks, other current financial assets, other bank balances and other current financial liabilities approximates their carrying amounts largely due to the short-term maturities of these instruments.

The fair values of the remaining FVTPL financial asset are derived from quoted marker price in active markets

The fair values of security deposits 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.

Notes to the Special Purpose Consolidated Financial Statements for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

38 Fair value hierarchy

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 Group categorizes 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:

Fair value hierarchy

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 following table provides the fair value measurements hierarchy of the Group's assets and liabilities.

I The carrying amount and fair value measurement hierarchy for assets as at September 30, 2017 is as follow

Particulars	Carrying Value	Fair Value	Date of Valuation	Fair value measurement using			
				Quoted prices in active market (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Investments in convertible preference shares	25.61	25.61	30-Sep-17	-	-	25.61	25.61
Investments in mutual fund	683.78	683.78	30-Sep-17	683.78	-	-	683.78
Investments in tax free bonds	63.41	63.41	30-Sep-17	63.41	-	-	63.41
Total	**772.80**	**772.80**		**747.19**	**-**	**25.61**	**772.80**

38 Fair value hierarchy (Cont'd)

II The carrying amount and fair value measurement hierarchy for assets as at March 31, 2017:

Particulars	Carrying Value	Fair Value	Date of Valuation	Fair value measurement using			
				Quoted prices in active market (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Investments in convertible preference shares	41.54	41.54	31-Mar-17	-	-	41.54	41.54
Investments in mutual fund	652.75	652.75	31-Mar-17	652.75	-	-	652.75
Investments in tax free bonds	62.30	62.30	31-Mar-17	62.30	-	-	62.30
Total	**756.59**	**756.59**		**715.05**	**-**	**41.54**	**756.59**

III The carrying amount and fair value measurement hierarchy for assets as at April 01, 2016:

Particulars	Carrying Value	Fair Value	Date of Valuation	Fair value measurement using			
				Quoted prices in active market (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Investments in convertible preference shares	27.57	27.57	31-Mar-16	-	-	27.57	27.57
Investments in mutual fund	504.43	504.43	31-Mar-16	504.43	-	-	504.43
Investments in tax free bonds	56.22	56.22	31-Mar-16	56.22	-	-	56.22
Total	**588.22**	**588.22**		**560.65**	**-**	**27.57**	**588.22**

IV Assets/ Liabilities measured at Amortized cost

Particulars	Asset measured at amortised cost for which fair value is disclosed				
	Date of Valuation	Quoted prices in active market (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Investments in debentures	30-Sep-17	80.91	-	-	80.91
Investments in debentures	31-Mar-17	10.77	-	-	10.77
Investments in debentures	31-Mar-16	-	-	-	-

There have been no transfer between Level 1,2 and 3 during the period September 30, 2017, March 31, 2017 and April 1, 2016

NAZARA TECHNOLOGIES LIMITED
(formerly knonwn as NAZARA TECHNOLOGIES PRIVATE LIMITED)

Notes to the Special Purpose Consolidated Financial Statements for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

38 Fair value hierarchy (Cont'd)

Valuation inputs and relationships to fair value

The following table summarizes the quantitative information about significant unobservable inputs used in level 3 fair value measurement:

	Valuation technique	**Significant unobservable inputs**	**Range (weighted average)**	**Sensitivity of the input to fair value**
	September 30, 2017			
Unquoted convertible preference shares	DCF method	Long-term growth rate for cash flows for subsequent years.	4.5% - 5.5%	+-50 bps increase in the growth factor and lower discount rate would increase the fair value by INR 3.69 million ; and lower growth factor and higher discount rate would decrease the fair value by INR 1.81 million.
		WACC	11% -12%	
	March 31, 2017			
Unquoted convertible preference shares	DCF method	Long-term growth rate for cash flows for subsequent years.	4.5% - 5.5%	+- 50 bps increase in the growth factor and lower discount rate would increase the fair value by INR 4.58 million ; and lower growth factor and higher discount rate would decrease the fair value by INR 2.28 million.
		WACC	11% -12%	
	April 01, 2016			
Unquoted convertible preference shares	DCF method	Long-term growth rate for cash flows for subsequent years.	4.5% - 5.5%	+- 50 bps increase in the growth factor and lower discount rate would increase the fair value by INR 4.14 million ; and lower growth factor and higher discount rate would decrease the fair value by INR 2.32 million.
		WACC	11% -12%	

(Rupees in million, unless otherwise stated)

39 Financial risk management objectives and policies

The Group's principal financial liabilities comprise trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations and to provide guarantees to support its operations. The Group's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations. The Group also holds FVTOCI investments.

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 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 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, FVTOCI investments.

The sensitivity analyses in the following sections relate to the position as at September 30, 2017,March 31, 2017 and April 01, 2016

The analyses exclude the impact of movements in market variables on: the carrying values of gratuity and other post-retirement obligations; provisions; and the non-financial assets and liabilities of foreign operations.

The following assumptions have been made in calculating the sensitivity analyses:

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 September 30, 2017, March 31, 2017 and April 01, 2016.

Equity price risk

The Group's unlisted equity securities are susceptible to market price risk arising form uncertainties about future values of the investment securities. The Group manages the equity price risk through diversification and by placing limits on individual and total equity instruments. The Group's Board of Directors review and approve all equity investments. At the reporting date, the exposure to unlisted equity securities at fair value and sensitivity analysis of these investments have been provided in Note-38

Foreign currency risk

The fluctuation in foreign currency exchange rates may have potential impact on the statement of profit or loss and other comprehensive income and equity, where any transaction references more than one currency or where assets / liabilities are denominated in a currency other than the functional currency of the respective entities. Considering the countries and economic environment in which the Group operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries. The Group evaluates exchange rate exposure arising from foreign currency transactions and the Group follows established risk management policies, including the use of derivatives like forward exchange contracts to hedge exposure to foreign currency risk

(i) Forward Contract (Derivatives):

Forward contract outstanding as at Balance Sheet date:

September 30, 2017 Buy US $ 6,53,845	Hedging of creditors
March 31, 2017 Buy US $ 50,000	Hedging of creditors
April 01, 2016 Buy US $ Nil	Hedging of creditors

Notes to the Special Purpose Consolidated Financial Statements for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

39 Financial risk management objectives and policies (Cont'd)

(ii). Amounts receivable in foreign currency on account of the following:

Currency	Particulars	30-Sep-17		31-Mar-17	
		Amt in FC	Amt in Rs.	Amt in FC	Amt in Rs.
USD	Cash and bank balances	1.33	86.71	3.92	253.45
	Trade receivable	2.50	163.30	1.18	76.37
	Other current assets	1.62	106.11	1.66	107.63
	Security deposits	0.03	2.20	0.00*	0.26
	Non-current investments	0.69	44.92	0.59	38.05
AED	Cash and bank balances	19.52	347.02	13.30	234.34
	Trade receivable	3.84	68.33	2.51	44.13
	Other current assets	4.48	79.57	7.62	134.21
	Security deposits	0.02	0.32	0.02	0.32
	Non-current investments	4.60	81.79	-	-
GBP	Cash and bank balances	0.00*	0.08	-	-
	Trade receivable	-	-	-	-
EURO	Trade receivable	-	-	-	-
	Other current assets	1.08	83.65	-	-
NGN	Cash and bank balances	395.36	71.76	906.38	186.60
	Trade receivable	157.18	28.53	64.56	13.29
	Other current assets	327.14	59.38	89.16	18.36
KES	Cash and bank balances	499.25	313.88	650.65	401.44
	Trade receivable	5.34	3.35	11.45	7.07
	Other current assets	28.88	18.15	22.90	14.13
ZMW	Cash and bank balances	0.46	3.11	1.10	7.33
	Trade receivable	0.24	1.60	-	-
	Other current assets	0.63	4.24	0.41	2.70
UGX	Cash and bank balances	258.56	4.65	575.87	10.16
	Trade receivable	52.44	0.94	35.31	0.62
	Other current assets	152.10	2.74	92.36	1.63
BDT	Cash and bank balances	24.92	19.66	0.10	0.08
	Trade receivable	5.91	4.66	20.86	16.49
	Other current assets	21.14	16.67	21.85	17.28
			1,617.32		**1,585.94**

(iii). Amounts payable in foreign currency on account of the following:

Currency	Particulars	30-Sep-17		31-Mar-17	
		Amt in FC	Amt in Rs.	Amt in FC	Amt in Rs.
USD	Trade payable	1.47	96.21	1.17	75.91
	Advance to Customer	-	-	-	-
AED	Trade payable	2.50	44.47	2.29	40.33
GBP	Trade payable	-	-	-	-
	Other payable	-	-	-	-
EUR	Trade payable	0.03	1.98	-	-
NGN	Trade payable	55.56	10.08	8.60	1.77
KES	Trade payable	116.57	73.29	107.28	66.19
ZMW	Trade payable	0.91	6.12	0.00*	0.08
UGX	Trade payable	104.85	1.89	17.06	0.30
BDT	Trade payable	0.37	0.29	0.17	0.13
			234.33		**184.71**

(Rupees in million, unless otherwise stated)

39 Financial risk management objectives and policies (Cont'd)

Foreign currency sensitivity

5% increase or decrease in foreign exchange rates will have the following impact on profit before tax

Currency	September 30, 2017		March 31, 2017	
	5% increase	5% decrease	5% increase	5% decrease
USD	(23.21)	23.21	(33.07)	33.07
EURO	2.59	(2.59)	0.05	(0.05)
BDT	0.38	(0.38)	0.38	(0.38)
LKR	0.70	(0.70)	0.64	(0.64)
IDR	0.81	(0.81)	0.48	(0.48)
Other currencies	0.17	(0.17)	0.22	(0.22)

5% increase or decrease in foreign exchange rates will have the following impact on equity

Currency	September 30, 2017		March 31, 2017	
	5% increase	5% decrease	5% increase	5% decrease
USD	15.35	(15.35)	19.99	(19.99)
EURO	4.08	(4.08)	-	-
AED	26.63	(26.63)	18.63	(18.63)
NGN	7.48	(7.48)	10.82	(10.82)
KES	13.11	(13.11)	17.82	(17.82)
ZMW	0.14	(0.14)	0.50	(0.50)
UGX	0.32	(0.32)	0.61	(0.61)
BDT	2.04	(2.04)	1.69	(1.69)
GBP	0.00	(0.00)	-	-

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 Group 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 customers. Credit risk has always been 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.The Company does not hold collateral as security. The Company evaluates the concentration of risk with respect to trade receivables is low, as its customers are located in several jurisdictions and operate in largely independent markets. (for Detail movement in provision for trade receivables - please refer Note 10).

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Group's treasury department in accordance with the Group's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Group's Board of Directors on an annual basis. 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 September 30, 2017, March 31, 2017, April 01, 2016 is the carrying amounts as illustrated in Note 10.

Notes to the Special Purpose Consolidated Financial Statements for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

39 Financial risk management objectives and policies (Cont'd)

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. The Group has access to a sufficient variety of sources of funding maturing within 12 months can be rolled over with existing lenders.

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 September 30, 2017	**On Demand**	**Less than 1 year**	**1 to 5 years**	**More than 5 years**	**Total**
Trade payables	-	307.44	-	-	307.44
Other financial liabilities		27.19	-	-	27.19
Total	**-**	**334.63**	**-**	**-**	**334.63**

As at March 31, 2017	**On Demand**	**Less than 1 year**	**1 to 5 years**	**More than 5 years**	**Total**
Trade payables	-	240.16	-	-	240.16
Other financial liabilities	-	33.35	-	-	33.35
Total	**-**	**273.51**	**-**	**-**	**273.51**

As at April 01, 2016	**On Demand**	**Less than 1 year**	**1 to 5 years**	**More than 5 years**	**Total**
Trade payables	-	261.65	-	-	261.65
Other financial liabilities	-	20.77	-	-	20.77
Total	**-**	**282.42**	**-**	**-**	**282.42**

40 Capital Management

For the purposes of Company capital management, Capital includes equity attributable to the equity holders of the Company and all other equity reserves. The primary objective of the Company capital management is to ensure that it maintains an efficient capital structure and maximize shareholder value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders or issue new shares. The Company is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes for managing capital during the six months ended September 30, 2017 and year ended March 31, 2017.

	September 30, 2017	**March 31, 2017**
Equity Share capital	19.89	19.89
Free reserve	2054.60	2166.04
Reserve to Share capital (in no. of times)	0.01	0.01

Notes to the Special Purpose Consolidated Financial Statements for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

41 Other events after the reporting period

1 West Bridge Venture II Investment Holding ('West Bridge') held 68.01% of the total equity capital of the Company and was the holding company as of 30thSeptember 2017. On 23rd November 2017, West Bridge sold/transferred a significant stake to financial investors and certain employees of the Company, resulting in its holding reducing to less than 50%. Consequently, West Bridge is no longer the holding company and West Bridge Venture LLC is no longer the ultimate holding company from 23th November, 2017.

2 On 15thDecember 2017, the Company increased its authorized equity share capital from Rs 21,987,960(2,198,796shares of Rs 10/- each) to Rs 137,487,960(13,748,796shares of Rs 10/- each).

3 On 28th December 2017, the shareholders of the Company approved for subdivision of 1fully paid up equity share having face value of Rs 10/-each into 2.5 fully paid up equity share having face value of Rs 4/-each. The authorised equity share capital was increased to 34,371,990 equity shares of Rs 4 each. Consequently, the outstanding 1,989,246 equity shares having face value of Rs 10 each aggregating to Rs 19,892,460as at September 30, 2017 were subdivided into 4,973,115 equity shares having face value of Rs 4 each aggregating to Rs 19,892,460.

Further, the shareholders also approved the issuance of the Bonus shares in the ratio of 4:1 (4 bonus shares for every 1 equity share held). Consequently, the number of shares as at September 30, 2017 has increased from 4,973,115 equity shares to 24,865,575 equity shares.

The Earnings per share calculations have also been presented in accordance with Accounting Standard 33"Earning per Share" notified under section 133 of the Companies Act, 2013, read together with rules thereunder, after giving effect to the split and bonus, mentioned above.

4 The Company has made the following investments after September 30, 2017:

i In January 2018, the Company has invested Rs. 767.68 million for 55% of equity share capital of Nodwin Gaming Private Limited ('Nodwin'), a company engaged in activities pertaining to eSports in India. The Company has made this investment by subscribing3,414 equity shares of Rs 10/- each for Rs. 355.32 million issued by Nodwin for cash and byacquiring3,962 equity shares of Rs 10/- each from an existing shareholders of Nodwin by issuing 7,53,854 equity Shares of the Company of Rs. 4/- each valued at Rs. 547/- fully paid.

Nazara issued 485,018 equity shares of Rs. 4 each at Rs. 547 per share to Turtle Entertainment GmBH ("ESL"), German eSports Company for Rs. 265.30 million to part fund this acquisition.

ii In December 2017, the Company has invested Rs 322.22 million for 52.38% of equity share capital of Nextwave Multimedia Private Limited

("NextWave"), a company engaged in the business of designing, marketing and publishing games across platforms. The Company made this investment by acquiring 11,921 equity shares of Rs 100 each from the existing shareholders for Rs. 220 million in cash and subscribing to 4,335 equity shares of Rs 100 each aggregating to Rs. 80 million, issued by NextWave for cash. Further, the Company acquired 1,204 equity shares of Rs 100 each from an existing shareholder of NextWave by issuing 3,263 equity Shares of the Company of Rs.10 each valued at Rs. 6,834 fully paid.

The Company borrowed Rs 300 million to fund this transaction.

iii During August 14, 2017, the Company has given loan of Rs. 2.5 million to Moonglabs Technologies Pvt Limited ('Moonglabs'), a company engaged

in the business of development mobile software. In December 26, 2017, the Company has given additional loan of Rs.2.5 million to Moonglabs. The loan will be converted into fixed number of equity shares, at the option of the Company.

iv In November 2017, the Company has invested Rs 4.01 million for a 4% stake in Halaplay Technologies Private Limited('Halaplay'), on a fully diluted basis, pursuant to the agreement dated 27th September 2017. Halaplay is engaged in a business of providing a daily fantasy Sports (DFS) platform that empowers users to play game online.

5 In January 2018, the Company has raised Rs 500 million from preferential issue of 8 27,387 equity shares of Rs. 4 each to 14 investors at price of Rs. 604.32 per share for repayment of loans and for working capital.

Notes to the Special Purpose Consolidated Financial Statements for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

42 First-time adoption of Ind AS

The Special Purpose consolidated Ind AS Financial Statements have been prepared for inclusion in the offer document, prepared by the Company in connection with its proposed Initial Public Offer as set out In the SEBI Circular SEBI/HO/CFD/DIL/CIR/P/2016/47 dated March 31, 2016.The Special Purpose consolidated Ind AS Financial Statements are prepared in accordance with the recognition and measurement principles of Ind AS prescribed under section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Accounting Standards) Amendment Rules, 2016. These financial statements have been prepared in addition to the Financial Statements under Indian GAAP for the same period.

The Company will prepare and issue its first complete Ind AS financial statements as at and for the year ending March 31, 2018. Until the first complete Ind AS financial statements are issued, the balances in the Special Purpose consolidated Ind AS Financial Statements can change if :-

(a) there are any new Ind AS standards issued through March 31, 2018

(b) there are any amendments/modifications made to existing Ind AS standards or interpretations thereof through March 31, 2018 effecting the Ind AS balances in these financial statements and

(c) if the Company makes any changes in the elections and/or exemptions selected on adoption of Ind AS at its transition date of April 1, 2016.

Only a complete set of financial statements together with comparative financial information can provide a fair presentation of a Company's state of affairs (financial position), profit (financial performance including other comprehensive income), cash flows and the changes in equity.

While preparing the Special Purpose consolidated Financial statements under Ind AS for the six month period ended September 30, 2017 and for the year ended March 31, 2017, the relevant comparative financial information under Ind AS for the six month period ended September 30, 2016 and for the year ended March 31, 2016 respectively has not been presented.

Optional exemptions availed and mandatory exceptions

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from Previous GAAP to Ind AS.

A. Optional exemptions availed

1. Designation of previously recognised financial instruments

Ind AS 101 permits an entity to designate particular equity investments (other than equity investments in subsidiaries, associates and joint arrangeements) as at fair value through other comprehensive income (FVOTCI) or at fair value through other profit or loss (FVTPL) based on facts and circumstances at the date of transition to Ind AS (rather than at initial recognition).The Group has elected to classify the equity investments at fair value through profit or loss (FVTPL).

2. Share-based payment transactions exemption

Ind AS 102 Share-based Payment has not been applied to equity instruments in share-based payment transactions that vested before 1 April 2016.

B. Mandatory exceptions

1. Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies).

2. Derecognition of financial assets and liabilities

As per Ind AS 101, an entity should apply the derecognition requirements in Ind AS 109, Financial Instrumentss, prospectively for transactions occuring on or the after the date of transition to Ind AS. However, an entity may apply the derecognition requirements retrospectively from a date chosen by it if the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions.

3. Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets (investment in debt instruments) on the basis of the facts and circumstances that exist at the date of transition to IND AS.

Notes to the Special Purpose Consolidated Financial Statements for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

42 First-time adoption of Ind AS (Cont'd)

A.1 - Reconciliation of equity as previously reported under Previous GAAP (I GAAP) to Ind AS as at September 30, 2017:

	Note	Previous GAAP	Effect of transition to Ind AS	Ind AS
ASSETS				
Non-current assets				
Property, Plant and Equipment	3	9.27	-	9.27
Intangible assets	4	5.78	-	5.78
Intangible assets under development	4	2.80	-	2.80
Investment in associate	41	20.90	-	20.90
Financial assets				
Investments	5	105.48	1.92	107.40
Loans	7	15.72	-	15.72
Other financial assets	8	1.73	-	1.73
Deferred tax assets (Net)	35	36.45	(1.98)	34.47
Other non-current assets	9	46.56	-	46.56
Total non-current assets		**244.69**	**(0.06)**	**244.63**
Current assets				
Financial assets				
Investments	6	655.13	92.06	747.19
Trade receivable	10	365.75	-	365.75
Cash and cash equivalents	11	569.64	-	569.64
Other bank balances	11	290.21	-	290.21
Loans	12	4.53	-	4.53
Other financial assets	13	424.47	0.18	424.65
Other current assets	14	29.23	-	29.23
Total current assets		**2,338.96**	**92.24**	**2,431.20**
Total assets		**2,583.65**	**92.18**	**2,675.83**
EQUITY & LIABILITIES				
Equity				
Equity share capital	15	19.89	-	19.89
Other equity		2,097.28	92.18	2,189.46
Total equity		**2,117.17**	**92.18**	**2,209.35**
LIABILITIES				
Non-current liabilites				
Provisions	17	13.69	-	13.69
Total non-current liabilities		**13.69**	**-**	**13.69**
Current liabilities				
Financial liabilities				
Trade and other payables	18	307.44	-	307.44
Other financial liabilities	19	27.19	-	27.19
Other current liabilities	20	58.53	-	58.53
Provisions	21	3.92	-	3.92
Current tax liabilities (Net)		55.71	-	55.71
Total current liabilities		**452.79**	**-**	**452.79**
Total equity and liabilities		**2,583.65**	**92.18**	**2,675.83**

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note

(Rupees in million, unless otherwise stated)

42 First-time adoption of Ind AS (Cont'd)

B.1 Reconciliation of Statement of Profit and Loss as previously reported under Previous GAAP (IGAAP) to Ind AS for the six months ended September 30, 2017:

	Note	Previous GAAP	Effect of transition to Ind AS	Ind AS
Income				
Revenue from operations	22	838.94	-	838.94
Other income	23	48.06	22.01	70.07
Total Income		**887.00**	**22.01**	**909.01**
Expenses				
Cost of content		45.06	-	45.06
Employee benefits expense	24	152.43	29.70	182.13
Finance cost	25	2.10	-	2.10
Depreciation and amortisation expense	26	5.94	-	5.94
Advertising cost		236.88	(0.22)	236.66
Other Expenses	27	134.58	-	134.58
Total expenses		**576.99**	**29.48**	**606.47**
Profit before share of net profits of investments accounted for using equity method and tax		**310.01**	**(7.47)**	**302.54**
Share of loss net profit (loss) of associate by using equity method		(0.32)	**-**	(0.32)
Profit before tax		**309.69**	**(7.47)**	**302.22**
Tax expense:				
Income Tax (Current year)		106.66	-	106.66
Deferred tax charge/ (credit)		4.57	2.24	6.81
Profit for the period/year		**198.46**	**(9.71)**	**188.75**
Items that will not be reclassified to profit or loss				
Remeasurements of post-employment benefit obligation		-	0.29	0.29
Income tax relating to items that will not be reclassified to profit or loss		-	(0.10)	(0.10)
Items that will be reclassified to profit or loss				
Change in fair value of FVOCI debt instruments		-	1.10	1.10
Income tax relating to items that will be reclassified to profit or loss		-	(0.11)	(0.11)
Total comprehensive income for the year, net of tax attributable to Equity holders of the parent		**198.46**	**(8.53)**	**189.93**

Notes to the Special Purpose Consolidated Financial Statements for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

42 First-time adoption of Ind AS (Cont'd)

A.2 - Reconciliation of equity as previously reported under Previous GAAP (I GAAP) to Ind AS as at March 31, 2017:

	Note	Previous GAAP	Effect of transition to Ind AS	Ind AS
ASSETS				
Non-current assets				
Property, Plant and Equipment	3	10.26	-	10.26
Intangible assets	4	8.05	-	8.05
Intangible assets under development	4	1.40	-	1.40
Financial assets				
Investments	5	38.05	3.49	41.54
Loans	7	14.70	-	14.70
Other financial assets	8	1.68	-	1.68
Deferred tax assets (Net)	35	42.46	(0.97)	41.49
Other non-current assets	9	46.58	-	46.58
Total non-current assets		**163.18**	**2.52**	**165.70**
Current assets				
Financial assets				
Investments	6	656.32	68.73	725.05
Trade receivable	10	259.49	-	259.49
Cash and cash equivalents	11	648.37	-	648.37
Other bank balances	12	489.94	-	489.94
Loans	13	1.27	-	1.27
Other financial assets	14	331.18	0.05	331.23
Other current assets		33.06	-	33.06
Total current assets		**2,419.63**	**68.78**	**2,488.41**
Total assets		**2,582.81**	**71.30**	**2,654.11**
EQUITY & LIABILITIES				
Equity				
Equity share capital	15	19.89	-	19.89
Other equity		2,144.34	71.30	2,215.63
Total equity		**2,164.22**	**71.30**	**2,235.52**
LIABILITIES				
Non-current liabilities				
Provisions	17	13.05	-	13.05
Total non-current liabilities		**13.05**	**-**	**13.05**
Current liabilities				
Financial liabilities				
Trade and other payables	18	240.16	-	240.16
Other financial liabilities	19	33.35	-	33.35
Other current liabilities	20	124.69	-	124.69
Provisions	21	3.71	-	3.71
Current tax liabilities (Net)		3.63	-	3.63
Total current liabilities		**405.54**	**-**	**405.54**
Total equity and liabilities		**2,582.81**	**71.30**	**2,654.11**

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note

Notes to the Special Purpose Consolidated Financial Statements for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

42 First-time adoption of Ind AS (Cont'd)

B.2 Reconciliation of Statement of Profit and Loss as previously reported under Previous GAAP (IGAAP) to Ind AS for the year ended March 31, 2017:

	Note	Previous GAAP	Effect of transition to Ind AS	Ind AS
Income				
Revenue from operations	22	1,901.58	-	1,901.58
Other income	23	87.60	33.30	120.90
Total Income		**1,989.18**	**33.30**	**2,022.48**
Expenses				
Cost of content		107.32	-	107.32
Employee benefits expense	24	238.64	15.15	253.79
Finance cost	25	2.88	-	2.88
Depreciation and amortisation expense	26	11.58	-	11.58
Advertising cost		529.43	(1.74)	527.69
Other Expenses	27	401.21	-	401.21
Total expenses		**1,291.06**	**13.41**	**1,304.47**
Profit before tax		**698.12**	**19.89**	**718.01**
Tax expense:				
Income Tax (Current year)		129.90	-	129.90
Income Tax (Earlier Years)		1.92	-	1.92
Deferred tax (credit)		(29.03)	4.10	(24.93)
Profit for the period from continuing operations		**595.33**	**15.79**	**611.12**
Items that will not be reclassified to profit or loss				
Remeasurements of post-employment benefit obligation		-	1.01	1.01
Income tax relating to items that will not be reclassified to profit or loss		-	(0.35)	(0.35)
Items that will be reclassified to profit or loss				
Change in fair value of FVOCI debt instruments		-	6.08	6.08
Income tax relating to items that will be reclassified to profit or loss		-	(0.61)	(0.61)
Total comprehensive income for the year, net of tax attributable to Equity holders of the parent		**595.33**	**21.92**	**617.25**

Notes to the Special Purpose Consolidated Financial Statements for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

42 First-time adoption of Ind AS (Cont'd)

A.3 - Reconciliation of equity as previously reported under Previous GAAP (I GAAP) to Ind AS as at April 01, 2016:

	Note	Previous GAAP	Effect of transition to Ind AS	Ind AS
ASSETS				
Non-current assets				
Property, Plant and Equipment	3	15.17	-	15.17
Intangible assets	4	4.54	-	4.54
Intangible assets under development	4	3.60	-	3.60
Financial assets				
Investments	5	24.00	3.57	27.57
Loans	7	12.83	-	12.83
Other financial assets	8	1.57	-	1.57
Deferred tax assets (Net)	35	18.28	(0.76)	17.52
Other non-current assets	9	32.45	-	32.45
Total non-current assets		**112.44**	**2.81**	**115.25**
Current assets				
Financial assets				
Investments	6	528.15	32.50	560.65
Trade receivable	10	334.41	-	334.41
Cash and cash equivalents	11	694.35	-	694.35
Other bank balances	11	69.08	-	69.08
Loans	12	2.25	-	2.25
Other financial assets	13	225.32	-	225.32
Other current assets	14	32.87	-	32.87
Total current assets		**1,886.43**	**32.50**	**1,918.93**
Total assets		**1,998.87**	**35.31**	**2,034.18**
EQUITY & LIABILITIES				
Equity				
Equity share capital	15	19.89	-	19.89
Other equity		1,566.77	35.31	1,602.08
Total equity		**1,586.66**	**35.31**	**1,621.97**
LIABILITIES				
Non-current liabilities				
Provisions	17	11.68	-	11.68
Total non-current liabilities		**11.68**	**-**	**11.68**
Current liabilities				
Financial liabilities				
Trade and other payables	18	261.65	-	261.65
Other financial liabilities	19	20.77	-	20.77
Other current liabilities	20	115.32	-	115.32
Provisions	21	1.71	-	1.71
Current tax liabilities (Net)		1.08	-	1.08
Total current liabilities		**400.53**	**-**	**400.53**
Total equity and liabilities		**1,998.87**	**35.31**	**2,034.18**

* The previous GAAP figures have been reclassified to Ind AS presentation requirements for the purposes of this note.

Notes to the Special Purpose Consolidated Financial Statements for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

42 First-time adoption of Ind AS (Cont'd)

Notes to reconciliation of equity as at April 01, 2016, March 31, 2017 and September 30, 2017 and profit or loss for the period / year ended Septmber 30, 2017 and March 31, 2017

Note 1: Amortised financial asset/ liabilities

Under Ind AS, financial liabilities other than designated at fair value through statement of profit and loss should be accounted at amortised cost using Effective Interest Rate (EIR) method. Effective interest rate is the rate that discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the gross carrying amount of a financial asset or to the amortized cost of a financial liability. Transaction costs that are directly attributable in the acquistion or issue of financial instruments are treated according to the classification of financial instrument on initial recognition. For financial instruments measured at amortised cost, transaction costs are added to or reduced from the initial measurement of the instruments. Under IGAAP, the financial instruments are accounted at cost.

Note 2: FVTPL/ FVTOCI financial assets

Under the Previous GAAP, investments in equity instruments and mutual funds, tax free bonds were classified as current investments based on the intended holding period and realisability. Current investments were carried at lower of cost and fair value.Under Ind AS, these investments are required to be measured at fair value.The Company has designated investments in mutual funds as FVTPL instruments and investments in tax free bonds as FVTOCI intruments.The resulting fair value changes of the investments in mutual funds and tax free bonds have been recognised in other equity and FVTOCI reserve, net of related deferred taxes at the date of transition i.e. April 1, 2016 for the purpose of Special Purpose Consolidated Financial Information and subsequently in the profit or loss and FVTOCI reserves respectively for the period / year ended September 30, 2017 and March 31, 2017.

Note 3: Property, Plant & Equipment and Intangible Asset

The Group has elected to measure all items of Property, Plant & Equipment in accordance with Ind AS 16 retrospecitively. Similar approach has been followed with respect to intangible assets.

Note 4: Deferred tax

Under Ind AS, deferred taxes are accounted using balance sheet approach based on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of balance sheet approach has resulted in recognition of deferred tax on new temporary differences which was not required under IGAAP. Under IGAAP, the deferred taxes are accounted using income statement approach i.e. differences between taxable profits and accounting profits for the period.

Note 5: Defined benefit liabilities

Under Ind AS, re-measurements i.e. actuarial gains and losses, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit or loss. Under the Previous GAAP, these re-measurements were forming part of the profit or loss for the year.

Note 6: Other comprehensive income

Under Indian GAAP, the Group has not presented other comprehensive income (OCI) separately. Hence, it has reconciled Indian GAAP profit or loss to profit or profit or loss as per Ind AS. Further, Indian GAAP profit or loss is reconciled to total comprehensive income as per Ind AS.

Note 7: Statement of cash flows

The transition from Indian GAAP to Ind AS has not had a material impact on the statement of cash flows.

Notes to the Special Purpose Consolidated Financial Statements for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

43 Interest in other entities

		W.e.f.	Country of incorporation	Principal activities	Ownership interest held by the Group	
					As at September 30, 2017	As at March 31, 2017
a)	**Subsidiaries**					
	Nazara Technologies FZ LLC	7-Aug-11	Dubai	Subscription / download of games/other contents	100.00%	100.00%
	Nazara Europe Limited (Dissolved on 2nd August, 2016)	15-Mar-12	England	Subscription / download of games/other contents	-	-
	Nazara Pte Ltd	13-Mar-13	Singapore	Subscription / download of games/other contents	100.00%	100.00%
	Nazara Pro Gaming Private Limited	16-May-17	India	Subscription / download of games/other contents	100.00%	100.00%
	Step-down-subsidiaries					
	Nazara Technologies	29-Mar-13	Mauritius	Subscription / download of games/other contents	100.00%	100.00%
	Nazara Zambia Limited	27-May-13	Zambia	Subscription / download of games/other contents	99.98%	99.98%
	Nzmobile Nigeria Limited	15-May-13	Nigeria	Subscription / download of games/other contents	99.90%	99.90%
	Nzmobile Kenya Limited	4-Jun-13	Kenya	Subscription / download of games/other contents	99.90%	99.90%
	Nazara Uganda Limited	31-Oct-13	Uganda	Subscription / download of games/other contents	99.00%	99.00%
	Nazara Bangladesh Limited	24-Jul-14	Bangladesh	Subscription / download of games/other contents	100.00%	100.00%

Notes to the Special Purpose Consolidated Financial Statements for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

43. Interest in other entities (Cont'd)

b) Investment in an Associate

The Group has a 21.94% interest in Mastermind Sports Limited as at September 30, 2017 ,(March 31, 2017: 17.41%, April 01, 2016: 6.57%), which is involved subscription of games in United Kingdom. Mastermind Sports Limited is a private entity that is not listed on any public exchange. The Group's interest in Mastermind Sports Limited is accounted for using the equity method in the consolidated financial statements. The following table illustrates the summarised financial information of the Group's investment in Mastermind Sports Limited:

i) Summarised financial information for Associates

Summaries statement of net assets:-

	As at September 30, 2017
Total current assets	5.16
Total Non-current assets	0.59
Total current Liabilities	(2.65)
Total Non-current liabilities	(0.01)
Equity	**3.09**
Proportion of the Group's ownership	23.34%
Carrying amount of the investment	20.9

Summaries statement of profit and loss:-

	As at September 30, 2017
Revenue	1.15
Depreciation & amortization	-
Finance cost	0.01
Employee benefit	1.58
Other Expenses	1.14
Profit before tax	**(1.58)**
Income tax expense	-
Profit for the year	(1.58)
Total comprehensive income for the year	-
Group's share of profit (loss) for the year	**(0.32)**

The associate had no contingent liabilities or capital commitments as at September 30, 2017, March 31, 2017 and April 01, 2016.

ii) Reconciliation of net equity in Associates

	As at September 30, 2017
Opening balance of investment	21.22
Add: Share of total comprehensive income (loss) for the period	(0.32)
Less: Tax effect on the above	-
Closing balance of investment	**20.90**

The accompanying notes are an integral part of the special purpose financial statements.

As per our report of even date attached

For S.R.Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number : 101049W/E300004

per Govind Ahuja
Partner
Membership no: 48966

Place of Signature: Mumbai
Date : January 17, 2018

For and on behalf of the Board of directors of Nazara Technologies Limited

Vikash Mittersain
Chairman Cum Managing Director
DIN-00156740

Nitish Mittersain
Managing Director
DIN-02347434

Rakesh Shah
Chief Financial Officer

Vinav Agarwal
Company Secretary

Place of Signature: Mumbai
Date : January 17, 2018

Report on Special Purpose Unconsolidated Indian Accounting Standards (Ind AS) Financial Statements

We have audited the accompanying special purpose financial statements of Nazara Technologies Private Limited (the "Company"), which comprise the Opening Balance Sheet as at April 1, 2016 (transition date balance sheet) and Balance Sheets as at March 31, 2017 and September 30, 2017, the Statement of Profit and Loss, the Cash Flow Statement and the Statement of Changes In Equity for the six month period ended on September 30, 2017 and for the year ended March 31, 2017, and a summary of the significant accounting policies and other explanatory information (together hereinafter referred to as "Special Purpose Unconsolidated Ind AS Financial Statements"). These Special Purpose Unconsolidated Ind AS Financial Statements have been prepared as part of the Company's conversion to Indian Accounting Standards (Ind AS).

Management's Responsibility for the Special Purpose Ind AS Financial Statements

The Company's Board of Directors is responsible for the preparation of these Special Purpose Unconsolidated Ind AS Financial Statements in accordance with the basis of accounting described in Note 2.1, and for such internal controls relevant to the preparation of the Special Purpose Unconsolidated Ind AS Financial Statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these Special Purpose Unconsolidated Ind AS 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. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Unconsolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Company's preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal financial controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial Statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on these Special Purpose Unconsolidated Ind AS Financial Statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Special Purpose Unconsolidated Ind AS Financial Statements as at and for the six-month period ended on September 30, 2017, as at and for the year ended March 31, 2017 and the Opening Balance Sheet as at April 1, 2016 are prepared, in all material respects, in accordance with the basis of accounting described in Note 2.1 to those Special purpose Unconsolidated Ind AS Financial Statements which describes how Ind AS have been applied under Ind AS 1, including assumptions management has made about the standards and interpretations expected to be effective, and the policies expected to be adopted when management prepares its first complete set of Ind AS financial statements as at March 31, 2018.

Emphasis of Matter

a) We draw attention to Note 2.1 to the Special Purpose Unconsolidated Ind AS Financial Statements, which describe the basis of accounting and presentation and further states that the comparative financial information has not been included in these financial statements. Only a complete set of financial statements together with comparative financial information can provide a fair presentation of the company's state of affairs (financial position), profit (financial performance including other comprehensive income), cash flows and the changes in equity.

b) We also draw attention to Note 2.1 to the Special Purpose Unconsolidated Ind AS Financial Statements to explain why there is a possibility that these may require adjustments before constituting the final Comparative Ind AS Financial Statements.

Our opinion is not modified in respect of these matters.

Other Matters

a) The Company has prepared a separate set of financial statements for the year ended March 31, 2017 and March 31, 2016 in accordance with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 on which we issued a separate auditor's report to the shareholders of the Company dated November 30, 2017 and November 24, 2016, respectively.

b) This report on the Special Purpose Unconsolidated Ind AS Financial Statements has been issued solely for the information and use of the Board of Directors of the entity in connection with its conversion of the financial statements to Ind AS and for inclusion in the offer document, prepared by the Company in accordance with its proposed Initial Public Offer of equity shares of face value of Rs. 10 each, (the "IPO"). Accordingly, this report should not be used, referred to or distributed for any other purpose without our prior written consent.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Govind Ahuja
Partner
Membership No.: 048966

Place: Mumbai
Date:

NAZARA TECHNOLOGIES LIMITED
(formerly knonwn as NAZARA TECHNOLOGIES PRIVATE LIMITED)

Special Purpose Unconsolidated Balance Sheet as at September 30, 2017

(Rupees in million, unless otherwise stated)

	Note	September 30 2017	March 31 2017	April 01 2016
ASSETS				
Non-current assets				
Property, plant and equipment	3	8.13	8.75	14.86
Intangible assets	4	5.78	8.05	4.53
Intangible assets under development	4	2.80	1.40	3.60
Investments in subsidiaries, associates and joint venture	5	11.30	4.10	0.70
Financial assets				
Loans	7	13.20	14.12	12.06
Other financial assets	8	1.73	1.68	1.57
Deferred tax assets (net)	35	23.03	12.24	12.24
Other non-current assets	9	17.93	19.54	7.25
		83.90	**69.88**	**56.81**
Current assets				
Financial assets				
Investments	6	747.18	725.06	560.65
Trade receivable	10	135.45	116.23	183.93
Cash and cash equivalents	11	20.63	78.08	102.44
Other bank balances	11	-	1.50	-
Loans	12	4.53	1.27	1.74
Other financial assets	13	150.41	46.36	88.74
Other current assets	14	39.17	29.93	24.49
		1,097.37	**998.43**	**961.99**
		1,181.27	**1,068.31**	**1,018.80**
EQUITY & LIABILITIES				
Equity				
Equity share capital	15	19.89	19.89	19.89
Other equity		943.59	898.66	763.16
		963.48	**918.55**	**783.05**
LIABILITIES				
Non-current liabilities				
Provisions	17	10.45	10.09	8.79
		10.45	**10.09**	**8.79**
Current liabilities				
Financial liabilities				
Trade payables	18	119.01	97.45	166.36
Other financial liabilities	19	27.08	27.46	20.00
Other current liabilities	20	7.09	11.05	38.89
Provisions	21	3.92	3.71	1.71
Current tax liabilities (net)		50.24	-	-
		207.34	**139.67**	**226.96**
		1,181.27	**1,068.31**	**1,018.80**
Summary of Significant Accounting Policies	2			

The accompanying notes are an integral part of the special purpose financial statements.

As per our report of even date attached

For S.R.Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number : 101049W/E300004

For and on behalf of the Board of directors of
Nazara Technologies Limited

per Govind Ahuja
Partner
Membership no: 48966

Vikash Mittersain
Chairman Cum Managing Director
DIN-00156740

Nitish Mittersain
Managing Director
DIN-02347434

Rakesh Shah
Chief Financial Officer

Vinav Agarwal
Company Secretary

Place of Signature: Mumbai
Date : January 17, 2018

Place of Signature: Mumbai
Date : January 17, 2018

NAZARA TECHNOLOGIES LIMITED
(formerly knonwn as NAZARA TECHNOLOGIES PRIVATE LIMITED)

Special Purpose Unconsolidated Statement of Profit and Loss for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

	Note	For the six month ended September 30, 2017	March 31, 2017
Income			
Revenue from operations	22	321.36	773.62
Other income	23	332.73	64.48
Total Income		**654.09**	**838.10**
Expenses			
Cost of content		30.03	54.19
Employee benefits expense	24	149.16	210.97
Finance cost	25	0.32	1.08
Depreciation and amortisation expense	26	5.56	10.75
Advertising cost		69.21	234.64
Other expenses	27	69.36	193.63
Total expenses		**323.64**	**705.26**
Profit before tax from continuing operations		**330.45**	**132.84**
Tax expense:			
Current Tax		74.26	41.41
Deferred Tax		(11.00)	(0.95)
Profit for the period/year from continuing operations		**267.19**	**92.38**
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Remeasurements of post-employment benefit obligation		0.29	1.01
Income tax relating to items that will not be reclassified to profit or loss		(0.10)	(0.35)
Items that will be reclassified to profit or loss			
Change in fair value of FVOCI debt instruments		1.10	6.08
Income tax relating to items that will not be reclassified to profit or loss		(0.11)	(0.61)
Total Comprehensive Income for the period and Other Comprehensive Income		**268.37**	**98.51**
Earning per share (equity shares, par value Rs 10 each)	30		
Computed on the basis of total profit for the period/year			
Basic		134.31	46.44
Diluted		133.19	44.83
Earning per share after considering the impact of bonus issue and sub division of share	30		
Computed on the basis of total profit for the period/year			
Basic		10.75	3.72
Diluted		10.65	3.59
Summary of Significant Accounting Policies	2		

The accompanying notes are an integral part of the special purpose financial statements.

As per our report of even date attached

For S.R.Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number : 101049W/E300004

per Govind Ahuja
Partner
Membership no: 48966

Place of Signature: Mumbai
Date : January 17, 2018

For and on behalf of the Board of directors of Nazara Technologies Limited

Vikash Mittersain
Chairman Cum Managing Director
DIN-00156740

Nitish Mittersain
Managing Director
DIN-02347434

Rakesh Shah
Chief Financial Officer

Vinav Agarwal
Company Secretary

Place of Signature: Mumbai
Date : January 17, 2018

NAZARA TECHNOLOGIES LIMITED
(formerly knonwn as NAZARA TECHNOLOGIES PRIVATE LIMITED)

Statement of Changes in Equity for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

(a) Equity shares of Rs. 10 each issued, subscribed and fully paid

	No. of Shares	Rs.
At 1 April 2016	1,989,246	19.89
At 31 March 2017	1,989,246	19.89
At 30 September 2017	1,989,246	19.89

(b) Other equity

	Capital redemption reserve	Retained Earnings	Share Based Payment Reserve	Total Reserves and Surplus	Debt instruments through Other Comprehensive Income	Total other reserves	Total
Balance at the beginning of the reporting period - 01 April 2016	**1.30**	**760.88**	**-**	**762.18**	**0.98**	**0.98**	**763.16**
Profit for the year	-	92.38	-	**92.38**	-	**-**	**92.38**
Other comprehensive income	-	0.66	-	**0.66**	5.47	5.47	**6.13**
Share-based Payments (Note 33)	-	-	36.99	**36.99**	-	-	**36.99**
Balance at the end of the reporting period 31 March 2017	**1.30**	**853.92**	**36.99**	**892.21**	**6.45**	**6.45**	**898.66**
Profit for the half year ended 30 September 2017	-	267.19	-	267.19	-	-	**267.19**
Other comprehensive income	-	0.19	-	0.19	0.99	0.99	**1.18**
Dividend paid (including dividend distribution tax)	-	(300.38)	-	(300.38)	-	-	**(300.38)**
Share-based Payments (Note 33)	-	-	76.94	76.94	-	-	**76.94**
Balance at the end of the reporting period 30 September 2017	**1.30**	**820.92**	**113.93**	**936.15**	**7.44**	**7.44**	**943.59**

As per our report of even date attached

For S.R.Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number : 101049W/E300004

per Govind Ahuja
Partner
Membership no: 48966

For and on behalf of the Board of directors of
Nazara Technologies Limited

Vikash Mittersain
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DIN-02347434

Rakesh Shah
Chief Financial Officer

Vinav Agarwal
Company Secretary

Place of Signature: Mumbai
Date : January 17, 2018

Place of Signature: Mumbai
Date : January 17, 2018

NAZARA TECHNOLOGIES LIMITED
(formerly knonwn as NAZARA TECHNOLOGIES PRIVATE LIMITED)

Special Purpose Unconsolidated Cash Flow Statement for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

	For the six month ended September 30, 2017	March 31, 2017
Cash flow from operating activities		
Profit before tax for the period/ year	330.45	132.84
Adjustments for :		
Fair value gain or loss on mutual fund and tax free bonds	(22.23)	(30.07)
Expense on employee stock option scheme	58.37	28.07
Depreciation and amortisation expense	5.56	10.76
(Gain) on write off of fixed assets	-	(0.00)*
Provision for doubtful debts	7.74	31.36
Liabilities written back / provision no longer required	-	(3.05)
Unrealised foreign exchange loss	(0.05)	0.18
Net gain on sale of current investments	(5.77)	(26.13)
Gain on liquidation of subsidiary	-	(0.62)
Interest income	(2.15)	(4.24)
Dividend income	(302.52)	(0.37)
Operating profit before working capital changes	**69.40**	**138.73**
Movements in working capital :		
Increase / (decrease) in trade payables	21.32	(64.90)
Increase in long-term provisions	0.66	2.30
Increase in short term provisions	0.20	2.00
(Decrease) in other current liabilities	(4.32)	(20.39)
(Increase) / decrease in trade receivables	(26.51)	37.93
(Increase) in loans and advances	(0.08)	(1.53)
(Increase) / Decrease in other current assets	(103.30)	41.14
Cash generated from operations	(42.62)	135.28
Direct taxes paid (net of refunds)	(22.40)	(52.71)
Net cash flow from / (used in) operating activities (A)	**(65.03)**	**82.57**
Cash flow from investing activities		
Purchase of property, plant and equipment, including intangible assets under development	(4.07)	(5.96)
Proceeds from sale of property, plant and equipment	-	0.01
Purchase of non-current investments	(0.10)	-
Purchase of current investments	(361.50)	(505.07)
Proceeds from redemption/maturity of current investments	368.47	403.02
Proceeds from liquidation of subsidiary		0.63
Investment in bank deposits (having original maturity of more than three months)		(1.65)
Redemption/maturity of bank deposits (having original maturity of more than three months)	1.50	-
Interest received on fixed deposits and loans given to subsidiary	1.32	2.45
Dividends received from subsidiaries	302.52	0.37
Net cash flow from/ (used in) investing activities (B)	**308.14**	**(106.20)**
Cash flow from financing activities		
Dividend paid on equity shares	(300.35)	-
Net cash used in financing activities (C)	**(300.35)**	**-**
Net decrease in cash and cash equivalents (A)+(B)+(C)	(57.24)	(23.63)
Effect of exchange differences on cash & cash equivalents held in foreign currency	(0.21)	(0.73)
Cash and cash equivalents at the beginning of the period/ Year	78.08	102.44
Cash and cash equivalents at the end of the period (Note 11)	**20.63**	**78.08**
Components of cash and cash equivalents		
Cash in hand	0.25	-
Balances with bank	20.38	78.08
Deposit with original maturity of less than 3 months	-	-
Total cash and cash equivalents (refer note 11)	**20.63**	**78.08**

* Amount is less than 0.01 million

As per our report of even date attached

For S.R.Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number : 101049W/E300004

per Govind Ahuja
Partner
Membership no: 48966

Place of Signature: Mumbai
Date : January 17, 2018

For and on behalf of the Board of directors of
Nazara Technologies Limited

Vikash Mittersain
Chairman Cum Managing Director
DIN-00156740

Nitish Mittersain
Managing Director
DIN-02347434

Rakesh Shah
Chief Financial Officer

Vinav Agarwal
Company Secretary

Place of Signature: Mumbai
Date : January 17, 2018

Notes to the Special Purpose Unconsolidated Financial Statements for the six month ended September 30, 2017

1. Corporate information

Nazara Technologies Limited (the Company) was incorporated in India on 8th December, 1999 as a Private Limited Company, engaged in providing subscription/ download of games/other contents through telecom consumer base in India and worldwide and digital advertising services.

In November 2017, the Company has converted from a Private Company to Public Company consequent to which the name has been changed to Nazara Technologies Limited.

The Special purpose unconsolidated financial statements are approved for issue by the Company's Board of Director on January 17, 2018.

2. Basis of preparation and Significant accounting policies:

2.1. Basis of preparation:

The Special Purpose Unconsolidated Ind AS Financial Statements have been prepared for inclusion in the offer document, prepared by the Company in connection with its proposed Initial Public Offer as set out In the SEBI Circular SEBI/HO/CFD/DIL/CIR/P/2016/47 dated March 31, 2016.The Special Purpose Unconsolidated Ind AS Financial Statements are prepared in accordance with the recognition and measurement principles of Ind AS prescribed under section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Accounting Standards) Amendment Rules, 2016. These financial statements have been prepared in addition to the Financial Statements under Indian GAAP for the same period.

The Company will prepare and issue its first complete Ind AS financial statements as at and for the year ending March 31, 2018. Until the first complete Ind AS financial statements are issued, the balances in the Special Purpose Unconsolidated Ind AS Financial Statements can change if :-

(a) There are any new Ind AS standards issued through March 31, 2018

(b) There are any amendments/modifications made to existing Ind AS standards or interpretations thereof through March 31, 2018 effecting the Ind AS balances in these financial statements and

(c) If the Company makes any changes in the elections and/or exemptions selected on adoption of Ind AS at its transition date of April 1, 2016.

Only a complete set of financial statements together with comparative financial information can provide a fair presentation of a Company's state of affairs (financial position), profit (financial performance including other comprehensive income), cash flows and the changes in equity.

While preparing the Special Purpose Unconsolidated Financial statements under Ind AS for the six month period ended September 30, 2017 and for the year ended March 31, 2017, the relevant comparative financial information under Ind AS for the six month period ended September 30, 2016 and for the year ended March 31, 2016 respectively has not been presented.

The unconsolidated financial statements have been prepared on a historical cost convention and on accrual basis, except for the following assets and liabilities which has been measured at fair value required by relevant Ind AS:

(i) Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)

2.2 Significant accounting, judgments, estimates and assumptions

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 critical estimates or judgments are:

- Estimation of defined benefit obligation Note - 32
- Impairment of financial assets Note - 38

2.3 Summary of significant accounting policies

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

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

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized 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 Company 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 realization in cash and cash equivalents. The Company has identified period of twelve months as its operating cycle.

b) **Foreign currency translation and transactions**

Functional and presentation currency

The special purpose unconsolidated 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.

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 recognized 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 recognized in profit or loss in the financial statements of the reporting entity.

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 recognized in OCI or profit or loss are also recognized in OCI or profit or loss, respectively).

c) Revenue recognition

- **Income from services**

Revenue from subscription/download of games/other contents is recognized based on provision of services as per contract with the operators and content distributors.

Revenue from advertising services is recognized in the period in which advertisements are displayed.

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.

Revenue is recognized 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.

- **Deferred Revenue**

Revenue is recognised over the period during which the services are performed. The amount that covers the expected costs of the services to be provided after the reporting date along with a reasonable profit on those services is deferred and recognised over the period during which the services are performed.

- **Interest**

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 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 amortized 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 recognized 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.

d) **Income taxes**

Income tax expense comprises of current and deferred tax.

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. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognized outside profit and loss is recognized outside profit and loss (either in other comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

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 recognized 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 recognized for all deductible temporary differences and the carry forward of any unused tax losses. Deferred tax assets are recognized 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 utilized, 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 recognized 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 utilized.

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 utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized 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 realized 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 recognized outside profit and loss is recognized outside profit and loss (either in OCI or in equity). Deferred tax items are recognized 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.

e) **Share-based payments**

Employees of the Company receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments.

Equity-settled transactions

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using Black Scholes valuation model.

That cost is recognized, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognized 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 statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognized as at the beginning and end of that period and is recognized in employee benefits expense.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

f) **Retirement and other employee benefits**

Retirement benefit in the form of provident fund is defined contribution scheme. The Company has no obligation, other than the contribution payable to such schemes. The Company recognizes contribution payable to such schemes as an expense, when an employee renders the related service.

The Company'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 Company recognizes 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 or income.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries.

The Company operates a defined benefit gratuity plan, which requires contributions to be made to a separately administered fund. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method. Liability for gratuity as at the year-end is provided on the basis of actuarial valuation.

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 recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit and loss in subsequent periods.

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

Compensated absence

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

Long-term employee benefits.

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as a liability at the present value of the defined benefit obligation at the balance sheet date.

g) **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.

i. Financial assets

Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit 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:

- Debt instruments assets at amortized cost
- Debt instruments at fair value through OCI (FVTOCI)
- Debt instruments at fair value through profit and loss (FVTPL)

Debt instruments at amortized cost

A Debt instrument is measured at amortized 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 realize 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 amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit and loss. The losses arising from impairment are recognized statement of profit and loss. This category generally applies to trade and other receivables

Debt instruments 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 recognized in OCI. However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognized 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.

Debt instruments at fair value through profit and loss (FVTPL)

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

All investments (except investment in subsidiary) included within the FVTPL category are measured at fair value with all changes recognized in the Profit and Loss

In addition, the company may elect to designate an instrument, which otherwise meets amortized 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 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; 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 derecognized 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 recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a 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 following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortized cost e.g., loans, debt securities, deposits and bank balance.

b) Financial assets that are debt instruments and are measured as at FVTOCI

c) Trade receivables or any contractual right to receive cash or another financial asset

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes 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 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 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) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortized cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

Debt instruments 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.

ii. 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 amortized cost, as appropriate.

All financial liabilities are recognized 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 amortized cost

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

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

Notes to the Special Purpose Unconsolidated Financial Statements for the six month ended September 30, 2017

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

iii. 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 recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

iv. Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognized gains, losses (including impairment gains or losses) or interest.

h) **Investment in subsidiaries**

The Company has accounted for its investment in subsidiaries at cost.

i) **Fair value measurement**

The company measures financial instrument such as investments at fair value at each balance sheet date.

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

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

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

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

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

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

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

Currently company carries those instruments where in level 1 inputs of the above mentioned fair value hierarchy is used.

The Company's board Committee approves the policies for both recurring and non-recurring fair value measurement. Where seen appropriate external valuers are involved. The board committee reviews the valuation results. This includes a discussion of the major assumptions used in the valuations.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. External valuers are involved for valuation of significant assets and liabilities. The management selects external valuer on various criteria such as market knowledge, reputation, independence and whether professional standards are maintained by valuer. The management decides, after discussions with the Company's external valuers, which valuation techniques and inputs to use for each case.

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

j) **Property, plant and equipment**

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant if the recognition criteria are met.

Capital work in progress is stated at cost net of accumulated impairment losses, if any. Capital work-in-progress comprises of expenditure incurred for construction of building.

The Company 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, plant and equipment are eliminated from financial statements, either on disposal or when retired from active use. Losses arising in case of retirement of Property, Plant and equipment and gains or losses arising from disposal of property, plant and equipment are recognized 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) 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 range of useful lives of the property, plant and equipment are as follows:

Property, plant and equipment	Useful lives estimated by the management (years)
Furniture and fixtures	5 years
Computer and Printers	3 years
Office equipment	3 years
Motor Car	3 years

Notes to the Special Purpose Unconsolidated Financial Statements for the six month ended September 30, 2017

k) **Intangible assets**

Intangible assets are recognized 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. Internally generated intangibles, excluding capitalized development costs, are not capitalized and the related expenditure is reflected in profit and loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as finite. The amortization period and the amortization method for an intangible asset with a finite useful life 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 amortization period or method, as appropriate, and are treated as changes in accounting estimates.

Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired.

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 recognized in the statement of profit and loss when the asset is derecognized.

l) **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 recognized in the statement of profit and loss.

At each reporting date if there is an indication that previously recognized impairment losses no longer exist or have decreased, the Group estimates the asset's or CGU's recoverable amount . A previously recognized 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 recognized 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 recognized.

m) **Lease**

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

Where the Company as a lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease. An operating lease is a lease other than a finance lease.

Operating lease:

Operating lease payments are recognized as an expense in the statement of profit and loss on a straight line basis.

n) **Provisions, Contingent liabilities, Contingent assets and Commitments**

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the 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 recognized 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 Company; or a present obligation that arises from past events but is not recognized 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.

o) **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.

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.

p) **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, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

q) **Corporate Social Responsibility (CSR) Expenditure**

CSR expense is recognized as it is incurred by the company or when company has entered into any legal or constructive obligation for incurring such an expense.

Notes to the Special Purpose Unconsolidated Financial Statements for the six month ended September 30, 2017

3 Property, plant and equipment

(Rupees in million, unless otherwise stated)

	Property, plant and equipment					
	Computers	**Office equipments**	**Furniture and fixtures**	**Vehicles**	**Leasehold improvements**	**Total**
Gross carrying amount						
As at April 01,2016	**28.73**	**3.83**	**1.51**	**1.09**	**3.56**	**38.72**
Additions	0.34	0.62	-	-	-	0.96
Disposals	(0.57)	(0.50)	-	-	(3.56)	(4.63)
Gross carrying amount as at March 31, 2017	**28.50**	**3.95**	**1.51**	**1.09**	**-**	**35.05**
Additions	-	-	-	2.67	-	2.67
Disposals	-	-	-	-	-	-
Gross carrying amount as at September 30, 2017	**28.50**	**3.95**	**1.51**	**3.76**	**-**	**37.72**
Accumulated depreciation						
Accumulated depreciation as at April 01, 2016	**15.69**	**2.58**	**0.94**	**1.09**	**3.56**	**23.86**
Charge for the year	6.05	0.80	0.22	-	-	7.07
Disposals	(0.57)	(0.50)	-	-	(3.56)	(4.63)
Accumulated depreciation as at March 31, 2017	**21.17**	**2.88**	**1.16**	**1.09**	**-**	**26.30**
Charge during the period	2.78	0.35	0.08	0.08	-	3.29
Disposals	-	-	-	-	-	-
Accumulated depreciation as at September 30, 2017	**23.95**	**3.23**	**1.24**	**1.17**	**-**	**29.59**
Net carrying amount as at April 01, 2016	**13.04**	**1.25**	**0.57**	**-**	**-**	**14.86**
Net carrying amount as at March 31, 2017	**7.33**	**1.07**	**0.35**	**-**	**-**	**8.75**
Net carrying amount as at September 30, 2017	**4.55**	**0.72**	**0.27**	**2.59**	**-**	**8.13**

4 Intangible assets

	Intangible assets				
	Computer software	**NGDP Platform**	**Mygamma and Djuzz platform**	**Total**	**Intangible asset under development**
Gross carrying amount					
As at April 01,2016	**24.01**	**-**	**3.64**	**27.65**	**3.60**
Additions	-	7.20	-	7.20	-
Disposals	-	-	-	-	-
Transfers	-	-	-	-	(2.20)
Gross carrying amount as at March 31, 2017	**24.01**	**7.20**	**3.64**	**34.85**	**1.40**
Additions	-	-	-	-	1.40
Disposals	-	-	-	-	-
Gross carrying amount as at September 30, 2017	**24.01**	**7.20**	**3.64**	**34.85**	**2.80**
Accumulated depreciation					
Accumulated depreciation as at April 01, 2016	**19.48**	**-**	**3.64**	**23.12**	**-**
Charge for the year	2.35	1.33	-	3.68	-
Disposals	-	-	-	-	-
Accumulated depreciation as at March 31, 2017	**21.83**	**1.33**	**3.64**	**26.80**	**-**
Charge during the period	1.07	1.20	-	2.27	-
Disposals	-	-	-	-	-
Accumulated depreciation as at September 30, 2017	**22.90**	**2.53**	**3.64**	**29.07**	**-**
Net carrying amount as at April 01, 2016	**4.53**	-	-	**4.53**	**3.60**
Net carrying amount as at March 31, 2017	**2.18**	**5.87**	-	**8.05**	**1.40**
Net carrying amount as at September 30, 2017	**1.11**	**4.67**	-	**5.78**	**2.80**

Notes to the Special Purpose Unconsolidated Financial Statements for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

5 Investments in subsidiaries

	September 30 2017	March 31 2017	April 01 2016
Investment in subsidiaries			
Unquoted			
Equity instruments at cost			
Nazara Technologies FZ LLC	11.15	4.05	0.64
5,000 (March 31,2017 : 5000, April 01,2016: 5000 equity shares of AED 10 each)			
Nazara Europe Limited	-	-	0.01
Nil (March 31,2017: Nil, April 01,2016:100 equity shares of GBP 1 each)			
Nazara Pro Gaming Private Limited	0.10	-	-
9,999 (March 31,2017: Nil, April 01,2016: Nil equity shares of Rs 10 each)			
Nazara Pte Limited	0.05	0.05	0.05
1,000 (March 31,2017: 1000, April 01,2016: 1000 equity shares of SGD 1 each)			
Total	**11.30**	**4.10**	**0.70**
Investments carried at cost	**11.30**	**4.10**	**0.70**

Notes to the Special Purpose Unconsolidated Financial Statements for the six month period ended September 30, 2017

(Rupees in million, unless otherwise stated)

6 Current investments

		September 30 2017		March 31 2017		April 01 2016	
		Number	Amount	Number	Amount	Number	Amount
(i)	**Investments in mutual funds**						
	Quoted investments at FVTPL						
	SBIMF-Magnum income fund	1,577,816	66.21	1,756,450	70.91	1,756,450	62.91
	BNP paribas flexi debt fund	828,972	24.56	828,972	23.56	828,972	21.23
	SBI ultra short term fund	-	-	12,830	26.95	23,994	46.72
	SDFS 17 months - series 1	-	-	-	-	1,003,037	12.16
	SDFS 18 months - series XII	-	-	-	-	2,500,000	30.45
	SBI dynamic bond fund	-	-	-	-	1,751,096	31.75
	ICICI prudential gilt fund	670,604	40.03	670,604	38.02	848,326	42.51
	Kotak gilt investment regular growth	627,212	36.82	627,212	35.35	837,909	42.34
	SBI short term fund	1,210,302	23.69	1,210,302	22.88	1,210,302	20.97
	SBI corporate bond	2,858,784	77.93	2,858,784	74.92	850,008	20.26
	SBI debt fund series B – 33	2,000,000	22.82	2,000,000	22.03	2,000,000	20.23
	SBI regular saving fund	3,470,651	102.53	3,470,651	98.16	2,009,765	50.17
	Birla sunlife saving fund	269	0.09	-	-	-	-
	Birla sunlife saving fund	-	-	-	-	86,812	25.42
	ICICI prudential flexible income - regular growth	-	-	-	-	164,989	47.22
	IIFL cash opportunities fund	6,437,753	75.60	4,700,293	53.51	2,850,436	30.09
	Birla sun life dynamic bond fund	339,552	10.29	339,552	9.86	-	-
	Birla sun life short term opportunities fund	368,370	10.41	368,370	10.00	-	-
	BNP paribas medium term income fund	783,447	10.67	783,447	10.26	-	-
	DSP black rock income opportunities fund	372,250	10.40	372,250	10.01	-	-
	IDFC super saver income fund short term	641,350	22.16	641,350	21.40	-	-
	L&T income opportunities fund	1,722,655	33.41	1,722,655	32.16	-	-
	Reliance short term fund	853,280	27.28	853,280	26.30	-	-
	SBI treasury advantage fund	18,977	35.45	18,977	34.30	-	-
	Tata short term bond fund	351,136	11.11	351,136	10.73	-	-
	UTI short term income fund	1,075,645	22.23	1,075,645	21.45	-	-
	Aditya Birla Sun Life Corporate Bond Fund regular growth	799,316	10.04	-	-	-	-
	Reliance Corporate Bond Fund-Growth Plan	732,295	10.04	-	-	-	-
	Total investment in mutual fund		**683.77**		**652.76**		**504.43**
(ii)	**Investments in debentures**						
	Quoted debentures at amortised cost						
	IIFL Wealth Finance market linked debentures	-	-	100	10.00	-	-
	Total investment in debentures at cost	**-**	**-**	**100**	**10.00**	**-**	**-**
(iii)	**Investments in tax free bonds**						
	Quoted bonds at FVTPL						
	7.39% HUDCO tax free bond series IIA	7,007	8.02	7,007	7.77	7,007	7.22
	7.39% HUDCO bond tax free bond series IIA	7,529	8.46	7,529	8.22	7,529	7.54
	7.35% IRFC tax free bond series IIA	5,878	6.41	5,878	6.48	5,878	6.08
	7.35% NABARD tax free bond series IIA	5,010	5.66	5,010	5.49	5,010	5.21
	7.35% NHAI tax free bond series IIA	14,285	16.64	14,285	15.84	14,285	14.70
	7.39% NHAI tax free bond series IIA	15,419	18.22	15,419	18.50	15,419	15.47
	Total investment in tax free bonds at FVTPL		**63.41**		**62.30**		**56.22**
	Total current investments		**747.18**		**725.06**		**560.65**
	Aggregate amount of quoted investments		**747.18**		**725.06**		**560.65**

Notes to the Special Purpose Unconsolidated Financial Statements for the six month period ended September 30, 2017

(Rupees in million, unless otherwise stated)

7 Loans

	September 30 2017	March 31 2017	April 01 2016
Unsecured, considered good			
Security deposits	13.20	14.12	12.06
Total	**13.20**	**14.12**	**12.06**

8 Other Non-current financial assets

	September 30 2017	March 31 2017	April 01 2016
Fixed deposits bank with original maturity of more than 12 months	1.65	1.65	1.50
Interest receivable	0.08	0.03	0.07
Total	**1.73**	**1.68**	**1.57**

Note:

The fixed deposit aggregating to Rs 1.65 Million (March 31, 2017 Rs. 1.65 Million & April 01, 2016 Rs.1.50 Million) is under lien to bank for issuing bank guarantee as security towards the due observance and performance of the terms and conditions of agreement executed with Bharat Sanchar Nigam Limited.

9 Other non-current assets

	September 30 2017	March 31 2017	April 01 2016
Advance income -tax (net of provision for tax)	17.93	19.54	7.25
Total	**17.93**	**19.54**	**7.25**

10 Trade receivables

	September 30 2017	March 31 2017	April 01 2016
Trade receivables			
Unsecured considered good	135.45	116.23	183.93
Doubtful	34.93	29.28	-
Impairment Allowance (allowance for bad and doubtful debts)			
Doubtful	(34.93)	(29.28)	-
Total	**135.45**	**116.23**	**183.93**

11 Cash and cash equivalents

	September 30 2017	March 31 2017	April 01 2016
Cash on hand	0.25	-	-
Balances with banks			
- in current accounts	20.38	78.08	77.44
- in fixed Deposits with original maturity for less than 3 months	-	-	25.00
	20.63	**78.08**	**102.44**
Other bank balances			
Balances with banks			
- in fixed deposits with original maturity for more than 3 months but less than 12 months	-	1.50	-
	-	**1.50**	**-**
Total	**20.63**	**79.58**	**102.44**

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:

	September 30 2017	March 31 2017	April 01 2016
Balances with banks:			
-On Current accounts	20.38	78.08	77.44
-Deposits with original maturity of less than three months	-	-	25.00
Cash on hand	0.25	-	-
Total	**20.63**	**78.08**	**102.44**

Notes to the Special Purpose Unconsolidated Financial Statements for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

12 Loans

	September 30 2017	March 31 2017	April 01 2016
Unsecured, considered good			
Security deposits	1.50	0.69	1.74
Loan to Moonglab technologies private limited (Refer note)	2.50	-	-
Loan to employees	0.53	0.58	-
Total	**4.53**	**1.27**	**1.74**

Note:

On August 14, 2017, the Company had given a loan of Rs. 2.5 million to Moonglabs Technologies Pvt Limited ('Moonglabs'), a company engaged in the business of development mobile software. On December 26, 2017, the Company gave an additional loan of Rs.2.5 million to Moonglabs . The loan amount can be converted into fixed number of equity shares, at the option of the Company.

13 Other current financial assets

	September 30 2017	March 31 2017	April 01 2016
Unsecured, considered good			
Interest accrued but not due			
- from banks	3.03	2.24	0.43
Unbilled revenue			
- Unsecured, Considered good	147.38	44.12	88.31
- Doubtful	4.17	2.08	-
Impairment Allowance (allowance for unbilled revenue)			
- Doubtful	(4.17)	(2.08)	-
Total	**150.41**	**46.36**	**88.74**

14 Other current assets

	September 30 2017	March 31 2017	April 01 2016
Advances recoverable in cash or kind or for value to be received	0.49	0.23	0.81
Advances recoverable from subsidiary company	16.99	5.52	-
Advance to vendors	6.14	10.74	12.52
Prepaid expenses	11.74	10.00	4.77
Service tax receivable	3.81	3.44	6.39
Total	**39.17**	**29.93**	**24.49**

Notes to the Special Purpose Unconsolidated Financial Statements for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

15 Share Capital

	September 30, 2017	March 31, 2017	April 01, 2016
Authorised shares			
2,198,796 (March 31 2017 : 2,198,796, April 01 2016: 2,198,796) equity shares of Rs 10 each	21.99	21.99	21.99
1,251,204 (March 31 2017 : 1,251,204, April 01 2016: 1,251,204) preference shares of Rs 10 each	12.51	12.51	12.51
	34.50	**34.50**	**34.50**
Issued, subscribed and fully paid-up			
1,989,246 (31st March 2017 : 1,989,246, April 01 2016: 1,989,246) equity shares of Rs 10 each	19.89	19.89	19.89
	19.89	**19.89**	**19.89**

(a) Details of shareholders holding more than 5% share in the Company

Equity shares

Name of the shareholder	September 30, 2017		March 31, 2017		April 01, 2016	
	No. of Shares	% Holding	No. of Shares	% Holding	No. of Shares	% Holding
Mitter Infotech LLP	558,356	28.07%	558,356	28.07%	558,356	28.07%
West Bridge Venture II Investment Holdings	1,352,944	68.01%	1,352,944	68.01%	1,352,944	68.01%

As per records of the Company, including its register of shareholders/ members, the above shareholding represents both legal and beneficial ownerships of shares.

(b) Shares held by holding/ultimate holding company and / or their subsidiaries / associates

Out of the equity shares and preference shares issued by the Company, shares held by its holding company, ultimate holding company and their subsidiaries/ associates are as below:

Name of the shareholder	September 30, 2017		March 31, 2017		April 01, 2016	
	No. of Shares	Rs.	No. of Shares	Rs.	No. of Shares	Rs.
West Bridge Venture II Investment Holdings , the holding company from 30th March 2016 1,352,944 (March 31 2017 : 1,352,944, April 01 2016 : 1,352,944) equity shares of Rs 10 each fully paid. **(refer note 1 below)**	1,352,944	13.53	1,352,944	13.53	1,352,944	13.53

Subsequent to 30th September, 2017, West Bridge Venture II Investment Holding sold/transferred 839,650 equity shares to financial investors and certain employees of the Company. Accordingly, West Bridge II Investment Holding is no longer the holding company and West Bridge Venture LLC is no longer the ultimate holding company from 23th November, 2017.

(c) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

	No. of Shares	Rs.
As at April 01,2016	**1,989,246**	**19.89**
Issued during the year - Exercise of ESOP/ Buy back	-	-
Issued during the year - other than ESOP	-	-
As at March 31,2017	**1,989,246**	**19.89**
Issued during the year - Exercise of ESOP/ Buy back	-	-
Issued during the year - other than ESOP	-	-
As at Sept 30,2017	**1,989,246**	**19.89**

Notes to the Special Purpose Unconsolidated Financial Statements for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

15 Share Capital (Cont'd)

(d) Terms/rights attached to equity shares

1. Voting rights

   Each shareholder is entitled to one vote per equity share having value of Rs 10 per share.

2. Right as to dividend

   The equity shareholder entitled to receive dividend as and when declared by Board of Directors subject to approval of members at the Annual General Meeting.

3. Rights on further issue including anti dilution Rights:

   In the event the Company proposes to make preferential issue of shares then 'West Bridge Ventures II Investment Holdings' ('Investor') have first right to subscribe on a pro-rata percentage of the entire issue on the basis of existing holding on a fully diluted basis so that the existing shareholding percentage in the Company remain same.

   In addition to above, the investor have anti dilution rights including right to be allotted proportionate shares without consideration in case of certain events as defined in shareholder's agreement.

4. Right of first offer, Right of Refusal and Tag Along Rights

   In the event Investor propose to transfer all or part of their securities to any person, it shall first offer to Mitter Infotech LLP and two individual shareholders ('Founders') , a pro rata right to purchase all their shares. Investor shall have the right to exercise certain specified tag along rights in case the Founders proposes to transfer any securities to any person in certain cases as defined in Articles of Association (AOA).

   In the event Emerging Investments Limited and other two company shareholders and one individual shareholders ('Other Shareholders') propose to transfer all or part of their securities to any person, investor and founders have pro rata right to purchase all their Shares.

5. Drag Along Rights:

   In case, the investor receives an offer for sale to third party, the Investor has the right to call upon the founders to sell their part of shareholding subject to certain specified conditions as defined in the AOA of the Company.

6. Other Rights:

   Investor have right to have their representation on the board of the Company with an affirmative voting right and decision on certain reserved matters such as change or alteration in the rights of any class of shareholders, change in share capital of the Company, undertaking any merger, acquisition, consolidation/ amalgamation, change in the composition of board of directors and change in scope of business activity.

(e) 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 33)

(f) Aggregate number of shares bought back by the Company:

	September 30, 2017	March 31, 2017	April 01, 2016
Equity shares bought back by the Company			
FY 12-13	84,496	84,496	84,496
FY 14-15	45,400	45,400	45,400
	129,896	**129,896**	**129,896**

(g) Details of Other Equity (refer statement of changes in Equity)

<u>Capital redemption reserves</u>

The company has in the past created capital redemption reserve in accordance with the provision of the Act.

16 Dividend distribution made

	September 30, 2017	March 31, 2017	April 01, 2016
Cash dividends on equity shares declared and paid			
Interim dividend paid (including dividend distribution tax) for period ended September 30 2017, Rs. 151 per equity share.	300.38	-	-
	300.38	-	-

Notes to the Special Purpose Unconsolidated Financial Statements for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

17 Provision

	September 30 2017	March 31 2017	April 01 2016
Provisions for employees benefits			
Provision for Gratuity (refer note 32)	10.45	10.09	8.79
Total	**10.45**	**10.09**	**8.79**

18 Trade payables

	September 30 2017	March 31 2017	April 01 2016
Trade payables	119.01	97.45	166.36
Total	**119.01**	**97.45**	**166.36**

Micro and small enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 have been determined to the extent such parties have been identified on the basis of information available with the Company and relied upon by the auditors. The Company has not received any instruction from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence, disclosures if any, relating to amounts unpaid as at the year end together with interest payable as required under the said Act have not been given.

19 Other financial liabilities

	September 30 2017	March 31 2017	April 01 2016
Employee payables	25.08	25.46	17.91
Payable for capital expenditure	2.00	2.00	2.09
Total	**27.08**	**27.46**	**20.00**

20 Other current liabilities

	September 30 2017	March 31 2017	April 01 2016
Advances from customers	2.90	5.23	21.87
Tax deducted at source	1.54	3.93	14.75
Equalisation levy	0.10	0.44	-
Goods and service tax payable	1.06	-	-
Statutory liabilities	1.49	1.45	2.27
Total	**7.09**	**11.05**	**38.89**

21 Provisions - Current

	September 30 2017	March 31 2017	April 01 2016
Provision for employee benefits			
Compensated absences	3.92	3.71	1.71
Total	**3.92**	**3.71**	**1.71**

Notes to the Special Purpose Unconsolidated Financial Statements for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

22 Revenue from operations

	For the six month ended September 30, 2017	31 March 2017
Revenue from subscription/download of mobile games and other contents	290.12	733.79
Revenue from advertising services	31.24	39.83
Total	**321.36**	**773.62**

23 Other income

	For the six month ended September 30, 2017	31 March 2017
Interest Income		
- on bank deposits	0.11	0.19
- on tax free bonds	2.04	4.05
Dividend income on		
- Investment in subsidiaries	302.52	-
- Current investments	-	0.37
Net gain on sale of current investments	5.77	26.13
Sundry balances written back	-	3.05
Gain on liquidation of subsidiary	-	0.62
Gain on exchange fluctuation (net)	0.06	-
Fair value gain on financial instruments at fair value through profit or loss	22.23	30.07
Total	**332.73**	**64.48**

24 Employee benefits expense

	For the six month ended September 30, 2017	31 March 2017
Salaries, Wages and Bonus	85.08	169.83
Contribution to provident and other funds	4.36	9.39
Expenses on employee stock option scheme (refer note 33)	58.37	28.07
Gratuity expenses (refer note 32)	0.96	2.44
Staff welfare expenses	0.39	1.24
Total	**149.16**	**210.97**

25 Finance costs

	For the six month ended September 30, 2017	31 March 2017
Interest	-	0.19
Bank charges	0.32	0.89
Total	**0.32**	**1.08**

26 Depreciation and amortisation expenses

	For the six month ended September 30, 2017	31 March 2017
Depreciation of tangible assets (refer note 3)	3.29	7.07
Amortisation of intangible assets (refer note 4)	2.27	3.68
	5.56	**10.75**

Notes to the Special Purpose Unconsolidated Financial Statements for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

27 Other expenses

	For the six month ended September 30, 2017	31 March 2017
Content management charges	0.69	2.02
Revenue share on subscription/download of games/other contents	13.91	59.25
Consumables for development and testing	0.18	0.44
Rent expenses	17.68	34.02
Rates and taxes	1.29	7.47
Insurance charges	0.72	1.76
Repairs and maintenance	3.09	5.48
Corporate social responsibility expenditure (refer note below)	0.01	4.75
Sales promotion and business development	4.14	5.51
Travelling and conveyance	6.53	9.30
Communication expenses	0.65	1.41
Printing and stationery	0.23	0.46
Legal and professional fees	4.22	11.93
Server charges	4.78	8.38
Provision for doubtful debts and unbilled revenue	7.74	31.36
Payment to auditors (refer note 29)	1.50	4.04
Loss on exchange fluctuation (net)	-	0.54
Miscellaneous expenses	2.00	5.51
Total	**69.36**	**193.63**

Corporate social responsibility expenditure

As per section 135 of the Companies Act, 2013 and rules therein, the Company is required to spend at least 2 % of average net profit of past three years towards Corporate Social Responsibility (CSR).

Details of corporate social expenditures are as follows:

Particulars	**For the six month ended September 30, 2017**	**31 March 2017**
Gross amount required to be spent during the period	3.14	7.34
Amount spent during the period		
i) Construction / acquisition of any asset	-	2.00
ii) On purposes other than (i) above	0.01	2.75
Total amount spent during the year	**0.01**	**4.75**

28 Capital and other commitments

	September 30 2017	March 31 2017	April 01 2016
Capital commitments			
Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for	1.40	2.80	14.30
Other commitments			
Cost of content and other commitments	40.24	55.29	98.64

29 Auditors' remuneration excluding service tax (included on legal and professional fees)

	For the six month ended September 30, 2017	March 31 2017
As auditor		
- Audit fees	1.50	3.70
In other capacity		
- For other services	-	0.25
- Reimbursement of expenses	-	0.09
	1.50	**4.04**

(Rupees in million, unless otherwise stated)

30 Earnings per share

The following table sets forth the computation of basic and diluted earnings per share :

	September 30 2017	March 31 2017
Basic		
Net profit for the year attributable to equity shareholders	267.19	92.38
Weighted average number of equity shares of Rs 10 each used for calculation of basic earnings per share (adjusted for partly paid shares)	1,989,246	1,989,246
Earnings per share, basic	**134.31**	**46.44**
Diluted		
Net profit for calculation of diluted EPS	267.19	92.38
Weighted average number of equity shares in calculating basic EPS	1,989,246	1,989,246
Effect of dilution on stock option granted	16,859	71,720
Total number of shares outstanding (weighted average) including dilution	2,006,105	2,060,966
Earnings per share, diluted	**133.19**	**44.83**
Earning per share after considering the impact of bonus issue and sub division of shares		
Basic		
Net profit for the year attributable to equity shareholders	267.19	92.38
Weighted average number of equity shares of Rs 10 each used for calculation of basic earnings per share (adjusted for partly paid shares)	1,989,246	1,989,246
Effect of share split	2,983,869	2,983,869
Effect of bonus issue	19,892,460	19,892,460
Total number of shares outstanding (weighted average) including dilution	24,865,575	24,865,575
Earnings per share, basic	**10.75**	**3.72**
Diluted		
Net profit for calculation of diluted EPS	267.19	92.38
Weighted average number of equity shares in calculating basic EPS	1,989,246	1,989,246
Effect of dilution on stock option granted	16,859	71,720
Effect of share split	3,009,157	3,091,448
Effect of bonus issue	20,061,048	20,609,655
Total number of shares outstanding (weighted average) including dilution	25,076,309	25,762,069
Earnings per share, diluted	**10.65**	**3.59**

On 28th December, 2017, the shareholders of the Company approved for subdivision of 1 fully paid up equity share having face value of Rs 10/- each into 2.5 fully paid up equity share having face value of Rs 4/- each. Accordingly, the outstanding 1,989,246 equity shares having face value of Rs 10 each aggregating to Rs 19,892,460 as at September 30, 2017 were sub-divided into 4,973,115 equity shares having face value of Rs 4 each aggregating to Rs 19,892,460.
Further, the shareholders also approved the issuance of the Bonus shares in the ratio of 4:1 (4 bonus shares for every 1 equity share held). Consequently, the number of shares has increased from 4,973,115 equity shares to 24,865,575 equity shares.

31 Operating leases

The Company's significant leasing arrangements are in respect of operating leases for office premises. The initial tenure of the lease are 36 months with no renewal option included in the contracts. There are no restrictions placed upon the company by entering into lease. Leases include a clause to enable upward revision of the rental charge on an annual basis according to rate prescribed in the contract.
The future minimum lease rental receivable under non-cancellable operating leases in aggregate are as follows:

	September 30 2017	March 31 2017
Not later than one year	-	1.25
Total	**-**	**1.25**

Notes to the Special Purpose Unconsolidated Financial Statements for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

32 Gratuity and post employment benefits

I) Defined Contribution plan
(a) Provident fund

	For the six month ended September 30, 2017	March 31, 2017	April 01, 2016
Company's contribution to provident fund and charged to P&L	4.22	9.22	8.10

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 / period are as follows:

	September 30, 2017	March 31, 2017	April 01, 2016
Liability at the beginning of the year/period	**10.07**	**8.78**	**5.63**
Interest cost	0.34	0.68	0.45
Current service cost	0.61	1.76	0.80
Benefits paid	(0.30)	(0.14)	(0.18)
Remeasurement -Actuarial (Gain)/Loss - due to changes in demographic assumptions	-	-	(0.03)
Remeasurement -Actuarial (Gain)/Loss- due to changes Financial assumptions	0.02	0.44	0.11
Remeasurement -Actuarial (Gain)/Loss- due to changes experience adjustment	(0.31)	(1.45)	2.00
Liability at the end of the year/period	**10.43**	**10.07**	**8.78**

ii) **Balance sheet recociliation**

	September 30, 2017	March 31, 2017	April 01, 2016
Opening Net liability	**10.07**	**8.78**	**5.63**
Expense recognized in Statement of P&L	0.95	2.44	1.25
Expense recognized in OCI	(0.29)	(1.01)	2.08
Net (Liability)/Asset transfer out	-	-	-
(Benefit Paid Directly by the Employer)	(0.30)	(0.14)	(0.18)
Employers contribution	-	-	-
Amounts recognized in the Balance Sheet	**10.43**	**10.07**	**8.78**

B Statement of profit & loss

i) Expense recognised in Statement of profit or loss

	For the six month ended September 30, 2017	March 31, 2017	April 01, 2016
Current service cost	0.61	1.76	0.80
Net Interest cost	0.34	0.68	0.45
Expenses recognized in profit or loss	**0.95**	**2.44**	**1.25**

ii) Expense recognised in Other comprehensive Income

	For the six month ended September 30, 2017	March 31, 2017	April 01, 2016
Remeasurements -Actuarial (Gain)/loss	(0.29)	(1.01)	2.08
Net (income)/Expense	**(0.29)**	**(1.01)**	**2.08**

Notes to the Special Purpose Unconsolidated Financial Statements for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

32 Gratuity and post employment benefits (Cont'd)

C The principal assumptions used in determining gratuity obligations are shown below:

	September 30, 2017	March 31, 2017	April 01, 2016
Discount rate	6.73%	6.77%	7.72%
Future salary increases	10.00%	10.00%	10.00%
Weighted Average Duration of the Projected Benefit Obligation	6 years	6 years	6 years
Rate of Employee turnover	15%	15%	15%
Mortality rate during Employment	Indian Assured lives Mortality (2006-08)		
Mortality rate after Employment	NA		

D A quantitative sensitivity analysis for significant assumption as at balance sheet date are as shown below:

	September 30, 2017	March 31, 2017	April 01, 2016
Discount rate (- 1%)	(0.48)	(0.47)	(0.41)
Discount rate (+ 1%)	0.54	0.52	0.46
Salary Escalation Rate (- 1%)	0.30	0.29	0.27
Salary Escalation Rate (+ 1%)	(0.29)	(0.28)	(0.26)
Employee turnover (+ 1%)	(0.02)	(0.02)	(0.02)
Employee turnover (+ 1%)	0.02	0.02	0.02

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

	September 30, 2017	March 31, 2017	April 01, 2016
1st following year	1.44	1.38	1.11
2nd following year	1.33	1.28	1.15
3rd following year	1.84	1.78	1.08
4th following year	1.14	1.11	1.51
5th following year	1.05	1.02	0.97
Sum of years to 6 to 10	3.91	3.84	3.64

Notes to the Special Purpose Unconsolidated Financial Statements for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

33 Employee stock option plans

During the period / year ended 30th September 2017, 31st March 2017 and 1st April 2016, ESOP 2005 & ESOP 2016 schemes were in operation.

ESOP 2005

Details of ESOP 2005 are as follows:

Particulars	
Date of grant	17th September 2005
Date of board approval	17th September 2005
Number of options granted	108,537 to Mr. Nitish Mittersain
Method of settlement	Equity
Vesting period	Four years
Exercise period	Open ended
Vesting conditions	50% vesting after 2 years and balance 50% vesting equally over remaining 2 years
Exercise price	Rs 78

Pursuant to the board resolution passed on 24th November 2016, 108,537 stock options granted to Mr. Nitish Mittersain has been rescinded.

ESOP 2016

Details of ESOP 2016 are as follows:

Particulars	
Date of grant	02nd January 2017
Date of board approval	24th November 2016
Date of member approval	26th December 2016
Number of options granted	59,411 to eligible employees of the Company and subsidiary company
Method of settlement	Equity
Vesting period	One year
Exercise period	Five years
Vesting conditions	100% vesting after one year
Exercise price	Rs 2,929

The options are granted at an exercise price, which is in accordance with the relevant SEBI guidelines in force, at the time of such grants. Each option entitles the holder to exercise the right to apply for and seek allotment of one equity share for the exercise price as stated above.

The expense recognised for employee service received during the year is shown in the following table:

	September 30, 2017	March 31, 2017
Expense arising from equity-settled share based payment transactions	58.37	28.07
	58.37	**28.07**
Value of investment in Subsidiary as at the year end:		
Investment in Subsidiary on account of Group Share based payment (Nazara Technologies FZ LLC)	10.51	
	10.51	**3.41**

Weighted average Share price for options exercised during the year:

	ESOP 2016	ESOP 2005
Weighted average Share price	4,524.33	-
	-	-

Notes to the Special Purpose Unconsolidated Financial Statements for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

33 **Employee stock option plans (Cont'd)**

The details of activity under the scheme 2005 are summerised below:

Particulars	September 30, 2017		March 31, 2017		April 01, 2016	
	Number of options	**Weighted Average Exercise Price (Rs.)**	**Number of options**	**Weighted Average Exercise Price (Rs.)**	**Number of options**	**Weighted Average Exercise Price (Rs.)**
Outstanding at the beginning of the year	-	-	108,537	78.00	108,537	78.00
Granted during the year	-	-	-	-	-	-
Forfeited during the year	-	-	-	-	-	-
Exercised during the year	-	-	-	-	-	-
Cancelled during the year (refer note below)	-	-	108,537	-	-	-
Outstanding at the end of the year	-	-	-	-	108,537	-
Exercisable at the end of the year	-	-	-	78.00	108,537	78.00
Weighted average remaining contractual life (in years)	-	-	-	0 Years	-	0 Years

Pursuant to the board resolution passed on 24th November 2016, 108,537 stock options granted to Mr. Nitish Mittersain has been rescinded.

The details of activity under the scheme 2016 are summerised below:

Particulars	September 30, 2017		March 31, 2017		April 01, 2016	
	Number of options	**Weighted Average Exercise Price (Rs.)**	**Number of options**	**Weighted Average Exercise Price (Rs.)**	**Number of options**	**Weighted Average Exercise Price (Rs.)**
Outstanding at the beginning of the year	59,411	2,929.00	-	-	-	-
Granted during the year	-	-	59,411	2,929.00	59,411	-
Forfeited during the year	-	-	-	-	-	-
Exercised during the year	-	-	-	-	-	-
Outstanding at the end of the year	59,411	2,929.00	59,411	2,929.00	59,411	-
Exercisable at the end of the year	-	-	-	-	-	-
Weighted average remaining contractual life (in years)	-	5.25 years	-	5.75 years	-	-

There were no cancellations or modifications to the rewards during the period/ year ended September 30,2017, March 31,2017 and April 01,2016.

The Black Scholes valuation model has been used for computing weighted average fair value considering the following inputs:

	ESOP 2016	ESOP 2005
Dividend yield (%)	1.00%	No Options Granted during the year
Expected volatility (%)	25.00%	
Risk free interest rate (%)	6.27%	
Spot price (Rs.)	4,524.33	
Exercise Price (Rs.)	2,928.75	
Expected life of options granted (years)	3.5 years	
Model used	Black Scholes	

The expected life of the share options are based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may not necessarily be the actual outcome.

Notes to the Special Purpose Unconsolidated Financial Statements for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

34 Related parties disclosures

Names of the related parties and related party relationship

A) Related parties where control exists

Ultimate holding company	West Bridge Venture LLC
Holding Company / Firm	West Bridge Venture II Investment Holdings (from 30th March, 2016)
	Mitter Infotech LLP, the holding firm (till 29th March, 2016)
Subsidiaries	Nazara Technologies FZ LLC
	Nazara Europe Limited (Dissolved on 2nd August, 2016)
	Nazara Pte Ltd
	Nazara Pro Gaming Private Limited (from 16th May 2017)
Stepdown subsidiaries	Nazara Technologies
	Nazara Zambia Limited
	Nzmobile Nigeria Limited
	Nzmobile Kenya Limited
	Nazara Uganda Limited
	Nazara Bangladesh Limited
Key management personnel	Sandeep Singhal - Independent Director
	Kuldeep Jain - Independent Director

B) Related parties with whom transactions have taken place during the year

Associate of subsidiary	Mastermind Sports Limited (from 22nd May 2017)
Key management personnel	Vikash Mittersain - Chairman Cum Managing Director
	Nitish Mittersain - Managing Director
Enterprises owned or controlled by key management personnel	Mitter Infotech LLP (formerly Mitter Infotech Private Limited)

C) Subsequent to 30th September, 2017, West Bridge Venture II Investment Holding sold/transferred 839,650 equity shares to financial investors and certain employees of the Company. Accordingly, West Bridge II Investment Holding is no longer the holding company and West Bridge Venture LLC is no longer the ultimate holding company from 23th November, 2017.

Notes to the Special Purpose Unconsolidated Financial Statements for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

34. Related parties disclosures (Cont'd)

D) Related party transactions:

	For the six month ended September 30, 2017	For the year ended March 31 2017
Remuneration to Key management personnel		
Vikash Mittersain (refer note below)	2.26	4.90
Nitish Mittersain (refer note below)	12.15	30.56
Cost of content		
Mastermind Sports Limited	0.12	-
Dividend paid		
Mitter Infotech LLP (formerly Mitter Infotech Private Limited)	84.31	-
West Bridge Venture II Investment Holdings	204.29	-
Vikash Mittersain	0.00*	-
Nitish Mittersain	0.00*	-
Dividend received		
Nazara Technologies FZ LLC	65.02	-
Nazara Pte Ltd	237.50	-
Rent paid on behalf of		
Vikash Mittersain	-	4.75
Nitish Mittersain	3.62	3.30
Rent recovered from		
Vikash Mittersain	-	4.75
Nitish Mittersain	3.00	3.30
Proceeds from liquidation of subsidiary		
Nazara Europe Limited	-	0.63
Shares acquired and subscribed		
Nazara Pro Gaming Private Limited	0.10	-
Investment in Subsidiary on account of Group share based payment		
Nazara Technologies FZ LLC	7.10	3.41
Recoverery of expenses on employee stock option scheme from subsidiary		
Nazara Technologies FZ LLC	11.47	5.52

On 2nd August, 2016, Nazara Europe Limited was dissolved and remitted Rs. 0.63 million to the Holding Company.

* Amount is less than 0.01 million

E) Amounts outstanding as at the balance sheet date:

	September 30 2017	March 31 2017
Balance payables at year end		
Vikash Mittersain	-	0.14
Nitish Mittersain	1.38	6.00
Advance given		
Nazara Pro Gaming Private Limited	0.01	-
Amount recoverable from subsidiary company		
Nazara Technologies FZ LLC	16.99	5.52

F) Compensation of Key management personnel

	For the six month ended September 30, 2017	For the year ended March 31 2017
Short-term employee benefits	13.59	33.83
Post- employment benefits (*)	0.82	1.64
Total remuneration	14.41	35.47

(*): Remuneration to the 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.

Notes to the Special Purpose Unconsolidated Financial Statements for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

35 Income tax

A Income tax expense in the statement of profit and loss consists of:

	For the six month ended September 30, 2017	For the year ended 31 March 2017
Current income tax:		
Income Tax (Current year)	74.26	41.41
Deferred tax (credit)	(11.00)	(0.95)
Income tax expense reported in the statement of profit or loss	**63.26**	**40.46**
Income tax recognised in other comprehensive income		
Deferred tax arising on income and expense recognised in other comprehensive income	0.21	0.96
Total	**63.47**	**41.40**

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:

	For the six month ended September 30, 2017	For the year ended 31 March 2017
Profit before tax	330.45	132.84
Enacted income tax rate in India	34.61%	34.61%
Computed expected tax expense	114.36	45.97
Effect of:		
Differential tax impact of dividend from subsidiary	(52.35)	-
Other temporary differences	1.25	(5.51)
Total income tax expense	**63.26**	**40.46**

C Deferred tax relates to the following: Balance sheet

	Balance sheet		
	September 30, 2017	**March 31, 2017**	**April 01, 2016**
Accelerated depreciation for tax purposes	2.43	1.57	1.03
Others			
43B disallowances - Allowance on payment basis	9.91	4.78	5.76
Disallowance for provision aaccounted	15.57	10.85	-
Other items giving rise to temporary differences	(4.88)	(4.96)	5.45
Net deferred tax assets	**23.03**	**12.24**	**12.24**

D Movement of deferred tax asset (net):

	September 30, 2017	March 31, 2017
Opening balance as of 1 April	12.23	12.24
Tax income during the period recognised in profit or loss	11.00	0.95
Tax (expense) during the period recognised in OCI	(0.21)	(0.96)
Closing balance	**23.02**	**12.23**

E Deferred tax relates to the following: Statement of profit or loss

	Statement of profit or loss	
	For the six month ended September 30, 2017	**For the year ended 31 March 2017**
Accelerated depreciation for tax purposes	0.86	0.54
Others		
43B disallowances - Allowance on payment basis	5.13	(0.99)
Disallowance for provision accounted	4.72	10.85
Other items giving rise to temporary differences	0.29	(9.45)
Net deferred tax credit	**11.00**	**0.95**

Notes to the Special Purpose Unconsolidated Financial Statements for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

36 Segment information

The company publishes special purpose unconsolidated financial statement along with the special purpose consolidated financial statement and in accordance with Ind AS 108, segment reporting, the company has opted to disclose the segment information in the special purpose consolidated financial statement.

37 Fair Value

The carrying value and fair value of financial instruments by categories are as below:

	Carrying value			Fair value		
	September 30, 2017	**March 31, 2017**	**April 01, 2016**	**September 30, 2017**	**March 31, 2017**	**April 01, 2016**
Financial assets - Non-current (measured at amortized cost)						
Security deposits	13.20	14.12	12.06	13.20	14.12	12.06
Fixed deposits with bank and interest accrued	1.73	1.68	1.57	1.73	1.68	1.57
Financial assets - Current (measured at amortized cost)						
Trade receivable	135.45	116.23	183.93	135.45	116.23	183.93
Cash and cash equivalents	20.63	78.08	102.44	20.63	78.08	102.44
Other bank balances	-	1.50	-	-	1.50	-
Investments in debentures	-	10.00	-	-	10.77	-
Security deposits	1.50	0.69	1.74	1.50	0.69	1.74
Loan to Moonglab Technologies Private Limited	2.50	-	-	2.50	-	-
Loan to employees	0.53	0.58	-	0.53	0.58	-
Other financial assets	150.41	46.36	88.74	150.41	46.36	88.74
Total assets	**325.95**	**269.24**	**390.48**	**325.95**	**270.01**	**390.48**
Financial liabilities - Current (measured at amortized cost)						
Trade and other payables	119.01	97.45	166.36	119.01	97.45	166.36
Other financial liabilities	27.08	27.46	20.00	27.08	27.46	20.00
Total liabilities	**146.09**	**124.91**	**186.36**	**146.09**	**124.91**	**186.36**

The financial assets above do not include investments in subsidiaries which are measured at cost in accordance with Ind AS 101, Ind AS 27 and Ind AS 28

The management assessed that fair values of cash and cash equivalents, trade receivables, trade payables, Interest accrued on bank deposits with banks, other current financial assets, other bank balances and other current financial liabilities approximates their carrying amounts largely due to the short-term maturities of these instruments.
The fair values of the remaining FVTPL financial asset are derived from quoted marker price in active markets

The fair values of security deposits 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.

38 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 categorizes 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.

Notes to the Special Purpose Unconsolidated Financial Statements for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

38. Fair value hierarchy for assets and liabilities (Cont'd)

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities:

I The carrying amount and fair value measurement hierarchy for assets as at September 30, 2017 is as follow

Particulars	Carrying Value	Fair Value	Date of valuation	Fair value measurement using			
				Quoted prices in active markets Level 1	Significant observable inputs Level 2	Significant unobservable inputs Level 3	Total
Investments in mutual funds	683.77	683.77	30-Sep-17	683.77	-	-	683.77
Investments in tax free bonds	63.41	63.41	30-Sep-17	63.41	-	-	63.41
Total	**747.18**	**747.18**		**747.18**	**-**	**-**	**747.18**

II The carrying amount and fair value measurement hierarchy for assets as at March 31, 2017:

Particulars	Carrying Value	Fair Value	Date of valuation	Fair value measurement using			
				Quoted prices in active markets Level 1	Significant observable inputs Level 2	Significant unobservable inputs Level 3	Total
Investments in mutual funds	652.76	652.76	31-Mar-17	652.76	-	-	652.76
Investments in tax free bonds	62.30	62.30	31-Mar-17	62.30	-	-	62.30
Total	**715.06**	**715.06**		**715.06**	**-**	**-**	**715.06**

III The carrying amount and fair value measurement hierarchy for assets as at April 01, 2016:

Particulars	Carrying Value	Fair Value	Date of valuation	Fair value measurement using			
				Quoted prices in active markets Level 1	Significant observable inputs Level 2	Significant unobservable inputs Level 3	Total
Investments in mutual funds	504.43	504.43	31-Mar-16	504.43	-	-	504.43
Investments in tax free bonds	56.22	56.22	31-Mar-16	56.22	-	-	56.22
Total	**560.65**	**560.65**		**560.65**	**-**	**-**	**560.65**

IV Assets/ Liabilities measured at Amortized cost

Particulars	Asset measured at amortised cost for which fair value is disclosed				
	Date of valuation	Quoted prices in active markets Level 1	Significant observable inputs Level 2	Significant unobservable inputs Level 3	Total
Investments in debentures	30-Sep-17	-	-	-	-
Investments in debentures	31-Mar-17	10.77	-	-	10.77
Investments in debentures	31-Mar-16	-	-	-	-

There have been no transfer between Level 1, 2 and 3 during the period September 30, 2017, March 31, 2017 and April 1, 2016

(Rupees in million, unless otherwise stated)

39 Financial risk management objectives and policies

The Company's principal financial liabilities comprise trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its 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 FVTOCI investments.

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.

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 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, FVTOCI investments.

The sensitivity analyses in the following sections relate to the position as at September 30, 2017,March 31,2017 and April 01,2016

The analyses exclude the impact of movements in market variables on: the carrying values of gratuity and other post-retirement obligations; provisions; and the non-financial assets and liabilities of foreign operations.

The following assumptions have been made in calculating the sensitivity analyses:

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 September 30,2017, March 31, 2017 and April 01,2016.

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.

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	September 30, 2017		March 31, 2017		April 01, 2016	
		Amt in FC	Amt in INR	Amt in FC	Amt in INR	Amt in FC	Amt in INR
USD	Cash and Bank balances	116,704	7.62	535,261	34.66	116,639	7.71
AED	Cash in hand	2,600	0.05	-	-	-	-
GBP	Cash in hand	1,000	0.08	-	-	-	-
USD	Trade receivable	619,988	40.49	227,293	14.72	642,139	42.47
USD	Other current assets	195,987	12.80	171,554	11.11	27,448	1.82
AED	Other current assets	955,497	16.99	313,123	5.52	-	-
EURO	Other current assets	1,084,448	83.65	-	-	-	-

ii) Amounts payable in foreign currency on account of the following:

Currency	Particulars	September 30, 2017		March 31, 2017		April 01, 2016	
		Amt in FC	Amt in INR	Amt in FC	Amt in INR	Amt in FC	Amt in INR
USD	Trade payable	672,358	43.90	648,632	42.00	1,401,002	92.66
EUR	Trade payable	25,662	1.98	-	-	-	-

Foreign currency sensitivity

5% increase or decrease in foreign exchange rates will have the following impact on profit before tax

	September 30, 2017		March 31, 2017		April 01, 2016	
	5% increase	5% decrease	5% increase	5% decrease	5% increase	5% decrease
USD	0.85	(0.85)	0.92	(0.92)	(2.03)	2.03
EURO	4.08	(4.08)	-	-	-	-
AED	0.85	(0.85)	0.28	0.28	-	-
GBP	0.00	(0.00)	-	-	-	-

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.

(Rupees in million, unless otherwise stated)

39 Financial risk management objectives and policies (Cont'd)

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 customers. Credit risk has always been 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. The Company does not hold collateral as security. The Company evaluates the concentration of risk with respect to trade receivables is low, as its customers are located in several jurisdictions and operate in largely independent markets. (for Detail movement in provision for trade receivables - please refer Note 10)

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Company's Board of Directors on an annual basis. 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 September 30, 2017, March 31, 2017, April 01, 2016 is the carrying amounts as illustrated in Note 10

c) 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. The Company has access to a sufficient variety of sources of funding maturing within 12 months can be rolled over with existing lenders.

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 September 30, 2017	On Demand	Less than 1 year	1 to 5 years	More than 5 years	Total
Trade payables	-	119.01	-	-	119.01
Other financial liabilities	-	27.08	-	-	27.08
Total	**-**	**146.09**	**-**	**-**	**146.09**

As at March 31, 2017	On Demand	Less than 1 year	1 to 5 years	More than 5 years	Total
Trade payables	-	97.45	-	-	97.45
Other financial liabilities	-	27.46	-	-	27.46
Total	**-**	**124.91**	**-**	**-**	**124.91**

As at April 01, 2016	On Demand	Less than 1 year	1 to 5 years	More than 5 years	Total
Trade payables	-	166.36	-	-	166.36
Other financial liabilities	-	20.00	-	-	20.00
Total	**-**	**186.36**	**-**	**-**	**186.36**

Notes to the Special Purpose Unconsolidated Financial Statements for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

40 Capital Management

For the purposes of Company capital management, Capital includes equity attributable to the equity holders of the Company and all other equity reserves. The primary objective of the Company capital management is to ensure that it maintains an efficient capital structure and maximize shareholder value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders or issue new shares. The Company is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes for managing capital during the six months ended September 30,2017 and year ended March 31, 2017.

	September 30, 2017	March 31, 2017
Equity Share capital	19.89	19.89
Free reserve	820.92	853.92
Reserve to Share capital (in no. of times)	0.02	0.02

41 Other events after the reporting period

1 West Bridge Venture II Investment Holding ('West Bridge') held 68.01% of the total equity capital of the Company and was the holding company as of 30th September 2017. On 23rd November 2017, West Bridge sold/transferred a significant stake to financial investors and certain employees of the Company, resulting in its holding reducing to less than 50%. Consequently, West Bridge is no longer the holding company and West Bridge Venture LLC is no longer the ultimate holding company from 23th November, 2017.

2 On 15th December 2017, the Company increased its authorized equity share capital from Rs 21,987,960 (2,198,796 shares of Rs 10/- each) to Rs 137,487,960(13,748,796 shares of Rs 10/- each).

3 On 28th December 2017, the shareholders of the Company approved for subdivision of 1 fully paid up equity share having face value of Rs 10/-each into 2.5 fully paid up equity share having face value of Rs 4/-each. The authorised equity share capital was increased to 34,371,990 equity shares of Rs 4 each.

Consequently, the outstanding 1,989,246 equity shares having face value of Rs 10 each aggregating to Rs 19,892,460 as at September 30, 2017 were subdivided into 4,973,115 equity shares having face value of Rs 4 each aggregating to Rs 19,892,460.

Further, the shareholders also approved the issuance of the Bonus shares in the ratio of 4:1 (4 bonus shares for every 1 equity share held). Consequently, the number of shares as at September 30, 2017 has increased from 4,973,115 equity shares to 24,865,575 equity shares.

The Earnings per share calculations have also been presented in accordance with Accounting Standard 33 "Earning per Share" notified under section 133 of the Companies Act, 2013, read together with rules thereunder, after giving effect to the split and bonus, mentioned above.

4 The Company has made the following investments after September 30, 2017:

i In January 2018, the Company has invested Rs. 767.68 million for 55% of equity share capital of Nodwin Gaming Private Limited ('Nodwin'), a company engaged in activities pertaining to eSports in India. The Company has made this investment by subscribing 3,414 equity shares of Rs 10/- each for Rs. 355.32 million issued by Nodwin for cash and by acquiring 3,962 equity shares of Rs 10/- each from an existing shareholders of Nodwin by issuing 7,53,854 equity Shares of the Company of Rs. 4/- each valued at Rs. 547/- fully paid.

Nazara issued 485,018 equity shares of Rs. 4 each at Rs. 547 per share to Turtle Entertainment GmBH ("ESL"), German eSports Company for Rs. 265.30 million to part fund this acquisition.

ii In December 2017, the Company has invested Rs 322.22 million for 52.38% of equity share capital of Nextwave Multimedia Private Limited ("NextWave"), a company engaged in the business of designing, marketing and publishing games across platforms. The Company made this investment by acquiring 11,921 equity shares of Rs 100 each from the existing shareholders for Rs. 220 million in cash and subscribing to 4,335 equity shares of Rs 100 each aggregating to Rs. 80 million, issued by NextWave for cash. Further, the Company acquired 1,204 equity shares of Rs 100 each from an existing shareholder of NextWave by issuing 3,263 equity Shares of the Company of Rs.10 each valued at Rs. 6,834 fully paid.
The Company borrowed Rs 300 million to fund this transaction.

iii During August 14, 2017, the Company has given loan of Rs. 2.5 million to Moonglabs Technologies Pvt Limited ('Moonglabs'), a company engaged in the business of development mobile software. In December 26, 2017, the Company has given additional loan of Rs.2.5 million to Moonglabs. The loan will be converted into fixed number of equity shares, at the option of the Company.

iv In November 2017, the Company has invested Rs 4.01 million for a 4% stake in Halaplay Technologies Private Limited('Halaplay'), on a fully diluted basis, pursuant to the agreement dated 27th September 2017. Halaplay is engaged in a business of providing a daily fantasy Sports (DFS) platform that empowers users to play game online.

5 In January 2018, the Company has raised Rs 500 million from preferential issue of 8 27,387 equity shares of Rs. 4 each to 14 investors at price of Rs. 604.32 per share for repayment of loans and for working capital.

Notes to the Special Purpose Unconsolidated Financial Statements for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

42 First-time adoption of Ind AS

The Special Purpose Unconsolidated Ind AS Financial Statements have been prepared for inclusion in the offer document, prepared by the Company in connection with its proposed Initial Public Offer as set out In the SEBI Circular SEBI/HO/CFD/DIL/CIR/P/2016/47 dated March 31, 2016. The Special Purpose Unconsolidated Ind AS Financial Statements are prepared in accordance with the recognition and measurement principles of Ind AS prescribed under section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Accounting Standards) Amendment Rules, 2016. These financial statements have been prepared in addition to the Financial Statements under Indian GAAP for the same period.

The Company will prepare and issue its first complete Ind AS financial statements as at and for the year ending March 31, 2018. Until the first complete Ind AS financial statements are issued, the balances in the Special Purpose Unconsolidated Ind AS Financial Statements can change if :-

(a) there are any new Ind AS standards issued through March 31, 2018

(b) there are any amendments/modifications made to existing Ind AS standards or interpretations thereof through March 31, 2018 effecting the Ind AS balances in these financial statements and

(c) if the Company makes any changes in the elections and/or exemptions selected on adoption of Ind AS at its transition date of April 1, 2016.

Only a complete set of financial statements together with comparative financial information can provide a fair presentation of a Company's state of affairs (financial position), profit (financial performance including other comprehensive income), cash flows and the changes in equity.

While preparing the Special Purpose Unconsolidated Financial statements under Ind AS for the six month period ended September 30, 2017 and for the year ended March 31, 2017, the relevant comparative financial information under Ind AS for the six month period ended September 30, 2016 and for the year ended March 31, 2016 respectively has not been presented.

Optional exemptions availed and mandatory exceptions
Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from Previous GAAP to Ind AS.
A. Optional exemptions availed
1. Investment in Subsidiaries, associates
Ind AS 101 permits a first time adopter to measure it's investment, at the date of transition, at cost determined in accordance with Ind AS 27, or deemed cost, The deemed cost of such investment shall be it's fair value at the Company's date of transition to Ind AS, or Previous GAAP carrying amount at that date. The Company has elected to measure its investment in subsidiaries at the Previous GAAP carrying amount as its deemed cost on the transition date.

2. Designation of previously recognised financial instruments
Ind AS 101 permits an entity to designate particular equity investments (other than equity investments in subsidiaries, associates and joint arrangements) as at fair value through other comprehensive income (FVOCI) based on facts and circumstances at the date of transition to Ind AS (rather than at initial recognition). Other equity investments are classified at fair value through profit or loss (FVTPL)

3. Share-based payment transactions exemption
Ind AS 102 Share-based Payment has not been applied to equity instruments in share-based payment transactions that vested before April 01 2016.

B. Mandatory exceptions
1. Estimates
An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies).

2. Derecognition of financial assets and liabilities
As per Ind AS 101, an entity should apply the derecognition requirements in Ind AS 109, Financial Instrumentss, prospectively for transactions occuring on or the after the date of transition to Ind AS. However, an entity may apply the derecognition requirements retrospectively from a date chosen by it if the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions.

3. Classification and measurement of financial assets
Ind AS 101 requires an entity to assess classification and measurement of financial assets (investment in debt instruments) on the basis of the facts and circumstances that exist at the date of transition to IND AS.

Notes to the Special Purpose Unconsolidated Financial Statements for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

42 First-time adoption of Ind AS (Cont'd)

A.1 - Reconciliation of equity as previously reported under Previous GAAP (I GAAP) to Ind AS as at September 30, 2017:

	Previous GAAP	Effect of transition to Ind AS	Ind AS
ASSETS			
Non-current assets			
Property, Plant and Equipment	8.13	-	8.13
Intangible assets	5.78	-	5.78
Intangible assets under development	2.80	-	2.80
Financial assets			
Investments	0.79	10.51	11.30
Loans	13.20	-	13.20
Other financial assets	1.73	-	1.73
Deferred tax assets (Net)	32.67	(9.64)	23.03
Other non-current assets	17.93	-	17.93
	83.03	**0.87**	**83.90**
Current assets			
Financial assets			
Investments	655.12	92.06	747.18
Trade receivable	135.45	-	135.45
Cash and cash equivalents	20.63	-	20.63
Other bank balances	-	-	-
Loans	4.53	-	4.53
Other financial assets	150.41	-	150.41
Other current assets	39.17	-	39.17
	1,005.31	**92.06**	**1,097.37**
Total Assets	**1,088.34**	**92.93**	**1,181.27**
EQUITY & LIABILITIES			
Equity			
Equity share capital	19.89	-	19.89
Other equity	850.66	92.93	943.59
Total equity	870.55	92.93	963.48
LIABILITIES			
Non-current liabilities			
Provisions	10.45	-	10.45
	10.45	**-**	**10.45**
Current liabilities			
Financial liabilities			
Trade and other payables	119.01	-	119.01
Other financial liabilities	27.08	-	27.08
Other current liabilities	7.09	-	7.09
Provisions	3.92	-	3.92
Current tax liabilities (Net)	50.24	-	50.24
	207.34	**-**	**207.34**
Total equity and liabilities	**1,088.34**	**92.93**	**1,181.27**

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note

Notes to the Special Purpose Unconsolidated Financial Statements for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

42 First-time adoption of Ind AS (Cont'd)

B.1 Reconciliation of Statement of Profit and Loss as previously reported under Previous GAAP (IGAAP) to Ind AS for the six months ended September 30, 2017:

	Previous GAAP	Effect of transition to Ind AS	Ind AS
Income			
Revenue from operations	321.36	-	321.36
Other income	310.72	22.01	332.73
Total Income	**632.08**	**22.01**	**654.09**
Expenses			
Cost of content	30.03	-	30.03
Employee benefits expense	126.56	22.60	149.16
Advertising cost	69.43	(0.22)	69.21
Other expenses	69.31	-	69.36
Depreciation and amortisation	5.56	-	5.56
Finance cost	0.37	-	0.32
Total expenses	**301.26**	**22.38**	**323.64**
Profit before tax	**330.82**	**(0.37)**	**330.45**
Tax expense:			
Income Tax (Current year)	74.26	-	74.26
Deferred tax charge/ (credit)	(13.24)	2.24	(11.00)
Profit for the year from continuing operations	**269.80**	**(2.61)**	**267.19**
Other Comprehensive Income			
A (i) Items that will not be reclassified to profit or loss	-	0.29	0.29
(ii) Income tax relating to items that will not be reclassified to profit or loss	-	(0.10)	(0.10)
B (i) Items that will be reclassified to profit or loss	-	1.10	1.10
(ii) Income tax relating to items that will be reclassified to profit or loss	-	(0.11)	(0.11)
Total Comprehensive Income for the year and other Comprehensive Income	**269.80**	**(1.43)**	**268.37**

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note

(Rupees in million, unless otherwise stated)

42 First-time adoption of Ind AS (Cont'd)

A.2 - Reconciliation of equity as previously reported under Previous GAAP (I GAAP) to Ind AS as at March 31, 2017:

	Previous GAAP	Effect of transition to Ind AS	Ind AS
ASSETS			
Non-current assets			
Property, Plant and Equipment	8.75	-	8.75
Intangible assets	8.05	-	8.05
Intangible assets under development	1.40	-	1.40
Financial assets			
Investments	0.69	3.41	4.10
Loans	14.12	-	14.12
Other financial assets	1.68	-	1.68
Deferred tax assets (Net)	19.42	(7.18)	12.24
Other non-current assets	19.54	-	19.54
	73.65	**(3.77)**	**69.88**
Current assets			
Financial assets			
Investments	656.33	68.73	725.06
Trade receivable	116.23	-	116.23
Cash and cash equivalents	78.08	-	78.08
Other bank balances	1.50	-	1.50
Loans	1.27	-	1.27
Other financial assets	46.36	-	46.36
Other current assets	29.93	-	29.93
	929.70	**68.73**	**998.43**
Total assets	**1,003.35**	**64.96**	**1,068.31**
EQUITY & LIABILITIES			
Equity			
Equity share capital	19.89	-	19.89
Other equity	833.70	64.96	898.66
Total equity	**853.59**	**64.96**	**918.55**
LIABILITIES			
Non-current liabilities			
Provisions	10.09	-	10.09
	10.09	**-**	**10.09**
Current liabilities			
Financial liabilities			
Trade and other payables	97.45	-	97.45
Other financial liabilities	27.46	-	27.46
Other current liabilities	11.05	-	11.05
Provisions	3.71	-	3.71
Current tax liabilities (Net)	-	-	-
	139.67	**-**	**139.67**
Total equity and liabilities	**1,003.35**	**64.96**	**1,068.31**

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note

Notes to the Special Purpose Unconsolidated Financial Statements for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

42 First-time adoption of Ind AS (Cont'd)

B.2 Reconciliation of Statement of Profit and Loss as previously reported under Previous GAAP (IGAAP) to Ind AS for the year ended March 31, 2017:

	Previous GAAP	Effect of transition to Ind AS	Ind AS
Income			
Revenue from operations	773.62	-	773.62
Other income	36.15	28.33	64.48
Total Income	**809.77**	**28.33**	**838.10**
Expenses			
Cost of content	54.19	-	54.19
Employee benefits expense	199.23	11.74	210.97
Advertising cost	236.38	(1.74)	234.64
Other expenses	193.02	-	193.63
Depreciation and amortisation	10.75	-	10.75
Finance cost	1.69	-	1.08
Total expenses	**695.26**	**10.00**	**705.26**
Profit before tax	**114.51**	**18.33**	**132.84**
Tax expense:			
Income Tax (Current year)	41.41	-	41.41
Deferred tax charge/ (credit)	(5.06)	4.11	(0.95)
Profit for the year from continuing operations	**78.16**	**14.22**	**92.38**
Other Comprehensive Income			
A (i) Items that will not be reclassified to profit or loss	-	1.01	1.01
(ii) Income tax relating to items that will not be reclassified to profit or loss	-	(0.35)	(0.35)
B (i) Items that will be reclassified to profit or loss	-	6.08	6.08
(ii) Income tax relating to items that will be reclassified to profit or loss	-	(0.61)	(0.61)
Total Comprehensive Income for the year and other Comprehensive Income	**78.16**	**20.35**	**98.51**

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note

Notes to the Special Purpose Unconsolidated Financial Statements for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

42 First-time adoption of Ind AS (Cont'd)

A.3 - Reconciliation of equity as previously reported under Previous GAAP (I GAAP) to Ind AS as at April 01, 2016:

	Previous GAAP	Effect of transition to Ind AS	Ind AS
ASSETS			
Non-current assets			
Property, Plant and Equipment	14.86	-	14.86
Intangible assets	4.53	-	4.53
Intangible assets under development	3.60	-	3.60
Financial assets	-	-	-
Investments	0.70	-	0.70
Loans	12.06	-	12.06
Other financial assets	1.57	-	1.57
Deferred tax assets (Net)	14.30	(2.06)	12.24
Other non-current assets	7.25	-	7.25
	58.87	**(2.06)**	**56.81**
Current assets			
Financial assets			
Investments	528.14	32.51	560.65
Trade receivable	183.93	-	183.93
Cash and cash equivalents	102.44	-	102.44
Other bank balances	-	-	-
Loans	1.74	-	1.74
Other financial assets	88.74	-	88.74
Other current assets	24.49	-	24.49
	929.48	**32.51**	**961.99**
Total Assets	**988.35**	**30.45**	**1,018.80**
EQUITY & LIABILITIES			
Equity			
Equity share capital	19.89	-	19.89
Other equity	732.71	30.45	763.16
Total equity	**752.60**	**30.45**	**783.05**
LIABILITIES			
Non-current liabilities			
Provisions	8.79	-	8.79
	8.79	**-**	**8.79**
Current liabilities			
Financial liabilities			
Trade and other payables	166.36	-	166.36
Other financial liabilities	20.00	-	20.00
Other current liabilities	38.89	-	38.89
Provisions	1.71	-	1.71
Current tax liabilities (Net)	-	-	-
	226.96	**-**	**226.96**
Total equity and liabilities	**988.35**	**30.45**	**1,018.80**

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note

Notes to the Special Purpose Unconsolidated Financial Statements for the six month ended September 30, 2017

(Rupees in million, unless otherwise stated)

42 First-time adoption of Ind AS (Cont'd)

Notes to reconciliation of equity as at April 01, 2016, March 31, 2017 and September 30, 2017 and profit or loss for the period / year ended Septmber 30, 2017 and March 31, 2017

Note 1: FVTPL/ FVOCI financial assets

Under the Previous GAAP, investments in equity instruments and mutual funds, tax free bonds were classified as current investments based on the intended holding period and realisability. Current investments were carried at lower of cost and fair value. Under Ind AS, these investments are required to be measured at fair value. The Company has designated investments in mutual funds as FVTPL instruments and investments in tax free bonds as FVOCI instruments. The resulting fair value changes of the investments in mutual funds and tax free bonds have been recognised in other equity and FVOCI reserve, net of related deferred taxes at the date of transition i.e. April 1, 2016 for the purpose of Special Purpose Unconsolidated Financial Information and subsequently in the profit or loss and FVOCI reserves respectively for the period / year ended September 30,2017 and March 31, 2017.

Note 2: Property, Plant & Equipment and Intangible Asset

The Company has elected to measure all items of Property, Plant & Equipment in accordance with Ind AS 16 retrospectively. Similar approach has been followed with respect to intangible assets.

Note 3: Deferred tax

Under Ind AS, deferred taxes are accounted using balance sheet approach based on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of balance sheet approach has resulted in recognition of deferred tax on new temporary differences which was not required under IGAAP. Under IGAAP, the deferred taxes are accounted using income statement approach i.e. differences between taxable profits and accounting profits for the period.

Note 4: Defined benefit liabilities

Under Ind AS, re-measurements i.e. actuarial gains and losses excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit or loss. Under the Previous GAAP, these re-measurements were forming part of the profit or loss for the year.

Note 5: Other comprehensive income

Under Indian GAAP, the Company has not presented other comprehensive income (OCI) separately. Hence, it has reconciled Indian GAAP profit or loss to profit or profit or loss as per Ind AS. Further, Indian GAAP profit or loss is reconciled to total comprehensive income as per Ind AS.

Note 6: Statement of cash flows

The transition from Indian GAAP to Ind AS has not had a material impact on the statement of cash flows.

As per our report of even date attached

For S.R.Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number : 101049W/E300004

per Govind Ahuja
Partner
Membership no: 48966

Place of Signature: Mumbai
Date : January 17, 2018

For and on behalf of the Board of directors of
Nazara Technologies Limited

Vikash Mittersain
Chairman Cum Managing Director
DIN-00156740

Nitish Mittersain
Managing Director
DIN-02347434

Rakesh Shah
Chief Financial Officer

Vinav Agarwal
Company Secretary

Place of Signature: Mumbai
Date : January 17, 2018

Independent Practitioner's Assurance report on the Compilation of proforma financial information included in offer document in connection with the Initial Public Offer of Nazara Technologies Limited (formerly known as Nazara Technologies Private Limited)

January 17, 2018

The Board of Directors
Nazara Technologies Limited
51-57, Maker Chambers 3,
Nariman Point, Mumbai 400021
Maharashtra, India

Dear Sirs

1. We have completed our assurance engagement to report on the compilation of proforma financial information of Nazara Technologies Limited (formerly known as Nazara Technologies Private Limited) ("the Company") which consists of the proforma consolidated balance sheet as at March 31, 2017 and as at September 30, 2017, the proforma consolidated statement of profit and loss for the year ended March 31, 2017 and for the six month period ended September 30, 2017 and related notes as set out on pages 5 to 6 of the proforma financial information. The proforma financial information has been compiled by the Management of Company to illustrate the impact of acquisition of Next Wave Multimedia Private Limited ("Nextwave") and Nodwin Gaming Private Limited ("Nodwin") as set out in Note 2 to the proforma financial Information on the Company's financial position as at March 31, 2017 and September 30, 2017 and its financial performance for the year ended March 31, 2017 and six month period ended September 30, 2017 as if the acquisition of Nextwave and Nodwin had taken place at April 1, 2016 and April 1, 2017, respectively.

2. The applicable criteria on the basis of which the Company has compiled the proforma financial information are specified in paragraph 23 of item (IX)(B) of Schedule VIII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("SEBI Regulations"), as amended from time to time and described in note 1 of proforma financial information.

3. As part of this process, information about the Company's financial position and financial performance has been extracted by the Management from the Restated Consolidated summary statement of Assets and Liabilities as at September 30, 2017, March 31, 2017, 2016, 2015, 2014, and 2013 and Profits and Losses and Cash Flows for six month period ended September 30, 2017 and for each of the years ended March 31, 2017, 2016, 2015, 2014, and 2013 of the Company and its subsidiaries (together referred to as "the Group") and its associate (collectively, the "Restated Consolidated Summary Statements"), on which we have issued our examination report.

Management Responsibility for the Proforma Financial Information

4. The Management is responsible for compiling the proforma financial information on the basis set out in note 2 to the proforma financial Information and the same have been approved by the Board of Directors of the Company. This responsibility includes the responsibility for designing, implementing and maintaining internal control relevant for compiling the proforma financial information on the basis set out in note 2 to the proforma financial information that is free from material misstatement, whether due to fraud or error. The Management is also responsible for identifying and ensuring that the Company complies with the laws and regulations applicable to its activities, including compliance with the provisions of the laws and regulations for the compilation of proforma financial information.

Practitioner's Responsibilities

5. Our responsibility is to express an opinion, as required by the SEBI Regulations, about whether the proforma financial information of the Company have been compiled, in all material respects, by the Management on the basis set out in Note 2 to the proforma financial information.

6. We conducted our engagement in accordance with Standard on Assurance Engagements (SAE) 3420, Assurance Engagements to Report on the Compilation of Proforma Financial Information Included in a Prospectus, issued by the Institute of Chartered Accountants of India. This Standard requires that we comply with ethical requirements and plan and perform procedures to obtain reasonable assurance about whether the Management has compiled, in all material respects, the proforma financial information on the basis set out in Note 2 to the proforma financial information.

7. For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information / restated consolidated summary statements used in compiling the proforma financial information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the proforma financial information. For our assurance engagement, we have placed reliance on the following:

   a. the Restated Consolidated Summary Statements of the Group and its associate.

   b. the audited financial statements of Nextwave and Nodwin as of and for the year ended March 31, 2017 and as of and for six month period ended September 30, 2017, which are audited by other firms of chartered accountants.

8. The purpose of proforma financial information included in offer document is solely to illustrate the impact of above mentioned acquisition on unadjusted financial information of the Company as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the above mentioned acquisitions at December 22, 2017 and January 10, 2018 would have been as presented.

9. A reasonable assurance engagement to report on whether the proforma financial information has been compiled, in all material respects, on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the Management in the compilation of the proforma financial information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

   - The related proforma adjustments give appropriate effect to those criteria; and
   - The proforma financial information reflects the proper application of those adjustments to the unadjusted financial information.

   The procedures selected depend on the practitioner's judgment, having regard to the practitioner's understanding of the nature of the company, the event or transaction in respect of which the proforma financial information has been compiled, and other relevant engagement circumstances.

   The engagement also involves evaluating the overall presentation of the proforma financial information.

10 Our work has not been carried out in accordance with the auditing or other standards and practices generally accepted in other jurisdictions and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices.

11 We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

12. In our opinion the proforma financial information have been compiled, in all material respects, on the basis set out in the Note 2 to the proforma financial information.

Restrictions on Use

13. This report should not in any way be construed as a reissuance or reauditing or re-examination of any of the previous audit reports issued by us. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

14. Our report is intended solely for use of the Management for inclusion in the offer document to be filed with SEBI, BSE Limited, the National Stock Exchange of India Limited and Registrar of Companies, New Delhi in connection with the proposed Initial public offering of the Company and is not to be used, referred to or distributed for any other purpose except with our prior consent in writing.

For S. R. BATLIBOI & ASSOCIATES LLP
ICAI Firm Registration Number: 101049W/E300004
Chartered Accountants

Per Govind Ahuja
Partner
Membership Number: 048966

Date: January 17, 2018
Place: Mumbai

Nazara Technologies Limited
(Formerly Known as Nazara Technologies Private Limited)

Proforma consolidated balance sheet as at March 31, 2017

(Rupees in million, unless otherwise stated)

Particulars	Note for proforma adjustments	Nazara Consolidated Restated	Nodwin	Nextwave	Proforma adjustments				Proforma consolidated as at March 31, 2017
					Accounting policy adjustments	Acquisition adjustments	Offering related adjustments	Total adjustments	
		A	B	C	D	E	F	G=D+E+F	H = A+B+C+G
Equity and liabilities									
Shareholders' funds									
Share capital	**4 A (1)**	19.89	0.10	2.90	-	5.30	-	5.30	28.19
Reserves and surplus	**4 A (1)**	2,144.31	11.64	33.42	-	1,146.53	-	1,146.53	3,335.90
		2,164.20	**11.74**	**36.32**	**-**	**1,151.83**	**-**	**1,151.83**	**3,364.09**
Minority Interest	**4 A (2)**	**-**	-	-	-	220.60	-	220.60	220.60
Non-current liabilities									
Long-term borrowings	**4 A (4)**	-	-	41.40	-	(12.86)	-	(12.86)	28.54
Long-term provisions		13.05	-	-	-	-	-	-	13.05
Deferred tax liabilities (Net)		-	0.03	-	-	-	-	-	0.03
		13.05	**0.03**	**41.40**	**-**	**(12.86)**	**-**	**(12.86)**	**41.62**
Current liabilities									
Short-term Borrowings		-	0.72	-	-	-	-	-	0.72
Trade payable		240.16	14.77	1.17	-	-	-	-	256.10
Other current liabilities		158.07	8.86	9.38	-	-	-	-	176.31
Short-term provisions		7.34	3.20	5.55	-	-	-	-	16.09
		405.57	**27.55**	**16.10**	**-**	**-**	**-**	**-**	**449.22**
Total		**2,582.82**	**39.32**	**93.82**	**-**	**1,359.57**	**-**	**1,359.57**	**4,075.53**
Assets									
Non-current assets									
Fixed assets									
Property, plant and equipments	**3**	10.28	0.79	53.17	(48.04)	-	-	(48.04)	16.20
Intangible assets	**3**	8.04	-	2.76	45.28	-	-	45.28	56.08
Intangible assets under development	**3**	1.40	-	-	2.76	-	-	2.76	4.16
Goodwill on consolidation	**4 A (2)**	-	-	-	-	827.12	-	827.12	827.12
Non-current investments		38.05	-	-	-	-	-	-	38.05
Deferred tax assets (net)		42.46	-	7.11	-	-	-	-	49.57
Long term loans and advances		61.29	-	-	-	-	-	-	61.29
Other non current assets		1.68	-	-	-	-	-	-	1.68
		163.20	**0.79**	**63.04**	**0.00**	**827.12**	**-**	**827.12**	**1,054.15**
Current assets									
Current investments		656.31	-	-	-	-	-	-	656.31
Trade receivables		259.50	22.32	19.24	-	-	-	-	301.06
Cash and bank balances	**4 A (5)**	1,138.31	3.40	5.48	-	532.45	-	532.45	1,679.64
Short-term loans and advances		34.32	-	5.98	-	-	-	-	40.30
Other current assets		331.18	12.81	0.08	-	-	-	-	344.07
		2,419.62	**38.53**	**30.78**	**-**	**532.45**	**-**	**532.45**	**3,021.38**
Total		**2,582.82**	**39.32**	**93.82**	**0.00**	**1,359.57**	**-**	**1,359.57**	**4,075.53**

For and on behalf of the Board of directors of Nazara Technologies Limited

Vikash Mittersain
Chairman Cum Managing Director
DIN-00156740

Nitish Mittersain
Managing Director
DIN-02347434

Rakesh Shah
Chief Financial Officer

Place of Signature: Mumbai
Date: January 17, 2018

Vinav Agarwal
Company Secretary

Place of Signature: Mumbai
Date: January 17, 2018

Nazara Technologies Limited
(Formerly Known as Nazara Technologies Private Limited)

Proforma consolidated balance sheet as at September 30, 2017

(Rupees in million, unless otherwise stated)

					Proforma adjustments				
Particulars	**Note for proforma adjustments**	**Nazara Consolidated Restated**	**Nodwin**	**Nextwave**	**Accounting policy adjustments**	**Acquisition adjustments**	**Offering related adjustments**	**Total adjustments**	**Proforma consolidated as at September 30, 2017**
		A	**B**	**C**	**D**	**E**	**F**	**G=D+E+F**	**H = A+B+C+G**
Equity and liabilities									
Shareholders' funds									
Share capital	**4 A (1)**	19.89	0.10	2.90	-	5.30	-	5.30	28.19
Reserves and surplus	**4 A (1)**	2,097.25	28.69	54.97	-	1,107.93	-	1,107.93	3,288.84
		2,117.14	**28.79**	**57.87**	**-**	**1,113.23**	**-**	**1,113.23**	**3,317.03**
Minority Interest	**4 A (2)**	**-**	-	-	-	238.55	-	238.55	238.55
Non-current liabilities									
Long-term borrowings	**4 A (4)**	-	-	36.15	-	(9.62)	-	(9.62)	26.53
Long-term provisions		13.69	-	-	-	-	-	-	13.69
		13.69	**-**	**36.15**	**-**	**(9.62)**	**-**	**(9.62)**	**40.22**
Current liabilities									
Short-term Borrowings		-	0.72	-	-	-	-	-	0.72
Trade payable		307.41	15.42	0.81	-	-	-	-	323.64
Other current liabilities		85.73	25.59	5.27	-	-	-	-	116.59
Short-term provisions		59.62	6.53	10.14	-	-	-	-	76.29
		452.76	**48.26**	**16.22**	**-**	**-**	**-**	**-**	**517.24**
Total		**2,583.59**	**77.05**	**110.24**	**-**	**1,342.16**	**-**	**1,342.16**	**4,113.04**
Assets									
Non-current assets									
Fixed assets									
Property, plant and equipments	**3**	9.26	1.84	60.72	(55.34)	-	-	(55.34)	16.48
Intangible assets	**3**	5.77	-	2.76	52.58	-	-	52.58	61.11
Intangible assets under development	**3**	2.80	-	-	2.76	-	-	2.76	5.56
Goodwill on consolidation	**4 A (2)**	-	-	-	-	806.47	-	806.47	806.47
Non-current investments		44.59	-	-	-	-	-	-	44.59
Deferred tax assets (net)		36.44	0.02	13.25	-	-	-	-	49.71
Long term loans and advances		62.28	-	-	-	-	-	-	62.28
Other non current assets		1.73	-	-	-	-	-	-	1.73
		162.87	**1.86**	**76.73**	**(0.00)**	**806.47**	**-**	**806.47**	**1,047.93**
Current assets									
Current investments		736.90	-	-	-	-	-	-	736.90
Trade receivables		365.72	43.62	13.32	-	-	-	-	422.66
Cash and bank balances	**4 A (5)**	859.85	26.80	13.81	-	535.69	-	535.69	1,436.15
Short-term loans and advances		33.78	-	5.83	-	-	-	-	39.61
Other current assets		424.47	4.77	0.55	-	-	-	-	429.79
		2,420.72	**75.19**	**33.51**	**-**	**535.69**	**-**	**535.69**	**3,065.11**
Total		**2,583.59**	**77.05**	**110.24**	**(0.00)**	**1,342.16**	**-**	**1,342.16**	**4,113.04**

For and on behalf of the Board of directors of Nazara Technologies Limited

Vikash Mittersain
Chairman Cum Managing Director
DIN-00156740

Nitish Mittersain
Managing Director
DIN-02347434

Rakesh Shah
Chief Financial Officer

Place of Signature: Mumbai
Date: January 17, 2018

Vinav Agarwal
Company Secretary

Place of Signature: Mumbai
Date: January 17, 2018

Nazara Technologies Limited
(Formerly Known as Nazara Technologies Private Limited)

Proforma consolidated statement of profit and loss for the year ended March 31, 2017

(Rupees in million, unless otherwise stated)

Particulars	Note for proforma adjustments	Nazara Consolidated Restated	Nodwin	Nextwave	Proforma adjustments: Accounting policy adjustments	Proforma adjustments: Acquisition adjustments	Proforma adjustments: Offering related adjustments	Proforma adjustments: Total adjustments	Proforma consolidated as at March 31, 2017
		A	B	C	D	E	F	G = D+E+F	H = A+B +C+G
Revenue from operations		1,901.58	90.28	87.06	-	-	-	-	2,078.92
Other income		87.60	0.13	0.05	-	-	-	-	87.78
Total income		**1,989.18**	**90.41**	**87.11**	**-**	**-**	**-**	**-**	**2,166.70**
Expenses									
Purchase of content		107.32	-	-	-	-	-	-	107.32
Production Expense		-	-	23.72	-	-	-	-	23.72
Advertising Cost		529.43	-	-	-	-	-	-	529.43
Employee benefit expenses	**4 B (1)**	238.64	5.32	16.04	-	148.45	-	148.45	408.45
Finance cost		-	0.04	6.08	-	-	-	-	6.12
Other expenses	**4 B (2)**	404.13	74.41	10.51	-	17.08	-	17.08	506.13
Depreciation and amortisation expense		11.58	0.70	10.20	-	-	-	-	22.48
Total expenses		**1,291.10**	**80.47**	**66.55**	**-**	**165.53**	**-**	**165.53**	**1,603.65**
Profit before tax		**698.08**	**9.94**	**20.56**	**-**	**(165.53)**	**-**	**(165.53)**	**563.05**
Tax expenses									
Current tax		129.90	3.20	4.19	-	-	-	-	137.29
Deferred tax charge / (credit)		(29.02)	(0.02)	(6.69)	-	-	-	-	(35.73)
Total tax expense		**100.88**	**3.18**	**(2.50)**	**-**	**-**	**-**	**-**	**101.56**
Profit / (loss) after taxation		**597.20**	**6.76**	**23.06**	**-**	**(165.53)**	**-**	**(165.53)**	**461.49**
Share of (loss) from associates		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Restated profit for the period/year		**597.20**	**6.76**	**23.06**	**-**	**(165.53)**	**-**	**(165.53)**	**461.49**
Proforma Earning Per share (EPS)									
Basic									
Weighted average no of share (EPS)									26,972,619
EPS (Rs.)									17.11
Diluted									
Weighted average no of share (EPS)									28,120,123
EPS (Rs.)									16.41

For and on behalf of the Board of directors of Nazara Technologies Limited

Vikash Mittersain
Chairman Cum Managing Director
DIN-00156740

Nitish Mittersain
Managing Director
DIN-02347434

Rakesh Shah
Chief Financial Officer

Place of Signature: Mumbai
Date: January 17, 2018

Vinav Agarwal
Company Secretary

Place of Signature: Mumbai
Date: January 17, 2018

Nazara Technologies Limited
(Formerly Known as Nazara Technologies Private Limited)

Proforma consolidated statement of profit and loss for the six months ended September 30, 2017

(Rupees in million, unless otherwise stated)

Particulars	Note for proforma adjustments	Nazara Consolidated Restated	Nodwin	Nextwave	Proforma adjustments: Accounting policy adjustments	Proforma adjustments: Acquisition adjustments	Proforma adjustments: Offering related adjustments	Proforma adjustments: Total adjustments	Proforma consolidated as at September 30, 2017
		A	B	C	D	E	F	G = D+E+F	H = A+B +C+G
Revenue from operations		838.93	104.65	49.90	-	-	-	-	993.48
Other income		48.06	0.13	-	-	-	-	-	48.19
Total income		**886.99**	**104.78**	**49.90**	**-**	**-**	**-**	**-**	**1,041.67**
Expenses									
Purchase of content		45.06	-	-	-	-	-	-	45.06
Production Expense		-	-	4.74	-	-	-	-	4.74
Advertising Cost		236.88	-	-	-	-	-	-	236.88
Employee benefit expenses	**4 B (1)**	152.43	5.14	11.84	-	74.22	-	74.22	243.63
Finance Costs		-	0.03	2.29	-	-	-	-	2.32
Other expenses	**4 B (2)**	136.67	75.58	6.50	-	17.08	-	17.08	235.83
Depreciation and amortisation expense		5.95	0.49	5.20	-	-	-	-	11.64
Total expenses		**576.99**	**81.24**	**30.57**	**-**	**91.30**	**-**	**91.30**	**780.10**
Profit before tax		**310.00**	**23.54**	**19.33**	**-**	**(91.30)**	**-**	**(91.30)**	**261.57**
Tax expenses									
Current tax		106.66	6.53	3.94	-	-	-	-	117.13
Deferred tax charge / (credit)		4.57	(0.05)	(5.73)	-	-	-	-	(1.21)
Total tax expense		**111.23**	**6.48**	**(1.79)**	**-**	**-**	**-**	**-**	**115.92**
Profit / (loss) after taxation		**198.77**	**17.06**	**21.12**	**-**	**(91.30)**	**-**	**(91.30)**	**145.65**
Share of (loss) from associates		**(0.32)**	-	-	-	-	-	-	**(0.32)**
Restated profit for the period/year		**198.45**	**17.06**	**21.12**	**-**	**(91.30)**	**-**	**(91.30)**	**145.33**
Proforma Earning Per share (EPS)									
Basic									
Weighted average no of share (EPS)									26,972,619
EPS (Rs.)									5.39
Diluted									
Weighted average no of share (EPS)									27,429,736
EPS (Rs.)									5.30

For and on behalf of the Board of directors of Nazara Technologies Limited

Vikash Mittersain
Chairman Cum Managing Director
DIN-00156740

Nitish Mittersain
Managing Director
DIN-02347434

Rakesh Shah
Chief Financial Officer

Place of Signature: Mumbai
Date: January 17, 2018

Vinav Agarwal
Company Secretary

Place of Signature: Mumbai
Date: January 17, 2018

Notes to the proforma financial information as at and for the year ended March 31, 2017 and the six months ended September 30, 2017

1. Background

Nazara Technologies Limited ('the Company' or 'Holding Company') was incorporated in India on 8th December, 1999 as a Private Limited Company, engaged in providing subscription/download of games / other contents through telecom consumer base in India and worldwide and digital advertising services. On 13th December 2017, the Company has converted from a Private Company to Public Company consequent to which the name has been changed from Nazara Technologies Private Limited to Nazara Technologies Limited.

The Holding Company along with its subsidiary companies is hereinafter collectively referred to as the 'Group'.

On 22nd December 2017, the Company has invested Rs 322.22 million for 52.38% of equity share capital of Nextwave Multimedia Private Limited ("NextWave"), a company engaged in the business of designing, marketing and publishing games across platforms. The Company made this investment by acquiring 11,921 equity shares of Rs 100 each from the existing shareholders for Rs. 220.00 million in cash and subscribing to 4,335 equity shares of Rs 100 each aggregating to Rs. 80.00 million, issued by NextWave for cash, aggregating to total cash consideration of Rs. 300 million. Further, the Company acquired 1,204 equity shares of Rs 100 each from an existing shareholder of NextWave by issuing 3,263 equity shares of the Company of Rs.10 each fully paid valued at Rs. 6,834 per share aggregating to Rs. 22.22 million.

On 10th January 2018, the Company has invested Rs. 767.68 million for 54.99% of equity share capital of Nodwin Gaming Private Limited ('Nodwin'), a company engaged in eSports in India. The Company has made this investment by subscribing 3,414 equity shares of Rs 10/- each for Rs. 355.32 million issued by Nodwin for cash and by acquiring 3,962 equity shares of Rs 10/- each from an existing shareholders of Nodwin by issuing 753,854 equity Shares of the Company of Rs. 4/- each fully paid valued at Rs. 547 per share aggregating to Rs. 412.36 million.

Nextwave and Nodwin have become subsidiaries of the Company with effect from 22nd December 2017 and 10th January 2018 respectively.

The proforma financial information has been prepared by the Management of the Company in accordance with the requirements of clause (23) of point (IX) (B) of Part A of Schedule VIII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended to date (the "SEBI Regulations") issued by the Securities and Exchange Board of India (the "SEBI") to reflect the impact of a significant acquisitions made after the date of the latest annual audited financial statements of the Company, viz., March 31, 2017.

2. Basis of Preparation

The proforma financial information of the Company comprising the consolidated proforma balance sheet as at September 30, 2017 and as at March 31, 2017, the consolidated proforma statement of profit and loss for the six months period ended September 30, 2017 and for the year ended March 31, 2017, read with the notes to the proforma financial information, has been prepared to reflect acquisition of Nodwin and Nextwave. Because of their nature, the proforma financial information addresses a hypothetical situation and therefore, do not represent Nazara's actual consolidated financial position as at September 30, 2017 and March 31, 2017 nor does it represent Nazara's consolidated financial results for the six months ended September 30, 2017 and year ended March 31, 2017. They purport to indicate the results of operations that would have resulted had the acquisition been completed at the beginning of the period presented and the consolidated financial position had the acquisition been completed as at the year/ period end, but are not intended to be indicative of expected results or operations in the future periods or the future financial position of Nazara.

As explained in the following paragraphs, the proforma consolidated balance sheet as at September 30, 2017 and March 31, 2017 has been prepared to reflect the acquisition by Nazara of Nodwin and Nextwave as of September 30, 2017 and March 31, 2017 as if acquisition happened on September 30, 2017 and March 31, 2017 respectively. The proforma consolidated statement of profit and loss account for the six months ended September 30, 2017 and the year ended March 31, 2017 combine the consolidated financial statements of the Group, Nodwin and Nextwave for the aforesaid period as if the acquisition occurred on April 01, 2017 and April 01, 2016 respectively. The financial year-end of the Company and that of Nodwin and Nextwave is March 31. The adjustments made to the proforma financial information are included in the below note 3 and 4.

The proforma financial information is based on:

a) the restated consolidated balance sheet of the Group as at September 30, 2017 and March 31, 2017 and the restated consolidated profit and loss of the Group for the six months ended September 30, 2017 and for the years ended March 31, 2017;

b) the audited financial statements of Nodwin and Nextwave prepared in accordance with Indian GAAP as at and for the six months ended September 30, 2017 and as at and for the year ended March 31, 2017 on which other firms of accountants have expressed an unmodified audit opinion in their reports dated October 12, 2017 and September 04, 2017 respectively for Nodwin and December 19, 2017 and September 01, 2017 respectively for Nextwave.

The audited financial statements of Nodwin and Nextwave have been prepared as per Indian GAAP and adjusted to comply with Nazara group accounting policies in all material aspects (collectively referred to as "Group accounting policies" as appearing in Consolidated restated summary statement). Nextwave follows an accounting policy of capitalizing internally generated intangible assets which meets the criteria of Intangible assets as it is an identifiable assets that generate the probable future economic benefits and the cost can be measured reliably. These are amortised equally over a period of 5 years. Following is their accounting policy on capitalization and amortisation:

Cost of internally generated intangible games are not capitalized and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred unless it is towards capitalized development cost.

Research costs are expensed as incurred. Development expenditure incurred on an individual project is recognized as an intangible asset when the company can demonstrate all the following:

- The technical feasibility of completing the intangible asset so that it will be available for use or sale
- Its intention to complete the asset
- Its ability to use or sell the asset
- How the asset will generate future economic benefits
- The availability of adequate resources to complete the development and to use or sell the asset
- The ability to measure reliably the expenditure attributable to the intangible asset during development.

Notes to the proforma financial information as at and for the year ended March 31, 2017 and the six months ended September 30, 2017

Following the initial recognition of the development expenditure as an asset, the cost model is applied requiring the asset to be carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete and the asset is available for use. It is amortized on a straight line basis over the period of expected future benefit from the related project, i.e., the estimated useful life of ten years. Amortization is recognized in the statement of profit and loss. During the period of development, the asset is tested for impairment annually.

The Company amortises internally generated games over period of 5 years.

The proforma adjustments listed in the consolidated proforma balance sheet and consolidated proforma statement of profit and loss are based upon available information and assumptions that the management of Nazara believes to be reasonable. Such proforma financial information has not been prepared in accordance with auditing or other standards and practices generally accepted in other jurisdictions and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices. Accordingly, the degree of reliance placed by investors in other jurisdictions on such proforma financial information should be limited. In addition, the rules and regulations related to the preparation of proforma financial information in other jurisdictions may also vary significantly from the basis of preparation as set out in paragraphs below to prepare these proforma financial statements.

3. Proforma adjustment related to accounting policies

Property, plant and equipment of Rs 55.34 recognised in the financial statements for the six month ended September 30, 2017 and Rs 48.04 million for the year ended March 31, 2017 of Nextwave represents internally generated intangible assets and intangible assets under development. Hence same has been reclassified in the proforma balance sheet as intangible assets and intanible assets under development.

4. Proforma adjustments related to acquisition

A The following adjustments have been made to proforma balance sheet:

1. Shareholder's fund after issuance of fresh equity shares to the shareholders of Nextwave, Nodwin and other shareholders are as under:

	September 30, 2017		March 31, 2017	
Particulars	**Share capital**	**Reserve and surplus**	**Share capital**	**Reserve and surplus**
Shareholder's fund of Nazara	19.89	2,097.25	19.89	2,144.31
Shareholder's fund of Nodwin and Nextwave	3.00	83.66	3.00	45.06
Total shareholder's fund	22.89	2,180.91	22.89	2,189.37
Fresh issuance of equity shares	8.30	1,191.59	8.30	1,191.59
Cancellation of Nodwin and Nextwave shareholder's fund	(3.00)	(83.66)	(3.00)	(45.06)
Net change in shareholder's fund	5.30	1,107.93	5.30	1,146.53
Total shareholder's funds	28.19	3,288.84	28.19	3,335.90

2. While preparing the proforma consolidated balance sheet, the acquisition of Nodwin and Nextwave was assumed to have taken place at September 30, 2017 and as at March 31, 2017. The goodwill and minority interest has been calculated based on the balance sheet of Nodwin and Nextwave at September 30, 2017 and as at March 31, 2017 after giving effect to the adjustments described in note 3 above and explained as under.

		March 31, 2017			September 30, 2017		
Particulars		**Nodwin**	**Nextwave**	**Total**	**Nodwin**	**Nextwave**	**Total**
Cost of Investment	A	767.68	322.22	1,089.90	767.68	322.22	1,089.90
Net worth as at date of acquisition after considering capital infusion by Nazara	B	367.06	116.32	483.38	384.11	137.87	521.98
% Stake acquired	C	54.99%	52.38%		54.99%	52.38%	
Share of net worth	D=B*C	201.84	60.93	262.77	211.21	72.22	283.43
Goodwill on consolidation	E=A-D	565.84	261.29	827.14	556.47	250.01	806.48
Minority Interest	F=B-D	165.22	55.39	220.62	172.90	65.66	238.55

3. The cash considerations for Nextwave of Rs 300 million paid have been discharged by availing short term borrowings of 300 million. Further, the Company has raised Rs.765.31 million from issue of 13,12,405 equity shares of Rs. 4 each which comprised of issue of 485,018 equity shares of Rs.4 each at Rs. 547 per share to Turtle Entertainment GmBH ("ESL") for Rs. 265.30 million and preferential issue of 827,387 equity shares of Rs. 4 each to 14 investors at price of Rs. 604.32 per share for Rs. 500 million. Out of these proceeds, the Company has discharged to Rs. 300 million repaid to short term borrowings and Rs.355.32 million as cash consideration to Nodwin.

4. Of the proceeds from issue of shares, Nextwave has repaid borrowings from an investor after September 30, 2017 which has outstanding balance of Rs 12.86 million and Rs 9.62 million at March 31, 2017 and September 30, 2017 and hence, the Company has reflected this as an Acquisition related adjustment as on as on March 31, 2017 and September 30, 2017.

5. The net increase of Rs 532.45 million and Rs 535.69 million as at March 31, 2017 and September 30, 2017 in cash and bank balance is on account of proceeds from the issue of equity shares to outside parties, availing and repayment of short term borrowings, repayment of loan by Nextwave and discharge of purchase consideration in cash by Nazara to Nextwave and Nodwin considering that all the above transaction have been consummated at March 31, 2017 and September 30, 2017 respectively.

Notes to the proforma financial information as at and for the year ended March 31, 2017 and the six months ended September 30, 2017

6. On 28th December, 2017, the shareholders of the Company approved for subdivision of 1 fully paid up equity share having face value of Rs. 10/- each into 2.5 fully paid up equity share having face value of Rs. 4/- each. Further, the shareholders also approved the issuance of the Bonus shares in the ratio of 4:1 (4 bonus shares for every 1 equity share held).

   However, the Company has not given effect of sub division of shares and bonus shares to existing share capital and shares issued to Nextwave shareholders (Refer note 4.A.1 above) in the proforma consolidated balance sheet at September 30, 2017 and March 31, 2017.

B The following proforma adjustments have been made to proforma statement of profit and loss:

1. In December 2017, Nazara has entered into revised employment arrangements with the Chief Executive Officer and Chief Operating Officer of Nextwave, whereby share options of Nazara are granted on December 22, 2017 with a vesting period of 12 months representing 5,62,733 shares respectively at an excercise price of Rs. 283 per share. Fair value of shares on the date of grant is Rs. 547 per share.

   Accordingly, an amount of Rs. 74.22 million and Rs. 148.45 million respectively for the six months ended September 30, 2017 and for the year ended March 31, 2017 at intrinisic value of Rs. 264 per share has been recognized in the statement of profit and loss account as share based payments to employees in the proforma consolidated statement of profit and loss for the six months period ended September 30,2017 and for the year ended March 31, 2017 as the share based arrangement is entered for the post-employment services assuming that the options are granted at the beginning of the reporting period.

2. Acquisition charges incurred by Nextwave of Rs 13.68 million and by Nodwin of Rs 3.4 million and have been recognized for the six months ended September 30,2017 and March 31, 2017 considering that those have been incurred during the year ended March 31, 2017 and six months ended September 30, 2017.

   On 28th December, 2017, the shareholders of the Company approved for subdivision of 1 fully paid up equity share having face value of Rs 10/- each into 2.5 fully paid up equity share having face value of Rs 4/- each. Further, the shareholders also approved the issuance of the Bonus shares in the ratio of 4:1 (4 bonus shares for every 1 equity share held).

   Consequently, the earnings per share calculations have also been presented assuming that the new shares have been issued at the beginning of the year/ period and after considering effect of subdivision of shares and bonus shares.

   Other than as mentioned above, no additional adjustments have been made to the consolidated proforma balance sheet or statement of profit and loss to reflect any other transactions of the Company entered into subsequent to September 30, 2017 and March 31, 2017 respectively.

For and on behalf of the Board of directors of Nazara Technologies Limited

Vikash Mittersain
Chairman Cum Managing Director
DIN-00156740

Nitish Mittersain
Managing Director
DIN-02347434

Rakesh Shah
Chief Financial Officer

Place of Signature: Mumbai
Date: January 17, 2018

Vinav Agarwal
Company Secretary

Place of Signature: Mumbai
Date: January 17, 2018