

## BOARD'S REPORT

To,  
Dear Members,  
**News24 Broadcast India Limited**

Your Directors have pleasure in presenting their 12<sup>th</sup> Annual Report on the business and operations of the Company together with the Audited Financial Statements for the financial year ended March 31, 2019.

### FINANCIAL RESULTS

The Company's financial performances for the year under review along with previous year's figures are summarized below:

(Rupees in Lakhs)		
Particulars	2018-19	2017-18
Total Income	101,31.59	8,788.03
Profit before Depreciation & Financial Charges	1,029.47	802.87
Financial Charges	503.98	378.72
Depreciation	219.14	194.99
Profit before Tax	306.36	229.16
Provision for Tax	(1.48)	(10.71)
Profit after Tax	307.84	239.87
Proposed Dividend	Nil	Nil

During the year under review, total income of your company increased to Rs. 101,31.59 lakhs from Rs. 8788.03 lakhs, registering a healthy growth of 15.29% over the previous year. Profit after tax, of the company increased from Rs. 239.87 lakhs to Rs. 307.84 lakhs with an energetic growth of 28.34.03% over the previous year.

### OPERATIONS AND STATE OF COMPANY'S AFFAIRS

Your Channel "**News24- Think First**" a 24 hours National News Channel has consistently maintained healthy market share in Hindi News Genre. News24 channel has established its position as one of the India's leading news channels and provides timely and accurate news reporting with quality content, innovative programming and uncompromising integrity. We have gradually expanded our media coverage across the country and overseas and provided prompt and accurate news. Your channel has become the voice of nation and has established a strong connect with viewers.

Programs like National News Centre, Aamne Saamne, Sabse Bada Sawal, News Shatak, Itihaas Gawah Hai and 100 Shahar 100 Khabrein, Panch Ki Panchyat, amongst others cover a gamut of genres in news reporting and have been received exceptionally well with the audiences across the nation.

These shows continue to reflect the innovative ways of reporting news that has given the maximum viewership and rating to our channel making its marked presence felt in the whole Media Industry.

During the year, News24 organized conclaves at different places in India to cover all segment of current affairs. Special focus has been placed on holding more and more events at different locations across different States. These events have not only added to revenue streams but also added value in brand recall and better marketing.

## **DIVIDEND**

Your Directors are of the view that resources of the Company need to be conserved for its future growth plans and hence do not recommend any dividend for the financial year 2018-19. The Company has not made any transfer to General Reserve.

## **TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND**

The provisions of Section 125(2) of the Companies Act, 2013 do not apply as there was no dividend declared and paid by the Company.

## **DEPOSITS**

During the year under review, the Company has not accepted any deposit from the public under Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014.

## **CHANGE IN THE NATURE OF BUSINESS, IF ANY**

There were no material changes and commitments made affecting the financial position of the Company during the year.

## **DIRECTORS**

There are seven Directors on the Board of Directors of the company viz. Ms. Anuradha Prasad Shukla (DIN- 00010716), Dr. Anuradha Mishra (DIN- 01725234), Mr. Sudhir Shukla (DIN- 01567595), Ms. Urmila Gupta (DIN-00637110), Mr. Vinay Kumar Srivastava (DIN:00808735), Mr. Pankaj Chaturvedi (DIN: 00003278) and Mr. Anil Kapoor (DIN: 05113976).

### **Independent Directors**

In terms of definition of Independent Director as prescribed under the SEBI Listing Regulations and Section 149(6) of the Companies Act, 2013 and based on the confirmation/ disclosures received from the Directors, the following Non-Executive Directors are Independent Director:

1. Ms. Urmila Gupta
2. Mr. Pankaj Chaturvedi
3. Dr. Anuradha Mishra

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Act. In the opinion of the Board, the Independent Directors, fulfil the conditions of independence specified in Section 149(6) of the Act. A formal letter of appointment to Independent Directors as provided in Companies Act, 2013 has been issued.

### **Appointments/ Resignations from the Board of Directors**

During the financial year under review, Mr. Sudhir Shukla was appointed as Whole Time Director of the Company for a period of five years with effect from 28.05.2018 and Dr. Anuradha Mishra was re-appointed as an Independent Director for second term with effect from 01.04.2019.

### **Appointments/ Resignations of the Directors and Key Managerial Personnel**

During the reporting period under review, Mr. Sudhir Shukla, Whole Time Director, Mr. Ajay Jain, Chief Financial Officer and Ms. Jyoti Lata, Secretary of the Company are the Key Managerial Personnel as per the provisions of the Companies Act, 2013 and have been holding the respective position of the Company at the end of March 31, 2019.

Mr. Sudhir Shukla, Director of the Company was appointed as Whole Time Director on May 28, 2018. Mr. Vinay Kumar Srivastava (DIN:00808735), Mr. Anil Kapoor (DIN: 05113976) were

appointed as Directors of the Company on March 27, 2019. Mr. Pankaj Chaturvedi (DIN: 00003278) was appointed as Additional Director of the Company on March 30, 2019.

### **Directors Retiring by Rotation**

In accordance with the provisions of the Companies Act, 2013 and in terms of Articles of Association of the Company, Ms. Anuradha Prasad Shukla (DIN- 00010716) retires by rotation and is eligible for re-appointment.

### **Meetings**

During the Financial Year under review, 7 (seven) Meetings of the Board of Directors were duly convened on 28.05.2018, 13.08.2018, 27.08.2018, 12.11.2018, 14.02.2019, 26.02.2019 and 30.03.2019. The intervening gap between the Meetings was within the time limit prescribed under the Companies Act, 2013 read with the rules made thereunder.

### **Composition of Committees of the Board of Directors**

The Board Committees play crucial role in the governance structure of the Company and have been constituted to deal with specific areas/activities which concern the Company. The Board Committees are set up under the formal approval of the Board to carry out clearly defined roles which are considered to be performed by members of the Board. The terms of reference of Board Committees are determined by the Board from time to time.

At present the Board has following two Committees:

1. Audit Committee
2. Nomination and Remuneration Committee

Meetings of each Committee are convened by the respective Committee Chairman. Minutes of the Committee meetings are approved by the respective Committee and thereafter placed before the Board.

### **AUDIT COMMITTEE**

The Company has constituted an Audit Committee of Directors in accordance with the requirements of Section 177 of the Companies Act, 2013 and Rules framed thereunder.

#### **i) Terms of reference**

The broad terms of reference are as under:

1. Overseeing financial reporting process and disclosure of financial information, to ensure that the financial statements are correct, sufficient and credible;
2. Recommending appointment, reappointment, terms of appointment and removal of the statutory and internal auditors, if any, of remuneration, fixation of audit fees and approval for payment of any other services;
3. Reviewing with the management, the periodical financial statements including subsidiaries / associates, if any, before submission to the Board for approval;
4. Reviewing with the management and the statutory auditors, the adequacy of internal control systems and recommending improvements to the management;
5. Reviewing the findings of any internal investigations by auditors into matters where there is suspected fraud or irregularity or failure of internal control systems of a material nature and reporting the matter to the Board;
6. Discussion with statutory auditors before the audit commences, about the nature and scope of audit, as well as post-audit discussions to ascertain any area of concern;
7. Reviewing and monitoring auditor's independence and performance and effectiveness of audit process;
8. Scrutiny of Inter-corporate loans and advances;

9. Approval or any subsequent modification of transactions of the company with related parties;
10. Valuation of undertakings or assets of the company, wherever it is necessary; and
11. Such other functions as may be delegated by the Board from time to time.

The meetings of Audit Committee are also attended by Chief Financial Officer and Statutory Auditors. The Company Secretary acts as the Secretary to the Committee. The minutes of each Audit Committee meeting are placed and discussed in the meeting of the Board.

#### **(ii) Composition and Meeting of the Committee: -**

Presently, the Audit Committee of the Company comprises of Executive and Non-executive Directors. Mr. Pankaj Chaturvedi, Chairman of the Committee is a Non-Executive Independent Director. Other members are Ms. Urmila Gupta, Non-Executive Independent Director and Mr. Vinay Kumar Srivastava, Non-Executive Director. All the members possess financial, management and accounting knowledge/ expertise and have held or hold senior positions in several reputed organizations. The intervening gap between the Meetings was within the time limit prescribed under the Companies Act, 2013 read with the rules made thereunder.

During financial year 2018-19, five (5) Audit Committee Meetings were held on May 28, 2018; August 13, 2018, November 12, 2018 February 14, 2019 and February 26, 2019 respectively.

#### **NOMINATION AND REMUNERATION COMMITTEE**

The Company has Nomination and Remuneration Committee (NRC) as required under the provisions of Section 178 of the Companies Act, 2013.

#### **(i) Terms of Reference**

Brief terms of reference of Nomination and Remuneration Committee are as under:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of Independent Directors and the Board;
- Devising a policy on Board diversity;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

All the matters relating to finalization of remuneration to executive directors are being taken in the meeting of said Committee for their consideration and approval.

Nomination and Remuneration Committee of Directors is authorized to decide the remuneration of the Managing Director/Executive Director's, subject to the approval of the Members and Central Government, if required. Remuneration comprises of fixed Component viz. salary, perquisites and allowances and a variable component.

#### **(ii) Composition and Meeting of the Committee**

Presently, the Nomination and Remuneration Committee of the Company comprises of Executive and Non-executive Directors of the Board. The Chairperson of the Committee is Dr. Anuradha Mishra, Non-Executive Independent Director. Other members are Mr. Sudhir Shukla, a Non-executive Director, Mr. Anil Kapoor Non-executive Director and Ms. Urmila Gupta, Non-Executive Independent Director. Ms. Jyoti Lata, Company Secretary acts as the Secretary of the Committee.

During financial year 2018-19, three (3) Nomination and Remuneration Committee Meetings were held on May 28, 2018; February 14, 2019 and March 30, 2019 respectively.

### **(iii) Nomination and Remuneration Policy**

The Nomination and Remuneration policy of the Company is a comprehensive policy which is in consonance with the industry practices. The policy ensures equality, fairness and consistency in rewarding the employees on the basis of performance against set objectives.

The Company's Policy relating to appointment of Directors, payment of Managerial remuneration, Directors' qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013 is furnished in **Annexure I** and forms part of this Report.

### **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the requirement under Section 134 of the Companies Act, 2013, with respect to the Directors' Responsibility Statement, the Directors confirmed that: -

- a) in the preparation of the annual financial statements for the year ended March 31, 2019, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2019 and of the profit of the Company for that period;
- c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) they have prepared the annual accounts on a 'going concern' basis.
- e) the internal financial controls to be followed by the Company were laid down and such internal financial controls are adequate and operating effectively; and
- f) they had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were in place and were adequate and operating effectively.

### **EXTRACT OF ANNUAL RETURN**

The details forming part of the extract of the Annual Return in form MGT- 9 is annexed herewith as **Annexure II**.

### **SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES**

During the year under review, the Company has not formed or divested any joint venture or subsidiary and associate company.

### **INTERNAL FINANCIAL CONTROLS**

The Board has adopted policies and procedure for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of fraud, error reporting mechanism, the accuracy and completeness of the accounting records and the timely preparation of reliable financial disclosures.

### **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

## **RELATED PARTY TRANSACTIONS**

In line with the requirements of the Companies Act, 2013 and Listing Regulations, as applicable, your Company has formulated a Policy on Related Party Transactions. The Policy intends to ensure that proper reporting approval and disclosure processes are in place for all transactions between the Company and Related Parties.

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. All Related Party Transactions entered during the year were placed before the Audit Committee for review and approval.

The particulars of related parties' transactions referred to in subsection (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto are disclosed in Form No. AOC -2 in **Annexure III** forming part of the Board's Report.

## **AUDITORS AND AUDITORS' REPORT**

### **Statutory Auditors**

M/s. Kumar Khare & Co., Chartered Accountants (ICAI Firm Registration No 006740C), Chartered Accountants, were appointed as Statutory Auditors of the Company at the 10<sup>th</sup> Annual General Meeting held on September 26, 2017 for a term of five consecutive years on remuneration mutually agreed upon by the Board of Directors and Statutory Auditors. They have confirmed that they are not disqualified from continuing as Auditors of the Company.

Pursuant to the amendments made to Section 139 of the Act by the Companies (Amendment) Act, 2017 effective from May 7, 2018, the requirement of seeking ratification of the Members for the appointment of the Statutory Auditors has been withdrawn from the Statute. Hence the resolution seeking ratification of the Members for continuance of their appointment at this AGM is not being sought.

### **Qualification in Auditors reports**

The Report given by the Statutory Auditors on the financial statements of the Company forms part of this Annual Report. There are no qualifications, reservations or adverse remarks made by M/s. Kumar Khare & Co., Chartered Accountants, Statutory Auditors, in their report for the financial year 2018-19.

There is no instance of fraud during the year under review which requires the statutory Auditors to report to the Audit Committee and/or Board under section 143(12) of the Act and Rules framed thereunder.

### **Secretarial Auditors**

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s Balika Sharma & Associates, a firm of Company Secretaries in Practice (C.P.No. 3222) to undertake the Secretarial Audit of the Company for the financial year 2018-19.

Pursuant to the provision of section 204 and Regulation 24A of the SEBI Listing Regulations, a Secretarial Audit Report in Form No. MR-3 for the financial year ended March 31, 2019 is annexed as **Annexure IV** and forms an integral part of this Report. The said Report does not contain any qualification, reservation, disclaimer or observation requiring explanation or comments from the Board under Section 134(3) of the Act.

## **Information Required Under Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013**

Your Company is committed to provide safe and conducive working environment to all its employees and has zero tolerance for sexual harassment at workplace. In line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and rules there under, your Company has adopted a Policy on prevention, prohibition and redressal of sexual harassment at workplace and has constituted Internal Complaints Committee to redress complaints received regarding sexual harassment. No complaint was received by the committee during the year.

## **Material Events Occurred between the end of Financial Year to which the Financial Statements Relate and the Date of the Report:**

No material events have occurred between the end of Financial Year 2018-19 and the date of this Report which have effect over the financial position of the Company.

## **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

Your Company is not engaged in any manufacturing or processing activity, as such particulars required to be given in terms of Section 134 (3) (m) of the Companies Act, 2013 read along with Companies (Accounts) Rules, 2014, regarding conservation of energy and technology absorption are not applicable.

During the year, your Company incurred expenditure in foreign currency to the extent of Rs. 3,696,570/- as against Rs. 4,461,474/- in the previous financial year 2017-18 and did not earn any foreign currency.

## **SIGNIFICANT AND MATERIAL ORDERS**

There were no significant or material orders passed by the Regulators / Courts / Tribunals which would impact the going concern status of the Company and its future operations.

## **SHARE CAPITAL**

We have one class of shares-equity share of par value of Rs.10 each. Our authorized share capital is Rs. 370,000,000 divided in to 37,000,000 equity shares of Rs. 10 each. The issued subscribed and paid up Equity Share Capital stood at Rs. 353,642,520/- divided into 35,364,252 equity shares of Rs. 10 each as at March 31, 2019 which is same as at March 31, 2018.

## **CORPORATE SOCIAL RESPONSIBILITY POLICY**

The Company believes in voluntary commitment Corporate Social Responsibility initiatives, though said provisions are not applicable. However, once the said provisions are applicable, the Company shall report the same in the coming years and shall submit the relevant report on such applicability.

## **PERSONNEL**

There is no employee whose particulars are required to be disclosed under Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended.

## **ACKNOWLEDGEMENTS**

Your Directors thank the various Central and State Government Departments, organizations and agencies for the continued help and co-operation extended by them.

Your Directors also gratefully acknowledge all stakeholders of the Company viz. viewers, producers, vendors, members, auditors, consultants, legal advisor, banks and other business partners for the excellent support received from them during the year. The Directors place on

record their sincere appreciation to all employees of the Company for their unstinted commitment and continued contribution to the Company.

For and on behalf of the Board of Directors  
**News24 Broadcast India Limited**

**Sd/-**  
**Anuradha Prasad Shukla**  
**Chairperson**  
DIN: 00010716

Place: Noida  
Date: May 29, 2019



## **Annexure-I**

# **“NOMINATION AND REMUNERATION POLICY OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES”**

**[News24 Broadcast India Limited]**

## **INTRODUCTION**

Section 178 of the Companies Act, 2013 read with the Companies (Meeting of Board and its Powers) Rules, 2014 as amended require the Nomination and Remuneration Committee of the Board of Directors of the companies to

- formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.
- identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal.
- carry out evaluation of every director's performance.
- formulate the criteria for evaluation of performance of Independent Directors and the Board.

Accordingly, in adherence to the above said requirements and in line with the Company philosophy towards nurturing its human resources, Board of Directors adopted the Nomination and Remuneration Policy of News24 Broadcast India Limited (hereinafter called as News24) for the directors, key managerial personnel and other employees of the Company, duly recommended by NRC as set out below.

## **COMPANY PHILOSOPHY**

News24 is an equal opportunities employer. The organization does not discriminate on grounds of age, gender, color, race, ethnicity, language, caste, creed, economic or social status or disability. Pay revisions and other benefits are designed in such a way to compensate good performance of the employees of the Company and motivate them to do better in future.

The endeavor of the organization is to acknowledge the contributions of its directors, key managerial personnel and other employees with best compensation and benefits that appropriately reward performance in line with the regulatory and industry best practices.

## **GUIDING PRINCIPLES**

In the formulation of this Policy, the Nomination and Remuneration Committee has also endeavored to ensure the guiding principles as prescribed u/s 178(4) of the Companies Act, 2013 and rules made thereunder, summarized hereunder:

- a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate human resource including directors of the quality required to run the company successfully;
- b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
- c) remuneration to directors, key managerial personnel and senior management reflecting short and long term performance objectives appropriate to the working of the company and its goals;
- d) facilitating effective shareholder participation in key Corporate Governance decisions such as the nomination and election of board members;
- e) aligning key executive and board remuneration with the longer term interests of the company and its shareholders;
- f) ensuring a transparent board nomination process with the diversity of thought, experience, knowledge, perspective and gender in the Board.

## **NOMINATION OF THE DIRECTORS**

The Nomination and Remuneration Committee of the Board of Directors is dedicated to ensuring the continuance of a dynamic and forward-thinking Board and recommend to the Board qualified candidates for directorship.

Before recommending a nominee's candidature to the Board for being appointed as a Director, the following criteria set out may be applied as guidelines in considering potential nominees to the Board of Directors.

### **General Criteria**

- The background and qualifications of the Directors considered as a group should provide a significant breadth of experience, knowledge and abilities to assist the Board in fulfilling its responsibilities.
- Diversity reflecting gender, ethnic background, country of citizenship and professional experience. Diverse professional and personal backgrounds.
- Conflict of interest which would violate any applicable law or regulation or interfere with the performance of the responsibilities of a director.
- Commitment of the nominee to understanding the Company and its industry, embracing the organisation's values to help shape its vision, mission and strategic direction including oversight of risk management and internal control.
- Commitment of the nominee to spending the time necessary to function effectively as a Director, including attending and participating in meetings of the Board and its Committees.

## Specific Criteria

- Demonstrated business acumen, experience and ability to use sound judgment and to contribute to the effective oversight of the business and financial affairs of organisation.
- The nominee reflects the right corporate tone and culture and excels at board-management relationships.
- Experience in strategic planning and managing multidisciplinary responsibilities and high standards of integrity and professional conduct.
- Nominees understand and endeavor to balance the interests of shareholders and/ or other stakeholders and put the interests of the company or organisation above self-interest. He/ she has demonstrated a commitment to transparency and disclosure.
- He/ she is committed to superior corporate performance, consistently striving to go beyond the legal and/or regulatory governance requirements to enhance, not just protect, shareholder value.
- Nominee contributes to effective governance through superior, constructive relationships with the Executive Directorate and management.

## REMUNERATION OF THE DIRECTORS

The Company strives to provide fair compensation to directors, taking into consideration industry benchmarks, Company's performance vis-à-vis the industry, responsibilities shouldered, performance/track record, macroeconomic review on remuneration packages of heads of other organisations.

The remuneration payable to the Directors of the Company shall at all times be determined, in accordance with the provisions of the Companies Act, 2013.

## Appointment and Remuneration of Managing Director and Whole-time Director

The terms and conditions of appointment and remuneration payable to a Managing Director and Whole-time Director(s) shall be recommended by the Nomination and Remuneration Committee to the Board for its approval which shall be subject to approval by shareholders at the next general meeting of the Company and by the Central Government in case such appointment is at variance to the conditions specified in Schedule V to the Companies Act, 2013.

While recommending the remuneration payable to a Managing/ Whole-time Director, the Nomination and Remuneration Committee shall, *inter alia*, have regard to the following matters:

- Financial and operating performance of the Company
- Relationship between remuneration and performance
- Industry/ sector trends for the remuneration paid to executive directorate

Annual Increments to the Managing/ Whole-time Director(s) shall be within the slabs approved by the Shareholders. Increments shall be decided by the Nomination and Remuneration Committee at times it desires to do so but preferably on an annual basis.

## Remuneration of Independent Directors

Independent Directors may receive remuneration by way of

- Sitting fees for participation in the Board and other meetings, if approve,
- Reimbursement of expenses for participation in the Board and other meetings
- Commission as approved by the Shareholders of the Company

Independent Directors shall not be entitled to any stock options.

Based on the recommendation of the Nomination and Remuneration Committee, the Board may decide the sitting fee payable to independent directors. However, the Company is not paying any sitting fee to any Independent Director.

## Remuneration to Directors in other Capacity

The remuneration payable to the directors including Managing or Whole-time Director or Manager shall be inclusive of the remuneration payable for the services rendered by him in any other capacity except the following:

- (a) the services rendered are of a professional nature; and
- (b) in the opinion of the Nomination and Remuneration Committee, the director possesses the requisite qualification for the practice of the profession.

## EVALUATION OF THE DIRECTORS

As members of the Board, the performance of the individual Directors as well as the performance of the entire Board and its Committees is required to be formally evaluated annually.

Section 178(2) of the Companies Act, 2013 also mandates the Nomination and Remuneration Committee to carry out evaluation of every director's performance.

## NOMINATION AND REMUNERATION OF THE KEY MANAGERIAL PERSONNEL (OTHER THAN MANAGING DIRECTORS/WHOLE TIME DIRECTORS), KEY EXECUTIVES AND SENIOR MANAGERMENTS

The Companies Act, 2013 has for the first time recognized the concept of Key Managerial Personnel. As per section 2(51) "key managerial personnel", in relation to a company, means:

- (i) the Chief Executive Officer or the Managing Director or the Manager;
- (ii) the Whole-time Director;
- (iii) the Chief Financial Officer;
- (iv) the Company Secretary; and
- (v) such other officer as may be prescribed.

Among the KMPs, the remuneration of the CEO or the Managing Director and the Whole-time Director(s), shall be governed by the Section on REMUNERATION OF THE DIRECTORS of this Policy dealing with "Remuneration of Managing Director and Whole-time Director".

Apart from the directors, the remuneration of

- All the Other KMPs such as the company secretary or any other officer that may be prescribed under the statute from time to time; and
- "Senior Management" of the Company which here means, the core management team comprising of such members of management as determined by the Company under Layer 1 of the System-Driven Disclosures in respect of Regulation 7(2)(b) of PIT Regulations, shall be determined by the Human Resources Department of the Company in consultation Managing Director or Whole Time Director.

The remuneration determined for all the above said senior personnel shall be in line with the Company's philosophy to provide fair compensation to key - executive officers based on their performance and contribution to the Company and to provide incentives that attract and retain key executives, instill a long-term commitment to the Company, and develop a pride and sense of Company ownership, all in a manner consistent with shareholders' interests.

The break-up of the pay scale and quantum of perquisites including, employer's contribution to P.F., pension scheme, medical expenses, club fees etc. shall be decided by the Company's HR department.

Decisions on Annual Increments of the Senior Personnel shall be decided by the Human Resources Department.

## **REMUNERATION OF THE EMPLOYEES**

Apart from the Directors, KMPs and Senior Management, the remuneration for rest of the employees is determined on the basis of the role and position of the individual employee, including professional experience, responsibility, job complexity and local market conditions.

The Company considers it essential to incentivize the workforce to ensure adequate and reasonable compensation to the staff.

The annual increments to the remuneration paid to the employees shall be determined based on the annual appraisal carried out by the HODs of various departments. Decisions on Annual Increments shall be made on the basis of this annual appraisal.

## **GENERAL**

This Policy shall apply to all future employment of Company's Senior Management including Key Managerial Personnel and Board of Directors.

Any or all the provisions of this Policy would be subject to the revision/ amendment in the Companies Act, 2013, related rules and regulations on the subject as may be notified from time to time. Any such amendment shall automatically have the effect of amending this Policy without the need of any approval by the Nomination and Remuneration Committee and/or the Board of Directors.

## Annexure II

### Form No. MGT-9

#### EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31.03.2019

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

#### I. REGISTRATION AND OTHER DETAILS:

CIN:	U32204DL2007PLC162094
Registration Date:	16.04.2007
Name of the Company:	News24 Broadcast India Limited
Category / Sub-Category of the Company:	Public Company/Limited by Shares/India Non-Government Company
Address of the Registered office and contact details:	352, Aggarwal Plaza, Plot No.8, Kondli, New Delhi-110096, Tel 91 120 460 2424, Fax: 91 120 391 1401
Whether listed company Yes / No:	No
Name, Address and Contact details of Registrar and Transfer Agent, if any:	NIL

#### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the Company
1	Television programming and Broadcasting Activities	6020	100

#### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares Held	Applicable Section
1	B.A.G. Films and Media Limited Address: 352, Aggarwal Plaza, Plot No. 8, Kondli, New Delhi-110 096	L74899DL1993PLC051841	Holding	53.817	2(46)

#### IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

##### i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change During the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/HUF	0	113093	113093	0.32	0	113093	113093	0.32	0.00
b) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
c) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corporate	0	20038342	20038342	56.66	0	20038342	20038342	56.66	0.00
e) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
f) Any Other	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub-total (A)(1)</b>	<b>0</b>	<b>20151435</b>	<b>20151435</b>	<b>56.98</b>	<b>0</b>	<b>20151435</b>	<b>20151435</b>	<b>56.98</b>	<b>0.00</b>
<b>(2) Foreign</b>									
a) NRIs - Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b) Other-Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
d) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any Other	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub-total (A) (2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>Total Shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	<b>0</b>	<b>20151435</b>	<b>20151435</b>	<b>56.98</b>	<b>0</b>	<b>20151435</b>	<b>20151435</b>	<b>56.98</b>	<b>0.00</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
b) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
c) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g) FIIs	0	0	0	0.00	0	0	0	0.00	0.00
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i) Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub-total (B)(1)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>2. Non-Institutions</b>									
a) Bodies Corporate									
i) Indian	0	12641389	12641389	35.75	0	12641389	12641389	35.75	0.00
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b) Individuals									
i) Individual shareholders holding nominal share capital up to Rs. 1 lakh	0	0	0	0.00	0	0	0	0.00	0.00
i) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	0	2571428	2571428	7.27	0	2571428	2571428	7.27	0.00
c) Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub-total (B)(2)</b>	<b>0</b>	<b>15212817</b>	<b>15212817</b>	<b>43.02</b>	<b>0</b>	<b>15212817</b>	<b>15212817</b>	<b>43.02</b>	<b>0.00</b>
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	<b>0</b>	<b>15212817</b>	<b>15212817</b>	<b>43.02</b>	<b>0</b>	<b>15212817</b>	<b>15212817</b>	<b>43.02</b>	<b>0.00</b>
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0.00
<b>Grand Total (A+B+C)</b>	<b>0</b>	<b>35364252</b>	<b>35364252</b>	<b>100.00</b>	<b>0</b>	<b>35364252</b>	<b>35364252</b>	<b>100.00</b>	<b>0.00</b>

**(ii) Shareholding of Promoters**

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Cumulative Shareholding during the year			
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
1								% change In share holding during the year
1	Anuradha Prasad Shukla	113093	00.32	0	113093	00.32	0	0.00
2	B.A.G. Films and Media Limited	19031847	53.82	2.70	19031847	53.82	2.70	0.00
3	ARVR Communications Private Limited	1006495	2.84	0	1006495	2.84	0	0.00
	<b>Total</b>	<b>20151435</b>	<b>56.98</b>	<b>2.70</b>	<b>20151435</b>	<b>56.98</b>	<b>2.70</b>	<b>0.00</b>

(iii) Change in Promoters' Shareholding (please specify, if there is no change) (No Changes)

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	<b>For Each of the Top 10 Shareholders</b>				
1	Oscar Software Private Limited	6486752	18.34	6486752	18.34
2	Sameer Gehlaut	2571428	7.27	2571428	7.27
3	High Growth Distributors Private Limited	2571428	7.27	2571428	7.27
4	Par Vision Consultancy Pvt. Ltd.	1428570	4.04	1428570	4.04
5	Wellman Trading Private Limited	1000000	2.83	1000000	2.83
6	Virgin Infrastructure Private Limited	1000000	2.83	1000000	2.83
7	Odyssey Corporation Limited	154639	0.44	154639	0.44

(v) Shareholding of Directors and Key Managerial Personnel: (NIL)

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	<b>For Each of the Directors and KMP*</b>				
1	<b>Ms. Anuradha Prasad Shukla*</b>				
	At the beginning of the year	113093	0.32	113093	0.32
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0	0	0	0
	<b>At the End of the year</b>	113093	0.32	113093	0.32



\* Except Ms. Anuradha Prasad Shukla (whose shareholding given above), no other Directors and KMP hold any shares in the Company.

## V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment "Refer Notes to Financial Statement form part of this Annual Report.

The Company is not accepting any deposit under section 73 to 76 of the Company Act, 2013 read with Companies (Acceptance of Deposits) Rule, 2014.

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to Managing Director, Whole-time Directors and/or Manager: (NIL)

(Amount in Rs.)

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager*
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0
2.	Stock Option	0
3.	Sweat Equity	0
4.	Commission - as % of profit - others, specify...	0
5.	Others, please specify	0
	Total (A)	0
	Ceiling as per the Act	N.A.

### B. Remuneration to other Directors:

(Amount in Rs.)

Sl. No.	Particulars of Remuneration	Name of Directors			Total Amount
	<b>3. Independent Directors*</b>	<b>Dr. Anuradha Mishra</b>	<b>Mr. Pankaj Chaturvedi</b>	<b>Ms. Urmila Gupta</b>	
	• Fee for attending board / committee meetings • Commission • Others, please specify	Nil		Nil	Nil
	Total (1)	Nil	Nil	Nil	Nil
	<b>4. Other Non-Executive Directors</b>	<b>Ms. Anuradha Prasad Shukla</b>	<b>Mr. Vinay Kumar Srivastava</b>	<b>Mr. Anil Kapoor</b>	
	• Fee for attending board / committee meetings • Commission • Others, please specify	0		0	0
	Total (2)	0		0	0
	Total (B)=(1+2)	0		0	0
	Total Managerial Remuneration	0		0	0
	Overall Ceiling as per the Act	0		0	0

\*. The Company is not paying remuneration to any Director.

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD***(Amount in Rs.)*

Sl. No.	Particulars of Remuneration	Name of the KMP other than MD/WTD/Manager		Total Amount
		<b>Mr. Ajay Jain, Chief Financial Officer*</b>	<b>Ms. Jyoti Lata, Company Secretary</b>	
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	0	5,28,480	5,28,480
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0	0
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0		
2.	Stock Option	0	0	0
3.	Sweat Equity	0	0	0
4.	Commission - as % of profit - others, specify...	0	0	0
5.	Others, please Specify	0	0	0
	<b>Total</b>	<b>0</b>	<b>5,28,480</b>	<b>5,28,480</b>

\*Mr. Ajay Jain is not receiving any remuneration from the Company.

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: (NIL)**

### **Annexure III**

#### **FORM NO. AOC-2**

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso is given below:

#### **1. Details of contracts or arrangements or transactions not at Arm's length basis :**

There were no contracts or arrangements or transactions entered during the year ended March 31, 2019 which were not at arm's length basis.

#### **2. Details of material contracts or arrangements or transactions at Arm's length basis:**

<b>Sr. No.</b>	<b>Name of the related party</b>	<b>Nature of relationship</b>	<b>Nature of contracts or arrangements or transaction</b>	<b>Duration of contracts or arrangements or transactions</b>	<b>Salient Terms</b>	<b>Amount (in Rs.)</b>
1	B.A.G. Films and Media Limited	Holding Company	Leasing	Continuing	As per Related Party Transaction Policy	153,702,425
2	Skyline Tele Media Services Limited	Enterprises over which Key Managerial Persons or their relative have significant influence	Leasing and Uplinking/ Carriage Charges	Continuing	As per Related Party Transaction Policy	11,550,000
3	B.A.G. Live Entertainment Limited	Enterprises over which Key Managerial Persons or their relative have significant influence	Television Programming	Continuing	As per Related Party Transaction Policy	70,177,505

For and on behalf of the Board of Directors  
**News24 Broadcast India Limited**

**Sd/-**  
**Anuradha Prasad Shukla**  
Chairperson  
DIN: 00010716

Place: Noida  
Date: May 29, 2019



***Balika Sharma And Associates***  
***Company Secretaries***

*Address : Flat No. 211 pocket A / 3,  
Sector-7, Rohini, New Delhi,  
Pin Code -110085  
Mobile : 9811387946  
E-mail Id: [balikasharma@gmail.com](mailto:balikasharma@gmail.com)*

**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2019**  
*[Pursuant to section 204(1) of the Companies Act, 2013 and Rule  
No.9 of the Companies (Appointment and Remuneration of Managerial Personnel)  
Rules, 2014]*

**To,**  
**The Members,**  
**News24 Broadcast India Limited**

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **News24 Broadcast India Limited [CIN U32204DL2007PLC162094]** (hereinafter called “the Company”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year commencing from 1<sup>st</sup> April, 2018 and ended on 31<sup>st</sup> March, 2019 (“Audit Period”) complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended March 31, 2019 according to the provisions of:

- 1) The Companies Act, 2013 (the Act) and the rules made thereunder to the extent notified and came into force;
- 2) The Securities Contracts (Regulation) Act, 1956 (“SCRA”) and the rules made there under;
- 3) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- 4) Foreign Exchange Management Act, 1999 (FEMA) & the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- 5) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”);
- 6) Laws specifically applicable to the industry to which the Company belongs, as identified and compliance

***GST No. : 07AMAPS 9564 KIZE***

***Membership No. 4816, C. P. No. 3222***



## *Balika Sharma And Associates* *Company Secretaries*

*Address : Flat No. 211 pocket A / 3,  
Sector-7, Rohini, New Delhi,  
Pin Code -110085  
Mobile : 9811387946  
E-mail Id: [balikasharma@gmail.com](mailto:balikasharma@gmail.com)*

whereof as confirmed by the management, that is to say:

- a. Policy Guidelines for Uplinking of Television Channels issued by the Ministry of Information & Broadcasting;
- b. Policy Guidelines for Downlinking of Television Channels issued by the Ministry of Information & Broadcasting;
- c. Cable Television Network (Regulations) Act, 1995 read with Amendments
- d. Cable Television Network Rules, 1994 read with Amendments;
- e. The Telecommunication (Broadcasting and Cable Services) Interconnection (Addressable Systems) Regulations, 2012;
- f. Telecom Regulatory Authority of India Act, 1997 r/w Standards of Quality of Service (Duration of Advertisements in Television Channels) Regulations 2012;
- g. Standard of Quality of Service (Duration of Advertisements in Television Channels) (Amendment) Regulations, 2013 issued by Telecom Regulatory Authority of India;

We report that during the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines etc. mentioned above. We further report that compliance of applicable financial laws including Direct and Indirect Tax laws by the Company has not been reviewed in this Audit since the same has been subject to review by the Statutory Auditors and other designated professionals.

### **We further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There were changes in the composition of the Board of Directors that took place during the Audit Period.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, except in case of one meeting, which was called at shorter notice in compliance with the applicable provisions of the Act and Secretarial Standard, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decisions were carried out with unanimous consent and therefore no dissenting views were captured and recorded as part of the minutes

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



## *Balika Sharma And Associates* *Company Secretaries*

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E-mail Id: [balikasharma@gmail.com](mailto:balikasharma@gmail.com)*

guidelines as stated above.

**We further report that** during the audit period, there were no instances of:

- (i) Redemption / buy-back of securities.
- (ii) Merger / amalgamation / reconstruction etc.
- (iii) Foreign technical collaborations.

**We further report that** during the Audit Period, the Members of the Company inter-alia passed the following Special Resolution:

1. Appointment of Mr. Sudhir Shukla (DIN: 01567595) as Whole Time Director of the Company under section 196, 197 and 203 read with Schedule V of the Companies Act, 2013.
2. Re-appointment of Ms. Anuradha Mishra (DIN:01725234) as an Independent Director of the Company for second term under section 149 and 152 read with Schedule IV of the Companies Act, 2013.
3. Approval of Transactions under section 185 of the Companies Act, 2013.
4. Keeping registers, return, etc., at registered office/other place under section 94 of the Companies Act, 2013.

**For Balika Sharma & Associates**  
**Company Secretaries**

Place: Noida  
Date: 29.05.2019

Sd/-  
**Balika Sharma**  
Proprietor  
FCS No: 4816  
C P No: 3222

This report is to be read with our letter of even date which is annexed as **Annexure 1** and forms an integral part of this report.



***Balika Sharma And Associates  
Company Secretaries***

---

*Address : Flat No. 211 pocket A / 3,  
Sector-7, Rohini, New Delhi,  
Pin Code -110085  
Mobile : 9811387946  
E-mail Id: [balikasharma@gmail.com](mailto:balikasharma@gmail.com)*

**Annexure 1**

**To,  
The Members,  
News24 Broadcast India Limited**

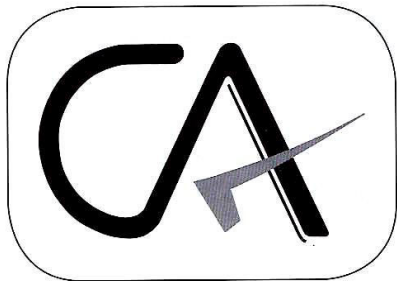
Our report of even date is to be read along with this letter:

1. Management of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations & happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For Balika Sharma & Associates  
Company Secretaries**

Place: Noida  
Date: 29.05.2019

Sd/-  
**Balika Sharma**  
Proprietor  
FCS No: 4816  
C P No: 3222

**KUMAR KHARE & CO.**

CHARTERED ACCOUNTANTS

S-160, LGF, GREATOR KAILASH, PART-1,  
NEW DELHI-110048

Phone – 0114733110, 9811133110

E-mail [alok@kumarkhareca.com](mailto:alok@kumarkhareca.com) website : kumarkhareca.com**INDEPENDENT AUDITOR'S REPORT**

To

The Members of News24 Broadcast India Limited

**Report on the Audit of the Financial Statements****Opinion**

We have audited the accompanying financial statements News24 Broadcast India Limited (the Company), which comprise the Balance Sheet as at 31 March 2019, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2019, and profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SA) specified under Section 143 (10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the independence requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



## Description of Key Audit Matter

Sr. No.	Key Audit Matter
1	<p><i>Accuracy of recognition, measurement, presentation and disclosures of revenue and other related balances in view of adoption of Ind AS 115 "Revenue from Contracts with Customers" (new revenue accounting standard)</i></p> <p>The financial statements, the Company has adopted Ind AS 115, Revenue from Contracts with Customers ('Ind AS 115') which is the new revenue accounting standard. The application and transition to this accounting standard is complex and is an area of focus in the audit. The revenue standard establishes a comprehensive framework for determining whether, how much and when revenue is recognized. This involves certain key judgments relating to identification of distinct performance obligations, determination of transaction price of identified performance obligation, the appropriateness of the basis used to measure revenue recognized over a period. Additionally, the standard mandates robust disclosures in respect of revenue and periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date.</p> <p>The Company adopted Ind AS 115 and applied the available exemption provided therein, to not restate the comparative periods.</p>
<b>Auditor's Response</b>	
	<p><i>Principal Audit Procedures</i></p> <p>Our audit procedures on adoption of Ind AS 115, Revenue from contracts with Customers ('Ind AS 115'), which is the new revenue accounting standard, include –</p> <ul style="list-style-type: none"> <li>• Evaluated the design and implementation of the processes and internal controls relating to implementation of the new revenue accounting standard;</li> <li>• Selected a sample of continuing and new contracts, and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price. We carried out a combination of procedures involving enquiry and observation, re-performance and inspection of evidence in respect of operation of these controls.</li> <li>• Tested the relevant information technology systems' access and change management controls relating to contracts and related information used in recording and disclosing revenue in accordance with the new revenue accounting standard.</li> <li>• Evaluated the cumulative effect adjustments as at 1 April 2018 for compliance with the new revenue standard; and</li> <li>• Evaluated the appropriateness of the disclosures provided under the new revenue standard and assessed the completeness and mathematical accuracy of the relevant disclosures.</li> </ul>

Sr. No.	Key Audit Matter
2	<p><i>Evaluation of uncertain tax positions</i></p> <p>The Company operates in multiple jurisdictions and is subject to periodic challenges by local tax authorities on a range of tax matters during the normal course of business. These involve significant management judgment to determine the possible outcome of the uncertain tax positions, consequently having an impact on related accounting and disclosures in the financial statements.</p>

Auditor's Response	
	<p>Our audit procedures include the following substantive procedures:</p> <ul style="list-style-type: none"> <li>• Obtained understanding of key uncertain tax positions; and</li> <li>• We along with our internal tax experts - <ul style="list-style-type: none"> <li>➤ Read and analysed select key correspondences, external legal opinions / consultations by management for key uncertain tax positions;</li> <li>➤ Discussed with appropriate senior management and evaluated management's underlying key assumptions in estimating the tax provisions; and</li> </ul> </li> </ul> <p>Assessed management's estimate of the possible outcome of the disputed cases.</p>

Other Information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditors' report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Financial Statements

The Company's management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, profit / loss (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements

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

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

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

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143 (3) of the Act, we report, to the extent applicable, that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.
  - (e) On the basis of the written representations received from the directors as on 31 March 2019, and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2019, from being appointed as a director in terms of section 164(2) of the Act;
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B", which is based on the Auditors' Reports of the Company. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial controls over financial reporting of the Company.
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    1. The Company does not have any pending litigations which would impact its financial position;
    2. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    3. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
    4. The disclosures regarding details of specified bank notes held and transacted during 8 November 2016 to 30 December 2016 has not been made since the requirement does not pertain to financial year ended 31 March 2019.

**For Kumar Khare & Co.**  
Chartered Accountants  
Firm Registration No. 006740C

Place: Noida  
Date: May 29, 2019

Sd/-  
**Alok Khare**  
Partner  
Membership No.075236



## **Annexure “A “ to the Independent Auditors' Report**

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on Companies (Auditor's Report) Order, 2016 (the Order) issued by the Central Government in terms of Section 143(11) of the Companies Act, 2013 (the Act) of News24 Broadcast India Limited (the Company)

- i. In respect of its fixed assets:
  - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - (b) The Company has a regular programme of physical verification of fixed assets which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this programme, certain fixed assets were physically verified by the management during the year and we are informed that no material discrepancies were noticed on such verification.
  - (c) The Company does not have any immovable properties taken on lease that are disclosed as fixed asset in the financial statements.
- ii. The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. According to the information and explanations given to us and examined by us, no material discrepancies were noticed on such verification.
- iii. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, paragraph 3(iii) of the order is not applicable.
- iv. In our opinion and according to the information and explanations given to us, in respect of loans, investments guarantees and security, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted deposits from the public within the meaning of Section 73 to 76 or any other relevant provision of the Act and the Rules framed thereunder.
- vi. To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under sub-section (1) of the section 148 of the Act for any of the activities of the company and accordingly paragraph 3(vi) of the order is not applicable.
- vii. According to the information and explanations given to us in respect of statutory dues:
  - a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Goods and Services Tax, Service tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and any other material statutory dues, to the extent applicable, have generally been regular in depositing undisputed dues with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Value added tax, Goods and Services Tax, Service tax, Duty of Customs, Duty of Excise, Cess and other material statutory dues, to the extent applicable, were in arrears as at 31 March 2019 for a period of more than six months from the date they became payable.

- b) According to the information and explanations given to us, other than the amounts reported below, there are no amounts in respect of Income tax, Sales-tax, Goods and Services Tax and Service tax, Duty of custom, Value added tax and duty of excise that have not been deposited by the Company with the appropriate authorities on account of any dispute below:-

<b>Name of the Company</b>	<b>Name of the Statute</b>	<b>Nature of dues</b>	<b>Period to Which the Amount Relates</b>	<b>Amount (In Lakh)</b>	<b>Forum where disputes is pending</b>
News24 Broadcast India Limited	Income Tax Act, 1961	Income Tax	Assessment year 2012-13	428.97	Commissioner (Appeals) of Income Tax
News24 Broadcast India Limited	Income Tax Act, 1961	Income Tax	Assessment year 2011-12	983.60	Commissioner (Appeals) of Income Tax
News24 Broadcast India Limited	Income Tax Act, 1961	Income Tax	Assessment year 2010-11	407.54	Commissioner (Appeals) of Income Tax

- viii. According to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowing to banks. The Company did not have any outstanding debentures or dues on account of loans or borrowings to any financial institutions or government during the year.
- ix. According to the information and explanations given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Further, the term loans taken by the Company have been applied for the purpose for which they were raised.
- x. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- xi. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not paid any managerial remuneration during the year. Accordingly, the provisions of clause (xi) of the Order are not applicable to the Company and hence not commented upon.
- xii. According to the information and explanations given to us, in our opinion, the Company is not a Nidhi Company as prescribed under Section 406 of the Act.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, all transactions with the related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013 where applicable and details of such transactions have been disclosed in the financial statements, as required by the applicable accounting standards.
- xiv. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the current year. Accordingly, paragraph 3(xiv) of the Order is not applicable.
- xv. In our opinion and according to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected to its directors. Accordingly paragraph 3(xv) of the Order is not applicable.

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

**For KUMAR KHARE & CO.**  
Chartered Accountants  
Firm Registration Number: 006740C

Place: Noida  
Date: May 29, 2019

Sd/-  
**Alok Khare**  
Partner  
Membership No.075236



## **Annexure B**

### **Annexure B to the Independent Auditor's report on the financial statements of News24 Broadcast India Limited for the period ended 31 March 2019**

*(Referred to in paragraph 2 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the News24 Broadcast India Limited of even date)*

### **Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of Subsection 3 of Section 143 of the Companies Act, 2013**

We have audited the internal financial controls over financial reporting of News24 Broadcast India Limited ('the Company') as of March 31, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

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

#### **Auditors' Responsibility**

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

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

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

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

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

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

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

## **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For KUMAR KHARE & CO.**

Chartered Accountants

Firm Registration Number: 006740C

Place: Noida

Date: May 29, 2019

Sd/-

**Alok Khare**

Partner

Membership No.075236

**NEWS24 BROADCAST INDIA LIMITED**

**BALANCE SHEET**

As at March 31, 2019

Particulars	Note No.	(Amount in ₹)	
		As at March 31, 2019	As at March 31, 2018
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	5	94,242,751	73,599,460
Capital work-in-progress		5,497,219	7,029,866
Financial assets			
Investments	6	428,263,900	470,966,493
Deferred tax assets (net)	7	6,657,483	6,509,020
		<b>534,661,353</b>	<b>558,104,839</b>
<b>Current assets</b>			
Inventories	8	73,780,203	65,603,703
Financial assets			
Trade receivables	9	374,729,444	326,711,550
Cash and cash equivalents	10	135,584,793	28,988,811
Other financial assets	11	397,857,987	146,095,657
Other current assets	12	100,786,698	38,778,404
		<b>1,082,739,125</b>	<b>606,178,125</b>
<b>Total</b>		<b>1,617,400,478</b>	<b>1,164,282,964</b>

The above Balance Sheet should be read in conjunction with the accompanying notes

This is the Balance Sheet referred to in our report of even date

For and on behalf of Board of Directors

Sd/-  
**For Kumar Khare & Co.**  
Chartered Accountants  
Firm Registration Number: 006740C

Sd/-  
**Anuradha Prasad Shukla**  
Director  
DIN: 00010716

Sd/-  
**Sudhir Shukla**  
Whole Time Director  
DIN: 01567595

Sd/-  
**Alok Khare**  
Partner  
Membership Number: 075236  
Place: Noida  
Date: May 29, 2019

Sd/-  
**Ajay Jain**  
Chief Financial Officer

Sd/-  
**Jyoti Lata**  
Company Secretary

**BALANCE SHEET (Contd.)**

Particulars	Note No.	(Amount in ₹)	
		As at March 31, 2019	As at March 31, 2018
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	13	353,642,520	353,642,520
Other equity	14	402,371,423	51,795,535
		<b>756,013,943</b>	<b>405,438,055</b>
<b>Non-current liabilities</b>			
Financial liabilities			
Other financial liabilities	15	274,148,524	276,035,316
Provisions	16	9,445,510	9,870,077
		<b>283,594,034</b>	<b>285,905,393</b>
<b>Current liabilities</b>			
Financial liabilities			
Trade payables			
Total outstanding dues of micro enterprises and small enterprises		-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	17	43,598,856	64,713,805
Other financial liabilities	18	363,563,296	293,733,607
Other current liabilities	19	170,630,349	114,492,104
		<b>577,792,501</b>	<b>472,939,516</b>
<b>Total</b>		<b>1,617,400,478</b>	<b>1,164,282,964</b>

The above Balance Sheet should be read in conjunction with the accompanying notes

This is the Balance Sheet referred to in our report of even date

For and on behalf of Board of Directors

Sd/-  
**For Kumar Khare & Co.**  
Chartered Accountants  
Firm Registration Number: 006740C

Sd/-  
**Anuradha Prasad Shukla**  
Director  
DIN: 00010716

Sd/-  
**Sudhir Shukla**  
Whole Time Director  
DIN: 01567595

Sd/-  
**Alok Khare**  
Partner  
Membership Number: 075236  
Place: Noida  
Date: May 29, 2019

Sd/-  
**Ajay Jain**  
Chief Financial Officer

Sd/-  
**Jyoti Lata**  
Company Secretary

# STANDALONE STATEMENT OF PROFIT AND LOSS

for the year ended 31 March 2019

Particulars	Note No.	(Amount in ₹)	
		Year ended March 31,2019	Year ended March 31,2018
Sales	20	1,000,088,158	874,764,309
Other income	21	13,071,100	4,038,375
<b>Total Income</b>		<b>1,013,159,258</b>	<b>878,802,684</b>
<b>Expenses</b>			
Changes in inventories of finished goods, work-in-progress and traded goods	22	(8,176,500)	(19,806,700)
Employee benefits expense	23	178,243,484	179,289,858
Finance costs	24	50,397,650	37,872,232
Depreciation and amortisation expense	25	21,913,582	19,499,014
Other expenses	26	740,517,716	636,335,142
<b>Total Expenses</b>		<b>982,895,932</b>	<b>853,189,546</b>
<b>Profit before tax</b>		<b>30,263,326</b>	<b>25,613,138</b>
Tax expense			
Deferred tax		(148,463)	(1,070,940)
<b>Total tax expense</b>		<b>(148,463)</b>	<b>(1,070,940)</b>
<b>Profit for the year</b>		<b>30,411,789</b>	<b>26,684,078</b>
<b>Other comprehensive income</b>			
Items that will not be reclassified to profit or loss			
Actuarial gains/losses of defined benefit plans		372,212	(2,697,117)
<b>Other comprehensive income for the year (net of tax)</b>		<b>372,212</b>	<b>(2,697,117)</b>
<b>Total comprehensive income for the year</b>		<b>30,784,001</b>	<b>23,986,961</b>
Nominal value per share Rs.10/- each			
<b>Earnings per equity share</b>			
Basic earnings from operations attributable to share holders		0.86	0.68
Diluted earnings from operations attributable to share holders		0.57	0.45
Basis of preparation, measurement and significant accounting policies	2		

The above statement of profit and loss should be read in conjunction with the accompanying notes

This is the statement of profit and loss referred to in our report of even date

For and on behalf of Board of Directors

Sd/-  
**For Kumar Khare & Co.**  
Chartered Accountants  
Firm Registration Number: 006740C

Sd/-  
**Anuradha Prasad Shukla**  
Director  
DIN: 00010716

Sd/-  
**Sudhir Shukla**  
Whole Time Director  
DIN: 01567595

Sd/-  
**Alok Khare**  
Partner  
Membership Number: 075236  
Place: Noida  
Date: May 29, 2019

Sd/-  
**Ajay Jain**  
Chief Financial Officer

Sd/-  
**Jyoti Lata**  
Company Secretary

**CASH FLOW STATEMENT**

For the Year ended March 31, 2019

Particulars	For the Year ended March 31, 2019		For the Period ended March 31, 2018	
	Amount in ₹	Amount in ₹	Amount in ₹	Amount in ₹
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>				
Net Profit / (Loss) before extraordinary items and tax		30,635,538		22,916,018
Adjustments for:				
Depreciation and amortisation	21,913,582		19,499,014	
Finance costs	50,397,650		37,872,232	
Interest income	(12,293,336)		(3,645,333)	
Liabilities / provisions no longer required written back	(81,606)		-	
Other non-cash charges				
Adjustment Relating to earlier year	(208,112)		-	
		59,728,178		53,725,913
Operating profit / (loss) before working capital changes				
Changes in working capital:				
Adjustments for (increase) / decrease in operating assets:				
(Increase) / Decrease in inventories	(8,176,500)		(19,806,700)	
(Increase) / Decrease in trade receivables	(47,936,289)		(24,337,961)	
(Increase) / Decrease in other financial assets	68,237,670		43,339,731	
(Increase) / Decrease in other current assets	(62,008,294)		36,128,943	
Adjustments for increase / (decrease) in operating liabilities:				
Increase / (Decrease) in trade payables	(21,114,951)		15,612,754	
Increase / (Decrease) in Other current liabilities	69,829,689		18,629,210	
Increase / (Decrease) in other financial liabilities	56,138,245		69,643,948	
Increase / (Decrease) in provisions	(424,567)	54,545,003	2,625,579	141,835,503
Cash generated from operations		114,273,181		195,561,416
<b>Net cash flow from / (used in) operating activities (A)</b>		<b>144,908,719</b>		<b>218,477,434</b>
<b>B. Cash flow from investing activities</b>				
Payment for Purchase of Property, plant and Equipment (PP&E),	(43,375,226)		(36,882,185)	
Proceeds from Property, plant and Equipment (PP&E),	2,351,001		6,454,923	
Investment properties and capital work in progress				
Proceeds from long-term investments				
- Others	42,702,593		(240,834,150)	
Interest received (finance income)				
- Others	12,293,336		3,645,333	
		13,971,704		(267,616,079)
<b>Net cash flow from / (used in) investing activities (B)</b>		<b>13,971,704</b>		<b>(267,616,079)</b>
<b>C. Cash flow from financing activities</b>				
Repayment of other financial liabilities	(1,886,791)		65,995,309	
Interest paid (finance cost)	(50,397,650)	(52,284,441)	(37,872,232)	28,123,077
<b>Net cash flow from / (used in) financing activities (C)</b>		<b>(52,284,441)</b>		<b>28,123,077</b>
<b>Net increase / (decrease) in Cash and cash equivalents (A+B+C)</b>		<b>106,595,982</b>		<b>(21,015,567)</b>
Cash and cash equivalents at the beginning of the year		28,988,811		50,004,378
<b>Cash and cash equivalents at the end of the year</b>		<b>135,584,793</b>		<b>28,988,811</b>
<b>Reconciliation of Cash and cash equivalents with the Balance Sheet:</b>				
Cash and cash equivalents as per Balance Sheet		135,584,793		28,988,811
<b>Cash and cash equivalents at the end of the year *</b>		<b>135,584,793</b>		<b>28,988,811</b>

Note: The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'.

The accompanying notes are an integral part of these financial statements  
As per our report of even date

For and on behalf of Board of Directors

Sd/-  
**For Kumar Khare & Co.**  
Firm Registration Number: 006740C  
Chartered Accountants

Sd/-  
**Anuradha Prasad Shukla**  
Director  
DIN: 00010716

Sd/-  
**Sudhir Shukla**  
Whole Time Director  
DIN :01567595

Sd/-  
**Alok Khare**  
Partner  
Membership Number: 075236  
Place: Noida  
Date: May 29, 2019

Sd/-  
**Ajay Jain**  
Chief Financial Officer

Sd/-  
**Jyoti Lata**  
Company Secretary

## **Notes forming part of Financial Statements**

for the year ended March 31, 2019

### **1. CORPORATE INFORMATION**

The Company is running its 24 hours National Hindi news channel in the name of “News24”. Programmes like Aaj Ka Reporter, Aamne-Saamne, Sabse Bada Sawal, Mahabharat, Ek Shakhshiyat ki 50 Ansuni Kahania , Itihaas Gawah Hai, Modi Ka Mahabharat, Sadda Haq and Khabrein 30 Second Mein amongst others cover a gamut of genres in news reporting and have been received exceptionally well with the audiences across the nation. The channel today is ranked among the leading Hindi News channel in the country.

### **2. SIGNIFICANT ACCOUNTING POLICIES**

#### **(a) Statement of compliance**

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the “Ind AS”) as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules as amended from time to time.

#### **(b) Basis of preparation**

These financial statements have been prepared in Indian Rupee (₹) which is the functional currency of the Company.

These financial statements have been prepared on historical cost basis, except for certain financial instruments which are measured at fair value or amortised cost at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. 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. All assets and liabilities have been classified as current and non-current as per the Company’s normal operating cycle. Based on the nature of services rendered to customers and time elapsed between deployment of resources and the realisation in cash and cash equivalents of the consideration for such services rendered, the Company has considered an operating cycle of 12 months.

The statement of cash flows have been prepared under indirect method.

#### **(c) Use of estimates and judgements**

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures of contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the periods presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

Key sources of estimation of uncertainty at the date of the financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are in respect of useful lives of property, plant and equipment, valuation of deferred tax assets and fair value measurement of financial instruments, these are discussed below. Key sources of estimation of uncertainty in respect of revenue recognition, employee benefits and provisions and contingent liabilities have been discussed in their respective policies.

#### **Useful lives of property, plant and equipment**

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

#### **Valuation of deferred tax assets**

The Company reviews the carrying amount of deferred tax assets at the end of each reporting period. The policy has been explained under.

#### **Fair value measurement of financial instruments**

When the fair value 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 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. The policy has been further explained.

### **(d) Revenue Recognition**

#### **Ind AS 115 'Revenue from Contracts with Customers'**

The Companies (Indian Accounting Standards) Amendment Rules, 2018 issued by the Ministry of Corporate Affairs (MCA) notified Ind AS 115 "Revenue from Contracts with Customers" related to revenue recognition which replaces all existing revenue recognition standards and provide a single, comprehensive model for all contracts with customers. The revised standard contains principles to determine the measurement of revenue and timing of when it is recognised.

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. Revenue is measured at the fair value of the consideration received or receivable. All revenues are accounted on accrual basis except to the extent stated otherwise.

- Broadcasting revenue - Advertisement revenue (net of discount and volume rebates) is recognized when the related advertisement or commercial appears before the public i.e. on telecast. Subscription revenue (net of share to broadcaster) is recognised on time basis on the provision of television broadcasting service to subscribers.
- Revenue from other services is recognised as and when such services are completed / performed.
- Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate (EIR) applicable.

The transaction price, being the amount to which the Company expects to be entitled and has rights to under the contract is allocated to the identified performance obligations. The transaction price will also include an estimate of any variable consideration where the Company's performance may result in additional revenues based on the achievement of agreed targets.



The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the group does not adjust any of the transaction prices for the time value of money.

Revenue excludes any taxes and duties collected on behalf of the government.

**(e) Leases**

*Finance lease*

Assets taken on lease by the Company in its capacity as lessee, where the Company has substantially all the risks and rewards of ownership are classified as finance lease. Such leases are capitalised at the inception of the lease at lower of the fair value or the present value of the minimum lease payments and a liability is recognised for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost so as to obtain a constant periodic rate of interest on the outstanding liability for each year.

*Operating lease*

The Company as a lessee:

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor, are recognised as operating lease. Operating lease payments are recognised on a straight line basis over the lease term in the statement of profit and loss, unless the lease agreement explicitly states that increase is on account of inflation.

The Company as a lessor:

Rental income from operating leases is generally recognised on a straightline basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the Company's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue.

**(f) Cost recognition**

Costs and expenses are recognised when incurred and have been classified according to their nature.

The costs of the Company are broadly categorised in employee benefit expenses, cost of equipment and software licences, depreciation and amortisation expense and other expenses. Employee benefit expenses include salaries, incentives and allowances, contributions to provident and other funds and staff welfare expenses. Other expenses mainly include fees to external consultants, facility expenses, travel expenses, communication expenses and other expenses. Other expenses is an aggregation of costs which are individually not material.

**(g) Foreign currency**

- i. The functional currency of the Company is Indian Rupees (₹) Foreign currency transactions are accounted at the exchange rate prevailing on the date of such transactions.
- ii. Foreign currency transactions are recorded at exchange rates prevailing on the date of the transaction. Exchange difference arising on settlement of monetary items or on reporting such monetary items at rates different from those at which they were initially recorded during the period, or reported in previous financial statement are recognized as income or as expenses in the period in which they arise.

- iii. Non-monetary assets and liabilities that are measured in terms of historical cost in foreign currencies are not retranslated.

**(h) Accounting for taxes on income**

Tax expense comprises of current and deferred tax.

**i) Current tax:**

Current tax is the amount of income taxes payable in respect of taxable profit for a period. Current tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted at the balance sheet date. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

**ii) Deferred tax:**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

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

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax for the year:

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

**(i) Financial instruments**

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired.

***Cash and cash equivalents***

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

***Financial assets at amortised cost***

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

***Financial assets at fair value through other comprehensive income***

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling financial.

The Company has made an irrevocable election to present subsequent changes in the fair value of equity investments not held for trading in other comprehensive income.

***Financial assets at fair value through profit or loss***

Financial assets are measured at fair value through profit or loss unless they are measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in statement of profit and loss.

***Financial liabilities***

Financial liabilities are measured at amortised cost using the effective interest method.

***Equity instruments***

An equity instrument is a contract that evidences residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received net of direct issue cost.

## ***Impairment***

### ***i. Financial assets (other than at fair value)***

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. In determining the allowances for doubtful trade receivables, the Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and allowance rates used in the provision matrix. For all other financial assets, expected credit losses are measured at an amount equal to the 12-months expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

### ***ii. Non-financial assets***

#### ***Tangible and intangible assets***

Property, plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit and loss.

## **Offsetting Financial Instruments**

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

## **Fair value measurement**

The Company measures financial instruments such as debts and certain 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, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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

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

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

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

#### **(j) Provisions and Contingent liabilities**

A provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which 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 where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognised nor disclosed in the financial statements.

#### **(k) Property, Plant and Equipment**

Property, plant and equipment are stated at cost comprising of purchase price and any initial directly attributable cost of bringing the asset to its working condition for its intended use, less accumulated depreciation (other than freehold land) and impairment loss, if any.

Capital work-in-progress comprises cost of property, plant and equipment and related expenses that are not yet ready for their intended use at the reporting date.

Depreciation is recognised so as to write off the cost of assets (other than free hold land and capital work-in-progress) less their residual values over their useful lives, using the written down value method. The estimated useful lives, residual values and depreciation method are reviewed at each reporting period, with the effect of changes in estimate accounted for on a prospective basis.

The estimate of the useful life of the assets has been assessed based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement etc. The estimated useful lives and residual value are reviewed at the end

of each reporting period, with the effect of any change in estimate accounted for on a prospective basis.

Depreciation is not recorded on capital work-in-progress until construction and installation is complete and the asset is ready for its intended use.

Gains or losses arising from the retirement or disposal of a tangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the Statement of Profit and Loss.

## **(l) Employee benefits**

### **i. Defined benefit plans**

For defined benefit plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at each balance sheet date. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling and the return on plan assets (excluding interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Past service cost, both vested and unvested, is recognised as an expense at the earlier of (a) when the plan amendment or curtailment occurs; and (b) when the entity recognises related restructuring costs or termination benefits.

The retirement benefit obligations recognised in the balance sheet represents the present value of the defined benefit obligations reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to the present value of available refunds and reductions in future contributions to the scheme.

### **ii. Defined contribution plans**

Contributions to defined contribution plans are recognised as expense when employees have rendered services entitling them to such benefits.

### **iii. Short-term employee benefits**

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages etc. and the expected cost of ex-gratia are recognised in the period in which the employee renders the related service. A liability is recognized for the amount expected to be paid when there is a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

### **iv. Compensated absences**

Compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as undiscounted liability at the balance sheet date. 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 an actuarially determined liability at the present value of the defined benefit obligation at the balance sheet date.

**(m) Borrowings and Borrowing costs**

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use of sale. All other borrowing costs are recognized in profit or loss in the period in which they are incurred.

**(n) Inventories**

Inventories consists of (a) Raw materials, (b) Work-in-progress, (c) Finished goods. Inventories are carried at lower of cost and net realisable value.

**i. Media Content:**

Media content i.e. Programs, Film rights, Music rights ((completed (commissioned / acquired) and under production)) are stated at lower of cost / unamortised cost or realisable value. Cost comprises acquisition / direct production cost. Where the realisable value of media content is less than its carrying amount, the difference is expensed.

**ii. Raw Stock:**

Tapes are valued at lower of cost or estimated net realisable value. Cost is taken on weighted average basis.

**(o) Earnings per share**

Basic earnings per share is computed by dividing profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year. The Company did not have any potentially dilutive securities in any of the years presented.

**(p) Segment Information**

The Company is primarily in the business of broadcasting of News and and related operations.

The Board of Directors of the Company, which has been identified as being the chief operating decision maker (CODM), evaluates the Company's performance, allocate resources based on the analysis of the various performance indicator of the Company as a single unit.

### 3. KEY ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. This note provides an overview of the areas that involve a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgments is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

**The areas involving critical estimates or judgments are:**

**Estimated useful life of Tangible Assets:**

The Company reviews the useful lives and carrying amount of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation and amortization expense in future periods.

**Estimation of Current Tax Expense and Income Tax Payable / Receivable:**

The Company's tax jurisdiction is India. Significant judgements are involved in estimating budgeted profits for the purpose of paying advance tax determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

**Estimation of Defined Benefit Obligation:**

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, this liability is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. 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.

**Estimation of Property, plant and equipment**

Property, plant and equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technical or commercial obsolescence arising from changes or improvements in production or from a change in market demand of the product or service output of the asset.

**Estimation of Fair value measurement of financial instruments**

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 model, which involve various judgements and assumptions.



**Recognition of Deferred Tax Assets:**

The recognition of deferred tax assets is based upon whether it is probable that sufficient taxable profits will be available in the future against which the reversal of temporary differences will be offset. In assessing the realizability of deferred tax assets, the Company considers the extent to which it is probable that the deferred tax asset will be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable profits during the periods in which those temporary differences and tax loss carry-forwards become deductible. The Company considers the expected reversal of deferred tax liabilities, projected future taxable income and tax planning strategies in making this assessment.

**Impairment of Trade Receivables:**

Trade receivables are typically unsecured and are derived from revenue earned from customers. Credit risk has been managed by the Company through credit approvals, establishing credit limits and continuously monitoring the creditworthiness 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 and forward-looking information and an assessment of the credit risk over the expected life of the financial asset to compute the expected credit loss allowance for trade receivables.

Estimates and judgments are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

**Fair valuation:**

Some of the Company's assets and liability are measured at fair value for financial reporting purpose. In estimating the fair value of an asset and liability Company uses market observable data to the extent available. When Level 1 inputs are not available, the company engages third party qualified valuer to establish the appropriate techniques and input to valuation model.

**Impairment assessment of Investments carried at cost:**

The Company conducts impairment review of the investments in subsidiaries whenever events or changes in circumstances indicate their carrying amounts may not be recoverable or tests for impairment annually. Determining whether an asset is impaired requires an estimation of the recoverable amount, which requires the Company to estimate the value in use which is based on future cash flows and suitable discount rate in order to calculate the present value.

#### 4. STANDARDS ISSUED BUT NOT YET EFFECTIVE

Ministry of Corporate Affairs ("MCA"), through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified the following new and amendments to Ind ASs which the Company has not applied as they are effective from April 1, 2019:

##### **Ind AS 116 – Leases**

On 30 March 2019, the Ministry of Corporate Affairs (MCA) issued the Companies (Indian Accounting Standards) Amendment Rules, 2019, notifying Indian Accounting Standards (Ind AS) 116, "Leases", which is applicable to the Company w.e.f. 1 April, 2019. Ind AS 116 eliminates the current classification model for lessee's lease contracts as either operating or finance leases and, instead, introduces a single lessee accounting model requiring lessees to recognize right-of-use assets and lease liabilities for leases with a term of more than twelve months. This brings the previous off-balance leases on the balance sheet in a manner largely comparable to current finance lease accounting. Ind AS 116 is effective for financial year beginning on or after 1 April 2019. The Company will adopt the standard for the financial year beginning 1 April 2019. Based on the preliminary assessment performed by the Group, the impact of application of the Standard is not expected to be material.

##### **Ind AS 12 – Income taxes (amendments relating to income tax consequences of dividend and uncertainty over income tax treatments)**

The amendment relating to income tax consequences of dividend clarify that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. The Group does not expect any impact from this pronouncement. It is relevant to note that the amendment does not amend situations where the entity pays a tax on dividend which is effectively a portion of dividends paid to taxation authorities on behalf of shareholders. Such amount paid or payable to taxation authorities continues to be charged to equity as part of dividend, in accordance with Ind AS 12.

The amendment to Appendix C of Ind AS 12 specifies that the amendment is to be applied to the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. It outlines the following: (1) the entity has to use judgement, to determine whether each tax treatment should be considered separately or whether some can be considered together. The decision should be based on the approach which provides better predictions of the resolution of the uncertainty (2) the entity is to assume that the taxation authority will have full knowledge of all relevant information while examining any amount (3) entity has to consider the probability of the relevant taxation authority accepting the tax treatment and the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates would depend upon the probability. The Group does not expect any significant impact of the amendment on its financial statements.

##### **Ind AS 109 – Prepayment Features with Negative Compensation**

The amendments relate to the existing requirements in Ind AS 109 regarding termination rights in order to allow measurement at amortised cost (or, depending on the business model, at fair value through other comprehensive income) even in the case of negative compensation payments. The Group does not expect this amendment to have any impact on its financial statements.

**Ind AS 19 – Plan Amendment, Curtailment or Settlement**

The amendments clarify that if a plan amendment, curtailment or settlement occurs, it is mandatory that the current service cost and the net interest for the period after the re-measurement are determined using the assumptions used for the re-measurement. In addition, amendments have been included to clarify the effect of a plan amendment, curtailment or settlement on the requirements regarding the asset ceiling. The Group does not expect this amendment to have any significant impact on its financial statements.

**Ind AS 23 – Borrowing Costs**

The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings. The Group does not expect any impact from this amendment.

**Ind AS 28 – Long-term Interests in Associates and Joint Ventures**

The amendments clarify that an entity applies Ind AS 109 Financial Instruments, to long-term interests in an associate or joint venture that form part of the net investment in the associate or joint venture but to which the equity method is not applied. The Group does not currently have any long-term interests in associates and joint ventures.

**Ind AS 103 – Business Combinations and Ind AS 111 – Joint Arrangements**

The amendments to Ind AS 103 relating to re-measurement clarify that when an entity obtains control of a business that is a joint operation, it re-measures previously held interests in that business. The amendments to Ind AS 111 clarify that when an entity obtains joint control of a business that is a joint operation, the entity does not remeasure previously held interests in that business. The Group will apply the pronouncement if and when it obtains control / joint control of a business that is a joint operation.

# 5. PROPERTY, PLANT AND EQUIPMENT

	Amount in ₹					
Description of Assets	Plant & Equipment	Computers & Peripherals	Vehicle	Furnitures & Fixtures	Office Equipments	Total
<b>Gross Block</b>						
Balance as at 1st April, 2017	126,049,624	67,640,954	2,031,043	40,094,262	1,064,698	236,880,581
Additions	26,306,039	1,324,699	8,431,433	453,534	366,480	36,882,185
Disposal	-	-	-	-	-	-
Balance as at 31st March, 2018	152,355,663	68,965,653	10,462,476	40,547,796	1,431,178	273,762,766
Additions	26,389,506	14,916,548	-	1,447,879	621,293	43,375,226
Disposal	-	-	818,354	-	-	818,354
Balance as at 31st March, 2019	178,745,169	83,882,201	9,644,122	41,995,675	2,052,471	316,319,638
<b>Accumulated Depreciation</b>						
Balance as at 1st April, 2017	72,364,019	66,685,205	1,896,954	38,743,772	974,343	180,664,293
Additions	16,508,309	625,988	1,540,469	710,815	113,432	19,499,013
Disposal	-	-	-	-	-	-
Balance as at 31st March, 2018	88,872,328	67,311,193	3,437,423	39,454,587	1,087,775	200,163,306
Additions	14,856,960	3,703,179	1,916,603	1,097,772	339,067	21,913,581
Disposal	-	-	-	-	-	-
Balance as at 31st March, 2019	103,729,288	71,014,372	5,354,026	40,552,359	1,426,842	222,076,887
<b>Net Block</b>						
Balance as at 31st March, 2019	75,015,881	12,867,829	4,290,096	1,443,316	625,629	94,242,751
Balance as at 31st March, 2018	63,483,335	1,654,460	7,025,053	1,093,209	343,403	73,599,460

**6. NON-CURRENT INVESTMENTS**

Particulars	Amount in ₹	
	As at March 31, 2019	As at March 31, 2018
<b>Investment in Equity instruments (at fair value through profit and loss)</b>		
<b>(Quoted)</b>		
Investment in Mutual Funds	3,800,000	10,321,693
<b>Investment in optionally fully convertible debentures (OFCDs) (unquoted)</b>		
(unquoted) (at cost)		
947,437 (Previous year 947,437) fully paid up Optionally Fully Convertible Debenture of 100/- each in E24 Glamour Limited	94,743,700	94,743,700
890,988 (Previous year 890,988) fully paid up Optionally Fully Convertible Debenture of 100/- each in B.A.G Live Entertainment Limited	89,098,800	89,098,800
1,215,602 (Previous year 1,430,120) fully paid up Optionally Fully Convertible Debenture of 100/- each in Skyline Telemedia Services Limited	121,560,200	143,012,000
1,039,732 (Previous year 1,039,732) fully paid up Optionally Fully Convertible Debenture of 100/- each in Skyline Radio Network Limited	103,973,200	103,973,200
150,880 (Previous year 298,171) fully paid up Optionally Fully Convertible Debenture of 100/- each in B.A.G Convergence Private Limited	15,088,000	29,817,100
<b>Total</b>	<b>428,263,900</b>	<b>470,966,493</b>
<b>Aggregate value of quoted and unquoted investments is as follows:</b>	<b>As at March 31, 2019</b>	<b>As at March 31, 2018</b>
Aggregate amount and market value of quoted investments	3,800,000	10,321,693
Aggregate carrying value of unquoted investments	424,463,900	460,644,800

**7. DEFERRED TAX BALANCES**

Particulars	Amount in ₹	
	As at March 31, 2019	As at March 31, 2018
<b>Asset:</b>		
Deferred tax assets (net)	6,657,483	6,509,020
<b>Total</b>	<b>6,657,483</b>	<b>6,509,020</b>

**8. INVENTORIES**

Inventories consist of the following:

Particulars	Amount in ₹	
	As at March 31, 2019	As at March 31, 2018
Finished goods	73,780,203	65,603,703
<b>Total</b>	<b>73,780,203</b>	<b>65,603,703</b>

Inventories are carried at the lower of cost and net realisable value.

**9. TRADE RECEIVABLES (UNSECURED)**

Particulars	Amount in ₹	
	As at March 31, 2019	As at March 31, 2018
Considered good	374,729,444	326,711,550
Considered doubtful	-	-
Less: Allowance for bad and doubtful debts	-	-
<b>Total</b>	<b>374,729,444</b>	<b>326,711,550</b>

**10. CASH AND CASH EQUIVALENTS**

Particulars	Amount in ₹	
	As at March 31, 2019	As at March 31, 2018
Cash in hand	209,700	337,704
Balance with banks		
- In current accounts	35,339,260	14,059,717
- In deposit accounts	100,035,833	14,591,390
<b>Total</b>	<b>135,584,793</b>	<b>28,988,811</b>

**11. OTHER FINANCIAL ASSETS**

Particulars	Amount in ₹	
	As at March 31, 2019	As at March 31, 2018
Loans and advances to related parties	130,292,242	92,406,776
Loans and advances to employees	5,271,625	5,562,605
Loan and advance to Other	262,294,120	48,126,276
	<b>397,857,987</b>	<b>146,095,657</b>

**12. OTHER CURRENT ASSETS**

Particulars	Amount in ₹	
	As at March 31, 2019	As at March 31, 2018
Balances with government authorities	69,098,756	22,520,617
Security Deposits	5,978,260	2,656,580
Prepaid Expenses	25,709,682	13,601,207
<b>Total</b>	<b>100,786,698</b>	<b>38,778,404</b>

**13. EQUITY SHARE CAPITAL**

Particulars	Amount in ₹	
	As at March 31, 2019	As at March 31, 2018
<b>Authorised share capital</b>		
Equity Share Capital		
37,000,000 (31st March, 2018: 37,000,000 )equity shares of Rs 10/- each	370,000,000	370,000,000
<b>Issued, subscribed and fully paid share capital</b>		
35,364,252 (31st March, 2018: 35,364,252 ) equity shares of Rs 10/- each	353,642,520	353,642,520
<b>Total</b>	<b>353,642,520</b>	<b>353,642,520</b>

**(i) The reconciliation of the number of shares outstanding is set out below:**

Particulars	As at March 31, 2019		As at March 31, 2018	
	Number of shares held	Amount	Number of shares held	Amount
<b>Equity share with Voting Rights</b>				
Equity shares outstanding at the beginning of the year	35,364,252	353,642,520	35,364,252	353,642,520
Add: Issue of Equity Shares during the year	-	-	-	-
Equity shares outstanding at the end of the year	35,364,252	353,642,520	35,364,252	353,642,520

**(ii) Details of Equity shares held by each shareholder holding more than 5% shares:**

Name of Shareholders	As at March 31, 2019	As at March 31, 2018
	No. of Shares	No. of Shares
B.A.G. Films and Media Limited	19,031,847	19,031,847
Sameer Gehlaut	2,571,428	2,571,428
High Growth Dist Private Limited	2,571,428	2,571,428
Oscar Software Private Limited	6,486,752	6,486,752

**(iii) Terms and rights attached to equity shares**

The Company has one class of equity shares having a par value of Rs 2 per share. Each shareholder is eligible for one vote per share held. The dividend proposed, if any, by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(iv) The company has not allotted any bonus shares or bought back any shares during the current year or for a period of five years immediately preceding the balance sheet date.

(v) The Company's objective for capital management is to maximise shareholder value, safeguard business continuity and support the growth of the Company. The Company determines the capital requirement based on annual operating plans and long-term and other strategic investment plans. The funding requirements are met through equity and operating cash flows generated. The Company is not subject to any externally imposed

**14. OTHER EQUITY**

Particulars	Amount in ₹	
	As at March 31, 2019	As at March 31, 2018
(a) Securities Premium Reserves	2,056,832,892	2,056,832,892
(b) Capital Reserve	320,000,000	-
(c) Retained earnings	(1,974,461,469)	(2,005,037,357)
<b>Total</b>	<b>402,371,423</b>	<b>51,795,535</b>

a) Securities Premium Account : Security Premium is created to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

b) Retained earning : Retained earnings represent the accumulated earnings net of losses if any made by the Company over the years.

**15. OTHER FINANCIAL LIABILITIES**

Particulars	Amount in ₹	
	As at March 31, 2019	As at March 31, 2018
Term Loans		
- From Bank	43,324,982	51,542,464
Vehicle loans from bank, at amortised cost *	3,978,389	5,199,282
Other borrowings (from entities other than Banks)	54,202,740	54,202,740
Long term maturity of Finance lease obligation	44,882,139	37,330,556
Optionally fully convertible Debentures	127,760,274	127,760,274
<b>Total</b>	<b>274,148,524</b>	<b>276,035,316</b>

**16. PROVISIONS**

Particulars	Amount in ₹	
	As at March 31, 2019	As at March 31, 2018
Provision for Employee benefits		
- Gratuity	7,599,846	7,678,907
- Compensated absences	1,845,664	2,191,170
<b>Total</b>	<b>9,445,510</b>	<b>9,870,077</b>

**17. TRADE PAYABLE**

Particulars	Amount in ₹	
	As at March 31, 2019	As at March 31, 2018
Trade payables- micro and small enterprises	-	-
Trade payables	43,598,856	64,713,805
<b>Total</b>	<b>43,598,856</b>	<b>64,713,805</b>

**Notes:****Micro, Small and Medium Enterprises :**

The balances above includes INR Nil (Previous Year Nil) due to Micro and Small Enterprises registered under the Micro, Small and Medium Enterprises Development Act, 2006 (MSME Act). No interest is paid / payable during the year to any Micro / Small Enterprise registered under the MSME. There were no delayed payments during the year to any Micro or Small Enterprise registered under the MSME Act. The above information has been determined to the extent such parties could be identified on the basis of the information available with the Management regarding the status of suppliers under the MSME Act.

**18. OTHER FINANCIAL LIABILITIES**

Particulars	Amount in ₹	
	As at March 31, 2019	As at March 31, 2018
Secured		
Loans repayable on demand	289,609,247	283,447,590
Other Loans		
Loans and advances from related parties	73,954,049	-
Other Loans and advances	-	10,286,017
<b>Total</b>	<b>363,563,296</b>	<b>293,733,607</b>

**19. OTHER CURRENT LIABILITIES**

Particulars	Amount in ₹	
	As at March 31, 2019	As at March 31, 2018
Current maturities of long term debt	30,194,883	24,471,795
Other payables		
Statutory dues payable	27,062,099	15,887,610
Other Liabilities	94,511,978	56,456,195
Employee benefits payable	17,261,389	16,076,504
Security deposits received	1,600,000	1,600,000
<b>Total</b>	<b>170,630,349</b>	<b>114,492,104</b>

**20. REVENUE FROM OPERATIONS**

Particulars	Amount in ₹	
	As at March 31, 2019	As at March 31, 2018
<u>Revenue from operations</u>		
Sale of Services	1,000,088,158	874,764,309
<b>Total</b>	<b>1,000,088,158</b>	<b>874,764,309</b>

**21. OTHER INCOME**

Particulars	Amount in ₹	
	As at March 31, 2019	As at March 31, 2018
<u>Interest income</u>		
-Bank deposit	12,293,336	3,645,333
- Other Interest	-	-
<u>Other Non-Operating Income</u>		
Profit on sale of investment	378,311	-
Miscellaneous income	303,450	349,549
Foreign Exchange Fluctuation	14,397	43,493
Liabilities and excess provision written back	81,606	-
<b>Total</b>	<b>13,071,100</b>	<b>4,038,375</b>

**22. CHANGES IN INVENTORIES OF FINISHED GOODS (INCLUDING STOCK-IN-TRADE) AND WORK-IN-PROGRESS**

Particulars	Amount in ₹	
	As at March 31, 2019	As at March 31, 2018
<b>Opening inventories</b>		
Finished Goods	65,603,703	45,797,003
<b>Closing inventories</b>		
Finished Goods	(73,780,203)	(65,603,703)
	<b>(8,176,500)</b>	<b>(19,806,700)</b>

**23. EMPLOYEE BENEFITS EXPENSE**

Particulars	Amount in ₹	
	As at March 31, 2019	As at March 31, 2018
Salaries, incentives, allowances and Bonus	165,079,204	168,684,022
Contribution to Provident and other funds	6,237,859	6,042,556
Staff welfare expenses	6,926,421	4,563,280
<b>Total</b>	<b>178,243,484</b>	<b>179,289,858</b>

**24. FINANCE COSTS**

Particulars	Amount in ₹	
	As at March 31, 2019	As at March 31, 2018
<u>Interest expense on</u>		
Borrowing	41,412,932	30,754,236
Others	8,241,284	6,593,859
<u>Other borrowing costs</u>		
Bank Charges	723,434	129,137
Processing Fees	20,000	395,000
<b>Total</b>	<b>50,397,650</b>	<b>37,872,232</b>

**25. DEPRECIATION AND AMORTISATION EXPENSE**

Particulars	Amount in ₹	
	As at March 31, 2019	As at March 31, 2018
Depreciation of property, plant and equipment (Refer Note 5)	21,913,582	19,499,014
	<b>21,913,582</b>	<b>19,499,014</b>



**26. OTHER EXPENSES**

<b>Particulars</b>	<b>Amount in ₹</b>	
	<b>As at March 31, 2019</b>	<b>As at March 31, 2018</b>
Power and fuel	10,698,035	10,401,025
Rent	84,685,026	73,905,791
Repairs and maintenance - Others	268,331	3,843,376
Insurance	164,182	2,211,254
Rates and taxes	17,177,741	2,944,218
Loss on foreign currency transaction	34,424	134,031
Loss on sale of Investment	44,661,926	-
Payment to auditors	363,771	295,763
Corporate Social Responsibility Expenditure	-	500,000
Professional Charges	40,977,942	14,875,861
Space segment charges	11,550,000	11,564,439
Travelling and conveyance	29,968,858	23,589,722
Subscription Charges	16,228,064	14,345,749
Shooting Content & Programming Expenses	148,557,874	142,060,974
Carriage Charges	282,833,375	264,677,080
Miscellaneous Expenses	52,348,167	70,985,859
<b>Total</b>	<b>740,517,716</b>	<b>636,335,142</b>

## 27. EMPLOYEE BENEFITS

### Defined Contribution Plans :

Contribution to Defined Contribution Plan recognised as expense for the year is as under:

Employer's Contribution to Provident Fund:	Rs. 5,638,899
	(Previous Year Rs. 5,336,381)
Employer's Contribution to ESI :	Rs. 598,960
	(Previous Year Rs. 706,175 )

### Defined Benefit Plans:

The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit method, which recognises each year of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for leave encashment is recognised in the same manner as gratuity.

#### a. Change in present value of obligation

(Amount in ₹)

Particulars	Gratuity		Leave Encashment	
	March31,2019	March31,2018	March31,2019	March31,2018
Present value of obligation as at the beginning of the period	7,678,907	5,824,598	2,191,170	14,19,900
Current Service Cost	1,287,538	1,640,626	366,109	5,91,713
Interest Cost	591,276	436,845	168,720	1,06,493
Expected Return on Plan Assets	--	--	--	--
Benefits paid	(52,355)	(71,538)	--	--
Actuarial (gain)/loss	(1,905,520)	(151,624)	(880,335)	73,064
Past Service Cost	--	--	--	--
Curtailment and settlement Cost/(credit)	--	--	--	--
<b>Present value of obligation as at the end of the period</b>	<b>7,599,846</b>	<b>7,678,907</b>	<b>1,845,664</b>	<b>21,91,170</b>

#### b. Expense recognized in the statement of profit and loss account

(Amount in ₹)

Particulars	Gratuity		Leave Encashment	
	March31,2019	March31,2019	March31,2019	March31,2019
Current service cost	1,287,538	1,640,626	366,109	5,91,713
Past service cost	--	--	--	--
Interest cost	591,276	436,845	168,720	1,06,493
Expected return on plan assets	--	--	--	--
Curtailment cost / (Credit)	--	--	--	--
Settlement cost / (credit)	--	--	--	--
Net actuarial (gain)/ loss recognized in the period	(1,905,520)	(151,624)	(880,335)	73,064
<b>Expenses recognized in the statement of profit &amp; losses</b>	<b>(26,706)</b>	<b>1,925,847</b>	<b>(345,506)</b>	<b>7,71,270</b>

**c. Actuarial gain/loss recognized****(Amount in ₹)**

Particulars	Gratuity		Leave Encashment	
	March31,2019	March31,2019	March31,2018	March31,2018
Actuarial gain/(loss) for the period - obligation	1,905,520	1,51,624	880,335	(73,064)
Actuarial gain/(loss) for the period - plan assets	--	--	--	--
Total (gain)/loss for the period	(1,905,520)	(1,51,624)	(880,335)	73,064
Actuarial (gain)/loss recognized in the period	(1,905,520)	(1,51,624)	(880,335)	73,064
<b>Unrecognized actuarial (gains) losses at the end of period</b>	--	--	--	--

**d. The amounts to be recognized in balance sheet and related analysis****(Amount in ₹)**

Particulars	Gratuity		Leave Encashment	
	March31,2019	March31,2019	March31,2019	March31,2019
Present value of obligation as at the end of the period	7,599,846	76,78,907	1,845,664	21,91,170
Fair value of plan assets as at the end of the period	--	--	--	--
Funded status / Difference	(7,599,846)	(76,78,907)	(1,845,664)	(21,91,170)
Excess of actual over estimated	--	--	--	--
Unrecognized actuarial (gains)/losses	--	--	--	--
<b>Net asset/(liability) recognized in balance sheet</b>	(7,599,846)	(76,78,907)	(1,845,664)	(21,91,170)

**e. Actuarial Assumptions****i) Economic Assumptions**

The principal assumptions are the discount rate & salary growth rate. The discount rate is generally based upon the market yields available on Government bonds at the accounting date with a term that matches that of the liabilities & the salary growth rate takes account of inflation, seniority, promotion and other relevant factors on long term basis. Valuation assumptions are as follows which have been agreed by the company:

**(Amount in ₹)**

Particulars	Gratuity		Leave Encashment	
	March31,2018	March31,2018	March31,2019	March31,2019
Discount Rate (%)	7.66	7.70	7.66	7.50
Expected Rate of increase in Compensation Levels (%)	5.50	5.50	5.50	5.50
Expected Rate of Return on Plan Assets	--	--	--	--
Expected Average remaining working lives of employees (years)	21.82	23.23	21.82	24.32

## ii) Demographic Assumption

(Amount in ₹)

Particulars	Gratuity		Leave Encashment	
	March31,2019	March31,2018	March31,2019	March31,2018
i) Retirement Age (Years)	60	60	60	60
ii) Mortality Table	IALM(2006-08)	IALM(2006-08)	IALM(2006-08)	IALM(2006-08)
iii) Ages				
Up to 30 Years	3.00	3.00	3.00	3.00
From 31 to 44 years	2.00	2.00	2.00	2.00
Above 44 years	1.00	1.00	1.00	1.00

### Short term employee benefits

All employee benefits payable wholly within twelve months of rendering the services are classified as short-term employees benefits. Benefits such as salaries , wages and bonus, etc., are recognized in the statement of Profit and Loss in the period in which the employee renders the related service.

Actuarial gains and losses are recognized in the Statement of Profit and Loss.

### Termination benefits

Termination benefits are recognised as an expense when, as a result of a past event, the Company has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

### Sensitivity Analysis of the defined benefit obligation.

	Gratuity	Leave Encashment
<b>a) Impact of the change in discount rate</b>		
Present Value of Obligation at the end of the period	7,599,846	1,845,664
Impact due to increase of 0.50%	(481,113)	(117,117)
Impact due to decrease of 0.50 %	524,398	127,622
<b>b) Impact of the change in salary increase</b>		
Present Value of Obligation at the end of the period	7,599,846	1,845,664
Impact due to increase of 0.50%	532,979	129,702
Impact due to decrease of 0.50 %	(492,778)	(119,952)

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the Balance sheet.

The methods and types of assumptions used in preparing the sensitivity analyses did not change compared to previous period.

**Notes:**

- a) The current service cost recognised as an expense is included in Note 23 'Employee benefits expense' as gratuity. The remeasurement of the net defined benefit liability is included in other comprehensive income.
- b) The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the Actuary.

Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase and mortality. The sensitivity analysis above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

- c) The obligation for leave benefits (non funded) is also recognised using the Projected Unit Credit Method and accordingly the long term paid absences have been valued. The leave encashment expense is included in Note 23 'Employee benefits expense'.

**28. RELATED PARTY TRANSACTIONS:****Name of related parties and description of relationship**

<b>Name</b>	<b>Relationship</b>
B.A.G. Films and Media Limited	Holding Company
Anurradha Prasad Shukla	Key Managerial Personnel
ARVR Communications Pvt. Ltd.	Enterprises over which KMP are able to exercise significant influence
B.A.G Live Entertainment Limited	Enterprises over which KMP are able to exercise significant influence
Skyline Radio Network Limited	Enterprises over which KMP are able to exercise significant influence
Skyline Tele Media Services Limited	Enterprises over which KMP are able to exercise significant influence

**Details of Transactions during the year and balances at the year end****(Amount in ₹)**

<b>Particulars</b>	<b>Holding Company</b>		<b>Key Managerial Personnel (KMP)</b>		<b>Enterprises over which KMP are able to exercise significant influence</b>	
	<b>For Year Ended March 31,</b>		<b>For Year Ended March 31,</b>		<b>For Year Ended March 31,</b>	
	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>
Lease rental on Equipments	49,384,768	49,384,768	--	--	--	--
Income from Ad Sale	--	--	--	--	4,080,950	--
Office Rent	18,504,000	14,400,000	--	--	--	--
Expenses Reimbursed	30,225,311	37,146,057	--	--	11,550,000	11,550,000
Expenses Incurred	--	--	--	--	--	790,739
Programming Expenses	55,588,350	--	--	--	66,096,555	118,541,234

**Note**

1. All Related Party Transactions entered during the year were in ordinary course of the business and are on arm's length basis.
2. There are no provision for doubtful debts, amounts written off or written back during the year in respect of debts due from or due to related parties.

**29. EARNING PER SHARE****(Amount in ₹)**

Particulars	For the year ended	
	2018-19	2017-18
Profit for the year	30,575,899	23,986,961
Weighted Average number of equity shares used as denominator for calculating Basic EPS	35,364,252	35,364,252
Basic Earnings per share	0.86	0.68
Weighted Average number of equity shares used as denominator for calculating Diluted EPS	53,560,553	53,284,526
Diluted Earnings per share	0.57	0.45
Face Value per equity share	10	10

**30. FINANCIAL INSTRUMENTS****a) Fair Value Measurements**

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 in the principal or, in its absence, the most advantageous market to which the Company has access at that date. The fair value of a liability reflects its non-performance risk. The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price - i.e. the fair value of the consideration given or received.

**b) Categories of financial instruments and fair value thereof****(Amount in ₹)**

	March 31, 2019		March 31, 2018	
	Carrying amount	Fair Value	Carrying amount	Fair Value
<b>a) Financial assets</b>				
<b>i) Measured at amortised cost</b>				
Trade receivables	374,729,444	374,729,444	326,711,550	326,711,550
Cash and cash equivalents	135,584,793	135,584,793	28,988,811	28,988,811
Other financial assets	397,857,987	397,857,987	146,095,657	146,095,657
Investments	428,263,900	428,263,900	38,778,404	38,778,404
<b>b) Financial liabilities</b>				
<b>i) Measured at amortised cost</b>				
Trade payables	43,598,856	43,598,856	64,713,805	64,713,805
Other financial liabilities	637,711,821	637,711,821	569,768,923	569,768,923

\* Includes current maturities of long term borrowings.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Financial instruments measured at amortised cost.

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

The carrying value of current trade receivables, cash and cash equivalents, current loans, trade payables and other financial assets and liabilities are considered to be the same as their fair values due to their short term nature.

### c) Financial Risk Management objectives and policies

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include investments, loans, trade and other receivables and cash and cash equivalents that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks.

#### i. Credit risk management

Credit risk is the risk of financial loss to the Company if a customer or counterparty fails to meet its contractual obligations and arises principally from the Company's receivables, deposits given, loans given, investments made and balances at bank.

The maximum exposure to the credit risk at the reporting date is primarily from investments made, loans given and trade receivables.

In case of trade receivables, the Company does not hold any collateral or other credit enhancements to cover its credit risks. Credit risk has always been managed by the Company 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.

Trade receivables are non-interest bearing and the average credit period is 90 days. The Company's exposure to customers is diversified and no customer contributes to more than 10% of outstanding trade receivables and unbilled revenue.

The carrying amount of following financial assets represents the maximum credit exposure:

	March 31,2019	March 31,2018
Trade Receivable (Unsecured)		
- Over six months	-	-
-Less than six months	374,729,444	326,711,550
<b>Total</b>		

Trade receivable consists of a large number of customers, spread across diverse industries and geographical areas. Ongoing credit evaluation is performed on the financial condition of the accounts receivable.

Credit risk on cash and cash equivalents is limited as the Company generally invest in deposits with banks and financial institutions with high credit ratings assigned by credit-rating agencies. The credit risk on optionally fully convertible debentures and deposit is limited because the counter parties are generally banks and financial institutions with high credit ratings assigned by credit rating agencies.



## ii. Liquidity risk management

The responsibility for liquidity risk management rests with the Board of directors, which has an appropriate liquidity risk management framework for the management of the Company's short-, medium- and long term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities by regularly monitoring forecast and actual cash flows.

### Maturities of financial liabilities

The tables below analyze the company's financial liabilities into relevant maturity grouping based on their contractual maturities. (Amount in ₹)

	Due in 1st year	Due in 2 to 5th year	Due after 5 years	Total
<b>Contractual maturities of financial liabilities</b>				
<b>March 31, 2019</b>				
Trade payables and other financial liabilities	43,598,856	--	--	43,598,856
Borrowings	393,758,179	274,148,524	--	

	Due in 1st year	Due in 2 to 5th year	Due after 5 years	Total
<b>Contractual maturities of financial liabilities</b>				
<b>March 31, 2018</b>				
Trade payables and other financial liabilities	64,713,805	--	--	64,713,805
Borrowings	318,205,402	276,035,316	--	

## iii. Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk such as equity price risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

### a. Foreign currency risk exposure:

The Company does not have any exposure to foreign currency risk as at March 31, 2019 (Previous year Nil).

### b. Interest rate risk

The Company does not have any borrowings and is thus not exposed to interest rate risk as at March 31, 2019 (Previous year Nil).

### c. Other price risk

The Company is exposed to equity price risks arising from equity investments. The Company's equity investments are held for strategic rather than trading purposes.

### d. Equity price sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to equity price risks at the end of the reporting period.

### 31. CAPITAL MANAGEMENT

The Company's objectives when managing capital are to

- Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- Maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business.

The company considers the following components of its balance sheet to be managed capital:

Total equity as shown in the balance sheet including reserves, retained earnings and share capital. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend paid to shareholders, return capital to shareholders or issue new shares.

32. Previous year's figures have been regrouped/reclassified to be comparable with current year's classification/disclosures.

**For Kumar Khare & Co.**  
Chartered Accountants  
Firm Registration No. 006740C

**For and on the behalf of Boars of Directors**

Sd/-  
**Alok Khare**  
Partner  
Membership No. 075236

Sd/-  
**Anuradha Prasad Shukla**  
(Director)  
DIN : 00010716

Sd/-  
**Sudhir Shukla**  
(Whole Time Director)  
DIN : 01567595

Place: Noida  
Date: May 29, 2019

Sd/-  
**Ajay Jain**  
Chief Financial Officer

Sd/-  
**Jyoti Lata**  
Company Secretary