

BOARD'S REPORT

**To,
The Members of
Skyline Radio Network Limited**

The Directors have pleasure in presenting the 15th Annual Report on business and operations of the Company together with Audited Financial Statements for the financial year ended March 31, 2020.

FINANCIAL RESULTS

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

(Rupees in Lakhs)		
Particulars	2019-20	2018-19
Total Income	537.44	1232.18
Profit before Depreciation & Financial Charges	(199.61)	256.12
Financial Charges	71.59	35.93
Cash Profit	(271.20)	220.19
Depreciation	157.92	163.82
Profit before Tax	(429.12)	56.37
Provision for Tax	(29.12)	35.00
Profit/Loss after Tax	(400.00)	21.37
Proposed Dividend	Nil	Nil

FINANCIAL PERFORMANCE

During the period under review, revenue from operations of the Company has decreased by 56.27% from Rs. 1216.37 Lakhs to Rs. 531.90 Lakhs. During the year, net loss after tax of the Company was increased from Rs. 21.37 Lakhs to Rs. 400.00 Lakhs.

EMERGENCE OF COVID-19

Towards the end of the financial year, the World Health Organization (WHO) declared Covid-19 a pandemic and the outbreak. Covid-19 is seen having an unprecedented impact on people and economies worldwide.

The Company operates its business in conformity with the highest ethical and moral standards and employee centricity. In view of the outbreak of the pandemic, the Company undertook timely and essential measures to ensure the safety and well-being of its employees.

The Company is taking all necessary measures in terms of mitigating the impact of the challenges being faced in the business. The Company is working towards being resilient in order to sail through the current situation. It is focused on controlling the costs, maintaining liquidity and closely monitoring the supply chain to ensure that the content and radio business facilities operate smoothly.

For the Company, the focus immediately shifted to ensuring the health and well-being of all employees, and on minimizing disruption to services for all our viewers globally. The Government's decision to put the country into full lockdown during the latter phase of the fourth quarter had a major impact on the Company.

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 2019-20.

GENERAL RESERVE

The Company has not transferred any amount to General Reserve for the financial year ended March 31, 2020.

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

The provisions of Section 125(2) of the Companies Act, 2013 (herein after referred as "the Act") 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 public under the Act read with Companies (Acceptance of Deposits) Rules, 2014.

OPERATIONS AND STATE OF COMPANY'S AFFAIRS

Your FM radio station, on frequency 106.4 in the name of "**Dhamaal24 - Har Khushi hai Jahan**" is now the voice of the regions and its many shows are household names in all ten cities where it is operational i.e. Hissar, Karnal, Patiala, Ranchi, Muzaffarpur, Dhule, Jalgaon, Ahmednagar, Simla and Jabalpur.

Dhamaal24 believes that life must be lived to the fullest and celebrated. Dhamaal24 is a channel with a slice of life and approach to the infotainment & entertainment programming. Various programs are purposely aligned for maximum listenership. Our content entices regional listeners. There are many popular shows like Zindagi Live, Zara Hat Ke Zara Bachke, Omkar, Yad Kiya Dil Ne, Good Morning, AGOG, Bollywood Reporter, Bollywood Flash Back, Dil Dosti Etc, Love ka fever check, Direct dil se, Marathi special show Ukhana, Champak bhai aa raila hai, Around the Ground, Biscope ki Baatein, Filmy Chatar Patar, Ranchi Life, Good morning Ranchi and Back to Back which are aired on Dhamaal24 keeping the regional flavor in each of its programmes offered to its listeners.

CHANGE IN THE NATURE OF BUSINESS, IF ANY

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

DIRECTORS

There are five Directors on the Board 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) 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 Directors:

1. Ms. Urmila Gupta
2. 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, there was no change in Board of Directors of the Company.

Appointments/ Resignations of the Key Managerial Personnel

Pursuant to the provisions of Section 203 of the Act, the Key Managerial Personnel of the Company as on March 31, 2020 are: Ms. Anuradha Prasad Shukla, Managing Director; Mr. Vinay Kumar Srivastava, Chief Financial Officer and Mr. Lokesh Gautam, Company Secretary.

During the reporting period Mr. Ajay Mishra, resigned from the post of Company Secretary with effect from 11.02.2020 and Mr. Lokesh Gautam was appointed as Company Secretary vide its Board Meeting dated 02.03.2020.

Directors Retiring by Rotation

In accordance with the provisions of the Act 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 year five Board Meetings dated 29.05.2019, 07.08.2019, 14.11.2019, 11.02.2020 and 02.03.2020 were convened. The intervening gap between the Meetings was within the time limit as prescribed under the Act read with the rules made thereunder.

Composition of Committees of the Board of Directors

The Board Committees play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas/activities which concern the Company and needs a closer review. 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 there are two Committees as follows:

1. Audit Committee
2. Nomination and Remuneration Committee

In addition, the Board also constitutes specific committees, from time to time, depending on the business exigencies, and simultaneously dissolves such Committees, that are no longer required. The terms of reference of the Committees are reviewed and modified by the Board from time to time. 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 Act 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 of the Company. 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 Non-Executive Directors. Dr. Anuradha Mishra, Chairperson of the Committee is a Non-Executive Independent Director. Other members are Mr. Sudhir Shukla, Non-Executive Director and Ms. Urmila Gupta, Non-Executive Independent 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 2019-20, four Audit Committee Meetings were held on May 29, 2019; August 7, 2019, November 14, 2019 and February 11, 2020 respectively.

NOMINATION AND REMUNERATION COMMITTEE

The Company has constituted a Nomination and Remuneration Committee of Directors in compliance with provisions of Section 178 of the Act. 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.

(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.

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

Committee comprises of Executive and Non-executive Directors. The Chairman of the Committee is Mr. Anil Kapoor, Non-Executive Director and other members of the Committee are Dr. Anuradha Mishra, Non-Executive Independent Director and Ms. Urmila Gupta, Non-Executive Independent Director. The Company Secretary acts as the Secretary of the Committee.

During financial year 2019-20, two Nomination and Remuneration Committee Meetings were held on October 25, 2019 and March 02, 2020 respectively.

(iii) Nomination and Remuneration Policy

The Remuneration policy of the Company is a comprehensive policy which is competitive, 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 Act is furnished in **Annexure I** and forms part of this Report.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134 of the Act, the Directors confirmed that: -

- a) in the preparation of the annual financial statements for the year ended March 31, 2020, 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 the end of financial year March 31, 2020 and of loss of the Company for that period;

- c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act 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, the Company does not have any Subsidiary, Joint venture or 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 Act forms part of the *Notes to the Financial Statements* provided in this Annual Report.

AUDITORS AND AUDITORS' REPORT

Statutory Auditors

M/s. Kumar Khare & Co., Chartered Accountants (ICAI Firm Registration No 006740C), were appointed as Statutory Auditors of the Company at the 12th 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.

The requirement to place the matter relating to appointment of auditors for ratification by Members at every AGM has been done away by the Companies (Amendment) Act, 2017 with effect from May 7, 2018. Accordingly, no resolution is being proposed for ratification of appointment of statutory auditors at the ensuing AGM.

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 2019-20.

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.

Reporting of Frauds by Auditors

During the year under review, the Statutory Auditors have not reported any instances of frauds committed in the Company by its officers or employees, to the Audit Committee under Section 143(12) of the Act, details of which need to be mentioned in this Report.

POLICY ON PREVENTION, PROHIBITION, AND REDRESSAL OF SEXUAL HARASSMENT AT WORKPLACE

The Company has zero tolerance for sexual harassment at workplace and has adopted a policy on prevention, prohibition, and redressal of sexual harassment at workplace as per the requirement of the sexual harassment of women at workplace (prevention, prohibition & redressal) Act, 2013 ('POSH Act') and Rules made thereunder. The Company has also constituted an Internal Complaint Committee (ICC) to redress complaints received regarding sexual harassment. With the objective of providing a safe working environment, all employees (permanent, contractual, temporary, trainees) are covered under this policy.

The Company has also constituted ICCs at all its locations, known as the Prevention of Sexual Harassment ('POSH') Committees, to inquire into complaints of sexual harassment and recommend appropriate action. No complaint has been registered with the Company during the year under review.

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 2019-20 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 Act read along with Companies (Accounts) Rules, 2014, regarding conservation of energy and technology absorption are not applicable.

During the year, your Company has not incurred any expenditure in foreign currency and has not earned in foreign currency.

PERSONNEL

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

SECRETARIAL AUDIT

During the period under review the Company is not covered under the criteria of applicability of Secretarial Audit pursuant to the provision of section 204 of the Companies Act, 2013.

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.

RELATED PARTY TRANSACTIONS

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 were 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.

The particulars of every contract and arrangement entered into by the Company with related parties referred to in subsection (1) of section 188 of the Act including certain arm's length transactions under third proviso thereto are disclosed in **Form No. AOC 2** in **Annexure III** and form part of this Report.

SHARE CAPITAL

There is only one class of shares i.e. equity share of face value of Rs.10 each. The authorized share capital is Rs. 320,000,000 divided in to 32,000,000 equity shares of Rs. 10 each. The issued subscribed and paid up Equity Share Capital stood at Rs. 290,141,000/- divided in to 29,014,100 equity shares of Rs. 10 each as at March 31, 2020 which is same as at March 31, 2019.

During the year under review, the Company has repaid an amount of Rs. 68, 798,400/- against 687,944 Optionally Fully Convertible Debentures (OFCDs) to E24 Glamour Limited and News24 Broadcast India Limited. Details are given in Financial Statements of the Company.

CORPORATE SOCIAL RESPONSIBILITY POLICY

The Company believes in voluntary commitment Corporate Social Responsibility initiatives, through the 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.

ACKNOWLEDGEMENTS

Your Directors thank the various Central and State Governments 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. listener, 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
Skyline Radio Network Limited

Anuradha Prasad Shukla
Chairperson
DIN: 00010716

Place: Noida
Date: 29.06.2020

Annexure-I

“NOMINATION AND REMUNERATION POLICY OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES” [Skyline Radio Network 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 (NRC) of the Board of Directors of every listed entity, among other classes of 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 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 Skyline Radio Network Limited (herein after called as Skyline Radio) for the directors, key managerial personnel and other employees of the Company duly recommended by NRC as set out below.

COMPANY PHILOSHPHY

Skyline Radio is an equal opportunity's 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.

It is constant endeavor of the organization 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 endeavored to follow 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 shareholders' 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, such as 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 organization.
- 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 organization above self-interest. He/ she have 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 if the appointment is at variance to the conditions specified in Schedule V to the Companies Act, 2013.

The break-up of the pay scale, performance bonus and quantum of perquisites including, employer's contribution to P.F., pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee and shall be within the overall remuneration approved by the shareholders and Central Government, wherever required.

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 approved,

- 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.

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 them 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 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 MANAGEMENT

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 with 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 applies 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, guidelines 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 31.03.2020

[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:	U92132DL2005PLC142230
Registration Date:	31.10.2005
Name of the Company:	SKYLINE RADIO NETWORK LIMITED
Category / Sub-Category of the Company:	Public Company/Limited by Shares/India Non Government Company
Address of the Registered office and contact details:	A-60, Basement, Near Malviya Nagar Market, Malviya Nagar, New Delhi-110017, Tel 91 120 460 2424, Fax: 91 120 3911 401
Whether listed company Yes / No:	No
Name, Address and Contact details of Registrar and Transfer Agent, if any:	Alankit Assignments Limited, 3E/7, Alankit Heights, Jhandewala Ext., New Delhi- 110055. Phn: 011-42541234 , Fax: 011-23552001

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	Radio Broadcasting	6010	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 Company	71.05	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	
A. Promoters									
(1) Indian									
a) Individual/HUF	0	0	0	0.00	0	0	0	0.00	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	7317150	18496950	25814100	88.97	7317150	18496950	25814100	88.97	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
Sub-total (A)(1)	7317150	18496950	25814100	88.97	7317150	18496950	25814100	88.97	0.00
(2) Foreign									
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
Sub-total (A) (2)	0	0	0	0.00	0	0	0	0.00	0.00
Total Shareholding of Promoter (A) =(A)(1)+(A)(2)	7317150	18496950	25814100	88.97	7317150	18496950	25814100	88.97	0.00
B. Public Shareholding									
1. Institutions									
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
Sub-total (B)(1)	0	0	0	0.00	0	0	0	0.00	0.00
2. Non-Institutions									
a) Bodies Corporate									
i) Indian	2150000	700000	2850000	9.82	2150000	700000	2850000	9.82	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	12500	0	12500	0.05	12500	0	12500	0.05	0.00
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	337500	0	337500	1.16	337500	0	337500	1.16	0.00
c) Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (B)(2)	2500000	700000	3200000	11.03	2500000	700000	3200000	11.03	0.00
Total Public Shareholding (B)=(B)(1)+(B)(2)	2500000	700000	3200000	11.03	2500000	700000	3200000	11.03	0.00
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0.00
Grand Total (A+B+C)	9817150	19196950	29014100	100.00	9817150	19196950	29014100	100.00	0.00

(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	B.A.G. Films and Media Limited	20614100*	71.05	N.A	20614100*	71.05	N.A	0
2	ARVR Communications Private Limited	5200000	17.92	N.A	5200000	17.92	N.A	0
	Total	25814100	88.97	N.A	25814100	88.97	N.A	0

* Ms. Anuradha Prasad Shukla, holds 1 share as a nominee of B.A.G. Films and Media Limited

(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
	For Each of the Top 10 Shareholders				
1	Santosh Industries Limited	1000000	3.45	1000000	3.45
2	Odyssey Corporation Limited	600000	2.07	600000	2.07
3	Bijco Holding Limited	500000	1.72	500000	1.72
4	Ashika Global Securities Pvt. Ltd	0	0.00	500000	1.72
5	MKJ Enterprises Limited	100000	0.34	100000	0.34
6	Vab Ventures Limited	100000	0.34	100000	0.34
7	Guiness Securities Limited	50000	0.17	50000	0.17
8	Manoj Kumar Bhagat	50000	0.17	50000	0.17
9	Piyush Kumar Bhagat	50000	0.17	50000	0.17
10	Kishan Gopal Mohta	0	0.00	50000	0.17

(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
	For Each of the Directors and KMP*				
	At the beginning of the year	0	0	0	0
	Date wise Increase /Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g.	0	0	0	0

	allotment / transfer /bonus/ sweat equity etc):				
	At the End of the year	0	0	0	0

* Ms. Anuradha Prasad Shukla, Managing Director holds 1 share as a nominee of B.A.G. Films and Media Limited

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*
		Ms. Anuradha Prasad Shukla, Managing Director
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
	Independent Directors	Ms. Urmila Gupta	Dr. Anuradha Mishra	
	• Fee for attending board / committee meetings • Commission • Others, please specify	0	0	0
	Total (1)	0	0	0
	4. Other Non-Executive Directors*	Mr. Sudhir Shukla	Mr. Anil Kapoor	
	• 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	N.A.		

*. The Company is not paying any remuneration to Directors

C. Remuneration to Key Managerial Personnel other than MD/WTD/Manager*(Amount in Rs.)*

Sl. No.	Particulars of Remuneration	Name of the KMP other than MD/WTD/Manager		Total Amount
		Vinay Kumar Srivastava, Chief Financial Officer	Lokesh Gautam, Company Secretary*	
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	-	50,000	50,000
		-	-	-
		-	-	-
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
	Total	-	50,00	50,000

* Mr. Ajay Mishra resigned from the post of Company Secretary with effect from 11.02.2020 and Mr. Lokesh Gautam appointed as Company Secretary with effect from 02.03.2020.

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, 2020 which were not at arm's length basis.

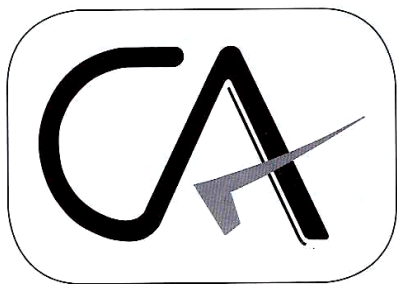
2. Details of material contracts or arrangements or transactions at Arm's length basis:

Sr. No.	Name of the related party	Nature of relationship	Nature of contracts or arrangements or transaction	Duration of contracts or arrangements or transactions	Salient Terms	Amount (in Rs.)
1.	B.A.G. Films and Media Limited	Holding Company	Leasing	Continuing	As per Related Party Transaction Policy	8,204,833
2.	Anuradha Prasad Shukla	Managing Director	Leasing	Continuing	As per Agreement	240,000

For and on behalf of the Board of Directors
Skyline Radio Network Limited

Anuradha Prasad Shukla
Chairperson
DIN: 00010716

Place: Noida
Date: 29.06.2020

***KUMAR KHARE & CO.*****CHARTERED ACCOUNTANTS**

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

Phone – 0114733110, 9811133110

E-mail alok@kumarkhareca.com website : kumarkhareca.com

INDEPENDENT AUDITOR'S REPORT

To

The Members of Skyline Radio Network Limited,

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

We have audited the accompanying financial statements Skyline Radio Network Limited (the Company), which comprise the Balance Sheet as at 31 March 2020, 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 2020, 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.

Revenue recognition- Rebates and Discounts

The key audit matter

The standalone financial statements, revenue is measured net of any trade discounts and volume rebates. Material estimation by the Company is involved in recognition and measurement of rebates and discounts. This includes establishing an accrual at year end, particularly in arrangements with varying terms which are based on annual contracts or shorter-term arrangements. In addition, the value and timing of promotions for products varies from period to period, and the activity can span beyond the year end.

There is a risk of revenue being overstated due to fraud, including through manipulation of rebates and discounts, resulting from pressure the Company may feel to achieve performance targets at the reporting period end.

We identified the evaluation of accrual for rebates and discounts as a key audit matter.

How the matter was addressed in our audit

Our audit procedures included:

- Testing the design, implementation and operating effectiveness of Company's general IT controls, key manual and application controls over the Company's IT systems. They cover control over computation of discounts and rebates and rebate and discount accruals;
- Inspecting on a sample basis, key customer contracts. Based on the terms and conditions relating to rebates and discounts, we assessed the Company's revenue recognition policies with reference to the requirements of the applicable accounting standards;
- Performing substantive testing by selecting samples of rebate and discount transactions recorded during the year and matching the parameters used in the computation with the relevant source documents;
- Understanding the process followed by the Company to determine the amount of accrual of rebates and discounts. Testing samples of rebate accruals and comparing to underlying documentation;
- Testing actualisation of estimated accruals on a sample basis;
- Examining historical rebate accrual together with our understanding of current year developments to form an expectation of the rebate accrual at period end. We compared this expectation against the actual rebate accrual, completing further inquiries;
- Critically assessing manual journal entries posted to revenue, on a sample basis, to identify unusual items;
- Checking completeness and accuracy of the data used by the Company for accrual of rebates and discounts.

Provisions and contingent liabilities relating to taxation, litigations and claims

The key audit matter

The provisions and contingent liabilities relate to ongoing litigations and claims with various authorities and third parties. These relate to direct tax, indirect tax, transfer pricing arrangements, claims, general legal proceedings, environmental issues and other eventualities arising in the regular course of business.

As at the year ended 31 March 2020, the amounts involved are significant. The computation of a provision or contingent liability requires significant judgement by the Company because of the inherent complexity in estimating future costs. The amount recognised as a provision is the best estimate of the expenditure. The provisions and contingent liabilities are subject to changes in the outcomes of litigations and claims and the positions taken by the Company. It involves significant judgement and estimation to determine the likelihood and timing of the cash outflows and interpretations of the legal aspects, tax legislations and judgements previously made by authorities.

How the matter was addressed in our audit

Our audit procedures included:

- Testing the design, implementation and operating effectiveness of key internal controls around the recognition and measurement of provisions and re-assessment of development of contingent liabilities;
- Using our subject matter experts to assess the value of significant provisions and contingent liabilities, on sample basis, in light of the nature of the exposures, applicable regulations and related correspondence with the authorities;
- Inquiring the status in respect of significant provisions and contingent liabilities with the Company's internal tax and legal team. We challenged the assumptions and critical judgements made by the Company which impacted the computation of the provisions and inspected the computation. We assessed the assumptions used and estimates of outcome and financial effect. We considered judgement of the Company, supplemented by experience of similar decisions previously made by the authorities and, in some cases, relevant opinions given by the Company's advisors;
- Evaluating judgements made by the Company by comparing the estimates of prior year to the actual outcome;
- Assessing the Company's disclosures in the financial statements in respect of provisions and contingent liabilities

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 2020, and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2020, 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.

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

Place: Noida
Date: June 29, 2020

Sd/-
Alok Khare
Partner
Membership No.075236
UDIN:20075236AAAAAS6949

Annexure A

to the Independent Auditors' Report on the standalone financial statements of the Skyline Radio Network Limited

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

- 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 2020 for a period of more than six months from the date they became payable.

- b) There are no dues of income tax, service tax, goods and services tax, customs duty, excise duty and cess on account of any dispute, which have not been deposited.
- 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: June 29, 2020

Sd/-
Alok Khare
Partner
Membership No.075236
UDIN:20075236AAAAAS6949

Annexure B

Annexure B to the Independent Auditor's report on the financial statements of Skyline Radio Network Limited for the period ended 31 March 2020

(Referred to in paragraph 2 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Skyline Radio Network 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

Opinion

We have audited the internal financial controls over financial reporting of SKYLINE RADIO NETWORK LIMITED ('the Company') as of March 31, 2020 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial control system with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2020, based on the internal financial 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 issued by the Institute of Chartered Accountants of India (the "Guidance note").

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 (hereinafter referred to as "the Act").

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 with reference to Financial Statements

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 with reference to financial statements

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, 2020, 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

Sd/-

Alok Khare

Partner

Place : Noida

Date: June 29, 2020

Membership No.075236

UDIN:20075236AAAAAS6949

SKYLINE RADIO NETWORK LIMITED

BALANCE SHEET

As at March 31, 2020

Particulars	Note No.	(Amount in ₹)	
		As at March 31, 2020	As at March 31, 2019
ASSETS			
Non-current assets			
Property, plant and equipment	3	21,972,731	26,241,923
Capital work-in-progress		3,315,700	3,312,500
Intangible assets	4	72,935,974	80,247,550
		98,224,405	109,801,973
Current assets			
Inventories	5	18,565,740	18,731,170
Financial assets			
Trade receivables	6	47,675,373	69,105,494
Cash and cash equivalents	7	1,948,571	3,757,749
Other financial assets	8	31,770,999	103,188,684
Other current assets	9	40,157,733	32,290,507
		140,118,416	227,073,604
Total		238,342,821	336,875,577

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

For Kumar Khare & Co.

Chartered Accountants

Firm Registration Number: 006740C

Sd/-
Anuradha Prasad Shukla

Managing Director

DIN :00010716

Sd/-
Sudhir Shukla

Director

DIN: 01567595

Sd/-
Alok Khare

Partner

Membership Number: 075236

UDIN:20075236AAAAAS6949

Place: Noida

Date: June 29, 2020

Sd/-
Vinay Kumar Srivastava

Chief Financial Officer

Sd/-
Lokesh Gautam

Company Secretary

Balance Sheet (Contd.)

Particulars	Note No.	(Amount in ₹)	
		As at March 31, 2020	As at March 31, 2019
EQUITY AND LIABILITIES			
Equity			
Equity share capital	10	290,141,000	290,141,000
Other equity	11	(296,575,572)	(256,575,270)
		(6,434,572)	33,565,730
Non-current liabilities			
Financial liabilities			
Other financial liabilities	12	90,656,800	159,455,200
Provisions	13	845,970	835,369
Deferred tax liabilities (net)	14	14,967,025	17,878,901
		106,469,795	178,169,470
Current liabilities			
Financial liabilities			
Trade payables			
Total outstanding dues of micro enterprises and small enterprises	15	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	15	73,971,559	42,760,172
Other financial liabilities	16	42,232,860	53,122,035
Other current liabilities	17	22,103,179	29,258,170
		138,307,598	125,140,377
Total		238,342,821	336,875,577

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

For Kumar Khare & Co.
Chartered Accountants
Firm Registration Number: 006740C

Sd/-
Anuradha Prasad Shukla
Managing Director
DIN: 00010716

Sd/-
Sudhir Shukla
Director
DIN: 01567595

Sd/-
Alok Khare
Partner
Membership Number: 075236
UDIN:20075236AAAAAS6949
Place: Noida
Date: June 29, 2020

Sd/-
Vinay Kumar Srivastava
Chief Financial Officer

Sd/-
Lokesh Gautam
Company Secretary

STATEMENT OF PROFIT AND LOSS

for the year ended 31 March 2020

Particulars	Note No.	(Amount in ₹)	
		Year ended March 31,2020	Year ended March 31,2019
Sales	18	53,190,407	121,636,636
Other income	19	553,820	1,580,938
Total Income		53,744,227	123,217,574
Expenses			
Changes in inventories of finished goods, work-in-progress and traded goods	20	165,430	254,360
Employee benefits expense	21	15,778,087	18,158,983
Finance costs	22	7,159,464	3,593,208
Depreciation and amortisation expense	23	15,792,078	16,382,037
Other expenses	24	57,750,745	79,177,908
Total Expenses		96,645,804	117,566,498
Profit before tax		(42,901,577)	5,651,078
Tax expense			
Deferred tax		(2,911,876)	3,500,262
Total tax expense		(2,911,876)	3,500,262
Profit for the year		(39,989,701)	2,150,816
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Actuarial gains/losses of defined benefit plans		(10,601)	(14,057)
Other comprehensive income for the year (net of tax)		(10,601)	(14,057)
Total comprehensive income for the year		(40,000,302)	2,136,759

Nominal value per share Rs.10/- each

Earnings per equity share

Basic earnings from operations attributable to share holders	(1.38)	0.06
Diluted earnings from operations attributable to share holders	(1.38)	0.07

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

For Kumar Khare & Co.

Chartered Accountants

Firm Registration Number: 006740C

Sd/-
Anuradha Prasad Shukla
 Managing Director
 DIN :00010716

Sd/-
Sudhir Shukla
 Director
 DIN: 01567595

Sd/-
Alok Khare
 Partner
 Membership Number: 075236
 UDIN:20075236AAAAAS6949
 Place: Noida
 Date: June 29, 2020

Sd/-
Vinay Kumar Srivastava
 Chief Financial Officer

Sd/-
Lokesh Gautam
 Company Secretary

Statement of Changes in Equity
For the year ended March 31, 2020

A. Equity Share Capital		Amount in ₹
Particulars	No.	Balance
As at 1st April, 2018		290,141,000
Changes in equity share capital during the year		-
As at 31st March, 2019		290,141,000
Changes in equity share capital during the year		-
As at 31st March, 2020	10	290,141,000

Particulars	Note No.	Reserves and surplus		Items of Other Comprehensive Income (OCI)	Total other equity
		Securities Premium Reserves	Retained earnings	Remeasurements of net defined benefit plans	
Balance as at 1 April 2018	11	136,711,500	(395,094,215)	(329,314)	(258,712,029)
Profit for the year		-	2,150,816	-	2,150,816
Other comprehensive income (net of tax)		-	-	(14,057)	14,057
Total comprehensive income for the year ended 31 March 2019		136,711,500	(392,943,399)	(343,371)	(256,547,156)
Transactions with owners in their capacity as owners					
Transfer from Retained earnings to General reserve		-	-	-	-
Balance as at 31 March 2019		136,711,500	(392,943,399)	(343,371)	(256,547,156)
Profit for the year		-	(39,989,701)	-	(39,989,701)
Other comprehensive income (net of tax)		-	-	(10,601)	(10,601)
Total comprehensive income for the year ended 31 March 2020		-	(39,989,701)	(10,601)	(40,000,302)
Transactions with owners in their capacity as owners					
Transfer from Retained earnings to General reserve		-	-	-	-
Balance as at 31 March 2020	11	136,711,500	(432,933,100)	(353,972)	(296,575,572)

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes
This is the Statement of Changes in Equity referred to in our report of even date

For and on behalf of Board of Directors

For Kumar Khare & Co.
Chartered Accountants
Firm Registration Number: 006740C

Sd/-
Anuradha Prasad Shukla
Managing Director
DIN :00010716

Sd/-
Sudhir Shukla
Director
DIN: 01567595

Sd/-
Alok Khare
Partner
Membership Number: 075236
UDIN:20075236AAAAAS6949
Place: Noida
Date: June 29, 2020

Sd/-
Vinay Kumar Srivastava
Chief Financial Officer

Sd/-
Lokesh Gautam
Company Secretary

10. EQUITY SHARE CAPITAL

Particulars	Amount in ₹	
	As at March 31, 2020	As at March 31, 2019
Authorised share capital		
Equity Share Capital		
32,000,000 (31st March, 2019: 32,000,000)equity shares of Rs 10/- each	320,000,000	320,000,000
Issued, subscribed and fully paid share capital		
29,014,100 (31st March, 2019: 29,014,100) equity shares of Rs 10/- each	290,141,000	290,141,000
Total	290,141,000	290,141,000

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

Particulars	As at March 31, 2020		As at March 31, 2019	
	Number of shares held	Amount	Number of shares held	Amount
Equity share with Voting Rights				
Equity shares outstanding at the beginning of the year	29,014,100	290,141,000	29,014,100	290,141,000
Add: Issue of Equity Shares during the year	-	-	-	-
Equity shares outstanding at the end of the year	29,014,100	290,141,000	29,014,100	290,141,000

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

Name of Shareholders	As at March 31, 2020	As at March 31, 2019
	No. of Shares	No. of Shares
B.A.G. Films and Media Limited	20,614,100	20,614,100
ARVR Communications Private Limited	5,200,000	5,200,000

(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 capital requirements.

11. OTHER EQUITY

Particulars	Amount in ₹	
	As at March 31, 2020	As at March 31, 2019
(a) Securities Premium Reserves	136,711,500	136,711,500
(b) Retained earnings	(433,287,072)	(393,286,770)
	(296,575,572)	(256,575,270)

Securities Premium Reserves

Particulars	Amount in ₹	
	As at March 31, 2020	As at March 31, 2019
Balance at beginning of year	136,711,500	136,711,500
Add: Premium on shares issued during the year	-	-
Balance at the end of Year	136,711,500	136,711,500

Retained Earnings

Particulars	Amount in ₹	
	As at March 31, 2020	As at March 31, 2019
Balance at beginning of year	(393,286,770)	(395,423,529)
Add: Profit / (Loss) for the year	(39,989,701)	2,150,816

Other comprehensive income for the year (net of tax)	(10,601)	(14,057)
Balance at the end of Year	(433,287,072)	(393,286,770)

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.

12. OTHER FINANCIAL LIABILITIES

Particulars	Amount in ₹	
	As at March 31, 2020	As at March 31, 2019
Optionally Fully Convertible Debentures	90,656,800	159,455,200
Total	90,656,800	159,455,200

13. PROVISIONS

Particulars	Amount in ₹	
	As at March 31, 2020	As at March 31, 2019
Provision for Employee benefits		
- Gratuity	760,922	730,562
- Compensated absences	85,048	104,807
Total	845,970	835,369

14. DEFERRED TAX BALANCES

Particulars	Amount in ₹	
	As at March 31, 2020	As at March 31, 2019
Deferred tax liabilities (net)	14,967,025	17,878,901
	14,967,025	17,878,901

15. TRADE PAYABLE

Particulars	Amount in ₹	
	As at March 31, 2020	As at March 31, 2019
Trade payables- micro and small enterprises	-	-
Trade payables	73,971,559	42,760,172
Total	73,971,559	42,760,172

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.

16. OTHER FINANCIAL LIABILITIES

Particulars	Amount in ₹	
	As at March 31, 2020	As at March 31, 2019
Secured		
Loans repayable on demand	42,232,860	53,122,035
Total	42,232,860	53,122,035

17. OTHER CURRENT LIABILITIES

Particulars	Amount in ₹	
	As at March 31, 2020	As at March 31, 2019
Statutory remittances	207,860	196,486
Other Liabilities	18,839,291	26,527,651
Employee Cost	3,056,028	2,534,033
Total	22,103,179	29,258,170

18. REVENUE FROM OPERATIONS

Particulars	Amount in ₹	
	As at March 31, 2020	As at March 31, 2019
Revenue from Operations		
Sale of Services	53,190,407	121,636,636
Total	53,190,407	121,636,636

19. OTHER INCOME

Particulars	Amount in ₹	
	As at March 31, 2020	As at March 31, 2019
Interest income		
-Bank deposit	513,430	1,346,530
- Other Interest	-	115,658
Other Non-Operating Income		
Miscellaneous income	40,390	118,750
Total	553,820	1,580,938

20. CHANGES IN INVENTORIES OF FINISHED GOODS (INCLUDING STOCK-IN-TRADE) AND WORK-IN-P

Particulars	Amount in ₹	
	As at March 31, 2020	As at March 31, 2019
Opening inventories		
Finished Goods	18,731,170	18,985,530
Closing inventories		
Finished Goods	(18,565,740)	(18,731,170)
Total	165,430	254,360

21. EMPLOYEE BENEFITS EXPENSE

Particulars	Amount in ₹	
	As at March 31, 2020	As at March 31, 2019
Salaries, incentives, allowances and Bonus	15,230,413	17,429,026
Contribution to Provident and other funds	498,883	618,327
Staff welfare expenses	48,791	111,630
Total	15,778,087	18,158,983

22. FINANCE COSTS

Particulars	Amount in ₹	
	As at March 31, 2020	As at March 31, 2019
Interest expense on		
Borrowing	7,067,537	3,514,625
Other borrowing costs		
Bank Charges	91,927	78,583
Total	7,159,464	3,593,208

5. INVENTORIES

Inventories consist of the following:

Particulars	Amount in ₹	
	As at March 31, 2020	As at March 31, 2019
Finished goods	18,565,740	18,731,170
Total	18,565,740	18,731,170

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

6. TRADE RECEIVABLES (UNSECURED)

Particulars	Amount in ₹	
	As at March 31, 2020	As at March 31, 2019
Considered good	47,675,373	69,105,494
Considered doubtful	-	-
Less: Allowance for bad and doubtful debts	-	-
Total	47,675,373	69,105,494

7. CASH AND CASH EQUIVALENTS

Particulars	Amount in ₹	
	As at March 31, 2020	As at March 31, 2019
Cash in hand	2,493	6,862
Balance with bank		
-In current accounts	1,919,849	3,724,658
- In deposit accounts	26,229	26,229
Total	1,948,571	3,757,749

8. OTHER FINANCIAL ASSETS

Amount in ₹

Particulars	As at March 31, 2020	As at March 31, 2019
Loans and advances to related parties	27,601,333	102,218,252
Loans and advances to employees	735,418	792,802
Loan and advance to Other	3,434,248	177,630
Total	31,770,999	103,188,684

9. OTHER CURRENT ASSETS

Particulars	March 31, 2020	Amount in ₹ March 31, 2019
Balances with government authorities	7,639,419	6,230,118
Security Deposits	20,500,438	25,192,957
Prepaid Expenses	12,017,876	867,432
Total	40,157,733	32,290,507

23. DEPRECIATION AND AMORTISATION EXPENSE

Particulars	As at March 31, 2019	Amount in ₹ As at March 31, 2019
Depreciation of property, plant and equipment (Refer Note 3)	8,480,500	9,090,436
Amortisation of intangible assets (Refer Note 4)	7,311,577	7,291,600
	15,792,077	16,382,036

24. OTHER EXPENSES

Particulars	As at March 31, 2020	Amount in ₹ As at March 31, 2019
Power and fuel	16,676,125	14,756,256
Rent	3,146,020	3,469,940
Repairs to machinery	511,981	649,898
Insurance	45,903	29,145
Rates and taxes , excluding, taxes on income	927,815	559,960
Payment to auditors		
- As Auditor	100,000	100,000
- For Taxation Matters	50,000	50,000
- For Management Services	25,000	25,000
- For Reimbursement of Expenses	71,767	76,838
Programming & Promo Expenses	1,265,830	17,762,409
License & Other Operational Fees	24,972,846	22,982,988
Miscellaneous Expenses	9,957,458	18,715,474
Total	57,750,745	79,177,908

3. PROPERTY , PLANT AND EQUIPMENT

	Amount in ₹				
Description of Assets	Plant & Equipment	Computers & Peripherals	Furnitures & Fixtures	Office Equipments	Total
Gross Block					
Balance as at 1st April, 2018	143,803,676	34,028,770	3,537,177	79,744,018	261,113,645
Additions	-	630,000	12,246	2,225,886	2,868,132
Disposal	-	-	-	-	-
Balance as at 31st March, 2019	143,803,676	34,658,770	3,549,423	81,969,904	263,981,777
Additions	-	-	-	4,211,309	4,211,309
Disposal	-	-	-	-	-
Balance as at 31st March, 2020	143,803,676	34,658,770	3,549,423	86,181,213	268,193,086
Accumulated Depreciation					
Balance as at 1st April, 2018	113,950,877	33,289,180	3,453,349	77,956,011	228,649,418
Additions	6,758,548	910,317	57,104	1,364,467	9,090,436
Disposal	-	-	-	-	-
Balance as at 31st March, 2019	120,709,425	34,199,497	3,510,454	79,320,478	237,739,854
Additions	5,194,512	180,511	10,749	3,094,729	8,480,500
Disposal	-	-	-	-	-
Balance as at 31st March, 2020	125,903,937	34,380,008	3,521,202	82,415,207	246,220,354
Net Block					
Balance as at 31st March, 2019	23,094,251	459,273	38,969	2,649,426	26,241,923
Balance as at 31st March, 2020	17,899,739	278,762	28,221	3,766,006	21,972,732

4. INTANGIBLE ASSETS

Description of Assets	Amount in ₹	
	Radio Licences Fees	Total
Gross Block		
Balance as at 1st April, 2018	109,453,903	109,453,903
Additions	-	-
Disposal	-	-
Balance as at 31st March, 2019	109,453,903	109,453,903
Additions	-	-
Disposal	-	-
Balance as at 31st March, 2020	109,453,903	109,453,903
Accumulated Depreciation		
Balance as at 1st April, 2018	21,914,753	21,914,753
Additions	7,291,600	7,291,600
Disposal	-	-
Balance as at 31st March, 2019	29,206,353	29,206,353
Additions	7,311,577	7,311,577
Disposal	-	-
Balance as at 31st March, 2020	36,517,929	36,517,929
Net Block		
Balance as at 31st March, 2019	80,247,550	80,247,550
Balance as at 31st March, 2020	72,935,974	72,935,974

CASH FLOW STATEMENT

For the Year ended March 31, 2020

Particulars	For the Year ended March 31, 2020		For the Year ended March 31, 2019	
	Amount in ₹	Amount in ₹	Amount in ₹	Amount in ₹
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit / (Loss) before extraordinary items and tax		(42,912,178)		5,637,021
<u>Adjustments for:</u>				
Depreciation and amortisation	15,792,078		16,382,037	
Interest paid (finance cost)	7,159,464		3,593,208	
		22,951,542		19,975,245
Operating profit / (loss) before working capital changes				
<u>Movements in working capital:</u>				
Adjustments for (increase) / decrease in operating assets:				
(Increase) / Decrease in inventories	165,430		254,360	
(Increase) / Decrease in trade receivables	21,430,121		2,238,604	
(Increase) / Decrease in other financial assets	71,417,685		(98,967,203)	
(Increase) / Decrease in other current asset	(7,867,226)		9,438,481	
Adjustments for increase / (decrease) in operating liabilities:				
Increase / (Decrease) in trade payables	31,211,387		(9,098,671)	
Increase / (Decrease) in Other current liabilities	(7,154,992)		16,893,572	
Increase / (Decrease) in provisions	10,601		14,057	
		109,213,006		(79,226,800)
Cash generated from operations		89,252,370		(53,614,534)
Net cash flow from / (used in) operating activities (A)		89,252,370		(53,614,534)
B. CASH FLOW FROM INVESTING ACTIVITIES				
Payment for Purchase of Property, plant and Equipment (PP&E)	(4,214,509)		(2,868,132)	
		(4,214,509)		(2,868,132)
Net cash flow from / (used in) investing activities (B)		(4,214,509)		(2,868,132)
C. CASH FLOW FROM FINANCING ACTIVITIES				
Repayment of other financial liabilities	(79,687,575)		53,122,035	
Interest paid (finance cost)	(7,159,464)		(3,593,208)	
		(86,847,039)		49,528,827
Net cash flow from / (used in) financing activities (C)		(86,847,039)		49,528,827
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		(1,809,178)		(6,953,839)
Cash and cash equivalents at the beginning of the year		3,757,749		10,711,588
Cash and cash equivalents at the end of the year		1,948,571		3,757,749
Reconciliation of Cash and cash equivalents with the Balance Sheet:				
Cash and cash equivalents as per Balance Sheet		1,948,571		3,757,749
Cash and cash equivalents at the end of the year *		1,948,571		3,757,749

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'.

This is the Statement of cash flows referred to in our report of even date

For and on behalf of Board of Directors

For Kumar Khare & Co.

Chartered Accountants

Firm Registration Number: 006740C

Sd/-

Anuradha Prasad Shukla

Managing Director

DIN : 00010716

Sd/-

Sudhir Shukla

Director

DIN: 01567595

Sd/-

Alok Khare

Partner

Membership Number: 075236

UDIN:20075236AAAAAS6949

Place: Noida

Date: June 29, 2020

Sd/-

Vinay Kumar Srivastava

Chief Financial Officer

Sd/-

Lokesh Gautam

Company Secretary

Notes forming part of Financial Statements

for the year ended March 31, 2020

1. CORPORATE INFORMATION

Skyline Radio Network Limited was incorporated on 31st October 2005 with main objective to carry on the business of Radio Broadcasting through FM radio channels. Presently the company is running FM radio channel at frequency of 106.4 MHz under the brand name “Dhamaal24” “Har Khushi Hai Jahan” at 10 locations viz, Hissar, Karnal, Patiala, Shimla, Ranchi, Muzaffarpur, Jabalpur, Ahmednagar, Dhule and Jalgaon.

NOTE 2 BASIS OF PREPARATION, MEASUREMENT AND SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of Preparation and Measurement

(a) Basis of preparation

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 Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.

The financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements. All assets and liabilities have been classified as current or non-current as per the Company’s normal operating cycle and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

The financial statements are presented in INR, the functional currency of the Company. Items included in the financial statements of the Company are recorded using the currency of the primary economic environment in which the Company operates (the ‘functional currency’).

The financial statements of the Company for the year ended March 31, 2020 were approved for issue in accordance with the resolution of the Board of Directors on June 29, 2020.

(b) Basis of measurement

These financial statements are prepared under the historical cost convention unless otherwise indicated.

2.2 Key Accounting Estimates and Judgements

The preparation of the financial statements in conformity with Ind AS requires the Management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. The application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been discussed below. Accounting estimates could change from period to period.

Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

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 impairment of investments, 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.

Impairment of investments in subsidiaries

The Company reviews its carrying value of investments carried at amortised cost annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

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.

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.

Estimation of uncertainties relating to the global health pandemic from COVID-19

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of receivables, unbilled revenues and investment in subsidiaries. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial statements has used internal and external sources of information including credit reports and related information, economic forecasts. The Company has performed sensitivity analysis on the assumptions used and based on current estimates expects the carrying amount of these assets will be recovered. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements.

2.3 Recent Accounting Developments

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2020.

2.4 Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of these Indian Accounting Standards (Ind-AS) financial statements. These policies have been consistently applied to all the years except where newly issued accounting standard is initially adopted.

(a) Current versus non-current classification

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

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

All other assets are classified as non-current.

A liability is current when:

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

All other liabilities are classified as non current.

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

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. the Company has identified twelve months as its operating cycle.

(b) Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company's lease asset classes primarily comprise of lease for land and building. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset. The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. For these short-term and low value leases, the Company recognizes the lease payments as an operating

expense on a straight-line basis over the term of the lease. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets as below:

i) Right-of-use assets

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

ii) Lease Liabilities

The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made.

A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. The remeasurement normally also adjusts the leased assets.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Company as a lessor

Leases for which the Company is a lessor is classified as finance or operating lease. Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

(c) Property, plant and equipment

Property, Plant and equipment are stated at cost, less accumulated depreciation and accumulated impairment losses, if any. Capital work in progress is stated at cost, net of accumulated impairment loss, if any. The cost comprises of purchase price, taxes, duties, freight and other incidental expenses directly attributable and related to acquisition and installation of the concerned assets and are further adjusted by the amount of input tax credit availed wherever applicable.

Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred. The present value of the

expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Subsequent costs are included in asset's carrying amount or recognised as separate assets, as appropriate, only when it is probable that future economic benefit associated with the item will flow to the Company and the cost of item can be measured reliably.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

Capital work- in- progress includes cost of property, plant and equipment under installation / under development as at the balance sheet date.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Depreciation on property, plant and equipment is calculated on pro-rata basis on Written down value method using the useful lives of the assets estimated by management.

(d) Impairment of Non-Financial Assets:

Assessment for impairment is done at each Balance Sheet date as to whether there is any indication that a non-financial asset may be impaired. Indefinite life intangible assets are subject to a review for impairment annually or more frequently if events or circumstances indicate that it is necessary. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets is considered as a cash generating unit. Goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Company's cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the acquire are assigned to those units.

If any indication of impairment exists, an estimate of the recoverable amount of the individual asset/cash generating unit is made. Asset/cash generating unit whose carrying value exceeds their recoverable amount are written down to the recoverable amount by recognising the impairment loss as an expense in the Statement of Profit and Loss. The impairment loss is allocated first to reduce the carrying amount of any goodwill (if any) allocated to the cash generating unit and then to the other assets of the unit, pro rata based on the carrying amount of each asset in the unit. Recoverable amount is higher of an asset's or cash generating unit's fair value less cost of disposal and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset or cash generating unit and from its disposal at the end of its useful life. Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased. Basis the assessment a reversal of an impairment loss for an asset other than goodwill is recognised in the Statement of Profit and Loss account.

(e) Financial instruments

Financial Assets:

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument.

On initial recognition, a financial asset is recognised at fair value. In case of Financial assets which are recognised at fair value through profit and loss (FVTPL), its transaction cost is recognised in the statement of profit and loss. In other cases, the transaction cost is attributed to the acquisition value of the financial asset.

Financial assets are subsequently classified and measured at

- amortised cost
- fair value through profit and loss (FVTPL)
- fair value through other comprehensive income (FVOCI).

Financial assets are not reclassified subsequent to their recognition, except during the period the Company changes its business model for managing financial assets.

Trade Receivables and Loans:

Trade receivables are initially recognised at fair value. Subsequently, these assets are held at amortised cost, using the effective interest rate (EIR) method net of any expected credit losses. The EIR is the rate that discounts estimated future cash income through the expected life of financial instrument.

Debt Instruments:

Debt instruments are initially measured at amortised cost, fair value through other comprehensive income ('FVOCI') or fair value through profit or loss ('FVTPL') till derecognition on the basis of (i) the Company's business model for managing the financial assets and (ii) the contractual cash flow characteristics of the financial asset.

i. Measured at amortised cost:

Financial assets that are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows that are solely payments of principal and interest, are subsequently measured at amortised cost using the 'EIR' method less impairment, if any. The amortisation of EIR and loss arising from impairment, if any is recognised in the Statement of Profit and Loss.

ii. Measured at fair value through other comprehensive income (FVOCI):

Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through other comprehensive income. Fair value movements are recognised in the other comprehensive income (OCI). Interest income measured using the EIR method and impairment losses, if any are recognised in the Statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognised in OCI is reclassified from the equity to 'other income' in the Statement of Profit and Loss.

iii. Measured at fair value through profit or loss (FVTPL):

A financial asset not classified as either amortised cost or FVOCI, is classified as FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised as 'other income' in the Statement of Profit and Loss.

Equity Instruments:

All investments in equity instruments classified under financial assets are initially measured at fair value, the Company may, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL.

The Company makes such election on an instrument-by-instrument basis. Fair value changes on an equity instrument is recognised as 'other income' in the Statement of Profit and Loss unless the Company has elected to measure such instrument at FVOCI. Fair value changes excluding dividends, on an equity instrument measured at FVOCI are recognised in OCI. Amounts recognised in OCI are not subsequently reclassified to the Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognised as 'other income' in the Statement of Profit and Loss.

Derivative Financial Instruments:

The Company uses derivative financial instruments to hedge its foreign currency and commodity risks. Derivatives are measured at fair value. The treatment of changes in the value of derivative depends on their use as explained below:

Cash flow hedges:

Derivatives are held to hedge the uncertainty in timing or amount of future forecast cash flows. Such derivatives are classified as being part of cash flow hedge relationships. For an effective hedge, gains and losses from changes in the fair value of derivatives are recognised in other comprehensive income. Any ineffective elements of the hedge are recognised in the statement of profit and loss.

If the hedged cash flow relates to a non-financial asset, the amount accumulated in equity is subsequently included within the carrying value of that asset. For other cash flow hedges, amounts accumulated in other comprehensive income are taken to the statement of profit and loss at the same time as the related cash flow.

Derivatives for which hedge accounting is not applied

Derivative financial instruments for which hedge accounting is not applied are initially recognised at fair value on the date on which a derivative contract is entered and are subsequently measured at FVTPL.

Derecognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the contractual rights to receive the cash flows from the asset.

Impairment of Financial Asset

The Company applies expected credit loss (ECL) model for measurement and recognition of loss allowance on the following:

- i. Trade receivables
- ii. Financial assets measured at amortised cost (other than trade receivables)

iii. Financial assets measured at fair value through other comprehensive income (FVTOCI).

In case of trade receivables, the Company follows a simplified approach wherein an amount equal to lifetime ECL is measured and recognised as loss allowance.

In case of other assets (listed as ii and iii above), the Company determines if there has been a significant increase in credit risk of the financial asset since initial recognition. If the credit risk of such assets has not increased significantly, an amount equal to 12-month ECL is measured and recognised as loss allowance. However, if credit risk has increased significantly, an amount equal to lifetime ECL is measured and recognised as loss allowance.

Subsequently, if the credit quality of the financial asset improves such that there is no longer a significant increase in credit risk since initial recognition, the Company reverts to recognising impairment loss allowance based on 12-month ECL.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate.

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

ECL are measured in a manner that they reflect unbiased and probability weighted amounts determined by a range of outcomes, taking into account the time value of money and other reasonable information available as a result of past events, current conditions and forecasts of future economic conditions.

As a practical expedient, the Company uses a provision matrix to measure lifetime ECL on its portfolio of trade receivables. The provision matrix is prepared based on historically observed default rates over the expected life of trade receivables and is adjusted for forward-looking estimates. At each reporting date, the historically observed default rates and changes in the forward-looking estimates are updated.

ECL allowance recognised (or reversed) during the period is recognised as income/expense in the Statement of Profit and Loss under the head 'Other expenses'.

Financial Liabilities:

Initial recognition and measurement

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortised cost unless at initial recognition, they are classified as fair value through profit and loss. In case of trade payables, they are initially recognised at fair value and subsequently, these liabilities are held at amortised cost, using the effective interest rate method.

Subsequent measurement

Financial liabilities are subsequently measured at amortised cost using the EIR method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

Derecognition

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

(f) Investments in Subsidiaries, Associates and Joint Ventures:

Investments in Subsidiaries, Associates and Joint Ventures are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries, associates and joint venture, the difference between net disposal proceeds and the carrying amounts are recognised in the Statement of Profit and Loss.

(g) Inventories:

Inventories are valued at the lower of cost and net realisable value. Cost is computed on a weighted average basis. Cost of finished goods and work-in-progress include all costs of purchases, conversion costs and other costs incurred in bringing the inventories to their present location and condition. The net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and estimated costs necessary to make the sale.

(h) Cash and Cash Equivalents:

Cash and cash equivalents are cash, balances with bank and short-term (three months or less from the date of placement), highly liquid investments that are readily convertible into cash and which are subject to an insignificant risk of changes in value.

(i) Provisions and Contingent Liabilities:

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date.

If the effect of the time value of money is material, provisions are discounted to reflect its present value using a current pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

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.

(j) 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.

- Revenue generated from the commissioned television programs and Internet series produced for broadcasters is recognized over the period of time over the contract period.
- Rent income is recognised on accrual basis as per the agreed terms on straight line basis.
- Sale of Rights are recognised in accordance with the terms of agreements with customers.
- Revenue from other services is recognised as and when such services are completed / performed.
- Income from infrastructure support, building rent and royalty income is recognised based on the terms of the underlying agreement.
- Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate (EIR) applicable.
- Revenue from subsidiaries is recognised based on transaction price which is at arm's length.

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.

(k) Expenditure:

Expenses are accounted on accrual basis.

(l) Employee benefits

Defined contribution plans

Contributions to defined contribution schemes such as employees' state insurance, labour welfare fund, superannuation scheme, employee pension scheme etc. are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. Company's provident fund contribution, in respect of certain employees, is made to a Government administered fund and charged as an expense to the Statement of Profit and Loss. The above benefits are classified as Defined Contribution Schemes as the Company has no further defined obligations beyond the monthly contributions.

Defined benefit plans

In respect of certain employees, provident fund contributions are made to a trust administered by the Company. The interest rate payable to the members of the trust shall not be lower than the statutory rate of interest declared by the Central Government under the Employees Provident Funds and Miscellaneous Provisions Act, 1952 and shortfall, if any, shall be made good by the Company. The liability in respect of the shortfall of interest earnings of the Fund is determined on the basis of an actuarial valuation. The Company also provides for retirement/post-retirement benefits in the form of gratuity, pensions (in respect of certain employees), compensated absences (in respect of certain employees) and medical benefits (in respect of certain employees) including to the employees of group companies.

For defined benefit plans, the amount recognised as 'Employee benefit expenses' in the Statement of Profit and Loss is the cost of accruing employee benefits promised to employees over the year and the costs of individual events such as past/future service benefit changes and settlements (such events are recognised immediately in the Statement of Profit and Loss). The amount of net interest expense calculated by applying the liability discount rate to the net defined benefit liability or asset is charged or credited to 'Finance costs' in the Statement of Profit and Loss. Any differences between the expected interest income on plan assets and the return actually achieved, and any changes in the liabilities over the year due to changes in actuarial assumptions or experience adjustments within the plans, are recognised immediately in 'Other comprehensive income' and subsequently not reclassified to the Statement of Profit and Loss.

The defined benefit plan surplus or deficit on the Balance Sheet date comprises fair value of plan assets less the present value of the defined benefit liabilities using a discount rate by reference to market yields on Government bonds at the end of the reporting period.

All defined benefit plans obligations are determined based on valuations, as at the Balance Sheet date, made by independent actuary using the projected unit credit method. The classification of the Company's net obligation into current and non-current is as per the actuarial valuation report.

Termination benefits

Termination benefits, in the nature of voluntary retirement benefits or termination benefits arising from restructuring, are recognised in the Statement of Profit and Loss. The Company recognises termination benefits at the earlier of the following dates:

- (a) when the Company can no longer withdraw the offer of those benefits; or
- (b) when the Company recognises costs for a restructuring that is within the scope of Ind AS 37:

Provisions, Contingent Liabilities and Contingent Assets and involves the payment of termination benefits.

Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.

Share-Based Payments

Employees of the Company receive remuneration in the form of share-based payments in consideration of the services rendered. Under the equity settled share based payment, the fair value on the grant date of the awards given to employees is recognised as 'employee benefit expenses' with a corresponding increase in equity over the vesting period. The fair value of the options at the grant date is calculated by

an independent valuer basis Black Scholes model. At the end of each reporting period, apart from the non-market vesting condition, the expense is reviewed and adjusted to reflect changes to the level of options expected to vest. When the options are exercised, the Company issues fresh equity shares.

For cash-settled share-based payments, the fair value of the amount payable to employees is recognised as 'employee benefit expenses' with a corresponding increase in liabilities, over the period of non-market vesting conditions getting fulfilled. The liability is remeasured at each reporting period up to, and including the settlement date, with changes in fair value recognised in employee benefits expenses.

(m) Income Taxes:

Income tax expense for the year comprises of current tax and deferred tax. It is recognised in the Statement of Profit and Loss except to the extent it relates to a business combination or to an item which is recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable/ receivable on the taxable income/ loss for the year using applicable tax rates for the relevant period, and any adjustment to taxes in respect of previous years. Interest expenses and penalties, if any, related to income tax are included in finance cost and other expenses respectively. Interest Income, if any, related to Income tax is included in Other Income.

Deferred tax is recognised in respect of temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes.

A deferred tax liability is recognised based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted, or substantively enacted, by the end of the reporting period. Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities; and the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

(n) Foreign Currencies:

1. Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The Company's financial statements are presented in Indian rupee (INR) which is also the Company's functional and presentation currency.

2. Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rate prevailing at the date of the transaction. Foreign exchange gains and losses resulting from the settlement of such transaction and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rate are generally recognised in the statement of profit and loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

3. Exchange differences

Exchange differences arising on settlement or translation of monetary items are recognized as income or expense in the period in which they arise with the exception of exchange differences on gain or loss arising on translation of non-monetary items measured at fair value which is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in OCI or profit or loss are also recognized in OCI or profit or loss, respectively).

(o) Earnings Per Share:

Basic earnings per share is computed by dividing the net profit for the period attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

(p) Business Combination:

Business combinations are accounted for using the acquisition accounting method as at the date of the acquisition, which is the date at which control is transferred to the Company.

The consideration transferred in the acquisition and the identifiable assets acquired and liabilities assumed are recognised at fair values on their acquisition date. Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. The Company recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Consideration transferred does not include amounts related to settlement of pre-existing relationships. Such amounts are recognised in the Statement of Profit and Loss.

Transaction costs are expensed as incurred, other than those incurred in relation to the issue of debt or equity securities. Any contingent consideration payable is measured at fair value at the acquisition date. Subsequent changes in the fair value of contingent consideration are recognised in the Statement of Profit and Loss.

(q) Borrowings and Borrowing costs

Borrowing cost includes interest and other costs incurred in connection with the borrowing of funds

and charged to Statement of Profit & Loss on the basis of effective interest rate (EIR) method. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing cost.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are recognized as expense in the period in which they occur.

(r) Dividend Distributions

The Company recognizes a liability to make the payment of dividend to owners of equity, when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

(s) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Board of directors monitors the operating results of all product segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit and loss and is measured consistently with profit and loss in the financial statements.

The operating segments have been identified on the basis of the nature of products/services. Further:

1. Segment revenue includes sales and other income directly identifiable with / allocable to the segment including inter - segment revenue.
2. Expenses that are directly identifiable with / allocable to segments are considered for determining the segment result. Expenses which relate to the Company as a whole and not allocable to segments are included under unallocable expenditure.
3. Income which relates to the Company as a whole and not allocable to segments is included in unallocable income.
4. Segment results includes margins on intersegment sales which are reduced in arriving at the profit before tax of the Company.
5. Segment assets and liabilities include those directly identifiable with the respective segments. Unallocable assets and liabilities represent the assets and liabilities that relate to the Company as a whole and not allocable to any segment.
6. Segment revenue resulting from transactions with other business segments is accounted on the basis of transfer price agreed between the segments. Such transfer prices are either determined to yield a desired margin or agreed on a negotiated business.

(t) Exceptional Items

Exceptional items are transactions which due to their size or incidence are separately disclosed to enable a full understanding of the Company's financial performance. Items which may be considered exceptional are significant restructuring charges, gains or losses on disposal of investments in subsidiaries, associates and joint venture and impairment losses/ write down in value of investment in subsidiaries, associates and joint venture and significant disposal of fixed assets etc.

(u) Fair value measurement

The Company measures financial instruments 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 ordinary 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:

- (i) In the principal market for asset or liability, or
- (ii) 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 liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non- financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

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

Level 1- Quoted(unadjusted) market prices in active markets for identical assets or liabilities

Level 2- Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3- Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to 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.

(v) Standards issued but not effective

There are no standards that are issued but not yet effective on March 31, 2020.

25. 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. 377,425
(Previous Year Rs. 429,465)

Employer's Contribution to ESI : Rs. 89,876
(Previous Year Rs. 152,293)

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	
	March31,2020	March31,2019	March31,2020	March31,2019
Present value of obligation as at the beginning of the period	730,562	696,865	104,807	124,447
Current Service Cost	105,838	125,579	12,617	20,536
Interest Cost	55,961	53,659	8,028	9,582
Expected Return on Plan Assets	--	--	--	--
Benefits paid	--	--	--	--
Actuarial (gain)/loss	(131,439)	(145,541)	(40,404)	(49,758)
Past Service Cost	--	--	--	--
Curtailment and settlement Cost/(credit)	--	--	--	--
Present value of obligation as at the end of the period	760,922	730,562	85,048	104,807

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

(Amount in ₹)

Particulars	Gratuity		Leave Encashment	
	March31,2020	March31,2019	March31,2020	March31,2019
Current service cost	105,838	125,579	12,617	20,536
Past service cost	--	--	--	--
Interest cost	55,961	53,659	8,028	9,582
Expected return on plan assets	--	--	--	--
Curtailment cost / (Credit)	--	--	--	--
Settlement cost / (credit)	--	--	--	--
Net actuarial (gain)/ loss recognized in the period	(131,439)	(145,541)	(40,404)	(49,758)
Expenses recognized in the statement of profit & losses	30,360	33,697	(19,759)	(19,640)

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

Particulars	Gratuity		Leave Encashment	
	March31, 2020	March31, 2019	March31, 2020	March31, 2019
Actuarial gain/(loss) for the period - obligation	131,439	145,541	40,404	49,758
Actuarial gain/(loss) for the period - plan assets	--	--	--	--
Total (gain)/loss for the period	(131,439)	(145,541)	(40,404)	(49,758)
Actuarial (gain)/loss recognized in the period	(131,439)	(145,541)	(40,404)	(49,758)
Unrecognized actuarial (gains) losses at the end of period	--	--	--	--

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

Particulars	Gratuity		Leave Encashment	
	March31, 2020	March31, 2019	March31, 2020	March31, 2019
Present value of obligation as at the end of the period	760,922	730,562	85,048	104,807
Fair value of plan assets as at the end of the period	--	--	--	--
Funded status / Difference	(760,922)	(730,562)	(85,048)	(104,807)
Excess of actual over estimated	--	--	--	--
Unrecognized actuarial (gains)/losses	--	--	--	--
Net asset/(liability) recognized in balance sheet	(760,922)	(730,562)	(85,048)	(104,807)

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, 2020	March31, 2019	March31, 2020	March31, 2019
Discount Rate (%)	6.76	7.66	6.76	7.66
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)	22.05	22.93	22.05	22.93

ii) Demographic Assumption

(Amount in ₹)

Particulars	Gratuity		Leave Encashment	
	March31, 2020	March31, 2019	March31, 2020	March31, 2019
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.

(Amount in ₹)

	Gratuity	Leave Encashment
a) Impact of the change in discount rate		
Present Value of Obligation at the end of the period	760,922	85,048
Impact due to increase of 0.50%	(52,083)	(6,091)
Impact due to decrease of 0.50 %	57,400	6,646
b) Impact of the change in salary increase		
Present Value of Obligation at the end of the period	760,922	85,048
Impact due to increase of 0.50%	57,829	6,723
Impact due to decrease of 0.50 %	(52,916)	(6,132)

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 21 '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 21 'Employee benefits expense'.

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

Name	Relationship
B.A.G. Films and Media Limited	Holding Company
E24 Entertainment Limited	Foreign Subsidiary
Anuradha Prasad Shukla	Key Managerial Personnel
ARVR Communications Pvt. Ltd.	Enterprises over which KMP are able to exercise significant influence
News24 Broadcast India Limited	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

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

Particulars	Holding Company		Key Managerial Personnel (KMP)		Enterprises over which KMP are able to exercise significant influence	
	For Year Ended March 31		For Year Ended March 31		For Year Ended March 31	
	2020	2019	2020	2019	2020	2019
Office Rent	2,160,000	2,160,000	240,000	240,000	--	--
Income from Ad Sale	--	--	--	--	--	6,018,750
Expenses Reimbursed	6,044,833	6,233,843	--	--	--	--
Programming Expenses	--	16,467,500	--	--	--	--

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.

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

Particulars	For the year ended	
	2019-20	2018-19
Profit for the year	(40,000,302)	2,136,756
Weighted Average number of equity shares used as denominator for calculating Basic EPS	29,014,100	29,014,100
Basic Earnings per share	(1.38)	0.07
Weighted Average number of equity shares used as denominator for calculating Diluted EPS	29,920,668	30,608,652
Diluted Earnings per share	(1.38)	0.07
Face Value per equity share	10	10

28 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

	March 31, 2020		March 31, 2019	
	Carrying amount	Fair Value	Carrying amount	Fair Value
a) Financial assets				
i) Measured at amortised cost				
Trade receivables	47,675,373	47,675,373	69,105,494	69,105,494
Cash and cash equivalents	1,948,571	1,948,571	3,757,749	3,757,749
Other financial assets	71,928,732	71,928,732	135,479,191	135,479,191
b) Financial liabilities				
i) Measured at amortised cost				
Trade payables	73,971,559	73,971,559	42,760,171	42,760,171
Other financial liabilities	132,889,660	132,889,660	212,577,235	212,577,235

* 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 31,2020	March 31,2019
Trade Receivable (Unsecured)		
- Over six months	-	-
-Less than six months	47,675,373	69,105,494
Total	47,675,373	69,105,494

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.

	Due in 1st year	Due in 2 to 5th year	Due after 5 years	Total
Contractual maturities of financial liabilities				
March 31, 2020				
Trade payables and other financial liabilities	73,971,559	--	--	73,971,559
Borrowings	42,232,860	--	90,656,800	132,889,660

	Due in 1st year	Due in 2 to 5th year	Due after 5 years	Total
Contractual maturities of financial liabilities				
March 31, 2019				
Trade payables and other financial liabilities	42,760,171	--	--	42,760,172
Borrowings	53,122,035	--	159,455,200	212,577,235

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, 2020 (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, 2020 (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.

29. 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.

30. 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 Number: 006740C

For and on the behalf of Boars of Directors

Sd/-
Alok Khare
Partner
Membership No. 075236
UDIN:20075236AAAAAS6949

Sd/-
Anuradha Prasad Shukla
Managing Director
DIN : 00010716

Sd/-
Sudhir Shukla
Director
DIN : 01567595

Place: Noida
Date: June 29, 2020

Sd/-
Vinay Kumar Srivastava
Chief Financial Officer

Sd/-
Lokesh Gautam
Company Secretary