

INDEPENDENT AUDITOR'S REPORT

To the Members of B4U Broadband (India) Private Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying Financial Statements of B4U Broadband (India) Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss and the Statement of Cash Flows for the year then ended, and notes to the Financial Statements including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Financial Statements").

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 ("the 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 March 31, 2020, its profit and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Financial Statements under the provisions of the Act and Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Financial Statements.

Emphasis of Matter

We draw attention to Note No. 35 to the accompanying Financial Statements which explains the uncertainties and the management's evaluation of the financial impact on the Company due to lockdown and other restrictions on account of COVID-19 pandemic situation, for which a definitive assessment of the impact is highly dependent upon the circumstances as they evolve in the subsequent period.

Our opinion is not modified in respect of this matter.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report, but does not include the Financial Statements and our auditor's 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.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is 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 financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed under section 133 of the Act, read with relevant rules issued thereunder. 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 is 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.

Those 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 this 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 auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Other Matter

The audit of Financial Statements for the year ended March 31, 2019, was carried out and reported by Singhi & Co., Chartered Accountants, vide their unmodified audit report dated June 27, 2019, whose report has been furnished to us by the management and which has been relied upon by us for the purpose of our audit of the Financial Statements.

Our opinion is not modified in respect of this matter.

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 section 143(11) of the Act, we give in "Annexure 1", 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 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 purposes 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 and the Statement of Cash Flows dealt with by this report are in agreement with the books of account;

HARIBHAKTI & CO. LLP

Chartered Accountants

- d. In our opinion, the aforesaid Financial Statements comply with the Accounting Standards prescribed under section 133 of the Act read with relevant rules issued thereunder;
- e. The matter described under the Emphasis of Matter section above, in our opinion, may have an adverse effect on the functioning of the Company;
- f. On the basis of the written representations received from the directors as on March 31, 2020, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of section 164(2) of the Act;
- g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure 2";
- h. With respect to the other matter to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act:

In our opinion and to the best of our information and according to the explanations given to us, the Company being a private company, section 197 of the Act related to the managerial remuneration is not applicable;

- i. 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:

(i) The Company has disclosed the impact of pending litigations on its financial position in its Financial Statements - Refer Note no 25 on Contingent Liabilities to the Financial Statements;

(ii) The Company did not have any long-term contracts including derivative contracts. Hence, the question of any material foreseeable losses does not arise;

(iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Registration No. 103523W/W100048



Snehal Shah

Partner

Membership No. 048539

UDIN: 20048539AAAABD1904

Place : Mumbai

Date: June 26, 2020

ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section in the Independent Auditor's Report of even date to the members of B4U Broadband (India) Private Limited ("the Company") on the Financial Statements for the year ended March 31, 2020]

Based on the audit procedures performed for the purpose of reporting a true and fair view on the Financial Statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, we report that:

- (i)
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) During the year, the fixed assets of the Company have been physically verified by the management and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification is reasonable having regard to the size of the Company and the nature of its assets.
 - (c) The title deeds of immovable properties recorded as fixed assets in the books of account of the Company are held in the name of the Company.
- (ii) The inventory of the Company comprises of film rights which are not physically verifiable. Accordingly, the provisions of clause 3(ii) of the Order are not applicable to the Company.
- (iii) 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 Act. Accordingly, clause 3(iii) of the Order is not applicable to the Company.
- (iv) The Company has complied with the provisions of sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- (v) In our opinion, the Company has not accepted any deposits from the public within the provisions of sections 73 to 76 of the Act and the rules framed there under. Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) The maintenance of cost records has been specified by the Central Government under sub-section (1) of section 148 of the Act and rules thereunder. We have broadly reviewed such records and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- (vii)
 - (a) The Company is regular in depositing with appropriate authorities, undisputed statutory dues including provident fund, employees' state insurance, income tax, goods and services tax (GST), customs duty, cess and any other material statutory dues applicable to it, except that there have been slight delay in few cases. During the year 2017-18, sales tax, value added tax, service tax and duty of excise subsumed in GST and are accordingly reported under GST.

No undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, GST, customs duty, cess and any other material statutory dues applicable to it, were outstanding, at the year end, for a period of more than six months from the date they became payable.

- (b) There are no dues outstanding with respect to income tax, sales tax, service tax, value added tax, GST, customs duty, excise duty on account of any dispute, except as follows:

Name of the statute	Nature of dues	Amount ₹ in Lacs	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	246.80	FY 2009-10 FY 2010-11	High Court of India

- (viii) During the year, the Company has not defaulted in repayment of loans or borrowings to financial institution and banks. During the year, the Company has not taken any loans or borrowings from any government nor has it issued any debentures.
- (ix) The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments). In our opinion, the term loans were applied for the purposes for which the loans were obtained.
- (x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or any fraud on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such instance by the management.
- (xi) As the Company is a private limited company, the provisions of section 197 read with Schedule V to the Act are not applicable to the Company. Accordingly, clause 3(xi) of the Order is not applicable to the Company.
- (xii) In our opinion, the Company is not a Nidhi Company. Therefore, clause 3(xii) of the Order is not applicable to the Company.
- (xiii) All transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of Act, where applicable, and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- (xiv) The Company has made private placement of shares during the year and in our opinion, the requirement of section 42 of the Act have been complied with and the amount raised have been used for the purposes for which the funds were raised.
- (xv) The Company has not entered into any non-cash transactions with directors or persons connected with them during the year and hence provisions of section 192 of the Act are not applicable.

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- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Registration No.103523W/W100048



Snehal Shah

Partner

Membership No: 048539

UDIN : 20048539AAAABD1904

Place: Mumbai

Date: June 26,2020

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 2(g) under 'Report on Other Legal and Regulatory Requirements' section in our Independent Auditor's Report of even date to the members of B4U Broadband (India) Private Limited on the Financial Statements for the year ended March 31, 2020]

Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements of B4U Broadband (India) Private Limited ("the Company") as of March 31, 2020 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (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 Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing specified under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements 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 with reference to financial statements and their operating effectiveness.

Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal controls based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with reference to Financial Statements

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements 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 with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2020, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal controls stated in the Guidance Note issued by the ICAI.

For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Registration No. 103523W / W100048

**Snehal Shah**

Partner

Membership No. 048539

UDIN: 20048539AAAABD1904

Place: Mumbai

Date: June 26, 2020

B4U Broadband (India) Private Limited

Balance Sheet as at 31st March 2020

(Amount in Rs.)

Particulars		Note No.	As At 31st March 2020	As At 31st March 2019
I.	<u>EQUITY AND LIABILITIES</u>			
1	Shareholders funds			
(a)	Share capital	3	1,17,26,54,950	82,99,15,750
(b)	Reserves and surplus	4	16,81,42,318	(17,50,29,466)
2	Non-current liabilities			
(a)	Long-term borrowings	5	15,07,39,688	-
(b)	Long-term provisions	6	1,21,41,231	86,01,311
3	Current liabilities			
(a)	Short-term borrowings	7	21,17,94,847	22,48,05,587
(b)	Trade payables	8		
	(i) Total outstanding dues of micro enterprises and small enterprises		5,01,74,782	55,84,500
	(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		30,99,32,963	24,27,93,906
(c)	Other current liabilities	9	38,12,89,368	37,27,38,773
(d)	Short-term provisions	10	9,24,81,541	1,90,50,634
	TOTAL		2,54,93,51,688	1,52,84,60,995
II.	<u>ASSETS</u>			
1	Non-current assets			
(a)	Property, plant & equipment	11	26,74,61,854	1,53,21,997
(b)	Capital work in progress	11	-	1,26,72,322
(c)	Intangible assets	11	57,25,36,902	39,62,34,035
(d)	Non-current investments	12	16,33,64,840	1,31,940
(e)	Deferred tax assets (net)	13	1,36,86,755	5,49,21,019
(f)	Long-term loans and advances	14	4,57,62,999	6,02,68,845
(g)	Other non-current assets	15	2,24,00,000	4,48,00,000
2	Current assets			
(a)	Inventories		2,35,65,206	2,35,58,750
(b)	Trade receivables	16	1,04,33,54,760	64,42,60,190
(c)	Cash and cash equivalents	17	2,44,94,461	1,60,51,580
(d)	Bank balances other than (c) above	17	3,09,64,817	-
(e)	Short-term loans and advances	18	34,17,59,094	26,02,40,317
	TOTAL		2,54,93,51,688	1,52,84,60,995

Significant accounting policies

2

Notes on financial statements

3 to 38

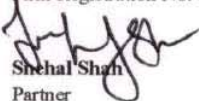
The accompanying notes are an integral part of the financial statements.

As per our report of even date attached.

For Haribhakti & Co. LLP

Chartered Accountants

Firm Registration No. 103523W/W100048


Shehal Shah
Partner

Membership No. 048539

Place: Mumbai

Date: **26.06.2020**

For and on behalf of the Board of Directors

SANTOSH KUMAR GARG
Digitally signed by SANTOSH KUMAR GARG
Date: 2020.06.26 21:09:53 +05'30'

Santosh Garg
Director
(DIN: 07262936)

NATASHA FERNANDES
Digitally signed by NATASHA FERNANDES
Date: 2020.06.26 21:05:41 +05'30'

Natasha Fernandes
Director
(DIN: 02550240)

HARSHIL PARESHKUMAR SHAH
Digitally signed by HARSHIL PARESHKUMAR SHAH
Date: 2020.06.26 21:01:10 +05'30'

Harshil Shah
Company Secretary

Date: 26.06.2020

B4U Broadband (India) Private Limited

Statement of Profit and Loss for the year ended 31st March 2020

(Amount in Rs.)

Particulars	Note No.	For the year Ended 31st March 2020	For the year Ended 31st March 2019
I. Income			
Revenue from operations	19	2,64,48,73,748	1,72,71,46,637
Other income	20	49,55,379	1,01,60,731
II. Total Revenue		2,64,98,29,127	1,73,73,07,368
III. Expenses			
Cost of Sales of film rights		6,00,24,057	15,02,29,042
Operating expenses	21	1,39,58,77,749	1,00,84,40,438
Employee benefits expense	22	11,41,52,014	9,08,62,759
Finance cost	23	3,23,62,449	98,15,606
Depreciation and amortization expense	11	43,58,44,510	10,75,16,128
Other expenses	24	10,70,61,311	5,38,67,738
IV. Total expenses		2,14,53,22,090	1,42,07,31,711
V. Profit / (Loss) before tax (II-IV)		50,45,07,037	31,65,75,657
VI. Tax expense:			
(1) Current tax		10,60,00,000	5,15,00,000
(2) MAT Credit		1,33,00,000	(5,15,00,000)
(3) Adjustment of tax relating to earlier periods		8,00,989	7,19,921
(4) Deferred tax		4,12,34,264	(5,49,21,019)
VII. Profit (Loss) after tax (V-VI)		34,31,71,784	37,07,76,755
VIII. Earnings per equity share:			
(1) Basic	28	2.93	4.47
(2) Diluted	28	2.93	4.47

Significant accounting policies

2

Notes on financial statements

3 to 38

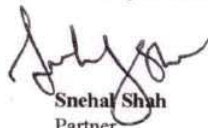
The accompanying notes are an integral part of the financial statements.

As per our report of even date attached.

For Haribhakti & Co. LLP

Chartered Accountants

Firm Registration No. 103523W/W100048


Snehal Shah
Partner

Membership No. 048539

Place: Mumbai

Date: 26.06.2020

For and on behalf of the Board of Directors

SANTOSH
KUMAR
GARG
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SANTOSH KUMAR
GARG
Date: 2020.06.26
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Santosh Garg
Director
(DIN: 07262936)

NATASHA
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Date: 2020.06.26
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Natasha Fernandes
Director
(DIN: 02550240)

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Harshil Shah
Company Secretary

Date: 26.06.2020

B4U Broadband (India) Private Limited

Cash Flow Statement for the year ended on 31st March 2020

(Amount in Rs.)

Particulars		Year ended 31st March, 2020	Year ended 31st March, 2019
A	Cash flows from operating activities		
	Net profit before tax	50,45,07,037	31,65,75,657
	Adjustments for:		
	Depreciation & amortisation	43,58,44,510	10,75,16,128
	Interest income	(25,81,837)	(7,28,451)
	Expense for increase in authorized capital	-	66,50,000
	Finance cost	3,23,62,449	98,15,606
	Fixed assets written off	4,77,428	-
	Loss on sales of assets	31,262	-
	Provisions for employee benefits	46,04,537	30,14,742
	Operating Profit before working capital changes	97,52,45,385	44,28,43,682
	Working capital changes:		
	(Increase) / decrease in trade and other receivables	(37,66,94,570)	(37,01,08,849)
	Increase / (decrease) in trade payables	11,17,29,339	2,77,43,930
	Increase / (decrease) in other current liabilities	(89,56,501)	29,60,00,656
	(Increase) / decrease in short term loans & advances	(8,15,18,778)	(14,49,53,937)
	(Increase) / decrease in long term loans & advances	11,83,076	(11,93,103)
	Increase / (decrease) in closing stocks	(6,456)	(2,35,58,750)
	Increase / (decrease) in long term & short provisions	(8,56,985)	1,47,947
	Cash generated from operations	62,01,24,510	22,69,21,576
	Direct taxes paid (net of refund)	(3,35,54,943)	(2,69,73,096)
	Net cash flow from operating activities	58,65,69,567	19,99,48,480
B	Cash flows from investing activities		
	Purchase of Tangible Assets	(24,91,59,496)	(35,60,863)
	Received from sales of Assets	42,968	-
	Capital work in progress	-	(1,26,72,322)
	Purchase of Intangible Assets - movie rights	(60,30,07,073)	(36,01,48,969)
	Investment in ashirwad	(16,32,32,900)	-
	Interest income	25,81,837	7,28,451
	Net cash flow from investing activities	(1,01,27,74,664)	(37,56,53,704)
C	Cash flows from financing activities		
	Loan taken / (repayment) of loan	16,82,46,784	(4,16,667)
	Loan from holding company	19,00,000	24,70,00,000
	Share Capital issue	34,27,39,200	-
	Repayment of loan to holding company	(1,49,10,740)	(5,40,89,260)
	Expense for increase in authorised capital	-	(66,50,000)
	Finance cost	(3,23,62,449)	(98,15,606)
	Net cash flows from financing activities	46,56,12,795	17,60,28,467
	Net increase/(decrease) in cash and cash equivalents (A+B+C)	3,94,07,697	3,23,244
	Cash and cash equivalents at beginning of period	1,60,51,580	1,57,28,336
	Cash and cash equivalents at end of the year	5,54,59,278	1,60,51,580

Cash and cash equivalents

(Amount in Rs.)

Particulars		Year ended 31st March, 2020	Year ended 31st March, 2019
	Balances with banks		
	On current account	2,44,18,473	1,59,89,121
	On fixed deposits	3,09,64,817	-
	Cash on hand	75,988	62,459
	Total	5,54,59,278	1,60,51,580

Notes:

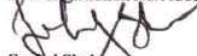
- The Cash Flow Statement has been prepared under the indirect method as set out in Accounting Standard 3 - Cash Flow Statement as specified under section 133 of the Companies Act, 2013 read with relevant Rules thereunder.
- Figures for the previous year have been regrouped / rearranged wherever found necessary.

As per our report of even date attached.

For Haribhakti & Co. LLP

Chartered Accountants

Firm Registration No.103523W/W100048



Snehal Shah

Partner

Membership No. 048539

Place: Mumbai

Date: 26.06.2020

For and on behalf of the Board of Directors

SANTOSH
KUMAR
GARG

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SANTOSH
KUMAR GARG
Date: 2020.06.26
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Santosh Garg
Director
(DIN: 07262936)

NATASHA
FERNANDES

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NATASHA
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Date: 2020.06.26
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Natasha Fernandes
Director
(DIN: 02550240)

HARSHIL
PARESHKUMAR
ARSHAH

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Harshil Shah
Company Secretary

Date: 26.06.2020

Notes to financial statements for the year ended 31 March, 2020

Note 1 Corporate information

B4U Broadband (India) Private Limited ("the Company") is a private company domiciled in India and incorporated under the provisions of the Companies Act, 2013. The Company is engaged in business of broadcasting television channels in India. The company is also in the business of trading of film rights, production of films and theatrical distribution of cinematography films. The Company is a wholly owned subsidiary of B4U Television Network India Limited.

Note 2 Significant accounting policies

a Basis of accounting and use of estimates

- i The financial statements are prepared under historical cost convention, on accrual basis of accounting in accordance with the accounting principles generally accepted in India and the provision of the Companies Act, 2013. The Company has prepared these financial statements to comply in all material respects with the mandatory accounting standards notified under section 133 of the companies Act 2013, read relevant Rules thereunder
- ii The preparation of financial statements requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reported period. Difference between the actual result and estimates are recognized in the period in which the results are known/materialized.
- iii All assets and liabilities are classified as current or non-current as per Company's normal operating cycle and other criteria set out in schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, 12 months has been considered by the Company for the purpose of current/non current classification of assets and liabilities.

b Revenue Recognition

- i Advertisement revenue is recognized when the related advertisement or commercial is telecasted.
- ii Revenue from sale/assignment of film rights is recognised when the significant risks and rewards have been transferred as per agreed terms.
- iii Subscription revenue from cable is recognized as per agreement terms with the distributors, provided there is no uncertainty as to its ultimate collection.
- iv Revenue from sales of services is recognized when the service is completed.
- v Commission income on distribution of films is recognized on collection/confirmation basis.
- vi Income on distribution of films is recognized on collection/confirmation basis from sub distributors/exhibitors.
- vii Interest Income is recognized on a time proportion basis taking into consideration the amount outstanding and the rate applicable.

c Property, plant & equipment

- i Property, plant & equipment assets are stated at their original cost added on revaluation (if any) less accumulated depreciation and include all expenses relating to acquisition and installation.
- ii Depreciation on Property, plant & equipment is provided on Straight-Line Method at the rates specified in Schedule II of the Companies Act, 2013. Depreciation on addition/ deletion during the year is provided on pro-rata basis from the date of purchase/up to the date of sale.
- iii All Capital assets with individual value less than Rs. 5000/- are depreciated fully in the month in which they are purchased.

d Intangible Assets

- i Intangible Assets consisting of film rights are stated at cost less amortization thereon.
- ii Amortization on film rights:
The Company amortizes the cost of film rights over the useful life of the film or in proportion to the estimated gross revenue, whichever is higher.
Further, the maximum useful life in case of all film rights is considered to be eight years. The amortization policy is explained as under.
For films with a useful life of 8 years or above:
For the first 3 years 25 percent of cost p.a. from the date of commencement of exploitation or proportion of cost to the estimated gross revenue, which ever is higher.
For the next 5 years 5 percent p.a. of cost or proportion of cost to the estimated gross revenue, which ever is higher.

No amortization is done if the film rights have not been exploited for first three years from date of acquisition. The amortization is done evenly over the balance useful life.

For films with estimated life of less than 8 years, amortization is spread evenly over the life of the right.



Notes to financial statements for the year ended 31 March, 2020

For films with estimated life of less than 8 years and are sold which were earlier capitalized under intangible assets, amortization is spread evenly over the life of the right or proportion of cost to the estimated gross revenue, whichever is higher.

For films which are purchased on basis of number of runs, the amortization is spread evenly over the number of runs up to the useful life.

In case of sale of film rights which are earlier capitalized under intangible assets, the total realizations from the sale of such film rights are recognized as revenue in the Statement of profit & loss and the remaining un-amortized value of such films rights is recognized as amortization.

Cost of film rights is ascertained as under:

- a) Specific identification basis wherever possible.
- b) In case multiple films are acquired, cost is allocated to each film on basis as estimated by the management.

iii Amortization of Theatrical Film Rights

Amortization is charged at 60% of the cost of film rights upon first theatrical release or based on management estimates of revenue from these rights. The remaining 40% is amortized over the remaining license period or based on management estimate on the basis of future revenue potential as the case may be.

Amortization of Non-Theatrical Film Rights:

Amortization is done evenly over the balance useful life or 10 year whichever is less if the film rights have been exploited or based on management estimate on the basis of future revenue potential as the case may be.

e Impairment of Assets

The Company assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Statement of Profit and Loss. If at the Balance Sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

f Investments

Non Current Investments are stated at cost less provision, if any, for a decline other than temporary in the value of investments. Current Investments are carried at lower of cost and fair value.

g Foreign Currency Transactions

Transactions denominated in foreign currencies are recorded at the exchange rates prevailing at the date of transaction. Monetary items denominated in foreign currency outstanding at the period end are translated at rates prevailing as on year end. The exchange differences arising on settlement / translation or at the year end are recognized in the statement of profit and loss.

h Employee Benefits

Short term employee benefits

The amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employee rendered the service.

Post Employment benefits

Defined contribution plans:

The Contribution to Employee Provident Fund and Employee's Pension fund are charged to statement of profit and loss for the year when contributions are due.

Defined benefit plans:

The company has Defined Benefit plans namely Gratuity and leave encashment for its employees, the liability for which is determined on the basis of an actuarial valuation at the end of the year using the projected unit credit method as stipulated in AS 15. Actuarial gains and losses are recognised in statement of profit and loss as income or expense each year.

i Leases

Operating Lease

The company's significant leasing arrangements are in respect of operating leases of office premises. These leasing arrangements are usually renewable on mutually agreed terms but are cancellable during the primary lease period. Lease payments are shown as Lease Rent in Note 24, Other expenses.

Notes to financial statements for the year ended 31 March, 2020

j Earnings Per Share:

The Company reports basic and diluted earnings per share in accordance with AS 20. Basic earnings per share is computed by dividing the net profit or loss attributable to equity share holders by the weighted average number of equity shares outstanding during the year.

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

k Accounting for Taxes:

Tax expense comprises current and deferred tax.

Current Tax

Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Minimum Alternate Tax (MAT) is recognized as an asset only when and to the extent there is evidence that the Company will pay normal tax in the subsequent period. On each Balance Sheet date such asset is reviewed and carrying amount of MAT credit is ascertained

Deferred Tax

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date. Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits. At each reporting date, the company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

l Inventories

Film rights acquired with an intent of selling/assignment are treated as inventory. These are stated at lower of cost or net realizable value. The company evaluates the realizable value and/or revenue potential of inventory based on management estimates of market conditions and future demand.

m Borrowing Costs

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 expensed in the period they occur.

n Provisions, Contingent Liabilities and Contingent Assets

A provision is recognized when the Company has a present obligation as a result of past event and it is probable that an outflow of resources embodying economic benefits would be required to settle the obligation and in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on best estimates required to settle the obligation at the balance sheet date. Provisions are reviewed at each balance sheet date and are adjusted to effect the current best estimation. A contingent liability is disclosed if the possibility of an outflow of resources embodying the economic benefits is remote or a reliable estimate of the amount of obligation cannot be made.

Note 3 Share capital

Particulars	As at	As at
	31 March 2020	31st March 2019
	Amount (Rs.)	Amount (Rs.)
Authorized		
153,500,000 (previous year 153,500,000) Equity Shares of Rs. 10 each	1,53,50,00,000	1,53,50,00,000
Issued		
117,265,495 (previous year 82,991,575) Equity Shares of Rs. 10 each	1,17,26,54,950	82,99,15,750
Subscribed & paid up		
117,265,495 (previous year 82,991,575) Equity Shares of Rs. 10 each	1,17,26,54,950	82,99,15,750
Total	1,17,26,54,950	82,99,15,750

Notes to financial statements for the year ended 31 March, 2020

a Reconciliation of the no. of equity shares outstanding at the beginning and at the end the reporting period

Particulars	As at	As at
	31 March 2020	31st March 2019
	Number	Number
Shares outstanding at the beginning of the year	8,29,91,575	8,29,91,575
Shares issued during the year (Refer note (d))	3,42,73,920	-
Shares bought back during the year	-	-
Shares outstanding at the end of the year	11,72,65,495	8,29,91,575

b Terms/Rights attached to equity share

The company has only one class of shares i.e. equity shares having a par value of Rs.10/- per share. Each shareholder of the equity shares is entitled to one vote per share. In the event of the liquidation of the company, the holder of the equity share will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in the proportion of number of equity shares held by the shareholders. In case the dividend is proposed by the Board of Director the same is subject to the approval of share holders in the ensuing Annual General Meeting.

c Share held by holding/ultimate holding company and/or their subsidiaries/associates

117,265,495 Equity Shares (Previous year 82,991,575 Equity Shares) are held by holding company B4U Television Network India Limited and its nominee.

d Pursuant to resolution passed in Board meeting held on July 31, 2019 duly approved by Board of Directors, the Company had allotted 3,42,73,920 equity shares of Rs.10 each at par to B4U Television Network India Private Limited, on private placement basis.

e Details of shareholders holding more than 5% shares in the Company

Name of shareholder	As at 31st March 2020		As at 31st March 2019	
	No. of Shares held	% Holding	No. of Shares held	% Holding
B4U Television Network India Limited	11,72,65,495	100%	8,29,91,575	100%

Note 4 Reserves & surplus

Particulars	As at	As at
	31 March 2020	31st March 2019
	Amount (Rs.)	Amount (Rs.)
a. Securities premium account		
Opening balance	11,09,44,125	11,09,44,125
Add : Securities premium received during the year	-	-
Closing balance	11,09,44,125	11,09,44,125
b. Surplus		
Opening balance	(28,59,73,591)	(65,67,50,345)
Add: Net profit/(loss) for the current year	34,31,71,784	37,07,76,755
Closing balance	5,71,98,193	(28,59,73,591)
Total	16,81,42,318	(17,50,29,466)

Note 5 Long-term borrowings

Particulars	As at	As at
	31 March 2020	31st March 2019
	Amount (Rs.)	Amount (Rs.)
Secured		
Loan from Banks		
- Term Loan (Average interest rate for loan under category is 10.15%)	16,12,50,000	-
- Vehicle Loan (Average interest rate for loan under category is 9.18%)	26,15,329	-
Loan from Financial Institution		
- Vehicle Loan (Average interest rate for loan under category is 8.74%)	43,81,455	-
	16,82,46,784	-
Less : Current maturity long term borrowings	1,75,07,096	-
Total	15,07,39,688	-

Notes to financial statements for the year ended 31 March, 2020

1. The vehicle loan are secured by exclusive charge on specific vehicles to specified lenders.
2. The balance loan repayable in 40 quarterly instalment of Rs. 40,31,250 starting from May 25, 2020.
3. The term loan outstanding as at March 31, 2020 of Rs. 16,12,50,000/- (as at March 31, 2019 Rs. Nil) is secured by exclusive charge on building no. 114, road no. 15, MIDC andheri (East) Mumbai 400093.

Note 6 Long term provisions

Particulars	As at	As at
	31 March 2020	31st March 2019
	Amount (Rs.)	Amount (Rs.)
Provision for employee benefits (un funded)		
Gratuity (Refer note 31)	76,19,462	54,04,700
Leave encashment	45,21,769	31,96,611
Total	1,21,41,231	86,01,311

Note 7 Short-term borrowings (Unsecured)

Particulars	As at	As at
	31 March 2020	31st March 2019
	Amount (Rs.)	Amount (Rs.)
Loan from holding company	21,17,94,847	22,48,05,587
Total	21,17,94,847	22,48,05,587

Note 8 Trade payables

Particulars	As at	As at
	31 March 2020	31st March 2019
	Amount (Rs.)	Amount (Rs.)
Trade payables :		
(i) Total outstanding dues of micro enterprises and small enterprises (Refer note 33)	5,01,74,782	55,84,500
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	30,99,32,963	24,27,93,906
Total	36,01,07,745	24,83,78,406

Note 9 Other current liabilities

Particulars	As at	As at
	31 March 2020	31st March 2019
	Amount (Rs.)	Amount (Rs.)
TDS payable	3,52,57,690	1,92,12,890
Salary payable	4,25,303	57,32,135
Incentive & bonus payable	1,68,16,576	1,20,51,048
Payable for expenses	2,07,85,397	93,00,023
GST payable	-	79,04,648
Deposits	-	1,00,000
Current maturities of long term borrowings	1,75,07,096	-
Interest accrued	1,00,04,006	-
Advance from related parties	12,29,49,397	13,58,76,342
Income received in advance	15,60,47,728	18,00,00,000
Advance from others	14,96,175	25,60,787
Total	38,12,89,368	37,27,38,773

Note 10 Short term provisions

Particulars	As at	As at
	31 March 2020	31st March 2019
	Amount (Rs.)	Amount (Rs.)
Provision for employee benefits		
Gratuity (Refer note 31)	6,70,184	5,77,902
Leave encashment	5,66,943	4,51,593
Income tax payable (net)	9,12,44,414	1,80,21,139
Total	9,24,81,541	1,90,50,634

Note 11 Property, plant & equipment and Intangible assets

Assets	Balance as at 1 April 2019		Additions		Gross Block		Disposals		Balance as at 31 March 2020		Balance as at 1 April 2019		Accumulated Depreciation		On disposals		Balance as at 31 March 2020		Balance as at 31 March 2019	
	Amount (Rs.)		Amount (Rs.)		Amount (Rs.)		Amount (Rs.)		Amount (Rs.)		Amount (Rs.)		Amount (Rs.)		Amount (Rs.)		Amount (Rs.)		Amount (Rs.)	
	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
a																				
Property, plant & equipment	-	46,27,380	46,27,380	-	-	46,27,380	-	-	46,27,380	-	32,117	-	-	32,117	-	-	32,117	45,95,263	-	-
Lease land	-	22,79,30,000	22,79,30,000	-	-	22,79,30,000	-	-	22,79,30,000	-	15,81,980	-	-	15,81,980	-	-	15,81,980	22,63,48,020	-	-
Building	2,04,75,178	6,65,999	6,65,999	-	-	2,11,41,177	-	-	2,11,41,177	-	27,88,281	-	-	27,88,281	-	-	1,30,09,953	81,31,224	1,02,53,506	-
Plant and Equipment	2,99,506.00	1,30,37,521	1,30,37,521	1,28,300	-	1,32,08,727	1,28,300	-	1,32,08,727	1,71,792	14,11,930	44,037	44,037	15,39,685	1,16,69,042	44,037	15,39,685	1,16,69,042	1,27,714	9,44,050
Furniture and Fixtures	14,89,306	37,10,391	37,10,391	1,15,084	-	50,84,613	1,15,084	-	50,84,613	5,45,256	8,97,719	13,791	13,791	14,29,184	36,55,429	13,791	14,29,184	36,55,429	27,27,458	12,69,270
Office equipment	46,22,643	10,35,994	10,35,994	9,14,924	-	47,43,713	9,14,924	-	47,43,713	18,95,185	11,65,792	5,48,822	5,48,822	25,12,155	22,31,558	5,48,822	25,12,155	22,31,558	27,27,458	12,69,270
Computers	21,08,009	1,08,24,533	1,08,24,533	-	-	1,29,32,542	-	-	1,29,32,542	8,38,739	12,62,484	-	-	21,01,223	1,08,31,319	-	21,01,223	1,08,31,319	12,69,270	12,69,270
Vehicles	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital work in progress	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	2,89,94,641	26,18,31,818	26,18,31,818	11,58,308	-	28,96,68,151	11,58,308	-	28,96,68,151	1,36,72,644	91,40,303	6,06,650	6,06,650	2,22,06,297	26,74,61,854	6,06,650	2,22,06,297	26,74,61,854	2,79,94,319	2,79,94,319
Previous Year	2,54,33,778	35,60,863	35,60,863	-	-	2,89,94,641	-	-	2,89,94,641	96,75,214	39,97,430	-	-	1,36,72,644	2,79,94,319	-	1,36,72,644	2,79,94,319	1,57,58,564	1,57,58,564
c																				
Intangible Assets	73,92,99,888	60,30,07,073	60,30,07,073	-	-	1,34,23,06,962	-	-	1,34,23,06,962	38,59,84,671	38,37,85,389	-	-	76,97,70,060	57,25,36,902	-	76,97,70,060	57,25,36,902	35,33,15,217	35,33,15,217
Copyrights, and patents and other intellectual property rights, services and operating rights	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Theatrical distribution rights	31,46,67,556	-	-	-	-	31,46,67,556	-	-	31,46,67,556	27,17,48,738	4,29,18,818	-	-	31,46,67,556	-	-	31,46,67,556	-	4,29,18,818	4,29,18,818
Total	1,05,39,67,444	60,30,07,073	60,30,07,073	-	-	1,65,69,74,518	-	-	1,65,69,74,518	65,77,33,409	42,67,04,207	-	-	1,08,44,37,616	57,25,36,902	-	1,08,44,37,616	57,25,36,902	39,62,34,035	39,62,34,035
Previous Year	69,38,18,476	86,01,48,968	86,01,48,968	-	-	1,05,39,67,444	-	-	1,05,39,67,444	55,42,14,711	10,35,18,698	-	-	65,77,33,409	39,62,34,035	-	65,77,33,409	39,62,34,035	13,96,03,765	13,96,03,765

Notes to financial statements for the year ended 31 March, 2020

Note 12 Non current investments (Unquoted at cost)

Particulars	As at	As at
	31 March 2020	31st March 2019
	Amount (Rs.)	Amount (Rs.)
Other investments		
Investment in equity instruments (Holding company M/s B4U Television Network India Limited 13,194 (previous year 13,194) equity shares of Rs. 10 each)	1,31,940	1,31,940
Investment in equity instruments (Subsidiary M/s Ashirwad Telenetwork Pvt Ltd 4,819,040 (previous year Nil) equity shares of Rs. 10 each)	16,32,32,900	-
Total	16,33,64,840	1,31,940

Note 13 Deferred tax assets (net)

Particulars	As at	As at
	31 March 2020	31st March 2019
	Amount (Rs.)	Amount (Rs.)
Provision for gratuity	24,13,945	17,42,134
Provision for earned leave	14,81,833	10,62,357
Provision for Incentive & Bonus	48,96,987	-
Provision against advance	-	35,09,527
Unabsorbed losses	-	5,19,02,595
Provision for doubtful debts	-	50,57,688
Total deferred tax assets	87,92,765	6,32,74,301
Book/tax depreciation difference	(48,93,990)	83,53,282
Total deferred tax liability	(48,93,990)	83,53,282
Deferred tax asset (net)	1,36,86,755	5,49,21,019

Note 14 Long term loans & advances (Unsecured, considered good unless otherwise stated)

Particulars	As at	As at
	31 March 2020	31st March 2019
	Amount (Rs.)	Amount (Rs.)
Security deposits	60,28,687	78,02,420
Minimum alternate tax credit	3,81,77,230	5,15,00,000
Prepaid expenses	15,57,082	9,66,425
Advance for film production & distribution	-	35,25,676
Less: Provision for doubtful advances	-	35,25,676
Total	4,57,62,999	6,02,68,845

Note 15 Other non-current assets

Particulars	As at	As at
	31 March 2020	31st March 2019
	Amount (Rs.)	Amount (Rs.)
Trade receivables (considered good, unsecured) *	2,24,00,000	4,48,00,000
Total	2,24,00,000	4,48,00,000

* Pertains to assignment of movie rights pursuant to an agreement where the payment is due beyond 12 months from the date of Balance Sheet.

Note 16 Trade receivables (Unsecured, unless otherwise stated)

Particulars	As at	As at
	31 March 2020	31st March 2019
	Amount (Rs.)	Amount (Rs.)
a. Outstanding for a period exceeding six months from the date they became due		
Considered good	9,65,54,937	5,67,060
Doubtful	-	1,38,42,757
	9,65,54,937	1,44,09,817
Less: Provision for doubtful debts	-	1,38,42,757
Total (a)	9,65,54,937	5,67,060

Notes to financial statements for the year ended 31 March, 2020

b. Other Receivables		
Considered good - Current	94,67,99,823	64,36,93,130
Total (b)	94,67,99,823	64,36,93,130
Total (a)+(b)	1,04,33,54,760	64,42,60,190

Note 17 Cash and cash equivalents

Particulars	As at	As at
	31 March 2020	31st March 2019
	Amount (Rs.)	Amount (Rs.)
Balances with banks		
On current account	2,44,18,473	1,59,89,121
Cash on hand	75,988	62,459
Total	2,44,94,461	1,60,51,580

Note 17 Bank balances other than cash and cash equivalents

Particulars	As at	As at
	31 March 2020	31st March 2019
	Amount (Rs.)	Amount (Rs.)
Fixed deposits with maturity of more than 3 months and less than 12 months	3,09,64,817	-
Total	3,09,64,817	-

Note 18 Short Term Loans & Advances (Unsecured, considered good unless otherwise stated)

Particulars	As at	As at
	31 March 2020	31st March 2019
	Amount (Rs.)	Amount (Rs.)
Security deposits	31,20,000	7,18,000
Advance for film, Film production & distribution	18,02,18,395	10,59,85,535
Prepaid expenses- cable placement fees	11,70,36,339	10,72,50,831
Prepaid expenses - other	1,53,76,691	1,92,39,483
Loan and advance to employees	6,55,242	15,26,762
Advance paid to suppliers	1,73,74,319	25,68,413
Advance for capital assets	-	1,07,50,000
Accrued interest on fixed deposit	1,67,514	-
Convat credit (Input credit / available for utilization)	78,10,595	1,22,01,293
Total	34,17,59,094	26,02,40,317

Note 19 Revenue from operations

Particulars	For the year ended	For the year ended
	31st March 2020	31st March 2019
	Amount (Rs.)	Amount (Rs.)
Sale of products	5,46,34,879	41,22,77,686
Sale of services	2,59,02,38,869	1,31,48,68,951
Total	2,64,48,73,748	1,72,71,46,637
Details of sale of products	Amount (Rs.)	Amount (Rs.)
Film rights-local	2,10,79,863	28,55,00,000
Film rights-exports	3,09,99,540	-
Film distribution revenue	25,55,476	12,67,77,686
Total	5,46,34,879	41,22,77,686
Details of sale of services	Amount (Rs.)	Amount (Rs.)
Advertisement sales	2,54,11,69,441	1,27,16,44,579
Other subscription	3,50,000	6,15,783
Programming contents	3,34,19,977	3,15,71,074
Teleshopping business income	5,64,251	8,05,465
Digital Income	1,47,35,199	1,02,32,050
Total	2,59,02,38,869	1,31,48,68,951

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Notes to financial statements for the year ended 31 March, 2020

Note 20 Other income

Particulars	For the year ended	For the year ended
	31st March 2020	31st March 2019
	Amount (Rs.)	Amount (Rs.)
Interest on income tax refund	9,26,275	-
Interest on short term bank deposits	16,55,562	7,28,451
Other income	27,686	14,159
Provisions written back (net)	23,45,856	50,12,154
Sundry balances written back (net)	-	44,05,967
Total	49,55,379	1,01,60,731

Note 21 Operating expenses

Particulars	For the year ended	For the year ended
	31st March 2020	31st March 2019
	Amount (Rs.)	Amount (Rs.)
Advertisement & business promotion expenses	4,78,95,044	64,64,542
Cable placement fees	92,87,68,147	63,02,00,603
Commission - advertisement sales	3,19,88,109	2,00,77,519
Commission - other	45,45,335	43,04,087
Digital expenses	26,83,727	33,63,469
Film distribution expenses	53,19,225	3,79,01,953
Play out charges	85,40,244	61,08,785
Programming & content charges	27,80,63,597	24,04,64,121
Teleshopping Business Expenses	23,18,969	55,37,270
Up linking charges	1,57,11,637	1,63,76,633
Other operating expenses	7,00,43,715	3,76,41,456
Total	1,39,58,77,749	1,00,84,40,438

Note 22 Employee benefits expense

Particulars	For the year ended	For the year ended
	31st March 2020	31st March 2019
	Amount (Rs.)	Amount (Rs.)
(a) Salaries and incentives	10,67,41,294	8,52,73,878
(b) Contributions to provident fund & other funds	21,64,920	16,32,855
(c) Gratuity (Refer note 31)	28,77,643	16,45,350
(d) Staff welfare expenses	23,68,157	23,10,676
Total	11,41,52,014	9,08,62,759

Note 23 Finance cost

Particulars	For the year ended	For the year ended
	31st March 2020	31st March 2019
	Amount (Rs.)	Amount (Rs.)
Interest on loan	20,97,156	16,776
Interest on income tax	1,00,00,000	35,00,000
Interest on loan from holding company	1,74,37,970	57,24,932
Processing fees - term loan	16,12,500	-
Interest on placement fees	12,14,823	5,73,898
Total	3,23,62,449	98,15,606

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Notes to financial statements for the year ended 31 March, 2020

Note 24 Other expenses

Particulars	For the year ended	For the year ended
	31st March 2020	31st March 2019
	Amount (Rs.)	Amount (Rs.)
Bank charges	9,90,252	98,232
Communication costs	13,08,752	9,95,973
Corporate social responsibility expenses (refer note 34)	35,39,730	8,70,000
Donation	2,00,000	-
Fixed assets written off	4,77,428	-
Foreign exchange loss (net)	66,52,528	20,53,523
Insurance	24,60,073	14,84,652
Loss on sales of Assets	31,262	-
Legal and professional fees	2,31,04,995	1,52,51,498
Membership & subscription	7,51,384	11,00,000
Miscellaneous expenses	36,82,082	22,53,055
Payment to auditors*	12,25,000	11,50,000
Power & fuel	4,31,712	3,65,373
Printing and stationery	1,67,843	1,13,122
Rates and taxes	38,23,198	68,99,484
Rent (refer note 32)	40,25,527	30,13,632
Repairs & maintenance	40,66,676	32,69,185
Travelling and conveyance	1,64,22,839	1,49,50,009
Sundry balances written off (net)	3,37,00,030	-
Total	10,70,61,311	5,38,67,738

* Details of payment to auditors

Particulars	For the year ended	For the year ended
	31st March 2020	31st March 2019
	Amount (Rs.)	Amount (Rs.)
Audit fees	8,25,000	8,50,000
Taxation matters	2,00,000	2,00,000
Other services	2,00,000	1,00,000
Total	12,25,000	11,50,000

Note 25 Contingent liabilities

Particulars	As at	As at
	31st March 2020	31st March 2019
	Amount (Rs.)	Amount (Rs.)
Claims against the company by Indian Performing Rights Society (IPRS)	2,91,81,600	2,91,81,600
Claims in respect of Income Tax (TDS) where the issues were decided in favour of the Company in ITAT, for which the department has appealed in high court during the year	2,46,79,660	2,46,79,660

Note 26 Capital and other commitments

- a Estimated amount of contracts remaining to be executed on capital account and not provided for are Rs. Nil (previous year Rs. 20,42,50,000)
- b Other commitments as regards media content and others not provided for, as they are not due, are Nil (previous year Rs. Nil)

Additional information required to be given pursuant to Part II of Schedule III of the Companies Act, 2013 is as follows:

Note 27 a Earnings in foreign currency (on accrual basis)

Particulars	For the year ended	For the year ended
	31st March 2020	31st March 2019
	Amount (Rs.)	Amount (Rs.)
Sale of services	7,64,48,181	4,74,01,124
Sale of products	3,09,99,540	33,46,333
Total	10,74,47,721	5,07,47,457

Notes to financial statements for the year ended 31 March, 2020

b Expenditure in foreign currency (on accrual basis)

Particulars	For the year ended	For the year ended
	31st March 2020	31st March 2019
	Amount (Rs.)	Amount (Rs.)
Up linking charges	1,57,11,637	1,63,76,633
Film distribution expenses	2,25,244	19,24,145
Other operating expenses	7,03,123	7,01,862
Total	1,66,40,004	1,90,02,640

Note 28 The Earning per share – basic & diluted for the year calculated as under

Particulars	For the year ended	For the year ended
	31st March 2020	31st March 2019
	Amount (Rs.)	Amount (Rs.)
Profit used as numerator for the calculation of earnings per share	34,31,71,784	37,07,76,755
Weighted average number of shares used in computing earnings per share	11,72,65,495	8,29,91,575
Earning per Shares (Rs.) (basic & diluted)	2.93	4.47

Note 29 Related party disclosures

a Particulars of holding, subsidiary and associate companies

Name of the related party	Nature of relationship
B4U Television Network India Limited	Holding Company
LMB Holdings (Mauritius) Limited.	Holding Company of Holding Company
LMB Holdings Limited	Ultimate Holding Company
B4U Network (Europe) Limited	Subsidiary of Ultimate Holding Company
B4U Media Ventures Private Limited	Fellow subsidiary
Ashirwad Telenetwork Private Limited	Subsidiary

b Key Managerial Personnel

Name of the related party	Nature of relationship
Mr. Sandeep Gupta	Director & CFO (up to 16th Aug 2019)
Ms. Natasha Fernandes	Director (w.e.f 13th September 2019)
Mr. Santosh Garg	Director

c The following transactions was carried out during the year with related parties in the ordinary course of business.

Particulars	For the year ended	For the year ended
	31st March 2020	31st March 2019
	Amount (Rs.)	Amount (Rs.)
Purchase of programming contents & film rights		
B4U Television Network India Limited	9,02,39,550	8,36,60,022
Sale of programming contents		
B4U Network (Europe) Limited	3,34,19,977	3,15,71,074
Agent commission paid/payable		
B4U Television Network India Limited	45,45,335	43,04,087
Purchases of time slots		
Ashirwad Telenetwork Private Limited	87,97,952	-
Reimbursement of carriage fees		
Ashirwad Telenetwork Private Limited	9,12,83,333	-
Loans taken		
B4U Television Network India Limited	19,00,000	24,70,00,000
Loans repaid		
B4U Television Network India Limited	1,05,00,000	5,85,00,000
Sale of film rights		
B4U Network (Europe) Limited	3,09,99,540	-
Film distribution income		
B4U Network (Europe) Limited	22,47,859	31,02,809

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Notes to financial statements for the year ended 31 March, 2020

Film distribution expenses		
B4U Network (Europe) Limited	2,25,244	19,24,145
Interest paid		
B4U Television Network India Limited	1,74,37,970	57,24,932
Remuneration		
Ms. Natasha Fernandes	16,21,144	-

d Amount Outstanding as at 31st March, 2020

Particulars	As at	As at
	31st March 2020	31st March 2019
	Amount (Rs.)	Amount (Rs.)
Payables		
B4U Television Network India Limited	3,13,22,135	6,21,58,478
Ashirwad Telenetwork Private Limited	7,48,48,059	-
B4U Television Network India Limited - Interest accrued	85,62,042	44,10,740
Deposit Given		
Ashirwad Telenetwork Private Limited	21,00,000	-
Advances/loan taken		
B4U Television Network India Limited	21,17,94,847	22,03,94,847
Advance against programming content/films		
B4U Network (Europe) Limited	12,29,49,397	13,58,76,342

Note 31 Employee Benefits

- i Defined contribution plans – provident fund
During the year, the company has recognized the following amounts in the statement of profit and loss -
Employer's contribution to provident fund Rs. 13,85,880/-
- ii Pension plans
During the year, the company has recognized the following amounts in the statement of profit and loss -
Employer's contribution to employee's Pension Scheme 1995 Rs. 6,50,022/-
- iii Defined benefit plans (non-funded)
- a The amount recognized in Balance Sheet are as follows:

Particulars	Gratuity Plan	
	As at	As at
	31st March 2020	31st March 2019
	Amount (Rs.)	Amount (Rs.)
A Present value of defined benefit obligation - Wholly unfunded	82,89,646	59,82,602
Less : Fair value of plan assets	-	-
Amount to be recognized as liability or (assets)	82,89,646	59,82,602
B Amount reflected in the Balance Sheet - Liabilities	82,89,646	59,82,602
Amount reflected in the Balance Sheet - Assets	-	-
Net liability / (assets)	82,89,646	59,82,602

- b. The amounts recognized in the Statement of Profit and Loss are as follows:

Particulars	Gratuity Plan	
	As at	As at
	31st March 2020	31st March 2019
	Amount (Rs.)	Amount (Rs.)
1 Current service cost	10,85,289	6,88,270
2 Interest cost	4,66,045	3,00,827
3 Past service cost	-	-
4 Actuarial losses / (gain)	13,26,309	6,56,253
Total included in employee cost	28,77,643	16,45,350

- c. The change in the present value of defined benefit obligation representing reconciliation of opening and closing balances thereof are as follows:

Particulars	Gratuity Plan	
	As at	As at
	31st March 2020	31st March 2019
	Amount (Rs.)	Amount (Rs.)

Notes to financial statements for the year ended 31 March, 2020

Opening balance of the present value of defined benefit obligation	59,82,602	38,41,979
Add: Current service cost	10,85,289	6,88,270
Add: Interest cost	4,66,045	3,00,827
Add/(less): actuarial losses / (gains)	13,26,309	6,56,253
Add/(less): Net liability/Assets transfer in/out	-	8,64,889
Less: Benefits paid	5,70,599	3,69,616
Add: Past service cost	-	-
Closing balance of the present value of defined benefit obligation	82,89,646	59,82,602

- d. In Accordance with Accounting Standard 15 (revised 2005), actuarial valuation was done in respect of the aforesaid defined 'benefit plans' based on the following assumptions:

Particulars	Employee's Gratuity Fund	
	31.03.2020	31.03.2019
Date of valuation	31.03.2020	31.03.2019
Retirement age	58 years	58 years
Rate of discounting	6.86%	7.79%
Future salary rise	5%	5%
Attrition rate	2%	2%
Mortality table	Indian Assured Lives Mortality (2006-08)	

Note 32 Operating lease

The aggregate lease rentals for operating leases for the period aggregate to Rs. 40,25,527/- (Previous year: Rs. 30,13,632/-).

The total of future minimum lease payment commitments under lease period is as under.

Particulars	As at	
	31st March 2020	31st March 2019
Not later than one year	14,39,820	-
Later than one year and not later than five years	19,59,500	-
Later than five years	-	-

- Note 33** Information related to Micro and Small Enterprises, as per the Micro, Small and Medium Enterprises Development Act, 2006 (MSME Development Act), are given below. The information given below have been determined to the extent such enterprises have been identified on the basis of information available with the Company

Particulars	As at	As at
	31st March 2019	31st March 2019
	Amount (Rs.)	Amount (Rs.)
a. Principal amount outstanding -not due	5,01,74,782	55,84,500
b. Interest on principal amount due	-	-
c. The amount of interest paid by the buyer in terms of section 16 of the MSME Development Act, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
d. The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSME Development Act	-	-
e. The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
f. The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the MSME Development Act	-	-

- Note 34** During the current year, the Company has spent Rs. 35,39,730/- (Previous year Rs. 8,70,000) on Corporate Social Responsibility (CSR) Projects as prescribed in Schedule VII of the Companies Act, 2013. The prescribed CSR expenditure required to be spent in the current year as per the Companies Act, 2013 was Rs. 31,26,929/- (Previous year Rs. 13,26,165/-).

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Note 30 Segment Reporting
Information about Primary Segment

(Amount in Rs.)

Particulars	Business Segment					Total
	Television	Film distribution	Film rights	Programming	Teleshopping Business	
REVENUE						
Revenue from operations (External)	2,54,15,19,441	1,72,90,675	5,20,79,403	3,34,19,977	5,64,251	2,64,48,73,748
	(1,27,22,60,362)	(13,70,09,736)	(28,55,00,000)	(3,15,71,074)	(8,05,465.00)	(1,72,71,46,637)
RESULTS						
Segment Results	63,10,57,962	(4,62,06,778)	(79,44,654)	43,59,127	(52,59,263)	57,60,06,394
	(16,92,17,912)	(2,44,99,558)	(13,52,70,958)	(41,17,966)	(-73,02,339)	(32,58,04,054)
Unallocated Expenditure (Net of income)						(7,40,81,194)
						(-99,56,849)
Operating Profit / (Loss)						50,19,25,200
						(31,58,46,206)
Interest Income						25,81,837
						(7,28,451)
Taxation for the year						(16,13,35,253)
						(-4,52,01,098)
Net Profit / (Loss)						34,31,71,784
						37,07,76,755
Other Information						
Segment Assets	2,10,22,79,916	2,88,29,437	13,89,20,882	-	-	2,27,00,30,235
	(1,03,80,00,312)	(11,17,53,719)	(28,28,15,000)	-	(3,09,370)	(1,43,28,78,401)
Unallocated Corporate Assets						27,93,21,453
						(9,55,82,594)
Total Assets	2,10,22,79,916	2,88,29,437	13,89,20,882	-	-	2,54,93,51,688
	(1,03,80,00,312)	(11,17,53,719)	(28,28,15,000)	-	(3,09,370)	(1,52,84,60,996)
Segment Liabilities	35,89,11,082	12,56,42,235	15,60,47,728	-	-	64,06,01,045
	(23,28,09,767)	(14,05,91,449)	(19,23,10,000)	(-)	(12,04,320)	(56,69,15,536)
Unallocated Corporate Liabilities						56,79,53,375
						(30,66,59,175)
Total Liabilities	35,89,11,082	12,56,42,235	15,60,47,728	-	-	1,20,85,54,420
	(23,28,09,767)	(14,05,91,449)	(19,23,10,000)	(-)	(12,04,320)	(87,35,74,712)
Capital Expenditure						
For Segment	86,48,38,892	-	-	-	-	86,48,38,892
	(28,70,51,452)	(7,50,00,000)	(-)	(-)	(16,58,380)	(36,37,09,832)
Depreciation & Amortisation Expenses						
For Segment	39,29,25,692	4,29,18,818	-	-	-	43,58,44,510
	(4,84,84,992)	(5,87,20,828)	(-)	(-)	(3,10,308)	(10,75,16,128)
For corporate						-
						(-)
Total Depreciation & Amortisation	39,29,25,692	4,29,18,818	-	-	-	43,58,44,510
	(4,84,84,992)	(5,87,20,828)	(-)	(-)	(3,10,308)	(10,75,16,128)

Previous year figures are stated in bracket

Note:**1. Business Segment**

The company has considered "business segment" as primary reporting segment for disclosure. Company has identified the following

- Television - It includes air time sale, cable subscription and other related revenue.
- Film Distribution - It includes theatrical distribution of films and digital syndication of content.
- Sale of Film Rights.
- Programming content.
- Teleshopping business.

The above business segments have been identified considering:

- The nature of products & services. & b. The different risks & returns.

2. There are no inter segment sales

3. Geographical Segment - Secondary Segment**Information about Geographical Segment**

Country/Territory	2019-20	2018-19
	Amount (Rs.)	Amount (Rs.)
India	2,53,74,26,027	1,67,63,99,181
Overseas	10,74,47,721	5,07,47,457
Total	2,64,48,73,748	1,72,71,46,637

As it is not possible to allocate expenditure and ascertain assets & liabilities under geographical segment, hence the segment results, assets and liabilities under geographical segment are not given.

Notes to financial statements for the year ended 31 March, 2020

Note 35 On the 11 March 2020 the World Health Organisation declared the new strain of coronavirus (Covid 19) a global pandemic and recommended containment and mitigation measures worldwide. The Directors are monitoring the situation and consider that it will not have a significant impact on the ongoing operations of B4U and does not impact its ability to continue as a going concern.

Note 36 In the Opinion of the management and to the best of its knowledge and belief, the value on realization of current assets, loans, advances and payment of current liabilities and provisions in the ordinary course of business would not be less/ more than the amount at which they are stated in the Balance sheet.

Note 37 Balances of some of the trade receivables, trade payables, loans & advances are subject to reconciliation / confirmation from the respective parties and the consequential adjustments, if any. The management, however, of the view that there will be no material adjustments in this regard.

Note 38 Previous year figures have been regrouped / rearranged wherever necessary to confirm to current years classification.

For and on behalf of the Board of Director

SANTOSH KUMAR GARG	Digitally signed by SANTOSH KUMAR GARG Date: 2020.06.26 21:13:28 +05'30'	NATASHA FERNAND ES	Digitally signed by NATASHA FERNANDES Date: 2020.06.26 21:08:06 +05'30'	HARSHIL PARESHKUMAR SHAH	Digitally signed by HARSHIL PARESHKUMAR SHAH Date: 2020.06.26 21:02:28 +05'30'
Santosh Garg	Natasha Fernan	Harshil Shah			
Director	Director	Company Secretary			
(DIN: 07262936)	(DIN: 02550240)				

Date: 26.06.2020