

**KAL RADIO LIMITED**



**ANNUAL REPORT 2021**



## KAL Radio Limited



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### CORPORATE INFORMATION

#### BOARD OF DIRECTORS

Mr.K. Shanmugam	Managing Director
Mr.B.Surendar	Whole Time Director
Mr.J.Ravindran	Independent Director
Mr.Nicholas Martin Paul	Independent Director
Mr.K.Vijaykumar	Director
Mrs.Nisha Narayanan	Director

#### COMPANY SECRETARY

Mrs.Uma Madhu

#### STATUTORY AUDITOR

Ms.N.Priya (Membership No.223834), Chartered Accountant  
New # 41, Ramanujam Street, T.Nagar, Chennai - 600 017.

#### PRINCIPAL BANKER

City Union Bank Limited

#### REGISTERED OFFICE

Murasoli Maran Towers,  
73, MRC Nagar Main Road,  
MRC Nagar,  
Chennai - 600 028.



## KAL RADIO LIMITED



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## DIRECTORS' REPORT TO THE SHAREHOLDERS

Your Directors have pleasure in presenting their report for the year ended March 31, 2021 together with the Balance Sheet and the Profit and Loss account Statement for the year ended on that date.

### FINANCIAL HIGHLIGHTS

*(Rupees in Lakhs)*

Particulars	March 31, 2021	March 31, 2020
Revenues	6029.96	11542.93
Other Income	3623.85	1277.59
<b>Total Income</b>	<b>9653.81</b>	<b>12820.52</b>
Expenditure (Excluding interest, depreciation & amortization)	5714.81	7664.10
<b>Earning before interest, tax, depreciation &amp; amortization (EBITDA)</b>	<b>3939.00</b>	<b>5156.42</b>
Finance Cost	488.54	497.42
Depreciation and amortization	2185.11	2087.13
<b>Earning before taxation (EBT)</b>	<b>1265.35</b>	<b>2571.87</b>
Current Tax	215.76	780.50
MAT Credit	-	-
Deferred Tax	(77.88)	10.39
<b>Profit for the Year</b>	<b>1127.47</b>	<b>1780.98</b>

### BUSINESS REVIEW

During the year under review, the Company has further established the name of the radio stations in the minds of the listeners and advertisers by adopting innovative strategies in programming and mix of music.

The Company has further strengthened its leadership position as the No.1 FM station in the Southern Region of India

### OPERATIONS

The broadcasting revenue of the company for the year 2020-21 has decreased to 47.76% to Rs.6029.96 Lakhs from Rs.11542.93 Lakhs of the previous year due to economic slowdown.

Your Company has achieved an after tax profit of Rs.1127.47 Lakhs as against Rs.1780.98 Lakhs in the previous year.

### DIVIDEND

The Board of Directors had decided to conserve the profits and hence not recommended any dividend for the current financial year 2020-2021.

## **RESERVES**

Your Directors do not propose to transfer any amount to the general reserve of the company.

## **MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT**

There are no such material changes and commitments affecting the Financial Position of the company occurred between the end of the Financial Year of the company to which the Financial statements relate and the date of the report

## **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186**

Details of Loan, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to financial statements.

## **PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

Details of contracts or arrangements entered into with the related parties as referred to in sub-section (1) of section 188 of the Companies Act, 2013 for the financial year 2020-21 which is mentioned in Annexure C of this report in the form AOC-2, are given in the notes to Financial Statements.

## **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr. K. Vijaykumar, & Mrs.Nisha Narayanan, Directors of the Company will retire at the ensuing Annual General Meeting and being eligible, seeks re-appointment. The Board of Directors recommends their reappointment at the ensuing Annual General Meeting.

## **THE DETAILS OF DIRECTORS OR KEY MANAGERIAL PERSONNEL WHO WERE APPOINTED OR HAVE RESIGNED DURING THE YEAR**

In accordance with the provisions of the Companies Act, 2013 and with the approval of members in the Annual General Meeting , the board reappointed Mr. Shanmugam as Managing Director of the company for a tenure of 3 years with effect from 01.04.21

In accordance with the provisions of the Companies Act, 2013 and with the approval of members in the Annual General Meeting , the board reappointed Mr. Surendar as Whole time Director of the company for a tenure of 3 years with effect from 01.04.20

## **OPINION OF THE BOARD WITH REGARD TO INTEGRITY, EXPERTISE AND EXPERIENCE (INCLUDING THE PROFICIENCY) OF THE INDEPENDENT DIRECTORS APPOINTED DURING THE YEAR**

## **ANNUAL EVALUATION OF THE PERFORMANCE OF THE BOARD, ITS COMMITTEES AND OF INDIVIDUAL DIRECTORS BY INDEPENDENT DIRECTORS**

Pursuant to the provisions of Companies Act, 2013 the Board has carried out annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration committee. The manner in which the evaluation has been carried out is explained below:-

### **A) EVALUATION OF DIRECTORS BY INDEPENDENT DIRECTORS'**

During the year under review, the Independent Directors met on 11<sup>th</sup> November 2020, inter alia to:

- i. Review the performance of non-independent directors and the Board as a whole
- ii. Review the performance of the Chairperson of the company, taking into account the views of executive directors and non-executive directors.
- iii. Assess the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties

### **B) EVALUATION OF INDEPENDENT DIRECTORS BY DIRECTORS'**

During the year under review, the Directors (other than Independent Directors) met on 11<sup>th</sup> November 2020, inter alia to:

- i. Review the performance of the independent directors of the company, taking into account the views of executive directors and non-executive directors.
- ii. Assess the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

### **Independent Directors' Declaration**

The Company has received necessary declarations from the Independent Directors under section 149(7) of the Companies Act, 2013 that he meets the criteria of independence laid down in section 149(6) of the Companies Act, 2013.

## **POLICY OF DIRECTORS' APPOINTMENT AND REMUNERATION**

Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under section 178 of the Act are covered under the Board's policy formulated by the Company.

## MEETINGS OF THE BOARD:

During the Financial Year 2020-2021, the Board met 4 times on:

S No.	Dates of Meeting of the Board	Quarter	No of directors on the date of meeting	Total no of directors attended
1	18/06/20	Apr-June	6	6
2	04/08/20	July-Sep	6	6
3	11/11/20	Oct-Dec	6	6
4	04/02/21	Jan-Mar	6	5

## AUDIT COMMITTEE

The Company has an independent Audit Committee pursuant to Section 177 of the Companies Act, 2013.

The composition of the audit committee is disclosed below as required under section 177(8) of the Companies Act, 2013:

Name of Member	Category
Mr.J.Ravindran	Chairman
Mr. Shanmugam	Member
Mr. VijayKumar	Member
Mr.Nicholas Martin Paul	Member

The Committee meetings were attended by invitation by the representatives of Internal Auditors and Statutory Auditors.

During the financial year there were no instances in which the Board had not accepted any recommendations of the Audit Committee.

## CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company had constituted a CSR Committee pursuant to the provisions of Section 135 of the Companies Act, 2013. The policy is given in Annexure A. The Committee for CSR held one meeting during the year.

The Composition of the Committee is as follows

Mr.J.Ravindran - Chairman of the Committee

Mr.K.Shanmugam - Member of the Committee

Mr.Vijaykumar - Member of the Committee

The details of the expenditure incurred by your company towards CSR activities, during the Financial Year are enclosed as Annexure A to this report.

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

The Company has a Nomination & Remuneration Committee pursuant to Section 178 of the Companies Act, 2013. The Policy is given in Annexure D

The Composition of the Committee is as follows

Mr.J.Ravindran - Chairman of the Committee

Mr.Vijaykumar - Member of the Committee

#### **STATUTORY AUDITORS**

The Board appointed Ms.N.Priya [Membership No: 223834] Chennai as Statutory Auditor for A Period of 4 years commencing from Financial Year 2017-18. The Board of Directors of the Company be and hereby authorized to fix such remuneration as may be determined by the audit committee in consultation with the auditors.

#### **EXPLANATIONS OR COMMENTS BY THE BOARD ON EVERY QUALIFICATION, RESERVATION OR ADVERSE REMARK OR DISCLAIMER MADE BY AUDITORS IN THEIR REPORT**

There was no disqualification, reservations or adverse remarks made by Auditors in their report hence does not call for any further comment.

#### **DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SUB-SECTION (12) OF SECTION 143**

During the Financial year 2020-21 there were no frauds reported by the Auditors under Section 143(12) of Companies Act, 2013

#### **INTERNAL AUDIT**

Pursuant to the provisions of section 138 of the Companies Act, 2013, such class or classes of companies shall be required to appoint an internal auditor to conduct internal audit of the functions and activities of the Company. Since our Company is covered under the above criteria, we had already appointed internal auditor for the financial year 2020-21.

#### **SECRETARIAL AUDIT**

As per the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had already appointed M/s.Lakshmmi Subramanian & Associates, a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company for the financial year 2020-21. The Secretarial Auditors' Report does not contain any qualification, reservation or adverse remark and hence does not call for any further comment



**MAINTENANCE OF COST RECORDS AS SPECIFIED BY THE CENTRAL GOVERNMENT UNDER SUB-SECTION (1) OF SECTION 148 OF THE COMPANIES ACT, 2013**

The Company has made and maintained cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 and Rules prescribed thereunder.

**FIXED DEPOSITS**

Your Company has not accepted any deposits from the public during the financial year ended March 31, 2021

**SUBSIDIARIES OR ASSOCIATE COMPANIES:**

The following are the list of Subsidiaries, and Associates during the financial year 2020-21.

S.No	Name of the Company	Percentage of shares	Category
NIL	NIL	NIL	NIL

**PREVIOUS SUBSIDIARIES/JOINT VENTURES/ASSOCIATE COMPANIES THAT HAVE CEASED TO BE SUBSIDIARIES/JOINT VENTURES/ASSOCIATE COMPANIES OF THE COMPANY**

S.No	Name of the Company	Percentage of shares	Category
NIL	NIL	NIL	NIL

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

**Conservation of Energy:**

The Company is engaged in FM Radio Broadcasting operations and the information.

Though the company has not carried on any manufacturing activities, it had taken steps to conserve energy in its office, consequent to which energy consumption has been minimized. Since the company has not carried on any industrial activities, disclosures regarding impact of measures on cost of production of goods, total energy consumption, etc., are not applicable

**Technology Absorption:**

The Company has become fully operational and is adopting the State of Art technology.

**Foreign Exchange Earnings and Outgo**

There was no Foreign exchange earnings and outgo during the year

## **DIRECTORS' RESPONSIBILITY STATEMENT**

In terms of Section 134 (3) (c) and 134 (5) of the Companies Act, 2013 your Directors confirm that

- a) In the preparation of the annual accounts for the financial year 2020-21, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) The Appropriate accounting policies had been selected 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 on 31st March, 2021 and of the profit and loss of the company for that period;
- c) Had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; To ensure this, the Company has adequate internal control systems, consistent with its size and nature of operations. Periodic internal audits are conducted to provide reasonable assurance of compliance with these systems.
- d) The financial statements have been prepared on a going concern basis.
- e) Proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.
- f) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## **STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY**

The Board of Directors of the Company are in charge of the risk management and periodically take up the review of the risk mitigation measures.

## **EXTRACT OF THE ANNUAL RETURN:**

The extracts of Annual Return as provided under sub-section (3) of section 92 of the Act is as per Annexure B and Annual return of the company can be accessed from the website: [www.redfm.in](http://www.redfm.in)

## **DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

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

The Company aims at prevention of harassment of employees and lays down the guidelines for identification, reporting and prevention of undesired behavior. The Board of Directors are responsible for redressal of complaints related to sexual harassment.

<b>S.No</b>	<b>Name</b>	<b>Category</b>
1	Ms. Nisha Narayanan	Member
2	Ms. V.Rani	Member
3	Ms. Anitha Kumar	Member
4	Mr. C.Venkatesh	Member
5	Mr.G. Rengarajan	Member

During the year ended 31 March 2021, the committee did not receive any complaints pertaining to sexual harassment.

## **HUMAN RESOURCES**

Employees in any organization are considered as valuable assets. Our success largely depends on our ability to attract and retain the best of talent in the industry. Your Company always endeavours to provide such an environment that each and every employee is motivated to contribute his/her best so as to achieve the objectives of the Organization.

Your Directors also place on record their heartiest appreciation for the sincere, devoted and dedicated services rendered by the staff for the smooth functioning of the Company.

## **DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS/ COURTS/TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE:**

During the year, there were no such instances of significant and material orders passed by the regulators, courts or tribunals, which affect the going concern status of the Company.

## **THE DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS.**

The Company has an established Internal Financial Control framework including internal controls over financial reporting, operating controls and anti-fraud framework. The management reviews the framework regularly. Based on the periodical testing, the framework is strengthened, from time to time, to ensure adequacy and effectiveness of Internal Financial Controls.

## **THE DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016) DURING THE YEAR ALONGWITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR.**

No application made or any proceeding pending under the insolvency and bankruptcy code, 2016 during the year

## **THE DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF.]**

During the year, there was no instance where the Company made a one-time settlement with any Bank or any Financial Institution

#### **APPRECIATIONS AND ACKNOWLEDGEMENT**

The Directors acknowledge with gratitude and wish to place on record their deep appreciation for the valuable assistance and kind co-operation extended to the Company by the Company's Bankers, Financial Institution, Governmental Authorities, Statutory Authorities, Advertisement Agencies, Customers, Suppliers, Advisors, Shareholders and the Employees for their continuous support and faith reposed in the Company.

The Board also wishes to place on record their gratitude for the support, encouragement and positive reception given by the listeners at its various FM Radio stations.

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

Place : Chennai  
Date : 25-May-2021

**K. Shanmugam**  
Managing Director

**J.Ravindran**  
Director

## ANNEXURE A

### ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

(Section 135 of the Companies Act, 2013 read with The Companies (CSR Policy) Rules, 2014)

#### **The CSR Policy is appended here**

1. Over the years the Company has been involved in a number of activities, in the areas of health and education. Accordingly, the company decided to focus mainly on the following activities to be referred to as CSR activities.

(i) Promoting preventive and general health care and sanitation;

(ii) Promoting education by providing financial assistance to deserving educational institutions, meritorious and needy students, including special education and employment enhancing vocation skills, especially among children, women, elderly and the differently abled; promoting livelihood enhancement projects;

(iii) Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centre and such other facilities for senior citizens. (iv) Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water;

(v) Protection of national heritage, art and culture, including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional arts and handicrafts;

(vi) Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government;

vii) Contributing to rural development projects; and

(viii) Such other activities and projects covered in Schedule VII to the Companies Act, 2013 from time to time

**(b) Modalities and Implementation Schedule for execution of projects or programs or CSR activities:**

The Company will undertake its CSR activities either directly or even to collaborate with other entities. The implementation Schedule for CSR activities will be dependent on the availability of eligible projects.

**(c) Expenditure:**

The Company shall endeavor to spend, in every financial year at least 2% of the average net profits of the Company made during the 3 immediately preceding financial years for CSR Policy.

For this purpose, "average net profit" shall be calculated in accordance with provisions of Section 198 of the Companies Act, 2013, after deducting therefrom the dividends that may be received from companies in India which are covered under and complying with the provisions of Section 135 of the Companies Act 2013.

The Company will give preference to the local area(s) in and around our offices in India. The Company may use the CSR capacities of their own personnel in executing the CSR activities and also effectively monitoring the same but such CSR expenditure shall not exceed 5% of total CSR expenditure of the company in one financial year.

**(d) Monitoring Process:**

The Company Secretary & Compliance Officer shall submit a report to the CSR Committee annually about the end-use of contributions made.

**2. Composition of the CSR Committee:**

Mr. J.Ravindran  
Mr. K,Shanmugam  
Mr. K.Vijaykumar

3. Composition of CSR Committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company. [www.redfm.in](http://www.redfm.in)
4. The details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable - Not applicable
5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any. No amount available for set off
6. **Average net profit of the company for the last three financial years -**  
Rs.3285.41 Lakhs

7.

(Rs. In Lacs)

S. No.	Particulars	Amount
(a)	Two percent of average net profit of the company as per section 135(5) of the Companies Act, 2013	Rs.65.71 Lacs
(b)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years	-
(c)	Amount required to be set off for the financial year, if any	-
	Total CSR obligation for the financial year (7a + 7b - 7c)	

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

Total Amount Spent for the Financial Year. (in Lacs)	Amount Unspent (in Crores)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of transfer	Name of the Fund	Amount(In Lacs)	Date of transfer
Rs 65.72 Lacs	-	-	Through Sun Foundation	Rs.65.72 Lacs	24.02.2021

1. (b) Details of CSR amount spent against **ongoing projects** for the financial year:  
Nil(c) Details of CSR amount spent against **other than ongoing** projects for the financial year:

S. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/No)	Location of the project		Amount spent for the project (In Lacs)	Mode of Implementation Direct (Yes/No)	Mode of Implementation -Through implementing agency	
				State	District			Name	CSR Registration Number
1							No	Sun Foundation	CSR00006999
2									
3									
4									
5									

1. (d) Amount spent in Administrative Overheads : Nil
1. (e) Amount spent on Impact Assessment, if applicable : Nil
8. (f) Total amount spent for the Financial Year (8a+8b+8c+8d+8e) : Rs.65.72  
Lacs

(g) Excess amount for set off, if any:

1. (i) Two percent of average net profit of the company as per section 135(5) of the Companies Act, 2013 : Rs.65.72  
Lacs
9. (ii) Total amount spent for the Financial Year : Rs.65.72  
Lacs
10. (iii) Excess amount spent for the financial year [(ii)-(i)] : Nil
11. (iv) Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any - : Nil

12. (v) Amount available for set off in succeeding financial years [(iii)-(iv)] : Nil

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

Sl.No	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (Rs.in Lacs)	Amount Spent in the reporting Financial Year (Rs.in Lacs)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years (Rs.in Lacs)
				Name of the Fund	Amount (Rs.in Lacs)	Date of Transfer	
1							
2							
3							



1. (b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): Nil
13. 10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset wise details): Nil
14. 11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5) of the Companies Act,2013 : Not applicable

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

Place : Chennai  
Date : 25-May-2021

**K. Shanmugam**  
Managing Director

**J.Ravindran**  
Director

**ANNEXURE B**

**FORM MGT - 9  
EXTRACT OF ANNUAL RETURN**

**As on the financial year ended on 31/03/2021  
[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	U92131TN2005PLC057755
Registration Date	07/10/2005
Name of the Company	KAL RADIO LIMITED
Category/Sub - Category of the Company	Company having Share Capital
Address of the Registered Office and Contact details	Murasoli Maran Towers, 73, MRC Nagar Main Road, MRC Nagar, Chennai - 600028
Whether listed company	No
Name, address and contact details of Registrar and Transfer Agent, if any	Not Applicable

**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:-

S.No	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Broadcasting Services	60100	100%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:**

S.No.	Name and address of the company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
1.	Sun TV Network Limited (Holding Company)	L22110TN1985PLC012491	Holding	98.18%	2(87)

There are no Subsidiary & Associate Companies.

**IV. SHAREHOLDING 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				% of Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>(A) Promoters</b>									
<b>(1) Indian</b>									
(a) Individual/HUF	2749995		2749995	1.82	2749995		2749995	1.82	Nil
(b) Central Govt									
(c) State Govt (s)									
(d) Bodies Corp	148415000		148415000	98.18	148415000		148415000	98.18	Nil
(e) Banks / FI									
(f) Any Other....									
<b>Sub-Total (A) (1)</b>	<b>151164995</b>		<b>151164995</b>	<b>100.00</b>	<b>151164995</b>		<b>151164995</b>	<b>100.00</b>	Nil
<b>(2) Foreign</b>									
(a) NRIs - Individuals									
(b) Other - Individuals									
(c) Bodies Corp.									
(d) Banks / FI									
(e) Any Other....									
<b>Sub-Total (A) (2)</b>									
<b>Total Shareholding of Promoter (A) = (A) (1) + (A) (2)</b>	<b>151164995</b>		<b>151164995</b>	<b>100.00</b>	<b>151164995</b>		<b>151164995</b>	<b>100.00</b>	Nil

<b>(B) Public Shareholding</b>									
<b>(1) Institutions</b>									
(a) Mutual Funds									
(b) Banks/FI									
(c) Central Govt									
(d) State Govt (s)									
(e) Venture Capital funds									
(f) Insurance Companies									
(g) FIIs									
(h) Foreign Venture Capital Funds									
(i) Others (Specify)									
<b>Sub-Total (B)(1)</b>									
<b>(2) Non-institutions</b>									
a) Bodies Corporate									
b) Individuals									
Individuals - i. Individual shareholders holding nominal share capital up to Rs 1 lakh		5	5	0.00		5	5	0.00	Nil
ii. Individual shareholders holding nominal share capital in excess of Rs. 1 lakh.									
c) Any Other									
Sub-Total (B) (2)		5	5	0.00		5	5	0.00	Nil
Total Public Shareholding (B)= (B)(1)+(B)(2)		5	5	0.00		5	5	0.00	Nil
C) Shares held by Custodians and against which Depository Receipts have been issued									
<b>GRAND TOTAL (A)+(B)+(C)</b>	<b>151164995</b>	<b>5</b>	<b>151165000</b>	<b>100.00</b>	<b>151164995</b>	<b>5</b>	<b>151165000</b>	<b>100.00</b>	<b>Nil</b>

*(ii) Shareholding of Promoters:*

S.No	Shareholders' Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% of Change 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	Sun TV Network Limited	148415000	98.18	NIL	148415000	98.18	NIL	NIL
2	Mr. Kalanithi Maran	2749995	1.82	NIL	2749995	1.82	NIL	NIL
	<b>Total</b>	<b>151164995</b>	<b>100.00</b>	<b>NIL</b>	<b>151164995</b>	<b>100.00</b>	<b>NIL</b>	<b>NIL</b>

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

S.No	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding at the end of the year	
		No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
	At the beginning of the year	151164995	100.00	151164995	100.00
	Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase/decrease ( e.g. allotment/transfer/bonus /sweat equity etc):	-	-	-	-
	At the end of the year	151164995	100.00	151164995	100.00

*(iv) Shareholding Pattern of Top Ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs):*

S.No	For each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding at the end of the year	
		No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
	Nil				

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

S.No	For Each of the Directors and KMP	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
1	<b>Mr. K.Shanmugam</b>				
	At the beginning of the year	1	0.00	1	0.00
	Date wise increase/ decrease in shareholding during the year	-	-	-	-
	At the end of the year	1	0.00	1	0.00
2	<b>Mr.K.Vijaykumar</b>				
	At the beginning of the year	1	0.00	1	0.00
	Date wise increase/ decrease in shareholding during the year	-	-	-	-
	At the end of the year	1	0.00	1	0.00

**IV. INDEBTEDNESS:**

**Indebtedness of the Company including interest outstanding/ accrued but not due for payment**

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the Financial year</b>				
(i) Principal Amount	NIL			
(ii) Interest due but not paid				
(iii) Interest accrued but not due				
<b>Total (i+ii+iii)</b>				
<b>Change in indebtedness during the year</b>				
Addition	NIL			
Reduction				
<b>Net Change</b>				
<b>Indebtedness at the beginning of the Financial year</b>				
(i) Principal Amount	NIL			
(ii) Interest due but not paid				
(iii) Interest accrued but not due				
<b>Total (i+ii+iii)</b>				

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

*A. Remuneration to Managing Director, Whole-time Directors and/or Manager:*

*(Rs/Lakhs)*

S.No	Particulars of Remuneration	Managing Director	Whole Time Director	Total Remuneration
		(Mr.K.Shanmugam)	(Mr.B.Surendar)	
1	Gross salary			
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	114.12	88.31	202.43
(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			
2	Stock Option			
3	Sweat Equity			
4	Exgratia / Bonus			
5	Others, please specify			
	<b>Total (A)</b>	<b>114.12</b>	<b>88.31</b>	<b>202.43</b>

*B. Remuneration to other Directors:*

S.No	Particulars of Remuneration	Name of Directors		Total Amount
	3. Independent Directors Fee for attending board committee meetings Commission Others, please specify			
	<b>Total (1)</b>	-	-	-
	4. Other Non-Executive Directors • Fee for attending board / committee meetings • Commission • Others, please specify			
	<b>Total (2)</b>	-	-	-
	<b>Total (B) = (1)+(2)</b>	-	-	-
	<b>Total Managerial Remuneration</b>	-	-	-



C. *Remuneration to other Directors / key managerial personnel other than MD/MANAGER/WTD:*

S.No	Particulars of Remuneration	Key Managerial Personnel
		Company Secretary (Mrs.M.Uma) (Rs. In Lakhs)
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	38.48
(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	-
2	Stock Option	-
3	Sweat Equity	-
4	Commission - as a % of profit	-
5	Others, please specify	-
<b>Total (A)</b>		<b>38.48</b>

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD/ NCLT/ COURT]	Appeal made, if any (give Details)
Penalty	NIL				
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	NIL				
Punishment					
Compounding					

## ANNEXURE C

### FORM AOC - 2

*(Pursuant to Clause (h) of Sub-Section (3) of Section 134 of the Companies Act, 2013 read with 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 arms length transactions under third proviso thereto -

1. Details of contracts or arrangements or transactions not at arm's length basis : NIL
2. Details of material contracts or arrangement or transactions at arm's length basis during the year

<b>Date of Board Approval</b>	<b>Nature of transaction</b>	<b>Name of the Related Party</b>	<b>Amount</b>	<b>Duration</b>
18.06.2020	Program Production, Rent & Other Expenses	SUN TV NETWORK LIMITED	3,00,00,000	01.04.2020 - 31.03.2021
18.06.2020	Rental Income	SUN DIRECT TV PRIVATE LIMITED	25,00,000	01.04.2020 - 31.03.2021
18.06.2020	Advertising Income, Rent & Other Expenses	KAL PUBLICATIONS PRIVATE LIMITED	1,00,00,000	01.04.2020 - 31.03.2021

## ANNEXURE D REMUNERATION POLICY

This policy on Nomination and Remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Nomination and Remuneration Committee (NRC or the Committee) and has been approved by the Board of Directors in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Clause 49 of the Listing Agreement, as amended from time to time.

### **Objective and purpose:**

- i. To guide the board by laying down criteria and terms and conditions in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
- ii. To evaluate the performance of the members of the Board.
- iii. To recommend to the Board a policy, relating to the remuneration for Directors, Key Managerial Personnel and formulate criteria for remuneration payable to Senior Management Personnel and other employees.
- iv. To provide Key Managerial Personnel and Senior Management performance based incentives / rewards relating to the Company's operations.
- v. To retain, motivate and promote talent and to ensure long-term sustainability of talented Senior Management and create competitive advantage through a structured talent review.

### **Definitions:**

**“Remuneration”** means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961;

**“Key Managerial Personnel”** means:

- i) Managing Director, or Chief Executive Officer or Manager and in their absence, a Whole-time Director;
- ii) Chief Financial Officer;
- iii) Company Secretary; and
- iv) Such other officer as may be prescribed.

**“Senior Managerial Personnel”** means the personnel of the company who are members of its core management team excluding Board of Directors. Normally, this would comprise all members of management, of rank equivalent to General Manager and above, including all functional heads.

## **APPOINTMENT AND REMOVAL OF DIRECTOR, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT**

- i. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend his / her appointment, as per Company's Policy. The Committee has authority to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the position.
- ii. The Company should ensure that it appoints or continues the employment of any person as Managing Director subject to the conditions laid down under Part I of Schedule V of the Companies Act, 2013.
- iii. To ensure that Company shall appoint or continue the service of any person as Independent Director subject to the provisions of Section 149 read with Schedule IV and other applicable provisions of the Act and Clause 49 of the Listing Agreement.

### **TERM/TENURE**

#### **a) Managing Director/Whole-time Director:**

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

#### **b) Independent Director:**

An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

No Independent Director shall hold office for more than two consecutive terms of up to maximum of 5 years each, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director.

Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

At time of appointment it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act.

## **EVALUATION**

The Committee shall carry out evaluation of performance of Director, KMP and Senior Management Personnel yearly or at such intervals as may be considered necessary.

## **REMOVAL**

The Committee may recommend with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the Companies Act, 2013, rules and regulations and the policy of the Company.

## **RETIREMENT**

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

## **POLICY FOR REMUNERATION TO DIRECTORS/KMP/SENIOR MANAGEMENT PERSONNEL**

- 1) Remuneration to Managing Director / Whole-time Directors:
  - a) The Remuneration/ Commission etc. to be paid to Managing Director / Whole-time Directors, etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force and the approvals obtained from the Members of the Company.
  - b) The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration to Managing Director / Whole-time Directors.
- 2) Remuneration to Non- Executive / Independent Directors:
  - a) The Non-Executive / Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of Companies Act, 2013. The amount of sitting fees shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.
  - b) All the remuneration of the Non- Executive / Independent Directors (excluding remuneration for attending meetings as prescribed under Section 197 (5) of the Companies Act, 2013) shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force. The amount of such remuneration shall be such as may be recommended by the Nomination and Remuneration Committee and approved

by the Board of Directors or shareholders, as the case may be.

- c) An Independent Director shall not be eligible to get Stock Options and also shall not be eligible to participate in any share based payment schemes of the Company.
- d) Any remuneration paid to Non- Executive / Independent Directors for services rendered which are of professional in nature shall not be considered as part of the remuneration for the purposes of clause (b) above if the following conditions are satisfied:
  - i. The Services are rendered by such Director in his capacity as the professional; and
  - ii. In the opinion of the Committee, the director possesses the requisite qualification for the practice of that profession.

### 3. Remuneration to Key Managerial Personnel and Senior Management:

- a) The remuneration to Key Managerial Personnel and Senior Management shall consist of fixed pay and incentive pay, in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's Policy.
- b) The Fixed pay shall include monthly remuneration, employer's contribution to Provident Fund, contribution to pension fund, pension schemes, etc. as decided from time to time.
- c) The Incentive pay shall be decided based on the balance between performance of the Company and performance of the Key Managerial Personnel and Senior Management, to be decided annually or at such intervals as may be considered appropriate.

### IMPLEMENTATION

- i. The Committee may issue guidelines, procedures, formats, reporting mechanism and manuals in supplement and for better implementation of this policy as considered appropriate.
- ii. The Committee may delegate any of its powers to one or more of its members.

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## **INDEPENDENT AUDITOR'S REPORT**

**To the Members of M/s. Kal Radio Limited**

**Report on the Audit of the Standalone Ind AS Financial Statements**

### **Opinion**

I have audited the accompanying standalone Ind AS financial statements of **M/s. Kal Radio Limited** ("the Company") which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including other comprehensive income), 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 (hereinafter referred to as "the standalone Ind AS financial statements").

In my opinion and to the best of my information and according to the explanations given to me, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, its Profit and total comprehensive income, Cash Flow and changes in Equity for the year ended on that date.

### **Basis of Opinion**

I conducted the audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. My responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements* section of my report. I am independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence

requirements that are relevant to the audit of the standalone Ind AS financial statements under the provisions of the Act and the Rules made thereunder, and I have fulfilled my other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

### **Key Audit Matters**

Key Audit Matters are those matters that, in my professional judgement, were of most significance in my audit of the Standalone Ind AS Financial Statements of the current period. I have determined that there are no key audit matters to communicate in my report.

### **Information Other than the Standalone Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and my auditor's report thereon.

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

In connection with the audit of the standalone financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or my knowledge obtained during the course of the audit or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.



## **Responsibilities of Management and those charged with governance for the Standalone Ind AS 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 standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone Ind AS 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.

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

## **Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements**

My objectives are to obtain reasonable assurance about whether the standalone Ind AS 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 my 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 standalone Ind AS financial statements.

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

- Identify and assess the risks of material misstatement of the standalone Ind AS 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 my 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, I am also responsible for expressing my opinion on whether the Company has adequate internal financial controls system 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 I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the standalone Ind AS financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my 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 standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I 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 I identify during the audit.

I also provide those charged with governance with a statement that I 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 my independence, and where applicable, related safeguards.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, I give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by section 143 (3) of the Act, I report that:

- a. I have sought and obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purposes of my audit.
- b. In my opinion proper books of account as required by law have been kept by the Company so far as it appears from my examination of those books.
- c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Cash Flow Statement and the Statement of Changes in Equity dealt with this Report are in agreement with the relevant books of account.
- d. In my opinion, the aforesaid standalone Ind AS financial statements comply with the Ind AS specified under section 133 of the Act.
- e. On the basis of written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 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 my separate Report in “**Annexure B**”.
- g. With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended;

In my opinion and to the best of the information and according to the explanations given to me, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- h. With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in my opinion and to the best of the information and according to the explanations given to me:
  - i. The Company does not have any pending litigations which would impact its financial position in its standalone Ind AS financial statements.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**Place : Chennai**  
**Date : May 25, 2021**

**N. Priya**  
**Chartered Accountant**  
**Membership # 223834**  
**UDIN:21223834AAAAAN5307**

## ANNEXURE A"TO THE AUDITORS' REPORT

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of the report of even date to the standalone Ind AS financial statements of the Company for the year ended March 31, 2021:

1) In respect of the Company's fixed assets:

(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in my opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed.

(c) According to the information and explanation given to me, the company does not possess any immovable property. Hence, paragraph 3(i)(c) of the order is not applicable.

2) In my opinion and according to the information and explanation given to me, the company's nature of operation does not require it to hold inventories. Accordingly, paragraph 3(ii) of the order is not applicable.

3) The Company has not granted any loans, secured or unsecured to the companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of paragraph 3(iii) (a) and (b) of the order are not applicable to the company and hence not commented upon.

4) In my opinion and according to the information and explanations given to me, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees, and security as applicable.

5) The Company has not accepted any deposits from the public during the year and does not have any unclaimed deposits as at March 31, 2021 and therefore provisions of the clause 3(v) of the Order are not applicable to the company.

6) I have broadly reviewed the books of accounts maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under Section 148(1) of the Companies Act, 2013 and is of the opinion that prima facie, the specified accounts and records have been made and maintained. I have not, however made a detailed examination of such records with a view to determine whether they are accurate or complete.

7) According to information and explanations given to me in respect of statutory dues:

(a) The Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs, Goods and Service Tax, Cess and any other material statutory dues with the appropriate authorities.

(b) According to the information and explanations given to me, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2021 for a period of more than six months from the date on when they become payable.

8) Based upon the audit procedures performed and the information and explanations given by the management, the Company has not taken any loans or borrowings from financial institutions, banks and government or has not issued any debentures. Hence reporting under clause 3 (viii) of the Order is not applicable to the Company.

9) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of paragraph 3 (ix) of the Order are not applicable to the Company.

10) Based upon the audit procedures performed and the information and explanations given by the management, I report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.

11) In my opinion and according to the information and explanations given to me, the managerial remuneration has been paid/provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

12) The Company is not a Nidhi Company and hence, reporting under clause 3 (xii) of the Order is not applicable to the Company.

13) In my opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.

14) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of paragraph 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.

15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of section 192 of the Companies Act, 2013 are not applicable to the Company and hence not commented upon.

16) The company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of paragraph 3 (xvi) of the Order are not applicable to the Company.

**Place : Chennai**  
**Date : May 25, 2021**

**N. Priya**  
**Chartered Accountant**  
**Membership # 223834**  
**UDIN:21223834AAAAAN5307**

## **"ANNEXURE B" TO THE AUDITORS' REPORT**

### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

I have audited the internal financial controls over financial reporting of **M/s. Kal Radio Limited** ("the Company") as of March 31, 2021 in conjunction with the audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

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

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal 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.

These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors' Responsibility**

My responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on the audit. I conducted the audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be



prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that I comply with 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.

The audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. The 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 auditor's judgement, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for the audit opinion on the Company's internal financial controls system over financial reporting.

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

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

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

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control 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 my opinion, to the best of my information and according to the explanations given to me, 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, 2021, 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.

**Place : Chennai**  
**Date : May 25, 2021**

**N. Priya**  
**Chartered Accountant**  
**Membership # 223834**  
**UDIN:21223834AAAAAN5307**

**KAL RADIO LIMITED****Balance Sheet as at 31st March 2021***(All amounts are in Indian Rupees unless otherwise stated)*

Particulars	Notes	As at 31-Mar-2021	As at 31-Mar-2020
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property Plant and Equipment	3	13,97,36,996	19,13,46,076
Capital Work-in-Progress		4,81,794	4,81,794
Intangible assets	4	1,25,01,34,258	1,37,54,60,512
Right to Use		34,00,44,333	37,64,09,230
<b>Financial Assets</b>			
Other Financial Assets	5	3,36,29,734	3,48,61,076
Tax Assets	6	3,45,01,186	4,61,50,482
Deferred tax assets (Net)	7	1,76,72,893	98,84,468
Other non current assets	8	2,47,56,149	2,74,46,068
		<b>1,84,09,57,343</b>	<b>2,06,20,39,706</b>
<b>Current Assets</b>			
<b>Financial Assets</b>			
Trade receivables	9	39,53,40,291	56,96,23,269
Investments	10	18,32,09,375	14,97,34,738
Other Financial Assets	10	1,39,29,158	1,37,73,184
Tax Assets	6	-	-
Cash and Cash Equivalents	11.1	7,58,46,449	3,31,96,727
Bank Balances Other than Cash and Cash Equivalents	11.2	1,88,95,37,069	1,71,03,08,170
Other Current assets	8	4,09,40,831	5,07,63,922
		<b>2,59,88,03,173</b>	<b>2,52,74,00,010</b>
<b>Total Assets</b>		<b>4,43,97,60,516</b>	<b>4,58,94,39,716</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share Capital	12.1	1,51,16,50,000	1,51,16,50,000
Other Equity			
Other Reserves	12.2	2,32,12,37,582	2,20,72,31,109
<b>Equity attributable to the equity holders of the parent</b>		<b>3,83,28,87,582</b>	<b>3,71,88,81,109</b>
Non-controlling interests			
<b>Total Equity</b>		<b>3,83,28,87,582</b>	<b>3,71,88,81,109</b>
<b>Non-Current Liabilities</b>			
<b>Financial Liabilities</b>			
Trade Payables	13.1	10,58,46,267	30,20,39,687
Other financial liabilities	13.2	33,60,19,372	34,81,47,067
Provisions	14	1,14,18,984	1,11,49,052
Deferred Tax Liabilities (Net)		-	-
Tax Liabilities	6	-	-
		<b>45,32,84,623</b>	<b>66,13,35,806</b>
<b>Current Liabilities</b>			
<b>Financial Liabilities</b>			
Trade Payables	15		
Total outstanding dues of micro enterprises and small enterprises		-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		3,01,86,993	5,22,38,008
Other current financial liabilities	16	8,77,64,902	13,06,37,053
Tax liability	6	1,31,05,013	54,41,655
Other Current Liabilities	17	2,07,90,287	1,87,14,463
Provisions	14	17,41,116	21,91,622
<b>Total Liabilities</b>		<b>15,35,88,311</b>	<b>20,92,22,801</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>4,43,97,60,516</b>	<b>4,58,94,39,716</b>

Significant Accounting Policies

2

The accompanying notes are an integral part of the Standalone Financial Statements.

As per my report of even date

For and on behalf of Board of Directors of Kal Radio Limited

**N. PRIYA**  
Chartered Accountant  
Membership #: 223834

**K. SHANMUGAM**  
Managing Director

**J. RAVINDRAN**  
Director

**UMA MADHU**  
Company Secretary

Place: Chennai  
Date: May 25, 2021

Place: Chennai  
Date: May 25, 2021

**KAL RADIO LIMITED**  
**Statement Of Profit And Loss for the year ended 31 st March 2021**  
*(All amounts are in Indian Rupees unless otherwise stated)*

Particulars	Note No.	Year Ended	
		March 31 2021	March 31 2020
<b>Income</b>			
Revenue from Operations	18	60,29,96,523	1,15,42,93,390
Other Income	19	36,23,84,861	12,77,58,837
<b>Total Income</b>		<b>96,53,81,384</b>	<b>1,28,20,52,227</b>
<b>Expenses</b>			
Costs of revenues	20	17,16,36,413	27,70,74,266
Employees' benefits expense	21	27,49,50,026	30,92,14,560
Other expenses	22	12,48,94,315	18,01,20,065
Depreciation and amortization expense	23	21,85,11,614	20,87,13,179
Finance costs	24	4,88,53,654	4,97,42,735
<b>Total Expense</b>		<b>83,88,46,022</b>	<b>1,02,48,64,805</b>
<b>Profit(Loss) Before Tax</b>		<b>12,65,35,362</b>	<b>25,71,87,422</b>
Current Year		2,15,76,501	7,80,50,652
Deferred Tax (Net)		(77,88,425)	10,38,894
Income Tax Expense	25	<b>1,37,88,076</b>	<b>7,90,89,546</b>
<b>Profit for the year</b>		<b>11,27,47,285</b>	<b>17,80,97,876</b>
<b>(ii) Other comprehensive income not to be reclassified to profit or loss in subsequent periods:</b>			
Income tax effect	26	16,82,687	77,45,342
		(4,23,499)	(19,49,348)
		<b>12,59,188</b>	<b>57,95,994</b>
Others (Specify nature)		-	-
Income tax effect		-	-
<b>Net other comprehensive income not to be reclassified to profit or loss in subsequent periods</b>		<b>12,59,188</b>	<b>57,95,994</b>
<b>Other comprehensive income/(loss) for the year, net of tax (i+ii)</b>		<b>12,59,188</b>	<b>57,95,994</b>
<b>Total comprehensive income for the year</b>		<b>11,40,06,474</b>	<b>18,38,93,870</b>
Earnings per Equity Share of INR 10 each			
Basic profit from operations attributable to equity holders of the parent	27	0.75	1.18
Diluted profit from operations attributable to equity holders of the parent		0.72	1.14

Significant Accounting Policies

2

The accompanying notes are an integral part of the Standalone Financial Statements.

As per my report of even date

For and on behalf of Board of Directors of Kal Radio Limited

**N PRIYA**  
Chartered Accountant  
Membership #: 223834

**K. SHANMUGAM**  
Managing Director

**J. RAVINDRAN**  
Director

**UMA MADHU**  
Company Secretary

Place: Chennai  
Date: May 25, 2021

Place: Chennai  
Date: May 25, 2021

**KAL RADIO LIMITED****Statement of Changes in Equity for the year ended 31 March 2021***(All amounts are in Indian Rupees unless otherwise stated)***a. Equity Share Capital:**

Equity shares of INR 10 each issued, subscribed and fully paid

Particulars	Number of Shares	Amount
<b>At 31 March 2020</b>	15,11,65,000	1,51,16,50,000
Issue of share capital	-	-
<b>At 31 March 2021</b>	<b>15,11,65,000</b>	<b>1,51,16,50,000</b>

**b. Other equity****For the year ended 31st March 2021**

Attributable to Equity holders of the parent					
Particulars	Retained earnings	Securities Premium Reserve	General Reserve	Items of OCI	
				FVTOCI reserve	Total
<b>As at 1st April 2021</b>	1,05,25,00,537	62,89,52,000	-	(30,21,429)	1,67,84,31,108
Profit for the period	11,27,47,285	-	-	-	11,27,47,285
Other comprehensive income	-	-	-	12,59,188	12,59,188
Total Comprehensive Income	1,16,52,47,822	62,89,52,000	-	(17,62,241)	1,79,24,37,582
Issue of share capital	-	-	-	-	-
Transaction costs	-	-	-	-	-
Cash dividends	-	-	-	-	-
Dividend distribution tax on cash dividend by parent company	-	-	-	-	-
<b>At 31 March 2021</b>	<b>1,16,52,47,822</b>	<b>62,89,52,000</b>	<b>-</b>	<b>(17,62,241)</b>	<b>1,79,24,37,582</b>

**For the year ended 31st March 2020**

Attributable to Equity holders of the parent					
Particulars	Retained earnings	Securities Premium Reserve	General Reserve	Items of OCI	
				FVTOCI reserve	Total
<b>As at 1st April 2020</b>	87,44,02,661	62,89,52,000	-	(88,17,423)	1,49,45,37,238
Profit for the period	17,80,97,876	-	-	-	17,80,97,876
Other comprehensive income	-	-	-	57,95,994	57,95,994
Total Comprehensive Income	1,05,25,00,537	62,89,52,000	-	(30,21,429)	1,67,84,31,108
Issue of share capital	-	-	-	-	-
Transaction costs	-	-	-	-	-
Cash dividends	-	-	-	-	-
Dividend distribution tax on cash dividend by parent company	-	-	-	-	-
<b>At 31 March 2020</b>	<b>1,05,25,00,537</b>	<b>62,89,52,000</b>	<b>-</b>	<b>(30,21,429)</b>	<b>1,67,84,31,108</b>

As per my report of even date

For and on behalf of Board of Directors of Kal Radio Limited

**N. PRIYA**Chartered Accountant  
Membership #: 223834**K. SHANMUGAM**  
Managing Director**J. RAVINDRAN** **UMA MADHU**  
Director Company Secretary

Place: Chennai

Date: May 25, 2021

Place: Chennai

Date: May 25, 2021

**KAL RADIO LIMITED**  
**Cash Flow Statement for the twelve months ended 31 st March 2021**  
*(All amounts are in Indian Rupees unless otherwise stated)*

Particulars		Year Ended 31-Mar-2021	Year Ended 31-Mar-2020
<b>Cash flow from operating activities</b>			
Net profit before tax and extraordinary items		12,65,35,362	25,71,87,422
Adjustments to reconcile:			
Depreciation on tangible assets/investment property		5,67,45,465	4,70,90,271
Amortisation of intangible assets		12,54,01,254	12,52,58,013
IND AS Adjustments		2,84,82,743	3,60,10,547
Impairment of intangible assets		-	-
(Profit)/Loss on sale of fixed assets/investment property, net		(22,895)	3,91,034
(Profit)/Loss on sale of investment property, net		(84,74,637)	(99,98,334)
Translation loss / (gain) on monetary assets and liabilities		-	-
Provision for doubtful debts/other Assets		1,80,54,395	59,51,248
Provision for litigations and claims		-	-
Bad debts written off		74,25,066	9,60,394
Liabilities / provisions no longer required written back		(23,42,49,615)	(9,06,287)
Interest income		(11,28,54,411)	(10,54,08,585)
Dividend income		-	-
Interest expense		65,389	2,09,839
<b>Operating profit before working capital changes</b>		<b>71,08,116</b>	<b>35,67,45,562</b>
Movements in working capital :			
(Increase) / Decrease in trade receivables		14,88,03,516	(2,65,78,363)
(Increase) / Decrease in inventories		-	-
(Increase) / Decrease in other current assets/other financial assets		(16,56,40,520)	(45,95,40,985)
(Increase) / Decrease in loans and advances		-	-
Increase / (Decrease) in trade payables and other liabilities/other financial liabilities		(2,77,77,500)	7,52,28,986
Increase / (Decrease) in provisions		(1,80,574)	34,34,726
<b>Cash generated from operations</b>		<b>(3,76,86,962)</b>	<b>(5,07,10,074)</b>
Direct taxes paid (net of refunds)		(22,63,848)	(8,00,37,842)
<b>Net cash flow from / (used in) operating activities (A)</b>	<b>A</b>	<b>(3,99,50,810)</b>	<b>(13,07,47,916)</b>
<b>Cash flow from investing activities</b>			
Purchase of PPE, capital work in progress (including capital advances)		(63,71,991)	(2,20,43,973)
Purchase of intangible assets and expenditure on intangible assets under development (including advances towards purchase of intangible assets)		(75,000)	(14,95,106)
Purchase of current investments		(2,50,00,000)	3,96,78,577
Sale of investments		-	-
Proceeds from sale of assets		12,58,502	5,85,686
Term deposits placed with banks during the year		-	-
Term deposits refunded from banks during the year		-	-
Interest received		11,28,54,411	10,54,08,585
Dividends received		-	-
<b>Net cash from / (used in) investing activities (B)</b>	<b>B</b>	<b>8,26,65,922</b>	<b>12,21,33,768</b>
<b>Cash flow from financing activities</b>			
Proceeds from issue of Equity Shares		-	-
Proceeds from Long Term Borrowings		-	-
Repayment of long term borrowings		-	-
Repayment of Short term borrowings (net)		-	-
Payment of dividend and tax thereon		-	-
Interest paid		(65,389)	(2,09,839)
<b>Net cash (used in) / from financing activities (C)</b>	<b>C</b>	<b>(65,389)</b>	<b>(2,09,839)</b>
Exchange differences on translation of foreign currency cash and cash equivalents (D)	<b>D</b>	-	-
<b>Net increase / (decrease) in cash and cash equivalents (A+B+C+D)</b>	<b>(A+B+C+D)</b>	<b>4,26,49,723</b>	<b>(88,23,987)</b>
<b>Opening balance of cash and cash equivalents</b>	<b>E</b>	<b>3,31,96,727</b>	<b>4,20,20,714</b>
<b>Closing balance of cash and cash equivalents</b>	<b>F</b>	<b>7,58,46,449</b>	<b>3,31,96,727</b>
Net increase / (decrease) in cash and cash equivalents	<b>(F-E)</b>	<b>4,26,49,722</b>	<b>(88,23,987)</b>
Earmarked Balances with Banks (*)	<b>G</b>	-	-
<b>Closing cash and Bank Balance</b>	<b>(F+G)</b>	<b>7,58,46,449</b>	<b>3,31,96,727</b>

(\*) These balances are not available for use by the company as they represent unpaid dividend liabilities and deposits held as security.

As per my report of even date

For and on behalf of Board of Directors of Kal Radio Limited

N. PRIYA  
Chartered Accountant  
Membership #: 223834

K. SHANMUGAM  
Managing Director

J. RAVINDRAN  
Director

UMA MADHU  
Company Secretary

Place: Chennai  
Date: May 25, 2021

Place: Chennai  
Date: May 25, 2021

## KAL RADIO LIMITED

### Notes forming part of Financial Statements for the Year ended 31st March 2021

#### 1 CORPORATE INFORMATION

Kal Radio Limited ('the Company') is engaged in producing and broadcasting radio software programming in Indian regional languages. The Company operates all the 24 FM stations for which the license has been procured.

#### 2 SIGNIFICANT ACCOUNTING POLICIES

##### 1. Basis of Accounting

These statements have been prepared under historical cost convention on accrual basis except for certain financial instruments which are measured at fair values and comply with the Ind AS referred to in Section 133 of the Companies Act, 2013.

The company has adopted the Ind AS Standards and the adoption was carried out in accordance with Ind AS 101 First time adoption of Indian Accounting Standards. The Transit was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies( Accounts) Rules, 2014 (IGAAP), which was the previous GAAP.

##### 2. Use of Estimates

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of revenues and expenses during the period. Application of accounting policies that require critical accounting estimates involving complex and subjective judgements and the use of assumption in these financial statements.

##### 3. Property, Plant and Equipment

###### a. Tangible Assets

Tangible Fixed Assets are stated at cost less accumulated depreciation.

Depreciation on tangible Fixed Assets other than leasehold improvements is provided on written down value method at the rates and in the manner specified in Schedule II of the Act. Tangible Assets individually costing less than Rs. 5,000 are depreciated @ 100% in the year of purchase.

Leasehold improvements are depreciated over the lower of estimated useful lives of the assets or the remaining primary period of the lease.

BECIL infrastructure assets included in Tangible Fixed Assets (**Note 3**) represents aggregate value of the company's share of the cost of the assets, jointly owned, along with other license holders, at various stations. These assets are jointly controlled assets and the company's share of cost of these assets has been determined corresponding to the number of license holders in each station.

###### b. Intangible Assets

(i) One Time Entry Fees (OTEF) paid by the company for acquiring new licenses is capitalized as an asset, in respect of the stations that have become operational. OTEF is amortized over a period of fifteen years, being the period of license, the fifteen year period starting (i) from the date of operationalization of the station or (ii) after the expiry of one year from the date of signing the agreement, whichever is earlier.

(ii) On Air License cost is capitalized as an asset and is amortized over a period of five years from the month in which the license is operative.

(iii) Costs incurred towards the purchase of computer software are depreciated using straight line method over a period of three years.

#### 4. Impairment

The carrying amounts of assets are reviewed at each balance sheet date; if there is any indication of impairment based on internal / external factors, an impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital. After impairment, depreciation is provided on the revised carrying amount of the asset.

## **KAL RADIO LIMITED**

### **Notes forming part of Financial Statements for the Year ended 31st March 2021**

#### ***5. Employee Benefit Plans***

Employee benefit plans comprise both defined benefit and defined contribution plans.

The company contributes to a gratuity fund maintained by the Life Insurance Corporation of India ('LIC') based upon actuarial valuation.

Provident fund is a defined contribution plan. Each eligible employee and the company make equal contributions at a percentage of the basic salary specified under the Employee's Provident Fund's and Miscellaneous Provisions Act, 1952. The company has no further obligations under the plan beyond its periodic contributions.

#### ***6. Current Taxation***

Provision for income tax is determined at the current tax rates based on assessable income. The company has elected to exercise the option permitted under section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Act, 2019 to pay taxes at a lower rate subject to certain conditions.

#### ***7. Deferred Taxation***

Deferred tax is recognized, subject to the consideration of prudence, on timing difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more periods.

#### ***8. Investments***

Current Investments are carried at quoted/fair value. Long Term Investments are stated at fair value. Provision for diminution in the value of Long Term Investments is made only if such a decline is other than temporary.

#### ***9. Financial Instruments***

##### ***Initial Recognition***

The company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price.

##### ***Subsequent Measurement***

###### **Financial assets carried at amortized cost**

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

###### **Financial Assets at fair value through profit or loss**

A financial asset is subsequently measured at fair value through profit or loss if it is held within the business model for trading if they are acquired for the purpose of selling in the near term.



## **KAL RADIO LIMITED**

### **Notes forming part of Financial Statements for the Year ended 31st March 2021**

#### **Financial Liabilities**

Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to short maturity of these instruments.

#### **10. Revenue Recognition**

Revenue from Radio broadcasting is recognized on accrual basis on the airing of client's commercials.

All expenses, not related / attributable to the acquisition of Fixed Assets, and incurred during the year are recognized as expense during the year.

#### **11. License Fees**

As per the new frequency module (FM) broadcasting policy, effective April 1, 2005, license fees are charged to revenue at the rate of 4% of gross revenue for the period or 10% of Reserve One Time Entry Fees (ROTEF) for the concerned city, whichever is higher.

#### **12. Foreign Currency Transactions**

Realized gains and losses on foreign exchange transactions are recognized in the Profit & Loss account. Current Assets and current liabilities denominated in foreign currency outstanding at the year end are translated at the year end exchange rates and the resultant exchange differences are recognized in the Profit & Loss account. Exchange Gain / Loss in respect of liabilities incurred for the acquisition of Fixed Assets are recognized in the Profit & Loss account

#### **13. Preliminary Expenditure**

Preliminary expenses are written off over a period of five years commencing from the year in which the company commences operations.

#### **14. Provisions and contingent Liabilities**

A provision is recognized when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation.

Provisions are not discounted to its present value and are determined based on management estimate required to settle the obligation at the balance sheet date.

These are reviewed at each balance sheet date and adjusted to reflect the current management estimates.

#### **15. Segment Reporting**

The company's operations are relating to FM Radio broadcasting and this is the only primary reportable segment.

**KAL RADIO LIMITED**
**Notes to Financial Statements for the year ended 31st March 2021**
*(All amounts are in Indian Rupees unless otherwise stated)*
**Note 3 - Property Plant & Equipment**

Particulars	Plant & Machinery	Office Equipments	Furniture & Fitting	Leasehold Improvements	Motor Vehicles	Total
<b>Gross Block</b>						
<b>At March 31, 2019</b>	<b>21,59,91,030</b>	<b>3,64,16,310</b>	<b>33,64,351</b>	<b>3,45,13,174</b>	<b>2,61,60,708</b>	<b>31,64,45,573</b>
Additions	1,39,28,906	33,20,713	47,200	47,47,153	-	2,20,43,972
Disposals	(18,20,217)	(8,69,893)	(15,346)	-		(27,05,456)
<b>At Mar 31, 2020</b>	<b>22,80,99,719</b>	<b>3,88,67,130</b>	<b>33,96,205</b>	<b>3,92,60,327</b>	<b>2,61,60,708</b>	<b>33,57,84,089</b>
Additions	54,26,791	1,52,636	1,03,682	6,88,882	-	63,71,991
Disposals	(10,99,664)	(7,56,618)	(33,258)	-	(35,00,000)	(53,89,540)
<b>At Mar 31,2021</b>	<b>23,24,26,846</b>	<b>3,82,63,148</b>	<b>34,66,629</b>	<b>3,99,49,209</b>	<b>2,26,60,708</b>	<b>33,67,66,540</b>
<b>Depreciation</b>						
<b>At March 31, 2019</b>	<b>6,53,70,211</b>	<b>1,19,43,213</b>	<b>11,77,528</b>	<b>1,10,58,420</b>	<b>95,27,104</b>	<b>9,90,76,476</b>
Charge for the year	2,71,28,463	33,99,458	4,69,063	1,07,73,955	53,19,333	4,70,90,272
Disposals	(11,30,104)	(5,88,430)	(10,201)	-	-	(17,28,735)
<b>At Mar 31, 2020</b>	<b>9,13,68,570</b>	<b>1,47,54,241</b>	<b>16,36,390</b>	<b>2,18,32,375</b>	<b>1,48,46,437</b>	<b>14,44,38,012</b>
Charge for the year	3,61,79,290	57,85,324	4,19,634	1,08,70,833	34,90,382	5,67,45,463
Disposals	(6,39,951)	(5,00,368)	(22,626)	-	(29,90,987)	(41,53,932)
<b>At Mar 31,2021</b>	<b>12,69,07,910</b>	<b>2,00,39,198</b>	<b>20,33,399</b>	<b>3,27,03,208</b>	<b>1,53,45,833</b>	<b>19,70,29,544</b>
<b>At Mar 31, 2020</b>	<b>13,67,31,149</b>	<b>2,41,12,889</b>	<b>17,59,815</b>	<b>1,74,27,952</b>	<b>1,13,14,271</b>	<b>19,13,46,076</b>
<b>At Mar 31,2021</b>	<b>10,55,18,937</b>	<b>1,82,23,951</b>	<b>14,33,230</b>	<b>72,46,001</b>	<b>73,14,875</b>	<b>13,97,36,996</b>

**KAL RADIO LIMITED****Notes to Financial Statements for the year ended 31st March 2021***(All amounts are in Indian Rupees unless otherwise stated)***Note 4 - Intangible Assets**

<b>Particulars</b>	<b>Computer Software</b>	<b>Licenses</b>	<b>Total</b>
<b>Gross Block</b>			
<b>At March 31, 2019</b>	<b>17,32,750</b>	<b>1,87,16,27,644</b>	<b>1,87,33,60,394</b>
Additions	14,95,106	-	14,95,106
Disposals	-	-	-
<b>At Mar 31, 2020</b>	<b>32,27,856</b>	<b>1,87,16,27,644</b>	<b>1,87,48,55,500</b>
Additions	75,000	-	75,000
Disposals	-	-	-
<b>At Mar 31, 2021</b>	<b>33,02,856</b>	<b>1,87,16,27,644</b>	<b>1,87,49,30,500</b>
<b>Amortization</b>			
<b>At March 31, 2019</b>	<b>9,23,282</b>	<b>37,32,13,694</b>	<b>37,41,36,976</b>
Charge for the year	6,97,071	12,45,60,941	12,52,58,012
Disposals	-	-	-
<b>At Mar 31, 2020</b>	<b>16,20,353</b>	<b>49,77,74,635</b>	<b>49,93,94,988</b>
Charge for the year	8,40,314	12,45,60,940	12,54,01,254
Disposals	-	-	-
<b>At Mar 31, 2021</b>	<b>24,60,667</b>	<b>62,23,35,575</b>	<b>62,47,96,242</b>
<b>At Mar 31, 2020</b>	<b>16,07,503</b>	<b>1,37,38,53,009</b>	<b>1,37,54,60,512</b>
<b>At March 31,2021</b>	<b>8,42,189</b>	<b>1,24,92,92,069</b>	<b>1,25,01,34,258</b>

**KAL RADIO LIMIAED****Notes to Financial Statements for the year ended 31st March 2021***(All amounts are in Indian Rupees unless otherwise stated)***Note 5. Financial assets (Non-Current)**

<b>Particulars</b>	<b>As at 31-Mar-2021</b>	<b>As at 31-Mar-2020</b>
<b>Other Financial Assets at Amortised Cost</b>		
Rental and other deposits	1,65,74,175	1,58,00,885
Deposits with Government agencies	1,10,36,579	97,07,597
Other receivables (from Related Parties)	60,18,979	93,52,594
<b>Total</b>	<b>3,36,29,734</b>	<b>3,48,61,076</b>

**Note 6. Tax Assets/(Liabilities)**

<b>Particulars</b>	<b>As at 31-Mar-2021</b>	<b>As at 31-Mar-2020</b>
<b>Tax Assets</b>		
<b>Non-Current Tax Assets (net)</b>		
	3,45,01,186	4,61,50,482
<b>Total</b>	<b>3,45,01,186</b>	<b>4,61,50,482</b>
<b>Current Tax Assets (net)</b>		
Advance income tax (net of provision)	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

<b>Particulars</b>	<b>As at 31-Mar-2021</b>	<b>As at 31-Mar-2020</b>
<b>Tax Liabilities</b>		
<b>Liabilities for current tax (net)</b>		
Provision for taxation (net of advance tax)	1,31,05,013	54,41,655
<b>Total</b>	<b>1,31,05,013</b>	<b>54,41,655</b>

**KAL RADIO LIMITED****Notes to Financial Statements for the year ended 31st March 2021***(All amounts are in Indian Rupees unless otherwise stated)***Note 7. Deferred tax Assets**

Nature - (Liability) / Asset	Balance Sheet		Statement of Profit and Loss	
	As at 31-Mar-2021	As at 31-Mar-2020	31-Mar-2021	31-Mar-2020
<b>Deferred Tax Assets / (Liabilities)</b>				
Tax impact on difference between book depreciation and depreciation under the Income Tax Act, 1961	2,16,76,797	1,67,94,248	48,82,549	(20,90,429)
Tax impact on amortization of intangible assets	(1,82,79,377)	(1,92,31,342)	9,51,965	37,25,259
Tax effect of provision for bad and doubtful debts	83,31,000	37,87,000	45,44,000	6,89,000
Tax effect of provision for gratuity	40,14,473	44,33,562	(4,19,089)	(26,03,724)
Sec. 40(a)(ia) disallowances	19,30,000	41,01,000	(21,71,000)	(7,59,000)
<b>Net Deferred Tax (Liabilities)/Assets</b>	<b>1,76,72,893</b>	<b>98,84,468</b>	<b>77,88,425</b>	<b>(10,38,894)</b>
<b><u>Reconciliation of deferred tax Assets (net)</u></b>				
			<b>Year ended 31-Mar-2021</b>	<b>Year ended 31-Mar-2020</b>
Opening balance			98,84,468	1,09,23,362
Tax income/(Expense) during the period recognised in Profit and Loss			77,88,425	(10,38,894)
Tax income/(Expense) during the period recognised in OCI			-	-
<b>Closing balance</b>			<b>1,76,72,893</b>	<b>98,84,468</b>

**Note 8. Other Non - Current and Current Assets****Other Non-Current Assets**

Particulars	As at 31-Mar-2021	As at 31-Mar-2020
<b>Unsecured and considered good</b>		
Capital advances	62,80,862	64,53,203
Prepaid expenses	1,84,75,287	2,09,92,865
<b>Total</b>	<b>2,47,56,149</b>	<b>2,74,46,068</b>

**Other Current Assets**

	As at 31-Mar-2021	As at 31-Mar-2020
Prepaid expenses	3,52,85,396	3,52,25,984
Balances with statutory/government authorities	24,43,130	1,03,90,046
Others	32,12,305	51,47,892
<b>Total</b>	<b>4,09,40,831</b>	<b>5,07,63,922</b>

**KAL RADIO LIMITED****Notes to Financial Statements for the year ended 31st March 2021***(All amounts are in Indian Rupees unless otherwise stated)***Note 9. Trade Receivables****Trade and other receivables (current)**

<b>Particulars</b>	<b>As at 31-Mar-2021</b>	<b>As at 31-Mar-2020</b>
Trade receivables	32,38,07,629	49,81,56,368
Receivables from other related parties	7,15,32,662	7,14,66,901
<b>Total</b>	<b>39,53,40,291</b>	<b>56,96,23,269</b>
<b>Break-up for security details and more than 6 months overdue:</b>		
<b>Particulars</b>	<b>As at 31-Mar-2021</b>	<b>As at 31-Mar-2020</b>
<b>Outstanding for a period exceeding six months from the date they are due for payment</b>		
<b>Trade receivables</b>		
Secured, considered good		
Unsecured, considered good	14,95,50,154	17,47,43,596
Doubtful	3,31,01,754	1,50,47,359
	18,26,51,908	18,97,90,955
Provision for doubtful receivables	(3,31,01,754)	(1,50,47,359)
	<b>14,95,50,154</b>	<b>17,47,43,596</b>
<b>Other receivables</b>		
Secured, considered good		
Unsecured, considered good	24,57,90,137	39,48,79,673
Doubtful	-	-
	24,57,90,137	39,48,79,673
Provision for doubtful receivables		
	<b>24,57,90,137</b>	<b>39,48,79,673</b>
<b>Total</b>	<b>39,53,40,291</b>	<b>56,96,23,269</b>

**KAL RADIO LIMITED****Notes to Financial Statements for the year ended 31st March 2021***(All amounts are in Indian Rupees unless otherwise stated)***Note 10. Financial assets (Current)**

<b>Particulars</b>	<b>As at 31-Mar-2021</b>	<b>As at 31-Mar-2020</b>
<b>Investments in Debt Instruments at fair value through profit or loss (FVTPL):</b>		
HDFC Ultra Short Term Fund - Direct Growth 10421518.536 units (Previous Year - 10421518.536 units)	12,44,26,678	11,73,30,666
IDFC Ultra Short Term - Direct Plan - Growth 958405.214 units (Previous Year - 958405.214 units)	1,14,73,164	1,09,31,953
HDFC Liquid Fund - Regular plan - Growth option 5528.893 units (Previous Year - 5528.893 units)	2,22,13,304	2,14,72,111
HDFC Money Market Fund - Direct Plan - Growth Option 0.002 units ( Previous Year - 0.002 Units)	8	8
MF-PGIM India-Ultra-Direct Plan _Growth 364069.629 units(Previous Year- 0 units)	1,00,38,773	-
MF-IDFC FMP NFO COLL 1499925.004 units(Previous year-0 units)	1,50,57,447	-
<b>Total</b>	<b>18,32,09,375</b>	<b>14,97,34,738</b>
<b>Aggregate Book Value of Quoted Investments</b>	<b>16,23,18,040</b>	<b>13,73,18,046</b>
<b>Aggregate Market Value of Quoted Investments</b>	<b>18,32,09,375</b>	<b>14,97,34,738</b>
<b>Aggregate amount of Impairment in Value of Investments</b>	<b>-</b>	<b>-</b>

**Other Financial Assets at Amortised Cost**

<b>Particulars</b>	<b>As at 31-Mar-2021</b>	<b>As at 31-Mar-2020</b>
Interest accrued fixed deposits	1,15,78,018	1,07,96,440
Other receivables (from Related Parties)	23,51,140	29,76,744
<b>Total</b>	<b>1,39,29,158</b>	<b>1,37,73,184</b>

**Note 11.1 Cash and Cash Equivalents**

<b>Particulars</b>	<b>As at 31-Mar-2021</b>	<b>As at 31-Mar-2020</b>
Balances with banks:		
– On current accounts	7,56,64,698	3,27,55,346
Cash on hand	1,81,751	4,41,381
<b>Total</b>	<b>7,58,46,449</b>	<b>3,31,96,727</b>

**Note 11.2 Bank Balances Other than Cash and Cash Equivalents**

<b>Particulars</b>	<b>As at 31-Mar-2021</b>	<b>As at 31-Mar-2020</b>
Deposits with original maturity for more than 3 months but less than 12 months	1,80,30,13,430	1,62,60,47,531
Margin Money Deposit	8,65,23,639	8,42,60,639
<b>Total</b>	<b>1,88,95,37,069</b>	<b>1,71,03,08,170</b>

**KAL RADIO LIMITED****Notes to Financial Statements for the year ended 31st March 2021**

(All amounts are in Indian Rupees unless otherwise stated)

**Note - 12.1. Equity Share Capital**

Particulars		As at 31-Mar-2021	As at 31-Mar-2020
<b>Authorised Capital</b>			
195,000,000 Equity Shares of INR 10 each fully paid up (31-Mar-2020: 195,000,000 Equity shares of INR 10 each fully paid up)		1,95,00,00,000	1,95,00,00,000
75,000,000 Preference Shares of INR 10 each fully paid up (31-Mar-2020: 75,000,000 Preference shares of INR 10 each fully paid up)		75,00,00,000	75,00,00,000
<b>Issued, Subscribed and Paid-up Capital</b>			
151,165,000 Equity Shares of INR 10 each fully paid up (31-Mar-2020: 151,165,000 Equity shares of INR 10 each fully paid up)		1,51,16,50,000	1,51,16,50,000
528,80,000 0.1% Compulsorily Convertible Preference Shares classified as Equity of INR 10 each fully paid up (31-Mar-2020: 52,880,000 Preference shares of INR 10 each fully paid up)	52,88,00,000		
Less : Reclassified under Other Equity (Note No. - 12.2)	(52,88,00,000)		-
<b>Total</b>		<b>1,51,16,50,000</b>	<b>1,51,16,50,000</b>

**(i) Reconciliation of the number of shares outstanding:**

At the beginning of the year	15,11,65,000	15,11,65,000
Issued during the year		-
<b>Outstanding at the end of the year</b>	<b>15,11,65,000</b>	<b>15,11,65,000</b>

**(ii) Term/Rights attached to Shares**

The Company has one class of equity shares having a face value of INR 10 each. Each shareholder is eligible for one vote per share held. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**(iii) Details of Shareholders holding more than 5 percent in the Company:**

Particulars	As at 31-March-2021		As at 31-March-2020	
	No. of Shares	% against total number of shares	No. of Shares	% against total number of shares
<b>Name of the shareholders</b>				
Sun TV Network Limited	14,84,15,000	98.18%	14,84,15,000	98.18%

**Note 12.2. Other equity**

Particulars	As at 31-Mar-2021	As at 31-Mar-2020
5,28,80,000 0.1% Compulsorily Convertible Preference Shares classified as Equity of INR 10 each fully paid up (31-Mar-2020: 5,28,80,000 Preference shares of INR 10 each fully paid up)	52,88,00,000	52,88,00,000
Share Premium	62,89,52,000	62,89,52,000
Retained earnings	1,16,34,85,582	1,04,94,79,107
<b>Total</b>	<b>2,32,12,37,582</b>	<b>2,20,72,31,107</b>

The Company has only one class of Preference shares having a face value of Rs. 10 per share. The Preference shares are convertible to equity shares at any time within a period of 18 years from the date of issue at the option of the Company. Upon conversion to equity shares, the preference shares rank pari passu with the existing equity shares of the company in all respects.



**KAL RADIO LIMITED****Notes to Financial Statements for the year ended 31st March 2021***(All amounts are in Indian Rupees unless otherwise stated)***Note 13.1. Trade Payables (non-current)**

<b>Particulars</b>	<b>As at 31-Mar-2021</b>	<b>As at 31-Mar-2020</b>
Trade Payables	10,58,46,267	30,20,39,687
	<b>10,58,46,267</b>	<b>30,20,39,687</b>

**Note 13.2 . Other Financial Liabilities (non-current)**

<b>Particulars</b>	<b>As at 31-Mar-2021</b>	<b>As at 31-Mar-2020</b>
<b>Other financial liabilities at amortised cost</b>		
Interest free deposits from customers		
Rental deposit	2,30,400	2,30,400
Lease liability	33,57,88,972	34,79,16,667
<b>Total</b>	<b>33,60,19,372</b>	<b>34,81,47,067</b>

**Note 14. Provisions**

<b>Particulars</b>	<b>As at 31-Mar-2021</b>	<b>As at 31-Mar-2020</b>
<b>Short-term provisions</b>		
Provision for leave encashment	17,41,116	21,91,622
<b>Total</b>	<b>17,41,116</b>	<b>21,91,622</b>

<b>Particulars</b>	<b>As at 31-Mar-2021</b>	<b>As at 31-Mar-2020</b>
<b>Long-term provisions</b>		
Provision for leave encashment	1,14,18,984	1,11,49,052
<b>Total</b>	<b>1,14,18,984</b>	<b>1,11,49,052</b>

**KAL RADIO LIMITED****Notes to Financial Statements for the year ended 31st March 2021***(All amounts are in Indian Rupees unless otherwise stated)***15. Trade Payables (Current)**

<b>Particulars</b>	<b>As at 31-Mar-2021</b>	<b>As at 31-Mar-2020</b>
Trade Payables	3,01,86,993	5,22,38,008
<b>Total</b>	<b>3,01,86,993</b>	<b>5,22,38,008</b>

**Note 16. Other Financial Liabilities (current)**

<b>Particulars</b>	<b>As at 31-Mar-2021</b>	<b>As at 31-Mar-2020</b>
<b>Other financial liabilities at amortised cost</b>		
Payable to employees	1,28,56,588	2,31,48,635
Outstanding liabilities	87,40,016	4,23,96,519
Rent payable	16,84,231	21,09,594
Gratuity Payable	27,90,599	42,75,190
Lease liability	6,16,93,469	5,87,07,115
<b>Total</b>	<b>8,77,64,902</b>	<b>13,06,37,053</b>

**Note 17. Other Current Liabilities**

<b>Particulars</b>	<b>As at 31-Mar-2021</b>	<b>As at 31-Mar-2020</b>
Statutory Dues	2,00,95,772	1,82,83,754
Advance Received from Customers	6,94,515	4,30,709
<b>Total</b>	<b>2,07,90,287</b>	<b>1,87,14,463</b>

**KAL RADIO LIMITED****Notes to Financial Statements for the year ended 31st March 2021***(All amounts are in Indian Rupees unless otherwise stated)***Note 18. Revenue from Services**

Particulars	Year ended	
	March 31 2021	March 31 2020
Revenue from services		
Advertising income	60,29,96,523	1,15,42,93,390
<b>Total</b>	<b>60,29,96,523</b>	<b>1,15,42,93,390</b>

**Note 19. Other Income**

Particulars	Year ended	
	March 31 2021	March 31 2020
Interest income		
- on bank deposits	11,04,43,969	10,39,35,204
- on others	17,22,816	14,73,381
Interest on IT Refund	6,87,626	-
Profit on Sale of Assets - Net	22,895	-
Net gain on sale of current investments	-	19,70,230
Fair Value Gain on Financial Instruments at FVTPL(net)	84,74,637	80,28,104
Liabilities / provisions no longer required written back	23,42,49,615	9,06,287
Bad Debts Recovered	-	15,79,002
Rental Income	6,37,922	6,37,922
Miscellaneous Income	61,45,381	92,28,707
<b>Total</b>	<b>36,23,84,861</b>	<b>12,77,58,837</b>

**Note 20. Cost of Revenues**

Particulars	Year ended	
	March 31 2021	March 31 2020
Program production expenses	6,19,99,900	16,82,04,978
Licenses	10,96,36,513	10,88,69,288
<b>Total</b>	<b>17,16,36,413</b>	<b>27,70,74,266</b>

**Note 21. Employee Benefit Expense**

Particulars	Year ended	
	March 31 2021	March 31 2020
Salaries, wages and bonus	25,15,83,408	27,93,83,538
Gratuity & Leave encashment expense	42,22,958	87,93,151
Contributions to provident fund and other funds	1,74,77,163	1,85,63,075
Staff welfare expense	16,66,498	24,74,796
<b>Total</b>	<b>27,49,50,026</b>	<b>30,92,14,560</b>

**KAL RADIO LIMITED**

**Notes to Financial Statements for the year ended 31st March 2021**

*(All amounts are in Indian Rupees unless otherwise stated)*

**Note 22. Other Expenses**

Particulars	Year ended	
	March 31 2021	March 31 2020
Audit, Legal and professional fees	1,30,00,640	1,19,59,039
Travel and conveyance	7,49,448	46,13,887
Rent	7,79,298	19,72,278
Power and Fuel	4,30,31,881	4,76,79,229
Selling Expenses		
- Advertisement and Marketing Expenses	26,80,356	4,99,34,866
Repairs and maintenance		
- Plant and machinery	17,79,399	63,30,097
- Others	58,56,208	77,73,213
Communication	66,43,050	78,92,951
Utilities	1,39,71,186	1,58,71,266
Insurance	19,01,666	13,43,100
Corporate Social Responsibility	65,72,000	1,49,36,900
Bad debts written off	74,25,066	9,60,394
Provision for doubtful debts (Net of Reversals)	1,80,54,395	59,51,248
Loss on sale of assets (net) /assets scrapped	-	3,91,034
Rates and taxes	19,23,399	16,69,787
Miscellaneous expenses	5,26,325	8,40,776
<b>Total</b>	<b>12,48,94,315</b>	<b>18,01,20,065</b>

**Payment to auditor**

Particulars	Year ended	
	March 31 2021	March 31 2020
<b>As auditor:</b>		
Audit fee	1,00,000	1,00,000
<b>In other capacity:</b>		
Other services	7,60,000	7,60,000
Reimbursement of expenses		
<b>Total</b>	<b>8,60,000</b>	<b>8,60,000</b>

**Corporate Social Responsibility (CSR)**

Gross amount required to be spent by the company during the year 65,70,811 70,06,982

Amount Spent during the year on 31 Mar 2021	Paid	Yet to be paid	Total
Construction/acquisition of any asset	-	-	-
On purposes other than above	65,72,000	-	65,72,000
	<b>65,72,000</b>	<b>-</b>	<b>65,72,000</b>
Contribution made to Related Parties			

Amount Spent during the year on 31 Mar 2020	Paid	Yet to be paid	Total
Construction/acquisition of any asset	-	-	-
On purposes other than above	1,49,36,900	-	1,49,36,900
	<b>1,49,36,900</b>	<b>-</b>	<b>1,49,36,900</b>
Contribution made to Related Parties			

**KAL RADIO LIMITED****Notes to Financial Statements for the year ended 31st March 2021***(All amounts are in Indian Rupees unless otherwise stated)***Note 23. Depreciation and amortization expense**

<b>Particulars</b>	<b>Year ended</b>	
	<b>March 31 2021</b>	<b>March 31 2020</b>
Depreciation of tangible assets	5,67,45,465	4,70,90,271
Amortization of intangible assets	12,54,01,254	12,52,58,013
Amortisation - Right to use Ind AS	3,63,64,895	3,63,64,895
<b>Total</b>	<b>21,85,11,614</b>	<b>20,87,13,179</b>

**Note 24. Finance Costs**

<b>Particulars</b>	<b>Year ended</b>	
	<b>March 31 2021</b>	<b>March 31 2020</b>
Interest		
- others	65,389	2,09,839
- Lease interest expenses Ind AS	4,87,88,265	4,95,32,896
<b>Total</b>	<b>4,88,53,654</b>	<b>4,97,42,735</b>

**KAL RADIO LIMITED****Notes to Financial Statements for the year ended 31st March 2021***(All amounts are in Indian Rupees unless otherwise stated)***Note 25. Income Tax Expense**

The major components of income tax expense for the years ended 31 March 2021 and 31 March 2020 are:

**Statement of Profit or loss section**

<b>Particulars</b>	<b>Year Ended March 31, 2021</b>	<b>Year Ended March 31, 2020</b>
<b>Current Tax</b>		
Current income tax charge	2,15,76,501	7,80,50,652
<b>Deferred Tax:</b>		
Relating to the origination and reversal of temporary differences	(77,88,425)	10,38,894
<b>Income Tax expense reported in the statement of profit and loss</b>	<b>1,37,88,076</b>	<b>7,90,89,546</b>

**Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31 March 2020 and 31 March 2021 :**

The tax on the company's profit before tax differs from the theoretical amount that would arise using the standard rate of corporation tax in India (25.168%) as follows:

<b>Particulars</b>	<b>Year Ended March 31, 2021</b>	<b>Year Ended March 31, 2020</b>
<b>Accounting Profit before income tax</b>	<b>12,65,35,362</b>	<b>25,71,87,422</b>
Profit before income tax multiplied by standard rate of corporate tax in India of 25.168% (2019: 29.120%)	3,18,46,420	6,47,28,930
Effects of:		
Deferred taxes	(77,88,425)	10,38,894
Non-deductible expenses for tax purposes	1,11,10,446	5,43,14,359
Others	(2,13,80,365)	(4,09,92,637)
<b>Net effective income tax</b>	<b>1,37,88,076</b>	<b>7,90,89,546</b>

**KAL RADIO LIMITED****Notes to Financial Statements for the year ended 31st March 2021***(All amounts are in Indian Rupees unless otherwise stated)***Note 26. Components of Other Comprehensive Income (OCI)**

The disaggregation of changes to OCI by each type of reserve in equity is shown below:

<b>During the year ended 31 March 2021</b>			
	<b>FVTOCI reserve</b>	<b>Retained earnings</b>	<b>Total</b>
Re-measurement gains (losses) on defined benefit plans	-	12,59,188	12,59,188
Others (if any)	-	-	-
	-	<b>12,59,188</b>	<b>12,59,188</b>
<b>During the year ended 31 March 2020</b>			
	<b>FVTOCI reserve</b>	<b>Retained earnings</b>	<b>Total</b>
Re-measurement gains (losses) on defined benefit plans	-	57,95,994	57,95,994
Others (if any)	-	-	-
	-	<b>57,95,994</b>	<b>57,95,994</b>

**Note 27. Earnings Per Share**

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders

The following reflects the income and share data used in the basic and diluted EPS computations:

	<b>Year Ended</b>	
	<b>March 31,2021</b>	<b>March 31,2020</b>
Profit after tax	11,27,47,285	17,80,97,876
Weighted average number of shares		
- Basic	15,11,65,000	15,11,65,000
- Diluted	15,64,53,000	15,64,53,000
Earning per share of Rs.10 each		
- Basic	0.75	1.18
- Diluted	0.72	1.14

**KAL RADIO LIMITED****Notes to Financial Statements for the year ended 31st March 2021***(All amounts are in Indian Rupees unless otherwise stated)***Note 28. Employee benefit plans - Gratuity**

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with an insurance company in the form of a qualifying insurance policy.

The following tables summarize the components of net benefit expense recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet for the Gratuity plan.

During the year, the company has recognised the following amounts in the Profit and Loss account, which are included in (Employee Benefit Expense in Note 21)

<b>Particulars</b>	<b>As at March 31, 2021</b>	<b>As at March 31, 2020</b>
Contribution to Provident Fund	1,70,97,296	1,79,42,940

**Statement of Profit and Loss**

<b>Particulars</b>	<b>As at March 31, 2021</b>	<b>As at March 31, 2020</b>
<i>Recognized in profit or loss:</i>		
Current service cost	42,61,450	47,27,607
Net Interest income from Benefit/obligations	1,42,080	6,30,818
<i>Recognized in other comprehensive income:</i>		
Net interest on net defined benefit liability/asset	-	-
Remeasurement gains/(losses) in other comprehensive income arising from changes in demographic	-	52,365
Remeasurement gains/(losses) in other comprehensive income arising from changes in financial	(15,72,688)	(36,96,760)
Experience adjustments	(3,38,125)	(39,87,436)
Return on Plan Assets (Greater) / Less than Discount rate	2,28,126	(1,13,511)
Recognized in other comprehensive income	(16,82,687)	(77,45,342)
<b>Net benefit expense</b>	<b>27,20,843</b>	<b>(23,86,917)</b>

<b>Particulars</b>	<b>As at March 31, 2021</b>	<b>As at March 31, 2020</b>
Defined benefit obligation	3,64,34,223	3,38,41,375
Fair value of plan assets	3,36,43,624	2,95,66,185
<b>Plan Liability / (Asset)</b>	<b>27,90,599</b>	<b>42,75,190</b>

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

<b>Particulars</b>	<b>As at March 31, 2021</b>	<b>As at March 31, 2020</b>
Opening defined benefit obligation	3,38,41,375	3,58,95,041
Current service cost	42,61,450	47,27,607
Interest cost	21,50,815	21,26,016
Actuarial (gains) / losses on obligation	(19,10,813)	(76,31,832)
Benefits paid	(19,08,602)	(12,75,457)
<b>Closing defined benefit obligation</b>	<b>3,64,34,225</b>	<b>3,38,41,375</b>

Changes in the fair value of plan assets are as follows:

<b>Particulars</b>	<b>As at March 31, 2021</b>	<b>As at March 31, 2020</b>
Fair value of planned assets at the beginning of the year	2,95,66,185	2,16,34,486
Expected return on plan assets	20,08,735	14,95,198
Contributions	42,05,432	75,98,447
Benefits paid	(19,08,602)	(12,75,457)
Actuarial gain / (loss) on plan assets	(2,28,126)	1,13,511
<b>Fair value of plan assets at the end of the year</b>	<b>3,36,43,624</b>	<b>2,95,66,185</b>

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

<b>Particulars</b>	<b>As at March 31, 2021</b>	<b>As at March 31, 2020</b>
Discount rate	6.54%	6.03%
Expected rate of return on assets	6.54%	6.03%
Employee turnover	11.88%	11.88%

The overall expected rate of return on assets is determined based on market prices prevailing on that date, applicable to the period over which the obligation is to be settled. The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.



**KAL RADIO LIMITED****Notes to Financial Statements for the year ended 31st March 2021***(All amounts are in Indian Rupees unless otherwise stated)*

The major categories of plan assets of the fair value of the total plan assets are as follows:

**Gratuity plan**

	March 31,2021	March 31,2020
<b>Investments details (Illustrative):</b>		
Funds with LIC	3,36,43,624	2,95,66,185
<b>Total</b>	<b>3,36,43,624</b>	<b>2,95,66,185</b>

A quantitative sensitivity analysis for significant assumption as at 31 March 2021 is as shown below:

**Gratuity plan:**

	March 31,2021	March 31,2020	March 31,2021	March 31,2020
<b>Assumptions</b>	<b>Discount rate</b>		<b>Future salary</b>	
Sensitivity Level	1% increase		1% increase	
Impact on defined benefit obligation	(27,60,071)	(27,31,600)	29,37,077	29,00,594

**Gratuity plan:**

	March 31,2021	March 31,2020	March 31,2021	March 31,2020
<b>Assumptions</b>	<b>Discount rate</b>		<b>Future salary</b>	
Sensitivity Level	1% decrease		1% decrease	
Impact on defined benefit obligation	32,02,696	31,90,599	(25,96,963)	(26,07,228)

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit plan in future years:

	March 31,2021	March 31,2020
Within the next 12 months (next annual reporting period)	38,58,630	27,86,338
Between 2 and 5 years	1,17,75,331	1,12,40,573
Between 5 and 10 years	50,49,992	43,84,109
<b>Total expected payments</b>	<b>2,06,83,953</b>	<b>1,84,11,020</b>

**KAL RADIO LIMITED****Notes to Financial Statements for the year ended 31st March 2021***(All amounts are in Indian Rupees unless otherwise stated)***Note 29. Related Party Disclosures ( as identified and certified by the management)**

Name of the related party and nature of related party relationship where control exists:

(a) Entity controlling the Company:  
Sun TV Network Limited(b) Key Managerial Personnel:  
Mr. K. Shanmugam - Managing Director  
Mr. B. Surendar - Director  
Mr. J. Ravindran - Independent Director  
Mrs. Uma Madhu - Company Secretary(c) Individual(s) having significant influence and/ or relative of such individual over the reporting enterprise  
Mr. Kalanithi Maran(d) Enterprises over which individual having significant influence and/or relative of such individual over reporting enterprise are able to exercise significant influence:  
Sun Direct TV Private Limited  
Kal Publications Private Limited

Particulars	Enterprises in which individuals or their relatives have significant influence		Entity with Significant Control		Key Managerial Personnel/ Relatives of Key Managerial Personnel	
	March 31,2021	March 31,2020	March 31,2021	March 31,2020	March 31,2021	March 31,2020
<b>Advertising Income</b>						
Kal Publications Private Limited	1,07,100	1,28,520				
<b>Rental Income</b>						
Sun Direct Tv Private Limited	6,37,922	6,37,922				
<b>Other Income</b>						
Sun Direct Tv Private Limited	-	-				
Sun TV Network Limited			-	23,36,607		
<b>Rent Expense</b>						
Kal Publications Private Limited	19,13,928	17,97,925				
Sun TV Network Limited			50,62,493	48,21,414		
<b>Advertisement Expenses</b>						
Kal Publications Private Limited	-	30,504				
<b>Employee Benefit Expenses</b>						
Kal Publications Private Limited	58,690	84,456				
Sun TV Network Limited			6,69,265	9,35,677		
<b>Other Expenses</b>						
Kal Publications Private Limited	26,39,309	30,33,430				
Sun TV Network Limited			25,64,304	26,08,605		
<b>Remuneration/Ex-gratia/Bonus Payable</b>						
Mr. K. Shanmugam					1,14,11,744	99,32,126
Mr. B. Surendar					88,30,884	82,49,826
Mrs. Uma Madhu					38,48,452	38,97,820

**KAL RADIO LIMITED****Notes to Financial Statements for the year ended 31st March 2021**

(All amounts are in Indian Rupees unless otherwise stated)

Particulars	Enterprises in which individuals or their relatives have significant influence		Entity with Significant Control	
	March 31,2021	March 31,2020	March 31,2021	March 31,2020
<b>Trade Receivables</b>				
Kal Publications Private Limited	7,14,22,582	7,12,97,482	-	-
Sun Direct Tv Private Limited	1,10,080	1,69,419	-	-
<b>Other Receivables</b>				
Kal Publications Private Limited	60,18,979	93,52,594	-	-
Sun Direct Tv Private Limited	-	-	-	-
Sun TV Network Limited	-	-	23,51,140	29,76,744
<b>Rental Deposits Paid</b>				
Kal Publications Private Limited	4,27,500	4,27,500	-	-
Sun TV Network Limited	-	-	40,000	40,000
<b>Rental Deposits Received</b>				
Sun Direct Tv Private Limited	2,30,400	2,30,400	-	-
<b>Accounts Payable/Other current liabilities</b>				
South Asia FM Limited	-	-	-	-
Sun TV Network Limited	-	-	4,97,528	11,32,240

**KAL RADIO LIMITED****Notes to Financial Statements for the year ended 31st March 2021***(All amounts are in Indian Rupees unless otherwise stated)***Note 30. Fair Values**

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

	Carrying Value		Fair Value	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020
<b>Financial Assets (Non Current &amp; Current)</b>				
Investments in Mutual Funds	18,32,09,375	14,97,34,738	18,32,09,375	14,97,34,738
Investments in Preference Shares (unquoted)		-	-	-
	18,32,09,375	14,97,34,738	18,32,09,375	14,97,34,738

The management assessed that the fair value of cash and cash equivalents, trade receivables, trade payables, financial guarantee and other current and non current financial liabilities and financial assets approximate their carrying amounts largely due to the short-term maturities of these instruments.

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. The method and assumptions used to estimate the fair values of financial instruments traded in active markets are based on quoted market prices at the balance sheet date.

**Note 31. Fair value hierarchy**

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities:

**Quantitative disclosures fair value measurement hierarchy for assets as at 31 March 2021:**

	Fair Value Measurement using				
	Date of Valuation	Total	Quoted Price in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
<b>Asset measured at fair value: FVTPL financial investments:</b>					
Investments in Mutual Funds	31.03.2021	18,32,09,375	18,32,09,375	-	-
Investments in Preference Shares (unquoted)	31.03.2021	-	-	-	-

There have been no transfers between Level 1 and Level 2 during the period.

**Quantitative disclosures fair value measurement hierarchy for assets as at 31 March 2020:**

Particulars	Fair Value Measurement using				
	Date of Valuation	Total	Quoted Price in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
<b>Asset measured at fair value: FVTPL financial investments:</b>					
Investments in Mutual Funds	31.03.2020	14,97,34,738	14,97,34,738	-	-
Investments in Preference Shares (unquoted)	31.03.2020	-	-	-	-

## KAL RADIO LIMITED

### Notes to Financial Statements for the year ended 31st March 2021

(All amounts are in Indian Rupees unless otherwise stated)

#### Note 32. Financial risk management objectives and policies

The company's principal financial liabilities, include trade and other payables. The company has various financial assets such as trade receivables and cash and short term deposits, which arise 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. The Company's senior management ensures that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

#### Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk and other price risk, such as equity price risk. Financial instruments affected by market risk include investments in equity instruments etc..

#### Impact of COVID-19 (Global pandemic):

The Company, based on their assessment believes that the probability of the occurrence of their forecasted transactions is not impacted by COVID-19 pandemic .

#### Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

#### Liquidity risk

The Company prime source of income is cash and cash equivalents and the cash flow generated from activities. The company has no outstanding bank borrowings. The company believes the working capital is sufficient to meet its current requirements. Accordingly there is no liquidity risk.

The table below summarises the maturity profile of the company's financial liabilities based on contractual undiscounted payments.

	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
<b>Year ended 31/03/2021</b>						
Other financial liabilities	-	2,60,71,433	-	2,30,400	-	2,63,01,833
Trade and other payables	-	5,09,77,280	-	-	-	5,09,77,280
	-		-	<b>2,30,400</b>	-	<b>7,72,79,113</b>
<b>Year ended 31/03/2020</b>						
Other financial liabilities	-	7,19,29,938	-	2,30,400	-	7,21,60,338
Trade and other payables	-	7,09,52,471	-	-	-	7,09,52,471
	-	<b>14,28,82,409</b>	-	<b>2,30,400</b>	-	<b>14,31,12,809</b>

**KAL RADIO LIMITED****Notes to Financial Statements for the Year ended 31st March 2021***(All amounts are in Indian Rupees unless otherwise stated)***Note 33. Right of Use Assets**

<b>Particulars</b>	<b>Buildings</b>	<b>Total</b>
<b>Year ended March 31, 2021</b>		
<b>Gross carrying amount</b>		
Opening Gross carrying amount	-	-
Reclassification from property, plant & equipment	-	-
Recognition on account of IND AS 116	37,64,09,228	37,64,09,228
Additions	-	-
Disposals	-	-
<b>Closing gross carrying amount</b>	<b>37,64,09,228</b>	<b>37,64,09,228</b>
<b>Accumulated depreciation / amortisation</b>		
Reclassification from property, plant & equipment	-	-
Depreciation / amortisation charge during the year	3,63,64,895	3,63,64,895
Disposals	-	-
<b>Closing accumulated depreciation / amortisation</b>	<b>3,63,64,895</b>	<b>3,63,64,895</b>
<b>Net carrying amount as at March 31, 2021</b>	<b>34,00,44,333</b>	<b>34,00,44,333</b>

**33.1 The aggregate depreciation expense on ROU assets is included under depreciation and amortization**

**33.2. The impact of changes in accounting policy on account of adoption of Ind AS 116 is as follows:**

<b>Particulars</b>	<b>Amount</b>
Decrease in Property, Plant and equipment by	-
Increase in lease liability by	39,74,82,441
Increase in right of use assets by	34,00,44,333
Increase/(decrease) in finance cost by	4,87,88,265
Increase/(decrease) in depreciation by	3,63,64,895
Increase/(decrease) in rent by	(5,79,29,606)

**33.3. Movement in Lease liabilities :**

The following is the movement in lease liabilities during the year ended March 31, 2021:

<b>Particulars</b>	<b>As at March 31,2021</b>
<b>Balance as on April 1, 2020</b>	
Recognition on account of adoption of Ind AS 116	40,66,23,782
Additions	-
Finance costs accrued during the period	4,87,88,265
Deletions	-
Payment of lease liabilities	(5,79,29,606)
<b>Balance as on March 31, 2021</b>	<b>39,74,82,441</b>

**KAL RADIO LIMITED****Notes to Financial Statements for the Year ended 31st March 2021***(All amounts are in Indian Rupees unless otherwise stated)*

**33.4 The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2021 on an undiscounted basis:**

<b>Particulars</b>	<b>(Undiscounted)</b>	<b>(Discounted)</b>
	<b>As at March 31, 2021</b>	<b>As at March 31, 2021</b>
Less than one year	6,16,93,469	4,92,01,227
One to five years	35,59,65,474	20,24,57,745
More than five years	29,47,30,905	14,58,23,468
<b>Total</b>	<b>71,23,89,848</b>	<b>39,74,82,441</b>

**33.5. Amounts recognized in statement of profit or loss**

<b>Particulars</b>	<b>2020-21</b>	<b>2019-20</b>
Interest on lease liabilities	4,87,88,265	4,95,32,896
Variable lease payments not included in the lease payment liabilities	-	-
Income from sub-leasing right of use assets	6,37,922	6,37,922
Expenses relating to short- term leases	-	-
Expenses relating to leases of low- value assets,excluding short term leases of low value assets.	-	-

**33.6. Amounts recognized in cash flow statement**

<b>Particulars</b>	<b>2020-21</b>	<b>2019-20</b>
Total cash outflows for leases	5,79,29,606	5,56,83,238

33.7. The average incremental borrowing rate applied to lease liabilities as at April 1, 2019 is 12%

**KAL RADIO LIMITED****Notes to Financial Statements for the year ended 31st March 2021***(All amounts are in Indian Rupees unless otherwise stated)***Note 34. Capital management**

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The company's policy for capital management aims to enhance capital efficiency by the long-term improvement of its value through business growth, while maintaining a sound financial structure. Indicators for monitoring the capital management include total equity attributable to owners of the parent and ROE(ratio of net profit to total equity attributable to owners of the parent). The group's policy is to keep ROE between 5% to 12%. The company has achieved the same over past 2 years.

<b>Return on Equity</b>	<b>31-Mar-21</b>	<b>31-Mar-20</b>
Profit before taxes	12,65,35,362	33,38,03,556
Less: Finance Income	(11,21,66,785)	(6,45,10,969)
Add: Finance Cost	65,389	25,410
	<b>1,44,33,966</b>	<b>26,93,17,997</b>
Equity Share capital	1,51,16,50,000	1,51,16,50,000
Other Equity	2,32,12,37,582	2,20,72,31,107
	<b>3,83,28,87,582</b>	<b>3,71,88,81,107</b>
<b>ROCE</b>	<b>0.38</b>	<b>7.24</b>

**Note 35. Ind AS Impact in Profit & Loss Account**

<b>Particulars</b>	<b>Note No.</b>	<b>Year ended</b>	
		<b>March 31, 2021</b>	<b>March 31, 2020</b>
<b>Income</b>			
Interest Income	19	17,22,816	14,73,381
Fair Value Gain on Financial Instruments at FVTPL(net)	19	84,74,637	80,28,104
		<b>1,01,97,453</b>	<b>95,01,485</b>
<b>Expenditure</b>			
Amortization of Right Of Use	23	3,63,64,895	3,63,64,895
Lease Interest Expense	24	4,87,88,265	4,95,32,896
Rent	22	4,70,682	3,87,129
Licences	20	20,21,950	20,43,202
		<b>8,76,45,792</b>	<b>8,83,28,122</b>
<b>Net Impact</b>		<b>(7,74,48,339)</b>	<b>(7,88,26,637)</b>

**Note 36. Prior year comparatives**

Previous year figures have been regrouped/ reclassified, wherever necessary, to conform to this year's classification.

As per my report of even date

For and on behalf of Board of Directors of Kal Radio Limited

**N PRIYA**  
Chartered Accountant  
Membership #: 223834

**K. SHANMUGAM**  
Managing Director

**J. RAVINDRAN**  
Director

**UMA MADHU**  
Company Secretary

**Place: Chennai**  
**Date: May 25, 2021**

**Place: Chennai**  
**Date: May 25, 2021**