

KAL RADIO LIMITED



ANNUAL REPORT 2019



KAL Radio Limited



CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr.K. Shanmugam	Managing Director
Mr.K.Vijaykumar	Director
Mr.J.Ravindran	Independent Director
Mrs.Nisha Narayanan	Director
Mr.B.Surendar	Director
Mr.Nicholas Martin Paul	Independent 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, 2019 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, 2019	March 31, 2018
Revenues	11926.72	10256.60
Other Income	793.13	620.66
Total Income	12719.85	10877.26
Expenditure (Excluding interest, depreciation & amortization)	7767.97	5897.27
Earning before interest, tax, depreciation & amortization (EBITDA)	4951.88	4979.99
Interest	0.25	2.97
Depreciation and amortization	1613.60	1030.72
Earning before taxation (EBT)	3338.03	3946.30
Current Tax	1034.98	1432.41
MAT Credit	-	-
Deferred Tax	(37.25)	273.64
Profit for the Year	2340.30	2240.25

OPERATIONS

The broadcasting revenue of the company for the year 2018-19 has increased by 16.28% to Rs.11926.72 Lakhs from Rs.10256.60 Lakhs of the previous year.

Your Company has achieved an after tax profit of Rs.2340.30 Lakhs as against Rs.2240.25 Lakhs in the previous year.

Your Directors are of the view that the profit would substantially increase in the years to come on account of measures taken on improving certain areas, both in business and fiscal front during the current year and the Board of Directors are striving hard to make profits in the upcoming years.

There were no changes in the nature of business. No material changes and commitments have occurred after the close of the year till the date of this Report, which affect the financial position of the Company.

There are adequate financial controls commensurate with the size of the organization and with reference to the Financial Statements.

DIVIDEND

The Board of Directors had decided to conserve the profits and hence not recommended any dividend for the current financial year 2018-2019.

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 2016-17 which is mentioned in Annexure C of this report in the form AOC-2, are given in the notes to Financial Statements.

BUSINESS REVIEW

During the year under review, the Company has 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.

DIRECTORS

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

DECLARATION BY INDEPENDENT DIRECTOR:

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.

MEETINGS OF THE BOARD:

During the Financial Year 2018-2019, 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	02/05/18	Apr-June	6	6
2	26/07/18	July-Sep	6	4
3	29/10/18	Oct-Dec	6	5
4	25/01/19	Jan-Mar	6	6

The meetings of the Board were held periodically and 120 days has not lapsed between two meetings as prescribed under section 173(1) of the Companies Act, 2013.

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 two meetings 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

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.

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 2018-19.

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 2018-19.

FIXED DEPOSITS

Your Company has not accepted any deposits from the public during the financial year ended March 31, 2019.

SUBSIDIARIES OR ASSOCIATE COMPANIES:

The following are the list of Subsidiaries, and Associates during the financial year 2018-19.

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:

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 Inflow & Outgo:

Since the company has not carried on any export during the financial year under review, the disclosures requirement relating to exports, initiatives taken to increase exports; development of new export markets for products and services and export plans is not applicable to the company.

Foreign Exchange earned during the year: Rs. Nil (Previous Year : Nil)

Foreign Exchange used during the year: Rs.26.91 Lakhs (Previous Year : Rs. 449.03 Lakhs)

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 2018-19, 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, 2019 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.

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.

S.No	Name	Category
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 2019, 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.

DETAILS REGARDING MIGRATION OF EXISTING FREQUENCIES FROM FM RADIO PHASE-II TO PHASE-III & NEW FREQUENCIES IN BATCH-2 OF PHASE-III

The Company participated in the Batch-2 of Phase-III FM radio auction during the financial year 2016-17 and the Company was the successful bidder in 6 cities (Hyderabad new frequency, Salem, Erode, Vellore, Nellore & Hubli-Dharwad). All 6 new stations have been launched during the year 2018-19.

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 : 15-May-2019

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)

1. **The CSR Policy is appended here**

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

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

3. **Average net profit of the company for the last three financial years -**
Rs.3521.30 Lakhs

4. **Prescribed CSR Expenditure (two percent of the amount as in item 3 above)**
The Company is required to spend Rs.70.42 Lakhs towards CSR.

5. **Details of CSR spend during the financial year:**

- Total amount to be spent for the financial year - Rs.70.42 Lakhs.
- Total amount spent for the financial year - Rs.56.34 Lakhs
- Amount unspent, if any - Rs.14.08 Lakhs (Which is being spent in 2019-20)
- The manner in which the money is spent is given below

(Rs/Lakhs)

S.No	Projects/Services	Relevant Section of Schedule VII in which the Project is covered (Note 1)	Locations	Amount Outlay (Budget) Projects or Program wise	Amount Spent on the Project or Programs	Cumulative Expenditure upto the reporting periods	Amount Spent : Direct or through implementing Agency
1	Sun Foundation			56.34	56.34	56.34	Thro Sun Foundation

Note 1 :

- Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water,
- Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects,

- (iii) Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, daycare centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward ,
- (iv) ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro forestry, conservation of natural resources and maintaining quality of soil, air and water;

CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY AS RECOMMENDED BY CSR COMMITTEE

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.

ANNEXURE C

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

**As on the financial year ended on 31/03/2019
[Pursuant to section 92(3) of the Companies Act, 2013 and Rule 12(1) of the
Companies (Management and Administration) Rules, 2014]**

I. REGISTRATION AND OTHER DETAILS:

CIN	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	
(A) Promoters									
(1) Indian									
(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....									
Sub-Total (A) (1)		151164995	151164995	100.00		151164995	151164995	100.00	Nil
(2) Foreign									
(a) NRIs - Individuals									
(b) Other - Individuals									
(c) Bodies Corp.									
(d) Banks / FI									
(e) Any Other....									
Sub-Total (A) (2)									
Total Shareholding of Promoter (A) = (A) (1) + (A) (2)		151164995	151164995	100.00		151164995	151164995	100.00	Nil
(B) Public Shareholding									
(1) Institutions									
(a) Mutual Funds									
(b) Banks/FI									

(c) Central Govt									
(d) State Govt (s)									
(e) Venture Capital funds									
(f) Insurance Companies									
(g) FII's									
(h) Foreign Venture Capital Funds									
(i) Others (Specify)									
Sub-Total (B)(1)									
(2) Non-institutions									
a) Bodies Corporate									
b) Individuals									
Individuals -		5	5	0.00		5	5	0.00	Nil
i. Individual shareholders holding nominal share capital up to Rs 1 lakh									
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									
GRAND TOTAL (A)+(B)+(C)		151165000	151165000	100.00		151165000	151165000	100.00	Nil

(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
	Total	151164995	100.00	NIL	151164995	100.00	NIL	NIL

(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	Mr. K.Shanmugam				
	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	Mr.K.Vijaykumar				
	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
Indebtedness at the beginning of the Financial year				
(i) Principal Amount (ii) Interest due but not paid (iii) Interest accrued but not due Total (i+ii+iii)	NIL			
Change in indebtedness during the year				
Addition Reduction Net Change	NIL			
Indebtedness at the beginning of the Financial year				
(i) Principal Amount (ii) Interest due but not paid (iii) Interest accrued but not due Total (i+ii+iii)	NIL			

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	103.82	99.53	203.35
(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			
	Total (A)	103.82	99.53	203.35

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			
Total (1)		-	-	-
	4. Other Non-Executive Directors • Fee for attending board / committee meetings • Commission • Others, please specify			
Total (2)		-	-	-
Total (B) = (1)+(2)		-	-	-
Total Managerial Remuneration		-	-	-

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

S.No	Particulars of Remuneration	Key Managerial Personnel
		Company Secretary (Rs. In Lakhs)
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	36.29
(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	-
Total (A)		36.29

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					
C. OTHER OFFICERS IN DEFAULT					
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: NIL

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 the 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.

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, 2019, 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, 2019, 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, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to 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 15, 2019

(N. Priya)
Chartered Accountant
Membership # 223834

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, 2019:

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, 2019 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, 2019 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 15, 2019

(N. Priya)
Chartered Accountant
Membership # 223834

“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, 2019 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, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place : Chennai
Date : May 15,2019

(N. Priya)
Chartered Accountant
Membership # 223834

KAL RADIO LIMITED**Balance Sheet as at 31st March 2019***(All amounts are in Indian Rupees unless otherwise stated)*

Particulars	Notes	As at 31-Mar-2019	As at 31-Mar-2018
ASSETS			
Non-Current Assets			
Property Plant and Equipment	3	21,73,69,097	6,96,87,866
Capital Work-in-Progress		4,81,794	3,21,28,975
Intangible assets	4	1,49,92,23,418	1,02,43,43,423
Financial Assets			
Investments	5	3,96,78,577	8,40,00,000
Other Financial Assets	5	3,18,34,933	12,61,35,502
Tax Assets	6	3,62,38,724	1,47,88,945
Deferred tax assets (Net)	7	1,09,23,361	71,98,854
Other non current assets	8	3,22,41,187	71,95,74,746
		1,86,79,91,091	2,07,78,58,311
Current Assets			
Financial Assets			
Trade receivables	9	54,99,56,548	53,80,86,195
Investment	10	13,97,36,403	10,11,80,606
Other Financial Assets	10	74,48,768	40,69,749
Tax Assets	6	24,82,914	-
Cash and Cash Equivalents	11.1	4,20,20,714	5,28,75,169
Bank Balances Other than Cash and Cash Equivalent	11.2	1,17,89,91,628	60,18,09,715
Other Current assets	8	12,70,94,918	25,91,75,272
		2,04,77,31,893	1,55,71,96,706
Total Assets		3,91,57,22,984	3,63,50,55,017
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	12.1	1,51,16,50,000	1,51,16,50,000
Other Equity			
Other Reserves	12.2	2,02,33,37,239	1,79,53,88,237
Equity attributable to the equity holders of the parent		3,53,49,87,239	3,30,70,38,237
Non-controlling interests		-	-
Total Equity		3,53,49,87,239	3,30,70,38,237
Non-Current Liabilities			
Financial Liabilities			
Trade Payables	13.1	26,40,55,488	22,37,92,543
Other financial liabilities	13.2	88,85,494	19,27,207
Provisions	14	74,28,518	54,39,215
		28,03,69,500	23,11,58,965
Current Liabilities			
Financial Liabilities			
Trade Payables			
Total outstanding dues of micro enterprises and small enterprises		-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	15	4,01,59,268	3,10,10,552
Other current financial liabilities	16	2,47,09,097	2,09,89,948
Tax liability	6	-	1,77,88,171
Other Current Liabilities	17	3,30,20,450	2,50,07,901
Provisions	14	24,77,430	20,61,243
Total Liabilities		10,03,66,245	9,68,57,815
TOTAL EQUITY AND LIABILITIES		3,91,57,22,984	3,63,50,55,017

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: 15-May-2019****Place: Chennai****Date: 15-May-2019**

KAL RADIO LIMITED**Statement Of Profit And Loss for the year ended 31st March 2019***(All amounts are in Indian Rupees unless otherwise stated)*

Particulars	Note No.	Year Ended 31-Mar-2019	Year Ended 31-Mar-2018
Income			
Revenue from Operations	18	1,19,26,72,350	1,02,56,60,400
Other Income	19	7,93,13,046	6,20,66,128
Total Income		1,27,19,85,396	1,08,77,26,528
Expenses			
Costs of revenues	20	28,06,78,759	21,78,61,053
Employees' benefits expense	21	29,35,17,499	20,51,07,874
Other expenses	22	20,26,00,313	16,67,57,146
Depreciation and amortization expense	23	16,13,59,860	10,30,72,418
Finance costs	24	25,410	2,97,328
Total Expense		93,81,81,840	69,30,95,819
Profit(Loss) Before Tax		33,38,03,556	39,46,30,709
Current Year		10,34,98,223	14,32,41,056
Deferred Tax (Net)		(37,24,508)	2,73,64,563
Income Tax Expense	25	9,97,73,715	17,06,05,619
Profit for the year		23,40,29,842	22,40,25,090
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
Remeasurement losses on defined benefit obligations (net)	26	85,79,063	36,42,878
Income tax effect		(24,98,223)	(12,41,056)
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods		60,80,840	24,01,822
Total comprehensive income for the year		22,79,49,002	22,16,23,268
Earnings per Equity Share of INR 10 each			
Basic profit from operations attributable to equity holders of the parent	27	1.55	1.48
Diluted profit from operations attributable to equity holders of the parent		1.50	1.43
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: 15-May-2019****Place: Chennai****Date: 15-May-2019**

KAL RADIO LIMITED**Statement of Changes in Equity for the year ended 31 March 2019***(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
At 31 March 2018	15,11,65,000	1,51,16,50,000
Issue of share capital	-	-
At 31 March 2019	15,11,65,000	1,51,16,50,000

b. Other equity**For the year ended 31 March 2019**

Attributable to Equity holders of the parent					
Particulars				Items of OCI	
	Retained earnings	Securities Premium Reserve	General Reserve	FVTOCI reserve	Total
As at 1st April 2018	64,03,72,820	62,89,52,000	-	(27,36,583)	1,26,65,88,237
Profit for the period	23,40,29,842	-	-	-	23,40,29,842
Other comprehensive income	-	-	-	(60,80,840)	(60,80,840)
Total Comprehensive Income	87,44,02,662	62,89,52,000	-	(88,17,423)	1,49,45,37,239
Cash dividends	-	-	-	-	-
Dividend distribution tax on cash dividend by parent company	-	-	-	-	-
As at 31st March 2019	87,44,02,662	62,89,52,000	-	(88,17,423)	1,49,45,37,239

For the year ended 31st March, 2018

Attributable to Equity holders of the parent					
Particulars				Items of OCI	
	Retained earnings	Securities Premium Reserve	General Reserve	FVTOCI reserve	Total
As at 1st April 2017	41,63,47,730	62,89,52,000	-	(3,34,761)	1,04,49,64,969
Profit for the period	22,40,25,090	-	-	-	22,40,25,090
Other comprehensive income	-	-	-	(24,01,822)	(24,01,822)
Total Comprehensive Income	64,03,72,820	62,89,52,000	-	(27,36,583)	1,26,65,88,237
Cash dividends	-	-	-	-	-
Dividend distribution tax on cash dividend by parent company	-	-	-	-	-
As at 31st March 2018	64,03,72,820	62,89,52,000	-	(27,36,583)	1,26,65,88,237

As per my report of even date

N. PRIYA
Chartered Accountant
Membership #: 223834

Place: Chennai
Date: 15-May-2019

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

K. SHANMUGAM **J. RAVINDRAN** **UMA MADHU**
Managing Director Director Company Secretary

Place: Chennai
Date: 15-May-2019

KAL RADIO LIMITED
Cash Flow Statement for the year ended 31 March 2019
(All amounts are in Indian Rupees unless otherwise stated)

Particulars		Year Ended 31-Mar-2019	Year Ended 31-Mar-2018
Cash flow from operating activities			
Net profit before tax and extraordinary items		33,38,03,556	39,46,30,709
Adjustments to reconcile:			
Depreciation on tangible assets/investment property		4,70,04,345	1,74,94,484
Amortisation of intangible assets		11,43,55,515	8,55,77,934
IND AS Adjustments		(60,80,840)	(24,01,822)
(Profit)/Loss on sale of fixed assets/investment property, net		(32,26,713)	(76,767)
(Profit)/Loss on sale of investment property, net		(42,34,372)	(1,01,80,606)
Provision for doubtful debts/other Assets		(1,07,96,956)	85,79,418
Bad debts written off		1,74,58,900	1,11,568
Liabilities / provisions no longer required written back		(16,46,708)	(22,71,891)
Interest income		(6,45,10,969)	(4,53,88,633)
Interest expense		25,410	2,97,328
Operating profit before working capital changes		42,21,51,168	44,63,71,721
Movements in working capital :			
(Increase) / Decrease in trade receivables		(1,85,32,297)	(5,85,59,197)
(Increase) / Decrease in inventories		-	-
(Increase) / Decrease in other current assets/other financial assets		33,31,53,549	(15,66,13,570)
(Increase) / Decrease in loans and advances		-	-
Increase / (Decrease) in trade payables and other liabilities/other financial liabilities		6,97,48,354	6,48,47,926
Increase / (Decrease) in provisions		24,05,490	9,80,657
Cash generated from operations		80,89,26,265	29,70,27,536
Direct taxes paid (net of refunds)		(14,52,19,087)	(13,01,87,936)
Net cash flow from / (used in) operating activities (A)	A	66,37,07,179	16,68,39,601
Cash flow from investing activities			
Purchase of PPE, capital work in progress (including capital advances)		(16,37,07,647)	(5,09,73,394)
Purchase of intangible assets and expenditure on intangible assets under development (including advances towards purchase of intangible assets)		(58,92,35,510)	(1,60,000)
Purchase of current investments		1,00,00,000	(17,50,00,000)
Proceeds from sale of assets		38,95,965	3,98,740
Interest received		6,45,10,969	4,53,88,633
Net cash from / (used in) investing activities (B)	B	(67,45,36,224)	(18,03,46,021)
Cash flow from financing activities			
Interest paid		(25,410)	(2,97,328)
Net cash (used in) / from financing activities (C)	C	(25,410)	(2,97,328)
Exchange differences on translation of foreign currency cash and cash equivalents (D)	D	-	-
Net increase / (decrease) in cash and cash equivalents (A+B+C+D)	(A+B+C+D)	(1,08,54,455)	(1,38,03,748)
Opening balance of cash and cash equivalents	E	5,28,75,169	6,66,78,917
Closing balance of cash and cash equivalents	F	4,20,20,714	5,28,75,169
Net increase / (decrease) in cash and cash equivalents	(F-E)	(1,08,54,455)	(1,38,03,748)
Earmarked Balances with Banks	G	-	-
Closing cash and Bank Balance	(F+G)	(1,08,54,455)	(1,38,03,748)

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

Place: Chennai
Date: 15-May-2019
K. SHANMUGAM J. RAVINDRAN

Managing Director Director

UMA MADHU

Company Secretary

Place: Chennai
Date: 15-May-2019

KAL RADIO LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS ON 31.03.2019

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. Reconciliations and descriptions of the effect of the transition has been summarized in note.

1.5 Recent accounting pronouncements

Ind AS 116 Leases : On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 116, Leases. Ind AS 116 will replace the existing leases Standard, Ind AS 17 Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of Profit & Loss. The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company does not have any impact on account of this amendment.

Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments : On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

The standard permits two possible methods of transition - i) Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and ii) Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company does not have any impact on account of this amendment.

Amendment to Ind AS 12 – Income taxes : On March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, ‘Income Taxes’, in connection with accounting for dividend distribution taxes.

The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company does not have any impact on account of this amendment.

Amendment to Ind AS 19 – plan amendment, curtailment or settlement- On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, ‘Employee Benefits’, in connection with accounting for plan amendments, curtailments and settlements.

The amendments require an entity:

- to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and
- to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company does not have any impact on account of this amendment.

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.

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 or on the basis of Section 115JB of the Income Tax Act, 1961 (Minimum Alternate Tax) whichever is higher.

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.

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 31 March, 2019

(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
Gross Block						
At March 31, 2017	7,51,53,891	1,72,03,316	10,89,194	45,66,770	41,06,008	10,21,19,179
Additions	69,68,935	40,57,295	8,29,492	21,62,486	62,79,947	2,02,98,155
Disposals	(2,95,465)	(1,40,007)	(92,950)	-	-	(5,28,422)
At March 31, 2018	8,18,27,361	2,11,20,604	18,25,736	67,29,256	1,03,85,955	12,18,88,912
Additions	13,42,61,773	1,54,16,449	15,61,677	2,77,83,918	1,63,31,012	19,53,54,829
Disposals	(98,104)	(1,20,743)	(23,062)	-	(5,56,259)	(7,98,168)
At March 31, 2019	21,59,91,030	3,64,16,310	33,64,351	3,45,13,174	2,61,60,708	31,64,45,573

Depreciation						
At March 31, 2017	2,42,49,640	50,31,805	3,96,820	30,44,513	21,90,230	3,49,13,008
Charge for the year	1,17,95,361	25,12,189	3,11,167	22,43,085	6,32,682	1,74,94,484
Disposals	(96,863)	(58,069)	(51,514)	-	-	(2,06,446)
At March 31, 2018	3,59,48,138	74,85,925	6,56,473	52,87,598	28,22,912	5,22,01,046
Charge for the year	2,94,54,256	45,22,756	5,35,603	57,70,822	67,20,909	4,70,04,346
Disposals	(32,183)	(65,468)	(14,548)	-	(16,717)	(1,28,916)
At March 31, 2019	6,53,70,211	1,19,43,213	11,77,528	1,10,58,420	95,27,104	9,90,76,476

Net Block

At March 31, 2018	4,58,79,223	1,36,34,679	11,69,263	14,41,658	75,63,043	6,96,87,866
At March 31, 2019	15,06,20,819	2,44,73,097	21,86,823	2,34,54,754	1,66,33,604	21,73,69,097

KAL RADIO LIMITED**Notes to Financial Statements for the year ended 31 March, 2019***(All amounts are in Indian Rupees unless otherwise stated)***Note 4 - Intangible Assets**

Particulars	Computer Software	Licenses	Total
Gross Block			
At March 31, 2017	6,12,750	1,28,33,52,134	1,28,39,64,884
Additions	1,60,000	-	1,60,000
Disposals	-	-	-
At March 31, 2018	7,72,750	1,28,33,52,134	1,28,41,24,884
Additions	9,60,000	58,82,75,510	58,92,35,510
Disposals	-	-	-
At March 31, 2019	17,32,750	1,87,16,27,644	1,87,33,60,394

Amortization			
At March 31, 2017	3,04,854	17,38,98,673	17,42,03,527
Charge for the year	2,35,361	8,53,42,573	8,55,77,934
Disposals	-	-	-
At March 31, 2018	5,40,215	25,92,41,246	25,97,81,461
Charge for the year	3,83,067	11,39,72,448	11,43,55,515
Disposals	-	-	-
At March 31, 2019	9,23,282	37,32,13,694	37,41,36,976

Net Block

At March 31, 2018	2,32,535	1,02,41,10,888	1,02,43,43,423
At March 31, 2019	8,09,468	1,49,84,13,950	1,49,92,23,418

KAL RADIO LIMITED**Notes to Financial Statements for the year ended 31 March, 2019***(All amounts are in Indian Rupees unless otherwise stated)***Note 5. Financial assets (Non-Current)**

Particulars	As at 31-Mar-2019	As at 31-Mar-2018
Investments in Debt Instruments at fair value through Profit or Loss (FVTPL)		
327381 (Previous Year - 625000) fully paid 12% Non convertible Cumulative Redeemable Preference Shares of Rs. 10/- each in Udaya FM Private Limited	3,96,78,577	8,40,00,000
Total	3,96,78,577	8,40,00,000

During the year, 2,97,619 12% Non convertible Cumulative Redeemable Preference Shares of Rs. 10/- each were redeemed at a price of Rs. 134.40/- per share and it is in line with terms and conditions of the subscription agreement entered into with M/s. Udaya FM Pvt Ltd

	As at 31-Mar-2019	As at 31-Mar-2018
Other Financial Assets at Amortised Cost		
Rental and other deposits	1,40,55,084	1,31,42,553
Deposits with Government agencies	87,71,317	77,10,457
Other receivables (from Related Parties)	90,08,532	1,38,82,756
Bank Balances other than Cash and Cash equivalents	-	9,13,99,736
Total	3,18,34,933	12,61,35,502

Note 6. Tax Assets/(Liabilities)

Particulars	As at 31-Mar-2019	As at 31-Mar-2018
Tax Assets		
Non-Current Tax Assets (net)		
Advance income tax (net of provision)	3,62,38,724	1,47,88,945
Total	3,62,38,724	1,47,88,945
Current Tax Assets (net)		
Advance income tax (net of provision)	24,82,914	-
Total	24,82,914	-
Tax Liabilities		
Liabilities for current tax (net)		
Provision for taxation (net of advance tax)	-	1,77,88,171
Total	-	1,77,88,171

KAL RADIO LIMITED
Notes to Financial Statements for the year ended 31 March, 2019
(All amounts are in Indian Rupees unless otherwise stated)
Note 7. Deferred tax liabilities

Nature - (Liability) / Asset	<u>Balance Sheet</u>		<u>Statement of Profit and Loss</u>	
	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18
Deferred Tax Liabilities				
Tax impact on difference between book depreciation and depreciation under the Income Tax Act, 1961	1,88,84,677	2,28,12,834	(39,28,156)	(24,28,470)
Tax impact on amortization of intangible assets	(2,29,56,601)	(2,66,70,132)	37,13,531	(2,77,15,561)
Tax effect of provision for bad and doubtful debts	30,98,000	74,19,000	(43,21,000)	29,70,000
Tax effect of provision for gratuity	70,37,285	(18,75,848)	89,13,133	(6,70,533)
Sec. 40(a)(ia) disallowances	48,60,000	55,13,000	(6,53,000)	4,80,000
Deferred Tax expenses/(Income)				
Net Deferred Tax (Liabilities)/Assets	1,09,23,361	71,98,854	37,24,508	(2,73,64,564)
Reconciliation of deferred tax Liabilities(net)				
Opening balance			71,98,853	3,45,63,417
Tax income/(Expense) during the period recognised in Profit and Loss			37,24,508	(2,73,64,564)
Tax income/(Expense) during the period recognised in OCI			-	-
Closing balance			1,09,23,361	71,98,853

Note 8. Other current and non-current assets
Other Non-Current Assets

Particulars	As at 31-Mar-2019	As at 31-Mar-2018
Unsecured and considered good		
Capital advances	82,48,963	69,28,33,631
Prepaid expenses	2,33,49,162	2,42,04,853
Others	6,43,062	25,36,262
Total	3,22,41,187	71,95,74,746

Other Current Assets

Particulars	As at 31-Mar-2019	As at 31-Mar-2018
Prepaid expenses	3,67,74,408	3,37,19,889
Balances with statutory/government authorities	8,30,97,273	16,63,21,152
Others	72,23,237	5,91,34,231
Total	12,70,94,918	25,91,75,272

KAL RADIO LIMITED**Notes to Financial Statements for the year ended 31 March, 2019***(All amounts are in Indian Rupees unless otherwise stated)***Note 9. Trade Receivables****Trade and other receivables (current)**

Particulars	As at 31-Mar-2019	As at 31-Mar-2018
Trade receivables	47,57,34,427	46,42,98,180
Receivables from other related parties	7,42,22,121	7,37,88,015
Total	54,99,56,548	53,80,86,195

Break-up for security details and more than 6 months overdue:

Particulars	As at 31-Mar-2019	As at 31-Mar-2018
Outstanding for a period exceeding six months from the date they are due for payment		
Trade receivables		
Secured, considered good		
Unsecured, considered good	17,73,09,333	17,02,35,140
Doubtful	1,06,38,933	2,14,35,889
	18,79,48,266	19,16,71,029
Provision for doubtful receivables	(1,06,38,933)	(2,14,35,889)
	17,73,09,333	17,02,35,140
Other receivables		
Secured, considered good		
Unsecured, considered good	37,26,47,215	36,78,51,055
Doubtful	-	-
	37,26,47,215	36,78,51,055
Provision for doubtful receivables	-	-
	37,26,47,215	36,78,51,055
Total	54,99,56,548	53,80,86,195

Trade receivables are non-interest bearing and are generally on a term of 90 days

KAL RADIO LIMITED**Notes to Financial Statements for the year ended 31 March, 2019***(All amounts are in Indian Rupees unless otherwise stated)***Note 10. Financial assets (Current)**

Particulars	As at 31-Mar-2019	As at 31-Mar-2018
Investments in Debt Instruments at fair value through profit or loss (FVTPL):		
HDFC ultra short term fund 6299768 units (Previous Year - Nil units)	6,59,86,290	-
HDFC Liquid Fund -Direct Plan - Growth Option 11785.06 units (Previous Year - 6002.15 units)	4,33,48,812	2,05,50,647
HDFC FMP 92 D Feb 2018 - Direct Growth Option Nil units (Previous Year - 4000000 Units)	-	4,02,92,800
IDFC Ultra Short Term - DP Growth 958405.214 units (Previous Year - Nil units)	1,01,63,887	-
HDFC Liquid Fund - Regular plan - Growth option 5528.893 units (Previous Year - Nil units)	2,02,37,406	-
HDFC Money Market Fund - Direct Plan - Growth Option 0.002 units (Previous Year - 11129.27 Units)	8	4,03,37,159
Total	13,97,36,403	10,11,80,606

Aggregate Book Value of Quoted Investments	13,53,47,820	10,02,85,090
Aggregate Market Value of Quoted Investments	13,97,36,403	10,11,80,606
Aggregate amount of Impairment in Value of Investments	-	-

Other Financial Assets at Amortised Cost

Particulars	As at 31-Mar-2019	As at 31-Mar-2018
Interest accrued fixed deposits	65,99,098	30,34,970
Other receivables (from Related Parties)	8,49,670	10,34,779
Total	74,48,768	40,69,749

Note 11.1 Cash and Cash Equivalents

Particulars	As at 31-Mar-2019	As at 31-Mar-2018
Balances with banks:		
– On current accounts	4,18,69,833	5,27,23,326
– Unpaid dividend account	-	-
– Cheques on hand	-	-
– Deposits with original maturity of less than three months	-	-
Cash on hand	1,50,881	1,51,843
Total	4,20,20,714	5,28,75,169

Note 11.2 Bank Balances Other than Cash and Cash Equivalents

Particulars	As at 31-Mar-2019	As at 31-Mar-2018
Deposits with original maturity for more than 3 months but less than 12 months	1,17,89,91,628	60,18,09,715
Total	1,17,89,91,628	60,18,09,715

KAL RADIO LIMITED
Notes to Financial Statements for the year ended 31 March, 2019
(All amounts are in Indian Rupees unless otherwise stated)
Note - 12.1. Equity Share Capital

Particulars	As at		As at	
	31-Mar-2019		31-Mar-2018	
Authorised Capital				
195,000,000 Equity Shares of INR 10 each fully paid up (31-Mar-2018: 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 0.1% Compulsorily Convertible Preference Shares of INR 10 each fully paid up (31-Mar-2018: 75,000,000 Preference shares of INR 10 each fully paid up)		75,00,00,000		75,00,00,000
Issued, Subscribed and Paid-up Capital				
151,165,000 Equity Shares of INR 10 each fully paid up (31-Mar-2018: 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-2018: 52,880,000 0.1% Compulsorily Convertible Preference shares of INR 10 each fully paid up)	52,88,00,000		52,88,00,000	
Less : Reclassified under Other Equity (Note No. - 12.2)	(52,88,00,000)	-	(52,88,00,000)	-
Total		1,51,16,50,000		1,51,16,50,000

(i) Reconciliation of the number of shares outstanding:

Particulars	2018-19	2017-18
At the beginning of the year	15,11,65,000	15,11,65,000
Issued during the year	-	-
Outstanding at the end of the year	15,11,65,000	15,11,65,000

(ii) Term/Rights attached to Equity 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-Mar-2019		As at 31-Mar-2018	
	No. of Shares	% against total number of shares	No. of Shares	% against total number of shares
Name of the shareholders				
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-2019	31-Mar-2018
52,880,000 0.1% Compulsorily Convertible Preference Shares classified as Equity of INR 10 each fully paid up (31-Mar-2018: 52,880,000 0.1% Compulsorily Convertible 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	86,55,85,239	63,76,36,237
Total	2,02,33,37,239	1,79,53,88,237

The Company has only one class of Preference shares having a face value of Rs. 10 per share. The Preference shares are non-cumulative and 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. The preference shares are convertible at the ratio of one equity share for every ten preference shares held. 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 31 March, 2019***(All amounts are in Indian Rupees unless otherwise stated)***Note 13.1. Trade Payables (non-current)**

Particulars	As at 31-Mar-2019	As at 31-Mar-2018
Trade Payables	26,40,55,488	22,37,92,543
	26,40,55,488	22,37,92,543

Note 13.2 . Other Financial Liabilities (non-current)

Particulars	As at 31-Mar-2019	As at 31-Mar-2018
Other financial liabilities at amortised cost		
Rental deposit	2,30,400	2,30,400
Gratuity Payable	86,55,094	16,96,807
Total	88,85,494	19,27,207

Note 14. Provisions

Particulars	As at 31-Mar-2019	As at 31-Mar-2018
Short-term provisions		
Provision for leave encashment	24,77,430	20,61,243
Total	24,77,430	20,61,243

Particulars	As at 31-Mar-2019	As at 31-Mar-2018
Long-term provisions		
Provision for leave encashment	74,28,518	54,39,215
Total	74,28,518	54,39,215

KAL RADIO LIMITED**Notes to Financial Statements for the year ended 31 March, 2019***(All amounts are in Indian Rupees unless otherwise stated)***Note 15. Trade Payables (Current)**

Particulars	As at 31-Mar-2019	As at 31-Mar-2018
Trade Payables	3,98,77,390	3,03,43,051
Trade Payables to related parties	2,81,878	6,67,501
Total	4,01,59,268	3,10,10,552

As at March 31, 2019 and March 31, 2018, there are no outstanding dues to Micro, Small and Medium Enterprises. There is no interest due or outstanding on the same.

Note 16. Other Financial Liabilities (current)

Particulars	As at 31-Mar-2019	As at 31-Mar-2018
Other financial liabilities at amortised cost		
Payable to employees	1,36,09,491	84,61,599
Outstanding liabilities	49,18,010	65,32,875
Rent payable	5,76,136	5,75,202
Gratuity Payable	56,05,460	54,20,272
Total	2,47,09,097	2,09,89,948

Note 17. Other Current Liabilities

Particulars	As at 31-Mar-2019	As at 31-Mar-2018
Statutory Dues	2,62,30,251	2,47,10,270
Other Payable - Related Party	-	2,02,311
Advance Received from Customers	67,90,200	95,320
Total	3,30,20,450	2,50,07,901

KAL RADIO LIMITED**Notes to Financial Statements for the year ended 31 March, 2019***(All amounts are in Indian Rupees unless otherwise stated)***Note 18. Revenue from Services**

Particulars	31-Mar-2019	31-Mar-2018
Revenue from services		
Advertising income	1,19,26,72,350	1,02,56,60,400
Total	1,19,26,72,350	1,02,56,60,400

Note 19. Other Income

Particulars	31-Mar-2019	31-Mar-2018
Interest income		
- on bank deposits	6,31,05,250	4,39,41,447
- on others	14,05,719	14,47,186
Profit on Sale of Assets - Net	32,26,713	76,767
Net gain on sale of current investments	50,62,730	2,85,091
Fair Value Gain on Financial Instruments at FVTPL(net)	-	98,95,516
Liabilities / provisions no longer required written back	16,46,708	22,71,891
Rental Income	6,37,922	6,19,921
Miscellaneous Income	42,28,004	35,28,309
Total	7,93,13,046	6,20,66,128

Note 20. Cost of Revenues

Particulars	31-Mar-2019	31-Mar-2018
Program production expenses	14,59,35,029	10,47,53,078
Licenses	13,47,43,730	11,31,07,975
Total	28,06,78,759	21,78,61,053

Note 21. Employees' Benefits Expense

Particulars	31-Mar-2019	31-Mar-2018
Salaries, wages and bonus	26,21,02,306	18,50,00,745
Gratuity expense	49,46,780	36,38,836
Leave Encashment	24,05,490	9,80,657
Contributions to provident fund and other funds	1,79,06,443	1,37,54,691
Staff welfare expense	61,56,480	17,32,945
Total	29,35,17,499	20,51,07,874

KAL RADIO LIMITED
Notes to Financial Statements for the year ended 31 March, 2019
(All amounts are in Indian Rupees unless otherwise stated)
Note 22. Other Expenses

Particulars	31-Mar-2019	31-Mar-2018
Audit, Legal and professional fees (Refer details below for payments made to auditors)	1,92,66,402	2,32,78,285
Travel and conveyance	66,27,932	47,27,169
Rent	2,42,08,142	1,68,99,602
Power and Fuel	4,64,33,223	3,84,64,548
Selling Expenses		
- Advertisement and Marketing Expenses	4,32,20,726	3,18,27,483
Repairs and maintenance		
- Plant and machinery	58,32,476	43,88,537
- Others	1,09,00,432	68,80,995
Communication	95,23,906	73,11,772
Utilities	1,80,28,294	1,18,51,556
Insurance	15,36,947	7,26,666
Corporate Social Responsibility	56,34,086	26,11,233
Bad debts written off	1,74,58,899	1,11,568
Provision for doubtful debts (Net of Reversals)	(1,07,96,956)	85,79,418
Fair Value Loss on Financial Instruments at FVTPL(net)	8,28,358	-
Rates and taxes	27,80,520	83,16,804
Miscellaneous expenses	11,16,925	7,81,510
Total	20,26,00,313	16,67,57,146

Payment to auditor

Particulars	31-Mar-2019	31-Mar-2018
As auditor:		
Audit fee	1,00,000	1,00,000
In other capacity:		
Other services	5,90,000	1,80,000
Total	6,90,000	2,80,000

Corporate Social Responsibility (CSR)

Gross amount required to be spent by the company during the year 70,42,608 62,25,163

Amount Spent during the year on 31 March 2019	Paid	Yet to be paid	Total
Construction/acquisition of any asset	-	-	-
On purposes other than above	56,34,086	14,08,522	70,42,608
	56,34,086	14,08,522	70,42,608
Contribution made to Related Parties	-	-	-

Amount Spent during the year on 31 March 2018	Paid	Yet to be paid	Total
Construction/acquisition of any asset	-	-	-
On purposes other than above	26,11,233	36,13,930	62,25,163
	26,11,233	36,13,930	62,25,163
Contribution made to Related Parties	-	-	-

Note 23. Depreciation and amortization expense

Particulars	31-Mar-2019	31-Mar-2018
Depreciation of tangible assets	4,70,04,345	1,74,94,484
Amortization of intangible assets	11,43,55,515	8,55,77,934
Total	16,13,59,860	10,30,72,418

Note 24. Finance Costs

Particulars	31-Mar-2019	31-Mar-2018
Interest		
- others	25,410	2,97,328
Total	25,410	2,97,328

KAL RADIO LIMITED**Notes to Financial Statements for the year ended 31 March, 2019***(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 2019 and 31 March 2018 are:

Statement of Profit or loss section

Particulars	Year Ended 31-Mar-2019	Year Ended 31-Mar-2018
Current Tax		
Current income tax charge	10,34,98,223	14,32,41,056
Deferred Tax:		
Relating to the origination and reversal of temporary differences	(37,24,508)	2,73,64,563
Income Tax expense reported in the statement of profit and loss	9,97,73,715	17,06,05,619

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31 March 2018 and 31 March 2019 :

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 (29.120%) as follows:

Particulars	Year Ended 31-Mar-2019	Year Ended 31-Mar-2018
Accounting Profit before income tax	33,38,03,556	39,46,30,709
Profit before income tax multiplied by standard rate of corporate tax in India of 29.120% (2018: 34.608%)	9,72,03,596	13,65,73,796
Effects of:		
Deferred taxes	(37,24,508)	2,73,64,563
Income exempted from tax	-	-
Non-deductible expenses for tax purposes	5,86,47,438	4,67,66,990
Others	(5,23,52,811)	(4,00,99,730)
Net effective income tax	9,97,73,715	17,06,05,619

KAL RADIO LIMITED**Notes to Financial Statements for the year ended 31 March, 2019***(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:

During the year ended 31 March 2019

Particulars	FVTOCI reserve	Retained earnings	Total
Re-measurement losses on defined benefit plans	-	60,80,840	60,80,840
Others (if any)	-	-	-
	-	60,80,840	60,80,840

During the year ended 31 March 2018

Particulars	FVTOCI reserve	Retained earnings	Total
Re-measurement losses on defined benefit plans	-	24,01,822	24,01,822
Others (if any)	-	-	-
	-	24,01,822	24,01,822

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:

	As at 31-Mar- 2019	As at 31-Mar- 2018
Profit after tax	23,40,29,842	22,40,25,090
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	1.55	1.48
- Diluted	1.50	1.43

KAL RADIO LIMITED**Notes to Financial Statements for the year ended 31 March, 2019***(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 (Employee Benefit Expense in Note 21)

Particulars	As at March 31, 2019	As at March 31, 2018
Contribution to Provident Fund	1,66,94,400	1,26,28,609

Statement of Profit and Loss

Particulars	As at March 31, 2019	As at March 31, 2018
<i>Recognized in profit or loss:</i>		
Current service cost	46,42,130	35,15,235
Net Interest income from Benefit/obligations	3,04,649	1,23,600
<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 assumptions	41,30,672	31,539
Remeasurement gains/(losses) in other comprehensive income arising from changes in financial assumptions	(61,38,030)	10,55,628
Experience adjustments	1,01,95,503	25,63,889
Return on Plan Assets (Greater) / Less than Discount rate	3,90,918	(8,178)
Recognized in other comprehensive income	85,79,063	36,42,878
Net benefit expense	1,35,25,842	72,81,713

Particulars	As at March 31, 2019	As at March 31, 2018
Defined benefit obligation	3,58,95,040	2,30,81,003
Fair value of plan assets	2,16,34,486	1,59,63,924
Plan Liability / (Asset)	1,42,60,554	71,17,079

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

Particulars	As at March 31, 2019	As at March 31, 2018
Opening defined benefit obligation	2,30,81,004	1,68,02,479

Current service cost	46,42,130	35,15,235
Interest cost	17,23,581	11,74,949
Actuarial (gains) / losses on obligation	81,88,145	36,51,057
Benefits paid	(17,39,819)	(20,62,716)
Closing defined benefit obligation	3,58,95,041	2,30,81,004

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

Particulars	As at March 31, 2019	As at March 31, 2018
Fair value of planned assets at the beginning of the year	1,59,63,924	1,33,19,715
Expected return on plan assets	14,18,931	10,51,348
Contributions	63,82,368	36,47,399
Benefits paid	(17,39,819)	(20,62,716)
Actuarial gain / (loss) on plan assets	(3,90,918)	8,178
Fair value of plan assets at the end of the year	2,16,34,486	1,59,63,924

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

Particulars	As at March 31, 2019	As at March 31, 2018
Discount rate	7.76%	7.45%
Expected rate of return on assets	7.76%	7.45%
Employee turnover	13.08%	15.58%

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 31 March, 2019***(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

Particulars	31-Mar-19	31-Mar-18
Investments details (Illustrative):		
Funds with LIC	2,16,34,486	1,59,63,924
Total	2,16,34,486	1,59,63,924

A quantitative sensitivity analysis for significant assumption as at 31 March 2019 is as shown below:

Gratuity plan:

Particulars	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18
Assumptions	Discount rate		Future salary	
Sensitivity Level	1% increase		1% increase	
Impact on defined benefit obligation	29,17,647	11,82,209	(63,00,437)	16,67,199

Gratuity plan:

Particulars	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18
Assumptions	Discount rate		Future salary	
Sensitivity Level	1% decrease		1% decrease	
Impact on defined benefit obligation	(34,01,250)	(13,09,381)	(6,73,484)	37,48,692

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a
The following payments are expected contributions to the defined benefit plan in future years:

Particulars	31-Mar-19	31-Mar-18
Within the next 12 months (next annual reporting period)	27,77,852	31,74,183
Between 2 and 5 years	1,16,46,523	95,96,905
Between 5 and 10 years	53,68,082	51,40,070
Total expected payments	1,97,92,457	1,79,11,158

KAL RADIO LIMITED

Notes to Financial Statements for the year ended 31 March, 2019

(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

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:

Udaya FM Pvt. Ltd.

Sun Direct TV Private Limited

Kal Publications Private Limited

Particulars	Enterprises in which individuals or their relatives have significant influence		Subsidiary/ Joint Ventures/ Associates		Entity with Significant Control		Key Managerial Personnel/ Relatives of Key Managerial Personnel	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Advertising Income								
Kal Publications Private Limited	1,93,620	6,81,620	-	-	-	-	-	-
Rental Income								
Sun Direct TV Private Limited	6,37,922	6,19,921	-	-	-	-	-	-
Program Production Expenses								
Sun TV Network Limited					-	2,01,00,000	-	-
Rent Expense								
Kal Publications Private Limited	17,53,505	13,41,512	-	-	-	-	-	-
Sun TV Network Limited	-	-	-	-	45,01,543	42,92,529	-	-
Advertisement Expenses								
Kal Publications Private Limited	28,76,150	86,640	-	-	-	-	-	-
Employee Benefit Expenses								
Kal Publications Private Limited	83,076	81,650	-	-	-	-	-	-
Sun TV Network Limited	-	-	-	-	8,90,365	7,23,501	-	-
Other Expenses								
Kal Publications Private Limited	27,50,006	26,52,771	-	-	-	-	-	-
Sun TV Network Limited	-	-	-	-	23,23,618	18,04,809	-	-
Remuneration/Ex-gratia/Bonus Payable								
Mr. K. Shanmugam	-	-	-	-	-	-	1,03,81,733	60,00,012
Mr. B. Surendar	-	-	-	-	-	-	99,52,782	75,03,883
Mrs. Uma Madhu	-	-	-	-	-	-	36,29,301	28,56,573

Particulars	Enterprises in which individuals or their relatives have significant influence		Entity with Significant Control	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Receivables				
Trade Receivables				
Kal Publications Private Limited	7,11,45,394	7,09,41,688	-	-
Sun Direct Tv Private Limited	30,76,727	28,46,327	-	-
Other Receivables				
Kal Publications Private Limited	90,08,532	1,38,82,756	-	-
Sun Direct Tv Private Limited	2,35,294	1,19,405	-	-
Sun TV Network Limited	-	-	7,50,810	9,15,374
Rental Deposits Paid				
Kal Publications Private Limited	4,27,500	4,27,500	-	-
Sun TV Network Limited	-	-	40,000	40,000
Rental Deposits Received				
Sun Direct Tv Private Limited	2,30,400	2,30,400	-	-
Accounts Payable/Other current liabilities				
Sun TV Network Limited	-	-	4,23,627	6,67,501

KAL RADIO LIMITED**Notes to Financial Statements for the year ended 31 March, 2019***(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:

Particulars	Carrying Value		Fair Value	
	31.03.2019	31.03.2018	31.03.2019	31.03.2018
Financial Assets (Non Current & Current)				
Investments in Mutual Funds	13,97,36,403	10,11,80,606	13,97,36,403	10,11,80,606
Investments in Preference Shares (unquoted)	3,96,78,577	8,40,00,000	3,96,78,577	8,40,00,000
	17,94,14,980	18,51,80,606	17,94,14,980	18,51,80,606

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 2019:

Particulars	Date of Valuation	Total	Fair Value Measurement using		
			Quoted Price in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Asset measured at fair value: FVTPL financial investments:					
Investments in Mutual Funds	31.03.2019	13,97,36,403	13,97,36,403	-	-
Investments in Preference Shares (unquoted)	31.03.2019	3,96,78,577	-	3,96,78,577	-

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 2018:

Particulars	Date of Valuation	Total	Fair Value Measurement using		
			Quoted Price in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Asset measured at fair value: FVTPL financial investments:					
Investments in Mutual Funds	31.03.2018	10,11,80,606	10,11,80,606	-	-
Investments in Preference Shares (unquoted)	31.03.2018	8,40,00,000	-	8,40,00,000	-

KAL RADIO LIMITED**Notes to Financial Statements for the year ended 31 March, 2019***(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.. The sensitivity analyses in the following sections relate to the position as at 31 March 2019 and 31 March 2018.

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
Year ended 31/03/2019						
Other financial liabilities	-	2,47,09,097	-	88,85,494	-	3,35,94,591
Trade and other payables	-	7,31,79,718	-	-	-	7,31,79,718
	-	9,78,88,815	-	88,85,494	-	10,67,74,309
Year ended 31/03/2018						
Other financial liabilities	-	2,09,89,948	-	19,27,207	-	2,29,17,155
Trade and other payables	-	5,60,18,453	-	-	-	5,60,18,453
	-	7,70,08,401	-	19,27,207	-	7,89,35,608

KAL RADIO LIMITED**Notes to Financial Statements for the year ended 31 March, 2019**

(All amounts are in Indian Rupees unless otherwise stated)

Note 33. 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.

Return on Equity	31-Mar-19	31-Mar-18
Profit before taxes	33,38,03,556	39,46,30,709
Less: Finance Income	(6,45,10,969)	(4,53,88,633)
Add: Finance Cost	25,410	2,97,328
	26,93,17,997	34,95,39,404
Equity Share capital	1,51,16,50,000	1,51,16,50,000
Other Equity	2,02,33,37,239	1,79,53,88,237
	3,53,49,87,239	3,30,70,38,237
ROCE	7.62	10.57

Note 34. Note on FM Radio Licences

The Company operationalized 6 New frequencies out of 6 frequencies which it obtained in Batch 2 of Phase III.

Note 35. 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 PRIYAChartered Accountant
Membership #: 223834**K. SHANMUGAM**

Managing Director

J. RAVINDRAN

Director

UMA MADHU

Company Secretary

Place: Chennai**Date: 15-May-2019****Place: Chennai****Date: 15-May-2019**