SRI ADHIKARI BROTHERS TELEVISION NETWORK LIMITED

CIN: L32200MH1994PLC083853

Regd. Office : 6th Floor, Adhikari Chambers, Oberoi Complex, New Link Road,Andheri (West),Mumbai 400 053.

Tel. : 022-26395400/022-40230000, Fax : 022-26395459 Email : investorservices@adhikaribrothers.com Website: w ww.adhikaribrothers.com

STATEMENT OF STANDALONE AND CONSOLIDATED AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2020.

(Rs.In Lakhs except earning per share)

Sr. No.	Particulars	Standalone			Consolidated			Standalone		Consolidated	
		For Quarter Ended			For Quarter Ended			For Year Ended		For Year Ended	
		31-Mar-20	31-Dec-19	31-Mar-19	31-Mar-20	31-Dec-19	31-Mar-19	31-Mar-20	31-Mar-19	31-Mar-20	31-Mar-19
		(Audited)	(Un-Audited)	(Audited)	(Audited)	(Un-Audited)	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)
1	**Income**										
	(a) Revenue from operations (Refer Note No. 7)	-	(113.75)	22.32	-	(113.75)	22.32	(113.75)	1,524.47	(113.75)	1,524.47
	(b) Other Income	27.96	27.29	47.94	27.96	27.29	47.94	108.05	132.94	108.05	132.94
	Total Income (a+b)	**27.96**	**(86.46)**	**70.27**	**27.96**	**(86.46)**	**70.27**	**(5.70)**	**1,657.41**	**(5.70)**	**1,657.41**
2	**Expenditure**										
a.	Cost of Material Consumed	-	-	67.11	-	-	67.11	-	956.24	-	956.24
b.	Changes in inventories of Finished Goods and Work-in-progress	-	(113.75)	-	-	(113.75)	-	(113.75)	1,300.10	(113.75)	1,300.10
c.	Employee Benefit Expense	(0.04)	4.50	(15.46)	(0.04)	4.50	(15.46)	9.84	6.14	9.84	6.14
d.	Finance Cost	336.21	343.71	321.23	336.21	343.71	321.23	1,347.72	1,224.45	1,347.72	1,224.57
e.	Depreciation & Amortization Expense	582.02	574.63	587.35	582.02	574.63	587.35	2,314.70	2,398.07	2,314.70	2,398.07
f.	Other Expenses						-				
	(i) Operating Expenses	-	-	-	-	-	-	-	-		
	(ii) Other Expenses	19.20	11.14	28.96	19.23	11.17	28.99	92.09	134.99	92.21	134.99
	Total Expenditure (a+b+c+d+e+f)	**937.38**	**820.24**	**989.20**	**937.41**	**820.27**	**989.22**	**3,650.60**	**6,019.99**	**3,650.72**	**6,020.11**
3	**Profit/(Loss) before Exceptional Items & Tax (1-2)**	**(909.42)**	**(906.70)**	**(918.93)**	**(909.45)**	**(906.72)**	**(918.95)**	**(3,656.30)**	**(4,362.58)**	**(3,656.41)**	**(4,362.70)**
4	Exceptional Items (Refer Note No. 8, 9, 10 & 11)	(6.04)	(24.69)	888.01	(6.04)	(24.69)	-	20.17	888.01	20.17	-
5	**Profit/(Loss) before Tax (3-4)**	**(903.37)**	**(882.01)**	**(1,806.94)**	**(903.40)**	**(882.04)**	**(918.95)**	**(3,676.47)**	**(5,250.59)**	**(3,676.58)**	**(4,362.70)**
6	**Tax Expenses**	**6.04**	**-**	**-**	6.04	-	-	**6.04**	-	**6.04**	-
	i) Income Tax pertaining to earlier years	6.04	-	-	6.04	-	-	6.04	-	6.04	-
	ii) MAT Credit Entitlement	-	-	-	-	-	-	-	-	-	-
	iii) Deferred Tax	-	-	-	-	-	-	-	-	-	-
7	**Profit/(Loss) after tax (5-6)**	**(909.41)**	**(882.01)**	**(1,806.94)**	**(909.44)**	**(882.04)**	**(918.95)**	**(3,682.52)**	**(5,250.59)**	**(3,682.62)**	**(4,362.70)**
	Less: Share of Minority Interest	**-**	**-**	**-**	(0.01)	(0.01)	(0.01)	**-**	**-**	(0.04)	(0.04)
	Add: Profit/(Loss) of Associates	**-**	**-**	**-**	**-**	**-**	-	**-**	**-**	-	-
8	**Profit/(Loss) for the year**	**(909.41)**	**(882.01)**	**(1,806.94)**	**(909.43)**	**(882.03)**	**(918.94)**	**(3,682.52)**	**(5,250.59)**	**(3,682.59)**	**(4,362.66)**
9	**Other Comprehensive Income(Net of Taxes)**										
	Items that will not be reclassified to profit or loss (net of Tax):										
	a) Changes in fair value of Equity Instruments	-	-	-	-	-	-	-	-	-	-
	b)Remeasurement of Employee benefits Obligation.	0.11	(0.08)	(11.83)	0.11	(0.08)	(11.83)	(0.12)	(13.62)	(0.12)	(13.62)
	Other Comprehensive Income Items that will be reclassified to Profit or loss	-	-	-	-	-	-	-	-	-	-
10	**Total Other Comprehensive Income**	**(909.30)**	**(882.09)**	**(1,818.77)**	**(909.32)**	**(882.10)**	**(930.77)**	**(3,682.64)**	**(5,264.21)**	**(3,682.71)**	**(4,376.28)**
11	Paid up Equity Share Capital (Face Value Rs. 10/-)	3,494.45	3,494.45	3,494.45	3,494.45	3,494.45	3,494.45	3,494.45	3,494.45	3,494.45	3,494.45
12	Other Equity	(6,713.80)	-	(2,978.38)	(6,714.95)	-	(2,979.46)	(6,713.80)	(2,978.38)	(6,714.95)	(2,979.46)
13	Earning Per Share (EPS)										
	Basic	(2.60)	(2.52)	(5.17)	(2.60)	(2.52)	(2.63)	(10.54)	(15.03)	(10.54)	(12.48)
	Diluted	(2.60)	(2.52)	(5.17)	(2.60)	(2.52)	(2.63)	(10.54)	(15.03)	(10.54)	(12.48)

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Notes :

1 The Company has been admitted in National Company Law Tribunal (NCLT) on 20th December 2019 – Order no. – CP (IB) No. 4374/I&B/MB/2018. As per the order the company is under Corporate Insolvency Resolution process (CIRP) with Resolution professional namely "Mr. Vijendra Kumar Jain" having IP registration No. IBBI/IPA-004/IP-P00721/2017-2018/11253 and the management of the affairs of the Corporate Debtor (Sri Adhikari Brothers Television Network Limited) vests with the Resolution Professional.

2 The suspended management has not handed over the books of accounts and other accounting records and documents, possession of the corporate office, plot at Kandivali, content library (intangible asset), inventories, other fixed assets, original agreements and documents related to Company. Therefore the Resolution Professional has filed a non-cooperation petition with Hon'ble NCLT, Mumbai against the suspended management of the Company under section 19 of IBC. These accounts are as prepared by the suspended management. The suspended Managing Director who is in possession of the Books of Accounts and under whose supervision the Financials for the quarter ended and financial year ended March 31, 2020 are prepared, has refused to sign the Financials by an email dated 28th July, 2020.

3 The above Standalone & Consolidated Audited Financial Results of the Company have been adopted in the Resolution Professional Committee meeting (in lieu of the Suspended Board of Directors), held on 30th July 2020. The Statutory Auditors have carried out the audit of these Standalone & Consolidated Audited Financial Results for the quarter and year ended March 31, 2020 and the same are made available on website of the company www.adhikaribrothers.com and website of BSE Limited www.bseindia.com and National Stock Exchange of India Limited on www.nseindia.com where shares of the Company are listed.

4 The figures for the quarter ended March 2020 and March 2019 are the balancing figures between the audited figures in respect of the full financial year and published un-audited year to date figures upto the third quarter respective financial year.

5 The Company is operating in a single segment viz. content production and distribution. Hence the results are reported on a single segment basis.

6 The RP of the Company has invited Expression of Interest from prospective investors to find a resolution to the current default situation of the company, on the basis of which the accounts have been prepared on going concern concept.

7 The above statement of Audited Financial Results for the quarter and year ended March 31, 2020 have been prepared in terms of Regulation 33(2) of SEBI (Listing Obligation and Disclosure Requirement) Regulation 2015, read with SEBI Circular dated July 5, 2016.

8 The Company had sold movie rights in October 2018 to some customers but due to problem in quality of those rights, the payment for such rights was in dispute and had not been received from the customers. Such defective / bad quality movie rights were returned by the customers during the quarter ended December 31, 2019 and the same is accounted as Sales Return in the books for the quarter ended December 31, 2019, due to which Revenue from Operations is reflecting a negative balance in the quarter and nine-month ended December 31, 2019 and quarter and year ended March 31, 2020.

9 The suspended Management has been following up with various vendors for payment since a long period of time, however since there is no correspondence received from any of such creditors regarding their respective payment, the Company, as a part of its policy, has decided to write back Rs. 28,48,115 /- during the year ended March 31, 2020 and the same is disclosed as Exceptional Item in March 31, 2020 quarter and December 31, 2019 quarter. The claim, if any, raised by any such creditor in future will be paid and expensed in that financial year.

10 The suspended Management has been following up with various debtors for outstanding receivables since a long period of time, however since there is no correspondence received from any of such debtors, the Company, as a part of its policy, has decided to write off Rs. 42,54,046 /- during the year ended March 31, 2020 and the same is disclosed as Exceptional Item in March 31, 2020 quarter and December 31, 2019 quarter. The receipt, if any, received by any such debtor in future will be accounted as income in that financial year.

11 The Company has during the quarter and nine-month period ended December 31, 2019, impaired in its books of accounts, Computers having written down value of Rs. 6,11,210 /- as the suspended management is of the view that such computers do not have any realisable value.

12 The Company had provided for dimunition of investment in equity shares of Associate company amounting to Rs. 8,88,01,000 /- in standalone financial statements as on March 31, 2019, however in consolidated financials since the investment in associate company had already been NIL as on March 31, 2018, the same was erroneously adjusted again in the equity / reserves of consolidated financial statements as on March 31, 2019. The same is corrected in the current financial year in the comparable consolidated financial statements for the year ended March 31, 2019 and has now been disclosed appropriately as the definition of error as per IND-AS 8 as it pertains to the previous year 2018-2019, appropriate adjustment has been made in Other Equity and Profit and Loss for the year ended March 31, 2019. The loss, EPS and other equity of financial year 2018-2019 in this comparative financial statements and consolidated audited annual accounts of March 31, 2019 will differ to that extent.
Further, financials as on 1st April, 2018 is not disclosed as per requirements of IND-AS 8, as the error only pertains to financial year 2018-2019 and appropriate dislosure / adjustments has been made in consolidated financials of FY 2018-2019.

13 RP has instituted a transaction audit of the company for 5 years to be conducted by Forensic Auditor namely, M/s. Shambhu Gupta & Co. who could not complete the audit due to non-cooperation from the suspended management. These results will be subject to findings of the Forensic Auditor.
Further, as part of CIRP, Resolution Professional has appointed valuers for valuing the assets of the company. The valuation of the fixed assets, intangible assets, financial assets and inventory as disclosed in the financials of FY 2019-20 are subject to the valuation reports of the valuers.

14 The amount of total term loans included in Other Financial Liabilities amounts to Rs. 175,19,06,776 in the books of account, whereas the amount of total claims received by the RP from the financial creditors amount to Rs. 194,98,88,488 (excluding corporate guarantees) which includes interest/ penalty calculated upto CIRP admission date. Corporate guarantee claims received from the banks by RP amount to Rs. 4,28,28,25,736 (including interest/ penalty calculated upto CIRP admission date). However, these have not been provided for in the books of accounts.
The RP has received and accepted claims from operational creditors and employees amounting to Rs. 10,19,182.

15 The suspended management leased out floors- 1st, 4th, 5th, 6th and 7th to related parties namely, M/s. TV Vision Limited and M/s. SAB Events and Governance Now Media Limited, during F/Y 2018-19, after the company account became NPA with the Banks, without taking NOC from these Banks. This is a non-compliance of the mortgage documents executed with the respective Banks. The lease terms have been agreed to favour the related parties and are against the interest of the company. Resolution Professional has served the lessees with a lease termination notice to terminate the leases, to protect the interest of the company.
An application is issued on behalf of Mr. Markand Adhikari before Hon'ble NCLT, Mumbai Bench seeking issuance of appropriate directions to quash the termination of Leave and Licence Notice on behalf of the Company to the lessees. The outcome of such application cannot be ascertained as on date.

16 The figures have been re-grouped / re-arranged / reclassified / reworked wherever necessary to conform to the current year accounting treatment.

17 The Suspended Director, Mr. Markand Adhikari has filed an Application in NCLAT challenging the orders of NCLT, Mumbai Bench, admitting the CIRP of the Company.
Another application filed before Hon'ble NCLT, Mumbai Bench, on behalf of Mr. Markand Adhikari, seeking substitution / change of the Resolution Professional under section 7(3)(B) of the Insolvency and Bankruptcy Code, 2016

For Sri Adhikari Brothers Television Network Ltd.

Vijendra Kumar Jain

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Vijendra Kumar Jain
Resolution Professional

Place : Mumbai
Date : 30th July ,2020

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STATEMENT OF AUDITED STANDALONE AND CONSOLIDATED ASSETS AND LIABILITIES AS AT MARCH 31,2020

(Rupees in Lacs)

Particulars	Standalone		Consolidated	
	As at 31.03.2020 (Audited)	As at 31.03.2019 (Audited)	**As at 31.03.2020 (Audited)**	As at 31.03.2019 (Audited)
ASSETS				
Non-Current Assets				
Property, Plant and Equipment	**3,776.89**	4,070.48	**3,938.62**	4,232.20
Capital Work-In-Progress	**1,403.44**	1,403.44	**1,403.44**	1,403.44
Other Intagible Assets	**10,983.78**	13,011.00	**10,983.78**	13,011.00
Financial Assets				
Other Non- Current Assets	**751.57**	754.31	**753.51**	756.24
Total Non-Current Assets	**16,915.68**	19,239.23	**17,079.34**	19,402.89
Current Assets				
Inventories	**271.01**	157.26	**271.01**	157.26
Financial Assets				
Trade Receivables	**26.81**	200.52	**29.90**	202.97
Cash and Cash Equivalents	**57.94**	21.47	**57.95**	21.66
Loans & Advances	**0.27**	46.98	**0.27**	46.98
Other Current Assets	**204.56**	208.17	**204.56**	208.17
Total Current Assets	**560.60**	634.40	**563.70**	637.03
Total Assets	**17,476.28**	19,873.63	**17,643.04**	20,039.92
EQUITY AND LIABILITIES				
Equity				
Equity Share Capital	**3,494.45**	3,494.45	**3,494.45**	3,494.45
Other Equity	**(6,713.80)**	(2,978.38)	**(6,714.95)**	(2,979.46)
Total Equity	**(3,219.35)**	516.07	**(3,220.50)**	514.99
Non Controlling Interest			**32.47**	32.51
Liabilities				
Non Current Liabilities				
Financial Liabilities				
Provisions	**0.91**	0.54	**0.91**	0.54
Deferred Tax Liabilities (net)	**1,190.20**	1,190.20	**1,190.20**	1,190.20
Other Non- Current Liabilities	**-**	-	**138.35**	138.35
	1,191.10	1,190.74	**1,329.46**	1,329.09
Current Liabilities				
Financial Liabilities				
Borrowings	**236.11**	236.11	**236.11**	236.11
Trade Payables	**254.64**	323.77	**251.49**	320.04
Other Financial Liabilities	**17,521.66**	16,122.69	**17,521.66**	16,122.69
Other Current Liabilities	**1,476.97**	1,478.76	**1,476.97**	1,478.76
Provisions	**15.15**	5.49	**15.38**	5.72
Total Liabilities	**19,504.52**	18,166.82	**19,501.61**	18,163.33
Total Equity & Liabilities	**17,476.28**	19,873.63	**17,643.04**	20,039.92

For Sri Adhikari Brothers Television Network Ltd.

Vijendra Kumar Jain

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Vijendra Kumar Jain
Resolution Professional

Place : Mumbai
Date : 30th July ,2020

SRI ADHIKARI BROTHERS TELEVISION NETWORK LTD

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020

	PARTICULARS	For the Year Ended 31.03.2020 (Rupees)	For the Year Ended 31.03.2019 (Rupees)
A	Cash flow from Operating Activities:		
	Loss before Tax as per Statement of Profit and Loss	(367,647,354)	(525,058,060)
	Adjustment for:		
	Depreciation / Amortisation	231,469,745	239,806,577
	Defined Benefit Obligation appearing under Other Comprehensive Income	(11,736)	(1,362,021)
	Provision for Dimunition in Value of Investments	-	88,801,000
	Impairment of Fixed Assets	611,210	
	Reversal of previous years bank interest recognised as per Ind-AS 109, due to current classification of secured loans	(5,278,081)	-
	Loss on sale of fixed assets	-	1,598,498
	Operating Profit / (Loss) before Working Capital changes	(140,856,216)	(196,214,006)
	Adjustment for change in working capital:		
	(Increase) / Decrease in Inventories	(11,375,100)	130,009,952
	(Increase) / Decrease in Trade Receivables	17,371,320	48,927,040
	(Increase) / Decrease in Loans & Other Current / Non-Current Assets and provisions	6,045,219	6,683,275
	Increase / (Decrease) in Current Liabilities	133,770,027	(87,445,598)
	Cash generated from Operations	4,955,251	(98,039,337)
	Direct Taxes (Paid)/Refund	(1,308,071)	(5,448,811)
	Net Cash (used in) / from Operating Activities	3,647,180	(103,488,148)
B	Cash flow from Investing Activities:		
	Sale of Fixed Assets	-	11,127,857
	Net Cash used in Investing Activities	-	11,127,857
C	Cash flow from Financing Activities:		
	Repayment of Non-current financial borrowings	-	(6,997,282)
	Repayment / Reclassification of Non-current financial borrowings	-	95,742,449
	Net Cash generated from Financing Activities	-	88,745,167
	Net increase in Cash and Cash equivalents	3,647,180	(3,615,124)
	Opening balance of Cash and Cash equivalents	2,146,889	5,762,014
	Closing balance of Cash and Cash equivalents	5,794,070	2,146,889

As per our report of even date
For P.PARIKH & ASSOCIATES
Chartered Accountants
FRN: 107564W

Sandeep Parikh, Partner

Membership No: 039713

For Sri Adhikari Brothers Television Network Ltd.

Vijendra Kumar Jain

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Vijendra Kumar Jain

Resolution Professional

Mumbai
Date :30th July ,2020

SRI ADHIKARI BROTHERS TELEVISION NETWORK LTD

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2020

	PARTICULARS	For the Year ended 31.03.2020	For the Year ended 31.03.2019
A	Cash flow from Operating Activities:		
	Profit / (Loss) before Tax as per Statement of Profit and Loss Account	(367,658,918)	(525,070,449)
	Adjustment for:		
	Exceptional Items	-	88,801,000
	Defined Benefit Obligation appearing under other Comprehensive Income	(11,736)	(1,362,021)
	Depreciation	231,469,745	239,806,577
	Reversal of previous years bank interest recognised as per Ind-AS 109, due to current classification of secured loans	(5,278,081)	-
	(Profit) / Loss on sale of fixed assets	-	1,598,498
	Operating Profit / (Loss) before Working Capital changes	(141,478,990)	(196,226,395)
	Adjustment for change in working capital:		
	(Increase) / Decrease in Inventories	(11,375,100)	130,009,952
	(Increase) / Decrease in Trade Receivables	17,306,529	49,404,046
	(Increase) / Decrease in Loans & Other Current / Non-Current Assets	6,612,851	11,177,238
	Increase / (Decrease) in Current Liabilities and Provisions	133,872,051	3,302,624
	Cash generated from Operations	4,937,342	(2,332,535)
	Direct Taxes (Paid)/Refund	(1,308,071)	(5,448,811)
	Net Cash (used in)/from Operating Activities	3,629,271	(7,781,346)
B	Cash flow from Investing Activities:		
	Purchase of Fixed / Intangible Assets	-	11,127,857
	Net Cash used in Investing Activities	-	11,127,857
C	Cash flow from Financing Activities:		
	Proceeds from Long Term Borrowings	-	(6,997,282)
	Net Cash generated from Financing Activities	-	(6,997,282)
	Net increase in Cash and Cash equivalents	3,629,271	(3,650,771)
	Opening balance of Cash and Cash equivalents	2,166,029	5,816,800
	Closing balance of Cash and Cash equivalents	5,795,300	2,166,029

As per our report of even date

For P.PARIKH & ASSOCIATES
Chartered Accountants
FRN:107564W

Sandeep Parikh
M.No.039713

Place : Mumbai
Date : 30th July 2020

For Sri Adhikari Brothers Television Network Ltd.

Vijendra Kumar Jain

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Date: 2020.08.01 20:20:58 +05'30'

Vijendra Kumar Jain
Resolution Professional

P. PARIKH & ASSOCIATES
CHARTERED ACCOUNTANTS
H.O. 501, SUJATA, OFF. NARSI NATHA STREET, MUMBAI 400 009. TEL.2344 3549, 2343 7853. FAX. 2341 5455.
web: www.pparikh.com

Auditor's Report on Quarterly Financial Results and Year to Date Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

To the Resolution Professional of
Sri Adhikari Brothers Television Network Limited

1. The Hon'ble National Company Law Tribunal, Mumbai bench ("NCLT") in an Order dated December 20, 2019 admitted an Insolvency and Bankruptcy petition filed by one of the secured lenders against Sri Adhikari Brothers Television Network Limited and appointed Mr. Vijendra Kumar Jain to act as Resolution Professional (RP) to carry the functions as mentioned under Insolvency and Bankruptcy Code, 2016.

2. As per Regulation 33(2)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the financial results of a company submitted to the Stock Exchange shall be signed by the Chairperson or Managing Director or Whole Time Director or in absence of all of them, it shall be signed by any Director of the company who is duly authorized by the board of Directors to sign the financial results. Pursuant to the order of Hon'ble NCLT initiating Corporate Insolvency Resolution Process ("CIRP"), the powers of the Board of Directors stand suspended and such powers are exercisable by RP. As the powers of the Board of Directors have been suspended, the above results are signed by RP, subject to RP's qualifications. Further, as informed to us, the above results are not approved by the Audit Committee and not adopted by Board of Directors as the erstwhile Board of Directors are suspended in CIRP.

3. We have audited the quarterly financial results of **Sri Adhikari Brothers Television Network Limited** ("the Company") for the quarter ended March 31, 2020 and the year to date results for the period ended April 1, 2019 to March 31, 2020, attached herewith, being submitted by the company pursuant to the requirement of Regulations 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, which has been prepared by the suspended management of the Company. Our responsibility is to express an opinion on these financial results based on our audit of the financial results which have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standards, prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder; or by the Institute of Chartered Accountants of India and other accounting principles generally accepted in India.

4. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.



Adverse Opinion

i) *We are not able to judge solely on the basis of verification of other audit evidences obtained during the course of audit whether the management has fulfilled its responsibility for the preparation of the financial statements in accordance with the applicable financial reporting framework. Further, we had also requested the management to give a written representation that it has provided us with all the relevant information during the audit and whether all the transactions have been properly recorded and reflected in financial statements, however the management has not provided all such written representations as required by SRE 2410 and as per Standard on Auditing SA 580, as a result we are unable to obtain sufficient appropriate audit evidence. The possible effects of such inability on the financial statements are not confined to specific elements, any accounts or items of financial statements and hence we conclude this condition to be pervasive, in our professional judgment, due to which we have issued adverse opinion on the financial statements in such circumstances as required by Standard on Auditing SA 705 (Revised).*

ii) *We draw attention to Note No. 6 forming part of financial results regarding preparation of accounts on going concern basis notwithstanding the fact that loans have been recalled back by secured lenders, current liabilities are substantially higher than the current assets, issue of notices under Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002, recovery proceedings initiated with debt recovery tribunal and taking over symbolic possession of immovable properties by the secured lenders of the Company and invocation of Corporate Guarantees which was given by the Company relating to its related group companies, initiation of Corporate Insolvency Resolution Process under Insolvency and Bankruptcy Code, 2016, termination of leave and licence agreement notices sent to lessees in the subsequent financial year, substantial losses incurred by the Company for the quarter and period ended March 31, 2020 and previous financial years and negative Total Equity of Rs. 32,19,34,869/- as on March 31, 2020. Further, attention is drawn to Order dated 17.01.2020 by Hon'ble NCLAT, New Delhi, wherein it is stated that the RP has to ensure that the Company continues to remain as a going concern and will have to take the assistance of the suspended management. The appropriateness of assumption of going concern is mainly dependent on the company's ability to generate growth in cash flows in future, to meet its obligation. However, we are unable to obtain sufficient and appropriate audit evidence regarding management using principle of going concern in the preparation of financial results, in view of the initiation of Corporate Insolvency Resolution Process, the outcome of which cannot be ascertained as on date and uncertainty relating to other matters stated hereinabove. Further, as represented by RP in Committee of Creditors (CoC) meeting dated June 20, 2020 wherein it was decided that since the current leases are causing many hindrances, as mentioned in minutes of the said CoC meeting, in finding a resolution to the Company's current situation, the RP has served termination of Leave and License agreement notices to the lessees in the subsequent financial year in the interest of the Company. However, an application is issued on behalf of Mr. Markand Adhikari before Hon'ble NCLT, Mumbai Bench seeking issuance of appropriate directions to quash the termination of Leave and Licence Notice on behalf of the Company to the lessees. The outcome of such application cannot be ascertained as on date.*

iii) *Due to defaults in repayment of loans taken from Bank/s, the Account of the Company has been classified as Non-Performing Asset by Banks in the previous financial years and except two Banks, other Banks have*



not charged the interest / reversed the unpaid interest charged from the date the account has been classified as non-performing. No provision has been made in the books of accounts maintained by the Company for interest / penal interest, if any, on these term loans amounting to Rs. 19,79,81,711/- as on March 31, 2020, hence to that extent, finance cost, total loss for the year ended March 31, 2020, Negative "Other Equity" balances (as it includes interest expense of previous financial years) and current financial liabilities are understated by Rs. 19,79,81,711/- as on March 31, 2020. The said amount of Rs. 19,79,81,711/- is the difference between claims amounting to Rs. 1,94,98,88,488/- (including interest) received from banks by RP and amount of loan outstanding from banks amounting to Rs.175,19,06,777 /- reflected in books of accounts of the Company as on March 31, 2020.

iv) *The Company / RP has received claims from Operational Creditors and employees amounting to Rs. 10,19,182 /- which has been accepted, however Rs. 7,82,303/- is the balance outstanding as per books as on March 31, 2020 for such creditors and employees. The loss for the year ended March 31, 2020 and Trade Payables are understated to the extent of Rs. 2,36,879 /- as on March 31, 2020.*

v) *The aggregate carrying value of business and commercial rights in the books of the Company as on March 31, 2020 is Rs. 109,83,77,750/-. There is no revenue generation from monetization of these assets during the quarter and period ended March 31, 2020 due to which the Company has incurred substantial losses during the quarter and period ended March 31, 2020 and previous financial years. There is a strong indication of impairment in the value of these business and commercial rights and therefore we are of the opinion that the impairment loss of Rs. 109,83,77,750/- should be provided on all such assets in the books of accounts of the Company as on March 31, 2020. The assets of the Company are overstated and net loss for the quarter and period ended March 31, 2020 is understated to that extent.*

vi) *The Company has not provided for loss allowances on financial corporate guarantee contracts amounting to Rs. 428,28,25,736/- (including interest / penalty calculated upto CIRP admission date) given by the Company on behalf of its related group companies which is to be recognized as required by Indian Accounting Standard (IND-AS 109). The financial liabilities of the Company and net loss for the quarter and period ended March 31, 2020 is understated to that extent.*

vii) *The Company's inventories are carried in the Balance Sheet at Rs. 2,71,01,487/- as on March 31, 2020. The Management has not stated the inventories at the lower of cost and net realizable value but has stated them solely at cost, which constitutes a departure from Indian Accounting Standard-2- Inventories (Ind AS-2). As the inventories of the Company consist of rights which are returned by the customers due to defect in quality of such rights and it also consist of such inventory which are non-moving for a long period of time, we are of the opinion that the net realizable value of inventories is NIL as on March 31, 2020. The assets of the Company are overstated and net loss for the quarter and period ended March 31, 2020 is understated to that extent.*

viii) *The impact of impairment of all other Tangible assets in Property, Plant and Equipment amounting to Rs. 37,76,89,098/- and Capital Work in Progress amounting to Rs. 14,03,44,247 /- should have been accounted in the books of accounts by the Company at the year ended March 31, 2020 after considering the physical verification of all such assets and by ascertaining the Fair Market Value of such assets by appointing a third*

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party expert valuers and doing a valuation of the same. The assets of the Company are overstated and net loss for the quarter and period ended March 31, 2020 is understated to that extent.

ix) *No provision for doubtful debts for the sum of Rs. 26,81,000 /- has been made in books of accounts as on March 31, 2020 as per expected credit loss method prescribed under IND-AS 109 for amount recoverable from a debtor which is doubtful of recovery. The losses and current liabilities of the Company are understated as on March 31, 2020 to the extent of Rs. 26,81,000 /-.*

Emphasis of Matters

i) The Adverse Opinion expressed in the present report is based on the limited information, facts and inputs made available to us through electronic means by the Company. We wish to highlight that due to the COVID-19 induced restrictions on physical movement and strict timelines, the entire audit team could not visit the office of the Company for undertaking the required audit procedures as prescribed under ICAI issued Standards on Auditing, including but not limited to:

- Inspection, Observation, examination and verification of the original documents of invoices, legal agreements, bank accounts statements / loan accounts statements and files.
- Physical verification of Cash, including adequate internal controls thereof.
- Physical Verification of Property, Plant and Equipment, Inventories and Status of Capital Work in Progress as on March 31, 2020.
- Any other processes which required physical presence of the audit team.

ii) The impact of pending direct and indirect tax assessments, if any, based on assessments orders / communications received by the Company has not been accounted for the year ended March 31, 2020 but will be accounted in books of accounts only after final order of demand / refund will be received from the relevant tax authorities / court.

iii) Attention is drawn to Note No.9 and Note No.10 forming part of the results relating to Exceptional Items wherein the Company has written off Rs. 42,54,046/- receivable from debtors and also written back Rs. Rs. 28,48,115/- payable to creditors in financial year 2019-2020, as a part of its policy, however it has not received any related claim or NIL balance certificate / supporting document from any its customer / vendor, hence such write off and write back of balances are subject to confirmation from the concerned parties as on March 31, 2020.

iv) Attention is drawn to Note No. 2 forming part of the results wherein we are informed by the RP that the suspended management has not handed over the books of accounts and other accounting records and documents, possession of the corporate office, plot at Kandivali, content library (intangible asset), inventories, other fixed assets, original agreements and documents related to Company and the Resolution Professional has

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filed a non-cooperation petition with Hon'ble NCLT, Mumbai against the suspended management of the Company under section 19 of IBC. Further, attention is also drawn to the application filed before Hon'ble NCLT, Mumbai Bench, on behalf of Mr. Markand Adhikari, seeking substitution / change of the Resolution Professional under section 7(3)(B) of the Insolvency and Bankruptcy Code, 2016, the outcome of both the pending applications mentioned hereinabove cannot be ascertained as on date.

v) In the management representation provided to us by the RP, it has been stated that the Forensic Auditor has been appointed to conduct Transaction Audit of the Company for the last 5 financial years who could not complete the audit due to non-cooperation from the suspended management and RP has also appointed IBBI approved valuers to carry out valuation of the assets (including intangible assets) of the Company. The financial impact, if any, of findings of such Forensic Audit and valuation of assets (including intangible assets) by IBBI approved valuers, will be accounted for by the Company after the said reports have been received by the Company.

Our opinion is not modified in respect of these matters.

5. In our opinion and to the best of our information and according to the explanations given to us except for the possible effects of the Adverse Opinion paragraph and Emphasis of matter paragraph described in Point 3 and Point 4 above, these quarterly financial results as well as year to date results:
   a) are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 in this regard; and
   b) gives a true and fair view of the net loss and other financial information for the quarter ended March 31, 2020 as well as year to date results for the period from April 1, 2019 to March 31, 2020.
6. Further, we report that the figures for the quarter ended March 31, 2020 represent the derived figures between the audited figures in respect of the financial year ended March 31, 2020 and the published year-to-date figures up to December 31, 2019, being the date of the end of the third quarter of the current financial year, which were subject to limited review, as required under Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

For P. Parikh & Associates
Chartered Accountants
Firm Registration No: 107564W

Sandeep Parikh, Partner
Membership No: 039713
Mumbai
July 30, 2020
UDIN : 20039713AAAAAV4080

PARIKH & ASSOCIATES MUMBAI FRN 107564W Chartered Accountants

P. PARIKH & ASSOCIATES
CHARTERED ACCOUNTANTS
H.O. 501, SUJATA, OFF. NARSI NATHA STREET, MUMBAI 400 009. TEL.2344 3549, 2343 7853. FAX. 2341 5455.
web: www.pparikh.com

Auditor's Report on Consolidated Audited Year to Date Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

To the Resolution Professional of
Sri Adhikari Brothers Television Network Limited

1. The Hon'ble National Company Law Tribunal, Mumbai bench ("NCLT") in an Order dated December 20, 2019 admitted an Insolvency and Bankruptcy petition filed by one of the secured lenders against Sri Adhikari Brothers Television Network Limited and appointed Mr. Vijendra Kumar Jain to act as Resolution Professional (RP) to carry the functions as mentioned under Insolvency and Bankruptcy Code, 2016.

2. As per Regulation 33(2)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the financial results of a company submitted to the Stock Exchange shall be signed by the Chairperson or Managing Director or Whole Time Director or in absence of all of them, it shall be signed by any Director of the company who is duly authorized by the board of Directors to sign the financial results. Pursuant to the order of Hon'ble NCLT initiating Corporate Insolvency Resolution Process ("CIRP"), the powers of the Board of Directors stand suspended and such powers are exercisable by RP. As the powers of the Board of Directors have been suspended, the above results are signed by RP, subject to RP's qualifications. Further, as informed to us, the above results are not approved by the Audit Committee and not adopted by Board of Directors as the erstwhile Board of Directors are suspended in CIRP.

3. We have audited the accompanying Statement of Consolidated Financial Results of **Sri Adhikari Brothers Television Network Limited** ("the Parent") and its Subsidiary (the Parent and its subsidiaries together referred to as "the Group") and its share of the net loss after tax and total comprehensive loss of its associate for the year ended March 31, 2020 ("the Statement"), being submitted by the Parent pursuant to the requirement of Regulations 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, which has been prepared by the suspended management of the Company.

4. This Statement which is the responsibility of the Parent's Management, which has been compiled from the related consolidated financial statements which has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standards, prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Statement based on our audit of such consolidated financial statements.

5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free of material misstatement.

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An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Statement. The procedures selected depend on the auditor's judgment, including the assessment of the risk of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Parent's preparation and fair presentation of the Statement in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the Statement.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

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

6. **Basis of Adverse Opinion for accounts of Holding Company (i.e. Sri Adhikari Brothers Television Network Limited)**

i) *We are not able to judge solely on the basis of verification of other audit evidences obtained during the course of audit whether the management has fulfilled its responsibility for the preparation of the financial statements in accordance with the applicable financial reporting framework. Further, we had also requested the management to give a written representation that it has provided us with all the relevant information during the audit and whether all the transactions have been properly recorded and reflected in financial statements, however the management has not provided all such written representations as required by SRE 2410 and as per Standard on Auditing SA 580, as a result we are unable to obtain sufficient appropriate audit evidence. The possible effects of such inability on the financial statements are not confined to specific elements, any accounts or items of financial statements and hence we conclude this condition to be pervasive, in our professional judgment, due to which we have issued adverse opinion on the financial statements in such circumstances as required by Standard on Auditing SA 705 (Revised).*

ii) *We draw attention to Note No. 6 forming part of financial results regarding preparation of accounts on going concern basis notwithstanding the fact that loans have been recalled back by secured lenders, current liabilities are substantially higher than the current assets, issue of notices under Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002, recovery proceedings initiated with debt recovery tribunal and taking over symbolic possession of immovable properties by the secured lenders of the Company and invocation of Corporate Guarantees which was given by the Company relating to its related group companies, initiation of Corporate Insolvency Resolution Process under Insolvency and Bankruptcy Code, 2016, termination of leave and licence agreement notices sent to lessees in the subsequent financial year, substantial losses incurred by the Company for the quarter and period ended March 31, 2020 and previous financial years and negative Total Equity of Rs. 32,20,49,937/- as on March 31, 2020. Further, attention is drawn to Order dated 17.01.2020 by Hon'ble NCLAT, New Delhi, wherein it is stated that the RP has to ensure that the Company continues to remain as a going concern and will have to take the assistance of the suspended management. The appropriateness of assumption of going*

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concern is mainly dependent on the company's ability to generate growth in cash flows in future, to meet its obligation. However, we are unable to obtain sufficient and appropriate audit evidence regarding management using principle of going concern in the preparation of financial results, in view of the initiation of Corporate Insolvency Resolution Process, the outcome of which cannot be ascertained as on date and uncertainty relating to other matters stated hereinabove. Further, as represented by RP in Committee of Creditors (CoC) meeting dated June 20, 2020 wherein it was decided that since the current leases are causing many hindrances, as mentioned in minutes of the said CoC meeting, in finding a resolution to the Company's current situation, the RP has served termination of Leave and License agreement notices to the lessees in the subsequent financial year in the interest of the Company. However, an application is issued on behalf of Mr. Markand Adhikari before Hon'ble NCLT, Mumbai Bench seeking issuance of appropriate directions to quash the termination of Leave and Licence Notice on behalf of the Company to the lessees. The outcome of such application cannot be ascertained as on date.

iii) *Due to defaults in repayment of loans taken from Bank/s, the Account of the Company has been classified as Non-Performing Asset by Banks in the previous financial years and except two Banks, other Banks have not charged the interest / reversed the unpaid interest charged from the date the account has been classified as non-performing. No provision has been made in the books of accounts maintained by the Company for interest / penal interest, if any, on these term loans amounting to Rs. 19,79,81,711/- as on March 31, 2020, hence to that extent, finance cost, total loss for the year ended March 31, 2020, Negative "Other Equity" balances (as it includes interest expense of previous financial years) and current financial liabilities are understated by Rs. 19,79,81,711/- as on March 31, 2020. The said amount of Rs. 19,79,81,711/- is the difference between claims amounting to Rs. 1,94,98,88,488/- (including interest) received from banks by RP and amount of loan outstanding from banks amounting to Rs.175,19,06,777 /- reflected in books of accounts of the Company as on March 31, 2020.*

iv) *The Company / RP has received claims from Operational Creditors and employees amounting to Rs. 10,19,182 /- which has been accepted, however Rs. 7,82,303/- is the balance outstanding as per books as on March 31, 2020 for such creditors and employees. The loss for the year ended March 31, 2020 and Trade Payables are understated to the extent of Rs. 2,36,879 /- as on March 31, 2020.*

v) *The aggregate carrying value of business and commercial rights in the books of the Company as on March 31, 2020 is Rs. 109,83,77,750/-. There is no revenue generation from monetization of these assets during the quarter and period ended March 31, 2020 due to which the Company has incurred substantial losses during the quarter and period ended March 31, 2020 and previous financial years. There is a strong indication of impairment in the value of these business and commercial rights and therefore we are of the opinion that the impairment loss of Rs. 109,83,77,750/- should be provided on all such assets in the books of accounts of the Company as on March 31, 2020. The assets of the Company are overstated and net loss for the quarter and period ended March 31, 2020 is understated to that extent.*

vi) *The Company has not provided for loss allowances on financial corporate guarantee contracts amounting to Rs. 428,28,25,736/- (including interest / penalty calculated upto CIRP admission date) given by the Company on behalf of its related group companies which is to be recognized as required by Indian Accounting Standard (IND-AS 109). The financial liabilities of the Company and net loss for the quarter and period ended March 31, 2020 is understated to that extent.*

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vii) The Company's inventories are carried in the Balance Sheet at Rs. 2,71,01,487/- as on March 31, 2020. The Management has not stated the inventories at the lower of cost and net realizable value but has stated them solely at cost, which constitutes a departure from Indian Accounting Standard-2- Inventories (Ind AS-2). As the inventories of the Company consist of rights which are returned by the customers due to defect in quality of such rights and it also consist of such inventory which are non-moving for a long period of time, we are of the opinion that the net realizable value of inventories is NIL as on March 31, 2020. The assets of the Company are overstated and net loss for the quarter and period ended March 31, 2020 is understated to that extent.

viii) The impact of impairment of all other Tangible assets in Property, Plant and Equipment amounting to Rs. 39,38,61,596 /- and Capital Work in Progress amounting to Rs. 14,03,44,247 /- should have been accounted in the books of accounts by the Company at the year ended March 31, 2020 after considering the physical verification of all such assets and by ascertaining the Fair Market Value of such assets by appointing a third party expert valuers and doing a valuation of the same. The assets of the Company are overstated and net loss for the quarter and period ended March 31, 2020 is understated to that extent.

ix) No provision for doubtful debts for the sum of Rs. 26,81,000 /- has been made in books of accounts as on March 31, 2020 as per expected credit loss method prescribed under IND-AS 109 for amount recoverable from a debtor which is doubtful of recovery. The losses and current liabilities of the Company are understated as on March 31, 2020 to the extent of Rs. 26,81,000 /-.

Emphasis of Matters in Auditors report of Holding Company (i.e. Sri Adhikari Brothers Television Network Limited)

i) The Adverse Opinion expressed in the present report is based on the limited information, facts and inputs made available to us through electronic means by the Company. We wish to highlight that due to the COVID-19 induced restrictions on physical movement and strict timelines, the entire audit team could not visit the office of the Company for undertaking the required audit procedures as prescribed under ICAI issued Standards on Auditing, including but not limited to:

- Inspection, Observation, examination and verification of the original documents of invoices, legal agreements, bank accounts statements / loan accounts statements and files.
- Physical verification of Cash, including adequate internal controls thereof.
- Physical Verification of Property, Plant and Equipment, Inventories and Status of Capital Work in Progress as on March 31, 2020.
- Any other processes which required physical presence of the audit team.

ii) The impact of pending direct and indirect tax assessments, if any, based on assessments orders / communications received by the Company has not been accounted for the year ended March 31, 2020 but will be accounted in books of accounts only after final order of demand / refund will be received from the relevant tax authorities / court.



iii) Attention is drawn to Note No.9 and Note No.10 forming part of the results relating to Exceptional Items wherein the Company has written off Rs. 42,54,046 /- receivable from debtors and also written back Rs. Rs. 28,48,115 /- payable to creditors in financial year 2019-2020, as a part of its policy, however it has not received any related claim or NIL balance certificate / supporting document from any its customer / vendor, hence such write off and write back of balances are subject to confirmation from the concerned parties as on March 31, 2020.

iv) Attention is drawn to Note No. 2 forming part of the results wherein we are informed by the RP that the suspended management has not handed over the books of accounts and other accounting records and documents, possession of the corporate office, plot at Kandivali, content library (intangible asset), inventories, other fixed assets, original agreements and documents related to Company and the Resolution Professional has filed a non-cooperation petition with Hon'ble NCLT, Mumbai against the suspended management of the Company under section 19 of IBC. Further, attention is also drawn to the application filed before Hon'ble NCLT, Mumbai Bench, on behalf of Mr. Markand Adhikari, seeking substitution / change of the Resolution Professional under section 7(3)(B) of the Insolvency and Bankruptcy Code, 2016, the outcome of both the pending applications mentioned hereinabove cannot be ascertained as on date.

v) In the management representation provided to us by the RP, it has been stated that the Forensic Auditor has been appointed to conduct Transaction Audit of the Company for the last 5 financial years who could not complete the audit due to non-cooperation from the suspended management and RP has also appointed IBBI approved valuers to carry out valuation of the assets (including intangible assets) of the Company. The financial impact, if any, of findings of such Forensic Audit and valuation of assets (including intangible assets) by IBBI approved valuers, will be accounted for by the Company after the said reports have been received by the Company.

Our opinion is not modified in respect of these matters.

Emphasis of Matters in Auditors report of Subsidiary Company (i.e. Westwind Realtors Limited)

Attention is drawn to Significant accounting policies forming part of financial statements of the Subsidiary Company which states that the Subsidiary Company has not provided for depreciation on Building which is being constructed out of construction contribution received from members in accordance with the Articles of Association of the Company, which being a typical nature of entity, wherein though the Company is the technical / legal owner of the property, the shareholders are the beneficial owners of the areas allotted to them in proportion to their shareholding, due to which fixed assets are stated at cost of acquisition and direct/indirect incidental cost incurred to bring them into their present location and condition as per the generally accepted accounting principles.

Our opinion is not modified in respect of this matter.

Basis of Adverse Opinion for accounts of Associate Company (i.e. SAB Media Networks Private Limited):

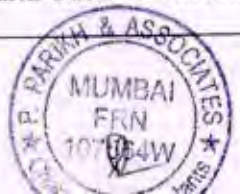
i) *The aggregate carrying value of Business and Commercial Rights and Channel Development Cost in the books of the Company as on March 31, 2020 is Rs. 98,47,20,824/-. There is no revenue generation from monetization of these assets during the quarter and year ended March 31, 2020 due to which the Company has incurred substantial losses during the quarter and year ended March 31, 2020 and previous financial years. There is a strong indication of impairment in the value of these Business and Commercial Rights and Channel Development Cost and therefore we are of the opinion that the impairment loss of Rs. 98,47,20,824/- should be provided on all such assets in the books of accounts of the Company as on March 31, 2020. The assets of the Company are overstated and net loss for the quarter and year ended March 31, 2020 is understated to that extent.*

ii) *Due to defaults in repayment of loans taken from Bank/s, the Account of the Company has been classified as Non-Performing Asset by Banks in the previous financial years. Further bank has taken possession and sold the collateral securities belonging to the promoters and its group entities and has invoked the shares pledged as collaterals provided by third party and adjusted sale proceeds of Rs.25,78,01,079/- against the interest liability. No provision has been made in the books of accounts maintained by the Company for interest / penal interest, if any, on these term loans amounting to Rs. 26,81,93,660/- as on March 31, 2020, hence to that extent, finance cost, total loss for the year ended March 31, 2020, Negative "Other Equity" balances (as it includes interest expense of previous financial years) and current financial liabilities are understated by Rs. 26,81,93,660/- as on March 31, 2020.*

Material uncertainty related to Going Concern of Associate Company (i.e. SAB Media Networks Private Limited):

i) The results are prepared on going concern basis notwithstanding the fact that loan accounts are classified as non-performing by bank, loans have been recalled back by secured lenders, current liabilities are substantially higher than the current assets, sale of mortgaged property provided as collateral by promoter and promoter group companies, invocation of part of the shares pledged as collaterals by bank, further as discussed in the Basis of Adverse Opinion paragraph, the carrying value of non-current assets has been fully impaired and also that there is no business activity has been carried out during the financial year under audit and substantial losses incurred by the Company during the year ending March 31, 2020 and previous financial years and negative net worth of Rs. 32,49,83,866 /- as on March 31, 2020. All of the above conditions indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern.
Our opinion is not modified in respect of this matter.

5) In our opinion and to the best of our information and according to the explanations given to us except for the possible effects of the Basis of Adverse Opinion paragraph and Emphasis of Matters paragraph in Holding Company and Subsidiary Company and Basis of Adverse



Opinion and Material uncertainty related to Going Concern in respect of Associate Company as described in Point 4 above, the Statement:

a) includes the results of the following entities:

1) Sri Adhikari Brothers Television Network Limited (Holding Company)
2) Westwind Realtors Private Limited (Subsidiary Company)
3) SAB Media Networks Private Limited (Associate Company)

b) are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 as amended; and

c) gives a true and fair view in conformity with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India of the consolidated total comprehensive loss (comprising of net loss and other comprehensive loss) and other financial information of the Group and for the period from April 1, 2019 to March 31, 2020.

6) The consolidated financial results includes audited financial statements of 1 subsidiary whose financial statements reflect total assets of Rs. 4,99,24,522/- as at March 31, 2020, total revenues of Rs. NIL and total net loss after tax of Rs.11,800 /- for the period from April 1, 2019 to March 31, 2020, as considered in the consolidated financial results. The consolidated audited financial results does not include Group's share of net loss after tax for the quarter and year ended March 31, 2020, in respect of one associate, whose financial results have been audited by us. According to the information and explanations given to us by the Management and as per Indian Accounting Standard (Ind AS 28) "Investments in Associates", these financial results of the associate are not considered in the results of the Parent as the investment in the associate company had become Rs. NIL in the previous financial year in the books of the Parent and liability for proportionate losses of the current quarter and year ended March 31, 2020 are not recognised as per requirements of Indian Accounting Standard (Ind AS) 28.

Our opinion on the Statement is not modified in respect of this matter.

For P. Parikh & Associates
Chartered Accountants
Firm Registration No: 107564W

Sandeep Parikh, Partner
Membership No: 039713
Mumbai
July 30, 2020
UDIN : 20039713AAAAAV9692

P. PARIKH & ASSOCIATES MUMBAI FRN 107564W Chartered Accountants

Statement on Impact of Audit Qualifications for the Financial Year ended March 31,2020 (Standalone)
[*See* Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]

I.	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications) Rs. In Lakhs	Adjusted Figures (audited figures after adjusting for qualifications) Rs. In Lakhs
	1.	Turnover/Total income	-5.70	-5.70
	2.	Total Expenditure including Exceptional Item	3,670.77	59,762.82
	3.	Net Profit/(Loss) before tax	-3,676.47	-59,768.52
	4.	Earnings Per Share	-10.54	-0.0017
	5.	Total Assets	17,476.28	6,194.68
	6.	Total Liabilities	20,695.63	65,506.07
	7.	Net Worth	-3,219.35	-59,311.39
	8.	Any other financial item(s) (as felt appropriate by the management)	-	-

The Hon'ble National Company Law Tribunal, Mumbai bench ("NCLT") in an Order dated December 20, 2019 admitted an Insolvency and Bankruptcy petition filed by one of the secured lenders against Sri Adhikari Brothers Television Network Limited and appointed Mr. Vijendra Kumar Jain to act as Resolution Professional (RP) to carry the functions as mentioned under Insolvency and Bankruptcy Code, 2016.

Pursuant to the order of Hon'ble NCLT initiating Corporate Insolvency Resolution Process ("CIRP"), the powers of the Board of Directors stand suspended and such powers are exercisable by Resolution Professional (RP). As informed by the Resolution Professional, the suspended management has not handed over the books of accounts and other accounting records and documents, possession of the corporate office, plot at Kandivali, content library (intangible asset), inventories, other fixed assets, original agreements and documents related to Company. Therefore the Resolution Professional has filed a non-cooperation petition with Hon'ble NCLT, Mumbai against the suspended management of the Company under section 19 of IBC. These Financials are as prepared by the suspended management. The suspended Managing Director who is in possession of the Books of Accounts and under whose supervision the Financials for the quarter ended and financial year ended March 31, 2020 are prepared, has refused to sign the Financials by an email dated 28th July, 2020.

Resolution Professional has added qualifications to the above effect in the Notes to the Financials. Accordingly, the Resolution Professional (RP) is not able to comment on the below qualifications.

II. **Audit Qualification (each audit qualification separately):**

1 **a. Details of Audit Qualification: Written management representation as per SRE 2410 and SA 580 not provided.**

We are not able to judge solely on the basis of verification of other audit evidences obtained during the course of audit whether the management has fulfilled its responsibility for the preparation of the financial statements in accordance with the applicable financial reporting framework. Further, we had also requested the management to give a written representation that it has provided us with all the relevant information during the audit and whether all the transactions have been properly recorded and reflected in financial statements, however the management has not provided all such written representations as required by SRE 2410 and as per Standard on Auditing SA 580, as a result we are unable to obtain sufficient appropriate audit evidence. The possible effects of such inability on the financial statements are not confined to specific elements, any accounts or items of financial statements and hence we conclude this condition to be pervasive, in our professional judgment, due to which we have issued adverse opinion on the financial statements in such circumstances as required by Standard on Auditing SA 705 (Revised).

b. Type of Audit Qualification : ~~Qualified Opinion / Disclaimer of Opinion~~ / Adverse Opinion

c. Frequency of qualification: Whether appeared first time / repetitive / since how long continuing: First Time

d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: NA

e. For Audit Qualification(s) where the impact is not quantified by the auditor:

i. Management's estimation on the impact of audit qualification: NIL
ii. If management is unable to estimate the impact, reasons for the same:
iii. Auditors' Comments on (i) or (ii) above:

2	a. **Details of Audit Qualification: Unable to obtain sufficient and appropriate audit evidence regarding management use of the going concern of accounting in the preparation of financial results.** ii) We draw attention to Note No. 6 forming part of financial results regarding preparation of accounts on going concern basis notwithstanding the fact that loans have been recalled back by secured lenders, current liabilities are substantially higher than the current assets, issue of notices under Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002, recovery proceedings initiated with debt recovery tribunal and taking over symbolic possession of immovable properties by the secured lenders of the Company and invocation of Corporate Guarantees which was given by the Company relating to its related group companies, initiation of Corporate Insolvency Resolution Process under Insolvency and Bankruptcy Code, 2016, termination of leave and licence agreement notices sent to lessees in the subsequent financial year, substantial losses incurred by the Company for the quarter and period ended March 31, 2020 and previous financial years and negative Total Equity of Rs. 32,19,34,869/- as on March 31, 2020. Further, attention is drawn to Order dated 17.01.2020 by Hon'ble NCLAT, New Delhi, wherein it is stated that the RP has to ensure that the Company continues to remain as a going concern and will have to take the assistance of the suspended management. The appropriateness of assumption of going concern is mainly dependent on the company's ability to generate growth in cash flows in future, to meet its obligation. However, we are unable to obtain sufficient and appropriate audit evidence regarding management using principle of going concern in the preparation of financial results, in view of the initiation of Corporate Insolvency Resolution Process, the outcome of which cannot be ascertained as on date and uncertainty relating to other matters stated hereinabove. Further, as represented by RP in Committee of Creditors (CoC) meeting dated June 20, 2020 wherein it was decided that since the current leases are causing many hindrances, as mentioned in minutes of the said CoC meeting, in finding a resolution to the Company's current situation, the RP has served termination of Leave and License agreement notices to the lessees in the subsequent financial year in the interest of the Company. However, an application is issued on behalf of Mr. Markand Adhikari before Hon'ble NCLT, Mumbai Bench seeking issuance of appropriate directions to quash the termination of Leave and Licence Notice on behalf of the Company to the lessees. The outcome of such application cannot be ascertained as on date.
	b. **Type of Audit Qualification :** ~~Qualified Opinion / Disclaimer of Opinion~~ / Adverse Opinion
	c. **Frequency of qualification:** Whether appeared first time / repetitive / since how long continuing: First Time
	d. **For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views**: NA
	e. **For Audit Qualification(s) where the impact is not quantified by the auditor**: i. Management's estimation on the impact of audit qualification: NIL ii. If management is unable to estimate the impact, reasons for the same: iii. Auditors' Comments on (i) or (ii) above:
3	a. **Details of Audit Qualification: Non Provision of Interest on loan.** Due to defaults in repayment of loans taken from Bank/s, the Account of the Company has been classified as Non-Performing Asset by Banks in the previous financial years and except two Banks, other Banks have not charged the interest / reversed the unpaid interest charged from the date the account has been classified as non-performing. No provision has been made in the books of accounts maintained by the Company for interest / penal interest, if any, on these term loans amounting to Rs. 19,79,81,711/- as on March 31, 2020, hence to that extent, finance cost, total loss for the year ended March 31, 2020, Negative "Other Equity" balances (as it includes interest expense of previous financial years) and current financial liabilities are understated by Rs. 19,79,81,711/- as on March 31, 2020. The said amount of Rs. 19,79,81,711/- is the difference between claims amounting to Rs. 1,94,98,88,488/- (including interest) received from banks by RP and amount of loan outstanding from banks amounting to Rs.175,19,06,777/- reflected in books of accounts of the Company as on March 31, 2020.
	b. **Type of Audit Qualification :** ~~Qualified Opinion / Disclaimer of Opinion~~ / Adverse Opinion
	c. **Frequency of qualification:** Whether appeared first time / repetitive / since how long continuing: Repetitive
	d. **For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views**:
	e. **For Audit Qualification(s) where the impact is not quantified by the auditor**: NA
	i. Management's estimation on the impact of audit qualification: ii. If management is unable to estimate the impact, reasons for the same: iii. Auditors' Comments on (i) or (ii) above:
4	a. **Details of Audit Qualification: Understatement of Trade Payables.** The Company / RP has received claims from Operational Creditors and employees amounting to Rs. 10,19,182 /- which has been accepted, however Rs. 7,82,303/- is the balance outstanding as per books as on March 31, 2020 for such creditors and employees. The loss for the year ended March 31, 2020 and Trade Payables are understated to the extent of Rs. 2,36,879 /- as on March 31, 2020.
	b. **Type of Audit Qualification :** ~~Qualified Opinion / Disclaimer of Opinion~~ / Adverse Opinion
	c. **Frequency of qualification:** Whether appeared first time / repetitive / since how long continuing: First Time
	d. **For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views**:
	e. **For Audit Qualification(s) where the impact is not quantified by the auditor**: NA
	i. Management's estimation on the impact of audit qualification: ii. If management is unable to estimate the impact, reasons for the same: iii. Auditors' Comments on (i) or (ii) above:

5	**a. Details of Audit Qualification: Impairment in the value of intangible business and commercial rights.** The aggregate carrying value of Business and Commercial rights in the books of the Company as on March 31, 2020 is Rs. 109,83,77,750/-. There is no revenue generation from monetization of these assets during the quarter and period ended March 31, 2020 due to which the Company has incurred substantial losses during the quarter and period ended March 31, 2020 and previous financial years. There is a strong indication of impairment in the value of these business and commercial rights and therefore we are of the opinion that the impairment loss of Rs. 109,83,77,750/- should be provided on all such assets in the books of accounts of the Company as on March 31, 2020. The assets of the Company are overstated and net loss for the quarter and period ended March 31, 2020 is understated to that extent.
	b. Type of Audit Qualification : ~~Qualified Opinion~~ / ~~Disclaimer of Opinion~~ / Adverse Opinion
	c. Frequency of qualification: Whether appeared first time / repetitive / since how long continuing: Repetitive
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:
	e. For Audit Qualification(s) where the impact is not quantified by the auditor: NA
	i. Management's estimation on the impact of audit qualification: ii. If management is unable to estimate the impact, reasons for the same: iii. Auditors' Comments on (i) or (ii) above:
6	**a. Details of Audit Qualification: Non Provision of Loss allowances on Financial Guarantee Contracts.** The Company has not provided for loss allowances on financial guarantee contracts amounting to Rs. 4,28,28,25,736/- (including interest / penalty calculated upto CIRP admission date) given by the Company on behalf of its related group companies which is to be recognized as required by Indian Accounting Standard (IND-AS 109). The financial liabilities of the Company and net loss for the quarter and period ended March 31, 2020 is understated to that extent.
	b. Type of Audit Qualification : ~~Qualified Opinion~~ / ~~Disclaimer of Opinion~~ / Adverse Opinion
	c. Frequency of qualification: Whether appeared first time / repetitive / since how long continuing: First Time
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:
	e. For Audit Qualification(s) where the impact is not quantified by the auditor: NA
	i. Management's estimation on the impact of audit qualification: ii. If management is unable to estimate the impact, reasons for the same: iii. Auditors' Comments on (i) or (ii) above:
7	**a. Details of Audit Qualification: Overstatement of Inventories.** The Company's inventories are carried in the Balance Sheet at Rs. 2,71,01,487/- as on March 31, 2020. The Management has not stated the inventories at the lower of cost and net realizable value but has stated them solely at cost, which constitutes a departure from Indian Accounting Standard-2- Inventories (Ind AS-2). As the inventories of the Company consist of rights which are returned by the customers due to defect in quality of such rights and it also consist of such inventory which are non-moving for a long period of time, we are of the opinion that the net realizable value of inventories is NIL as on March 31, 2020. The assets of the Company are overstated and net loss for the quarter and period ended March 31, 2020 is understated to that extent.
	b. Type of Audit Qualification : ~~Qualified Opinion~~ / ~~Disclaimer of Opinion~~ / Adverse Opinion
	c. Frequency of qualification: Whether appeared first time / repetitive / since how long continuing: First Time
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:
	e. For Audit Qualification(s) where the impact is not quantified by the auditor: NA
	i. Management's estimation on the impact of audit qualification: ii. If management is unable to estimate the impact, reasons for the same: iii. Auditors' Comments on (i) or (ii) above:
8	**a. Details of Audit Qualification: Impairment of Assets.** The impact of impairment of all other Tangible assets in Property, Plant and Equipment amounting to Rs. 37,76,89,098/- and Capital Work in Progress amounting to Rs. 14,03,44,247 /- should have been accounted in the books of accounts by the Company at the year ended March 31, 2020 after the physical verification of all such assets and by ascertaining the Fair Market Value of such assets by appointing a third party expert valuers and doing a valuation of the same. The assets of the Company are overstated and net loss for the quarter and period ended March 31, 2020 is understated to that extent.
	b. Type of Audit Qualification : ~~Qualified Opinion~~ / ~~Disclaimer of Opinion~~ / Adverse Opinion
	c. Frequency of qualification: Whether appeared first time / repetitive / since how long continuing: First Time
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: NA
	e. For Audit Qualification(s) where the impact is not quantified by the auditor:
	i. Management's estimation on the impact of audit qualification: ii. If management is unable to estimate the impact, reasons for the same: iii. Auditors' Comments on (i) or (ii) above:

9	**a. Details of Audit Qualification: Non Provision for Doubtful Debts** No provision for doubtful debts for the sum of Rs. 26,81,000 /- has been made in books of accounts as on March 31, 2020 as per expected credit loss method prescribed under IND-AS 109 for amount recoverable from a debtor which is doubtful of recovery. The losses and current liabilities of the Company are understated as on March 31, 2020 to the extent of Rs. 26,81,000 /-.	
	b. Type of Audit Qualification : ~~Qualified Opinion / Disclaimer of Opinion~~ / Adverse Opinion	
	c. Frequency of qualification: Whether appeared first time / repetitive / since how long continuing: First Time	
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:	
	e. For Audit Qualification(s) where the impact is not quantified by the auditor: NA	
	i. Management's estimation on the impact of audit qualification: ii. If management is unable to estimate the impact, reasons for the same: iii. Auditors' Comments on (i) or (ii) above:	
III.	**Signatories:**	
	• Resolution Professional	Vijendra Kumar Jain
	• Statutory Auditor	
	Place: Mumbai Date: 30th July, 2020	

Statement on Impact of Audit Qualifications for the Financial Year ended March 31,2020 (- , Consolidated

[*See* Regulation 33/52 of the SEBI (LODR) (Amendment) Regulations, 2016]

I.	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications) Rs. In Lakhs	Adjusted Figures (audited figures after adjusting for qualifications) Rs. In Lakhs
	1.	Turnover/Total income	-5.70	-5.70
	2.	Total Expenditure including Exceptional Item	3,670.89	59,762.93
	3.	Net Profit/(Loss) before tax	-3,676.59	-59,768.63
	4.	Earnings Per Share	-10.54	-0.002
	5.	Total Assets	17,643.04	6,361.44
	6.	Total Liabilities	20,863.54	65,673.98
	7.	Net Worth	-3,220.50	-59,312.54
	8.	Any other financial item(s) (as felt appropriate by the management)	-	-

The Hon'ble National Company Law Tribunal, Mumbai bench ("NCLT") in an Order dated December 20, 2019 admitted an Insolvency and Bankruptcy petition filed by one of the secured lenders against Sri Adhikari Brothers Television Network Limited and appointed Mr. Vijendra Kumar Jain to act as Resolution Professional (RP) to carry the functions as mentioned under Insolvency and Bankruptcy Code, 2016.

Pursuant to the order of Hon'ble NCLT initiating Corporate Insolvency Resolution Process ("CIRP"), the powers of the Board of Directors stand suspended and such powers are exercisable by Resolution Professional (RP). As informed by the Resolution Professional, the suspended management has not handed over the books of accounts and other accounting records and documents, possession of the corporate office, plot at Kandivali, content library (intangible asset), inventories, other fixed assets, original agreements and documents related to Company. Therefore the Resolution Professional has filed a non-cooperation petition with Hon'ble NCLT, Mumbai against the suspended management of the Company under section 19 of IBC. These Financials are as prepared by the suspended management. The suspended Managing Director who is in possession of the Books of Accounts and under whose supervision the Financials for the quarter ended and financial year ended March 31, 2020 are prepared, has refused to sign the Financials by an email dated 28th July, 2020.

Resolution Professional has added qualifications to the above effect in the Notes to the Financials. Accordingly, the Resolution Professional (RP) is not able to comment on the below qualifications.

II. **Audit Qualification (each audit qualification separately):**

1 **a. Details of Audit Qualification: Written management representation as per SRE 2410 and SA 580 not provided.**

We are not able to judge solely on the basis of verification of other audit evidences obtained during the course of audit whether the management (i.e. RP pursuant to the NCLT order) has fulfilled its responsibility for the preparation of the financial statements in accordance with the applicable financial reporting framework. Further, we had also requested the management to give a written representation that it has provided us with all the relevant information during the audit and whether all the transactions have been properly recorded and reflected in financial statements, however the management has not provided all such written representations as required by SRE 2410 and as per Standard on Auditing SA 580, as a result we are unable to obtain sufficient appropriate audit evidence. The possible effects of such inability on the financial statements are not confined to specific elements, any accounts or items of financial statements and hence we conclude this condition to be pervasive, in our professional judgment, due to which we have issued adverse opinion on the financial statements in such circumstances as required by Standard on Auditing SA 705 (Revised).

b. Type of Audit Qualification : ~~Qualified Opinion~~ / ~~Disclaimer of Opinion~~ / Adverse Opinion

c. Frequency of qualification: Whether appeared first time / repetitive / since how long continuing: First Time

d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: NA

e. For Audit Qualification(s) where the impact is not quantified by the auditor:

i. Management's estimation on the impact of audit qualification: NIL

ii. If management is unable to estimate the impact, reasons for the same:

iii. Auditors' Comments on (i) or (ii) above:

2	**a. Details of Audit Qualification: Unable to obtain sufficient and appropriate audit evidence regarding management use of the going concern of accounting in the preparation of financial results.** ii) We draw attention to Note No. 6 forming part of financial results regarding preparation of accounts on going concern basis notwithstanding the fact that loans have been recalled back by secured lenders, current liabilities are substantially higher than the current assets, issue of notices under Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002, recovery proceedings initiated with debt recovery tribunal and taking over symbolic possession of immovable properties by the secured lenders of the Company and invocation of Corporate Guarantees which was given by the Company relating to its related group companies, initiation of Corporate Insolvency Resolution Process under Insolvency and Bankruptcy Code, 2016, termination of leave and licence agreement notices sent to lessees in the subsequent financial year, substantial losses incurred by the Company for the quarter and period ended March 31, 2020 and previous financial years and negative Total Equity of Rs. 32,20,49,937/- as on March 31, 2020. Further, attention is drawn to Order dated 17.01.2020 by Hon'ble NCLAT, New Delhi, wherein it is stated that the RP has to ensure that the Company continues to remain as a going concern and will have to take the assistance of the suspended management. The appropriateness of assumption of going concern is mainly dependent on the company's ability to generate growth in cash flows in future, to meet its obligation. However, we are unable to obtain sufficient and appropriate audit evidence regarding management using principle of going concern in the preparation of financial results, in view of the initiation of Corporate Insolvency Resolution Process, the outcome of which cannot be ascertained as on date and uncertainty relating to other matters stated hereinabove. Further, as represented by RP in Committee of Creditors (CoC) meeting dated June 20, 2020 wherein it was decided that since the current leases are causing many hindrances, as mentioned in minutes of the said CoC meeting, in finding a resolution to the Company's current situation, the RP has served termination of Leave and License agreement notices to the lessees in the subsequent financial year in the interest of the Company. However, an application is issued on behalf of Mr. Markand Adhikari before Hon'ble NCLT, Mumbai Bench seeking issuance of appropriate directions to quash the termination of Leave and Licence Notice on behalf of the Company to the lessees. The outcome of such application cannot be ascertained as on date.
	b. Type of Audit Qualification : ~~Qualified Opinion~~ / ~~Disclaimer of Opinion~~ / Adverse Opinion
	c. Frequency of qualification: Whether appeared first time / repetitive / since how long continuing: First Time
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: NA
	e. For Audit Qualification(s) where the impact is not quantified by the auditor: i. Management's estimation on the impact of audit qualification: NIL ii. If management is unable to estimate the impact, reasons for the same: iii. Auditors' Comments on (i) or (ii) above:
3	**a. Details of Audit Qualification: Non Provision of Interest on loan.** Due to defaults in repayment of loans taken from Bank/s, the Account of the Company has been classified as Non-Performing Asset by Banks in the previous financial years and except two Banks, other Banks have not charged the interest / reversed the unpaid interest charged from the date the account has been classified as non-performing. No provision has been made in the books of accounts maintained by the Company for interest / penal interest, if any, on these term loans amounting to Rs. 19,79,81,711/- as on March 31, 2020, hence to that extent, finance cost, total loss for the year ended March 31, 2020, Negative "Other Equity" balances (as it includes interest expense of previous financial years) and current financial liabilities are understated by Rs. 19,79,81,711/- as on March 31, 2020. The said amount of Rs. 19,79,81,711/- is the difference between claims amounting to Rs. 1,94,98,88,488/- (including interest) received from banks by RP and amount of loan outstanding from banks amounting to Rs.175,19,06,777 /- reflected in books of accounts of the Company as on March 31, 2020.
	b. Type of Audit Qualification : ~~Qualified Opinion~~ / ~~Disclaimer of Opinion~~ / Adverse Opinion
	c. Frequency of qualification: Whether appeared first time / repetitive / since how long continuing: Repetitive
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:
	e. For Audit Qualification(s) where the impact is not quantified by the auditor: NA i. Management's estimation on the impact of audit qualification: ii. If management is unable to estimate the impact, reasons for the same: iii. Auditors' Comments on (i) or (ii) above:
4	**a. Details of Audit Qualification: Understatement of Trade Payables.** The Company / RP has received claims from Operational Creditors and employees amounting to Rs. 10,19,182 /- which has been accepted, however Rs. 7,82,303/- is the balance outstanding as per books as on March 31, 2020 for such creditors and employees. The loss for the year ended March 31, 2020 and Trade Payables are understated to the extent of Rs. 2,36,879 /- as on March 31, 2020.
	b. Type of Audit Qualification : ~~Qualified Opinion~~ / ~~Disclaimer of Opinion~~ / Adverse Opinion
	c. Frequency of qualification: Whether appeared first time / repetitive / since how long continuing: First Time
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:
	e. For Audit Qualification(s) where the impact is not quantified by the auditor: NA i. Management's estimation on the impact of audit qualification: ii. If management is unable to estimate the impact, reasons for the same: iii. Auditors' Comments on (i) or (ii) above:
5	**a. Details of Audit Qualification: Impairment in the value of intangible business and commercial rights.** The aggregate carrying value of Business and Commercial rights in the books of the Company as on March 31, 2020 is Rs. 109,83,77,750/-. There is no revenue generation from monetization of these assets during the quarter and period ended March 31, 2020 due to which the Company has incurred substantial losses during the quarter and period ended March 31, 2020 and previous financial years. There is a strong indication of impairment in the value of these business and commercial rights and therefore we are of the opinion that the impairment loss of Rs. 109,83,77,750/- should be provided on all such assets in the books of accounts of the Company as on March 31, 2020. The assets of the Company are overstated and net loss for the quarter and period ended March 31, 2020 is understated to that extent.
	b. Type of Audit Qualification : ~~Qualified Opinion~~ / ~~Disclaimer of Opinion~~ / Adverse Opinion
	c. Frequency of qualification: Whether appeared first time / repetitive / since how long continuing: Repetitive
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:
	e. For Audit Qualification(s) where the impact is not quantified by the auditor: NA

	i. Management's estimation on the impact of audit qualification: ii. If management is unable to estimate the impact, reasons for the same: iii. Auditors' Comments on (i) or (ii) above:
6	**a. Details of Audit Qualification: Non Provision of Loss allowances on Financial Guarantee Contracts.** The Company has not provided for loss allowances on financial guarantee contracts amounting to Rs. 4,28,28,25,736/- (Including interest / penalty calculated upto CIRP admission date) given by the Company on behalf of its related group companies which is to be recognized as required by Indian Accounting Standard (IND-AS 109). The financial liabilities of the Company and net loss for the quarter and period ended March 31, 2020 is understated to that extent.
	b. Type of Audit Qualification : ~~Qualified Opinion~~ / ~~Disclaimer of Opinion~~ / Adverse Opinion
	c. Frequency of qualification: Whether appeared first time / repetitive / since how long continuing: First Time
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:
	e. For Audit Qualification(s) where the impact is not quantified by the auditor: NA
	i. Management's estimation on the impact of audit qualification: ii. If management is unable to estimate the impact, reasons for the same: iii. Auditors' Comments on (i) or (ii) above:
7	**a. Details of Audit Qualification: Overstatement of Inventories.** The Company's inventories are carried in the Balance Sheet at Rs. 2,71,01,487/- as on March 31, 2020. The Management has not stated the inventories at the lower of cost and net realizable value but has stated them solely at cost, which constitutes a departure from Indian Accounting Standard-2- Inventories (Ind AS-2). As the inventories of the Company consist of rights which are returned by the customers due to defect in quality of such rights and it also consist of such inventory which are non-moving for a long period of time, we are of the opinion that the net realizable value of inventories is NIL as on March 31, 2020. The assets of the Company are overstated and net loss for the quarter and period ended March 31, 2020 is understated to that extent.
	b. Type of Audit Qualification : ~~Qualified Opinion~~ / ~~Disclaimer of Opinion~~ / Adverse Opinion
	c. Frequency of qualification: Whether appeared first time / repetitive / since how long continuing: First Time
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:
	e. For Audit Qualification(s) where the impact is not quantified by the auditor: NA
	i. Management's estimation on the impact of audit qualification: ii. If management is unable to estimate the impact, reasons for the same: iii. Auditors' Comments on (i) or (ii) above:
8	**a. Details of Audit Qualification: Impairment of Assets.** The impact of impairment of all other Tangible assets in Property, Plant and Equipment amounting to Rs. 39,38,61,597/- and Capital Work in Progress amounting to Rs. 14,03,44,247 /- should have been accounted in the books of accounts by the Company at the year ended March 31, 2020 after the physical verification of all such assets and by ascertaining the Fair Market Value of such assets by appointing a third party expert valuers and doing a valuation of the same. The assets of the Company are overstated and net loss for the quarter and period ended March 31, 2020 is understated to that extent.
	b. Type of Audit Qualification : ~~Qualified Opinion~~ / ~~Disclaimer of Opinion~~ / Adverse Opinion
	c. Frequency of qualification: Whether appeared first time / repetitive / since how long continuing: First Time
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: NA
	e. For Audit Qualification(s) where the impact is not quantified by the auditor:
	i. Management's estimation on the impact of audit qualification: NIL ii. If management is unable to estimate the impact, reasons for the same: iii. Auditors' Comments on (i) or (ii) above:
9	**a. Details of Audit Qualification: Non Provision for Doubtful Debts** No provision for doubtful debts for the sum of Rs. 26,81,000 /- has been made in books of accounts as on March 31, 2020 as per expected credit loss method prescribed under IND-AS 109 for amount recoverable from a debtor which is doubtful of recovery. The losses and current liabilities of the Company are understated as on March 31, 2020 to the extent of Rs. 26,81,000 /-.
	b. Type of Audit Qualification : ~~Qualified Opinion~~ / ~~Disclaimer of Opinion~~ / Adverse Opinion
	c. Frequency of qualification: Whether appeared first time / repetitive / since how long continuing: First Time
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:
	e. For Audit Qualification(s) where the impact is not quantified by the auditor: NA
	i. Management's estimation on the impact of audit qualification: ii. If management is unable to estimate the impact, reasons for the same: iii. Auditors' Comments on (i) or (ii) above:
10	**a. Details of Audit Qualification: Impairment in the value of intangible business and commercial rights of the Associate Company.** The aggregate carrying value of Business and Commercial Rights and Channel Development Cost in the books of SAB Media Networks Private Limited as on March 31, 2020 is Rs. 98,47,20,824/-. There is no revenue generation from monetization of these assets during the quarter and year ended March 31, 2020 due to which the Company has incurred substantial losses during the quarter and year ended March 31, 2020 and previous financial years. There is a strong indication of impairment in the value of these Business and Commercial Rights and Channel Development Cost and therefore we are of the opinion that the impairment loss of Rs. 98,47,20,824/- should be provided on all such assets in the books of accounts of the Company as on March 31, 2020. The assets of the Company are overstated and net loss for the quarter and year ended March 31, 2020 is understated to that extent.
	b. Type of Audit Qualification : ~~Qualified Opinion~~ / ~~Disclaimer of Opinion~~ / Adverse Opinion
	c. Frequency of qualification: Whether appeared first time / repetitive / since how long continuing: Repetitive
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:
	e. For Audit Qualification(s) where the impact is not quantified by the auditor: NA
	i. Management's estimation on the impact of audit qualification: NIL ii. If management is unable to estimate the impact, reasons for the same: iii. Auditors' Comments on (i) or (ii) above:

11	**a. Details of Audit Qualification: Non Provision of Interest on loan by the Associate Company** Due to defaults in repayment of loans taken from Bank/s, the Account of SAB Media Networks Private Limited has been classified as Non Performing Asset by Banks in the previous financial years. Further bank has taken possession and sold the collateral securities belonging to the promoters and its group entities and has invoked the shares pledged as collaterals provided by third party and adjusted sale proceeds of Rs.25,78,01,079/- against the interest liability. No provision has been made in the books of accounts maintained by the Company for interest / penal interest, if any, on these term loans amounting to Rs. 26,81,93,660/- as on March 31, 2020, hence to that extent, finance cost, total loss for the year ended March 31, 2020, Negative "Other Equity" balances (as it includes interest expense of previous financial years) and current financial liabilities are understated by Rs. 26,81,93,660/- as on March 31, 2020.	
	b. Type of Audit Qualification : ~~Qualified Opinion~~ / ~~Disclaimer of Opinion~~ / Adverse Opinion	
	c. Frequency of qualification: Whether appeared first time / repetitive / since how long continuing: Repetitive	
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:	
	e. For Audit Qualification(s) where the impact is not quantified by the auditor: NA	
	i. Management's estimation on the impact of audit qualification: NIL ii. If management is unable to estimate the impact, reasons for the same: iii. Auditors' Comments on (i) or (ii) above:	
12	**a. Details of Audit Qualification: Material uncertainty related to Going Concern of Associate Company.** The results of SAB Media Networks Private Limited are prepared on going concern basis notwithstanding the fact that loan accounts are classified as non-performing by bank, loans have been recalled back by secured lenders, current liabilities are substantially higher than the current assets, sale of mortgaged property provided as collateral by promoter and promoter group companies, invocation of part of the shares pledged as collaterals by bank, further as discussed in the Basis of Adverse Opinion paragraph, the carrying value of non-current assets has been fully impaired and also that there is no business activity has been carried out during the financial year under audit and substantial losses incurred by the Company during the year ending March 31, 2020 and previous financial years and negative net worth of Rs. 32,49,83,866 /- as on March 31, 2020. All of the above conditions indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern.	
	b. Type of Audit Qualification : ~~Qualified Opinion~~ / ~~Disclaimer of Opinion~~ / Adverse Opinion	
	c. Frequency of qualification: Whether appeared first time / repetitive / since how long continuing: First Time	
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: NA	
	e. For Audit Qualification(s) where the impact is not quantified by the auditor:	
	i. Management's estimation on the impact of audit qualification: NIL ii. If management is unable to estimate the impact, reasons for the same: iii. Auditors' Comments on (i) or (ii) above:	
III.	**Signatories:**	
	• Resolution Professional	Vijendra Kumar Jain
	• Statutory Auditor	
	Place: Mumbai Date: 30th July, 2020	