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: www.adhikaribrothers.com

STATEMENT OF STANDALONE AND CONSOLIDATED UN-AUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE, 2021.

Sr. No.	Particulars	Standalone			Consolidated			Standalone	Consolidated
		For Quarter Ended			For Quarter Ended			For Year Ended	For Year Ended
		30-Jun-21	31-Mar-21	30-Jun-20	30-Jun-21	31-Mar-21	30-Jun-20	31-Mar-21	31-Mar-21
		(Un-Audited)	(Audited)	(Un-Audited)	(Un-Audited)	(Audited)	(Un-Audited)	(Audited)	(Audited)
1	**Income**								
	(a) Revenue from operations	-	-	-	-	-	-	-	-
	(b) Other Income	-	1.37	27.70	-	1.37	27.70	31.28	31.28
	Total Income (a+b)	-	1.37	27.70	-	1.37	27.70	31.28	31.28
2	**Expenditure**								
a.	Cost of Material Consumed	-	-	-	-	-	-	-	-
b.	Changes in inventories of Finished Goods and Work-in-progress	-	-	-	-	-	-	-	-
c.	Employee Benefit Expense	1.64	1.16	1.68	1.64	1.16	1.68	6.32	6.32
d.	Finance Cost	(0.00)	(0.01)	366.58	(0.00)	(0.01)	366.58	366.59	366.60
e.	Depreciation & Amortization Expense	510.51	320.59	575.03	510.51	320.59	575.03	2,045.67	2,045.67
f.	Other Expenses						-		
	(i) Operating Expenses	-	-	-	-	-	-	-	
	(ii) Other Expenses	20.69	28.18	13.96	21.88	29.65	13.99	100.91	105.99
	Total Expenditure (a+b+c+d+e+f)	532.85	349.93	957.25	534.03	351.40	957.28	2,519.49	2,524.58
3	**Profit/(Loss) before Exceptional Items & Tax (1-2)**	(532.85)	(348.56)	(929.55)	(534.03)	(350.03)	(929.58)	(2,488.21)	(2,493.31)
4	Exceptional Items (Refer Note No. 8, 9, 10 & 11)	-	-	-	-	-	-	-	-
5	**Profit/(Loss) before Tax (3-4)**	(532.85)	(348.56)	(929.55)	(534.03)	(350.03)	(929.58)	(2,488.21)	(2,493.31)
6	**Tax Expenses**	(1.65)	4.94	-	(1.65)	4.94	-	4.94	4.94
	i) Income Tax pertaining to earlier years	(1.65)	4.94	-	(1.65)	4.94	-	4.94	4.94
	ii) MAT Credit Entitlement	-	-	-	-	-	-	-	-
	iii) Deferred Tax	-	-	-	-	-	-	-	-
7	**Profit/(Loss) after tax (5-6)**	(531.20)	(353.50)	(929.55)	(532.38)	(354.97)	(929.58)	(2,493.15)	(2,498.26)
	Less: Share of Minority Interest	-	-	-	(0.40)	(0.49)	(0.01)	-	(1.69)
	Add: Profit/(Loss) of Associates	-	-	-	-	-	-	-	-
8	**Profit/(Loss) for the year**	(531.20)	(353.50)	(929.55)	(531.99)	(354.48)	(929.57)	(2,493.15)	(2,496.57)
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.	(0.03)	0.29	(0.08)	(0.03)	0.29	(0.08)	0.06	0.06
	Other Comprehensive Income Items that will be reclassified to Profit or loss	-	-	-	-	-	-	-	-
10	**Total Other Comprehensive Income**	(531.23)	(353.21)	(929.63)	(532.02)	(354.19)	(929.65)	(2,493.09)	(2,496.51)
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
12	Other Equity	-	(9,208.69)	-	-	(9,213.09)	-	(9,208.75)	(9,213.09)
13	Earning Per Share (EPS)								
	Basic	(1.52)	(1.01)	(2.66)	(1.52)	(1.02)	(2.66)	(7.13)	(7.15)
	Diluted	(1.52)	(1.01)	(2.66)	(1.52)	(1.02)	(2.66)	(7.13)	(7.15)



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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 possession of the corporate and registered office, content library (intangible asset), inventories, other fixed assets, Fixed Assets Register and other such information and records/ documents requested by the Corporate Debtor. 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. The non-cooperation petition was listed on 6th October, 2020. After hearing the non-cooperation Petition at length, an interim Order was passed by the Hon'ble NCLT, Mumbai Bench. The bench appointed Adv. Nikita Abhyankar as the court observer for recording the minutes and also take videography of the joint meeting of RP and Suspended management for handover of live books of accounts, content library, registered office, Kandivali plot, and the related pending information and request, and report the same to Hon'ble NCLT.
After the interim order of the Hon'ble NCLT, recently, limited access to books of accounts for last two financial years was provided. However, Fixed asset register, books of accounts upto 2017-18 and various supporting documents have not been provided. To that effect, the RP has already communicated with the Court Observer. Further, hand-over of the Kandivali plot was completed.
As suspended management has not yet handed over the Fixed Assets register, exact depreciation amount for the quarter ended June 2021 could not be calculated. Accordingly, depreciation amount for the quarter ended June 2021 is assumed to calculated to be proportionate to the depreciation expense for F.Y. 2020-21.
Further, the suspended management has not handed over the user ID and password, of the Company, for completing the PF, PT & ESIC compliances, inspite of various reminders in various COC meetings and also through emails. Accordingly, the related statutory dues could not be processed.

The Resolution Professional does not have any control over the books of accounts of the Subsidiary, Westwind Realtors Private Limited and the results are as provided by the Subsidiary management.

3 The above Standalone & Consolidated Financial Results of the Company have been reviewed by the Resolution Professional meeting Committee (in lieu of the Suspended board of Directors) held on 11th August, 2021. The Statutory Auditors have carried out the review of these Standalone & Consolidated Financial Results for the quarter ended June 30, 2021 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 Company is operating in a single segment viz. content production and distribution. Hence the results are reported on a single segment basis.

5 The Company's loan facilities from banks has become Non-performing. However, some of the banks are still charging interest from the date the account has been classified as non performing, per the bank statements provided. No such interest provision has been made in books of accounts and correspondingly in the financial result for the quarter ended 30th June,2021, since no interest can be charged on initiation of the CIRP due to moratorium under IBC.

6 Currently, the Company is in Corporate Insolvency Resolution Process and therefore the accounts are prepared on going concern concept.

7 RP has instituted a transaction audit of the company for a period of 5 years to be conducted by Forensic Auditor namely, M/s. Shambhu Gupta & Co.
The Transaction Audit Report has reported certain findings of Preferential, Undervalued & Fraudulent Transactions u/s. 43,45 & 66 of the Code, undertaken by the erstwhile management of the Corporate Debtor. Accordingly, the Resolution Professional, with approval of Committee of Creditors, has filed petition with Hon'ble NCLT, Mumbai against the suspended management of the Company under section 43,45 & 66 of IBC.
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 results for the quarter ended June 30, 2021 are subject to the valuation reports of the valuers.

8 The amount of total term loans included in Other Financial Liabilities amounts to Rs. 178,85,67,955 in the books of account as on June 30, 2021, whereas the amount of total claims received by the RP from the financial creditors amount to Rs. 504,22,16,828 (including corporate guarantees) which includes interest/ penalty calculated upto CIRP admission date (financial creditors claims accepted amount to Rs. 504,02,60,566). The Corporate Guarantee claims amounting to Rs. 301,88,23,554 have not been provided for in the books of accounts.
Further, the RP has received and accepted claims of Rs. 136,07,97,232 from other creditors who have a security interest on the assets of the Company, and from operational creditors and employees amounting to Rs. 15,64,182.

9 The suspended management has given on leave and license, 1st, 4th, 5th, 6th and 7th floors of its Corporate office, Adhikari Chambers 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 leave and license terms have been agreed to favour the related parties and are against the interest of the company. Resolution Professional has served the licensees with a termination notice on July 1, 2020 to terminate such leave and license arrangements, to protect the interest of the company. Accordingly license fees related to the above arrangements are not recognized in the books of account as revenue from July ,2020 onwards.

An application is filed by Mr. Markand Adhikari before Hon'ble NCLT, Mumbai Bench for quashing the termination of Leave and Licence Notice issued to the licensees. The outcome of such application cannot be ascertained as on date.

10 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 is 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

11 The " Other Equity" balances of the Company will be provided by the Company for the year ended March 31, 2022 based on audited figures of standalone and consolidated accounts and is not given on a quarterly basis.

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

For Sri Adhikari Brothers Television Network Ltd.

Vijendra Kumar Jain
Resolution Professional

Place : Mumbai
Date : 12th August, 2021

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Independent Auditors' Review Report

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 and approved by RP, subject to RP's qualifications.

3. We have reviewed the accompanying Statement of Unaudited Standalone Financial Results of **Sri Adhikari Brothers Television Network Limited** ("the Company") for the quarter ended June 30, 2021, being submitted by the Company pursuant to the requirement of Regulation 33 & 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with relevant circulars issued by SEBI.

4. The Statement is the responsibility of the Management / Resolution Professional, which is prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 & 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with relevant circulars issued by SEBI. Our responsibility is to express a conclusion on the Statement based on our review.

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5. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the statements are free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Adverse Conclusion

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 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 conclusion on the financial statements in such circumstances as required by Standard on Auditing SA 705 (Revised).*

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 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 approximately Rs. 23,48,25,319 /- as on June 30, 2021 (exact amount cannot be determined), hence to that extent, finance cost, total loss for the quarter ended June 30, 2021, Negative "Other Equity" balances (as it includes interest expense of previous financial years) and current financial liabilities are understated by approximately Rs. 23,48,25,319 /- as on June 30, 2021. The said amount of Rs. 23,48,25,319 /- is the difference between Claims amounting to Rs. 2,02,33,93,274/- (including interest) received from banks by RP as on December 20, 2019 and amount of loan outstanding from banks amounting to Rs.178,85,67,955 /- reflected in books of accounts of the Company as on June 30, 2021.*

iii) *The aggregate carrying value of Business and Commercial rights in the books of the Company as on June 30, 2021 is Rs.87,77,02,208 /-. There is no revenue generation from monetization of these assets during the quarter ended June 30, 2021 and in previous financial years, due to which the Company has incurred substantial losses during the quarter ended June 30, 2021 and previous financial years.*

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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. 87,77,02,208 /- should be provided on all such assets in the books of accounts of the Company as on June 30, 2021. The assets of the Company are overstated and net loss for the quarter ended June 30, 2021 is understated to that extent.

iv) *The Company has not provided for loss allowances on financial Corporate Guarantee contracts amounting to about Rs. 301,88,23,554/- (exact amount cannot be ascertained) as on June 30, 2021 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) and also not provided for claims amounting to about Rs. 136,07,97,232/- (exact amount cannot be ascertained) as on June 30, 2021 received from banks for security interest on the assets of the Company for Loans availed by the related group companies. The financial liabilities of the Company and net loss for the quarter ended June 30, 2021 are understated to that extent.*

v) *The Company's inventories are reflected in the Balance Sheet at Rs. 2,71,01,487/- as on June 30, 2021. The Company 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 June 30, 2021. The assets of the Company are overstated and net loss for the quarter ended June 30, 2021 is understated to that extent.*

vi) *The impact of Impairment, if any, of all other Tangible assets in Property, Plant and Equipment amounting to Rs. 37,54,72,802 /- and Capital Work in Progress amounting to Rs. 14,03,44,247 /- should be accounted in the books of accounts by the Company at the quarter ended June 30, 2021 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 by doing a valuation of the same. In the absence of such valuation report of assets by the third party valuers, we are unable to comment whether that the value of assets as reflected in Property, Plant and Equipment and Capital Work in Progress head is correct or impairment for the same is required as on June 30, 2021.*

vii) *The Company / RP has received claims from some Operational Creditors amounting to Rs. 9,59,838 /- which has been accepted, however Rs. 6,89,782/- is the balance outstanding as per books as on June 30, 2021 for such operational creditors. The loss for the quarter ended June 30, 2021 and Trade Payables are understated to the extent of Rs. 2,70,056 /- as on June 30, 2021.*

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viii) *Inter-Company Related Party outstanding balance with TV Vision Limited and SAB Events and Governance Now Media Limited as on June 30, 2021 is subject to reconciliation. The impact, if any, due to non-reconciliation of Inter-Company accounts on the financial statements of the Company as on June 30, 2021 is unascertainable.*

ix) *The amount of Depreciation and Amortization expenses for the quarter ended June 30, 2021 is assumed to be proportionate to the Depreciation and Amortization expenses as per the Audited financials of the Company for the year ended March 31, 2021, due to reasons as stated in Note No. 2 forming part of the results for the quarter ended June 30, 2021. The impact of differences, if any, between actual depreciation as per Fixed Asset Register and as per books of accounts, on the financial statements of the Company as on June 30, 2021 is unascertainable.*

x) *No provision for doubtful debts for the sum of Rs. 26,81,000 /- has been made in books of accounts as on June 30, 2021 as per Expected Credit Loss method prescribed under IND-AS 109 for amount recoverable from a debtor which is doubtful of recovery. The loss for the quarter ended June 30, 2021 is understated and Trade Receivables of the Company are overstated as on June 30, 2021 to the extent of Rs. 26,81,000 /-.*

Based on our review conducted as above and because of the significance of the matters, and except for the possible effects of the matters, as described in the Basis of Adverse Conclusion section and Emphasis of Matters section below, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

Emphasis of Matters

i) Attention is drawn 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, 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 and substantial losses incurred by the Company for the quarter ended June 30, 2021 and in previous financial

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years. 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's 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 is unascertainable as on date and uncertainty relating to other matters stated hereinabove. Further, Attention is drawn to Note No. 9 forming part of results wherein it is stated that RP has served notice of termination of Leave and License agreement to the licensees from July 1, 2020 in the interest of the Company. However, an application is issued on behalf of Mr. Markand Adhikari, Suspended Director, 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 licensees. The outcome of such application is unascertainable as on date.

ii) Attention is drawn to Note No.2 forming part of the results wherein it is stated that the suspended management has not handed over the possession of the corporate and registered office of the Company, content library (intangible asset), inventories, other fixed assets, Fixed Assets Register and other such information and records / documents related to the 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 Note No. 10 forming part of the results wherein Mr. Markand Adhikari, Suspended Director, has filed an application in Hon'ble NCLAT challenging the orders of Hon'ble NCLT, Mumbai Bench, admitting the CIRP of the Company. Also, another application is 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 outcomes of all such applications are unascertainable as on date.

iii) Attention is drawn to Note No. 7 forming part of the results wherein it is stated that the Transaction Audit of the Company for a period of 5 years was conducted by Forensic Auditor and the Transaction Audit Report has reported certain findings of Preferential, Undervalued and Fraudulent Transactions under section 43, 45 and 66 of IBC, undertaken by the erstwhile management of the Company. Accordingly, the RP, with approval of Committee of Creditors, has filed a petition with Hon'ble NCLT, Mumbai against the suspended management of the Company under section 43, 45 and 66 of IBC, the outcome of which is unascertainable as on date. Further, RP

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has also appointed IBBI approved valuers to carry out valuation of all the assets (including intangible assets) of the Company. The valuation of the fixed assets, intangible assets, financial assets and inventory as disclosed in the results for the quarter ended June 30, 2021 are subject to the valuation reports of the valuers.

iv) 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 quarter ended June 30, 2021 but will be accounted in books of accounts only after final order of demand / refund will be received from the relevant tax authorities / court.

v) The Conclusion 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 June 30, 2021.
- Any other processes which required physical presence of the audit team.

Our conclusion is not modified in respect of these matters.

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

Jitesh Jain, Partner
Membership No. 114920
Mumbai
August 12, 2021
UDIN:- 21114920AAAABO3591

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Independent Auditors' Review Report

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 and approved by RP, subject to RP's qualifications.

3. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of **Sri Adhikari Brothers Television Network Limited** ("the Parent") and its Subsidiary (the Parent and its Subsidiary together referred to as "the Group") for the quarter ended June 30, 2021, being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

4. The Statement is the responsibility of the Management / Resolution Professional, which is prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 & 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with relevant circulars issued by SEBI. Our responsibility is to express a conclusion on the Statement based on our review.

5. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the

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Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

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.

6. The Statement includes the results of the following entities :-
   i) Sri Adhikari Brothers Television Network Limited (Holding Company)
   ii) Westwind Realtors Private Limited (Subsidiary Company)

Adverse Conclusion in the Review Report of the Holding Company

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 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 conclusion on the financial statements in such circumstances as required by Standard on Auditing SA 705 (Revised).

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 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 approximately Rs. 23,48,25,319 /- as on June 30, 2021 (exact amount cannot be determined), hence to that extent, finance cost, total loss for the quarter ended June 30, 2021, Negative "Other Equity" balances (as it includes interest expense of previous financial years) and current financial liabilities are understated by approximately Rs. 23,48,25,319 /- as on June 30, 2021. The said amount of Rs.

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23,48,25,319 /- is the difference between Claims amounting to Rs. 2,02,33,93,274/- (including interest) received from banks by RP as on December 20, 2019 and amount of loan outstanding from banks amounting to Rs.178,85,67,955 /- reflected in books of accounts of the Company as on June 30, 2021.

iii) *The aggregate carrying value of Business and Commercial rights in the books of the Company as on June 30, 2021 is Rs.87,77,02,208 /-. There is no revenue generation from monetization of these assets during the quarter ended June 30, 2021 and in previous financial years, due to which the Company has incurred substantial losses during the quarter ended June 30, 2021 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. 87,77,02,208 /- should be provided on all such assets in the books of accounts of the Company as on June 30, 2021. The assets of the Company are overstated and net loss for the quarter ended June 30, 2021 is understated to that extent.*

iv) *The Company has not provided for loss allowances on financial Corporate Guarantee contracts amounting to about Rs. 301,88,23,554/- (exact amount cannot be ascertained) as on June 30, 2021 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) and also not provided for claims amounting to about Rs. 136,07,97,232/- (exact amount cannot be ascertained) as on June 30, 2021 received from banks for security interest on the assets of the Company for Loans availed by the related group companies. The financial liabilities of the Company and net loss for the quarter ended June 30, 2021 are understated to that extent.*

v) *The Company's inventories are reflected in the Balance Sheet at Rs. 2,71,01,487/- as on June 30, 2021. The Company 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 June 30, 2021. The assets of the Company are overstated and net loss for the quarter ended June 30, 2021 is understated to that extent.*

vi) *The impact of Impairment, if any, of all other Tangible assets in Property, Plant and Equipment amounting to Rs. 37,54,72,802 /- and Capital Work in Progress amounting to Rs. 14,03,44,247 /- should be accounted in the books of accounts by the Company at the quarter ended June 30, 2021 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 by doing a valuation of the same. In the absence of such valuation report of assets by the third party valuers, we are unable to comment*

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whether that the value of assets as reflected in Property, Plant and Equipment and Capital Work in Progress head is correct or impairment for the same is required as on June 30, 2021.

vii) *The Company / RP has received claims from some Operational Creditors amounting to Rs. 9,59,838 /- which has been accepted, however Rs. 6,89,782/- is the balance outstanding as per books as on June 30, 2021 for such operational creditors. The loss for the quarter ended June 30, 2021 and Trade Payables are understated to the extent of Rs. 2,70,056 /- as on June 30, 2021.*

viii) *Inter-Company Related Party outstanding balance with TV Vision Limited and SAB Events and Governance Now Media Limited as on June 30, 2021 is subject to reconciliation. The impact, if any, due to non-reconciliation of Inter-Company accounts on the financial statements of the Company as on June 30, 2021 is unascertainable.*

ix) *The amount of Depreciation and Amortization expenses for the quarter ended June 30, 2021 is assumed to be proportionate to the Depreciation and Amortization expenses as per the Audited financials of the Company for the year ended March 31, 2021, due to reasons as stated in Note No. 2 forming part of the results for the quarter ended June 30, 2021. The impact of differences, if any, between actual depreciation as per Fixed Asset Register and as per books of accounts, on the financial statements of the Company as on June 30, 2021 is unascertainable.*

x) *No provision for doubtful debts for the sum of Rs. 26,81,000 /- has been made in books of accounts as on June 30, 2021 as per Expected Credit Loss method prescribed under IND-AS 109 for amount recoverable from a debtor which is doubtful of recovery. The loss for the quarter ended June 30, 2021 is understated and Trade Receivables of the Company are overstated as on June 30, 2021 to the extent of Rs. 26,81,000 /-.*

Based on our review conducted as above and because of the significance of the matters, and except for the possible effects of the matters, as described in the Basis of Adverse Conclusion section and Emphasis of Matters section below, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

Emphasis of Matters in the Review Report of the Holding Company

i) Attention is drawn 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

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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, 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 and substantial losses incurred by the Company for the quarter ended June 30, 2021 and in previous financial years. 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's 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 is unascertainable as on date and uncertainty relating to other matters stated hereinabove. Further, Attention is drawn to Note No. 9 forming part of results wherein it is stated that RP has served notice of termination of Leave and License agreement to the licensees from July 1, 2020 in the interest of the Company. However, an application is issued on behalf of Mr. Markand Adhikari, Suspended Director, 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 licensees. The outcome of such application is unascertainable as on date.

ii) Attention is drawn to Note No.2 forming part of the results wherein it is stated that the suspended management has not handed over the possession of the corporate and registered office of the Company, content library (intangible asset), inventories, other fixed assets, Fixed Assets Register and other such information and records / documents related to the 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 Note No. 10 forming part of the results wherein Mr. Markand Adhikari, Suspended Director, has filed an application in Hon'ble NCLAT challenging the orders of Hon'ble NCLT, Mumbai Bench, admitting the CIRP of the Company. Also, another application is 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 outcomes of all such applications are unascertainable as on date.

iii) Attention is drawn to Note No. 7 forming part of the results wherein it is stated that the Transaction Audit of the Company for a period of 5 years was conducted by

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Forensic Auditor and the Transaction Audit Report has reported certain findings of Preferential, Undervalued and Fraudulent Transactions under section 43, 45 and 66 of IBC, undertaken by the erstwhile management of the Company. Accordingly, the RP, with approval of Committee of Creditors, has filed a petition with Hon'ble NCLT, Mumbai against the suspended management of the Company under section 43, 45 and 66 of IBC, the outcome of which is unascertainable as on date. Further, RP has also appointed IBBI approved valuers to carry out valuation of all the assets (including intangible assets) of the Company. The valuation of the fixed assets, intangible assets, financial assets and inventory as disclosed in the results for the quarter ended June 30, 2021 are subject to the valuation reports of the valuers.

iv) 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 quarter ended June 30, 2021 but will be accounted in books of accounts only after final order of demand / refund will be received from the relevant tax authorities / court.

v) The Conclusion 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 June 30, 2021.
- Any other processes which required physical presence of the audit team.

Our conclusion is not modified in respect of these matters.

Emphasis of Matters in the Review Report of the Subsidiary Company

i) 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 the Building cost which is being constructed out of construction contribution

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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.

ii) The contribution received from members amounting to Rs. 3,99,15,000 /- towards the construction cost of the building, is subject to confirmation / reconciliation as on June 30, 2021. Therefore, the financial impact, if any, due to non-confirmation / reconciliation of such outstanding balances on the results for the quarter ended June 30, 2021 is unascertainable.

Our Conclusion is not modified in respect of these matters.

Basis of Adverse Conclusion in the accounts of Associate Company (i.e. SAB Media Networks Private Limited):

i) *The aggregate carrying value of Business and Commercial rights and Channel Development costs in the books of the Company as on June 30, 2021 is Rs. 79,87,67,843/-. There is no revenue generation from monetization of these assets during the quarter ended June 30, 2021 and in previous financial years due to which the Company has incurred substantial losses during the quarter ended June 30, 2021 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. 79,87,67,843/- should be provided on all such assets in the books of accounts of the Company as on June 30, 2021. The assets of the Company are overstated and net loss for the quarter ended June 30, 2021 is understated to that extent.*

ii) *Due to default in repayment of loans taken from Bank, the Account of the Company has been classified as Non-Performing Asset by Bank in the previous financial years. 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 approximately Rs. 2,92,47,436 /- for the quarter ended June 30, 2021 (exact amount cannot be determined), hence to that extent, finance cost, total loss for the quarter ended June 30, 2021 and current financial liabilities are understated by approximately Rs. 2,92,47,436 /- for the quarter ended June 30, 2021. Further, no provision for interest / penal interest, if any, on such term loans has been made in books of accounts, from the date the account of the Company has been classified as non-performing in the books of those banks. Also, such loan outstanding balances as per books of accounts are subject to confirmation / reconciliation with the balance as per banks as on June 30, 2021.*

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

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 Conclusion 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 quarter under review and substantial losses incurred by the Company during the quarter ending June 30, 2021 and in previous financial years and negative net worth as on June 30, 2021. 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.

7. The consolidated unaudited financial results include the interim financial results of 1 subsidiary which have been reviewed by us, whose interim financial results reflect total revenue of Rs. NIL and total net loss after tax of Rs. 1.19 Lakhs for the quarter ended June 30, 2021, as considered in the consolidated unaudited financial results. The consolidated unaudited financial results does not include Group's share of net loss after tax for the quarter ended June 30, 2021, in respect of one associate, whose interim financial results have been reviewed by us. According to the information and explanations given to us by the Management, these interim financial results of the associate are not considered in the results of the Parent as the investment in the associate had become NIL in the previous financial years in the books of the Parent and liability for proportionate losses of the current quarter ended June 30, 2021 are not recognised as per requirements of Indian Accounting Standard (Ind AS) 28 "Investments in Associates".

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

P. PARIKH & ASSOCIATES ★ Chartered Accountants ★ Mumbai

Jitesh Jain, Partner
Membership No. 114920
Mumbai
August 12, 2021
UDIN:- 21114920AAAABP8313