

**QYOU MEDIA INDIA PRIVATE LIMITED**  
Annual Report  
2020 – 2021



## Independent Auditors` Report

To

**The Members of,  
QYOU MEDIA INDIA PRIVATE LIMITED**

### ❖ **Opinion**

We have audited the accompanying financial statements of **QYOU MEDIA INDIA PRIVATE LIMITED** ("the Company") which comprises the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and Profit for the year ended on that date.

### ❖ **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the, Board's Report including Annexures to Board's Report, Management Discussion and Analysis, Business Responsibility Report, Corporate

Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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

#### ❖ **Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

❖ **Auditor's Responsibility for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatements of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

#### ❖ **Report on other legal and regulatory requirements**

1. As required by the Companies (Auditor's Report) Order, 2014 ("the Order") issued by the Central Government of India in terms of Sub-section (11) of section 143 of the Act, we give in the Annexure A statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of those books;
  - (c) The Balance Sheet, Statement of Profit & Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - (e) On the basis of the written representations received from the directors as on March 31, 2021, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021, from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) According to the information and explanations given to us, the Company is exempted from getting an audit opinion with respect to the adequacy of the internal financial controls over

financial reporting of the company and the operating effectiveness of such controls vide notification dated June 13, 2017.

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

**For Sandip Shah & Co**

Chartered Accountants

Firm Reg. No.: 133680W

**Sandip Shah**

Proprietor

Membership No.: 103125

Place: Mumbai

Date: November 29, 2021

UDIN: 21103125AAACSV5454

**ANNEXURE - A TO THE AUDITORS' REPORT**

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the financial statements for the year ended March 31, 2021, we report that

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular program of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this program, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- (c) Since the company is not having any immovable property, verification of title deed is not applicable and hence Paragraph 3(i)(c) of the order is not applicable.
- (ii) The Company does not hold any inventory. Hence Paragraph 3(ii) of the order is not applicable.
- (iii) The company has not granted any loans during the year to companies, firms or other parties covered in the registered maintained under section 189 of the Companies Act, 2013. Consequently, the requirements of Clauses (iii) of paragraph 3 of the Order are not applicable.
- (iv) The Company has not provided any loans, Guarantee or security to Directors or relative of directors according to section 185 and 186 of the companies act, 2013 so requirements as per clause (iv) of the order is not applicable.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits within the meaning of the directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and rules framed there under.
- (vi) According to the information and explanations given to us, the Central Government has not prescribed maintenance of cost records under Section 148(1) of the Companies Act, 2013.

- (vii) In respect of statutory dues:
  - (a) According to the information and explanations given to us and on the basis of our examination of the records of accounts, the company has generally been regular in depositing undisputed statutory dues including income tax and tax deducted at source with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of statutory dues were in arrears as at March 31, 2021 for a period of more than six months from the date they became payable.
  - (b) According to the records of the Company, there are no dues of income-tax, tax deducted at source which have not been deposited on account of any dispute.
- (vii) The Company has not taken any loan from the financial institution and accordingly the provisions of clause (Viii) of paragraph 3 of the Order are not applicable to the Company.
- (ix) According to the information and explanations given to us, the company has neither raised any money by way of initial public offer or further public offer (Including Debt Instrument).
- (x) According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations given to us, the company is private limited company, hence the provisions of section 197 read with Schedule V to the Companies Act are not applicable. Accordingly, provisions of the clause (xi) of paragraph 3 of the order are not applicable to the company.
- (xii) The Company is not a 'Nidhi company' so the clause (xii) of paragraph 3 of the Order are not applicable to the Company.
- (xiii) According to the information and explanations given to us, all the transactions with the related parties are in compliance with sections 177 and 188 of Companies Act,2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.
- (xiv) During the year company has neither issued any preferential allotment or private allotment of shares nor fully or partly convertible debentures.



- (xv) According to the information and explanations given to us, Company has not entered into any noncash transactions with directors or persons connected with him.
- (xvi) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934

**For Sandip Shah & Co**

Chartered Accountants Firm Reg.

No.: 133680W

**Sandip Shah** Proprietor

Membership No.: 103125

UDIN: 21103125AAACSV5454

Place: Mumbai

Date: November 29,2021

# QYOU MEDIA INDIA PRIVATE LIMITED

Balance Sheet as at March 31, 2021

(Amount in Rs )

| Particulars                      | Note No. | As at 31-Mar-21 |                    | As at 31-Mar-20 |                 |
|----------------------------------|----------|-----------------|--------------------|-----------------|-----------------|
| <b>EQUITY AND LIABILITIES</b>    |          |                 |                    |                 |                 |
| <b>Shareholders' Funds</b>       |          |                 |                    |                 |                 |
| Share Capital                    | 3        | 84,99,830       |                    | 1,00,000        |                 |
| Reserves and Surplus             | 4        | 56,09,119       | 1,41,08,949        | 2,41,037        | 3,41,037        |
| <b>Non - Current Liabilities</b> |          |                 |                    |                 |                 |
| Deferred Tax Liability           |          |                 | 56,862             |                 | 9,801           |
| <b>Current Liabilities</b>       |          |                 |                    |                 |                 |
| Trade Payable                    | 5        | 3,38,70,764     |                    | 1,71,829        |                 |
| Other Current Liabilities        | 6        | 1,64,05,527     |                    | 13,607          |                 |
| Short-term Provisions            | 7        | 19,21,988       | 5,21,98,279        | 1,25,000        | 3,10,436        |
| <b>Total</b>                     |          |                 | <b>6,63,64,090</b> |                 | <b>6,61,274</b> |
| <b>ASSETS</b>                    |          |                 |                    |                 |                 |
| <b>Non - Current Assets</b>      |          |                 |                    |                 |                 |
| Fixed Assets                     |          |                 |                    |                 |                 |
| - Tangible Assets                | 8        | 10,56,221       |                    | 1,48,082        |                 |
| LongTerm Loans and Advances      | 9        | 13,86,000       | 24,42,221          | 1,86,312        | 3,34,394        |
| <b>Current Assets</b>            |          |                 |                    |                 |                 |
| Trade Receivable                 | 10       | 48,17,032       |                    | 1,16,002        |                 |
| Cash and Bank Balances           | 11       | 68,32,558       |                    | 1,72,370        |                 |
| Other Current Assets             | 12       | 5,22,72,279     | 6,39,21,869        | 38,508          | 3,26,880        |
| <b>Total</b>                     |          |                 | <b>6,63,64,090</b> |                 | <b>6,61,274</b> |
| General Information              | 1        |                 |                    |                 |                 |
| Significant Accounting Policies  | 2        |                 |                    |                 |                 |
| Notes on Accounts                | 15 to 24 |                 |                    |                 |                 |

As per our Report of even date

For and on behalf of  
**Sandip Shah & Co.**  
Chartered Accountants  
Registration No : 133680W

For and on behalf of the Board  
**Qyou Media India Private Limited**

**Sandip Shah**  
Proprietor  
Membership No.: 103125  
UDIN: 21103125AAACSV5454  
Place: Mumbai  
Date: November 29,2021

**Curt Wayne Marvis**  
Director  
DIN : 08231593  
Place: Mumbai  
Date: November 29,2021

**Krishna Rajgopal Menon**  
Director  
DIN:08606385

# QYOU MEDIA INDIA PRIVATE LIMITED

## Statement of Profit and Loss for the year ended March 31, 2021

(Amount in Rs )

| Particulars  | Note No. | Year ended 31-Mar-21 | Year ended 31-Mar-20 |
|--|----------|----------------------|----------------------|
| <b>I REVENUE FROM OPERATIONS</b>   | 13       | <b>7,18,97,034</b>   | 23,94,838            |
| <b>II TOTAL REVENUE</b>  |          | <b>7,18,97,034</b>   | 23,94,838            |
| <b>III EXPENSES</b>  |          |                      |                      |
| Depreciation and Amortisation Expenses   | 8        | <b>2,16,242</b>      | 5,918                |
| Other Expenses   | 14       | <b>6,42,40,649</b>   | 20,47,905            |
| <b>Total Expenses</b>  |          | <b>6,44,56,891</b>   | 20,53,823            |
| <b>IV PROFIT/(LOSS) BEFORE TAX (II - III)</b>                                      |          | <b>74,40,143</b>     | 3,41,015             |
| <b>V TAX EXPENSE</b>   |          |                      |                      |
| Current Tax  |          | <b>20,25,000</b>     | 90,000               |
| Deferred Tax   |          | <b>47,061</b>        | 9,801                |
| <b>VI PROFIT/(LOSS) FOR THE YEAR (IV - V)</b>                                      |          | <b>53,68,082</b>     | 2,41,214             |
| <b>Earning per Equity Share (Face Value per Share Rs. 10/-)</b><br>Basic & Diluted |          | <b>21.73</b>         | 24.12                |
| General Information  | 1        |                      |                      |
| Significant Accounting Policies  | 2        |                      |                      |
| Notes on Accounts  | 15 to 24 |                      |                      |

As per our Report of even date

For and on behalf of  
**Sandip Shah & Co.**  
Chartered Accountants  
Registration No : 133680W

For and on behalf of the Board  
**Qyou Media India Private Limited**

**Sandip Shah**  
Proprietor  
Membership No.: 103125  
UDIN: 21103125AAACSV5454  
Place: Mumbai  
Date: November 29,2021

**Curt Wayne Marvis**  
Director  
DIN : 08231593  
Place: Mumbai  
Date: November 29,2021

**Krishna Rajgopal Menon**  
Director  
DIN:08606385

# QYOU MEDIA INDIA PRIVATE LIMITED

Cash Flow Statement For The Year Ended On March 31, 2021

(Amount in Rs )

| Particulars  | INFLOWS/ (OUTFLOWS)     |                         |
|--|-------------------------|-------------------------|
|  | Year ended<br>31-Mar-21 | Year ended<br>31-Mar-20 |
| <b>A Cash flow from Operating Activities</b>             |                         |                         |
| <b>Net Profit / (Loss) before tax</b>                    | <b>74,40,143</b>        | 3,41,015                |
| Adjustments for :<br>Depreciation                        | <u>2,16,242</u>         | <u>5,918</u>            |
|  | <b>2,16,242</b>         | 5,918                   |
| Operating Profit / (Loss) before Working Capital changes | <b>76,56,385</b>        | 3,46,933                |
| Adjustments for Changes in the Working Capital           |                         |                         |
| Trade receivables  | <b>(47,01,031)</b>      | (1,16,002)              |
| Long Term Loans and Advances                             | <b>(11,99,688)</b>      | (1,00,000)              |
| Other Current Assets                                     | <b>(5,22,33,770)</b>    | (38,508)                |
| Trade Payable  | <b>3,36,98,935</b>      | 1,71,829                |
| Other Current Liabilities & Provisions                   | <b>1,63,91,920</b>      | 13,607                  |
| Short Term Provisions                                    | <b>17,96,988</b>        | 1,25,000                |
|  | <b>(62,46,646)</b>      | 55,926                  |
| <b>Cash generated from Operations</b>                    | <b>14,09,738</b>        | 4,02,859                |
| Direct Taxes (Paid) / Refund (net)                       | <b>(20,25,000)</b>      | (1,76,312)              |
| <b>Net Cash from Operating Activities (A)</b>            | <b>(6,15,262)</b>       | 2,26,547                |
| <b>B Cashflow from Investment Activities</b>             |                         |                         |
| Purchase of Fixed Assets                                 | <b>(11,24,380)</b>      | (1,54,000)              |
| <b>Net Cash from Investment Activities (B)</b>           | <b>(11,24,380)</b>      | (1,54,000)              |
| <b>C Cashflow from Financing Activities</b>              |                         |                         |
| Share application Money                                  | <b>83,99,830</b>        |                         |
| Increase / (Decrease) in Share Capital                   | -                       | -                       |
| <b>Net Cash from Financing Activities (C)</b>            | <b>83,99,830</b>        | -                       |
| <b>Net Cashflow (A + B + C)</b>                          | <b>66,60,188</b>        | 72,547                  |
| <b>Changes in the Cash &amp; Bank Balances</b>           | <b>66,60,188</b>        | 72,547                  |
| Cash and Cash Equivalents at the beginning of the year   | <b>1,72,370</b>         | 99,823                  |
| Cash and Cash Equivalents at the end of the year         | <b>68,32,558</b>        | 1,72,370                |

As per our Report of even date

For and on behalf of  
**Sandip Shah & Co**  
Chartered Accountants  
Registration No.: 0133680W

For and on behalf of the Board  
**Qyou Media India Private Limited**

**Sandip Shah**  
Proprietor  
Membership No.: 103125  
UDIN: 21103125AAACSV5454  
Place: Mumbai  
Date: November 29,2021

**Curt Wayne Marvis**  
Director  
DIN : 08231593  
Place: Mumbai  
Date: November 29,2021

**Krishna Rajgopal Menon**  
Director  
DIN : 08606385

**1. General Information**

Qyou Media India Private Limited ("the company") was incorporated on 20<sup>th</sup> September 2018 as a Subsidiary of Foreign Company. The company is interallia engaged in the business of broadcasting television channel, buy, sell, procure, commission, films, entertainment, distribution and dissemination on TV channels.

**2. Significant Accounting Policies****2.1 Basis of preparation of financial statements**

The financial statements have been prepared and presented under the historical cost convention on the accrual basis of accounting and in accordance with the provisions of the Companies Act, 2013 ("the Act") and the accounting principles generally accepted in India and comply with the Accounting Standards ("AS") prescribed in the Companies (Accounting Standards) Rules, 2014 issued by Central Government, in consultation with the National Advisory Committee on Accounting Standards ("NACAS"), to the extent applicable.

**2.2 Use of Estimates**

The preparation of financial statements in conformity with Indian GAAP requires judgements, estimates and assumptions to be made that affect the reported amount of assets and liabilities, disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known / materialised.

**2.3 Fixed Assets**

Fixed assets are stated at cost of acquisition less depreciation. The cost comprises of purchase price & other attributable Costs.

Tangible Assets are stated at acquisition cost, net of accumulated depreciation and accumulated impairment losses, if any. Subsequent expenditures related to an item of fixed asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

Intangible Assets are recognised if they are separately identifiable and the Company controls the future economic benefits arising out of them. All other expenses on intangible items are charged to the Statement of Profit and Loss.

**2.4 Depreciation**

Depreciation on fixed assets is provided on the Straight Line method, pro rata to the period of use, over the useful life as prescribed in the manner specified in Schedule II of Companies Act, 2013.

## **2.5 Investments**

Investments intended, at the time of acquisition, to be held for a period exceeding twelve months are classified as "Non-Current Investments". All other Investments are classified as "Current Investments".

Investments are accounted on trade date at cost of acquisition which includes brokerage and other charges.

Current Investments are valued at cost or market value, whichever is lower, whereby the cost of each scrip is compared with its market value and the resultant shortfall, if any, is charged to revenue.

Non-Current Investments are stated at cost less provision, if any, for diminution which is considered other than temporary in nature.

## **2.6 Foreign Currency Transactions**

### ***Initial Recognition***

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

### ***Subsequent Recognition***

All monetary assets and liabilities in foreign currency are restated at the end of accounting period.

A monetary asset or liability is termed as a long term foreign currency monetary item, if the asset or liability is expressed in a foreign currency and has a term of 12 months or more at the date of origination of the asset or liability.

Exchange differences on restatement of all other monetary items are recognised in the Statement of Profit and Loss.

Gains or losses resulting from the settlement of such transaction and from the translation of monetary assets and liabilities denominated in foreign currency are recognised in the Statement of Profit and Loss. In cases where they relate to acquisition of fixed assets, they are adjusted to the carrying cost of such assets.

## **2.7 Impairment of Assets**

In accordance with AS 28 - 'Impairment of Assets', the Company assesses at each balance sheet date whether there is any indication that an asset may be impaired based on internal / external facts. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash-generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the statement of profit and loss.

**2.8 Revenue Recognition**

Incomes from services are recognized when services are rendered. Revenue in respect of other income is recognized when a reasonable certainty as to its realisation exists. Sale of services is exclusive of taxes.

**2.9 Employee Benefits**

Retirement benefit in the form of Provident Fund is a defined contribution scheme and the contributions are charged to Statement of Profit & Loss of the year when contributions to the fund is due. There are no other obligations other than the contributions payable to the respective authority.

**2.10 Preliminary Expenses**

Preliminary Expenses are written off over a period of five years.

**2.11 Leases**

Leases of Assets under which all the risk and benefits of the ownership are effectively retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the Statement of Profit and Loss.

**2.12 Borrowing Costs**

Borrowing costs are recognized as an expense in the period in which they are incurred. The borrowing costs in respect of funds borrowed to finance the qualifying fixed assets until the assets are ready for commercial use are capitalized.

**2.13 Taxes on Income**

Income tax expense comprises of current tax (i.e. amount of tax for the period determined in accordance with the income tax law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period).

Current tax expense is recognised on an annual basis under the taxes payable method, based on the estimated tax liability computed after taking credit for allowances and exemption in accordance with the provisions of Indian Income-tax Act, 1961.

The deferred tax charge or credit and the corresponding deferred tax liabilities or assets is recognised for the future tax consequence attributable to the timing differences between the profits offered for income taxes and profits as per the Company's financial statements. Deferred tax assets and liabilities are measured using the tax rates and the tax laws that have been enacted or substantively enacted at the balance sheet date. Deferred tax assets

**Note on Financial Statements for the year ended March 31, 2021**

are recognised only to the extent there is reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty of realisation of such assets. Deferred tax assets are reviewed as at each balance sheet date and written down or written up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realised.

**2.14 Earnings per Share**

In determining basic earnings per share, the Company considers the net profit after tax and includes the post-tax effect of any extra-ordinary items. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the period. The number of shares used in computing diluted earnings per share comprises the weighted average shares considered for deriving basic earnings per share, and also the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. The diluted potential equity shares are adjusted for the proceeds receivable, had the shares been actually issued at fair value. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date.

**2.15 Provisions and Contingent Liabilities*****Provisions***

Provisions are recognised when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date and are not discounted to its present value.

***Contingent Liabilities***

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is termed as a contingent liability.



## QYOU MEDIA INDIA PRIVATE LIMITED

### Note on Financial Statements for the year ended March 31, 2021

(Amount in Rs )

| Note 3 - Share Capital                  | As at<br>31-Mar-21 | As at<br>31-Mar-20 |
|---|--------------------|--------------------|
| <b>AUTHORISED</b>                       |                    |                    |
| 9,30,000 Equity Shares of Rs. 10/- each | 93,00,000          | 1,00,000           |
| <b>Total</b>                            | <b>93,00,000</b>   | <b>1,00,000</b>    |
| <b>ISSUED</b>                           |                    |                    |
| 8,49,983 Equity Shares of Rs. 10/- each | 84,99,830          | 1,00,000           |
| <b>Total</b>                            | <b>84,99,830</b>   | <b>1,00,000</b>    |
| <b>SUBSCRIBED &amp; FULLY PAID UP</b>   |                    |                    |
| 8,49,983 Equity Shares of Rs. 10/- each | 84,99,830          | 1,00,000           |
| <b>Total</b>                            | <b>84,99,830</b>   | <b>1,00,000</b>    |

a) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

| Particulars                             | Opening Balance | Issue / Buy back | Closing Balance |
|---|-----------------|------------------|-----------------|
| <b>Equity shares with voting rights</b> |                 |                  |                 |
| Year ended March 31, 2020               |                 |                  |                 |
| - Number of Shares                      | -               | 10,000           | 10,000          |
| - Amount                                | -               | 1,00,000         | 1,00,000        |
| Year ended March 31, 2021               |                 |                  |                 |
| - Number of Shares                      | 10,000          | 8,39,983         | 8,49,983        |
| - Amount                                | 1,00,000        | 83,99,830        | 84,99,830       |

b) Details of equity shareholders holding more than 5% of equity shares:

| Name of Shareholder  | As at March 31, 2021 |                 | As at March 31, 2020 |               |
|----------------------|----------------------|-----------------|----------------------|---------------|
|                      | %                    | No. of Shares   | %                    | No. of Shares |
| Qyou Media Inc*      | 88.00                | 7,47,985        | 100.00               | 10,000        |
| Sunder Solomon Aaron | 10.00                | 84,998          | -                    | -             |
| Wright Family Trust  | 2.00                 | 17,000          | -                    | -             |
|                      | <b>100.00</b>        | <b>8,49,983</b> | 100.00               | 10,000        |

\* Including 1 share held by Krishna Menon

(Amount in Rs )

| Note 4 - Reserve & Surplus            | As at<br>31-Mar-21 | As at<br>31-Mar-20 |
|---------------------------------------|--------------------|--------------------|
| <b>Surplus</b>                        |                    |                    |
| Balance at the beginning of the Year  | 2,41,037           | (177)              |
| Add: Net Profit/(Loss) for the Period | 53,68,082          | 2,41,214           |
| <b>Closing Balance</b>                | <b>56,09,119</b>   | 2,41,037           |

(Amount in Rs )

| Note 5 - Trade Payable   | As at<br>31-Mar-21 | As at<br>31-Mar-20 |
|--|--------------------|--------------------|
| Sundry Creditors   | 3,38,70,764        | 1,71,829           |
| [As per the information available with the Company, there are no dues outstanding as on 31st March 2021 to any micro, small and medium enterprise as defined under section 7 of Micro, Small & Medium Enterprises Development Act, 2006] |                    |                    |
| <b>Total</b>   | <b>3,38,70,764</b> | 1,71,829           |

(Amount in Rs )

| Note 6 - Other Current Liabilities | As at<br>31-Mar-21 | As at<br>31-Mar-20 |
|------------------------------------|--------------------|--------------------|
| <b>Other Payables</b>              |                    |                    |
| Statutory Dues                     | 28,44,846          | 13,607             |
| Other Payable                      | 1,35,60,681        | -                  |
| <b>Total</b>                       | <b>1,64,05,527</b> | 13,607             |

(Amount in Rs )

| Note 7 - Short-Term Provisions | As at<br>31-Mar-21 | As at<br>31-Mar-20 |
|--------------------------------|--------------------|--------------------|
| <b>Other Provisions</b>        |                    |                    |
| Provision for Expenses         | 1,62,690           | 1,25,000           |
| Provision for Income Tax (Net) | 17,59,298          | -                  |
| <b>Total</b>                   | <b>19,21,988</b>   | 1,25,000           |

## QYOU MEDIA PRIVATE LIMITED

Note on Financial Statements for the year ended March 31, 2021

**Note 8 - Fixed Assets**

(Amount in Rs)

| Particulars            | Gross Block         |           |          | Depreciation        |                     |              |            | Net Block           |                     |                     |
|------------------------|---------------------|-----------|----------|---------------------|---------------------|--------------|------------|---------------------|---------------------|---------------------|
|                        | As At<br>01/04/2020 | Additions | Deletion | As At<br>31/03/2021 | As At<br>01/04/2020 | For the Year | Adjustment | As At<br>31/03/2021 | As At<br>31/03/2021 | As At<br>31/03/2020 |
| <b>Tangible Assets</b> |                     |           |          |                     |                     |              |            |                     |                     |                     |
| Computer               | 1,42,500            | 10,93,380 | -        | <b>12,35,880</b>    | 5,565               | 2,13,925     | -          | <b>2,19,490</b>     | <b>10,16,390</b>    | 1,36,935            |
| Electronic Equipment   | 11,500              | 31,000    | -        | <b>42,500</b>       | 353                 | 2,317        | -          | <b>2,670</b>        | <b>39,830</b>       | 11,147              |
| Total                  | 1,54,000            | 11,24,380 | -        | <b>12,78,380</b>    | 5,918               | 2,16,242     | -          | <b>2,22,160</b>     | <b>10,56,221</b>    | 1,48,082            |
| Previous Year          | -                   | 1,54,000  | -        | <b>1,54,000</b>     | -                   | 5,918        | -          | <b>5,918</b>        | <b>1,48,082</b>     | -                   |

(Amount in Rs )

| <b>Note 9 - Long Term Loans and Advances</b><br>(Unsecured, Considered Good) | <b>As at<br/>31-Mar-21</b> | <b>As at<br/>31-Mar-20</b> |
|--|----------------------------|----------------------------|
| Security Deposit   | <b>13,86,000</b>           | 1,00,000                   |
| Advance Tax & TDS (Net)  | -                          | 86,312                     |
| <b>Total</b>   | <b>13,86,000</b>           | 1,86,312                   |

(Amount in Rs )

| <b>Note 10 - Trade Receivables</b><br>(Unsecured, Considered Good) | <b>As at<br/>31-Mar-21</b> | <b>As at<br/>31-Mar-20</b> |
|--|----------------------------|----------------------------|
| More than six months   | -                          | -                          |
| Other Trade Receivables  | <b>48,17,032</b>           | 1,16,002                   |
| <b>Total</b>   | <b>48,17,032</b>           | 1,16,002                   |

(Amount in Rs )

| <b>Note 11 - Cash &amp; Bank Balance</b>   | <b>As at<br/>31-Mar-21</b> | <b>As at<br/>31-Mar-20</b> |
|--|----------------------------|----------------------------|
| <b>Cash and Cash Equivalents</b>           |                            |                            |
| Cash on Hand                               | <b>1,17,729</b>            | 25,000                     |
| Balances with Banks<br>In Current Accounts | <b>67,14,829</b>           | 1,47,370                   |
| <b>Total</b>                               | <b>68,32,558</b>           | 1,72,370                   |

(Amount in Rs )

| <b>Note 12 - Other Current Assets</b> | <b>As at<br/>31-Mar-21</b> | <b>As at<br/>31-Mar-20</b> |
|---------------------------------------|----------------------------|----------------------------|
| GST Input Credit carried forward      | <b>1,43,78,834</b>         | 38,508                     |
| Prepaid Expenses                      | <b>3,78,93,445</b>         | -                          |
| <b>Total</b>                          | <b>5,22,72,279</b>         | 38,508                     |

(Amount in Rs )

| <b>Note 13 - Revenue from Operations</b> | <b>Year ended<br/>31-Mar-21</b> | <b>Year ended<br/>31-Mar-20</b> |
|--|---------------------------------|---------------------------------|
| Sale of Services                         |                                 |                                 |
| Sales - Local                            | <b>87,63,855</b>                | 18,67,124                       |
| Sales - Export                           | <b>6,31,33,179</b>              | 5,27,714                        |
| <b>Total</b>                             | <b>7,18,97,034</b>              | 23,94,838                       |

(Amount in Rs )

| <b>Note 14 - Other Expenses</b>         | <b>Year ended<br/>31-Mar-21</b> | <b>Year ended<br/>31-Mar-20</b> |
|---|---------------------------------|---------------------------------|
| Power and Fuel                          | <b>1,13,414</b>                 | 4,220                           |
| Rent                                    | <b>22,83,938</b>                | 3,57,006                        |
| Software Expenses                       | <b>76,616</b>                   | 1,07,100                        |
| Rates and Tax                           | <b>58,309</b>                   | 21,260                          |
| Professional fees & Consultancy Charges | <b>57,73,796</b>                | 13,23,514                       |
| Content Expenses                        | <b>1,08,22,500</b>              | -                               |
| Insurance Expenses                      | <b>1,50,000</b>                 | -                               |
| Internet Expenses                       | <b>31,78,758</b>                | -                               |
| Travelling & Conveyance Expenses        | <b>2,36,744</b>                 | 27,000                          |
| Carriage Fees                           | <b>3,40,63,768</b>              | -                               |
| Promotion Expenses                      | <b>37,32,939</b>                | -                               |
| Royalty                                 | <b>18,79,405</b>                | -                               |
| Miscellaneous Expenses                  | <b>17,20,462</b>                | 82,806                          |
| Payment to Auditors<br>- Audit fees     | <b>1,50,000</b>                 | 1,25,000                        |
| <b>Total</b>                            | <b>6,42,40,649</b>              | 20,47,905                       |

**Qyou Media India Private Limited**  
**Notes on Financial Statements for the period ended March 31, 2021**

**15.** There are no employee benefits accruing to employees. Hence, (Disclosure as required by AS 15 (Revised), "Accounting for retirement benefits" issued by Institute of Chartered Accountants of India) are not given.

**16.** The Company is engaged in the business of broadcasting television channel, buy, sell, procure, commission, films, entertainment, distribution and dissemination on TV channels. All other activities are incidental to the main business activity. As such, there are no separate reportable segments, as per Accounting Standard on 'Segment Reporting' (AS 17) issued by the Institute of Chartered Accountants of India.

**17. Operating Lease for asset taken on lease**

(Amount in ₹)

| Sr. | Particulars   | For the year ended<br>March 31, 2021 | For the year ended<br>March 31, 2020 |
|-----|---|--------------------------------------|--------------------------------------|
| 1   | Total of future minimum lease payments                        |                                      |                                      |
|     | a) Not later than one year                                    | <b>28,24,360</b>                     | 12,82,050                            |
|     | b) Later than one year and not later than five years          | <b>1,14,45,516</b>                   | 24,53,730                            |
|     | c) Later than five years                                      | <b>NIL</b>                           | NIL                                  |
| 2   | Lease payments recognised in the Statement of Profit and Loss | <b>22,83,938</b>                     | 3,57,006                             |

**18. Expenditure in Foreign Currency**

(Amount in ₹)

| Particulars | Year ended<br>March 31, 2021 | Year ended<br>March 31, 2020 |
|-------------|------------------------------|------------------------------|
| Royalty     | <b>18,79,405</b>             | NIL                          |

**19. Income in Foreign Currency**

(Amount in ₹)

| Particulars      | Year ended<br>March 31, 2021 | Year ended<br>March 31, 2020 |
|------------------|------------------------------|------------------------------|
| Service Fees     |                              |                              |
| - Qyou USA Inc   | <b>94,69,977</b>             | <b>5,27,714</b>              |
| - Qyou Media Inc | <b>5,36,63,202</b>           | <b>NIL</b>                   |

**20. Related Party Information (AS-18)**

**(a) List of related parties and relationships:**

| Name of the Related Party | Relationship             |
|---------------------------|--------------------------|
| Qyou Media Inc            | Holding Company          |
| Qyou USA Inc              | Associate Enterprise     |
| Krishna Rajgopal Menon    | Key Managerial Personnel |
| Ashwatha Aaron Naik       | Key Managerial Personnel |
| Curt Wayne Marvis         | Key Managerial Personnel |

**(b) Transactions with Key Managerial Person and Enterprises over which Directors have significant influence:**

*(Amount in Rs)*

| Sr. No. | Particulars  | For the year ended<br>March 31, 2021 | For the year ended<br>March 31, 2020 |
|---------|--|--------------------------------------|--------------------------------------|
| 1       | Service Fees<br>- Qyou USA Inc<br>- Qyou Media Inc | 94,69,977<br>5,36,63,202             | 5,27,714<br>NIL                      |
| 2       | Royalty Paid<br>- Qyou Media Inc                   | 18,79,405                            | NIL                                  |

**(c) Balance with related parties:**

*(Amount in Rs)*

| Sr. No. | Particulars   | As at<br>March 31, 2021      | As at<br>March 31, 2020 |
|---------|---|------------------------------|-------------------------|
| 1       | Balance Outstanding<br>- Qyou USA Inc<br>- Qyou Media Inc | 46,73,800 Cr<br>88,86,881 Cr | Nil<br>Nil              |

**Qyou Media India Private Limited**  
**Notes on Financial Statements for the period ended March 31, 2021**

**21. Deferred Tax Asset and liability as at March 31, 2021 is as follows:**

The disclosures under AS-22 Accounting for taxes on income issued by the ICAI are as follows:

(Amount in ₹s)

| Particulars                   | As at March 31,<br>2020 | Charge in Current<br>Year | As at March<br>31, 2021 |
|-------------------------------|-------------------------|---------------------------|-------------------------|
| <b>Deferred tax Liability</b> |                         |                           |                         |
| - Depreciation                | 9,801                   | 47,601                    | 56,862                  |
| <b>Net amount</b>             | <b>9,801</b>            | <b>47,601</b>             | <b>56,862</b>           |

**22. Earnings per share ('EPS') (AS-20)**

| Particulars   | As at<br>March 31, 2021 | As at<br>March 31, 2020 |
|---|-------------------------|-------------------------|
| (a) Net Profit / (Loss) after tax attributable to equity shareholders (in Rupees) | 53,68,082               | 2,41,214                |
| (b) Calculation of weighted average number of equity shares of Rs. 10/- each      |                         |                         |
| - Number of shares at the beginning of the year                                   | 10,000                  | 10,000                  |
| - Number of shares issued during the year   | 8,39,983                | Nil                     |
| - Number of shares brought back during the year                                   | Nil                     | Nil                     |
| Total number of equity shares outstanding at the end of the year                  | 8,49,983                | 10,000                  |
| Weighted average number of equity shares outstanding during the year              | 2,47,036                | 10,000                  |
| Basic earnings per share of Rs 10 each (in Rupees) (a / b)                        | 21.73                   | 24.12                   |

- 23.** The Company has considered the possible effects that may result from COVID-19 on the carrying amounts of financial assets, receivables, advances, property plant and equipment, Intangibles etc as well as liabilities accrued. In developing the assumptions relating to the possible future uncertainties in the economic conditions because of this pandemic, the Company has used internal and external information. Having reviewed the underlying data and based on current estimates, the Company does not expect any material impact on the carrying amount of these assets & liabilities.

The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions.

The Company has also evaluated the impact of the same on the aforementioned risks i.e. credit risk, liquidity risk, market risk, currency risk and interest risk and does not foresee any material impact on account of the same.

- 24.** Previous year's figures have been regrouped / reclassified, wherever necessary.

As per our Report of even date

For and on behalf of

**Sandip Shah & Co.**

Chartered Accountants

Firm Reg. No.: 133680W

For and on behalf of the Board of

**Qyou Media India Private Limited.**

**Sandip Shah**

Proprietor

Membership No.: 103125

UDIN: 21103125AAACSV5454

Place: Mumbai

Date: November 29,2021

**Curt Wayne Marvis      Krishna Rajgopal Menon**

Director

Director

DIN: 08231593

DIN: 08606385

Place: Mumbai

Date: November 29,2021