

Company Registration No. 3736163 (England and Wales)

SAREGAMA LIMITED
(FORMERLY SAREGAMA PLC)
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

SAREGAMA LIMITED
(FORMERLY SAREGAMA PLC)
COMPANY INFORMATION

Director	Vineet Garg
Company number	3736163
Registered office	The Mille 1000 Great West Road Brentford TW8 9DW
Auditor	FSPG 21 Bedford Square London WC1B 3HH

SAREGAMA LIMITED (FORMERLY SAREGAMA PLC) CONTENTS

	Page
Strategic report	1
Director's report	2 - 3
Director's responsibilities statement	4
Independent auditor's report	5 - 6
Statement of income and retained earnings	7
Statement of financial position	8
Statement of cash flows	9
Notes to the financial statements	10 - 20

SAREGAMA LIMITED (FORMERLY SAREGAMA PLC) STRATEGIC REPORT

FOR THE YEAR ENDED 31 MARCH 2020

The director presents the strategic report for the year ended 31 March 2020.

Business review

The Company's turnover decreased by 12.73% to £1,268,796 from £1,453,913 in the previous year. The gross profit margin for the period decreased slightly to 22.43% compared to 23.73% in 2019. The fall in turnover was due to a fall in product sales. This year the company has made a profit of £192,824 (2019: £7,974) for the year ended 31 March, 2020. The main reasons for this is the reduction in Distribution and Administration costs which fell 88.19% and 66.18% respectively. The company is expected to maintain these results in the coming year.

Principal risks and uncertainties

The Company is exposed to inherent uncertainties owing to the sector in which it operates. Many risks exist in a company's operating environment and they emerge on a regular basis. The Company's risk management processes focuses on ensuring that these risks are identified on a timely basis and addressed.

The Company is well aware of the above risks and as part of business strategy has put in a mechanism to ensure that they are mitigated with timely action. The Company has a risk management framework to identify, evaluate business risks and opportunities. This framework seeks to create transparency, minimize adverse impact on the business objectives and enhance the Company's competitive advantage.

Key Performance Indicators

The Company uses -financial performance indicator to monitor and manage the business effectively.

Financial

Particulars	March 31, 2019	March 31, 2018
	£	£
Turnover	1,268,796	1,453,913
Profit / (Loss) for the financial year	192,824	7,974

Charitable and political contributions

There were no contributions made for charitable and political purposes.

Strategic Outlook

The Company will continue to draw its revenues from the Publishing income by monetizing the IPs licensed from its Holding Company. The business will be heavily supported due to consolidation of the new initiative of selling digital device - Carvaan and other physical products like Music Cards.

On behalf of the board



Vinet Garg

Director

3 June 2020

SAREGAMA LIMITED

(FORMERLY SAREGAMA PLC)

DIRECTOR'S REPORT

FOR THE YEAR ENDED 31 MARCH 2020

The director presents his annual report and financial statements for the year ended 31 March 2020.

On 28 November 2019 the company re registered as Limited company.

Principal activities and future development

The mainstay of the company's business continues to be music publishing of the rich repertoire licensed by it from Saregama India Ltd. Besides entering into direct deals with the renowned international brands, the company also handles monetisation through various international copyright societies and collection organisations. In addition to the company's on-going business, the company is expanding its operations by selling and distributing through traditional and modern channels a portable digital music player with in-built stereo speakers being marketed under brand name "Carvaan".

Director

The director who held office during the year and up to the date of signature of the financial statements was as follows:

S Suriyanarayan
Vineet Garg

(Resigned 16 December 2019)

Results and dividends

The results for the year are set out on page 7.

The profit for the year, after taxation, amounted to £192,824.

The directors recommend that no final dividend be paid in respect of the year under review.

Financial instruments

Liquidity risk

The company's policy throughout the year has been to maintain the cash flow position within the parameters set out internally at the beginning of the year. The liquidity of the company is limited to by available cash held by the company. At the balance sheet date the company held cash of £21,250 (2019: £159,577).

Foreign currency risk

The company is moderately exposed to the risk of fluctuations on exchange rates , which is managed through a discipline of operating within budgeted parameters.

Credit risk

The company's exposure to credit risk is moderate and it has no significant concentrations of credit risk. The company monitors credit risk closely and considers that its current policies meet its objectives of managing exposure to credit risk.

Auditor

In accordance with the company's articles, a resolution proposing that FSPG be re-appointed as auditors of the company will be put at a General Meeting.

SAREGAMA LIMITED
(FORMERLY SAREGAMA PLC)
DIRECTOR'S REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board



Vineet Garg
Director
3 June 2020

SAREGAMA LIMITED
(FORMERLY SAREGAMA PLC)
DIRECTOR'S RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 MARCH 2020

The director is responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the director must not approve the financial statements unless he is satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. He is also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

SAREGAMA LIMITED

(FORMERLY SAREGAMA PLC)

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF SAREGAMA LIMITED

Opinion

We have audited the financial statements of Saregama Limited (the 'company') for the year ended 31 March 2020 which comprise the statement of income and retained earnings, the statement of financial position, the statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. 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 ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the director's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the director has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The director is responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the strategic report and the director's report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
 - the strategic report and the director's report have been prepared in accordance with applicable legal requirements.
-

**SAREGAMA LIMITED
(FORMERLY SAREGAMA PLC)
INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE MEMBERS OF SAREGAMA LIMITED**

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the director's report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of director

As explained more fully in the director's responsibilities statement, the director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the director determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the director 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 the director either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities 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 ISAs (UK) 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to him in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

**David Tropp (Senior Statutory Auditor)
for and on behalf of FSPG**

3 June 2020

**Chartered Accountants
Statutory Auditor**

21 Bedford Square
London
WC1B 3HH

SAREGAMA LIMITED
(FORMERLY SAREGAMA PLC)
STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE YEAR ENDED 31 MARCH 2020

	Notes	2020 £	2019 £
Turnover	3	1,268,796	1,453,913
Cost of sales		(984,214)	(1,108,952)
Gross profit		284,582	344,961
Distribution costs		(11,919)	(100,946)
Administrative expenses		(79,839)	(236,041)
Profit before taxation		192,824	7,974
Tax on profit	6	-	-
Profit for the financial year		192,824	7,974
Retained earnings brought forward		(2,705,315)	(2,713,289)
Retained earnings carried forward		(2,512,491)	(2,705,315)

The income statement has been prepared on the basis that all operations are continuing operations.

SAREGAMA LIMITED
(FORMERLY SAREGAMA PLC)
STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Investments	9		1		1
Current assets					
Stocks	11	3,498		131,791	
Debtors falling due after more than one year	12	221,618		151,405	
Debtors falling due within one year	12	621,973		434,837	
Cash at bank and in hand		21,250		159,577	
		<u>868,339</u>		<u>877,610</u>	
Creditors: amounts falling due within one year	13	<u>(889,868)</u>		<u>(1,091,963)</u>	
Net current liabilities			(21,529)		(214,353)
Total assets less current liabilities			<u>(21,528)</u>		<u>(214,352)</u>
Capital and reserves					
Called up share capital	14		99,850		99,850
Share premium account			2,391,113		2,391,113
Profit and loss reserves			(2,512,491)		(2,705,315)
Total equity			<u>(21,528)</u>		<u>(214,352)</u>

The financial statements were approved by the board of directors and authorised for issue on 3 June 2020 and are signed on its behalf by:


Vineet Garg
Director

Company Registration No. 3736163

SAREGAMA LIMITED
(FORMERLY SAREGAMA PLC)
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2020

	Notes	2020		2019	
		£	£	£	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	19		(138,327)		35,553
Net cash used in investing activities			-		-
Net cash used in financing activities			-		-
Net (decrease)/increase in cash and cash equivalents			(138,327)		35,553
Cash and cash equivalents at beginning of year			159,577		124,024
Cash and cash equivalents at end of year			21,250		159,577

SAREGAMA LIMITED
(FORMERLY SAREGAMA PLC)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

Company information

Saregama Limited is a private company limited by shares incorporated in England and Wales. The registered office is The Mille, 1000 Great West Road, Brentford, TW8 9DW.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

The company has taken advantage of the exemption under section 401 of the Companies Act 2006 not to prepare consolidated accounts. The financial statements present information about the company as an individual entity and not about its group.

Saregama Limited is a partly owned subsidiary of Saregama India Limited and the results of Saregama Limited are included in the consolidated financial statements of Saregama India Limited which are available from 33 Jessore Road, Dum Dum ,Kolkata, India.

1.2 Going concern

At the time of approving the financial statements, the director has a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the director continues to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Turnover

Turnover represents amounts receivable for royalty income, music events and sale of music discs.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Copyrights Over their estimated useful lives

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Company website	20% straight line
Fixtures, fittings & equipment	25% straight line

SAREGAMA LIMITED
(FORMERLY SAREGAMA PLC)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies **(Continued)**

1.5 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.6 Stocks

Stock includes music cards which is valued at cost.

1.7 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.8 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

SAREGAMA LIMITED
(FORMERLY SAREGAMA PLC)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

(Continued)

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

SAREGAMA LIMITED
(FORMERLY SAREGAMA PLC)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

(Continued)

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.9 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

1.10 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

1.12 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the director is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

SAREGAMA LIMITED
(FORMERLY SAREGAMA PLC)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020

3 Turnover and other revenue

An analysis of the company's turnover is as follows:

	2020	2019
	£	£
Turnover analysed by class of business		
Royalties	1,247,307	1,294,275
Miscellaneous income	384	-
Product Sales	21,105	159,638
	<u>1,268,796</u>	<u>1,453,913</u>

	2020	2019
	£	£
Turnover analysed by geographical market		
UK and Europe	794,457	748,205
Rest of the World	474,339	705,708
	<u>1,268,796</u>	<u>1,453,913</u>

4 Operating profit

	2020	2019
	£	£
Operating profit for the year is stated after charging/(crediting):		
Exchange differences apart from those arising on financial instruments measured at fair value through profit or loss	8,084	(5,639)
Fees payable to the company's auditor for the audit of the company's financial statements	10,000	10,000
Depreciation of owned tangible fixed assets	-	498
Amortisation of intangible assets	-	100,000
Operating lease charges	1,524	6,450
	<u>1,268,796</u>	<u>1,453,913</u>

5 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2020	2019
	Number	Number
Management	1	1
Selling and distribution	-	1
	<u>1</u>	<u>2</u>

SAREGAMA LIMITED
(FORMERLY SAREGAMA PLC)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020

5 Employees

(Continued)

Their aggregate remuneration comprised:

	2020	2019
	£	£
Wages and salaries	-	60,796
Social security costs	-	4,376
	<u>-</u>	<u>65,172</u>
	<u>-</u>	<u>65,172</u>

SAREGAMA LIMITED
(FORMERLY SAREGAMA PLC)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020

6 Taxation

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2020 £	2019 £
Profit before taxation	192,824	7,974
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2019: 19.00%)	36,637	1,515
Depreciation on assets not qualifying for tax allowances	-	18,090
Other Tax adjustment	(36,637)	(19,605)
Tax expense for the year	-	-

The company has estimated losses of £649,628 (2019: £824,241) available for carry forward against future trading profits.

7 Intangible fixed assets

	Copyrights £
Cost	
At 1 April 2019 and 31 March 2020	2,052,660
Amortisation and impairment	
At 1 April 2019 and 31 March 2020	2,052,660
Carrying amount	
At 31 March 2020	-
At 31 March 2019	-

8 Tangible fixed assets

	Company website £	Fixtures, fittings & equipment £	Total £
Cost			
At 1 April 2019 and 31 March 2020	89,367	40,334	129,701
Depreciation and impairment			
At 1 April 2019 and 31 March 2020	89,367	40,334	129,701
Carrying amount			
At 31 March 2020	-	-	-
At 31 March 2019	-	-	-

SAREGAMA LIMITED
(FORMERLY SAREGAMA PLC)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020

9 Fixed asset investments

	Notes	2020 £	2019 £
Investments in subsidiaries	10	1	1

Movements in fixed asset investments

	Shares in group undertakings £
Cost or valuation At 1 April 2019 & 31 March 2020	1
Carrying amount At 31 March 2020	1
At 31 March 2019	1

10 Subsidiaries

Details of the company's subsidiaries at 31 March 2020 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct	
Saregama INC	USA	Selling USB & Radio	Ordinary	100.00	-

11 Stocks

	2020 £	2019 £
Finished goods and goods for resale	3,498	131,791

12 Debtors

Amounts falling due within one year:	2020 £	2019 £
Trade debtors	326,945	250,400
Amounts owed by group undertakings	179,538	179,538
Other debtors	115,490	4,899
	<u>621,973</u>	<u>434,837</u>

SAREGAMA LIMITED
(FORMERLY SAREGAMA PLC)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020

12 Debtors	(Continued)	
	2020	2019
	£	£
Amounts falling due after more than one year:		
Other debtors	221,618	151,405
	<u>221,618</u>	<u>151,405</u>
Total debtors	<u>843,591</u>	<u>586,242</u>
13 Creditors: amounts falling due within one year		
	2020	2019
	£	£
Trade creditors	13,362	9,409
Amount due to parent undertaking	812,517	1,047,000
Other taxation and social security	50,264	22,954
Accruals and deferred income	13,725	12,600
	<u>889,868</u>	<u>1,091,963</u>
14 Share capital		
	2020	2019
	£	£
Ordinary share capital		
Issued and fully paid		
99,850,000 Ordinary shares of 0.1p each	99,850	99,850
	<u>99,850</u>	<u>99,850</u>
15 Operating lease commitments		
Lessee		
Operating lease payments represent rentals payable by the company for its business premises.		
At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:		
	2020	2019
	£	£
Within one year	-	1,521
	<u>-</u>	<u>1,521</u>

SAREGAMA LIMITED
(FORMERLY SAREGAMA PLC)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020

16 Events after the reporting date

The emergence of the Covid 19 pandemic in February/March 2020 has had a significant impact upon the economy and the operating practices of all businesses. Saregama Limited, in conjunction with government guidelines, swiftly moved to a remote working operating structure which materially reduced the risk to employees whilst maintaining full operational capacity to support our clients in what is a period of financial stress.

The business is primarily internet based already and the company was able to make sales in February and March 2020. The Director anticipates that the business will manage to continue through the pandemic period, and to remain a profit making business.

SAREGAMA LIMITED
(FORMERLY SAREGAMA PLC)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020

17 Related party transactions

The company incurred royalty charges of £914,694 (2019: £1,002,149) from Saregama India Limited during the year. At the balance sheet date, the company owed £812,517 (2019: £1,047,000) to Saregama India Limited, the parent company.

At the balance sheet date, the company was owed £179,538 (2019: £179,538) by RPG Global Music Limited, a fellow subsidiary and was owed £221,618 (2019: £151,405) by its subsidiary Saregama Inc.

18 Ultimate controlling party

The ultimate controlling party is Saregama India Limited, a company incorporated in India, who own 76.41% of the issued share capital.

19 Cash (absorbed by)/generated from operations

	2020	2019
	£	£
Profit for the year after tax	192,824	7,974
Adjustments for:		
Amortisation and impairment of intangible assets	-	100,000
Depreciation and impairment of tangible fixed assets	-	498
Movements in working capital:		
Decrease/(increase) in stocks	128,293	(50,921)
Increase in debtors	(257,349)	(221,252)
(Decrease)/increase in creditors	(202,095)	199,254
Cash (absorbed by)/generated from operations	(138,327)	35,553

20 Analysis of changes in net funds

	1 April 2019	Cash flows	31 March 2020
	£	£	£
Cash at bank and in hand	159,577	(138,327)	21,250

SAREGAMA LIMITED
(FORMERLY SAREGAMA PLC)
DETAILED TRADING AND PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2020

	£	2020 £	£	2019 £
Turnover				
Royalties received		1,247,307		1,294,275
Miscellaneous income		384		-
Product Sales		21,105		159,638
		<u>1,268,796</u>		<u>1,453,913</u>
Cost of sales				
Opening stock of finished goods	131,791		80,870	
Purchases	802,792		1,053,069	
Direct costs	667		36,090	
Carriage inwards and import duty	17,726		29,038	
Closing stock of finished goods	(3,498)		(131,791)	
Subcontract labour	34,736		41,676	
		<u>(984,214)</u>		<u>(1,108,952)</u>
Gross profit		284,582		344,961
Distribution costs	11,919		100,946	
Administrative expenses	79,839		236,041	
		<u>(91,758)</u>		<u>(336,987)</u>
Operating profit		<u>192,824</u>		<u>7,974</u>

SAREGAMA LIMITED
(FORMERLY SAREGAMA PLC)
SCHEDULE OF ADMINISTRATIVE EXPENSES
FOR THE YEAR ENDED 31 MARCH 2020

	2020	2019
	£	£
Distribution costs		
Advertising	11,919	100,946
	<u>11,919</u>	<u>100,946</u>
	<u><u>11,919</u></u>	<u><u>100,946</u></u>
Administrative expenses		
Wages and salaries	-	60,796
Social security costs	-	4,376
Rent re operating leases	1,524	6,450
Rent re licences and other	3,352	-
Power, light and heat	-	420
Premises insurance	4,279	3,824
Travelling expenses	185	7,478
Professional subscriptions	1,005	2,421
Legal and professional fees	34,982	37,804
Accountancy	9,725	3,675
Audit fees	10,000	10,000
Bank charges	2,127	1,206
Printing and stationery	1,698	1,300
Telecommunications	242	1,282
Sundry expenses	221	150
Foreign tax	2,415	-
Amortisation	-	100,000
Depreciation	-	498
Profit or loss on foreign exchange	8,084	(5,639)
	<u>79,839</u>	<u>236,041</u>
	<u><u>79,839</u></u>	<u><u>236,041</u></u>