RP - Sanjiv Goenka Group
Growing Legacies

July 28, 2017

The Manager, Listing Department, National Stock Exchange of India Ltd., 'Exchange Plaza', C-1, Block G, Bandra- Kurla Complex, Bandra (East), Mumbai - 400 051 Symbol : SAREGAMA EQ	The Listing Department BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001 Scrip Code : 532163	The Calcutta Stock Exchange Limited, 7, Lyons Range, Kolkata - 700 001 Scrip Code: 017177

Dear Sir/Madam,

Sub.: Proceedings and voting results of the 70th Annual General Meeting of the Company

Ref: Regulation 30, 34 and 44 of SEBI (Listing Obligation and Disclosure Requirements), Regulations, 2015

Pursuant to Regulation 30 of SEBI (Listing Obligation and Disclosure Requirements), Regulations, 2015, we enclose a copy of the Proceedings of the 70th Annual General Meeting duly convened on Friday, July 28, 2017, 2016 at 10.00 a.m. at Mohit Moitra Mancha, 34/1, Raja Manindra Road, Paikpara, Kolkata-700 037.

Pursuant to Regulation 44 of SEBI (Listing Obligation and Disclosure Requirements), Regulations 2015, also please find enclosed herewith the details regarding the voting results in the prescribed format alongwith the Scrutinizers report.

Also find enclosed the Annual report of 70th Annual General Meeting of the Company.

Request you to take the above on record and oblige.

Thanking you,

Yours faithfully,
For Saregama India Limited

G.B. Aayeer
CFO and Whole-Time Director
DIN: 00087760
Encl.: As above

SAREGAMA INDIA LIMITED

SAREGAMA India Limited, 33, Jessore Road, Dum Dum, Kolkata - 700 028, India.
Tel : +91 33 2551 2984 Fax : +91 33 2550 0817 Web: www.saregama.com
CIN: L22213WB1946PLC014346 Email ID: saregama@rp-sg.in

PROCEEDINGS OF THE 70th ANNUAL GENERAL MEETING OF THE COMPANY HELD ON JULY 28, 2017

The 70th Annual General Meeting ("AGM") of the Company was duly held on Friday, July 28, 2017 at 10.00 a.m. at Mohit Moitra Mancha, 34/1, Raja Manindra Road, Paikpara, Kolkata-700 037.

Mr. Vikram Mehra chaired the Meeting. The Chairman extended a warm welcome to the Shareholders, Board Members, representatives of the Bodies Corporates and all others present at the Meeting. He also introduced the Directors and Key Managerial Personnel(s) present on the dais. He further announced that the quorum for the meeting was present and called the meeting to order. He informed that in aggregate 104 members were present in person at the AGM and 8 persons were present through proxies received by the Company. The Members were informed that the requisite registers and documents referred to in the Notice of the AGM were available for inspection during the meeting.

The Company in accordance with the provisions of Section 108 of the Companies Act, 2013 read with the amended Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of SEBI (Listing Obligation and Disclosure Requirements), Regulations, 2015, the Company had provided remote e-voting facility through Central Depository Services Limited (CDSL) platform to all its members holding shares in dematerialized or physical form as on the cut-off date being Friday, July 21, 2017 to exercise their right to vote by electronic means on all the businesses specified in the Notice convening the Annual General Meeting. The remote e-voting period commenced on Monday, 24th July, 2017 (9:00 a.m. IST) and ended on Thursday, 27th July, 2017 (5:00 p.m. IST).

As remote e-voting facility was provided to the Members, voting through Ballot paper was available at the meeting for Members who had not cast their vote by remote e-voting.

The Company had appointed, MR and Associates, Practising Company Secretary as Scrutinizer for independently conducting and overseeing the voting process in a fair and transparent manner.

With the permission of the Members, the Notice convening the meeting was taken as read.

The Chairman then placed the following agenda matters as set out in the Notice of 70th Annual General Meeting before the Members briefly explaining the objective and implications, wherever necessary.

Ordinary Business

1. (a) Adoption of the Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2017, together with the Report of the Board of Directors and Auditors thereon.
   (b) Adoption of the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2017 and the Report of Auditors thereon. *(Ordinary Resolution)*

2. To declare a final dividend of Rs.1.50 per equity share for the year ended 31st March, 2017. *(Ordinary Resolution)*

SAREGAMA INDIA LIMITED

3. To appoint a Director in place of Mrs. Sushila Goenka (DIN: 00087692) who retires by rotation and, being eligible, offers herself for re-appointment. *(Ordinary Resolution)*

4. Appointment of BSR & Co. LLP, Chartered Accountants (ICAI Firm Registration Number – 101248W/W-100022) as the Statutory Auditors of the Company. *(Ordinary Resolution)*

Special Business

5. Re-Appointment of Mr. G. B. Aayeer (DIN: 00087760) as a Whole-time Director. *(Special Resolution)*

6. Variation in remuneration payable to Mr. Vikram Mehra (DIN: 03556680), Managing Director of the Company. *(Special Resolution)*

7. Appointment of Mr. N. N. Framjee as an Independent Director of the Company.# *(Ordinary Resolution)*

As per the "Addendum to the Original AGM Notice dated July 13, 2017."

The Chairman then invited queries from the Members on the agenda matters. The queries were replied and the suggestions made by the Members were taken on record.

Thereafter, the Members were informed that a consolidated report on total votes cast in favour and against shall be submitted by the Scrutinizer within 48 hours of the conclusion of the AGM and the same shall be forthwith declared by the Company by publishing on its website, the website of NDSL and by notifying to the Stock Exchange where the shares of the Company are listed and on the Notice Board of the Company.

The AGM concluded with a vote of thanks to those present.

Thanking you,

Yours faithfully,

For Saregama India Limited

G.B. Aayeer
CFO and Whole-Time Director
DIN: 00087760

SAREGAMA INDIA LIMITED

Voting results information in terms of Regulation 44(3) of the Uniform Listing Agreement in relation to 70th Annual General Meeting of Saregama India Limited held on 28th July, 2017

Date of AGM: **28th July, 2017**
Total Number of Shareholders on record date (**21st July, 2017**): **16031**
No. of Shareholders present in the meeting either n person or through proxy:
Promoters and Promoters Group : **2**
Public : **110**

No of Shareholders attended the meeting through Video Conferencing: Nil

Resolution required: (Ordinary/Special): Resolution No. 1 – Ordinary

1. (a) Adoption of the Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2017, together with the Report of the Board of Directors and Auditors thereon.
(b) Adoption of the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2017 and the Report of Auditors thereon.

Whether promoter /Promoter group are interested in the agenda/resolution? : NO

Category	Mode of Voting	No. of share held	No. votes Polled	% of votes Polled on outstanding shares (3)=[(2)/(1)]*100	No. of Votes – in favour	No. of Votes – against	% of Votes in favour on votes Polled (6)=[(4)/(2)]*100	% of Votes against on votes polled (7)=[(5)/(2)]*100
Promoter and Promoter Group	E-Voting	10291759	10291759	100	10291759	Nil	100	Nil
	Poll	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	Postal Ballot(if applicable	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	Total	10291759	10291759	100	10291759	NIL		NIL
Public Institutional Holders	E-Voting	28047	NIL	NIL	NIL	NIL	NIL	NIL
	Poll	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	Postal Ballot(if applicable	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	Total	28047	NIL	NIL	NIL	NIL	NIL	NIL
Public - Others	E-Voting		1416059	19.991	1416058	1	99.999	*0.001*
	Poll	7083132	110	0.001	110	NIL	100	*NIL*
	Postal Ballot(if applicable	NIL	NIL	NIL	NIL	NIL	NIL	*NIL*
	Total	7083132	1416169	19.992	1416168	1	99.999	*0.001*
Total		**17402938**	**11707928**	**67.28**	**11707927**	**1**	**99.999**	**0.001**

SAREGAMA INDIA LIMITED

Resolution required: (Ordinary/Special) : Resolution No. 2 – Ordinary

To declare a final dividend of Rs.1.50 per equity share for the year ended 31st March, 2017.

Whether promoter /Promoter group are interested in the agenda/resolution? : NO

Category	Mode of Voting	No. of share held	No. votes Polled	% of votes Polled on outstanding shares (3)=[(2)/(1)]*100	No. of Votes – in favour	No. of Votes – against	% of Votes in favour on votes Polled (6)=[(4)/(2)]*100	% of Votes against on votes polled (7)=[(5)/(2)]*100
Promoter and Promoter Group	E-Voting	10291759	10291759	100	10291759	Nil	100	Nil
	Poll	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	Postal Ballot(if applicable	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	Total	10291759	10291759	100	10291759	NIL		NIL
Public Institutional Holders	E-Voting	28047	NIL	NIL	NIL	NIL	NIL	NIL
	Poll	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	Postal Ballot(if applicable	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	Total	28047	NIL	NIL	NIL	NIL	NIL	NIL
Public - Others	E-Voting		1416059	19.991	1416058	1	99.999	***0.01***
	Poll	7083132	110	0.001	110	NIL	100	***NIL***
	Postal Ballot(if applicable	NIL	NIL	NIL	NIL	NIL	NIL	***NIL***
	Total	7083132	1416169	19.992	1416168	1	99.99	***0.01***
Total		**17402938**	**11707928**	**67.28**	**11707927**	**1**	**99.99**	**0.01**

Resolution required: (Ordinary/Special): Resolution No. 3 – Ordinary

To appoint a Director in place of Mrs. Sushila Goenka (DIN: 00087692) who retires by rotation and, being eligible, offers herself for re-appointment.

Whether promoter /Promoter group are interested in the agenda/resolution? : NO

Category	Mode of Voting	No. of share held	No. votes Polled	% of votes Polled on outstanding shares (3)=[(2)/(1)]*100	No. of Votes – in favour	No. of Votes – against	% of Votes in favour on votes Polled (6)=[(4)/(2)]*100	% of Votes against on votes polled (7)=[(5)/(2)]*100
Promoter and Promoter Group	E-Voting	10291759	10291759	100	10291759	Nil	100	Nil
	Poll	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	Postal Ballot(if applicable	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	Total	10291759	10291759	100	10291759	NIL		NIL
Public Institutional Holders	E-Voting	28047	NIL	NIL	NIL	NIL	NIL	NIL
	Poll	NIL	NIL	NIL	NIL	NIL	NIL	NIL

	Postal Ballot(if applicable	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	Total	28047	NIL	NIL	NIL	NIL	NIL	NIL
Public - Others	E-Voting		1416059	19.991	1416003	56	99.997	***0.003***
	Poll	7083132	110	0.001	110	NIL	100	***NIL***
	Postal Ballot(if applicable	NIL	NIL	NIL	NIL	NIL	NIL	***NIL***
	Total	7083132	1416169	19.992	1416113	56	99.997	***0.003***
Total		**17402938**	**11707928**	**67.28**	**11707872**	**56**	**99.997**	**0.003**

Resolution required: (Ordinary/Special): Resolution No. 4 – Ordinary

Appointment of BSR & Co. LLP, Chartered Accountants (ICAI Firm Registration Number – 101248W/W-100022) as the Statutory Auditors of the Company.

Whether promoter /Promoter group are interested in the agenda/resolution?: NO

Category	Mode of Voting	No. of share held	No. votes Polled	% of votes Polled on outstanding shares (3)=[(2)/(1)}*100	No. of Votes – in favour	No. of Votes – against	% of Votes in favour on votes Polled (6)=[(4)/(2)]*100	% of Votes against on votes polled (7)=[(5)/(2)]*100
Promoter and Promoter Group	E-Voting	10291759	10291759	100	10291759	Nil	100	Nil
	Poll	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	Postal Ballot(if applicable	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	Total	10291759	10291759	100	10291759	NIL		NIL
Public Institutional Holders	E-Voting	28047	NIL	NIL	NIL	NIL	NIL	NIL
	Poll	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	Postal Ballot(if applicable	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	Total	28047	NIL	NIL	NIL	NIL	NIL	NIL
Public – Others	E-Voting		1416059	19.991	1416058	1	99.999	***0.001***
	Poll	7083132	110	0.001	110	NIL	100	***NIL***
	Postal Ballot(if applicable	NIL	NIL	NIL	NIL	NIL	NIL	***NIL***
	Total	7083132	1416169	19.992	1416168	1	99.999	***0.001***
Total		17402938	11707928	67.28	11707927	1	99.999	0.001

GABRIEL INDIA LIMITED

Resolution required: (Ordinary/Special): Resolution No.5 – Special

Re-Appointment of Mr. G. B. Aayeer (DIN: 00087760) as a Whole-time Director.

Whether promoter /Promoter group are interested in the agenda/resolution?: NO

Category	Mode of Voting	No. of share held	No. votes Polled	% of votes Polled on outstanding shares (3)=[(2)/(1)}*100	No. of Votes – in favour	No. of Votes – against	% of Votes in favour on votes Polled (6)=[(4)/(2)]*100	% of Votes against on votes polled (7)=[(5)/(2)]*100
Promoter and Promoter Group	E-Voting	10291759	10291759	100	10291759	Nil	100	Nil
	Poll	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	Postal Ballot(if applicable	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	Total	10291759	10291759	100	10291759	NIL		NIL
Public Institutional Holders	E-Voting	28047	NIL	NIL	NIL	NIL	NIL	NIL
	Poll	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	Postal Ballot(if applicable	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	Total	28047	NIL	NIL	NIL	NIL	NIL	NIL
Public - Others	E-Voting		1416030	19.991	1416029	1	99.999	***0.001***
	Poll	7083132	110	0.001	110	NIL	100	***NIL***
	Postal Ballot(if applicable	NIL	NIL	NIL	NIL	NIL	NIL	***NIL***
	Total	7083132	1416140	19.992	1416139	1	99.999	***0.001***
Total		**17402938**	**11707899**	**67.28**	**11707898**	**1**	**99.999**	**0.001**

Resolution required: (Ordinary/Special): Resolution No.6 – Special

Variation in remuneration payable to Mr. Vikram Mehra (DIN: 03556680), Managing Director of the Company

Whether promoter /Promoter group are interested in the agenda/resolution?: NO

Category	Mode of Voting	No. of share held	No. votes Polled	% of votes Polled on outstanding shares (3)=[(2)/(1)}*100	No. of Votes – in favour	No. of Votes – against	% of Votes in favour on votes Polled (6)=[(4)/(2)]*100	% of Votes against on votes polled (7)=[(5)/(2)]*100
Promoter and Promoter Group	E-Voting	10291759	10291759	100	10291759	Nil	100	Nil
	Poll	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	Postal Ballot(if applicable	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	Total	10291759	10291759	100	10291759	NIL		NIL
Public Institutional Holders	E-Voting	28047	NIL	NIL	NIL	NIL	NIL	NIL
	Poll	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	Postal Ballot(if applicable	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	Total	28047	NIL	NIL	NIL	NIL	NIL	NIL
Public - Others	E-Voting		1416059	19.991	1416053	6	99.999	***0.001***
	Poll	7083132	110	0.001	110	NIL	100	***NIL***
	Postal Ballot(if applicable	NIL	NIL	NIL	NIL	NIL	NIL	***NIL***
	Total	7083132	1416169	19.992	1416163	6	99.999	***0.001***
Total		**17402938**	**11707928**	**67.28**	**11707922**	**6**	**99.999**	**0.001**

Resolution required: (Ordinary/Special) : Resolution No.7 – Ordinary

Appointment of Mr. N. N. Framjee as an Independent Director of the Company.#
As per the "Addendum to the Original AGM Notice dated July 13, 2017."

Whether promoter /Promoter group are interested in The agenda/resolution?: NO

Category	Mode of Voting	No. of share held	No. votes Polled	% of votes Polled on outstanding shares (3)=[(2)/(1)}*100	No. of Votes – in favour	No. of Votes – against	% of Votes in favour on votes Polled (6)=[(4)/(2)]*100	% of Votes against on votes polled (7)=[(5)/(2)]*100
Promoter and Promoter Group	E-Voting	10291759	10291759	100	10291759	Nil	100	Nil
	Poll	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	Postal Ballot(if applicable	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	Total	10291759	10291759	100	10291759	NIL		NIL
Public Institutional Holders	E-Voting	28047	NIL	NIL	NIL	NIL	NIL	NIL
	Poll	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	Postal Ballot(if applicable	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	Total	28047	NIL	NIL	NIL	NIL	NIL	NIL
Public - Others	E-Voting		1416059	19.991	1416043	16	99.999	*0.001*
	Poll	7083132	110	0.001	110	NIL	100	*NIL*
	Postal Ballot(if applicable	NIL	NIL	NIL	NIL	NIL	NIL	*NIL*
	Total	7083132	1416169	19.992	1416153	16	99.999	*0.001*
Total		**17402938**	**11707928**	**67.28**	**11707912**	**16**	**99.999**	**0.001**

MR & Associates
Company Secretaries

SCRUTINIZER'S REPORT

(Voting through Remote e-voting, and voting at the Annual General Meeting venue through polling paper/ballot paper)

[Pursuant to Section 108 of the Companies Act, 2013 and Companies (Management and Administration) Rules, 2014]

To,

The Chairman of the Seventieth Annual General Meeting (AGM) of the Members of Saregama India Limited (CIN: L22213WB1946PLC014346), held on Friday, the 28th day of July, 2017 at Mohit Moitra Mancha, 34/1, Raja Manindra Road, Paikpara, Kolkata – 700 037 at 10:00 A.M.

Dear Sir,

1. I, Mohan Ram Goenka, a Company Secretary in Practice (FCS No. 4515, CP No. 2551), Partner of M R & Associates, was duly appointed as a Scrutinizer by the Board of Directors of Saregama India Limited (the Company) for the purpose of Scrutinizing the process of voting through Remote e-voting and voting at the venue of Annual General Meeting through ballot paper / polling paper under the provisions of Section 108 of the Companies Act, 2013 (the 2013 Act) read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended, and the provisions of Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

2. The Management of the Company is responsible to ensure the Compliance of the requirements of the Companies Act, 2013 and Rules relating to voting through Remote e-voting and voting at the Annual General Meeting venue through ballot paper / polling paper for the resolutions proposed in the Notice of 70th Annual General Meeting of the Members of the Company dated May 25, 2017 (to be read with Addendum to Notice dated July 13th, 2017). My responsibility as a Scrutinizer for the process of voting through Remote e-voting and evoting at the venue of Annual General Meeting through ballot paper / polling paper is to ensure that the voting process is conducted in a fair and transparent manner and is restricted to making a Scrutinizer's Report for the votes cast in "favour" or "against" on the resolutions proposed in the Notice of the 70th AGM of the Company, based on the report provided by **National Securities Depository Limited** (NSDL), the agency engaged by the Company to provide e-voting facility for voting through electronic means.

3. In terms of the aforesaid Notice and as per the provisions of Section 108 of the Companies Act, 2013 (the 2013 Act) read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended, and the provisions of Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the remote e-voting facility was kept open from Monday, July 24, 2017 (09:00 a.m. IST) till Thursday, July 27, 2017 (5.00 p.m. IST) and Members were requested to cast their votes electronically conveying their assent or dissent in respect of the resolution on the e-voting platform provided by **National Securities Depository Limited** (NSDL).

Our Office :
46, B. B. Ganguly Street, 4th Floor
R. No.: 6, Kolkata 700012,
E Mail: goenkamohan@hotmail.com
goenkamohan@gmail.com

Mobile No.9831074332
Phone No : 2237 9517

MR & Associates Company Secretaries

SAREGAMA INDIA LIMITED

4. The Members holding equity shares as on the "cut-off date" i.e. July 21, 2017 were entitled to vote on the resolutions proposed in the Notice calling the 70th Annual General Meeting.

5. At the end of the remote e-voting period on Thursday, 27th July, 2017 (5:00 P.M.), the voting portal of the service provider was blocked forthwith.

6. After transacting the business at the meeting, the Chairman ordered for voting at the AGM venue through ballot paper / polling paper for those Members who could not cast their vote through remote e-voting with the assistance of the Scrutinizer.

7. Immediately after the conclusion of voting at the venue of the AGM on the 28th day of July, 2017 the votes cast at the venue were counted, thereafter the votes cast through remote e-voting were unblocked in the presence of Ms. Smita Mondal and Ms. Sneha Khaitan who acted as witnesses as prescribed under sub-rule 4(xii) of Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended. They have signed below in confirmation of the votes being unblocked in their presence.

   Smita Mondal.

8. Thereafter, the details containing inter alia, list of the Members, who voted "for" or "against" on each of the resolution that were put to vote, were derived from the report generated from the e-voting website of **National Securities Depository Limited** (NSDL) i.e. https://www.evoting.nsdl.com/ and based on such reports,

   29 Members have cast their votes through remote e-voting;
   13 Members have cast their votes through ballot paper / polling paper

The brief analysis of the results of the voting through Remote e-voting and voting at the Annual General Meeting venue through ballot paper / polling paper are as under:

Item No. 1 - Ordinary Resolution :

Adoption of

(a) the Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2017, together with the Report of the Board of Directors and Auditors thereon.

(b) the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2017 and the Report of Auditors thereon.

Particulars	No. of votes contained in						Percentage (%)
	Remote E-Voting		Polling / Ballot Paper		Total		
	No.	Votes	No.	Votes	No.	Votes	
Assent	28	11707817	13	110	41	11707927	100.00
Dissent	1	1	0	0	1	1	0.00
Total	29	11707818	13	110	42	11707928	100.00
Abstain / Invalid	0	0	0	0	-	-	-

Item No. 2 - Ordinary Resolution :

Declaration of final dividend of Rs. 1.50 per equity share for the year ended March 31, 2017.

Particulars	No. of votes contained in						Percentage (%)
	Remote E-Voting		Polling / Ballot Paper		Total		
	No.	Votes	No.	Votes	No.	Votes	
Assent	28	11707817	13	110	41	11707927	100.00
Dissent	1	1	0	0	1	1	0.00
Total	29	11707818	13	110	42	11707928	100.00
Abstain / Invalid	0	0	0	0	-	-	-

Item No. 3 - Ordinary Resolution :

Re-appointment of Mrs. Sushila Goenka (DIN 00087692) as Director

Particulars	No. of votes contained in						Percentage (%)
	Remote E-Voting		Polling / Ballot Paper		Total		
	No.	Votes	No.	Votes	No.	Votes	
Assent	26	11707762	13	110	39	11707872	99.99
Dissent	3	56	0	0	3	56	0.01
Total	29	11707818	13	110	42	11707928	100.00
Abstain / Invalid	0	0	0	0	-	-	-

Item No. 4 - Ordinary Resolution :

Appointment of BSR & Co. LLP, Chartered Accountants (ICAI Firm Registration Number – 101248W/W-100022) as the Statutory Auditors of the Company

Particulars	No. of votes contained in						Percentage (%)
	Remote E-Voting		Polling / Ballot Paper		Total		
	No.	Votes	No.	Votes	No.	Votes	
Assent	28	11707817	13	110	41	11707927	100.00
Dissent	1	1	0	0	1	1	0.00
Total	29	11707818	13	110	42	11707928	100.00
Abstain / Invalid	0	0	0	0	-	-	-

Item No. 5 - Special Resolution :

Re-appointment of Mr. G. B. Aayeer (DIN: 00087760) as a Whole-time Director

Particulars	No. of votes contained in						Percentage (%)
	Remote E-Voting		Polling / Ballot Paper		Total		
	No.	Votes	No.	Votes	No.	Votes	
Assent	27	11707788	13	110	40	11707898	100.00
Dissent	1	1	0	0	1	1	0.00
Total	28	11707789	13	110	41	11707899	100.00
Abstain / Invalid	0	0	0	0	-	-	-

Item No. 6 - Special Resolution :

Variation in remuneration payable to Mr. Vikram Mehra (DIN: 03556680), Managing Director of the Company

Particulars	No. of votes contained in						Percentage (%)
	Remote E-Voting		Polling / Ballot Paper		Total		
	No.	Votes	No.	Votes	No.	Votes	
Assent	27	11707812	13	110	40	11707922	100.00
Dissent	2	6	0	0	2	6	0.00
Total	29	11707818	13	110	42	11707928	100.00
Abstain / Invalid	0	0	0	0	-	-	-

Item No. 7 - Ordinary Resolution :

Appointment of Mr. Noshir Naval Framjee (DIN:01646640), as Director

Particulars	No. of votes contained in						Percentage (%)
	Remote E-Voting		Polling / Ballot Paper		Total		
	No.	Votes	No.	Votes	No.	Votes	
Assent	27	11707802	13	110	40	11707912	100.00
Dissent	2	16	0	0	2	16	0.00
Total	29	11707818	13	110	42	11707928	100.00
Abstain / Invalid	0	0	0	0	-	-	-

9. Based on the foregoing, the resolution no.(s) 1 to 7 shall be deemed to have been passed with the requisite majority.

Our Office :
46, B. B. Ganguly Street, 4th Floor
R. No.: 6, Kolkata 700012,
E Mail: goenkamohan@hotmail.com
goenkamohan@gmail.com

Mobile No.9831074332
Phone No : 2237 9517

MR & Associates Company Secretaries

GAREGAMA INDIA LIMITED

All the relevant records relating to the voting is under my safe custody and will be handed over to the Chairman or Company Secretary for preserving safely after the Chairman considers, approves and signs the minutes of the said AGM.

Thanking You,

Mohan Ram Goenka
Practising Company Secretary
C.P. No: 2551

Date : July 28, 2017,
Place : Kolkata

MR & Associates Company Secretaries

Countersigned by:

For SAREGAMA INDIA LTD.

Director

Our Office :
46, B. B. Ganguly Street, 4th Floor
R. No.: 6, Kolkata 700012,
E Mail: goenkamohan@hotmail.com
goenkamohan@gmail.com

Mobile No.9831074332
Phone No : 2237 9517

saregama
soul of India

RP - Sanjiv Goenka Group
Growing Legacies

Board of Directors

Mr. Sanjiv Goenka *(DIN: 00074796)*	Chairman (Non-Executive)
Mrs. Preeti Goenka *(DIN: 05199069)*	Non-Executive Director
Mrs. Sushila Goenka *(DIN: 00087692)*	Non-Executive Director
Mr. Umang Kanoria *(DIN: 00081108)*	Non-Executive Independent Director
Mr. Bhaskar Raychaudhuri *(DIN: 00277913)*	Non-Executive Independent Director
Mr. Santanu Bhattacharya *(DIN: 01794958)*	Non-Executive Independent Director
Mr. Arindam Sarkar *(DIN: 06938957)*	Non-Executive Independent Director
Mr. Noshir Naval Framjee *(DIN: 01646640)* *(w.e.f. June 12, 2017)*	Non-Executive Independent Director
Mr. Vikram Mehra *(DIN: 03556680)*	Managing Director
Mr. Ghanashyam Bhagwan Aayeer *(DIN: 00087760)*	Whole-Time Director

Statutory Auditor
Price Waterhouse,
Chartered Accountants

Internal Auditor
Ernst and Young LLP

Secretarial Auditor
MR & Associates

Legal Advisors
Khaitan & Company

Registrars and Share Transfer Agents
MCS Share Transfer Agent Ltd.,
12/1/5, Manoharpukur Road,
Kolkata - 700026
West Bengal

Bankers
United Bank of India
State Bank of India
ICICI Bank Limited

Registered office
33 Jessore Road, Dum Dum,
Kolkata - 700028
West Bengal
Phone: (033) 2551 2984, 4773
e-mail: co.sec@saregama.com

SAREGAMA INDIA LIMITED

CORPORATE INFORMATION

CIN : L22213WB1946PLC014346

Web : www.saregama.com

Registered Office & Studios
'The Studios @ Dum Dum'
33, Jessore Road
Kolkata - 700 028
Phone : (033) 2551 2984, 4773
e-mail : co.sec@saregama.com

Regional Offices

2, Chowringhee Approach
Kolkata - 700 072
Phone : (033) 6550 2113
Fax No. : (033) 2212 8911

2nd Floor, Spencer Building
30, Forjett Street,
Grant Road (W),
Mumbai - 400 036
Phone : (022) 6688 6200

A-62, 1st Floor, FIEE Complex
Okhla Industrial Area, Phase - II
New Delhi - 110 020
Phone : (011) 4051 9759

Door No. 2, 3, 4 & 5
3rd Floor, Kasi Arcade
No. 116, Thyagaraya Road, T. Nagar,
Chennai - 600017
Phone No. (044) 2815 1669, 1970,
1672, 1675

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NOTICE

SAREGAMA INDIA LIMITED

CIN : L22213WB1946PLC014346
Regd. Office: 33, Jessore Road, Dum Dum, Kolkata – 700028.
Tel: 033-2551 2984/4773, E-mail: co.sec@saregama.com, Web: www.saregama.com

Notice to the Members

Notice is hereby given that the Seventieth Annual General Meeting ("AGM") of the Members of Saregama India Limited will be held at Mohit Moitra Mancha, 34/1, Raja Manindra Road, Paikpara, Kolkata-700 037, on Friday, the 28th day of July, 2017 at 10.00 A.M. to transact the following business:

1. To receive, consider and adopt:

   (a) the Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2017, together with the Report of the Board of Directors and Auditors thereon.

   (b) the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2017 and the Report of Auditors thereon.

2. To declare a final dividend of ₹ 1.50 per equity share for the year ended March 31, 2017.

3. To appoint a Director in place of Mrs. Sushila Goenka (DIN 00087692) who retires by rotation and, being eligible, offers herself for re-appointment.

4. **Appointment of BSR & Co. LLP, Chartered Accountants (ICAI Firm Registration Number – 101248W/W-100022) as the Statutory Auditors of the Company**

   To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **ORDINARY RESOLUTION**:

   "RESOLVED THAT pursuant to the provisions of Sections 139 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and the Rules framed thereunder as amended from time to time, BSR & Co. LLP, Chartered Accountants (ICAI Firm Registration Number – 101248W/W-100022) be and are hereby appointed as the Statutory Auditors of the Company to hold office for a period of 5 years (subject to ratification of the appointment by the members at every AGM held after this AGM) on such remuneration as may be fixed by the Board apart from the reimbursement of out of pocket expenses as may be incurred by them for the purpose of audit."

SPECIAL BUSINESS

5. **Re-appointment of Mr. G. B. Aayeer (DIN: 00087760) as a Whole-time Director**

   To consider and if, thought fit, to pass with or without modification(s), the following Resolution as a **SPECIAL RESOLUTION:**

   "RESOLVED THAT pursuant to recommendation of the Nomination and Remuneration Committee, and approval of the Board in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the approval of the Company be and is hereby accorded to the re-appointment of Mr. G. B. Aayeer (DIN: 00087760), as a Whole-Time Director of the Company upto June 30, 2018 whose period of office is liable to retire by rotation on the terms and conditions including remuneration as set out in the Explanatory Statement annexed to the Notice convening this Meeting.

   RESOLVED FURTHER THAT the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee of the Board) be and is hereby authorised to alter and / or vary the terms and conditions of the said appointment including remuneration payable to Mr. G. B. Aayeer (DIN: 00087760) within the overall limits specified under Sections 197 read with Schedule V of the Companies Act, 2013 and rules made thereunder or any statutory modification(s) or re-enactment thereof.

   RESOLVED FURTHER THAT where in any Financial Year during the tenure of Mr. G. B. Aayeer (DIN: 00087760) as Whole-Time Director, the Company incurs a loss or its profits are inadequate, the Company shall continue to pay to Mr. G. B. Aayeer (DIN: 00087760), the remuneration, set out in the Explanatory Statement, by way of salary, perquisites, incentives and other allowances, as a "minimum remuneration" subject to the limits and conditions specified in Schedule V to the Companies Act, 2013 and rules made thereunder or such other limits as may be prescribed by the Central Government from time to time, and approval of members and/or Central Government required, if any.

NOTICE ***(contd.)***

6. **Variation in remuneration payable to Mr. Vikram Mehra (DIN: 03556680), Managing Director of the Company**

   To consider and if, thought fit, to pass with or without modification(s), the following Resolution as a **SPECIAL RESOLUTION:**

   "RESOLVED THAT in partial modification of the resolution passed by the members on July 31, 2015 for the appointment of Mr. Vikram Mehra (DIN: 03556680) as the Managing Director of the Company and the terms of remuneration payable to him and pursuant to Sections 196, 197 and other applicable provisions of the Companies Act, 2013 ("Act") and the Rules made thereunder, as amended from time to time, read with Schedule V to the Act, the Company hereby approves with effect from July 1, 2016, the revision in the salary payable to Mr. Vikram Mehra (DIN: 03556680), as detailed in the Explanatory Statement forming part of this notice.

   RESOLVED FURTHER THAT the Board of Directors (including any Committee thereof) be and is hereby authorised to fix his salary within the salary scale approved, increasing thereby, proportionately, all benefits related to the quantum of salary.

   RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this resolution."

By Order of the Board

Registered Office:
'The Studios@Dum Dum'
33, Jessore Road,
Kolkata-700 028

G. B. Aayeer
CFO and Whole-Time Director
DIN: 00087760

Dated: 25th May, 2016
Place: Kolkata
CIN: L22213WB1946PLC014346

NOTES :

1. The relevant Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 ('Act'), in respect of the Special Business under Item Nos. 5 and 6 set out above and details as required under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirement), Regulations, 2015 ('SEBI Listing Regulations'), entered with the Stock Exchanges and Secretarial Standard on General Meetings (SS-2) in respect of the Directors seeking re-appointment at this Annual General Meeting is annexed hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY/PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/ HERSELF. SUCH A PROXY/ PROXIES NEED NOT BE A MEMBER OF THE COMPANY. A person can act as Proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% (ten percent) of the total share capital of the Company. Members holding more than 10% (ten percent) of the total share capital of the Company may appoint a single person as Proxy, who shall not act as a Proxy for any other Member. If a proxy is appointed for more than 50 members, he shall choose any fifty members and confirm the same to the Company before the commencement of inspection period. In case if the proxy fails to do so the Company shall consider only the first fifty proxies received as valid.

   The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the Meeting. A Proxy form is annexed with this Notice. Corporate Members intending to send their authorized representatives to attend the Meeting are requested to send a duly certified copy of the Board Resolution authorizing their representatives to attend and vote at the Meeting.
3. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
4. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, July 22, 2017 to Friday, July 28, 2017 (both days inclusive).
5. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised not to leave their demat accounts dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
6. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participant with whom they are maintaining their demat accounts. Members holding shares in physical form or transferees of Physical Shares must furnish their self-attested copy of the PAN card to the Company/Registrar and Share Transfer Agents.

NOTICE ***(contd.)***

7. a. Pursuant to Section 101 and Section 136 of the Act read with Companies (Management and Administration) Rules, 2014, Regulation 36 of Listing Regulations and SS-2, companies can serve Annual Report and other communications through electronic mode to those Members who have registered their e-mail address either with the Company or with the Depository. Members holding shares in physical form, who have not registered their email address with the Company, are requested to submit their request with their valid email address to the Registrar and Share Transfer Agents of the Company. Members holding shares in demat form are requested to register/update their email address with their Depository Participant directly.

   b. To support the 'Green Initiative', members who have not registered their e-mail addresses are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.

8. Members may also note that the Annual Report for the financial year 2016-17 and the Notice of the 70th Annual General Meeting will also be available on the website of the Company **www.saregama.com**. The Notice of AGM shall also be available on the website of NSDL viz. **https://evoting.nsdl.com**.

9. The Annual Report for the financial year 2016-17, the Notice of the 70th Annual General Meeting and all documents referred to in the Notice and the Explanatory Statement are open for inspection by the Members at the Registered Office of the Company between 11 A.M. and 1 P.M. on all working days except Saturday and National Holidays up to the date of the Annual General Meeting.

10. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 and the Register of contracts or arrangements in which the Directors are interested are available for inspection by the members at the Registered Office of the Company during business hours on all working days, except Saturdays and National Holidays up to the date of the Annual General Meeting.

11. Members are requested to:

    a. intimate any change in their addresses/mandates and address all their queries relating to shares of the Company to the Registrar and Share Transfer Agents i.e. MCS Share Transfer Agent Limited, for shares held in physical form.

    b. quote Client ID and DP ID in respect of shares held in dematerialized form and ledger folio number in respect of shares held in physical form in all the correspondence.

    c. make nomination in respect of the shares held in physical form in the Company. The Nomination Form as prescribed by the Ministry of Corporate Affairs can be obtained from the Registrar and Share Transfer Agents of the Company. Members holding shares in electronic form are requested to contact their Depository Participant directly for recording their nomination.

12. Non-Resident Indian members are requested to inform the Registrar and Share Transfer Agents i.e. MCS Share Transfer Agent Limited immediately on:

    a. the change in residential status on return to India for permanent settlement; and

    b. the particulars of the bank account(s) maintained in India with complete name, branch, account type, account number and address of the bank, if not furnished earlier.

13. The Members/Proxies are requested to bring the attendance slip duly filled in for attending the Meeting.

14. The facility for voting through ballot/polling papers shall also be made available at the Annual General Meeting. The members attending the meeting who have not casted their vote by remote e-voting shall be able to exercise their right at the meeting.

15. **DIVIDEND:** Dividend to be declared at this meeting, will, subject to the provisions of Section 126 of the Companies Act, 2013, be deposited with the Bank and dividend will be paid not later than 30 days from the date of declaration of dividend to those Members who hold shares in physical form and whose names appear on the Register of Members on July 21, 2017 or to their mandates. In respect of shares held in electronic form as on the Record Date of July 21, 2017, dividend will be paid on the basis of beneficial ownership as per details furnished by the National Securities Depository Ltd. and Central Depository Services (India) Ltd., for this purpose. Dividend Tax will be paid by the Company pursuant to section 1150 of the Income Tax Act, 1961.

16. **BANK ACCOUNT DETAILS**: Regulation 12 and Schedule I of SEBI-LODR require all companies to use the facilities of electronic clearing services for payment of dividend. **In compliance with these regulations, payment of dividend will be made only by electronic mode directly into the bank account of Members and no dividend warrants or demand drafts will be issued without bank particulars.**

    YOU ARE REQUESTED TO SUBMIT YOUR BANK DETAILS ALONG WITH AN ORIGINAL CANCELLED CHEQUE OR A XEROX COPY OF THE CHEQUE to our Registrars, M/s. MCS SHARE TRANSFER AGENT LIMITED to enable them to update our records, in case you hold shares in physical form and to your Depository Participants in respect of shares held by you in dematerialized form.

NOTICE ***(contd.)***

17. **UNCLAIMED DIVIDEND**: Details of dividend unclaimed by Members for the past years which have not yet been transferred to the Central Government have been uploaded on the Company's website **www.saregama.com**. Members are advised to view the lists and lodge their claim with our Registrars & Share Transfer Agents for dividend which have remained unclaimed.

18. **TRANSFER TO IEPF:** Dividend not claimed within 7 years will be transferred to the Investor Education and Protection Fund (IEPF). All unpaid / unclaimed dividend for the Financial Year ended 31st March, 2013 is due to be transferred to the aforesaid account on or before 28th September, 2020. Claims for payment of such dividend should, therefore be lodged to the Company or to its Registrar and Share Transfer Agents, MCS Share Transfer Agent Limited, 12/1/5, Manoharpukur Road, Ground Floor, Kolkata – 700026 immediately.

19. **ISIN No:** The shares of the Company are tradable compulsorily in electronic form. The ISIN number allotted is INE979A01017. In view of the numerous advantages offered by the depository system, Members are requested to avail of the facility of dematerialization of the Company's shares.

20. **MEMBERS holding shares in physical form are requested to consider converting their holding to dematerialize form to eliminate all risks associated with physical shares and ease of portfolio management. Members can contact the company or the Registrar and Share Transfer Agents i.e. MCS Share Transfer Agent Limited for assistance in this regard.**

21. Members having queries relating to Accounts may send their queries at least 7 days before the date of the Meeting, to the Company's Secretarial Department at 33, Jessore Road, Kolkata – 700028.

22. Members may also note that the Annual report including the notice of the 70th Annual General Meeting will also be available on the Company's website **www.saregama.com**.

23. Route map and prominent landmark for easy location of venue of the AGM is provided in the Annual report and the same shall also be available on the Company's website **www.saregama.com**.

24. For persons who have acquired shares and become Members of the Company after the dispatch of Notice but before the cut-off date (as defined hereunder), the method for obtaining the login ID and password will be stated in the advertisement published pursuant to the Company (Management and Administration) Amendment Rules, 2015.

25. Voting through Electronic means :

    1. (A) The Company will provide to its Members the facility to vote on the resolutions proposed to be considered at the 70th Annual General Meeting (AGM) by electronic means and the business may be transacted through such voting with services provided by National Securities Depository Limited (NSDL).

       (B) The facility for voting, either through electronic voting system or ballot or polling paper shall also be made available at the AGM and the Members attending the Meeting who have not already cast their vote from a place other than the venue of the AGM by using the said electronic voting system (such voting hereinafter referred to as "e-voting") shall be able to exercise their voting right at the Meeting.

       (C) The Members who have cast their vote by e-voting prior to the Meeting may also attend the Meeting but shall not be entitled to cast their vote again.

    2. The process and manner for e-voting are as under:

       A. In case a Member receives an e-mail from NSDL [for Members whose e-mail IDs are registered with the Company / Depository Participant(s)] :

          i) Open e-mail and open PDF file viz., "Saregama e-Voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your User ID and password / PIN for e-voting. Please note that the password is an initial password.

          ii) Launch Internet Browser by typing the following

          URL:https://www.evoting.nsdl.com/

          iii) Click on Shareholder – Login

          iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.

          v) Password change menu appears. Change the password / PIN with new password of your choice with minimum 8 digits / characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

          vi) Home page of e-voting opens. Click on e-voting Cycles.

          vii) Select "EVEN" of Saregama India Limited.

viii) Now you are ready for e-voting as Cast Vote page opens.

ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.

x) Upon confirmation, the message "Vote cast successfully" will be displayed.

xi) Once you have voted on the resolution, you will not be allowed to modify your vote.

xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution / Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to goenkamohan@hotmail.com with a copy marked to evoting@nsdl.co.in.

B. In case a Member receives physical copy of the Notice of AGM [for Members whose e-mail IDs are not registered with the Company / Depository Participants(s) or those requested for physical copy]:

i) Initial password is provided as below / at the bottom of the name & address sheet attached to the Attendance Slip for the AGM:

EVEN (E Voting Event Number) **USER ID PASSWORD / PIN**

ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to caste vote.

I. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the Downloads section of www.evoting.nsdl.com.

The CFO and Whole-time Director shall address investors' grievances relating to voting by electronic means and may be contacted at **co.sec@saregama.com** or at the Registered Office of the Company.

II. If you are already registered with NSDL for e-voting then you can use your existing User ID and Password / PIN for casting your vote.

III. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending the future communication(s).

IV. The e-voting period commences on July 24, 2017 (9.00 A.M.) and ends on July 27, 2017 (5.00 P.M.). During this period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of July 21, 2017, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently or cast his vote again.

V. The voting rights of shareholders shall be in proportion to their shares on the paid up equity share capital of the Company as on the cut-off date of July 21, 2017.

VI. Mr. Mohan Ram Goenka, Practicing Company Secretary (Membership No. F4515) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

VII. The Scrutinizer shall, immediately after conclusion of voting at the AGM, first count the votes cast at the Meeting, thereafter unblock the votes cast through e-voting in the presence of at least two witnesses not in employment of the Company and make, not later than three days of conclusion of the Meeting, a consolidated Scrutinizer's Report of the total votes cast in favor or against, if any, to the Chairman or a person authorized by him in writing who shall countersign the same.

VIII. The Results shall be declared on forthwith upon receipt of the Scrutinizer's Report. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website **www.saregama.com** and on the website of NSDL immediately after their declaration by the Chairman and communicated to the Stock Exchanges where the shares of the Company are listed.

The facility of voting through ballot paper or polling paper shall also be made available for the Members at the Annual General Meeting who have not been able to vote electronically and who are attending the Meeting. The Members who have cast their vote electronically would be entitled to attend the Annual General Meeting but would not be permitted to cast their vote again at the Meeting.

Once the vote is cast, the Member cannot change the same or recast the same again.

NOTICE *(contd.)*

ANNEXURE TO THE NOTICE

Statement pursuant to Section 102(1) of the Companies Act, 2013 in respect of Items of Special Business set out in the Notice convening the 70th Annual General Meeting of the Company to be held on July 28, 2017.

Item No. 5

Mr. G. B. Aayeer, was appointed as a Whole-time Director on July 22, 2016. The Board considers that the continued association of Mr. G. B. Aayeer for smooth and efficient running of the financial and administrative affairs of the Company would be of immense benefit to the Company whereby it is desirable to continue to avail of his services as Whole-time Director. Hence, it is proposed to re-appoint Mr. G. B. Aayeer as the Whole Time Director upto June 30, 2018. The Nomination and Remuneration Committee at its meeting held on November 9, 2016 after considering the profile of Mr. G. B. Aayeer recommended to the Board the appointment of Mr. G. B. Aayeer upto June 30, 2018 and remuneration payable to Mr. G. B. Aayeer w.e.f. July 1, 2016 subject to the approval of shareholders on the following terms and conditions:

	(Amt. in ₹)
A. Salary	
Basic Salary	50,10,567 per annum
B. Customized Allowance Pool	75,08,668 per annum
C. Retirals	
Provident Fund	6,01,268 per annum
Gratuity	2,41,008 per annum
Total of Retirals (C)	8,42,276 per annum
D. Performance Bonus	33,40,378 per annum This is only an indicative amount. The actual Bonus is based on performance of both individual and Company; as per the Company's policy.
Total (A+B+C+D)	**1,67,01,889 per annum**

Provided the total annual remuneration payable to Mr. G. B. Aayeer is in accordance with the conditions as contained in Section I (Part II) of Schedule V read with sub-section (2) of Section 196 and in accordance with Section 197 with other applicable provisions, if any, of the Companies Act, 2013. In case the Company has no profits or its profits are inadequate, then the remuneration shall be paid to Mr. G. B. Aayeer with prior approval of Central Government or in accordance with the provisions of the Act read with Schedule V of the Act.

The Board may alter or vary the above referred terms of appointment, salary and perquisites including minimum remuneration payable in such manner as the Board in its absolute discretion deems fit and is acceptable to Mr. G. B. Aayeer provided that such alterations are within the limits specified in Section 197 and Schedule V to the Companies Act, 2013 or any amendments, modifications or re-enactments thereof in force from time to time.

Mr. G. B. Aayeer shall be liable to retire by rotation. He shall not be entitled to receive sitting fees for attending the meetings of the Board of Directors or any Committees thereof.

Other particulars pertaining to the Company, which are required to be disclosed as per Section II of Part II of Schedule V to the Companies Act, 2013 and also Regulation 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, are given in Annexure A to this Explanatory Statement.

Your Board recommends that the Resolution set out in Item No. 5 of the Notice convening the Meeting be approved by the Members.

Copy of the Supplemental Agreement executed between Mr. G. B. Aayeer and the Company is available for inspection of Members at the Registered Office of the Company between 11.00 A.M. to 1.00 P.M. on any working day of the Company and will also be available for inspection at the Meeting.

The Board of Directors recommend passing of the Special Resolution at Item No. 5 of the Notice.

Except Mr. G. B. Aayeer, none of the Director and Key Managerial Personnel of the Company and their relatives are concerned or have interest, financial or otherwise, in the Resolution set out at Item No. 5, except to the extent of shareholdings as held by them, if any, in the Company.

NOTICE ***(contd.)***

Item No. 6

The members of the Company on July 31, 2015 had approved the appointment of Mr. Vikram Mehra (DIN: 03556680) as a Managing Director of the Company and the terms of remuneration payable to him.

Taking into consideration his present salary and future revisions, if any, and based on the recommendation of Nomination and Remuneration Committee, the Board of Directors on January 25, 2017 decided to revise the salary payable to Mr. Vikram Mehra (DIN: 03556680) w.e.f. July 1, 2016. Details of revised remuneration paid to Mr. Vikram Mehra (DIN: 03556680) is given below:

Basic Salary	₹ 5,67,500/- per month
House Rent Allowance	₹ 3,40,500/- per month
Customized Allowance Pool (comprising of Management Allowance)	₹ 15,35,144/- per month
Car	₹ 90,800/- per month
Driver, Petrol and others	₹ 45,400/- per month
Medical	₹ 17,025/- per annum
Performance Bonus	₹ 79,46,589/- This is only an indicative amount. The actual Bonus is based on performance of both individual and Company; as per the company's policy.

The other allowances such as club fees, hospitalization insurance, term life insurance premium, reimbursements, benefits and perquisites payable to Mr. Mehra as approved by the shareholders at its meeting held on July 31, 2015 shall remain unchanged except to the extent altered as above. Provided further, the total annual remuneration payable to Mr. Mehra is in accordance with the conditions as contained in Section 197 read with Schedule V of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives, except Mr. Vikram Mehra (DIN: 03556680), to whom the resolution relates, are concerned or interested in the Resolution mentioned at Item No. 6 of the Notice.

The Board recommends the resolution set forth in Item No. 6 for the approval of the Members.

By Order of the Board

Registered Office:
'The Studios @ Dum Dum'
33, Jessore Road,
Kolkata-700 028

G. B. Aayeer
CFO and Whole Time Director
DIN: 00087760

Dated: 25th May, 2017

NOTICE ***(contd.)***

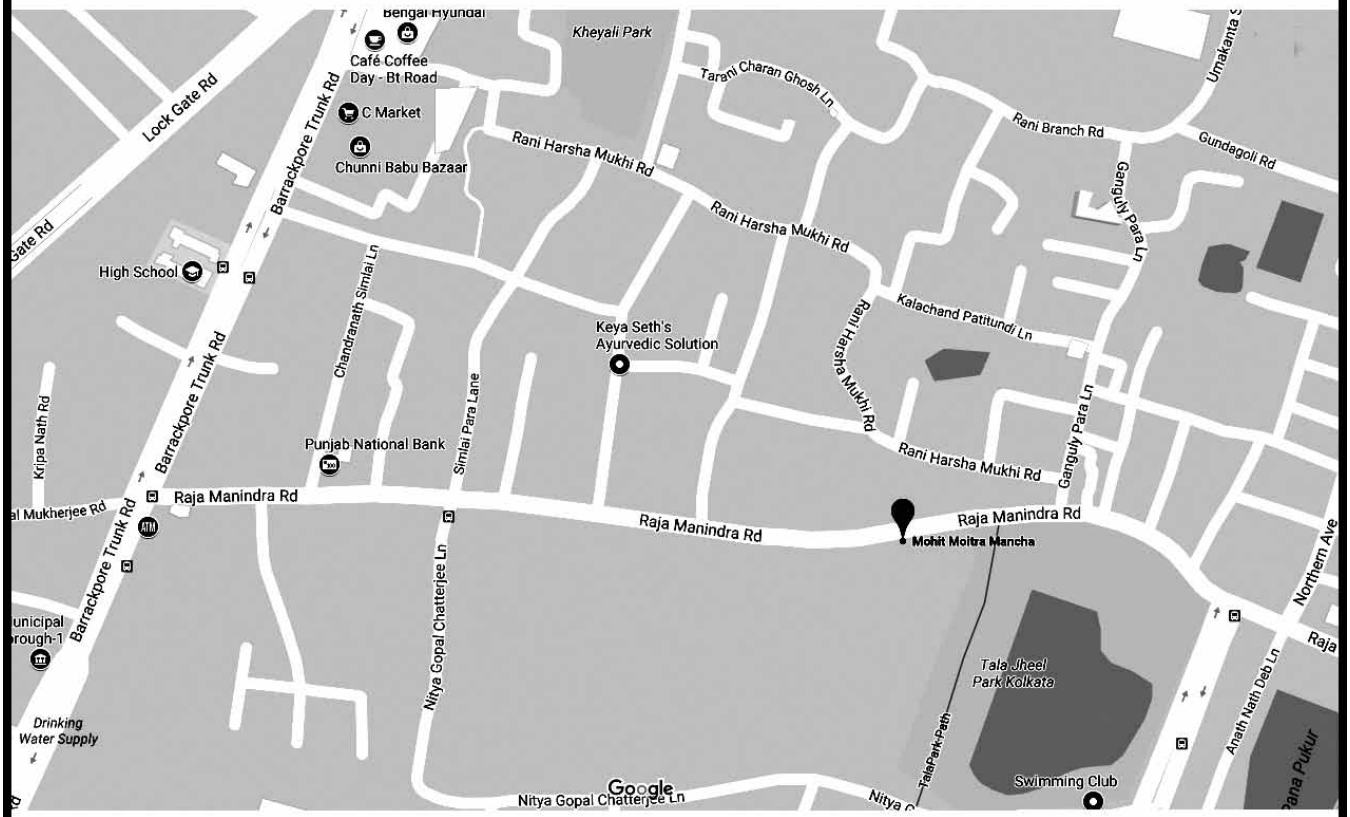
ANNEXURE TO THE NOTICE

Details of Director seeking Re-appointment at the Annual General Meeting

Name of the Director	**Mrs. Sushila Goenka**	**Mr. Ghanashyam Bhagwan Aayeer**
DIN	00087692	00087760
Date of Birth	15th August, 1936	8th June, 1959
Age	81 years	58 years
Date of Appointment	17th July, 1986	9th April, 2012
Expertise in Specific Functional Areas	Mrs. Sushila Goenka is a veteran connoisseur of Indian art, music and culture. Wife of Late Dr. Rama Prasad Goenka, she has been associated for many years with several social and cultural organizations.	Mr. Aayeer drives India's most reputed Music Label in cutting the best in class entertainment deals. Mr. Aayeer also has to his credit being the custodian of a music label which owns copyright of more than 3 lac songs, the largest in Asia. He has rich experience in entertainment sector whereby with long business experience including various aspects relating to the Company's affairs.
Qualifications	Home educated	Chartered Accountant
Directorship held in other public companies (excluding foreign and private companies, but includes directorship held in private companies which are subsidiaries of public companies)	Nil	1. Kolkata Metro Networks Limited 2. Phonographic Performance Limited 3. Indian Recording & Reproduction Rights Company Ltd. 4. Open Media Network Private Limited
Membership of committees of other Public Limited Companies (Audit Committee and Stakeholder's Relationship Committee only)	None	None
Disclosure of relationships between directors interse and Manager and other Key Managerial Personnel of the Company	Mrs. Sushila Goenka is related to Mr. Sanjiv Goenka and Mrs. Preeti Goenka, Chairman and Director of the Company respectively.	Not applicable
Terms and conditions of appointment or re-appointment	Not applicable as Non-executive Directors does not receive any remuneration except sitting fees.	As per Supplemental Agreement dated 25th January, 2017 executed between Mr. G. B. Aayeer and the Company mentioned in the Notice of AGM dated 25th May, 2017.
Details of remuneration sought to be paid and the remuneration last drawn by such person	Not applicable as Non-executive Directors does not receive any remuneration except sitting fees.	Remuneration sought to be paid as per Supplemental Agreement dated 25th January, 2017 executed between Mr. G. B. Aayeer and the Company provided in the Notice of AGM dated 25th May, 2017. Remuneration drawn last year as per Supplemental Agreement dated 28th October, 2015 executed between Mr. G. B. Aayeer and the Company as approved by the shareholders at the Annual General Meeting held on 22nd July, 2016.
No. of shares held in the company as on the date of notice	Nil	Nil
Number of meetings of the Board attended during the year 2016-17	2	4

NOTICE ***(contd.)***

ROUTE MAP TO SAREGAMA AGM VENUE



Mohit Moitra Mancha
34/1, Raja Manindra Road, Paikpara
Kolkata - 700 037

REPORT OF THE DIRECTORS' WITH MANAGEMENT DISCUSSION AND ANALYSIS

• MANAGEMENT DISCUSSION AND ANALYSIS

This Report includes MD & A as appropriate so that duplication and overlap between Directors' Report and a separate MD & A is avoided and the entire information is provided in a composite and comprehensive manner.

Industry Structure and Developments

The Indian Music Industry continues to align itself to shift towards digital consumption on the back of better digital infrastructure, telecom penetration with low data tariff and availability of curated digital music on growing digital platforms. As per the KPMG India - FICCI – Indian Media and Entertainment Industry Report 2017, in 2016, the Indian music industry is estimated at INR 12.2 billion and is expected to grow to INR 25.4 billion by 2021 at a CAGR of 15.8%. As per IFPI Global Music Report, the non- digital music still accounts for 50% of global revenues leaving major scope for selling music through physical devices. Bollywood continues to be a significant contributor to music consumption; however the growth in the regional music genres is also gaining traction. On the back of improving digital infrastructure, cheaper data usages plans and availability of free music content, in India streaming is becoming major mode of consumption.

The films business has witnessed growth driving developments like expansion of overseas markets, increase in depth of in regional content and rise in acquisitions of the digital content by Over The Top (OTT) platforms. The global OTT players are making huge investments to build their Indian content libraries; benefiting small to medium budget films. As per the KPMG India - FICCI – Indian Media and Entertainment Industry Report 2017, the Indian film industry is expected to grow to INR 206.6 billions by 2021 at a CAGR of 7.7%.

Opportunities and Threats

Opportunities

Music Business

Music – Physical B2C

The Primary target market for Company's catalogue music is 40+ age group. The research has confirmed the need of this group for a non-techie convenient way to consume music. Tapping this demand, Saregama is launching a range of physical products to satisfy this unmet demand, which is expected to contribute 40% growth to Music vertical revenue in coming year.

The first product offering of Music Cards with 24 SKUs priced at ₹ 600 (India) / $15 (USA/ Canada) taps replacement demand of CDs and in-car consumption of music. Over 2000 brick-n-mortar retailers have been networked and all leading e-commerce partners have been brought on board as partners.

Carvaan is Company's next big product. With 5000 embedded songs and bluetooth / USB connectivity, Carvaan becomes the digital audio player of home. This product is also being positioned as a gifting proposition. With launch price of ₹ 5990, the product is getting retailed through 5000 electronic retail outlets through distributor model; and e-commerce outlets directly. Many other new innovative retail products are in pipeline.

The Company launched its specialized Apps offering Classical & Devotional Music with differentiated content. These apps have been made available only to paid subscribers without any dependence on advertisements. As expected, these apps are gradually gaining patronage of the consumers and are expected to garner revenue growth with App business progressively going for paid model. Company's own web store – Saregama.com remains popular destination for discerning consumers to buy Company's popular catalogue.

Music - Digital B2B

With the increase in the number of smartphones and data consumption, more and more International OTT players entering into India and the Domestic players like Telecom service providers launching their own OTT services, there offers a strong growth opportunity for the Company's catalogue business. As per the KPMG India - FICCI – Indian Media and Entertainment Industry Report 2017, the year 2016 witnessed increase in volume of music streaming worth around 50-60 million active monthly users using the applications. Riding on the patronage for Company's popular catalogue, the OTT streams for Company's content grew by 37% last year and is expected grow further with ease of consumption. While music products like CRBT, WAP, IVR etc offered through Telecom sector dropping primarily on account of industry de growth in WAP vertical of business, the Company has kept its share steady with proactive marketing activities.

Music Publishing Business

The Expansion of Smart cities and growth of Tier 2 and Tier 3 cities add to the growing avenues of Publishing Music Business. The new copyright law has broad-based the possibility of drawing higher publishing revenue from newer avenues and will generate yields from the areas not monetized hitherto. The Company has also increased its broadcasting TV licenses to more number of networks including the Regional markets. More Brands have started to use evergreen catalogue for TV sync commercials to promote and position their Brands in the market. The year 2016-17 has been second year in row where the music publishing business of the Company grew smartly and is expected to keep momentum in coming year.

TV Software Business

National TV

After turning profitable last year, the National TV is exploring new programmes with the top GEC channels based on its successful past programmes. More TV channels and emergence of Video platforms like Amazon and Netflix are providing opportunities for growth. These platforms are looking for differentiated content and willing to experiment with new genres and style of shows.

South TV

The Business continues its leadership in Tamil Sun Network channels in terms of its number of hours of weekly production. The growing reach of the Sun Network and bigger advertisement budgets for the Tamil markets are providing opportunity for growth of the business.

Publication Business

The focus of "Open" magazine continues to target the top strata of the society as the market is evolving with top notch Brands wanting to reach out to such high intellectual readers; providing strong opportunity for the business.

Threats

Music Business

Legitimate consumption of Music still covers smaller percentage of overall Music consumption. Piracy continues to be a major deterrent of growth. The consolidation in Telecom could impact the revenues. New Music Content consumption on growing digital platforms is significantly higher than the evergreen catalogue would require high level of marketing activities to increase market share. The cost of New Music content has witnessed substantial escalation with more players jumping into the fray-requiring payment of extra premium to acquire new content.

Music Publishing Business

The New Copyright laws and formulation of new rules and regulations will require new methods of arriving at commercials of the licensing for music publishing.

TV Software Business

Industry continues to remain highly competitive with entry of more independent producers and channels taking longer gestation for launch of new projects. Increase of Artiste and Talents cost, Channel demanding higher production values without commensurate increase in the cost and Advertisers preference to growing Digital mediums continues to pose business difficulties.

Publication Business

The magazine market having 60 + genres catering to large base of readers continues to face challenges to gain market share and provide value addition to both its readers and advertisers.

Outlook

Strategic direction

The Company strategically will remain a pure play content player capitalising on the data boom globally, with focus on higher monetisation of existing IPs - 1.2L owned audio songs and over 3000 hours of Tamil serials - through greater presence on all 3rd party digital and TV platforms. The thrust will be on launch of Saregama branded physical products with embedded music. Being pure play content player, the investments will be towards building of new IPs through new film music acquisition across Hindi, Tamil & Marathi languages, TV programs in Tamil language where IP stays with the Company and production of controlled cost thematic films targeted at youth with primary exploitation on digital platforms.

Music Business

Music Digital Business

The revenues from OTT, YouTube and Telecom sectors are expected to remain steady. The entry of new players in OTT space like Idea, Google Play, Apple and Jio will act as growth drivers.

Music Retail Initiative

Company's prestigious product - Carvaan will get rolled out early next year. The sale of Music Cards will grow with the help of width & depth of domestic distribution and foray into US market. The business from Apps - "Saregama Classical" and "Saregama Shakti" - will draw revenues from the steady subscriber base. The Company's own digital store - Saregama.com will focus on download segment.

New Audio Music Content

The Company has returned back to acquisition of new Hindi and Tamil film music. The strategy is to start slow, vet assumptions and start building up the slate over time. Alongside the acquisition, the focus will be on creating fresh content for Classical and devotional music.

Music Publishing

The local Broadcasters and Advertisers are going to act as major contributors to music publishing business. The Tier 2 & 3 cities will provide opportunity for growing Public Performance income and royalties from new radio stations. Internationally, the strong sub publishers network will ensure steady publishing income.

Television Software Business

The South TV business will maintain its leadership thru own programmes where IP stays with the Company and third party marketing programmes. Like present, the revenue will be through advertising FCT sale.

Digital Films [Yoodlee Film]

The explosion in data consumption is resulting in growing demand for 'exclusive' content from all OTT players and TV channels. Without keeping starcast as driver of the project, the Company will produce films targeted at 18-30 yrs segment and international audience; which will be based on strong themes and stories with tightly controlled budgets. These movies will be produced in multiple languages with liberal use of Saregama's music for its marketing. Keeping upfront talent cost low and offering profit sharing, the risk will be largely hedged. The approach is to offer portfolio of the films; about 12 per year. The revenue model is based on limited theatre release in top 8 cities, OTT platform licensing and TV channel licensing. The first film is getting rolled out early next year.

Publication Business

'Open' magazine has already created its own readership base in the industry. This is expected to augment revenue generation from advertisement and consolidate its readership base.

Risk and Concerns

The new Music and Video driven content occupying higher shelf space on all streams in comparison to pure Catalogue would demand high level of marketing efforts to take the catalogue products to the consumers. Pursuant to the amendments to the Copyright law in June 2012, the new Copyright Board rules and regulations are awaited by the industry for last few years. This time gap at times poses difficulty to various the stakeholders of the industry to decide strategic direction. Piracy continues to be key issue impacting growth of business. Television Channels' demand for low cost high quality content and Advertisers lowering FCT rates need to be handled continuously. Retail products getting classified under higher GST tax brackets remains concern. As regards Publication magazine business, building up volumes and increasing ad rates in the highly competitive environment remains a challenge.

Internal Control System and Adequacy

The Internal Audit department of your Company conducts both financial and system audit for all key operations. Such reports are placed before the Audit Committee of Directors and recommendations, if any, are implemented. Your Company has also well documented standard operating procedures for all operational and functional areas. Further, the Board periodically reviews the policies and procedures for risk identification and mitigation.

Financial Performance with respect to Operational Performance

Strict budgetary control is maintained on all operational performance indicators and review on working capital and cash flow is carried on for improving the operational efficiency.

Human Resources

Your Company's human resource management systems and processes aim to create a responsive, market-focused, customer-centric culture and enhance organizational vitality, so that each business is internationally competitive and equipped to seize emerging market opportunities.

As on March 31, 2017, your Company has 210 employees.

Information Technology

Your Company is in the process of consolidating the benefits of implementation of ERP from SAP equipped module handling Intellectual Property Rights Management. This initiative would not only efficiently utilize the Company's vast content but also build capabilities for the future and help to keep its operations contemporary.

Forward-looking Statements

This Report contains forward-looking statements that involve risks and uncertainties. When used in this Report, the words "anticipate", "believe", "estimate", "expect", "intend", "will" and other similar expressions as they relate to the Company and / or its businesses are intended to identify such forward-looking statements. The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise. Actual results, performances or achievements could differ materially from those expressed or implied in such forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements that speak only as of their dates. This Report should be read in conjunction with the financial statements included herein and the notes thereto.

- **DIRECTORS REPORT**

Your Directors are pleased to present the Seventieth Annual Report of Saregama India Limited along with the audited accounts for the year ended 31st March, 2017.

1. FINANCIAL SUMMARY

The performance of your Company for the year ended 31st March, 2017 is summarized below:

(₹ in Lakhs)

	Consolidated	Standalone	Consolidated	Standalone
	Year ended 31st March, 2017		Year ended 31st March, 2016	
Total income	22725.81	21971.77	23384.66	22476.56
Profit/(Loss) from operations	1455.31	1606.51	2070.25	1939.29
Exceptional item	Nil	Nil	1158.88	960.09
Provision for Contingencies	Nil	Nil	Nil	Nil
Profit before tax	1455.31	1606.51	911.37	979.20
Provision for Taxation				
Deferred Tax Charged / (Credit)	27.46	27.46	(302.67)	(302.67)
Current tax	995.56	995.56	527.44	527.44
Excess Provision of Earlier Years Written Back	(187.60)	(187.60)	Nil	Nil
Net profit (after tax and exceptional items)	619.89	771.09	686.60	754.43
Proposed Dividend (including tax thereon)	314.18	314.18	314.18	314.18
Transfer to general reserve	Nil	Nil	Nil	Nil
Reserves (excluding revaluation reserves)	13510.73	15105.25	12652.75	14334.16

Your Board is pleased to report a profit of ₹ 619.89 lakhs for the year 2016-17.

2. DIVIDEND

Your Board is pleased to recommend a dividend of ₹ 1.50 /- per equity share of ₹ 10/- each for the year ended 31st March, 2017.

3. SHARE CAPITAL

The paid-up equity share capital of the Company as on March 31, 2017 was ₹ 17,40,29,380 comprising of 1,74,02,938 equity shares of ₹ 10/- each. There was no change in the Company's Share Capital during the year under review.

4. OPERATIONS

Music Audio Business

The company has consolidated its position into B2B businesses like Telecom, OTT and Youtube posting steady growth in various vectors. The music publishing has also offered smart revenue growth with help of many initiatives. The company has strengthened its last year's foray into B2C part of the business by offering new products. The Company has witnessed launch of newer initiatives like Retail Music Card, re-entry into New Music Content Acquisition both in Hindi and Tamil Films. Steady growth in Telecom, OTT and YouTube sectors.

OTT and Youtube

Your company has expanded its reach on all domestic and international OTT music platforms like *Gaana, Saavn, Wynk, Reliance Jio, Idea Music Lounge, iTunes* etc and made available its entire catalog along with relevant album art and metadata. The adverse impact of drop in per unit realization from YouTube has been balanced with the help of increasing overall YouTube views through structured activities and content offerings. In order to ensure visibility for its content, your company works very closely with the content & editorial teams of these digital music stores & You tube by way of creating various artiste, mood & theme based compilations and having them featured in various sections of these stores. These compilations provide visibility to your company's catalog, which further helps in enhancing consumption.

Telecom

The overall industry has witnessed lack of growth of traditional music products like CRBT, WAP & IVR. The company could however maintain its market share in CRBT segment by working closely with content and marketing teams of the telecom companies. For the vectors of WAP & IVR, the thrust has been to maintain targeted profitability through strict control on the costs.

Music Publishing

Both domestically and internationally, the music publishing business has shown smart growth. Number of initiatives were undertaken to increase the customer reach and proactively helping the customers to utilize company's catalogue. Smaller TV networks were brought into legitimate licensing through concerted education on copyrights and reasonable commercials. Internationally, almost all the active countries have been covered by appointment of specialized sub publishers knowing local domain.

Content

Focus was on music that appeals to the youth, hence genres like remixes and re-interpretation music was big this year. Some songs like " Ek ladki bheegi bhaagi Si " by Meiyang Chang & DJ Aqeel, Sanam Puri's song " Yeh Raat Bheegi Bheegi" gave us decent viewership and audio streams. The company resumed new film music acquisitions in Hindi & Tamil. The music rights of the film "Kahaani 2 in Hindi ", "Kadavul Irukaan Kumaru", "Maaveeran Kittu", and "Motta Shiva Ketta Shiva" in Tamil were added to the library. The songs like Arijit's Mehram, GV Prakash's Locality Boys, Jitinraj & Pooja 's Kannadikkala , Amrish's Hara Hara Mahadevki were the few revenue grossers for the company. Saregama Classical App got rejuvenated with fresh content of audio-videos featuring great Hindustani maestros like Ustad Amjad Ali Khan, Pt. Hari Prasad Chaurasia, Pt. Jasraj, Pt. Ronu Majumdar, Purbayan Chatterjee, Kaushiki Chakraborty, Bickram Ghosh, Carnatic maestros like O.S. Arun, Nithyashree, Rajesh Vaidya and many more. The company remains the only music label to own latest audio-visual recordings of the late legendary Carnatic vocalist Dr. M Balamuralikrishnan; taking a total of 53 tracks of this artiste being offered by the company. Saregama Shakti - company's devotional application got updated with a niche content featuring a hands on guide "how to do traditional poojas with ease at home". This new Pooja content not only got popularity and but also a good product review from the subscribers.

TV Software

The South TV Business is associated with leading Sun TV Network over decade and is currently producing two megas – Chandralekha and Valli and one-hour weekly -Bhairavi in Tamil. Chandralkeha and Valli are the top shows in the noon band of Sun TV competing with 7 other serials. This financial year, the company also launched a serial in Kannada titled Jo Jo Laali.

National TV business offered two successful shows "Savdhan India" on LIFE OK being a one-hour episodic format and a daily Soap, "Sanyukt" on ZEE TV; with decent TRPs.

Publication Business

Your Company publishes the weekly current affairs magazine "OPEN" through its subsidiary Open Media Networks Pvt. Ltd. Aimed at the intelligent Indian reader, it caters to a high value category of advertisers and readers.

5. CORPORATE GOVERNANCE

Your Company has adopted a Code of Conduct (the Code) for its Directors and Senior Management personnel, who have affirmed compliance with the Code.

The adoption of the Code stems from the fiduciary responsibility that the Directors and the Senior Management have towards the stakeholders of the Company. Your Directors and Senior Management act as trustees in the interest of all stakeholders of the Company by balancing conflicting interest, if any, between stakeholders for optimal benefits.

Your Board of Directors is committed to good governance practices based on principles of integrity, fairness, transparency and accountability for creating long-term sustainable shareholder value.

The Report on Corporate Governance as stipulated as per relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as referred to in Regulation 15(2) forms part of the Annual Report.

A certificate of chartered accountant regarding compliance of the Corporate Governance requirements as per relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as referred to in Regulation 15(2) for the year ended 31st March 2017 forms part of the Annual report.

6. PREVENTION OF SEXUAL HARASSMENT

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. An Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment at workplace. During the year under review, Company has not received any complaints on sexual harassment.

7. PUBLIC DEPOSITS

The Company has not accepted any deposits from the public falling within the ambit of Section 73 of the Act read with the Companies (Acceptance of Deposits) Rules, 2014.

8. EXTRACT OF ANNUAL RETURN

The Extract of Annual Return in Form MGT-9 pursuant to Section 92(3) of the Act and Rule 12 of the Companies (Management and Administration) Rules, 2014 is annexed as **ANNEXURE-A** to this Report.

9. CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements of the Company and its subsidiaries have been prepared in accordance with the provisions of the Act read with the Companies (Accounts) Rules, 2014, applicable Accounting Standards and the SEBI (Listing Obligation and Disclosure requirements) Regulations, 2015 and it forms part of the Annual Report. Pursuant to Section 129(3) of the Act, a statement containing the salient features of the financial statements of the subsidiary companies for the F.Y. 2016-17 is attached to the Financial Statements for the F.Y. 2016-17 in Form AOC-1. The Company will make available the said financial statements and related detailed information of the subsidiary companies upon request by any member of the Company or its subsidiary companies. These financial statements will also be kept open for inspection by any Member at the Registered Office of the Company.

Pursuant to the provisions of section 136 of the Act, the Audited financial statements of the Company, consolidated financial statements along with relevant documents and separate Audited Accounts in respect of subsidiaries, are available on the website of the Company viz.www.saregama.com.

10. SUBSIDIARY COMPANIES, JOINT VENTURE AND ASSOCIATE COMPANIES:

During the year under review, there are no companies, which have become/ceased to be a subsidiary companies/Joint venture company or associate company.

11. DIRECTORS

As per the relevant provisions of Companies Act, 2013 and SEBI (LODR) Regulations, 2015, during the period under review, the following changes in Directors are detailed as follows:

Mr. Pradipta K. Mohapatra, Director of the Company has expired on 13th March, 2017 and accordingly he ceased to be a Director of the Company.

Mrs. Sushila Goenka (DIN 00087692) is liable to retire by rotation pursuant to the provisions of Companies Act, 2013.

Mr. G. B. Aayeer shall be re-appointed as a Whole–Time Director of the Company till June 30, 2018 subject to approval of shareholders at the ensuing Annual General meeting. Details of remuneration proposed to be paid to Mr. G. B. Aayeer are mentioned in Corporate Governance Report, which forms part of the Annual report, and Notice of Annual General Meeting.

12. KEY MANAGERIAL PERSONNEL

During the year under review there were no changes in the Key Managerial Personnel of the Company. Mr. Tony Paul, Company Secretary resigned from the Company with effect from the close of business hours of April 12, 2017.

13. BOARD EVALUATION

Pursuant to the provisions of the Act and the corporate governance requirements as prescribed by SEBI (Listing Obligation and Disclosure requirements) Regulations, 2015, the Board of Directors ("Board") has carried out an annual evaluation of its own performance, and that of its Committees and individual Directors.

The criteria for performance evaluation of the Board included aspects like Board composition and structure; effectiveness of Board processes, information and functioning etc. The criteria for performance evaluation of Committees of the Board included aspects like composition of Committees, effectiveness of Committee meetings etc. The criteria for performance evaluation of the individual Directors included aspects on contribution to the Board and Committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings etc. In addition the Chairperson was also evaluated on the key aspects of his role.

14. FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

Pursuant to requirement of Securities and Exchange Board of India vide Circular no. CIR/CFD/POLICY CELL/7/2014 dated September 15, 2014, the Company has in place a programme for familiarisation of the Independent Directors with the Company, details of which is available on the website of the company http://r.saregama.com/resources/pdf/investor/familiarization_programme_for_independent_director.pdf

15. NOMINATION AND REMUNERATION POLICY

The Company has in place a Remuneration Policy for the Directors, Key Managerial Personnel, Senior Management and other Employees pursuant to the provisions of the Act and Regulation 19 of the SEBI (Listing Obligation and Disclosure requirements) Regulations, 2015. The Nomination and Remuneration policy forms a part of this report and is annexed as **"ANNEXURE-B"**.

16. BOARD MEETINGS

During the period under review, 4 (four) Board Meetings were held. The details of which are given in the Corporate Governance Report. The intervening gap between the meetings was within the period prescribed under the Act and Regulation 17 of SEBI (Listing Obligation and Disclosure requirements) Regulations, 2015.

Currently the Board has Five (5) committees, namely, Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility (''CSR'') Committee, Stakeholders' Relationship Committee and Committee of Directors.

Details of the composition of the Board and its Committees and of the Meetings held, attendance of the Directors at such Meetings and other relevant details are provided in the Corporate Governance Report.

17. AUDIT COMMITTEE

The Audit Committee comprises of following members:

Name of the Directors	Position	Category of Director
Mr. B. Raychaudhuri	Chairman	Non-executive Independent Director
Mr. U. Kanoria	Member	Non-executive Independent Director
Mr. P. K. Mohapatra *	Member	Non-executive Independent Director
Mr. Shantanu Bhattacharya**	Member	Non-executive Independent Director

* Expired on 13.3.2017.

** W.e.f. 25th April 2017.

Note - Further, details relating to the Audit Committee are provided in the Corporate Governance Report forming part of the Annual report.

18. VIGIL MECHANISM

The Company has adopted a Whistle Blower Policy establishing vigil mechanism, to provide a formal mechanism to the Directors and employees to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. The Policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee. It is affirmed that no personnel of the Company has been denied access to the Audit Committee. The policy of vigil mechanism is available on the Company's website (Weblink: http://r.saregama.com/resources/pdf/investor/whistle_blower_policy.pdf)

19. PARTICULARS OF EMPLOYEES

The information on employees who were in receipt of remuneration of not less than ₹ 1,02,00,000 (Rupees One Crore and two lakh only) during the year or ₹ 8,50,000 (Rupees Eight Lakh Fifty Thousand Only) per month during any part of the said year as required under Section 197 (12) of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided in the Annexure forming part of the Report. In terms of proviso to Section 136(1) of the Act, the Report and Accounts are being sent to the shareholders excluding the aforesaid Annexure. The said statement is also open for inspection at the registered office of the Company. Any member interested in obtaining a copy of the same may write to the Company Secretary.

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are annexed to the Report as "**ANNEXURE C**")

20. CORPORATE SOCIAL RESPONSIBILITY (CSR)

The brief outline of the CSR Policy of the Company alongwith the Annual Report on CSR activities is set out in "**ANNEXURE D**" of this report. The policy is available on the Company's website. (Weblink: http://r.saregama.com/resources/pdf/investor/csr_policy.pdf)

21. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The particulars of Loans given, Investments made, Guarantees given and Securities provided during the period under Section 186 of the Act are stated in the Notes to Accounts which forms part of this Annual Report.

22. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All contracts/arrangements/ transactions entered by the Company with the Related Parties during the financial period were on an Arm's length basis and were in compliance with the applicable provisions of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. There were no materially significant transactions entered into by your company during the year and hence no information is required to be provided under Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014.

23. MATERIAL CHANGES AND COMMITMENT AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There were no material changes and commitments affecting the financial position of the Company which have occurred between the end of financial year of the Company to which the Financial Statements relate and the date of this Report.

24. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS

During the year under review, there were no significant or material orders passed by the Regulators or Courts or Tribunal which would impact the going concern status of the Company and its future operation.

25. RISK MANAGEMENT

The Company is exposed to inherent uncertainties owing to the sectors in which it operates. A key factor in determining a company's capacity to create sustainable value is the risks that the company is willing to take (at strategic and operational levels) and its ability to manage them effectively. Many risks exist in a Company's operating environment and they emerge on a regular basis. The Company's Risk Management processes focusses 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.

26. INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Audit Committee reviews adequacy and effectiveness of the Company's internal control environment and monitors the implementation of audit recommendations, including those relating to strengthening of the Company's risk management policies and systems.

27. AUDITORS

A) **Statutory Auditors**

At the AGM held on July 31, 2015, M/s. Price Waterhouse (Firm Registration No. 301112E), Chartered Accountants were appointed as Statutory Auditors of the Company to hold office till the conclusion of Annual General Meeting to be held in calendar year 2017, subject to ratification of their appointment by the Members at every Annual General Meeting. Accordingly the term of M/s. Price Waterhouse (Firm Registration No. 301112E), shall expire at the Annual General Meeting to be held on July 28, 2017.

In view of expiry of term of M/s. Price Waterhouse, it is proposed to appoint M/s BSR & Co. LLP, Chartered Accountants, Firm Registration No. 101248W/W-100022 as Statutory Auditors of the Company for a period of 5 years subject to approval of the shareholders in the ensuing Annual General Meeting. The Statutory Auditors report does not contain any qualification.

B) **Secretarial Auditors**

Pursuant to the provisions of Section 204 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, M/s M R and Associates, Practicing Company Secretaries has been appointed as Secretarial Auditor, to undertake Secretarial Audit of the Company for the financial year 2016-17. The report of the Secretarial Auditor is annexed to this report as **"ANNEXURE E"**. The Secretarial Audit Report does not contain any observation.

C) **Internal Auditors**

M/S Ernst and Young have been appointed as Internal Auditors for FY 2016-17.

28. DIRECTORS' RESPONSIBILITY STATEMENT

The Board of Directors acknowledge the responsibility for ensuring compliances with the provisions of section 134(3)(c) read with section 134(5) of the Companies Act, 2013 in the preparation of the annual accounts for the year ended on March 31, 2017 and to the best of their knowledge and ability, confirm that:

a) in the preparation of the annual accounts, the applicable accounting standards had been followed alongwith proper explanation relating to material departures;

b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at the March 31, 2017 and of the profit and loss of the company for that year on that date;

c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

d) the directors had prepared the annual accounts on a going concern basis

e) the directors had laid down proper systems of internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.

f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively

29. INDEPENDENT DIRECTORS DECLARATION

The company has received the necessary declaration from Independent Directors that they meet the criteria of independence as provided in Section 149 of the Companies Act.

30. REPORTING OF FRAUD BY AUDITORS

There are no instances of fraud reported by the Auditors during FY 2016-17.

31. CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

Pursuant to the requirement of Section 134(3)(m) of the Companies Act, 2013 read with rule 8(3) of the Companies (Accounts) Rules, 2014, the relevant data pertaining to the Conservation of Energy and Technology Absorption is given below:

A) **CONSERVATION OF ENERGY**

i) **The steps taken to or impact on conservation of energy–** Although the Company is not engaged in manufacturing activities. However, as a responsible corporate citizen, we continue to pursue and adopt appropriate energy conservation measures.

ii) **The Steps taken by the Company for utilizing alternate sources of energy–** Not applicable

iii) **The capital investment on energy conservation equipment's**– The Company constantly evaluates new developments and invests into latest energy efficient technology.

A) **TECHNOLOGY ABSORPTION**

i) **The efforts made towards technology absorption –** The Company adopts the latest trends in the technology development and introduces the same so as to ensure reduction in cost with best quality output.

ii) **The benefits derived like product improvement, cost reduction, Product development or import substitution–** Not applicable

B) **IMPORTED TECHNOLOGY**

i) **The details of technology imported-** Not Applicable

ii) **The year of import -** Not applicable

iii) **Whether the technology has been fully absorbed -** Not applicable

iv) **If not fully absorbed -** Not applicable

Expenditure incurred on Research and Development (R&D):

Your company is predominantly a service provider and therefore has not set up a formal R&D unit, however continuous research and development is carried out at various development centers as an integral part of the activities of the Company.

C) **FOREIGN EXCHANGE EARNINGS AND OUTGO**

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows.

(₹ in Lakhs)

	Current Year	Previous Year
Foreign Exchange used	512.83	232.04
Foreign Exchange earned	4793.32	4687.07

32. EMPLOYEE BENEFIT SCHEME

The Members of the Company, at its Annual General Meeting held on 26th July, 2013, approved the implementation of Saregama Employees Stock Option Scheme - 2013. Your Company is desirous to extend the said benefits also to employees (including directors whether whole time directors or not) of the subsidiary companies.

Your Company has further formulated the Saregama Stock Appreciation Rights Scheme - 2014 for benefit of its employees as per applicable regulations of Securities and Exchange Board of India as amended from time to time.

Pursuant to the provisions of SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 as amended the details of stock options as on March 31, 2017 under the Employee Stock Option Scheme are annexed as **"ANNEXURE F"** to this report.

33. RIGHTS ISSUE

Out of the 53,38,628 equity shares issued for cash at a premium of ₹ 35/- (issue price - ₹ 45/-) pursuant to the Rights Issue in 2005, allotment of 5,290 (31.03.2016 – 5,290) equity shares (relating to cases under litigation / pending clearance from concerned authorities) are in abeyance as on 31st March, 2017.

34. ACKNOWLEDGEMENT

Your Directors would like to express their sincere appreciation to its stakeholders financial institutions, bankers and business associates, Government authorities, customers and vendors for their co-operation and support and looks forward to their continued support in future. Your Directors also place on record, their deep sense of appreciation for the committed services by the employees of the Company.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Vikram Mehra
Managing Director
DIN: 03556680

G. B. Aayeer
CFO and Whole-time Director
DIN: 00087760

Date: May 25, 2017
Place: Kolkata

"ANNEXURE – A"
Annexure to Directors report

FORM NO. MGT 9 - EXTRACT OF ANNUAL RETURN

As on financial year ended on March 31, 2017

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014

I. REGISTRATION & OTHER DETAILS

1.	CIN	L22213WB1946PLC014346
2.	Registration Date	13.8.1946
3.	Name of the Company	Saregama India Limited
4.	Category/Sub-category of the Company	Public Company/ Limited by shares
5.	Address of the Registered office and contact details	33, Jessore Road, Dum Dum, Kolkata-700028; Telephone: (033) 2551 2984/4773 E-mail : co.sec@saregama.com Website: www.saregama.com
6.	Whether listed company	Yes
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	MCS Share Transfer Agent Limited Registrar and Transfer Agent, 12/1/5, Manoharpukur Road, Ground Floor, Kolkata-700 026; Telephone: (033) 4072 4051 - 4053; Fax : (033) 4072 4050 E-mail : mcssta@rediffmail.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Income from Television Serials (Including Free Commercial Time)	591	32.15%
2	Licence Fees	592	64.79%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable section
1.	Composure Services Private Limited Duncan House 31, Netaji Subhas Road Kolkata - 700001	U72900WB2017PTC219824	Holding	59.14	2(46)
2.	Saregama Plc Unit 14 Europa Studios Victoria Road London NW10 6ND, UK	N.A.	Subsidiary	76.41	2(87)
3	RPG Global Music Limited 4th Floor, Barkly Wharf East Le Caudan Water Front Port-Louis Mauritius	N.A.	Subsidiary	100	2(87)
4.	Kolkata Metro Networks Limited 33, Jessore Road Dum Dum, Kolkata - 700028	U23209WB1989PLC047337	Subsidiary	100	2(87)
5.	Open Media Network Private Limited 33, Jessore Road Dum Dum, Kolkata - 700028	U22100WB2008PTC124295	Subsidiary	100	2(87)

REPORT OF THE DIRECTORS *(contd.)*

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on April 1, 2016]				No. of Shares held at the end of the year [As on March 31, 2017]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) **Indian**									
a) Individual/ HUF	0	0	0	0.00	0	0	0	0.00	0.00
b) Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
c) State Govt.(s)	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corp.	10,291,859	0	10,291,859	59.14	10,291,759	Nil	10,291,759	59.14	0.00
e) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
f) Any other	0	0	0	0.00	0	0	0	0.00	0.00
Total shareholding of Promoter (A)	**10,291,859**	**0**	**10,291,859**	**59.14**	**10,291,759**	**0**	**10,291,759**	**59.14**	**0.00**
B. Public Shareholding									
1. Institutions									
a) Mutual Funds / UTI	0	464	464	0.00	0	464	464	0.00	0.00
b) Banks / FI	4103	1,138	5241	0.03	14.331	1,138	15469	0.09	0.06
c) Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt.(s)	0	26	26	0.00	0	26	26	0.00	0.00
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	0	1,798	1,798	0.01	0	1,798	1,798	0.01	0.00
g) FIIs	0	0	0	0.00	0	0	0	0.00	0.00
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i) Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
Foreign Portfolio investor	0	0	0	0.00	0	0	0	0.00	
Sub-total (B)(1):-	**4,103**	**3,426**	**7,529**	**0.04**	**14,331**	**3,426**	**17,757**	**0.10**	**0.06**
2. Non-Institutions									
a) Bodies Corp.									
i.) Indian	3,882,957	4,455	3,887,412	22.34	3,952,614	4,455	3,957,069	22.74	0.40
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	1,603,414	156,978	1,760,392	10.11	1,759,777	152,710	1,912,487	10.99	0.87
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	1,327,459	0	1,327,459	7.63	1,118,508	0	1,118,508	6.43	-1.20
Non Resident Indians	122,880	4,996	127,876	0.74	100,019	4,916	104,935	0.60	-0.14
Non Resident Indians (Non-repatriable)	0	0	0	0.00	0	0	0	0.00	0.00
Foreign Nationals	0	0	0	0.00	0	0	0	0.00	0.00
Foreign Company	0	0	0	0.00	0	0	0	0.00	0.00
Clearing Members	0	0	0	0.00	0	0	0	0.00	0.00
Trusts	411	0	411	0.00	423	0	423	0.00	0.00
Hindu Undivided Family	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (B)(2):-	**6,937,121**	**166,429**	**7,103,550**	**40.82**	**6,931,341**	**162,081**	**7,093,422**	**40.76**	**-0.06**
Total Public Shareholding (B)=(B)(1)+ (B)(2)	**6,941,224**	**169,855**	**7,111,079**	**40.86**	**6,945,672**	**165,507**	**7,111,179**	**40.86**	**0.00**
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0.00
Grand Total (A+B+C)	**17,233,083**	**169,855**	**17,402,938**	**100.00**	**17,237,431**	**165,507**	**17,402,938**	**100.00**	**0.00**

REPORT OF THE DIRECTORS *(contd.)*

B) Shareholding of Promoter-

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year i.e. April 1, 2016			Shareholding at the end of the year i.e. March 31, 2017			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
1.	Composure Services Pvt. Ltd	0	0.00	0.00	1,02,91,599	59.14	0.00	59.14
2.	Rainbow Investments Limited	1,02,91,599	59.14	0.00	0	0.00	0.00	(59.14)
2.	STEL Holdings Ltd.	160	0.00	0.00	160	0.00	0.00	0.00
3.	Zensar Technologies Ltd.	100	0.00	0.00	0	0.00	0.00	0.00

C) Change in Promoters' Shareholding (please specify, if there is no change)

SN	Particulars	Shareholding at the beginning of the year (as on April 1, 2016)		Transactions during the year		Cumulative Shareholding during the year (as on March 31, 2017)	
		No. of shares	% of total shares of the company	Date	Increase/Decrease	No. of shares	% of total shares of the company
1.	Composure Services Pvt. Ltd	0	0.00	-	-	1,02,91,599	59.14
	Purchase	0	0.00	March 29, 2017	1,02,91,599	1,02,91,599	59.14
	At the end of the year	-	-	-	-	1,02,91,599	59.14
2.	Rainbow Investments Limited	1,02,91,599	59.14	-	-	0	0.00
	Sale	-	-	March 29, 2017	1,02,91,599	0	0.00
	At the end of the year	0	0.00	0	0.00	0	0.00
3.	STEL Holdings Ltd	160	0.00	-	-	160	0.00
	At the end of the year	160	0.00	-	-	160	0.00
4.	Zensar Technologies Limited	100	0.00	-	-	0	0.00
	Sale	-	-	14.10.2016	100	0	0.00

D) Shareholding Pattern of top ten Shareholders:

(Other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No.	Name of shareholder	Shareholding at beginning of the year		Date wise increase/decrease in shareholding during the year			Cumulative shareholding during the year		No of shares at the end of the year	
		No of shares held on April 1,2016	% Of total shares of the company	Date	Sold	Purchased	No of share	% Of total shares of the Company	No of shares as on 31.03.2017	% Of total share of the Company
1	Reliance Capital Limited	1,188,000	6.83	31.03.2017	1,188,000	0	0	NIL	0	0
2	Reliance Spot Exchange Infrastructure Limtied	0	0	31.03.2017	0	1,188,000	1,188,000	6.83	1,188,000	6.83
3	Aadi Financial Advisors LLP	604,847	3.48	31.03.2017	25,000	0	579,847	3.33	579,847	3.33
4	BNK Capital Markets Limited	810,720	4.66	NIL	NIL	NIL	810,720	4.66	810,720	4.66
5	Jayshree Nirman Limited	516,981	2.97	NIL	NIL	NIL	516,981	2.97	516,981	2.97
6	Vallabh Roopchand Bhansali	251,000	1.44	04.08.2016	0	31,424	282,424	1.62	282,424	1.62
7	Asian Securities Exchange Pvt Ltd	108,420	0.62	NIL	NIL	NIL	108,420	0.62	108,420	0.62
8	BNK Securities Pvt Ltd	5,8671	0.34	NIL	NIL	NIL	58,671	0.34	58,671	0.34
9	Chinmay G Parikh	94,858	0.55	10.06.2016	14,858	0	80,000	0.45	80,000	0.45
10	Narnolia Capital Advisors Pvt Ltd	0	0	31.03.2017	0	68,956	68,956	0.39	68,956	0.39

REPORT OF THE DIRECTORS *(contd.)*

Sr. No.	Name of shareholder	Shareholding at beginning of the year		Date wise increase/decrease in shareholding during the year			Cumulative shareholding during the year		No of shares at the end of the year	
		No of shares held on April 1,2016	% Of total shares of the company	Date	Sold	Purchased	No of share	% Of total shares of the Company	No of shares as on 31.03.2017	% Of total share of the Company
11	Mishrilal H Bang	85,000	0.49	09.09.2016	250	0	84,750	0.48		
				28.10.2016	33,863	0	50,887	0.29		
				04.11.2016	35,887	0	15,000	0.08		
				23.12.2016	15,000	0	0	0	0	0
12	Alok Lodha	65,706	0.38	15.04.2016	0	1,000	66,706	0.38		
				22.04.2016	0	1,000	67,706	0.39		
				05.06.2016	4,000	0	63,706	0.37		
				17.06.2016	0	1,000	64,706	0.37		
				28.10.2016	1,000	0	63,706	0.37		
				11.11.2016	2,000	0	61,706	0.35		
				02.12.2016	1,000	0	60,706	0.34		
				24.02.2016	730	0	59,976	0.34		
				24.03.2016	976	0	59,000	0.34	59,000	0.34
13	Suresh Kumar Agrawal	34,100	0.19	10.06.2016	500	0	33,600	0.19		
				08.07.2016	250	0	33,350	0.19		
				15.07.2016	557	0	32,793	0.19		
				19.08.2016	250	0	32,543	0.19		
				28.10.2016	500	0	32,043	0.18		
				09.12.2016	0	1,000	33,043	0.19		
				31.12.2016	0	2,000	35,043	0.20		
				24.02.2017	0	500	35,543	0.20		
				24.03.2017	0	1,515	37,058	0.21		
				31.03.2017	500	500	37,058	0.21	37,058	0.21
14	Bhimavarapu Sridhar Reddy	183,408	1.05	29.04.2016	0	945	184,353	1.06		
				20.05.2016	0	1,067	185,420	1.06		
				27.05.2016	6,732	0	178,688	1.03		
				06.03.2016	7,812	0	170,876	0.98		
				10.06.2016	2,992	0	167,884	0.96		
				05.08.2016	100	0	167,784	0.96		
				09.09.2016	2,000	0	165,784	0.95		
				16.09.2016	1,886	0	163,898	0.94		
				11.11.2016	2,707	0	161,191	0.93		
				25.11.2016	3,125	0	158,066	0.91		
				02.12.2016	18,428	0	139,638	0.80		
				09.12.2016	3,000	0	136,638	0.79		
				16.12.2016	9,000	0	127,638	0.73		
				27.01.2017	10,000	0	117,638	0.67		
				10.06.2017	0	2,000	119,638	0.69		
				17.03.2017	0	1	119,639	0.69		
				31.03.2017	0	2,800	122,439	0.70	122,439	0.70

REPORT OF THE DIRECTORS *(contd.)*

E) Shareholding of Directors and Key Managerial Personnel – Nil

Sr. No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year (as on April 1, 2016)		Shareholding at the end of the year (as on March 31, 2017)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	None of the Directors or Key Managerial Personnel hold any shares in the Company.				

V) INDEBTEDNESS - Indebtedness of the Company including interest outstanding/accrued but not due for payment.

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	NIL	NIL	NIL	NIL
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
Total (i+ii+iii)	NIL	NIL	NIL	NIL
Change in Indebtedness during the financial year				
* Addition	NIL	NIL	NIL	NIL
* Reduction	NIL	NIL	NIL	NIL
Net Change	NIL	NIL	NIL	NIL
Indebtedness at the end of the financial year				
i) Principal Amount	NIL	NIL	NIL	NIL
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
Total (i+ii+iii)	NIL	NIL	NIL	NIL

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL - for the year ended March 31, 2017

(Amt. in ₹ Lakhs.)

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Mr. Vikram Mehra*, Managing Director	Mr. G.B. Aayeer (WTD & CFO)	
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	378.50	149.07	527.57
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	2.44	1.46	3.90
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961			
2.	Stock Option			
3.	Sweat Equity			
4.	Commission - as % of profit - others, specify…			
5	Others, (please specify)- Stock Appreciation Rights, Retirals, etc.	149.87	27.26	177.13
	Total (A)	**530.81**	**177.79**	**708.60**
	Ceiling as per the Act	**178.93**	**178.93**	**357.86**

*Managerial remuneration paid/provided aggregating ₹ 530.81 Lakhs for the year ended March 31, 2017 in accordance with shareholders' approval read with Notification No.S.O.2922 (E) dated 12th September, 2016 issued by the Ministry of Corporate Affairs (Notification). However, the same has exceeded by ₹ 332.88 Lakhs as against limit set out in the Central Government Order dated 5th October, 2016.

According to the Board of Directors and a legal opinion obtained by the Company, remuneration for the financial year 2016-17 shall be governed by the Notification, although it has specific Order as mentioned above and approval from the Central Government is not required. However, the Company, on a prudent basis, has applied / sought clarification to / from the Central Government vide its letter dated 10th May, 2017 on the application of the aforesaid Notification in place of the aforesaid Order for remuneration paid / payable to the Managing Director for the financial year ended 31st March, 2017 and response to which is awaited.

B. Remuneration to other directors

1. Non – Executive Directors

(Amt. in ₹)

Sr. No.	Particulars of Remuneration	Mr. Sanjiv Goenka	Mrs. Preeti Goenka	Mrs. Sushila Goenka	Total
1.	Fee for attending board meetings	90,000	40,000	40,000	**1,70,000**
	Commission	Nil	Nil	Nil	Nil
	Others, please specify	Nil	Nil	Nil	Nil
	Total (1)	**90,000**	**40,000**	**40,000**	**1,70,000**

2. Independent Directors

(Amt. in ₹)

Sr. No.	Particulars of Remuneration	Mr. B. Raychaudhuri	Mr. P. K. Mohapatra	Mr. U. Kanoria	Mr. S. Bhattacharya	Mr. A. Sarkar	Total
1.	Fee for attending board meetings	1,15,000	1,15,000	1,30,000	45,000	65,000	4,70,000
	Commission	Nil	Nil	Nil	Nil	Nil	Nil
	Others, please specify	Nil	Nil	Nil	Nil	Nil	Nil
	Total (1)	**1,15,000**	**1,15,000**	**1,30,000**	**45,000**	**65,000**	**4,70,000**
	Total Managerial Remuneration (B)(1) + (B)(2)						**6,40,000**
	Ceiling as per the Act - The remuneration is well within the limit prescribed under the Companies Act, 2013						

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

(Amt. in ₹ Lakhs.)

Sr. No.	Particulars of Remuneration	Name of Key Managerial Personnel	Total
		Tony Paul - Company Secretary	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	30.39	30.39
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.40	0.40
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961		
2	Stock Option		
3	Sweat Equity		
4	Commission		
	- as % of profit		
	Others, specify…		
5	Others, please specify: Retirals etc.	5.15	5.15
	Total	**35.94**	**35.94**

Note:

1. Mr. Tony Paul resigned from the post of Company Secretary w.e.f. April 12, 2017.

   Mr. G.B. Aayeer is the CFO as well as Whole-Time Director in the Company.

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There were no penalties / punishment / compounding of offences for breach of any section of Companies Act against the Company or its Directors, if any, during the year ended March 31, 2017.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Vikram Mehra
Managing Director
DIN: 03556680

G.B. Aayeer
CFO and Whole-time Director
DIN: 00087760

Date: May 25, 2017
Place: Kolkata

"ANNEXURE - B"

NOMINATION AND REMUNERATION POLICY

PREAMBLE

This policy is framed pursuant to the requirement of sub-clause IV of Clause 49 of the Equity Listing Agreement with the objective to align with the provisions of the Companies Act, 2013, adopt the best practices on corporate governance and make the corporate governance framework more.

In pursuance of the Company's policy to consider human resources as its most valuable assets, ensure equitable remuneration to all viz. Directors, Key Managerial Personnel (KMP) and other employees of the Company, this policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management Members and other employees has been formulated by the Nomination and Remuneration Committee and approved by the Board of Directors in terms of the provisions of the Companies Act, 2013 and the abovementioned requirements of listing agreement as may be amended from time to time.

1. **OBJECTIVE AND PURPOSE OF THE POLICY:**

   The objective and purpose of this policy are:

   - To formulate the criteria and terms to determine qualifications, attributes and independence of Directors;
   - To identify the qualification, key attributes and profile required of persons who may be appointed in Senior Management and Key Managerial positions;
   - To determine remuneration of the Directors, Key Managerial Personnel and Senior Management employees and other employees based on the Company's size of business, financial position and trends and practices prevailing in similar companies in the industry;
   - To devise mechanism and carry out evaluation of the performance of Directors;
   - To devise and achieve diversity on the composition of Board, an essential element to support quality of performance;
   - To retain, motivate and promote talent and create a sense of participation and ownership.

   Accordingly, the following policy formulated by the Nomination and Remuneration Committee and applicable to Directors (Executive and Non Executive), Key Managerial Personnel and Senior Management Personnel and other employees was recommended for adoption to the Board of Directors. The Remuneration policy and the evaluation criteria followed shall be disclosed in the Annual Report of the Company.

2. **RELEVANT PARTICULARS**

   Effective Date:

   This policy shall be effective when it is approved by the Board.

   Nomination and Remuneration Committee:

   Definitions

   - Key Managerial Personnel (KMP): Key Managerial Personnel means:
     1) Managing Director or Chief Executive Officer;
     2) Whole-time Director;
     3) Chief Financial Officer;
     4) Company Secretary and such other officer as may be prescribed under the applicable statutory provisions or regulations;
   - Senior Management: Senior Management means personnel of the Company occupying the position of one level below the Board of Directors of the Company.

   General

   This Policy is divided in three parts:

   Part – A covers the matters to be dealt with and recommended by the Committee to the Board

   Part – B covers the appointment criteria and nomination

   Part – C covers remuneration criteria.

PART – A

MATTERS TO BE DEALT WITH, PERUSED AND RECOMMENDED TO THE BOARD BY THE NOMINATION AND REMUNERATION COMMITTEE

The Committee shall, based on the requirement from time to time:

- Identify and formulate criteria to determine qualifications, positive attributes and independence of a Director.
- Formulate criteria to identify persons who are qualified to become Directors and persons who may be appointed in Key Managerial and Senior Management positions.
- Recommend to the Board, appointment of Director, KMP and Senior Management Personnel and other employees.

PART – B

APPOINTMENT CRITERIA

Appointment criteria and qualifications:

1. The Committee shall identify and ascertain the integrity, professional qualifications, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and other employees and recommend to the Board his/her appointment. While doing this the Committee shall also take into account the mandatory requirement for the composition of the Board, Audit Committee, the Stakeholders' Relationship Committee. The Committee shall lay emphasis on a diverse Board composition based on a range of diversity perspectives such as gender, age, educational background, skills, experience etc. The ultimate decision shall be based on merit.
2. The Committee has discretionary power to decide whether qualification, expertise and experience possessed by a person is sufficient/ satisfactory for the concerned position as a KMP or Senior management personnel.
3. The Committee shall not recommend for appointment or continuation of any person as Director who:
   - Is of unsound mind and so declared by a competent court;
   - Is an undischarged insolvent;
   - Has applied to be adjudicated as an insolvent and his application is pending;
   - Has been convicted by a Court of any offence whether involving moral turpitude or otherwise and sentenced in respect thereof to imprisonment for not less than six months and a period of five years has not elapsed from the date of expiry of the sentence;
   - Has been convicted of any offence and sentenced in respect thereof to imprisonment for seven years;
   - An order disqualifying him for appointment as Director has been passed by a Court or Tribunal and the order is in force;
   - Has not paid any calls in respect of the shares of the Company held by him and six months have elapsed from the last day fixed for the payment of the call;
   - Has been convicted of the offence dealing with related party transactions under Section 188 at any time during the last preceding 5 years;
   - Has not been allotted the DIN under Section 152 of the Companies Act 2013;
   - Has not completed the age of twenty-one years and has attained the age of 70 years. If any Director who has completed the age of 70 years and the appointment is approved by special resolution passed by the Company in General Meeting, no further approval of the Central Government shall be required;
   - Is a managerial person in more than one company and draws remuneration from one or more companies above the ceiling provided in Section V of Part II of Schedule V of the Companies Act, 2013.
   - Further no person who has been a Director of the Company shall be eligible to be reappointed as Director of that Company or appointed as Director in any other Company for a period of five years from the date on which the Company fails to:
   - File financial statements or annual returns for any continuous period of three financial years
   - Repay deposits accepted or pay interest thereon or redeem any debentures on the due date or pay interest due thereon or pay any dividend declared and such failure continues for one year.
   - No person can be appointed as Director in more than twenty companies and maximum number of public companies in which he can be a Director shall not exceed ten. Similarly a person cannot be a Managing Director in more than two companies.
   - There shall be a minimum of three Directors and a maximum of fifteen in a Company. The Company can appoint a higher number of Directors on approval by Members vide special resolution.

Term and Tenure

1. **Managing Director/Whole-time Director:**

   The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director or Whole-time Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

2. **Independent Director:**

   As per Companies Act, 2013 an Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment for another term of five years on passing of a special resolution by the Company and disclosure of such appointment in the Board's Report. No Independent Director shall hold office for more than two consecutive terms of five years and thereafter he shall be eligible for appointment after expiry of three years (cooling period) of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

   At the time of appointment of Independent Director it should be ensured that the number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director but only three listed companies as an Independent Director in case such person is also serving as a Whole-time Director of a listed company.

3. **Senior Management Personnel:**

   In terms of the provisions of Section 203 of the Companies Act 2013, a Whole-time Key managerial personnel (KMP) shall not hold office in more than one Company except in its subsidiary company at the same time.

   However the KMP can be a Director in any other Company (which may or may not be a subsidiary) with the approval of the Board.

   Any remuneration payable to a Managing Director/Whole-time Director/ Executive Director who is also drawing remuneration in another company in a similar position shall be subject to the highest maximum limit admissible from any one company calculated in such manner as provided in Schedule V and other applicable provisions of the Companies Act 2013.

   Evaluation:

   The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel at regular intervals (yearly or such other interval as the Committee deems fit).

PART – C

POLICY RELATING TO THE REMUNERATION FOR THE WHOLE-TIME DIRECTOR, KMP AND SENIOR MANAGEMENT PERSONNEL

A) General:

1. The remuneration / compensation / commission etc. to the Whole-Time Director, KMP and Senior Management Personnel and other employees will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.
2. The remuneration and commission to be paid to the Managerial personnel shall be in accordance with the percentage/slabs/conditions laid down under Section 197, 198 and other applicable provisions of the Companies Act, 2013, read with Schedule V and rules 4 and 5 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules 2014 made thereunder.
3. Increments to the existing remuneration/compensation structure may be recommended by the Committee to the Board which should be within the ceiling limit slabs approved by the Shareholders in the case of Managerial personnel.

B) Remuneration to Whole-time / Executive / Managing Director, KMP and Senior Management Personnel:

1. Fixed pay:

   The Whole-time Director/KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The break-up of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.

2. Minimum Remuneration:

   If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managerial personnel in accordance with the provisions of Schedule V of the Companies Act, 2013 and if it is not able to comply with such provisions, with the previous approval of the Central Government.

3. Provisions for excess remuneration:

   If any Managerial personnel draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Companies Act, 2013 or the prior sanction of the Central Government, where required, is not obtained, he/she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless it is approved by the Central Government.

C) Remuneration to Non- Executive/Independent Director:

1. Remuneration/Commission:

   The remuneration/commission shall be fixed as per the slabs and conditions mentioned in the Articles of Association of the Company and the Companies Act, 2013 and the rules made thereunder.

2. Sitting Fees:

   The Non-Executive/Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed ₹ One lakh per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

3. Commission:

   Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Companies Act, 2013.

4. Stock Options:

   An Independent Director shall not be entitled to any stock option of the Company.

CRITERIA FOR IDENTIFICATION OF PERSONS FOR APPOINTMENT AS DIRECTORS AND IN SENIOR MANAGEMENT:

In accordance with the provisions of Section 178(3) of the Act, the Nomination and remuneration Committee is required to formulate the criteria for determining Qualifications, Positive Attributes and Independence of a Director which is given below:

1. **Definition of Independence**

   A director will be considered as an "Independent Director" if the person meets with the criteria for 'Independent Director' as laid down in the Companies Act and of the Listing Agreement.

   The definition of independence as provided in the Act is as follows:

   "An independent director in relation to a company, means a director other than a managing director or a whole-time or a nominee director,—

(a) who, in the opinion of the board, is a person of integrity and possesses relevant expertise and experience;

(b) i. who is or was not a promoter of the company or its holding, subsidiary or associate company;

   ii. who is not related to promoters or directors in the company, its holding, subsidiary or associate company;

(c) who has or had no pecuniary relationship with the company, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;

(d) none of whose relatives has or had pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to two per cent. or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;

(e) who, neither himself, nor any of his relatives —

   i. holds or has held the position of a key managerial personnel or is or has been an employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed;

   ii. is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of —

      - a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or
      - any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten per cent. of the gross turnover of such firm;

   iii. holds together with his relatives two per cent or more of the total voting power of the company; or

iv. is a chief executive or director, by whatever name called, of any non-profit organisation that receives twenty-five per cent or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds two per cent or more of the total voting power of the company;

v. is a material supplier, service provider or customer or a lessor or lessee of the company;

vi. who is not less than 21 years of age (additional provision as per Listing Agreement)

(f) who possesses such other qualifications as may be prescribed".

2. Qualifications of Directors

- Boards will ensure that a transparent board nomination process is in place that encourages diversity of thought, experience, knowledge, perspective, age and gender.
- It is expected that boards have an appropriate blend of functional and industry expertise.
- While recommending appointment of a director, it is expected that the Nomination and Remuneration Committee ("NRC") consider the manner in which the function and domain expertise of the individual contributes to the overall skill-domain mix of the Board.
- Independent Directors ("ID") ideally should be thought/ practice leaders in their respective functions/ domains.

3. Positive attributes of Directors

Directors are expected to comply with duties as provided in the Act. For reference, the duties of the Directors as provided by the Act are as follows:

1) "Act in accordance with the articles of the company.

- Act in good faith in order to promote the objects of the company for the benefit of its members as a whole, and in the best interests of the company, its employees, the shareholders, the community and for the protection of environment.
- Exercise duties with due and reasonable care, skill and diligence and exercise independent judgment.
- Not be involved in a situation in which he may have a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the company.
- Not achieve or attempt to achieve any undue gain or advantage either to himself or to his relatives, partners, or associates.
- Not assign his office."

Additionally, the Directors on the Board of Saregama India Limited are also expected to demonstrate high standards of ethical behavior, strong interpersonal and communication skills and soundness of judgment.

IDs are also expected to abide by the 'Code for Independent Directors' as outlined in Schedule IV to section 149(8) of the Act. The Code specifies the guidelines of professional conduct, role and function and duties of Independent Directors. The guidelines of professional conduct specified in the Code are as follows:

"An independent director shall:

- uphold ethical standards of integrity and probity;
- act objectively and constructively while exercising his duties;
- exercise his responsibilities in a bona fide manner in the interest of the company;
- devote sufficient time and attention to his professional obligations for informed and balanced decision making;
- not allow any extraneous considerations that will vitiate his exercise of objective independent judgment in the paramount interest of the company as a whole, while concurring in or dissenting from the collective judgment of the Board in its decision making;
- not abuse his position to the detriment of the company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;
- refrain from any action that would lead to loss of his independence;
- where circumstances arise which make an independent director lose his independence, the independent director must immediately inform the Board accordingly;
- assist the company in implementing the best corporate governance practices."

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Vikram Mehra
Managing Director
DIN: 03556680

G.B. Aayeer
CFO and Whole-time Director
DIN: 00087760

Date: May 25, 2017
Place: Kolkata

"ANNEXURE - C"

PARTICULARS OF EMPLOYEES

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014.

i) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2016-17 and ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2016-17 are as under :

Sl. No.	Name of Director / KMP and Designation	Remuneration of Director / KMP for financial year 2016-17 (₹ in Lakhs)	% increase in Remuneration in the Financial Year 2016-17	Ratio of remuneration of each Director / to median remuneration of employees
1.	Mr. Vikram Mehra, Managing Director	530.81	8.35%	63.42 : 1
2.	Mr. G. B. Aayeer, Whole-Time Director & CFO	177.79	33.61%	21.24 : 1
3.	Mr. Tony Paul, Company Secretary & GM - Legal	35.94	7.80%	N.A

Note: No other Director other than the Managing Director and Whole Time Director received any remuneration other than sitting fees during the financial year 2016-17.

ii) In the financial year, there was an increase of 74.90% in the median remuneration of employees.

iii) There were 210 permanent employees on the rolls of Company as on March 31, 2017.

iv) Average percentage increase made in the salaries of employees other than the managerial personnel in the financial year 2016-17 was 1.65 % whereas the increase in the managerial remuneration for the same financial year was 13.74%.

v) It is hereby affirmed that the remuneration paid during the Financial Year ended 31st March, 2017 is as per the Remuneration Policy of the Company.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Vikram Mehra
Managing Director
DIN: 03556680

G.B. Aayeer
CFO and Whole-time Director
DIN: 00087760

Date: May 25, 2017
Place: Kolkata

"ANNEXURE - D"

Annual Report on Corporate Social Responsibility (CSR) Activities

1. **A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs:**

   The Company is committed to identifying and supporting programs aimed at:

   Provision of access to basic healthcare services/facilities, safe drinking water & sanitation and conducting health awareness camps, empowerment of the disadvantaged sections of society through promoting inclusive education for all, as well as through livelihood generation and skill development, supporting environmental and ecological balance through energy conservation etc., undertaking livelihood generation/promotion and women empowerment projects, any other programme that falls under the Company's CSR Policy and is aimed at the empowerment of disadvantaged sections of the society - Undertaking / supporting sports activities and programmes of art and culture in various forms.

   The Company's policy on CSR is posted at http://www.saregama.com/static/investors

2. **Composition of the CSR Committee**

   The CSR committee comprises of the following members:

Name of the Directors	Position	Category of Director
Mr. U. Kanoria	Member	Non-executive Independent Director
Mr. G. B. Aayeer	Member	Whole-time Director
Mr. P. K. Mohapatra *	Member	Non-executive Independent Director
Mr. S. Bhattacharya **	Member	Non-executive Independent Director

   * Expired on 13.3.2017.

   ** w.e.f. 25.4.2017.

3. **Average net profit/(Loss) of the company for last three financial years -** ₹ 2,860.36 lakhs.

4. **Prescribed CSR Expenditure (two per cent of the amount as in item 3 above) -** ₹ 57.21 lakhs.

5. **Details of CSR spent during the financial year;**

   a. Total amount to be spent for the financial year; - ₹ 57.21 lakhs.

   b. Amount unspent, if any; - Nil

   c. Manner in which the amount was spent:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sr. No.	CSR project or activity identified	Sector in which the Project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub - heads: (1) Direct expenditure on projects or programs (2) Overheads	Cumulative expenditure upto to the reporting period	Amount spent : Direct or through implementing agency
1	Setting up of an institution of excellence	Sector permitted under Schedule VII to the Companies Act, 2013	Kolkata, West Bengal	₹ 57.21 lakhs.	₹ 57.21 lakhs.	₹ 165.21 lakhs.	RP Sanjiv Goenka CSR Trust

6. The CSR Committee states that the implementation and monitoring of the CSR Policy, is in compliance with the CSR objectives and Policy of the Company.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Vikram Mehra
Managing Director
DIN: 03556680

G.B. Aayeer
CFO and Whole-time Director
DIN: 00087760

Date: May 25, 2017
Place: Kolkata

"ANNEXURE - E"

Form No. MR - 3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2017

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members,

SAREGAMA INDIA LIMITED
33, Jessore Road, Dum Dum
Kolkata - 700028
West Bengal

1. We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **SAREGAMA INDIA LIMITED** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

2. Based on our verification of the Company books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2017 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

3. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2017 according to the provisions of:

   i) The Companies Act, 2013 (the Act) and the rules made thereunder;

   ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder

   iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

   iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

      (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

      (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

      (c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

      (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014

      (e) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable regulations /guidelines /circulars as may be issued by SEBI from time to time to the extent applicable.

   I further report that, there were no actions / events in pursuance of;

      (a) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

      (b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

      (c) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008

      (d) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;

      (e) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

   Having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, we further report that the Company has complied with the following laws applicable specifically to the Company:

(a) Indian Copyright Act,1957 as applicable;

(b) The Trademark Act,1999;

We have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards 1 and 2 issued by The Institute of Company Secretaries of India.

(ii) The Listing Agreements entered into by the Company with National Stock Exchange of India Limited, BSE Limited and the Calcutta Stock Exchange Limited.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that,

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings were carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

This Report is to be read with our letter of even date which is annexed as **"Annexure A"** and forms an integral part of this Report.

For M R & Associates
Company Secretaries

[M R Goenka]
Partner
FCS No.:4515
C P No.:2551

Place : Kolkata
Date : 25.05.2017

"ANNEXURE – A"

(TO THE SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2017)

To,

The Members

SAREGAMA INDIA LIMITED
33, Jessore Road, Dum Dum
Kolkata - 700028
West Bengal

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial Records is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the Audit practices and processes as where appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial Records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations and standards is the responsibilities of the management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For M R & Associates
Company Secretaries

[M R Goenka]
Partner
FCS No.:4515
C P No.:2551

Place : Kolkata
Date : 25.05.2017

"ANNEXURE - F"

Statement as at 31st March, 2017, pursuant to Regulation 14 of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, in respect of Options granted under the Company's Employee Stock Option Scheme :

a) Date of shareholders' approval: 26th July, 2013 (creation / formulation of Saregama Employees Stock Option Scheme - 2013 [ESOS 2013])

b) Total number of options approved under ESOS 2013:

Name of employees	No. of Shares / Options		
	Granted	Forfeited / lapsed	in force
Mr. Adarsh Gupta	22,000	22,000	-
Mr. G. B. Aayeer	10,000	-	10,000 *
Mr. Suryanarayana Murthy Mantha	25,000	25,000	-
Mr. Keshaw P. Sinha	15,000	15,000	-
Mr. Avinash Mudaliar	10,000	-	10,000 *
Mr. Troy Lobo	10,000	10,000	-
Mr. Kumar Ajit	10,000	-	10,000 *

* Options vested but not exercised till date.

c) Vesting requirements

Vesting Period:

The Options shall vest as per the following schedule:

After 1 year from the date of grant: 20% of Options granted

After 2 years from the date of grant: 20% of Options granted

After 3 years from the date of grant: 20% of Options granted

After 4 years from the date of grant: 20% of Options granted

After 5 years from the date of grant: 20% of Options granted

d) Exercise price or pricing formula :

"Exercise Price" means the price determined by the Nomination and Remuneration Committee from time to time at which the eligible Employees shall be authorized to exercise their Options provided that such price is not detrimental to such eligible Employees' interest.

e) Maximum term of options granted : Refer b) above

f) Source of shares (primary, secondary or combination) : Primary

g) Variation in terms of options : Not applicable

REPORT OF THE DIRECTORS *(contd.)*

Sl. No.		Saregama Employee Stock Option Scheme 2013 (Scheme)				
		Mr. G. B. Aayeer	Mr. Avinash Mudaliar	Mr. Troy Lobo	Mr.Kumar Ajit	Cumulative
(A)	Number of Options Outstanding at the beginning of the period	10,000	10,000	10,000		30,000
(B)	Number of Options granted during the year	-	-	-	10,000	10,000
(C)	Number of Options forfeited /lapsed during the Year	-	-	10,000	-	10,000
(D)	Number of Options vested during the Year	-	-	-	-	-
(E)	Number of Options exercised during the Year	-	-	-	-	-
(F)	Number of shares arising as a result of exercise of options	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
(G)	Number of Options outstanding at the end of the Year	10,000	10,000	-	10,000	30,000
(H)	Number of Options exercisable at the end of the year	4,000	4,000	-		8,000
(I)	Weighted Average Exercise Price (₹)	69.85	53.95	195.40	243.70	
(J)	Weighted Average Fair Value (₹)	49.48	51.06	136.20	141.90	
(K)	A description of the method and significant assumptions used during the year to estimate the fair values of Options. The fair value of each Option is estimated using the Black Scholes Option Pricing model after applying the following key assumptions on a weighted average basis:					
	(i) Risk free interest rate	7.50%	7.50%	7.50%	7.00%	
	(ii) Expected Life	10 Years	10 Years	10 Years	10 Years	
	(iii) Expected Volatility	55.30%	55.30%	55%	54.40%	
	(iv) Expected Dividends	7%	7%	10%	11.34%	
	(v) Price of the underlying Shares in the Market at the time of the Option grant.	₹ 118	₹ 118	₹ 195.40	₹ 243.70	

Employeewise details of Options granted under Employee Stock Option Scheme

i) Senior Mangement personnel

Name	Designation	Options Granted during 2013-14	Options Granted during 2015-16	Options Granted during 2016-17	Options Forfeited/ lapsed during 2016-17	Total
Mr. G. B. Aayeer	Chief Financial Officer and Director	10,000	-			10,000
Mr. Avinash Mudaliar	Head – Internet Products & Services	10,000	-			10,000
Mr. Troy Lobo	VP- Sales & Marketing	-	10,000		10,000	-
Mr. Kumar Ajit	VP- Sales & Marketing	-	-	10,000	-	10,000

ii) Employees granted 5% or more of the Options in any one year:

Name	Designation	Options Granted during 2013-14	Options Granted during 2015-16	Options Granted during 2016-17	Options Forfeited/ lapsed during 2016-17	Total
Mr. G. B. Aayeer	Chief Financial Officer and Director	10,000	-	-	-	10,000
Mr. Avinash Mudaliar	Head – Internet Products & Services	10,000	-	-	-	10,000
Mr. Troy Lobo	VP- Sales & Marketing	-	10,000		10,000	10,000
Mr. Kumar Ajit	VP- Sales & Marketing	-	-	10,000		10,000

iii) Employees granted Options equal to or exceeeding 1% of the issued capital during any one year: None

The Company has adopted intrinsic value method as permitted by the SEBI Guidelines and the Guidance Note on Accounting for Employee Share Based Payment issued by the Institute of Chartered Accountants of India in respect of stock options granted. The value of the underlying Shares has been determined by an independent valuer.

REPORT OF THE DIRECTORS *(contd.)*

The Company's net profit and earnings per share would have been as under, had the compensation cost for employees' stock options been recognised based on the fair value at the date of grant in accordance with Black Scholes model.

(All amounts in ₹ Lakhs, unless otherwise stated)

	31st March, 2017	31st March, 2016
Profit after taxation	771.09	754.43
Less: Additional Employee compensation on cost based on Fair Value	3.44	3.97
Profit after taxation as per Fair Value Method	767.65	750.46
Earnings per Share (EPS)		
Basic		
Number of Shares	17,402,938	17,402,938
Basic EPS as reported (₹)	4.43	4.34
Proforma Basic EPS (₹)	4.41	4.31
Diluted		
Number of Shares	17,417,409	17,421,986
Diluted EPS as reported (₹)	4.43	4.33
Proforma Diluted EPS (₹)	4.41	4.31
Effect of Share-based payment plan on the Balance Sheet and Statement of Profit and Loss		
Expense arising from employee share-based payment plan	NIL	NIL
Deferred Stock Compensation	NIL	NIL

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Vikram Mehra
Managing Director
DIN: 03556680

G.B. Aayeer
CFO and Whole-time Director
DIN: 00087760

Date: May 25, 2017
Place: Kolkata

REPORT ON CORPORATE GOVERNANCE

This report on Corporate Governance is divided into the following parts:

I. Philosophy on Code of Corporate Governance

II. Board of Directors

III. Committee of Directors

IV. Audit Committee

V. Nomination and Remuneration Committee

VI. Stakeholders Relationship Committee

VII. Corporate Social Responsibility Committee

VIII. General Body Meetings

IX. Other Disclosures

X. Means of Communication

XI. General Shareholder Information

I. Company's philosophy on Corporate Governance

Corporate Governance encompasses laws, procedures, practices and implicit rules that determine the Management's ability to make sound decisions vis-à-vis all its stakeholders - in particular, its shareholders, creditors, the State and employees. There is a global consensus on the objective of Good Corporate Governance: Maximising long-term shareholder value.

Since shareholders are residual claimants, this objective follows from a premise that in well-performing capital and financial markets, whatever maximises shareholder value must necessarily maximise corporate value and best satisfy the claims of the creditors, the employees and the State.

A company which is proactively compliant with the law and which adds value to itself through the Corporate Governance initiatives would also command a higher value in the eyes of present and prospective shareholders.

Saregama India Limited therefore believes that Corporate Governance is not an end in itself but is a catalyst in the process towards maximization of shareholder value. Therefore, shareholder value, as an objective, is woven into all aspects of Corporate Governance – the underlying philosophy, the development of roles and the creation of structures and continuous compliance with standard practices.

Corporate Governance, as a concept, has gained considerable importance of late, primarily because of the proposal to enshrine many of the accepted good governance principles into corporate law. The Companies Act, 2013 ('the Act') and the Securities & Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 ('the SEBI Regulations') have strengthened the framework of Corporate Governance for India.

Saregama India Limited is committed to good governance practices by conducting its business in a transparent manner and creating long term sustainable shareholder value.

II. Board of Directors

A. Composition of the Board of Directors as on 31st March, 2017

The Board of Directors of the Company comprises of

- 7 Non-Executive Directors (including 4 independent Directors) [1]
- 2 Executive Directors

None of the Directors on the Company's Board is a Member of more than ten Committees and Chairman of more than five Committees [Committees being, Audit Committee and Stakeholder Relationship Committee] across all the Indian public limited companies in which he/she is a Director. All the Directors have made necessary disclosures regarding Committee positions held by them in other companies and do not hold the office of Director in more than twenty companies, including ten public companies. All Non-Executive Non Independent Directors, are liable to retire by rotation.

During the year under review 4 (Four) Board meetings were held on 25th May, 2016; 2nd August, 2016; 9th November, 2016 and 25th January, 2017. The maximum time-gap between any two meetings did not exceed 120 days.

REPORT ON CORPORATE GOVERNANCE *(contd.)*

The names and categories of Directors, the number of Directorships and Committee positions held by them in other companies and also their shareholdings in the Company as on 31st March, 2017 are given below:

Sl. No.	Name of the Directors	Category of Director	No. of Directorships in other Public Limited companies incorporated in India [2]	No of other Committee Membership(s) / Chairmanship(s) held [3]		No. of Equity Shares held
				As Chairperson	As Member	
1.	Mr. Sanjiv Goenka	Non-Executive (Chairman)	6	1	1	-
2.	Mrs. Preeti Goenka	Non-Executive	-	-	-	-
3.	Mrs. Sushila Goenka	Non-Executive	-	-	-	-
4.	Mr. Bhaskar Raychaudhuri	Non-Executive Independent	6	-	-	-
5.	Mr. Umang Kanoria	Non-Executive Independent	5	2	2	-
6.	Mr. Santanu Bhattacharya	Non-Executive Independent	3	-	2	-
7.	Mr. Arindam Sarkar	Non-Executive Independent	1	-	-	-
8.	Mr. Vikram Mehra	Managing Director	1	-	-	-
9.	Mr. Ghanashyam Bhagwan Aayeer	Whole-time Director	3	-	-	-

[1] Mr. P. K. Mohapatra, Non-Executive Independent Director, expired on 13.3.2017.

[2] Excluding private limited companies, foreign companies and companies under Section 8 of the Companies Act.

[3] Pursuant to Regulation 26(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, only two committees viz, Audit and Stakeholders Relationship Committees, have been considered for this purpose.

Directors namely Mr. S. Goenka, Mrs. P. Goenka and Mrs. S. Goenka are related to each other under the Companies Act, 2013 read with the Rules made thereunder.

B. Attendance of Directors at the Board Meetings during the period 1st April, 2016 to 31st March, 2017 and at the last Annual General Meeting.

Sl. No.	Name of Directors	Number of Meetings Attended out of four Board Meetings held during the year	Attendance at the last AGM on 22.7.2016
1.	Mr. Sanjiv Goenka	4	No
2.	Mrs. Preeti Goenka	2	No
3.	Mrs. Sushila Goenka	2	No
4.	Mr. Pradipta. K. Mohapatra [1]	4	No
5.	Mr. Bhaskar Raychaudhuri	4	Yes
6.	Mr. Umang Kanoria	4	No
7.	Mr. Santanu Bhattacharya	2	No
8.	Mr. Arindam Sarkar	3	No
9.	Mr. Vikram Mehra	4	Yes
10.	Mr. Ghanashyam Bhagwan Aayeer	4	Yes

[1] Expired on 13.3.2017.

Note: The Chairman of the Audit Committee and Nomination and Remuneration Committee attended the Annual General Meeting.

C. Code of Conduct and Ethics for Directors and Senior Management

The Board has adopted a Code of Conduct (the Code) for its Directors and Senior Management, who have affirmed compliance with the

Code. A declaration to this effect signed by the Managing Director forms part of this Annual Report. The Code of Conduct for Board Members and Senior Management of the Company is posted on the website of the Company and may be accessed at the link http://r.saregama.com/resources/pdf/Code_of_Conduct.pdf.

The adoption of the Code stems from the fiduciary responsibility which the Directors and the Senior Management have towards the stakeholders of the Company. The Directors and Senior Management acts as trustees in the interest of all stakeholders of the Company by balancing conflicting interest, if any, between stakeholders for optimal benefit.

D. Compliance Reports

At each meeting of the Board of Directors, the Managing Director and Whole-time Director places a certificate covering compliance of various provisions of law, as applicable.

E. Board Effectiveness Evaluation: Pursuant to the Regulation 17 and Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 and the Act, Board evaluation involving evaluation of the Board of Directors, its Committees and individual Directors, including the role of the Board Chairman, was conducted during the year. For details kindly refer the Directors' Report.

COMMITTEES OF THE BOARD

The Board Committees play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas / activities which concern the Company and need a closer review. The Board Committees are set up under the formal approval of the Board to carry out clearly defined roles which are considered to be performed by members of the Board, as a part of good governance practice. The Board supervises the execution of its responsibilities by the Committees and is responsible for their action. The minutes of the meetings of all Committees are placed before the Board for review. The Board Committees can request special invitees to join the meeting, as appropriate.

The Board has currently established the following Committees:

III. Committee of Directors

(i) Composition

The composition of the Committee of Directors as on 31st March, 2017 is as under:

Name of the Directors	Position	Category of Director
Mr. Sanjiv Goenka	Chairman	Non-executive Director
Mr. Pradipta K. Mohapatra *	Member	Non-executive Independent Director
Mr. Bhaskar Raychaudhuri	Member	Non-executive Independent Director
Mr. Vikram Mehra	Member	Managing Director
Mr. Ghanashyam B. Aayeer	Member	Whole-time Director

* Expired on 13.3.2017.

(ii) Meetings

No Committee of Directors meeting held during the financial year ended 31st March, 2017.

IV. Audit Committee

The Audit Committee of the Company functions in accordance with the requirement of Section 177 of the Act and Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015. The composition of the Audit Committee is in compliance of Regulation 18(1) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.

The Audit Committee comprises of 3 Directors and all are Independent Directors. The Members of the Audit Committee possesses financial/accounting expertise/exposure.

The meetings of the Audit Committee are also attended by the Chief Financial Officer, Representatives of the Statutory Auditors and other Senior Officials of the Company as special invitees. The Company Secretary of the Company acts as the Secretary to the Audit Committee. The minutes of each Audit Committee meeting are noted in the next meeting of the Board. The quorum of Committee is two members or one-third of its members, whichever is higher with minimum 2 Independent Directors. During the year under review, the Audit Committee met 4 (four) times on 25th May, 2016, 2nd August, 2016, 9th November, 2016 and 25th January, 2017 respectively.

REPORT ON CORPORATE GOVERNANCE *(contd.)*

(i) Terms of Reference

The broad terms of reference includes the following as is mandated in Part C of Schedule II of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 and Section 177 of the Act:

a. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.

b. Recommend to the Board, the appointment, re-appointment, terms of appointment, remuneration and, if required, replacement or removal of Statutory Auditors and fixation of Audit fees.

c. Approval of payment to statutory auditors for any other services rendered by them.

d. Reviewing, with the management the annual financial statements and auditors' report thereon before submission to the Board for approval with particular reference to the matters stated under sub clause (a) to (g) of Part C of Schedule II of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.

e. Reviewing, with the management the quarterly financial statements before submission to the Board for approval.

f. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency, monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.

g. Review and monitor the auditor's independence and performance and effectiveness of audit process.

h. Approval or any subsequent modification of transactions of the Company with related parties.

i. Scrutiny of inter-corporate loans and investments.

j. Valuation of undertakings or assets of the Company, wherever it is necessary.

k. Evaluation of internal financial controls and risk management systems.

l. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.

m. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.

n. Discussion with internal auditors of any significant findings and follow up there on.

o. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.

p. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.

q. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.

r. To review the functioning of the Whistle Blower mechanism.

s. Approval of appointment of CFO (i.e. the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.

t. Examination of the financial statement and the auditors' report thereon.

u. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

(ii) Composition

The composition of the Audit Committee as on 31st March, 2017 is as under:

Name of the Directors	Position	Category of Director	Meetings attended
Mr. B. Raychaudhuri	Chairman	Non-executive Independent Director	4
Mr. U. Kanoria	Member	Non-executive Independent Director	4
Mr. P. K. Mohapatra *	Member	Non-executive Independent Director	4
Mr. Santanu Bhattacharya**	Member	Non-executive Independent Director	Not applicable

* Expired on 13.3.2017.

** w.e.f. 25.4.2017

V. Nomination and Remuneration Committee

(i) Terms of Reference

The existing Compensation Committee has been renamed as Nomination and Remuneration Committee as required under Section 178 of the Companies Act, 2013.

The Nomination and Remuneration Committee (NRC) of the Company functions in accordance with the Act and Listing Requirements, which are reviewed from time to time. The broad terms of reference of the Nomination and Remuneration Committee are as follows:

a. Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;

b. Devising a policy on Board diversity;

c. Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal;

d. Recommend to the Board appointment or re-appointment of Directors and Key Managerial Personnel (KMP) as defined by the Act;

e. Carry out evaluation of every Director's performance and support the Board and Independent Director in evaluation of the performance of the Board, its committees and individual Directors. This shall include *'formulation of criteria of evaluation of Independent Director and Board'*.

f. Recommend the Remuneration policy for Directors, KMP, executive team and other employees.

The Employees Stock Option Scheme and Stock Appreciation Rights Scheme have been introduced for the benefits of the Company's eligible employees as well as to extend the benefits for the eligible employees of Company's subsidiaries and the terms and conditions are governed by the Nomination and Remuneration Committee.

During the financial year ended 31st March, 2017, Nomination and Remuneration Committee met twice on 9th November, 2016 and 28th March, 2017 respectively.

(ii) Composition

The composition of the Nomination and Remuneration Committee as on 31st March, 2017 and attendance at its meeting is as under:

Name of the Directors	Position	Category of Director	Meetings attended
Mr. B. Raychaudhuri	Chairman	Non-executive Independent Director	2
Mr. U. Kanoria	Member	Non-executive Independent Director	2
Mr. P. K. Mohapatra *	Member	Non-executive Independent Director	1
Mr. Santanu Bhattacharya**	Member	Non-executive Independent Director	Not applicable

* Expired on 13.3.2017.

** w.e.f. 25.4.2017.

Remuneration Policy

The Company adopted a Remuneration Policy for Directors, Key Managerial Personnel and other employees in accordance with the provisions of the Act and the SEBI (Listing Obilgations and Disclosure Requirements), Regulations, 2015. For details on the Remuneration Policy, kindly refer to the **"ANNEXURE-B"** of the Directors' Report.

REPORT ON CORPORATE GOVERNANCE *(contd.)*

Remuneration to Directors

A. Non-Executive Directors

The Non-Executive Directors do not draw any remuneration from the Company except sitting fees in accordance with Article 93 of the Articles of Association of the Company.

Details of the Remuneration paid to Non-Executive Directors for the year ended March 31, 2017 are as follows:

Sl. No.	Name of the Directors	Sitting Fees Paid / Payable (₹)
1.	Mr. S. Goenka	90,000
2.	Mrs. P. Goenka	40,000
3.	Mrs. S. Goenka	40,000
4.	Mr. B. Raychaudhuri	115,000
5.	Mr. U. Kanoria	130,000
6.	Mr. S. Bhattacharya	45,000
7.	Mr. A. Sarkar	65,000
8.	Mr. P. K. Mohapatra	115,000
	Total	**640,000**

B. Executive Directors

The remuneration paid to the Executive Directors is commensurate with industry standards and Board level positions held in similar sized companies, taking into consideration the individual responsibilities shouldered by them and is in consonance with the terms of appointment approved by the Members, at the time of their appointment.

Mr. G. B. Aayeer, the Whole-time Director, has been paid remuneration as per the Agreement entered with the Company on 9th April, 2012 and approved by the shareholders at the Annual General Meeting held on 27th July, 2012. The variation in remuneration of Mr. Aayeer was also approved by the shareholders at the Annual General Meetings held on 26th July, 2013, 30th July, 2014, 31st July, 2015 and 22nd July, 2016. Mr. G. B. Aayeer's re-appointment upto June 30, 2018 and the subsequent increment in his remuneration effective 1st July, 2016 has been approved by the Board of Directors at its meeting held on 25th January, 2016 on recommendation of the Nomination and Remuneration Committee and is subject to approval of the shareholders at the ensuing Annual General Meeting.

The remuneration structure of all Managerial personnel comprises salary, allowances, perquisites and contributions to the Provident and other funds.

Details of remuneration paid to the Executive Directors for the Financial Year 2016-2017 are given hereunder:

(₹ in thousands)

Name	Mr. Vikram Mehra*
Designation	Managing Director
Remuneration Salaries and allowances	7808
Contribution to Provident Fund	793
Contribution to Gratuity Fund	500
Other benefits / perquisites	43980
Total	**53081**
Service Contract:	as per agreement dated 23rd December, 2014 with effect from 27th October, 2014.
Notice period	(i) Not less than three months' notice or three months' basic salary in lieu of notice. (ii) Termination of Agreement by the Company upon giving shorter notice, by payment of basic salary in lieu of notice.
Severance Fees	Nil

Stock Appreciation Rights	Pursuant to Stock Appreciation Rights Scheme 2014, the Nomination and Remuneration Committee of the Board of Directors has granted 2,00,000 Stock Appreciation Rights (SAR) (being the difference in the share price between the date of grant and the date of exercise) to the Managing Director on October 27, 2014 (being the date of grant) with the following performance linked vesting schedule :- - After one year from the date of grant:- 66% - After two years from the date of grant:- 34%

*Managerial remuneration paid/provided aggregating ₹ 530.81 Lakhs for the year ended March 31, 2017 in accordance with shareholders' approval read with Notification No.S.O.2922 (E) dated 12th September, 2016 issued by the Ministry of Corporate Affairs (Notification). However, the same has exceeded by ₹ 332.88 Lakhs as against limit set out in the Central Government Order dated 5th October, 2016.

According to the Board of Directors and a legal opinion obtained by the Company, remuneration for the financial year 2016-17 shall be governed by the Notification, although it has specific Order as mentioned above and approval from the Central Government is not required. However, the Company, on a prudent basis, has applied / sought clarification to / from the Central Government vide its letter dated 10th May, 2017 on the application of the aforesaid Notification in place of the aforesaid Order for remuneration paid / payable to the Managing Director for the financial year ended 31st March, 2017 and response to which is awaited.

(₹ in thousands)

Name	Mr. G.B. Aayeer
Designation	CFO and Whole-time Director
Remuneration Salaries and allowances	5635
Contribution to Provident Fund	564
Contribution to Gratuity Fund	1485
Other benefits / perquisites	10095
Total	**17779**
Service Contract:	upto June 30, 2018 as per supplemental agreement dated 25th January, 2017.
Notice period	(i) Not less than three months' notice or three months' basic salary in lieu of notice. (ii) Termination of Agreement by the Company upon giving shorter notice, by payment of basic salary in lieu of notice.
Severance Fees	Nil
Stock Option	Pursuant to approved Saregama Employee Stock Option Scheme 2013 (Scheme), the Compensation Committee of the Board of Directors has granted shares / options during 2013-14 and 2016-17 to certain eligible employees and outstanding as on 31st March, 2017 at the following exercise price, being prevailing market price as on date of joining / revision of salary of respective employee :

Name of eligible employees	No. of options/ shares	Exercise price per share (₹)
Mr. G. B. Aayeer, Chief Financial Officer and Director	10,000	69.85

REPORT ON CORPORATE GOVERNANCE *(contd.)*

VI. Stakeholders Relationship Committee

The Stakeholders Relationship Committee functions with the objective of looking into the redressal of Shareholders'/ Investors' grievances. The Stakeholders Relationship Committee is primarily responsible to:

1. Review statutory compliance relating to all securities holders.
2. Consider and resolve the grievances of security holders of the Company including complaints related to transfer of securities, non-receipt of annual report / declared dividends / notices / balance sheet.
3. Oversee compliances in respect of dividend payments and transfer of unclaimed amounts to the Investor Education and Protection Fund.
4. Approve issue of duplicate certificates of the Company.
5. Recommend measures for overall improvement of the quality of investor services.

The Stakeholders Relationship Committee's composition and the terms of reference meets with the requirements of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and provisions of the Act.

During the year under review, 2 (two) Meetings of the Stakeholders Relationship Committee were held on 25th May, 2016 and 9th November, 2016 respectively.

The following is the composition of the Stakeholders Relationship Committee as on 31st March, 2017 is as under:

Name of the Directors	Position	Category	Meetings attended
Mr. S. Goenka	Chairman	Non-executive Director	2
Mr. U. Kanoria	Member	Non-executive Independent Director	2
Mr. P. K. Mohapatra *	Member	Non-executive Independent Director	2
Mr. Santanu Bhattacharya**	Member	Non-executive Independent Director	Not applicable

* Expired on 13.3.2017.

** w.e.f. 25.4.2017.

Any grievances / complaints from shareholders are placed regularly at the Meeting of the Board of Directors.

Mr. Tony Paul, GM-Legal & Company Secretary also the 'Compliance Officer', resigned w.e.f. the close of business hours of 12th April, 2017.

Status of Shareholders' Complaints:

Complaints pending as on 1st April, 2016	Nil
Number of complaints	
- received during the year	4
- resolved during the year	4
Complaints pending as on 31st March, 2017	Nil

"Share Transfer Sub-Committee" constituted by the Board of Directors is responsible for share transfers, transmissions and allied matters.

The composition of Share Transfer Sub-Committee as on 31st March, 2017 is as under:

Mr. V. Mehra, Managing Director

Mr. G. B. Aayeer, Chief Financial Officer

Mr. Tony Paul, GM-Legal & Company Secretary (resigned w.e.f. the close of business hours of 12th April, 2017).

The Share Transfer Sub-Committee held 15 meetings during the financial year ended 31st March, 2017.

VII. Corporate Social Responsibility (CSR) Committee

The CSR committee has been constituted in accordance with the Act to:

a) Formulate and recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII;

b) Recommend the amount of expenditure to be incurred on the activities referred to in clause (a); and

c) Monitor the CSR policy of the Company from time to time.

During the year, the Committee met once on 10th March, 2017. The details of composition and attendance is as under:

Name of the Directors	Position	Category of Director	Attendance
Mr. U. Kanoria	Member	Non-executive Independent Director	1
Mr. G. B. Aayeer	Member	Whole-time Director	1
Mr. P. K. Mohapatra *	Member	Non-executive Independent Director	-
Mr. Santanu Bhattacharya**	Member	Non-executive Independent Director	Not applicable

* Expired on 13.3.2017.

** w.e.f. 25.4.2017.

Mr. Tony Paul, GM-Legal & Company Secretary acts as Secretary to the Committee. Mr. Tony Paul resigned w.e.f. the close of business hours of 12th April, 2017.

Independent Directors Meetings

During 2016-17, the Independent Directors viz. Messrs B. Raychaudhuri, U. Kanoria, S. Bhattacharya and A. Sarkar met on 10th March, 2017 in order to, inter alia, review the performance of non-independent directors including that of the Chairman taking into account the views of the executive and non-executive directors; assess the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties and other related matters. Except Mr. P. K. Mohapatra (who subsequently expired on 13.3.2017) all the other four Independent Directors attended the said meeting.

The details of the familiarisation programme is disclosed on the Company's website at www.saregama.com.

VIII. General Body Meetings

(i) Location and time of the last three Annual General Meetings (AGM) held

Date	Type	Venue	Time	Special Resolutions Passed
22nd July, 2016	69th AGM	Mohit Moitra Mancha, Kolkata.	10.00 AM	Yes
31st July, 2015	68th AGM	Mohit Moitra Mancha, Kolkata.	10.00 AM	Yes
30th July, 2014	67th AGM	Mohit Moitra Mancha, Kolkata.	10.00 AM	Yes

Note:

There was no special resolution put through postal ballot in the last Annual General Meeting (AGM) held on 22nd July, 2016. As on date no resolution is proposed to be conducted through postal ballot in the ensuing AGM.

(ii) Disclosure regarding appointment or reappointment of Directors in accordance with Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been provided in the Notice convening the Annual General Meeting of the Company.

IX. Other Disclosures

(i) Details of related party transactions during the year have been set out in the Annual Accounts. These are not having any potential conflict with the interests of the Company at large.

(ii) The Company has complied with all the requirements of the Listing Agreement with the Stock Exchanges as well as regulations and guidelines of SEBI.

There has been no non-compliance, penalties or strictures imposed by SEBI, Stock Exchanges or any other statutory authority on matters relating to capital markets during the last three years ended on 31st March, 2017.

(iii) Out of the 53,38,628 equity shares issued for cash at a premium of ₹ 35/- (issue price - ₹ 45/-) pursuant to the Rights Issue in 2005, allotment of 5,290 (31.03.2016 – 5,290) equity shares (relating to cases under litigation / pending clearance from concerned authorities) are in abeyance as on 31st March, 2017.

(iv) Laid down procedures for assessment and minimisation of risk are being reviewed and updated periodically by the Board of Directors.

(v) All mandatory requirements have been appropriately complied with and the non mandatory requirements are dealt with at the end of the Report.

(vi) Certificate from the Managing Director and Whole-time Director cum Chief Financial Officer in terms of Part B of Schedule II pursuant to Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the financial year ended 31st March, 2017 was placed before the Board of Directors of the Company at its meeting held on 25th May, 2017.

The Company has established internal control systems and procedures which in certain cases are in the process of being further documented and updated.

(vii) In compliance with the SEBI regulation on prevention of insider trading, a comprehensive code of conduct for its Directors and Senior Management Officers is being placed by the Company. The code lays down guidelines, which advises them on procedures to be followed and disclosures to be made, while dealing with shares of the Company. The code clearly specifies, among other matters, that Directors and specified employees of the Company can trade in the shares of the Company only during 'Trading Window Open Period'. The trading window is being closed during the time of declaration of results, dividend and material events, as per the Code.

Two sets of codes – Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information and Code of Conduct to regulate, monitor and report trading by Insiders – is being adopted by the Board in accordance with SEBI (Prohibition of Insider Trading) Regulations, 2015.

Mr. Tony Paul, GM-Legal & Company Secretary, the Compliance Officer (who resigned w.e.f. the close of business hours of 12th April, 2017) also acts as the Chief Investor Relations Officer.

(viii) As required under the Act and as stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has formulated a Whistle Blower Policy for its Directors and permanent employees. Under the Policy, instances of any irregularity, unethical practice and / or misconduct can be reported to the management for appropriate action.

(ix) The Company has in place an Anti Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013 covering all employees of the Company. Internal Complaints Committee set up for the purpose did not receive any complaints for redressal during the year.

(x) The Policy for dealing with Related Party Transactions is available on the website of the Company www.saregama.com.

Subsidiary Companies

Of the subsidiaries of the Company, the unlisted Indian subsidiaries (Kolkata Metro Networks Limited and Open Media Network Pvt. Ltd.) as on 31st March, 2017 does not come under the purview of "material non-listed Indian subsidiary" as stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The policy on material subsidiaries is available on the website of the company www.saregama.com.

X. Means of Communication

Quarterly results which newspapers normally published in	:	Financial Express (English) and Aajkaal (Bengali).
Any website, where displayed	:	www.saregama.com
Whether it displays official news releases and presentations made to institutional investors or to the analysts	:	Not Applicable.
Whether Management Discussions and Analysis is a part of Annual Report or not	:	Yes, annexed to the Directors' Report.

XI. General Shareholder Information

a) AGM : Date, Time and Venue : 28th July, 2017 at 10.00 A.M.
at Mohit Moitra Mancha,
34/1, Raja Manindra Road, Paikpara,
Kolkata – 700 037

b) Financial Year : 1st April to 31st March

c) Dates of book closure : From 22nd July, 2017 to 28th July, 2017 (both days inclusive) as annual closure for the Annual General Meeting and payment of dividend, if declared.

d) Dividend Payment Date : Dividend of ₹ 1.50 per equity share of ₹ 10/- each for the year ended 31st March, 2017 as recommended by the Board of Directors, if declared at the ensuing Annual General Meeting to be held on 28th July, 2017, will be paid within the stipulated time in compliance with the related / applicable statute.

e) Listing on Stock Exchanges : The Calcutta Stock Exchange Limited
7, Lyons Range, Kolkata – 700 001.

BSE Limited
Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001.

National Stock Exchange of India Limited
'Exchange Plaza', C-1, Block G, Bandra-Kurla Complex,
Bandra (East), Mumbai – 400 051.

The Company has paid Listing fees upto the year 2017-2018 to all the Stock Exchanges.

f) Stock Code :

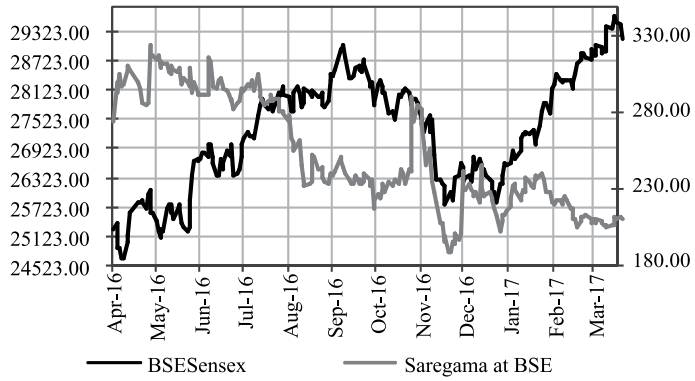
The Calcutta Stock Exchange Limited	:	17177 for physical and 10017177 for demat scrips.
BSE Limited	:	532163.
National Stock Exchange of India Limited	:	SAREGAMA EQ.
ISIN Number for NSDL and CDSL	:	INE979A01017.

g) Market Price Data - As quoted in NSE and BSE and reference of Saregama in comparison with BSE Sensex :

Month	Saregama Share prices with NSE		Saregama Share prices with BSE		BSE Sensex	
	High (₹)	Low (₹)	High (₹)	Low (₹)	High	Low
April, 2016	349.00	264.40	347.90	265.50	26100.54	24523.20
May, 2016	329.00	288.15	330.00	289.00	26837.20	25057.93
June, 2016	328.80	270.00	328.80	269.40	27105.41	25911.33
July, 2016	308.80	275.00	308.00	271.20	28240.20	27034.14
August, 2016	298.00	221.50	296.90	221.00	28532.25	27627.97
September, 2016	263.00	213.95	261.00	213.00	29077.28	27716.78
October, 2016	304.00	221.70	306.00	223.00	28477.65	27488.30
November, 2016	293.70	181.20	296.00	181.90	28029.80	25717.93
December, 2016	260.00	201.30	260.00	201.00	26803.76	25753.74
January, 2017	252.00	213.10	252.00	213.40	27980.39	26447.06
February, 2017	230.00	199.70	230.00	200.25	29065.31	27590.10
March, 2017	251.80	204.00	252.00	202.30	29824.62	28716.21

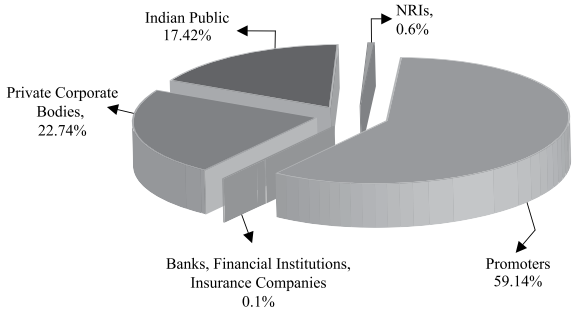
h) Stock Performance of Saregama India Vs. BSE Indices :

Saregama Share Price versus BSE Sensex



i) Shareholding pattern as on 31st March, 2017:

Sl. No.	Category	No. of Equity shares held	Percentage %
1	Promoters	1,02,91,759	59.14
2	Mutual Funds and UTI	464	0.00
3	Banks, Financial Institutions, Insurance Companies	17,267	0.10
4	Foreign Institutional Investors	Nil	Nil
5	Private Corporate Bodies	39,57,069	22.74
6	Indian Public	30,30,995	17.42
7	NRIs	1,04,935	0.60
8	Any other - Trust	423	0.00
9	State Government	26	0.00
	Total	**1,74,02,938**	**100.00**



j) Distribution of Holdings as on 31st March, 2017:

Category	No. of Shareholders	Percentage %	No. of Shares	Percentage %
Upto 500	15617	94.67	947677	5.45
501 – 1000	441	2.67	353828	2.03
1001 – 2000	201	1.22	311789	1.79
2001 – 3000	87	0.53	220906	1.27
3001 – 4000	34	0.21	119877	0.69
4001 – 5000	23	0.14	107195	0.62
5001 – 10000	44	0.27	311150	1.79
10001 – 50000	37	0.22	857114	4.92
50001 – 100000	5	0.03	395411	2.27
100001 & above	7	0.04	13777991	79.17
Total	16496	100.00	17402938	100.00

k) Registrar and Share Transfer Agents :

MCS Share Transfer Agent Limited,
12/1/5, Manoharpukur Road,
Ground Floor, Kolkata – 700 026.
(Contacts: *Mr. Ramesh Agarwal / Mr. P. Basu / Mr. P. Mukherjee*)
Telephone: (033) 4072 4051 - 53
Fax: (033) 4072 4050
Email: mcssta@rediffmail.com

l) Share transfer system :

A Share Transfer Sub-Committee is constituted to approve the transfers and transmissions of shares and allied matters. MCS Share Transfer Agent Limited the Registrars and Share Transfer Agents looks after the share transfers (for both physical and dematerialised shares) and redressal of investor complaints. In addition, the Company Secretary oversees the work of MCS Share Transfer Agent Limited to ensure that the queries of the investors are replied to within a reasonable period and that share transfers and transmissions are registered at least every fortnight.

The Company's Registrars, MCS Share Transfer Agent Limited, have adequate infrastructure to serve the shareholders and process the share transfers. In compliance with the Listing Agreement every six months the share processing system is audited by a Practicing Company Secretary and a Certificate to that effect is issued ensuring that shares are transferred within the period specified under Clause 47(c) of the Listing Agreement.

m) Dematerialisation of shares and liquidity :

With effect from 29th May, 2000, the Company's scrip forms part of the SEBI's compulsory demat segment for all investors. To facilitate the investors in having an easy access to the Demat System, the Company has signed up with both the Depositories viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The connectivity has been established through the Company's Registrars, MCS Share Transfer Agent Limited. As at 31st March, 2017, a total of 1,72,37,431 Equity Shares of the Company, constituting 99.05% of the paid-up share capital, stand dematerialised.

n) Outstanding GDR / ADRs / Warrants or any Convertible Instruments, Conversion date and likely impact on Equity : None.

o) Plant location :

'The Studios @ Dum Dum, 33, Jessore Road, Kolkata - 700 028

p) Address for correspondence:

Registered Office	:	'The Studios @ Dum Dum', 33, Jessore Road, Kolkata - 700 028
Contact Person	:	Mr. G. B. Aayeer, Whole-time Director and Chief Financial Officer Telephone: (033) 2551 2984, 4773 Email: co.sec@saregama.com

STATUS OF ADOPTION OF THE NON MANDATORY REQUIREMENTS

The applicable Non-Mandatory Requirements will be implemented by the Company as and when required and / or deemed necessary by the Board.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Vikram Mehra
Managing Director
DIN: 03556680

GB Aayeer
CFO and Whole-time Director
DIN: 00087760

Date: May 25, 2017
Place: Kolkata

Declaration by the Managing Director under Regulation 34(3) read with Para D of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

I, Vikram Mehra, Managing Director of Saregama India Limited declare that all the Members of the Board of Directors and Senior Management personnel have, for the year ended 31st March, 2017, affirmed compliance with the Code of Conduct laid down by the Board of Directors in terms of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as applicable.

Vikram Mehra
Managing Director
DIN - 03556680

Kolkata
25th May, 2017

AUDITOR'S CERTIFICATE

Auditor's Certificate regarding the compliance of Corporate Governance

To the Members of
Saregama India Limited

We have examined the compliance of conditions of Corporate Governance by Saregama India Limited ('the Company') for the year ended 31st March, 2017, as per the Regulations 17-27, Clause (b) to (i) of Regulation 46(2) and paragraph C, D and E of Schedule-V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing regulations") .

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementations thereof, adopted by the Company for ensuring the compliances of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purpose (Revised 2016) issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the code of ethics issued by the Institute of Chartered Accountants of India. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC)1, Quality Control for Firms that perform Audits and reviews of Historical Financial Information, and other Assurance and Related Services Engagements.

In our opinion and to the best of our information and according to the explanations given to us , we certify that the Company has complied with the conditions of Corporate Governance as specified in Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and paragraph C, D and E of Schedule V of the Listing Regulations, as applicable.

We state that such compliance is neither an assurance as to the future viability of the Company nor as to the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Restrictions on use

This certificate is issued solely for the purpose of complying with the aforesaid regulations and may not be suitable for any other purpose.

For **Vidya & Co.**
Firm Registration No. 308022E
Chartered Accountants

Jitendra Nagar
Partner
Membership No.055659

Place: Kolkata
Date: 25th May, 2017

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF SAREGAMA INDIA LIMITED

Report on the Standalone Financial Statements

1. We have audited the accompanying standalone financial statements of Saregama India Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

2. 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 to give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these standalone financial statements based on our audit.

4. We have taken into account the provisions of the Act and the Rules made thereunder including the accounting standards and matters which are required to be included in the audit report.

5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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, 2017, and its profit and its cash flows for the year ended on that date.

Emphasis of Matter

9. (a) We draw your attention to Note 36.1 to the financial statements relating to :

   (i) remuneration paid to the Managing Director of the Company for the financial year 2015-16 in excess of the limits specified in the Section 197 read with Schedule V of the Act. The Company has subsequently made an application and received Order dated October 5, 2016 from the Central Government for an amount of ₹ 179.94 Lakhs as against the amount paid / provided of ₹ 489.92 Lakhs and excess remuneration of ₹179.10 Lakhs and ₹130.88 Lakhs have been disclosed as receivable from the Managing Director and written back respectively in the financial statements for the financial year 2016-17.

   (ii) remuneration paid/provided for the financial year 2014-15 in excess of the limit set out in the Order dated October 5, 2016 from the Central Government by ₹ 78.98 Lakhs. According to the Board of Directors of the Company, the aforesaid Order would not be applicable for the financial year 2014-15 as the total remuneration was within the provisions of the Act, for which the Company has sought clarification from the Central Government and the response to which is awaited.

   Our opinion is not qualified in respect of above matters.

INDEPENDENT AUDITORS' REPORT *(contd.)*

(b) We draw your attention to Note 36.2 to the financial statements regarding remuneration paid /payable to Managing Director aggregating ₹ 332.88 Lakhs for the year ended March 31, 2017 in excess of the limits specified in the Order dated October 5, 2016 issued by the Central Government.

The Company has made application to the Central Government seeking its clarification / approval on the application of the Notification dated September 12, 2016 issued by the Ministry of Corporate Affairs in place of the aforesaid Order and the response to which is awaited.

Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

10. As required by 'the Companies (Auditor's Report) Order, 2016', issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure B, a statement on the matters specified in paragraphs 3 and 4 of the Order.

11. 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 it appears from our examination of those books.

(c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid standalone 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 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure A.

(g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:

i. The Company has disclosed the impact, if any, of pending litigations as at March 31, 2017 on its financial position in its standalone financial statements – Refer Note 29 to the financial statements;

ii. The Company did not have any derivative contracts as at March 31, 2017. The Company has other long-term contracts as at March 31, 2017 for which there were no material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2017.

iv. The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management – Refer Note 15.1 to the financial statements.

For Price Waterhouse
Firm Registration Number: 301112E
Chartered Accountants

Pinaki Chowdhury
Partner
Membership Number 057572

Kolkata
May 25, 2017

ANNEXURE TO INDEPENDENT AUDITORS' REPORT

Annexure A to Independent Auditors' Report

Referred to in paragraph 11(f) of the Independent Auditors' Report of even date to the members of Saregama India Limited on the standalone financial statements for the year ended March 31, 2017

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls over financial reporting of Saregama India Limited ("the Company") as of March 31, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

6. A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

7. Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

ANNEXURE TO INDEPENDENT AUDITORS' REPORT *(contd.)*

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Price Waterhouse
Firm Registration Number: 301112E
Chartered Accountants

Pinaki Chowdhury
Partner
Membership Number 057572

Kolkata
May 25, 2017

Annexure B to Independent Auditors' Report

Referred to in paragraph 10 of the Independent Auditors' Report of even date to the members of Saregama India Limited on the standalone financial statements as of and for the year ended March 31, 2017.

i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.

(b) The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.

(c) The title deeds of immovable properties, as disclosed in Note 8 on fixed assets to the financial statements, are held in the name of the Company.

ii. The physical verification of inventory (excluding stocks with third parties) have been conducted at reasonable intervals by the Management during the year. In respect of inventory lying with third parties, these have substantially been confirmed by them. The discrepancies noticed on physical verification of inventory as compared to book records were not material.

iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.

iv. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of the loans and investments made, and guarantees and security provided by it, as applicable.

v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.

vi. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company.

vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of income tax, sales tax, value added tax and service tax, though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including provident fund, employees' state insurance, duty of customs, duty of excise, cess and other material statutory dues, as applicable, with the appropriate authorities.

(b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of service-tax and duty of customs which have not been deposited on account of any dispute. The particulars of dues of income tax, sales tax, duty of excise and value added tax as at March 31, 2017 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (₹ Lakhs)	Period to which the amount relates	Forum where the dispute is pending
Central Excise Act, 1944	Excise Duty	88.08	1996-97 to 1998-99	Customs, Excise & Service Tax Appellate Tribunal
Central Sales Tax Act, 1956	Sales Tax	25.34	2005-06 2006-07 2012-13	Joint Commissioner
Central Sales Tax Act,1956	Sales Tax	9.60	1990-91 2009-10	Deputy Commissioner
Central Sales Tax Act, 1956	Sales Tax	178.52	1999-00 2006-07	Additional Commissioner

ANNEXURE TO INDEPENDENT AUDITORS' REPORT *(contd.)*

Name of the statute	Nature of dues	Amount (₹ Lakhs)	Period to which the amount relates	Forum where the dispute is pending
Central Sales Tax Act, 1956	Sales Tax	2.43	1998-99 2008-09	Assistant Commissioner of Commercial / sales taxes
West Bengal Sales Tax Act, 1994	Sales Tax	97.78	1989-90 1994-95 2000-01	Deputy Commissioner
Maharashtra Value Added Tax, 2002	Value Added Tax	196.82	2009-10 2011-12	Deputy Commissioner
Delhi Sales Tax Act, 1975	Sales Tax	1.55	1991-92	Deputy Commissioner of Commercial Taxes
Tamil Nadu General Sales Tax Act, 1959	Sales Tax	6.75	1986-87 to 1991-92	Tamil Nadu Taxation Special Tribunal
Andhra Pradesh General Sales Tax Act, 1957	Sales Tax	3.28	2004-05	Deputy Commissioner
Kerala General Sales Tax Act, 1963	Sales Tax	0.35	2002-03	Deputy Commissioner of Commercial Taxes
Uttar Pradesh Trade Tax Act, 1948	Sales Tax	2.01	2005-06 2006-07	Joint Commissioner
Income Tax Act,1961	Income tax	889.22	2006-07 2007-08 2008-09 2010-11 2012-13	Commissioner of Income Tax (Appeals)

viii. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institution or bank or Government or dues to debenture holders, as applicable, as at the balance sheet date.

ix. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.

x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.

xi. Except for matter referred to in paragraph 9 (b) of the Audit Report, the managerial remuneration paid/provided by the Company is in accordance with the requisite approvals as mandated by the provisions of Section 197 read with Schedule V to the Act. Further, as stated in the Note 36.2 to the Financial Statements, the Company has made application to the Central Government seeking its clarification / approval on amount of managerial remuneration paid/provided for the financial year 2016-17 for ₹ 332.88 Lakhs, in excess of limits specified in the Order dated October 5, 2016 to the Company by the Central Government; response to which is awaited.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.

xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of related party transactions have been disclosed in the financial statements as required under Accounting Standard (AS) 18, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

ANNEXURE TO INDEPENDENT AUDITORS' REPORT *(contd.)*

xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.

xv. The Company has not entered into any non cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.

xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For Price Waterhouse
Firm Registration Number: 301112E
Chartered Accountants

Pinaki Chowdhury
Partner
Membership Number 057572

Kolkata
May 25, 2017

BALANCE SHEET AS AT 31ST MARCH 2017

(₹ in Lakhs)

	Note	As at 31st March, 2017	As at 31st March, 2016
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2	**1,740.29**	1,740.29
Reserves and Surplus	3	**29,702.52**	17,342.01
Non Current Liabilities			
Long Term Provisions	4	**190.30**	131.17
Current Liabilities			
Trade Payables	5		
a) Total outstanding dues of micro enterprises and small enterprises		**0.73**	0.56
b) Total outstanding dues of creditors other than micro enterprises and small enterprises		**3,705.34**	2,883.58
Other Current Liabilities	6	**1,697.70**	2,494.71
Short Term Provisions	7	**3,310.52**	2,734.01
TOTAL		**40,347.40**	27,326.33
ASSETS			
Non Current Assets			
Fixed Assets	8		
Tangible Assets		**19,137.95**	7,685.28
Intangible Assets		**619.26**	710.90
Non-Current Investments	9	**4,811.41**	4,802.36
Deferred Tax Assets (net)	10	**1,034.10**	1,061.56
Long-term Loans and Advances	11	**656.91**	520.23
Other Non Current Assets	12	**2.50**	2.00
Current Assets			
Inventories	13	**989.04**	96.66
Trade Receivables	14	**5,558.64**	4,914.60
Cash and Bank Balances	15	**1,565.15**	2,376.86
Short-term Loans and Advances	16	**5,966.14**	5,138.63
Other Current Assets	17	**6.30**	17.25
TOTAL		**40,347.40**	27,326.33

The Notes are an integral part of these Financial Statements

This is the Balance Sheet referred to in our report of even date
For Price Waterhouse
Firm Registration No. 301112 E
Chartered Accountants

On behalf of the Board

(Pinaki Chowdhury)
Partner
Membership No. 057572

G. B. Aayeer
Chief Financial Officer & Director
DIN - 00087760

V. Mehra
Managing Director
DIN - 03556680

Kolkata
25th May, 2017

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2017

(₹ in Lakhs)

	Note	Year ended 31st March, 2017	Year ended 31st March, 2016
Revenue from Operations (Gross)	18	**20,815.61**	21,484.39
Less: Excise Duty		**-**	0.03
Revenue from Operations (Net)		**20,815.61**	21,484.36
Other Income	19	**1,156.16**	992.20
Total Revenue		**21,971.77**	22,476.56
Expenses:			
Contract Manufacturing Charges	20	**544.70**	237.84
Cost of Production of Television Serials and Portal	21	**6,324.87**	6,766.82
Changes in Inventories of Finished Goods and Work-in-progress [(Increase)/Decrease]	22	**(892.38)**	383.21
Employee Benefits Expense	23	**3,843.51**	4,035.95
Finance Costs	24	**26.96**	36.05
Depreciation and Amortisation Expense	25	**393.29**	526.02
Other Expenses	26	**10,124.31**	8,551.38
Total Expenses		**20,365.26**	20,537.27
Profit Before Exceptional Items and Tax		**1,606.51**	1,939.29
Exceptional Items	27	**-**	960.09
Profit Before Tax		**1,606.51**	979.20
Tax Expenses :			
Current Tax		**995.56**	527.44
Excess Provision of Earlier Years Written Back		**(187.60)**	-
Deferred Tax Charge/(Credit)		**27.46**	(302.67)
Profit for the Year		**771.09**	754.43
Earnings per Equity Share: [Nominal Value per share ₹ 10/- (Previous Year- ₹ 10/-)]	31.2		
Basic (₹)		**4.43**	4.34
Diluted (₹)		**4.43**	4.33

The Notes are an integral part of these Financial Statements

This is the Statement of Profit and Loss referred to in our report of even date

For Price Waterhouse
Firm Registration No. 301112 E
Chartered Accountants

On behalf of the Board

(Pinaki Chowdhury)
Partner
Membership No. 057572

G. B. Aayeer
Chief Financial Officer & Director
DIN - 00087760

V. Mehra
Managing Director
DIN - 03556680

Kolkata
25th May, 2017

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

1 Significant Accounting Policies

(a) **Basis of the Preparation of the Financial Statements**

These Financial Statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis, except for certain Tangible Fixed Assets which are being carried at revalued amounts (as indicated in Notes 8(i), 8(ii), 8(iii) and 8(iv)). Pursuant to Section 133 of the Companies Act, 2013 read with Rule 7(1) of the Companies (Accounts) Rules,2014, till the standards of Accounting or any addendum thereto are prescribed by Central Government in consultation and recommendation of the National Financial Reporting Authority, the existing Accounting Standards notified under the Companies Act, 1956 shall continue to apply.Consequently, these financial statements are prepared to comply in all material aspects, with the accounting standards notified under Section 211(3C) of the Companies Act, 1956 [Companies (Accounting Standards) Rules, 2006 as amended] and the other relevant provisions of the Companies Act, 2013.

All assets and liabilities have been classified as current or non current as per the Company's normal operating cycle and other criteria set out in Schedule III (Division I) to the Companies Act, 2013. Based on the nature of products / service and the time between the acquisition of assets for processing / providing the services and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current, non current classification of assets and liabilities.

(b) **Use of Estimates**

The preparation of the financial statements in conformity with the generally accepted accounting principles in India requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities as at the balance sheet date, the reported amount of revenue and expenses for the period and disclosure of contingent liability as at the balance sheet date. The estimates and assumptions used in the financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of the financial statements. Actual results could differ from estimates.

(c) **Fixed Assets [Property, Plant and Equipment - (PPE)]**

(i) **Tangible Assets**

Tangible Fixed Assets other than land are stated at their cost [also refer note 8(iv)] less accumulated depreciation and accumulated impairment losses, where applicable. Land is stated at revalued amount, as referred to in Notes 8(i), 8(ii), 8(iii) and 8(iv).

Impairment loss is recognised wherever the carrying amount of tangible fixed assets of a cash generating unit exceeds its recoverable amount (i.e. higher of net selling price and value in use).

Revaluation of Land is made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the balance sheet date. When the fair value differs materially from its carrying amount, the carrying amount is adjusted to the revalued amount. The fair value is determined based on appraisal undertaken by a professionally qualified valuer.

(ii) **Intangible Assets**

The cost incurred for producing / purchasing feature films wherein future economic benefits are established to accrue over medium to long term period are recognised as intangible asset in the year of release at 50% of the cost of making the film including negatives or purchase cost.

Outright acquisition of music copyrights wherein future economic benefits are established are capitalised.

Softwares are capitalised where it is expected to provide future enduring economic benefits. Capitalisation costs includes license fees and cost of implementation / system integration services. The costs are capitalised in the year in which the relevant software is implemented for use.

Impairment loss is recognised wherever the carrying amount of intangible fixed assets of a cash generating unit exceeds its recoverable amount (i.e. higher of net selling price and value in use).

(d) **Depreciation / Amortisation**

Depreciation on tangible fixed assets is provided on a pro rata basis on the straight line method based on the estimated useful lives of the asset as prescribed under Schedule II to the Companies Act, 2013 which is in line with the technical evaluation carried out in 2014-15 by the Company's expert. Aforesaid technical evaluation carried out in 2014-15 have been revisited by the Company's management during the year and no change to the evaluated life considered necessary.

Feature Films / Music Copyrights are amortised on straight line basis over a period of 1-10 years. The Company reviews the expected future revenue potential at the end of each accounting period and recognises impairment loss, where required.

Softwares are amortised on a straight line basis over a period of three years from the date of capitalisation.

(e) **Investments**

Long term investments are stated at cost / cost less write down. Provision for diminution is made to recognise a decline other than temporary in the carrying amount of long term investments as determined by the Board of Directors on periodical review.

Current investments are carried at lower of cost and fair value.

(f) **Inventories**

Inventories are valued at lower of cost and net realisable value.

The cost is determined on weighted average basis, and includes, where applicable, appropriate share of overheads.

Provision is made for obsolete / slow moving / defective stocks, where necessary.

Television serials under production are included under 'Work-in-Progress'.

Untelecasted television serials are stated at lower of cost and net expected revenue and included under 'Finished Goods'.

Digital Films under production are included under 'Work-in-Progress'.

(g) **Employee Benefits**

Short-term Employee Benefits (i.e. benefits payable within one year) are recognised in the period in which employee services are rendered. Contribution towards superannuation at rates specified in related approved scheme covering eligible employees opting for such contribution is recognised as expense and funded.

Liability towards gratuity (defined benefit), covering eligible employees, is provided on the basis of year-end actuarial valuation using Projected Unit Credit Method. Gratuity is funded.

Accrued liability towards leave encashment benefits (defined benefit), covering eligible employees, evaluated on the basis of year-end actuarial valuation using Projected Unit Credit Method is recognised as charge.

Contribution towards provident fund to Government administered provident fund is recognised as expense.

Actuarial gains / losses arising in Defined Benefit Plans are recognised immediately in the Statement of Profit and Loss as income / expense for the year in which they occur.

Termination benefits represent compensation towards Voluntary Retirement Scheme which is expensed on accrual of liability.

(h) **Sales and Licence Fees**

Revenue from sales is recognised on transfer of significant risks and rewards of ownership to customers based on agreement with the customers. Licence Fees represent income from music rights.

Revenue relating to television serials is recognised on the basis of telecast / delivery of content, as applicable.

(i) **Other Income**

Interest: Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

Dividend: Dividend income is recognised when the right to receive dividend is established.

(j) **Royalty**

Minimum Guarantee Royalty is recognised as expense within the license period or ten years, whichever is earlier.

Royalty on sales, other than physical sales, is provided on the basis of management's best estimate of the expenditure required to settle the obligation.

Other royalty payments are charged at agreed rates on related sales.

(k) **Foreign Currency Transactions**

Transactions in foreign currency are accounted for at the exchange rates prevailing on the date of transactions. Monetary assets and liabilities related to foreign currency transactions remaining unsettled at the end of the year are translated at year-end exchange rates.The resultant exchange differences arising from settlement of foreign currency transaction and from year-end restatement are recognised in the Statement of Profit and Loss.

(l) **Borrowing Cost**

Borrowing costs, if any, attributable to the acquisition and construction of qualifying assets are added to the cost upto the date when such assets are ready for their intended use. Other borrowing costs are recognised as expense in the period in which these are incurred.

(m) **Taxes on Income**

Current tax is provided as the amount of tax payable in respect of taxable income for the year measured using the applicable tax rules and laws.

Deferred tax is provided on timing differences between taxable income and accounting income measured using tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date.

Deferred tax assets are recognised only if there is a virtual / reasonable certainty, as applicable, in keeping with Accounting Standard 22 on 'Accounting for Taxes on Income' that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are reviewed for the appropriateness of their respective carrying amount at each Balance Sheet date.

Minimum Alternate Tax (MAT) credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax in excess of MAT during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax in excess of MAT during the specified period.

(n) **Provisions and Contingent Liabilities**

Provisions are recognised when there is a present obligation as a result of a past event and 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 as at the Balance Sheet date and are not discounted to its present value.

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.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 *(contd.)*

(₹ in Lakhs)

	As at 31st March, 2017	As at 31st March, 2016
2 SHARE CAPITAL		
Authorised		
2,50,00,000 (31.03.2016:2,50,00,000) Equity Shares of ₹10/- each	**2,500.00**	**2,500.00**
Issued		
1,74,02,938 (31.03.2016:1,74,02,938) Equity Shares of ₹10/- each	**1,740.29**	**1,740.29**
Subscribed and Paid Up		
1,74,02,938 (31.03.2016:1,74,02,938) Equity Shares of ₹10/- each fully paid up	1,740.29	1,740.29
TOTAL	**1,740.29**	**1,740.29**

2.1 Out of 53,38,628 equity shares issued for cash at a premium of ₹35/- (issue price- ₹45/-) pursuant to the Rights Issue in 2005, allotment of 5,290 (31.03.2016- 5,290) equity shares (relating to cases under litigation / pending clearence from the concerned authorities) are kept in abeyance as on 31st March, 2017.

2.2 Number of Equity Shares outstanding as at the beginning and as at the end of the year

	As at 31st March, 2017		As at 31st March, 2016	
	Number	**Amount (₹ Lakhs)**	Number	Amount (₹ Lakhs)
Balance as at the beginning of the year	**17402938**	**1,740.29**	17402938	1,740.29
Balance as at the end of the year	**17402938**	**1,740.29**	17402938	1,740.29

2.3 Rights,preferences and restrictions attached to shares

The Company has only one class of equity shares having a par value of ₹10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting except in case of interim dividend.

In the event of liquidation of the Company, the holder of equity shares are eligible to receive remaining assets of the Company in proportion to their shareholding.

2.4 Shares held by holding company

Name of the Shareholder	**As at 31st March, 2017**		**As at 31st March, 2016**	
	No. of shares held	**Amount (₹ Lakhs)**	**No. of shares held**	**Amount (₹ Lakhs)**
Rainbow Investments Limited (up to 28th March, 2017)	**-**	**-**	10291599	1,029.16
Composure Services Private Limited (w.e.f 29th March, 2017)	**10291599**	**1,029.16**	-	-

2.5 Details of Shares held by Shareholders holding more than 5 % of the aggregate shares in the Company:

Name of the Shareholder	**As at 31st March, 2017**		**As at 31st March, 2016**	
	No. of shares held	**Holding Percentage**	**No. of shares held**	**Holding Percentage**
Rainbow Investments Limited	**-**	**-**	10291599	59.14%
Composure Services Private Limited	**10291599**	**59.14%**	-	-
Reliance Capital Limited	**-**	**-**	1188000	6.83%
Reliance Spot Exchange Infrastructure Limited	**1188000**	**6.83%**	-	-

2.6 Stock Option Schemes

Pursuant to approved Saregama Employee Stock Option Scheme 2013 (Scheme), the Compensation Committee of the Board of Directors has granted shares / options during 2013-14 and 2016-17 to certain eligible employees and outstanding as on 31st March, 2017 at the following exercise price, being prevailing market price as on date of joining / revision of salary of respective employee :

Name of eligible employees	No. of options/shares	Exercise price per share (₹)
Mr. G. B. Aayeer, Chief Financial Officer and Director	10,000	69.85
Mr. Avinash Mudaliar, Head - Internet Products & Services	10,000	53.95
Mr. Kumar Ajit, Vice President - Sales & Marketing	10,000	243.70

Performance linked vesting schedule of the said options is as follows :-

- After 1 year from the date of grant : 20 % of the options granted
- After 2 years from the date of grant : 20 % of the options granted
- After 3 years from the date of grant : 20 % of the options granted
- After 4 years from the date of grant : 20 % of the options granted
- After 5 years from the date of grant : 20 % of the options granted

Exercise period is 10 years from the vesting date. Exercise of options by the option holders shall entail issuance of equity shares by the Company on compliance / completion of related formalities on the basis of 1:1.

During the year 2015-16, the Nomination and Remuneration Committee of the Board of Directors has approved vesting of 4,000 options each to Mr. G.B. Aayeer and Mr. Avinash Mudaliar respectively.

Option granted in 2015-16 for 10,000 shares to Mr.Troy Lobo with exercise price of ₹195.40 per share was lapsed in 2016-17.

2.7 Stock Appreciation Rights

Pursuant to Stock Appreciation Rights Scheme 2014,the Nomination and Remuneration Committee of the Board of Directors has granted 2,00,000 Stock Appreciation Rights (SAR) (being the difference in the share price between the date of grant and the date of exercise) to the Managing Director on October 27, 2014 (being the date of grant) with the following performance linked vesting schedule :-

- After one year from the date of grant:- 66%
- After two years from the date of grant:- 34%

The exercise period shall commence from the date of vesting and expire at the end of ten years from the relevant vesting date.

During the year 2016-17, the Nomination and Remuneration Committee of the Board of Directors has approved vesting of 200000 SARs [including 132000 SARs which was vested in 2015-16 but reversed in 2016-17 for reasons as stated in Note 36.1(b)] to its Managing Director.

(₹ in Lakhs)

	As at 31st March, 2017		As at 31st March, 2016	
3 RESERVES AND SURPLUS				
SECURITIES PREMIUM ACCOUNT				
Balance as per Last Account		**9,079.10**		9,079.10
REVALUATION RESERVE				
Balance as at the beginning of the year	**3,007.85**		3,021.53	
Add: Surplus on Revaluation of Fixed Asset (Refer Note 8(iv))	**11,640.29**		-	
Less: Adjustment with carrying amount of related assets (Refer Note 8(iv))	**50.87**		-	
Less: Transferred to General Reserve	**-**		13.68	
Balance as at the end of the year		**14,597.27**		3,007.85
GENERAL RESERVE				
Balance as at the beginning of the year	**693.95**		680.27	
Add:Transferred from Revaluation Reserve	**-**		13.68	
Balance as at the end of the year		**693.95**		693.95
SURPLUS IN THE STATEMENT OF PROFIT AND LOSS				
Balance as at the beginning of the year	**4,561.11**		4,120.86	
Add: Profit for the year	**771.09**		754.43	
Less: Appropriations				
Proposed dividend @ ₹ Nil (31.03.2016- ₹ 1.50 per share) (Refer Note 42)	**-**		261.04	
Dividend distribution tax on proposed dividend	**-**		53.14	
Balance as at the end of the year		**5,332.20**		4,561.11
TOTAL		**29,702.52**		17,342.01

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 *(contd.)*

(₹ in Lakhs)

	As at 31st March, 2017	As at 31st March, 2016
4 LONG TERM PROVISIONS		
Provision for Employee Benefits		
Leave Encashment	**190.30**	131.17
TOTAL	**190.30**	131.17

(₹ in Lakhs)

	As at 31st March, 2017	As at 31st March, 2016
5 TRADE PAYABLES		
Trade Payables		
a) Total outstanding dues of micro enterprises and small enterprises (Refer Note 5.1)	**0.73**	0.56
b) Total outstanding dues of creditors other than micro enterprises and small enterprises	**3,705.34**	2,883.58
TOTAL	**3,706.07**	2,884.14

(₹ in Lakhs)

5.1 Micro and Small Enterprises :	As at 31st March, 2017	As at 31st March, 2016
The Company has amounts due to suppliers under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED')		
(a) The Principal amount and interest due thereon remaining unpaid to suppliers under MSMED as at the end of accounting year		
Principal	**0.03**	0.03
Interest	**0.06**	0.05
(b) The amount of interest paid in terms of Section 16 of MSMED along with the amount of payment made to suppliers beyond the appointed day during the year		
Principal	**-**	0.04
Interest	**-**	0.27
(c) The amount of interest due and payable for principal paid during the year beyond the appointed day but without adding the interest specified under MSMED	**-**	0.07
(d) The amount of interest accrued and remaining unpaid at the end of the year [including ₹ 0.53 Lakhs (Previous year ₹ 0.41 Lakhs) being interest outstanding as at the beginning of the accounting year]	**0.70**	0.53
(e) The amount of further interest remaining due and payable even in the succeeding year, until such date when interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as deductible expenditure under Section 23 of the MSMED	**0.17**	0.12

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 *(contd.)*

(₹ in Lakhs)

	As at 31st March, 2017	As at 31st March, 2016
6 OTHER CURRENT LIABILITIES		
Interest Accrued and Due on Deposits from Dealers	40.27	36.68
Unpaid Dividends (Refer Note 6.1)	7.27	5.40
Income Received In Advance	431.75	627.49
Advance from Customers	20.58	14.58
Security Deposit from Dealers and Others	51.48	55.54
Dealer's Incentive	-	39.67
Liabilities for Expenses	285.57	406.53
Employee Benefits Payable	593.23	1,102.37
Amount Payable to Government Authorities	224.54	163.44
Advance against proposed sale of certain fixed assets	25.00	25.00
Security Deposit from General Insurance Corporation of India on Sub lease of property	18.01	18.01
TOTAL	**1,697.70**	**2,494.71**

6.1 There are no amount due and outstanding to be credited to Investor Education and Protection Fund under Section 125 of the Companies Act, 2013 as at year end.

(₹ in Lakhs)

	As at 31st March, 2017	As at 31st March, 2016
7 SHORT TERM PROVISIONS		
Provision for Employee Benefits		
Leave Encashment	42.35	32.31
Gratuity (Refer Note: 23.1)	115.68	65.43
Other Provisions		
Provision for Royalty on License Fees (Refer Note 7.1)	3,152.49	2,322.09
Provision for Proposed Dividend	-	261.04
Provision for Dividend Distribution Tax on Proposed Dividend	-	53.14
TOTAL	**3,310.52**	**2,734.01**

(₹ in Lakhs)

	As at 31st March, 2017	As at 31st March, 2016
7.1 Movements of Provision for Royalty on Licence Fees		
Carrying amount at the beginning of the year	2,322.09	1,686.87
Add: Created during the year	**1,685.77**	**1,458.71**
	4,007.86	3,145.58
Less: Excess provision of earlier years, written back	-	38.25
Less: Amounts utilised during the year	855.37	785.24
Carrying amount at the end of the year	**3,152.49**	**2,322.09**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 *(contd.)*

8 FIXED ASSETS

(₹ in Lakhs)

	Gross block					Depreciation and Amortisation				Net block	
	Cost/Valuation as at 31st March, 2016	Additions during the Year	Adjustment on adoption of Revaluation Model for Land and Cost Model for remaining class of Assets on 01.04.2016. (Refer Note 8(iv))	Deletions / Adjustments during the Year	**Cost/Valuation as at 31st March, 2017**	Up to 31st March, 2016	For the Year	On Deletions / Adjustments during the Year	**Up to 31st March, 2017**	**As at 31st March, 2017**	As at 31st March, 2016
A) Tangible Assets											
Land - Freehold	6,567.47	-	11,640.29	-	**18,207.76**	-	-	-	-	**18,207.76**	6,567.47
Buildings - Freehold	771.96	-	(50.87)	-	**721.09**	448.66	7.85	-	**456.51**	**264.58**	323.30
Leasehold Buildings	70.60	-	-	-	**70.60**	32.89	0.80	-	**33.69**	**36.91**	37.71
Plant and Equipment	1,769.15	-	-	-	**1,769.15**	1,763.95	1.99	-	**1,765.94**	**3.21**	5.20
Furniture and Fixtures	801.85	11.84	-	-	**813.69**	423.51	63.54	-	**487.05**	**326.64**	378.34
Office Equipment	1,892.98	69.21	-	1.79	**1,960.40**	1,529.78	138.85	1.22	**1,667.41**	**292.99**	363.20
Vehicles	63.79	-	-	-	**63.79**	53.73	4.20	-	**57.93**	**5.86**	10.06
TOTAL	11,937.80	81.05	11,589.42	1.79	**23,606.48**	4,252.52	217.23	1.22	**4,468.53**	**19,137.95**	7,685.28

	Gross block				Amortisation					Net block	
	Cost as at 31st March, 2016	**Additions during the Year**	**Deletions / Adjustments during the Year**	**Cost as at 31st March, 2017**	**Up to 31st March, 2016**	**For the Year**	**Impairment for the year (Refer Note 26)**	**On Deletions / Adjustments during the Year**	**Up to 31st March, 2017**	**As at 31st March, 2017**	**As at 31st March, 2016**
B) Intangible Assets											
Copyrights-Music	1,340.43	119.55	-	**1,459.98**	681.53	136.49	45.83	-	**863.85**	**596.13**	658.90
Feature Film	3,759.72	-	-	**3,759.72**	3,759.72	-	-	-	**3,759.72**	-	-
Computer Software	600.28	11.14	1.79	**609.63**	548.28	39.57	-	1.35	**586.50**	**23.13**	52.00
TOTAL	5,700.43	130.69	1.79	**5,829.33**	4,989.53	176.06	45.83	1.35	**5,210.07**	**619.26**	710.90

8(i) Based on valuation reports of valuers, the Company's land was revalued on 31st March, 1984 and 30th September, 1987 by ₹ 199.73 lakhs and ₹ 59.69 lakhs respectively, after considering the then current market value /derived rates attributable to land with corresponding credit to Revaluation Reserve.

8(ii) The Company's land was revalued in June 2003 by registered valuers at the lower of current replacement cost and realizable value. Resultant incremental value amounting to ₹ 1,868.97 lakhs were added to the book value of related land with utilization of corresponding credit amount pursuant to an approved scheme of arrangement.

8(iii) The Company's land was revalued on 31st March, 2007 by registered valuers, at lower of current replacement cost and realizable value. Resultant incremental value amounting to ₹ 4,421.30 lakhs were added to the book value of related land with corresponding credit to Revaluation Reserve of ₹ 2,697.56 lakhs and utilization of the balance amount of ₹ 1,723.74 lakhs pursuant to a sanctioned scheme of amalgamation of erstwhile Saregama Films Limited with the Company in 2006-07.

8(iv) In keeping with the requirements of accounting Standard 10 on Property, Plant and Equipment (PPE) as notified by the Ministry of Corporate Affairs vide Notification No. G.S.R. 364(E) dated 30th March, 2016 (Notification) effective 1st April, 2016, the Company has chosen the revaluation model for land and cost model for other items of PPE as its accounting policy. Accordingly, Company's land was revalued on 1st April, 2016 by registered valuer using market approach. Resultant incremental value amounting to ₹ 11,640.29 lakhs were added to the book value of related land with corresponding credit to Revaluation Reserve. In respect of those items of PPE having previous revaluation and where cost model is adopted, the amount outstanding in the Revaluation Reserve as on 1st April, 2016 aggregating ₹ 50.87 lakhs has been adjusted with the carrying amount of related items in keeping with the requirements as stated in the above Notification. Had the cost model is not adopted in respect of above assets, depreciation charge for the year would have been higher by ₹ 13.43 lakhs with corresponding decremental impact on the net profit of the Company.

8(v) Title deeds of the immovable properties as set out in the above table are in the name of the Company.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 *(contd.)*

8.1 FIXED ASSETS

(₹ in Lakhs)

	Gross block				Depreciation and Amortisation				Net block	
	Cost/Valuation as at 31st March, 2015	Additions during the Year	Deletions / Adjustments during the Year	Cost/Valuation as at 31st March, 2016	Up to 31st March, 2015	For the Year	On Deletions / Adjustments during the Year	Up to 31st March, 2016	As at 31st March, 2016	As at 31st March, 2015
A) Tangible Assets										
Land - Freehold	6,567.47	-	-	**6,567.47**	-	-	-	**-**	**6,567.47**	6,567.47
Buildings - Freehold	771.96	-	-	**771.96**	426.01	22.65	-	**448.66**	**323.30**	345.95
Leasehold Buildings	70.60	-	-	**70.60**	32.10	0.79	-	**32.89**	**37.71**	38.50
Plant and Equipment	1,773.10	-	3.95	**1,769.15**	1,747.77	19.85	3.67	**1,763.95**	**5.20**	25.33
Furniture and Fixtures	729.50	106.75	34.40	**801.85**	387.39	58.53	22.41	**423.51**	**378.34**	342.11
Office Equipment	1,627.04	271.17	5.23	**1,892.98**	1,393.61	141.40	5.23	**1,529.78**	**363.20**	233.43
Vehicles	63.79	-	-	**63.79**	48.69	5.04	-	**53.73**	**10.06**	15.10
TOTAL	11,603.46	377.92	43.58	**11,937.80**	4,035.57	248.26	31.31	**4,252.52**	**7,685.28**	7,567.89

	Gross block				Amortisation				Net block	
	Cost/Valuation as at 31st March, 2015	Additions during the Year	Deletions / Adjustments during the Year	Cost/Valuation as at 31st March, 2016	Up to 31st March, 2015	For the Year	On Deletions / Adjustments during the Year	Up to 31st March,2016	As at 31st March,2016	As at 31st March, 2015
B) Intangible Assets										
Copyrights-Music	1,169.73	170.70	-	**1,340.43**	483.55	197.98	-	**681.53**	**658.90**	686.18
Feature Film	3,759.72	-	-	**3,759.72**	3,759.72	-	-	**3,759.72**	**-**	-
Computer Software	548.01	57.72	5.45	**600.28**	472.17	79.78	3.67	**548.28**	**52.00**	75.84
TOTAL	5,477.46	228.42	5.45	**5,700.43**	4,715.44	277.76	3.67	**4,989.53**	**710.90**	762.02

8.1(i) Based on valuation reports of valuers, appointed for the purpose, the tangible fixed assets (other than furniture and fittings, office equipment, vehicles and certain items of plant and equipment) were revalued on 31st March, 1984 and again (except for those relating to record making machinery items) on 30th September, 1987 after considering the then (a) current market value/ derived rates attributable to land (b) current replacement cost after depreciation etc. and an amount of ₹ 587.31 Lakhs and ₹ 628.19 Lakhs were added to the book value of the related assets (with corresponding credit to Fixed Asset Revaluation Reserve) on 31st March, 1984 and 30th September, 1987 respectively.

8.1(ii) Certain tangible fixed assets of the Company viz Land and Buildings were revalued in June 2003 by registered valuers at the lower of current replacement cost and realisable value. Resultant incremental value amounting to ₹ 2,374.11 Lakhs were added to the book value of the related assets with utilisation of the corresponding credit amount pursuant to an approved scheme of arrangement.

8.1(iii) Company's land was revalued on 31st March, 2007 by registered valuers, at lower of current replacement cost and realisable value. Resultant incremental value amounting to ₹ 4,421.30 Lakhs were added to the book value of land with corresponding credit to Revaluation Reserve of ₹ 2,697.56 Lakhs and utilisation of the balance amount of ₹ 1,723.74 Lakhs pursuant to a sanctioned scheme of amalgamation of erstwhile Saregama Films Limited with the Company in 2006-07.

8.1(iv) In respect of tangible fixed asset covered by revaluation made in the earlier years,depreciation has been calculated on their respective revalued amounts. Depreciation on account of incremental amount to the extent of ₹ 13.43 Lakhs (Previous year - ₹ 13.68 Lakhs) has been transferred from Revaluation Reserve to General Reserve.

8.1(v) Title deeds of the immovable properties as set out in the above table are in the name of the Company.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 *(contd.)*

9 NON CURRENT INVESTMENTS

(₹ in Lakhs)

	Number				
	As at 31st March, 2017	As at 31st March, 2016	Face Value of each share/unit	**Book Value As at 31st March, 2017**	Book Value As at 31st March, 2016
Long Term :					
A. Trade Investment (valued at cost/under)					
Unquoted-Fully Paid Equity Shares					
Saregama Regency Optimedia Private Limited (Joint Venture) #	**14,59,684**	14,59,684	₹ 10	**145.97**	145.97
Less: Provision for other than temporary diminution in the carrying amount of Investment				**(145.97)**	(145.97)
				-	-
B. Other than Trade Investment (Valued at cost unless stated otherwise)					
1. Fully Paid Equity/Ordinary Shares in Subsidiary Companies					
Unquoted					
Saregama Plc.	**7,629,072**	7,629,072	1 pence	**51.65**	51.65
Less: Provision for other than temporary diminution in the carrying amount of Investment				**(51.65)**	(42.83)
			(a)	**-**	8.82
RPG Global Music Ltd.	**23,14,885**	23,14,885	US $ 1	**1,026.20**	1,026.20
Less: Provision for other than temporary diminution in the carrying amount of Investment				**(1,026.20)**	(1,026.20)
			(b)	**-**	-
Kolkata Metro Networks Ltd.	**17,050,000**	17,050,000	₹ 10	**1,705.00**	1,705.00
Less: Provision for other than temporary diminution in the carrying amount of Investment				**(133.03)**	(150.90)
			(c)	**1,571.97**	1,554.10
Open Media Network Private Limited	**1,075,600**	1,075,600	₹ 10	**83.53**	83.53
Less: Provision for other than temporary diminution in the carrying amount of Investment				**(83.53)**	(83.53)
			(d)	**-**	-
			Total (a+b+c+d)	**1,571.97**	1,562.92
2 Fully Paid Equity Shares in Other Companies					
Quoted					
CESC Ltd.	**1,259,988**	1,259,988	₹10	**3,239.18**	3,239.18
Phillips Carbon Black Ltd.	**100**	100	₹10	**0.06**	0.06
Harrisons Malayalam Ltd.	**100**	100	₹10	**0.04**	0.04
CFL Capital Financial Services Ltd.	**100**	100	₹10	**0.02**	0.02
STEL Holdings Ltd	**100**	100	₹10	**-**	-
Unquoted					
Spencer and Company Ltd.	**200**	200	₹ 9	**0.07**	0.07
Woodlands Multispeciality Hospital Limited	**2,250**	2,250	₹10	**0.07**	0.07
Timbre Media Private Limited @	**2,30,000**	2,30,000	₹10	**-**	-
				3,239.44	3,239.44
			Grand Total (A+B)	**4,811.41**	4,802.36
Aggregate Amount of Quoted Investments				**3,239.30**	3,239.30
Aggregate Market Value of Quoted Investments				**10,599.50**	5,956.13
Aggregate Amount of Unquoted Investments				**3,012.49**	3,012.49
Aggregate Provision for Diminution in the carrying amount of Investments				**1,440.38**	1,449.43

@ Acquired during the year 2012-13 pursuant to clause 3.8 of the agreement entered into between Saregama India Limited and Timbre Media Private Limited.

Under liquidation effective 19th September,2016, referred to in Note 37.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 *(contd.)*

(₹ in Lakhs)

	As at 31st March, 2017	As at 31st March, 2016
10 DEFERRED TAX ASSET		
The major components of Deferred Tax Assets are:-		
Deferred Tax Asset on :-		
Provisions for doubtful debts	**674.72**	625.71
Unamortised Expenditure allowable for tax purpose in subsequent years	**233.07**	321.85
Depreciation	**126.31**	114.00
TOTAL	**1,034.10**	1,061.56

(₹ in Lakhs)

	As at 31st March, 2017		As at 31st March, 2016	
11 LONG TERM LOANS AND ADVANCES				
Capital Advances				
Unsecured considered Good		**32.50**		33.59
Unsecured considered Doubtful	**14.88**		14.88	
Less: Provision for Doubtful advances	**14.88**	**-**	14.88	-
Security Deposits				
Unsecured considered Good		**530.81**		486.52
Loan to Employees				
Unsecured considered Good		**-**		0.12
Prepaid Expense				
Unsecured considered Good		**93.60**		-
TOTAL		**656.91**		520.23

(₹ in Lakhs)

	As at 31st March, 2017	As at 31st March, 2016
12 OTHER NON-CURRENT ASSETS		
Deposits with maturity more than 12 months*	**2.50**	2.00
TOTAL	**2.50**	2.00

* Includes ₹ 0.25 Lakh (31.03.2016: ₹ Nil) lodged with Government Authority

(₹ in Lakhs)

	As at 31st March, 2017		As at 31st March, 2016	
13 INVENTORIES [Refer Note:1(f)]				
Finished Goods				
- Untelecasted Television Serials	**124.84**		83.60	
- Music Card	**146.27**	**271.11**	13.06	96.66
Work in Progress				
- Digital Films Under Production		**717.93**		-
TOTAL		**989.04**		96.66

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 *(contd.)*

(₹ in Lakhs)

	As at 31st March, 2017		As at 31st March, 2016	
14 TRADE RECEIVABLES				
Unsecured				
Outstanding for a period exceeding six months from the date they are due for payment				
Considered Good		**225.26**		213.81
Considered Doubtful	**1,885.18**		1,771.78	
Less: Provision for Doubtful Debts	**1,885.18**	**-**	1,771.78	-
Other Debts				
Considered Good		**5,333.38**		4,700.79
Considered Doubtful	**64.44**		36.19	
Less: Provision for Doubtful Debts	**64.44**	**-**	36.19	-
TOTAL*		**5,558.64**		4,914.60

*include ₹ 489.92 Lakhs (net of provision ₹ 107.73 Lakhs) ;31.03.2016 - ₹ 448.44 Lakhs (net of provision ₹ 136.10 Lakhs) due from Saregama Plc (Subsidiary Company), ₹ 0.88 lakh (net of provision ₹ Nil) ;31.03.2016 - ₹ Nil (net of provision ₹ Nil) due from Open Media Network Private Limited (Subsidiary Company).

(₹ in Lakhs)

	As at 31st March, 2017	As at 31st March, 2016
15 CASH AND BANK BALANCES		
A. Cash and Cash Equivalents		
Cash on Hand	**0.87**	4.21
Cheques on Hand	**0.14**	0.91
Bank Balances		
- Current Accounts	**556.87**	666.09
- Demand Deposits with Banks (upto 3 months maturity) (Include ₹ 300 Lakhs held as margin money against letter of credit facility (31.03.2016: ₹ Nil))	**1,000.00**	1,700.00
B. Other Bank Balances*		
- Deposits with maturity more than 3 months but less than 12 months	**-**	0.25
- Unpaid Dividend Accounts @	**7.27**	5.40
TOTAL	**1,565.15**	2,376.86

@ Earmarked for payment of unclaimed dividend

* Excludes deposits ₹ 2.50 Lakhs (31.03.2016- ₹ 2 Lakhs) with maturity more than 12 months from the reporting period and shown under ' Other Non-Current Assets' (Note 12)

15.1 **Disclosures relating to Specified Bank Notes*(SBNs) held and transacted during the period from 8 November, 2016 to 30 December, 2016**

Particulars	SBNs*	Other Denomination Notes	Total
Closing cash in hand as on 8 November, 2016	4.49	2.14	6.63
(+) Permitted Receipts	-	8.46	8.46
(-) Permitted Payment	-	(8.90)	(8.90)
(-) Amount deposited in Banks	(4.49)	-	(4.49)
Closing cash in hand as on 30 December, 2016	**-**	**1.70**	**1.70**

* Specified Bank Notes (SBNs) mean the bank notes of denominations of the existing series of the value of five hundred and one thousand rupees as defined under the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs no.S.O.3407(E) dated the 8th November, 2016.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 *(contd.)*

(₹ in Lakhs)

	As at 31st March, 2017		As at 31st March, 2016	
16 SHORT TERM LOANS AND ADVANCES				
(Unsecured,considered good unless otherwise stated)				
Loans and Advances to Related Parties (Refer Note 36)				
Unsecured considered Good		**15.66**		-
Unsecured considered Doubtful	**3,461.48**		2,107.80	
Less: Provision for Doubtful Loans and Advances	**3,461.48**	**-**	2,107.80	-
Other Loans and Advances				
Minimum Guarantee Royalty Advances		**102.15**		199.33
Royalty Advances				
Unsecured considered Good		**225.27**		296.72
Unsecured considered Doubtful	**434.05**		398.78	
Less: Provision for Doubtful Advances	**434.05**	**-**	398.78	-
Advance against TV Projects				
Unsecured considered Good		**356.71**		5.51
Unsecured considered Doubtful	**190.21**		190.21	
Less: Provision for Doubtful Advances	**190.21**	**-**	190.21	-
Loan to Employees		**9.75**		14.10
Amount held by director in trust for the Company		**258.08**		-
Balances with Government Authorities		**474.86**		422.14
Prepaid Expense				
Unsecured considered Good		**281.48**		328.56
Unsecured considered Doubtful	**125.19**		125.19	
Less: Provision for Doubtful Prepaid Expense	**125.19**	**-**	125.19	-
Advance to Artist / for Event				
Unsecured considered Good		**11.99**		24.31
Unsecured considered Doubtful	**427.35**		427.35	
Less: Provision for Doubtful Advances	**427.35**	**-**	427.35	-
Advance against Supply of Goods				
Unsecured considered Good		**81.22**		-
Advance payment of Income Tax and Tax Deducted at Source [net of Provision for Taxation ₹ 3,973.34 Lakhs; (31.03.16- ₹ 3,165.38 Lakhs)]		**4,128.89**		3,827.88
Advance payment of Fringe Benefit Tax (net of Provision ₹ 147.87 Lakhs : 31.03.2016- ₹ 147.87 Lakhs)		**20.08**		20.08
TOTAL		**5,966.14**		5,138.63

(₹ in Lakhs)

	As at 31st March, 2017	As at 31st March, 2016
17 OTHER CURRENT ASSETS		
Unsecured considered good		
Interest accrued on deposits with banks	**6.30**	17.25
TOTAL	**6.30**	17.25

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 *(contd.)*

(₹ in Lakhs)

	Year ended 31st March, 2017		Year ended 31st March, 2016	
18 REVENUE FROM OPERATIONS				
Sale of Products				
Audio Compact Discs	**41.36**		265.74	
Digital Versatile Discs	**19.38**		25.77	
Music Card	**537.78**		-	
Others	**16.55**	**615.07**	16.28	307.79
Less:Excise Duty		**-**		0.03
		615.07		307.76
Sale of Services				
Income from Television Serials(including Free Commercial Time)	**6,692.49**		8,473.72	
Licence Fees	**13,468.72**		12,663.95	
Others	**17.48**	**20,178.69**	20.52	21,158.19
Other Operating Revenue		**21.85**		18.41
TOTAL		**20,815.61**		21,484.36

(₹ in Lakhs)

	Year ended 31st March, 2017	Year ended 31st March, 2016
19 OTHER INCOME		
Liabilities/Provisions no longer required written back	**342.69**	127.35
Excess remuneration recoverable (Refer Note 36.1)	**258.08**	-
Provision for Doubtful Debts/ Advances no longer required written back	**28.50**	237.02
Provision for Long term Investment no longer required written back	**17.87**	-
Interest Income (Gross)		
- on Bank Deposits	**88.09**	54.53
- on Security Deposits	**2.49**	2.48
- on Income Tax Refund	**-**	84.26
- on Inter Corporate Deposits/Loans	**284.01**	157.96
Dividend from Long Term (other than trade) Investments	**126.01**	239.40
Profit on Sale of Tangible Fixed Assets	**0.53**	0.21
Rent Income	**4.38**	3.92
Net Gain on foreign currency transactions/ translation	**-**	81.71
Other Non-Operating Income	**3.51**	3.36
TOTAL	**1,156.16**	992.20

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 *(contd.)*

(₹ in Lakhs)

	Year ended 31st March, 2017	Year ended 31st March, 2016
20 CONTRACT MANUFACTURING CHARGES.		
Contract Manufacturing Charges (Refer Note:20.1)	**544.70**	237.84
TOTAL	**544.70**	237.84

(₹ in Lakhs)

	Year ended 31st March, 2017	Year ended 31st March, 2016
20.1 Details of Contract Manufacturing Charges		
Contract Manufacturing Charges		
- Audio Compact Discs	**37.01**	196.47
- Digital Versatile Discs	**15.69**	18.64
- Music Card	**485.45**	-
- Others	**6.55**	22.73
TOTAL	**544.70**	237.84

(₹ in Lakhs)

	Year ended 31st March, 2017	Year ended 31st March, 2016
21 COST OF PRODUCTION OF TELEVISION SERIALS AND PORTAL		
Cost of Production of Television Serials (Refer Note: 21.1)	**6,126.26**	6,632.80
Cost of Portal Development	**198.61**	134.02
TOTAL	**6,324.87**	6,766.82

(₹ in Lakhs)

	Year ended 31st March, 2017	Year ended 31st March, 2016
21.1 Details of Cost of Production of Television Serials		
Telecast Fees	**1,190.40**	1,252.35
Payment to artistes, directors, script-writers, etc.	**1,408.38**	1,175.43
Cost of Tapes	**-**	0.12
Food, Lodging and Travel	**285.68**	296.89
Set, properties and equipment charges	**483.58**	210.57
Other Production Expenses	**2,716.98**	4,093.71
Increase / (Decrease) in Inventories of Television Serials	**41.24**	(396.27)
TOTAL	**6,126.26**	6,632.80

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 *(contd.)*

(₹ in Lakhs)

	Year ended 31st March, 2017		Year ended 31st March, 2016	
22 CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK IN PROGRESS				
Opening Stock				
- Finished Goods- Untelecasted Television Serials	**83.60**		479.87	
- Finished Goods- Music Card	**13.06**	**96.66**	-	479.87
Less:Closing Stock				
- Finished Goods- Untelecasted Television Serials	**124.84**		83.60	
- Finished Goods- Music Card	**146.27**		13.06	
- Work In Progress- Digital Films Under Production	**717.93**	**989.04**	-	96.66
Net (Increase)/Decrease		**(892.38)**		383.21

(₹ in Lakhs)

	Year ended 31st March, 2017		Year ended 31st March, 2016	
23 EMPLOYEE BENEFITS EXPENSE				
Salaries and Wages		**3,425.74**		3,592.13
Contributions to:				
Provident Fund	**103.45**		100.31	
Superannuation Fund	**10.96**		9.61	
Gratuity Fund	**128.54**		157.56	
Employee's State Insurance Scheme	**4.46**	**247.41**	6.14	273.62
Staff Welfare Expenses		**170.36**		170.20
TOTAL		**3,843.51**		4,035.95

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 *(contd.)*

23.1 In keeping with the Company's gratuity scheme (a defined benefit plan-funded), eligible employees are entitled to gratuity benefit (at one half months eligible salary for each completed year of service) on retirement / death / incapacitation / resignation etc. Also refer Note 1(g) for accounting policy relating to gratuity. Following are the further particulars with respect to gratuity.

(₹ in Lakhs)

	2016-17	2015-16
I. Reconciliation of opening and closing balances of the present value of the Defined Benefit Obligation		
(a) Present Value of Obligation at the beginning of the year	**688.27**	554.76
(b) Current Service Cost	**45.11**	38.26
(c) Interest Cost	**38.64**	40.79
(d) Curtailment Cost	**-**	63.06
(e) Actuarial Loss / (Gain)	**75.61**	55.13
(f) (Benefits Paid)	**(372.85)**	(63.73)
(g) Present Value of Obligation as at the end of the year	**474.78**	688.27
II. Reconciliation of opening and closing balances of the fair value of Plan Assets		
(a) Fair Value of Plan Assets at the beginning of the year	**622.84**	513.27
(b) Expected Return on Plan Assets	**38.04**	50.99
(c) Actuarial Gain / (Loss)	**(7.22)**	(11.31)
(d) Contributions	**78.29**	133.62
(e) (Benefits Paid)	**(372.85)**	(63.73)
(f) Fair Value of Plan Assets as at the end of the year	**359.10**	622.84
III. Reconciliation of the present value of Defined Benefit Obligation in 'I' above and the fair value of Plan Assets in 'II' above		
(a) Present Value of Obligation as at the end of the year	**474.78**	688.27
(b) Fair Value of Plan Assets as at the end of the year	**359.10**	622.84
(c) Liability/(Asset) recognised in the Balance Sheet	**115.68**	65.43
IV. Expense charged to the Statement of Profit and Loss		
(a) Current Service Cost	**45.11**	38.26
(b) Interest Cost	**38.64**	40.79
(c) (Expected Return on Plan Assets)	**(38.04)**	(50.99)
(d) Curtailment Cost	**-**	63.06
(e) Actuarial (Gain) / Loss	**82.83**	66.44
(f) Total expense charged to the Statement of Profit and Loss*	**128.54**	157.56
*reflected as 'Contribution to Gratuity Fund' in Note 23 on 'Employee Benefits Expense'		
V. Percentage of each Category of Plan Assets to total Fair Value of Plan Assets as at Balance Sheet date		
(a) Fund with Life Insurance Corporation of India	**58%**	78%
(b) NAV based Group Balanced Fund with ICICI Prudential Life Insurance Company Limited	**21%**	11%
(c) NAV based Group Short Term Debt Fund with ICICI Prudential Life Insurance Company Limited	**10%**	5%
(d) NAV based Group Debt Fund with ICICI Prudential Life Insurance Company Limited	**11%**	6%
VI. Actual Return on Plan Assets	**30.82**	39.68
VII. Principal Actuarial Assumptions as at Balance Sheet date		
(a) Discount Rate	**7.10%**	7.70%
(b) Expected Rate of Return on Plan Assets	**8.00%**	8.00%
(c) Salary Escalation	**10.00%**	10.00%

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market. The expected rate of return on plan assets is based on the composition of plan assets held, assessed risks of asset management, historical results of the return on plan assets, the Company's policy for plan asset management and other relevant factors.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 *(contd.)*

VIII. Other Disclosures

		2016-17	2015-16	2014-15	2013-14	2012-13
a)	Present value of the Obligation as at the end of the year	**474.78**	688.27	554.76	533.50	489.80
b)	Fair value of Plan Assets as at the end of the year	**359.10**	622.84	513.27	520.12	463.09
c)	(Surplus) / Deficit as at the end of the year	**115.68**	65.43	41.49	13.38	26.71
d)	Experience Adjustment on Plan Obligation [Gain / (Loss)]	**(55.17)**	(24.03)	5.55	(25.03)	(2.31)
e)	Experience Adjustment on Plan Assets [Gain / (Loss)]	**(7.22)**	(11.31)	3.99	(2.39)	(0.63)

23.2 POST EMPLOYMENT DEFINED CONTRIBUTION PLANS

During the year an amount of ₹ 118.87 Lakhs (31.03.2016 ₹116.06 Lakhs) has been recognized as expenditure towards Defined Contribution Plans of the Company.

(₹ in Lakhs)

		Year ended 31st March, 2017	Year ended 31st March, 2016
24	**FINANCE COSTS**		
	Interest Expenses	**15.21**	29.42
	Other Borrowing Costs	**11.75**	6.63
	TOTAL	**26.96**	36.05

(₹ in Lakhs)

		Year ended 31st March, 2017	Year ended 31st March, 2016
25	**DEPRECIATION AND AMORTISATION EXPENSE**		
	Depreciation on Tangible Asset	**217.23**	248.26
	Amortisation on Intangible Asset	**176.06**	277.76
	TOTAL	**393.29**	526.02

(₹ in Lakhs)

		Year ended 31st March, 2017	Year ended 31st March, 2016
26	**OTHER EXPENSES**		
	Consumption of Stores and Spare Parts	**-**	0.02
	Power and Fuel	**144.69**	152.84
	Rent	**295.98**	200.66
	Repairs - Buildings	**21.58**	11.69
	- Machinery	**3.60**	20.17
	- Others	**43.61**	46.16
	Royalties	**2,035.62**	1,698.35
	Recording Expenses	**685.58**	768.68
	Carriage, Freight and Forwarding Charges	**29.31**	1.85
	Rates and Taxes	**50.87**	154.16
	Insurance	**8.77**	8.12
	Travel and Conveyance	**464.75**	427.00
	Advertisement and Sales Promotion	**2,348.13**	1,731.85
	Printing and Communication Expenses	**405.35**	392.14
	Provision for Diminution in carrying amount of Long term Investments	**8.82**	-
	Bad Debts/Advances written off	**19.70**	39.52
	Provision for Doubtful debts and Advances [including Provision for Subsidiary Company ₹1353.68 Lakhs (Previous year-₹ 1277.02 Lakhs)]	**1,559.10**	1,384.70
	Provision for impairment of Copyright-Music	**45.83**	-
	Loss on disposal of Fixed Asset/Fixed Assets Scrapped	**1.01**	13.84

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 *(contd.)*

	Year ended 31st March, 2017	Year ended 31st March, 2016
Legal/Consultancy Expenses	**915.03**	660.81
Net (Gain)/Loss on Foreign Currency Transactions and Translation	**166.70**	-
Contribution towards CSR (Refer Note 26.1)	**57.21**	54.00
Payment to Auditors (Refer Note 30)	**59.78**	54.69
Miscellaneous Expense	**753.29**	730.13
TOTAL	**10,124.31**	8,551.38
26.1 Corporate Social Responsibility Expenditure		
(a) Gross Amount required to be spent by the Company during the year	**57.21**	53.88
(b) Amount paid to RP-Sanjiv Goenka Group CSR Trust towards purposes other then construction/acquisition of assets - ₹ 57.21 Lakhs (previous year ₹ 54 Lakhs)		

(₹ in Lakhs)

	Year ended 31st March, 2017		Year ended 31st March, 2016	
27 EXCEPTIONAL ITEMS				
Investment Write off	-		-	
Provision for Investment Write back	-	-	(40.81)	(40.81)
Provision for Diminution in carrying amount of Investments		-		45.50
Payment under Voluntary Retirement Scheme		-		955.40
TOTAL		-		960.09

28 Capital commitments (net of advances of ₹ 25.00 Lakhs; 31.03.16 - ₹ 17.42 Lakhs) as at 31st March, 2017 are estimated at ₹ 75.00 Lakhs (31.03.16 - ₹ 26.92 Lakhs).

29 Contingent liabilities in respect of -

(₹ in Lakhs)

	As at 31st March, 2017	As at 31st March, 2016
Claims against the Company not acknowledged as debts in respect of -		
- Copyright Matters	120.00	20.00
- Income Tax Matters	1,593.47	1,934.68
- Sales Tax /Value Added Tax / Entry Tax Matters	559.87	533.50
- Excise Duty Matters	112.16	112.16
- Custom Duty Matters	266.75	266.75

30 Amount paid / payable to Auditors :

(₹ in Lakhs)

	Year ended 31st March, 2017	Year ended 31st March, 2016
As Auditors -		
- Audit Fees for Standalone Financial Statements	25.00	25.00
- Audit Fees for Consolidated Financial Statements	6.25	6.25
- Tax Audit	6.00	6.00
- Limited Reviews	11.25	11.25
- Others [certificates, etc.]	10.50	5.50
Reimbursement of Expenses (excluding Service tax ₹ 8.81 Lakhs; previous years - ₹ 7.19 Lakhs)	0.78	0.69

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 *(contd.)*

31.1 The Company has adopted the intrinsic value method in keeping with the applicable regulatory pronouncements for accounting the stock options granted as referred to in Note 2.6, which has no impact on the financial results of the Company. Had the fair value method been used in keeping with the said pronouncements, net profit for the year would have been lower by about ₹ 3.44 Lakhs (Previous Year ₹ 3.97 Lakhs), without any significant impact on basic and diluted earning per share.

31.2 Basic and Diluted Earnings per Share :

(₹ in Lakhs)

	Year ended 31st March, 2017	Year ended 31st March, 2016
Number of equity shares at the beginning of the year	17,402,938	17,402,938
Number of equity shares at the end of the year	17,402,938	17,402,938
Weighted average number of equity shares outstanding during the year (A)	17,402,938	17,402,938
Weighted average number of potential equity shares on account of employee stock options (B)	14,471	19,048
Weighted average number of equity shares for computing diluted earnings per share [C= (A+B)]	17,417,409	17,421,986
Nominal value of each equity share (₹)	10	10
Profit after tax available for equity shareholders (₹ in Lakhs) [D]	771.09	754.43
Basic earnings per share (₹) [D/A]	4.43	4.34
Diluted earnings per share (₹) [D/C]	4.43	4.33

32 Value of Imported and Indigenous Raw Materials, Stores, Spare Parts and Components consumed during the year :

	Year ended 31st March, 2017				**Year ended 31st March, 2016**			
	Raw materials		Stores,Spare Parts & Components		Raw materials		Stores,Spare Parts & Components	
	₹ in Lakhs	%	₹ in Lakhs	%	₹ in Lakhs	%	₹ in Lakhs	%
Imported	-	-	-	-	-	-	-	-
Indigenous	-	-	-	-	-	-	0.02	100.00
	-		-		-		0.02	

33 Expenditures in Foreign Currency

(₹ in Lakhs)

	Year ended 31st March, 2017	**Year ended 31st March, 2016**
Royalties	**29.19**	13.57
Advertisement Expense	**464.32**	203.13
Others	**19.32**	15.34
	512.83	232.04

34 Earnings in Foreign Exchange :

(₹ in Lakhs)

	Year ended 31st March, 2017	**Year ended 31st March, 2016**
Sale of Products	**0.80**	-
Licence Fees	**4,792.52**	4,687.07
	4,793.32	4,687.07

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 *(contd.)*

35.1 Rent expenditure includes lease payments of ₹ 247.29 Lakhs (previous year - ₹ 151.93 Lakhs) relating to operating leases taken on or after 1st April ,2001. These leasing arrangements range from one year to ten years and are primarily in respect of accommodation for employees / office premises. The significant leasing arrangements inter alia include escalation clause and option for renewal.

35.2 Rent income includes sub-lease payments of ₹ 4.38 Lakhs (previous year - ₹ 3.92 Lakhs) for the year relating to sub-lease agreements entered into by the Company on or after 1st April, 2001. These lease arrangements inter alia include escalation clause/option for renewal.

36 Related Party Disclosures in keeping with Accounting Standard (AS) 18

Name of Related Parties	Nature of Relationship
a) **Where Control exists**	
Rainbow Investments Limited (RIL) *	Holding Company
Composure Services Private Limited (CSPL) #	Holding Company
Saregama Plc. (SPLC)	Subsidiary Company
RPG Global Music Limited (RPGG)	Subsidiary Company
Kolkata Metro Networks Limited (KMNL)	Subsidiary Company
Open Media Network Pvt. Limited (OMNPL)	Subsidiary Company
b) **Others with whom transactions have taken place**	
Saregama Regency Optimedia Private Limited (SROPL) **	Joint Venture Company
Mr. Vikram Mehra (Managing Director)	Key Management Personnel
Mr. G.B.Aayeer (Executive Director)	Key Management Personnel
Mr. Sanjiv Goenka	Chairman
Mrs. Preeti Goenka	Relative of Mr. Sanjiv Goenka
Mrs. Sushila Goenka	Relative of Mr. Sanjiv Goenka
Mrs. S.G.Aayeer	Relative of Mr.G.B. Aayeer

* up to 28th March, 2017
\# with effect from 29th March, 2017
** under liquidation effective 19th September, 2016

(₹ in Lakhs)

Particulars of transactions during the year ended 31st March,2017	Year ended 31st March, 2017	Year ended 31st March, 2016
A **Holding Company- (RIL) up to 28th March, 2017**		
Dividend Paid	154.37	154.37
B **Subsidiary Company**		
SPLC		
Sale of Goods	0.80	-
Licence Fees-Income	635.16	535.25
Receipt towards Loans and Advances	-	8.92
Recovery of Debts	487.26	486.38
Provision for Doubtful Debts and Advances made	(28.37)	68.37
Provision for Diminution in the Carrying amount of Investment made	8.82	42.83
OMNPL		
Sale of Goods	0.84	-
Interest Income	274.99	145.51
Advertisement and Sales Promotion	-	7.32
Loans and Advances given	1,382.18	1,201.38
Provision for Doubtful Debts and Advances made	1,382.18	1,201.38
Receipt towards Other Current Assets	-	53.75

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 *(contd.)*

	Particulars of transactions during the year ended 31st March,2017	**Year ended 31st March, 2017**	**Year ended 31st March, 2016**
	Provision for Diminution in the Carrying amount of Investment made	-	2.67
	Provision for Doubtful Debts and Advances written back	-	53.75
	RPGG		
	Licence Fees- Income	-	1.13
	Recovery of Debts	-	1.70
	KMNL		
	Interest Income	9.01	12.45
	Licence Fee- Expense	56.16	60.84
	Loans and Advances given	15.66	7.27
	Receipt towards Loans and Advances	28.50	47.01
	Provision for Doubtful Debts and Advances written back	28.50	47.01
	Provision for Doubtful Debts and Advances made	-	7.27
	Provision for Diminution in the value of Investment written back	17.87	40.81
C	**Key Management Personnel**		
	Managerial remuneration paid/payable to Mr Vikram Mehra.	530.81	489.92
	Managerial remuneration paid/payable to Mr G.B.Aayeer.	177.79	133.07
	Excess remuneration recoverable from Mr.Vikram Mehra [Refer Note 36.1(a) and 36.1(b)]	258.08	-
	Excess remuneration to Mr.Vikram Mehra written back [Refer Note 36.1(b)]	130.88	-
D	**Payment to Relative of Key Managerial Personnel**		
	Car lease Rental Paid to Mrs S.G.Aayeer	-	3.64
E	**Sitting Fees**		
	Mr. Sanjiv Goenka	0.90	0.60
	Mrs. Preeti Goenka	0.40	0.20
	Mrs. Sushila Goenka	0.40	0.20
F	**Payment to Relative of Chairman**		
	Rent paid to Mrs. Preeti Goenka	5.40	5.40

(₹ in Lakhs)

	Balances outstanding at the year end	**As at 31st March, 2017**	**As at 31st March, 2016**
A	**Subsidiary Company**		
1)	Non-Current Investments @		
	SPLC	51.65	51.65
	RPGG	1,026.20	1,026.20
	KMNL	1,705.00	1,705.00
	OMNPL	83.53	83.53
2)	Short Term Loans and Advances @		
	KMNL	67.42	80.26
	OMNPL	3,409.72	2,027.54
3)	Trade Receivables@		
	SPLC	597.65	584.54
	OMNPL	0.88	-

Balances outstanding at the year end	As at 31st March, 2017	As at 31st March, 2016
4) Provision for Doubtful Loans and Advances and Accrued Interest		
KMNL	51.76	80.26
OMNPL	3,409.72	2,027.54
5) Provision for diminution in the value of investments		
SPLC	51.65	42.83
RPGG	1,026.20	1,026.20
KMNL	133.03	150.90
OMNPL	83.53	83.53
6) Provision for Doubtful Debts		
SPLC	107.73	136.10
B Joint Venture Company		
1) Non-Current Investments @		
SROPL	145.97	145.97
2) Provision for diminution in the value of investments		
SROPL	145.97	145.97
C Key Management Personnel		
Remuneration Payable		
- Mr. Vikram Mehra	205.47	184.88
- Mr. G.B.Aayeer	30.00	-
Excess Remuneration Recoverable		
- Mr.Vikram Mehra	258.08	-
@ Gross of Provision.		

36.1 (a) The Central Government vide its Order dated 5th October, 2016 ('Order') has approved remuneration payable to Managing Director for the period from 27th October, 2014 to 26th October, 2017. According to the Board of Directors, remuneration for 2014-15 was paid within the limit as specified in Section 197 read with Schedule V of the Act. However, the same has exceeded by ₹ 78.98 Lakhs as against the limit as set out in the aforesaid Order. In the opinion of the Board of Directors, the Company's application to Central Government in April 2016 was with the intention of getting approval relating to the remuneration paid/payable for the financial year 2015-16 and inadvertently sought the approval from the date of appointment of the Managing Director. The Company has applied / sought clarification to / from the Central Government vide its letter dated 10th May, 2017 stating that the aforesaid Order would not be applicable (also in keeping with the legal opinion obtained by the Company) to the Company for the financial year 2014-15, as the amount of remuneration for that year was within the limits of the Act, as aforesaid. The Company, however, on a prudent basis, has kept the aforesaid excess in receivable (recoverable from Managing Director holding it in trust for the Company) in these accounts and for till such time clarification is obtained from Central Government in this regard.

(b) In respect of financial year 2015-16, the Company has paid/ provided remuneration in excess of the limit specified in Section 197 read with Schedule V of the Act. The Company has subsequently made necessary application to the Central Government and received the aforesaid Order for an amount of ₹179.94 Lakhs as against the amount paid /provided of ₹489.92 Lakhs. The excess remuneration of ₹179.10 Lakhs and ₹130.88 Lakhs as against the aforesaid limit set out in the Order is in the process of recovery from the Managing Director with such excess been treated as receivable (recoverable from Managing Director holding it in trust for the Company) and written back respectively in these accounts.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 *(contd.)*

36.2 Remuneration for financial year 2016-17 aggregating ₹ 530.81 Lakhs has been paid / provided in the accounts in accordance with shareholders' approval read with Notification No. S.O.2922 (E) dated 12th September, 2016 issued by the Ministry of Corporate Affairs (Notification). However, the same has exceeded by ₹ 332.88 Lakhs as against the limit set out in the aforesaid Order in 36.1(a) above.

According to the Board of Directors and a legal opinion obtained by the Company, remuneration for the financial year 2016-17 shall be governed by the Notification, although it has specific Order as mentioned in 36.1(a) above and approval from the Central Government is not required. However, the Company, on a prudent basis, has applied / sought clarification to / from the Central Government vide its letter dated 10th May, 2017 on the application of the aforesaid Notification in place of the aforesaid Order for remuneration paid / payable to the Managing Director for the financial year ended 31st March, 2017.

37 Saregama Regency Optimedia Private Limited (SROPL), a joint venture (JV) company of the Company has been directed to be wound up vide Order dated 19 September 2016 by the Hon'ble High Court at Calcutta and the Official Liquidator attached to this Court has forthwith taken into his custody all the property, effects, books of accounts, other documents and actionable claims. Accordingly, the financial statements of SROPL has been prepared up to the date, preceding the date of Court Order.

In view of the above, information relating to the Company's interest in the Joint Venture has also been disclosed till the above period.

37.1 The Company's interest as a venturer in the jointly controlled entity (incorporated joint venture) is :-

Name	Country of Incorporation	Proportion of ownership interest as at 18th September, 2016	Proportion of ownership interest as at 31st March, 2016
Saregama Regency Optimedia Private Limited	India	26%	26%

37.2 The Company's interest in the joint venture is reported as Non Current Investments (Note 9) and stated at cost less write down. The Company's share of each of the assets, liabilities, income and expenses (each without elimination of the effect of transactions between the Company and Joint Venture) related to its interest in the joint venture are:-

(₹ in Lakhs)

	As at 31st March, 2017	As at 31st March, 2016
EQUITY AND LIABILITIES		
Shareholders ' Funds		
Reserves and Surplus		
Capital Reserve	-	9.73
Surplus/(Deficit) in the Statement of Profit and Loss	-	(263.49)
Current Liabilities		
Short Term Borrowings	-	66.03
Trade Payables	-	41.41
Other Current Liabilities	-	10.98
	-	(135.34)
ASSETS		
Current Assets		
Cash and Bank Balances	-	1.14
Short-term Loans and Advances	-	9.49
	-	10.63

	Period Ended 18th September, 2016	**Year Ended 31st March, 2016**
Other Income	-	0.04
	-	0.04
Expenses:		
Finance Costs	3.40	11.91
Other Expenses	5.05	19.68
	8.45	31.59

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 *(contd.)*

38 The Company has following un-hedged exposures in foreign currencies

	Year ended 31st March, 2017 Foreign Currency (in Lakhs)	Year ended 31st March, 2017 Amount (₹ Lakhs)	Year ended 31st March, 2016 Foreign Currency (in Lakhs)	Year ended 31st March, 2016 Amount (₹ Lakhs)
Trade Receivables	GBP 7.39	597.65	GBP 6.15	584.54
Trade Receivables	USD 18.86	1,223.06	USD 6.27	415.96
Trade Receivables	SAR 0.06	1.02	SAR 0.06	1.10
Trade Receivables	LKR 55.69	23.45	LKR 53.31	23.29
Trade Receivables	NPR 0.05	0.03	NPR 0.05	0.03
Trade Receivables	-	-	SGD 0.01	0.48
Trade Receivables	QAR 0.46	8.25	-	-
Trade Receivables	AED 2.60	45.89	-	-
Trade Payables	USD 0.05	3.04	USD 0.48	31.72

39 In terms of Accounting Standard (AS) 17 on 'Segment Reporting' notified in the Companies Act, segment information has been presented in the Consolidated Financial Statements(prepared pursuant to Accounting Standard (AS) 21 on 'Consolidated Financial Statements' and Accounting Standard (AS) 27 on 'Financial Reporting of Interests in Joint Ventures' notified in the Companies Act) included in the Annual Report for the year.

40 (a) The Company has provided loans and advances [repayable on demand at the interest rate of 10.70 % p.a.(2015-16 - 10.95% p.a)] of ₹ 15.66 Lakhs (2015-16 - ₹ 7.27 Lakhs) during the year to its subsidiary, Kolkata Metro Networks Limited for financial assistance and its principal business activities.

40 (b) The Company has invested in equity of ₹ Nil (2015-16 ₹ 2.67 Lakhs) and provided loans and advances [repayable on demand at the interest rate of 10.70 % p.a. (2015-16- 10.95% p.a.)] of ₹ 1382.18 Lakhs (2015-16 ₹ 1201.38 Lakhs) during the year in / to its subsidiary Open Media Network Private Limited for financial assistance and its principal business activities.

41 Current Tax provision is net of Minimum Alternate Tax (MAT) credit of ₹ Nil (2015-16 ₹ 452.32 Lakhs) based on income tax computation set out in accounting policy [Note 1 (m)] and Company's Return of Income.

42 Proposed Dividend

(₹ in Lakhs)

	As at 31st March, 2017	As at 31st March, 2016
The Final Dividend proposed for the year is as follows:		
On Equity Shares of ₹10 each		
Amount of Dividend Proposed	261.04	261.04
Dividend per Equity Share	₹ 1.50 per share	₹ 1.50 per share

43 Previous year's figures have been regrouped or rearranged, where considered necessary, to conform to current year's classification.

Signature to Note 1 to 43

For Price Waterhouse
Firm Registration No. 301112 E
Chartered Accountants

On behalf of the Board

(Pinaki Chowdhury)
Partner
Membership No. 057572

G. B. Aayeer
Chief Financial Officer & Director
DIN - 00087760

V. Mehra
Managing Director
DIN - 03556680

Kolkata
25th May, 2017

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017

(₹ in Lakhs)

		Year ended 31st March, 2017		Year ended 31st March, 2016	
A.	**Cash Flow from Operating Activities**				
	Profit Before Tax		**1,606.51**		979.20
	Adjustments for:				
	Depreciation and Amortisation Expenses	**393.29**		526.02	
	Provision for impairment on Copyright Music	**45.83**		-	
	Provision for Doubtful Debts/Advances	**1,559.10**		1,384.70	
	Exceptional Items (Refer Note 27)	**-**		4.69	
	Finance Costs	**26.96**		36.05	
	Provision for Diminution in carrying amount of Long-term Investments	**8.82**		-	
	Provision for Long term Investment no longer required written back	**(17.87)**		-	
	Liabilities/Provisions no longer required written back	**(342.69)**		(127.35)	
	Provision for Doubtful Debts/ Advances no longer required written back	**(28.50)**		(237.02)	
	Interest Income	**(374.59)**		(214.97)	
	Bad debt/Advances written off	**19.70**		39.52	
	Loss on Disposal of Fixed Assets/Fixed Assets scrapped	**1.01**		13.84	
	Profit on Sale of Tangible Fixed Assets	**(0.53)**		(0.21)	
	Dividend from Long Term Investments-Other than Trade	**(126.01)**		(239.40)	
			1,164.52		1,185.87
	Operating profit before Working Capital Changes		**2,771.03**		2,165.07
	Changes in Working Capital:-				
	Increase in Trade Payables	**898.80**		299.11	
	Increase in Provisions	**949.82**		696.72	
	(Decrease)/Increase in Other Current Liabilities	**(536.65)**		954.54	
	(Increase)/Decrease in Trade Receivables	**(805.39)**		806.80	
	(Increase)/Decrease in Inventories	**(892.38)**		383.21	
	(Increase) in Loans and Advances	**(2,053.22)**		(1,378.99)	
	(Increase) in Other Non-current Assets	**(0.50)**		-	
	(Increase) in Other Bank Balances	**(1.87)**		(0.41)	
			(2,441.39)		1,760.98
	Cash generated from operations		**329.64**		3,926.05
	Direct Taxes (net of refund)		**(1,108.97)**		(1,022.42)
	Net cash generated from Operating Activities		**(779.33)**		2,903.63
B.	**Cash Flow from Investing Activities**				
	Purchase of Fixed Assets	**(210.65)**		(629.43)	
	Sale of Fixed assets	**0.53**		0.42	
	Interest Received	**385.54**		251.47	
	Dividend from Long Term Investments-Other than Trade	**126.01**		239.40	
	Proceeds from maturity of Fixed Deposits	**0.25**		-	
	Investment made in subsidiaries	**-**		(5.80)	
	Net cash from/(used in) Investing Activities		**301.68**		(143.94)

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017 *(Contd.)*

(₹ in Lakhs)

	Year ended 31st March, 2017		Year ended 31st March, 2016	
C. Cash Flow from Financing Activities				
Decrease in Cash Credit facilities from banks	-		(362.46)	
Repayment of Short Term Borrowings	-		(67.50)	
Interest paid	**(11.62)**		(26.31)	
Other Borrowing Costs paid	**(11.75)**		(6.63)	
Dividend Paid	**(259.17)**		(260.63)	
Dividend Distribution Tax Paid	**(53.14)**		(53.14)	
Net cash (used in) Financing Activities		**(335.68)**		(776.67)
Net (Decrease)/Increase in cash and cash equivalents (A+B+C)		**(813.33)**		1,983.02
Cash and Cash Equivalents at the beginning of the year		**2,371.21**		388.19
Cash and Cash Equivalents at the end of the year		**1,557.88**		2,371.21

Notes to the Cash Flow Statement for the year ended 31st March, 2017

1 The above Cash Flow Statement has been prepared under the Indirect Method as set out in the Accounting Standard 3 on 'Cash Flow Statements' prescribed under the Companies Act of India.

2 Cash and cash equivalents comprise of : -

(₹ in Lakhs)

	As at 31st March, 2017	As at 31st March, 2016
Cash on hand	**0.87**	4.21
Cheques on hand	**0.14**	0.91
Bank Balances	**556.87**	666.09
Demand Deposits with Banks (up to 3 months maturity)	**1,000.00**	1,700.00
TOTAL	**1,557.88**	2,371.21

3 Previous year's figures have been regrouped / rearranged,where considered necessary.
This is the Cash Flow Statement referred to in our report of even date

For Price Waterhouse
Firm Registration No. 301112 E
Chartered Accountants

(Pinaki Chowdhury)
Partner
Membership No. 057572

Kolkata
25th May, 2017

On behalf of the Board

G. B. Aayeer
Chief Financial Officer & Director
DIN - 00087760

V. Mehra
Managing Director
DIN - 03556680

INDEPENDENT AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

To the Members of Saregama India Limited

1. We have audited the accompanying consolidated financial statements of Saregama India Limited ("hereinafter referred to as the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its jointly controlled entity; (refer Note 29 to the attached consolidated financial statements), comprising of the consolidated Balance Sheet as at March 31, 2017, the consolidated Statement of Profit and Loss, the consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information prepared based on the relevant records (hereinafter referred to as "the Consolidated Financial Statements").

Management's Responsibility for the Consolidated Financial Statements

2. The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its jointly controlled entity in accordance with accounting principles generally accepted in India including the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014. The Holding Company's Board of Directors is also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of Consolidated Financial Statements. The respective Board of Directors of the companies included in the Group and of its jointly controlled entity are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its jointly controlled entity respectively and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the 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 statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which has been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act and the Rules made thereunder including the accounting standards and matters which are required to be included in the audit report.

4. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

5. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

6. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph 9 of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

7. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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 consolidated state of affairs of the Group and jointly controlled entity as at March 31, 2017, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Emphasis of Matter

8. (a) We draw your attention to Note 35.1 to the consolidated financial statements relating to :

(i) remuneration paid to the Managing Director of the Holding Company for the financial year 2015-16 in excess of the limits specified in the Section 197 read with Schedule V of the Act. The Holding Company has subsequently made an application and received Order dated October 5, 2016 from the Central Government for an amount of ₹ 179.94 Lakhs as against the amount paid / provided of ₹ 489.92 Lakhs and excess remuneration of ₹ 179.10 Lakhs and ₹ 130.88 Lakhs have been disclosed as receivable from the Managing Director and written back respectively in the financial statements for the financial year 2016-17.

(ii) remuneration paid/provided for the financial year 2014-15 in excess of the limit set out in the Order dated October 5, 2016 from the Central Government by ₹ 78.98 Lakhs. According to the Board of Directors of the Holding Company, the aforesaid Order would not be applicable for the financial year 2014-15 as the total remuneration was within the provisions of the Act, for which the Holding Company has sought clarification from the Central Government and the response to which is awaited.

Our opinion is not qualified in respect of above matters.

(b) We also draw your attention to Note 35.2 to the consolidated financial statements regarding remuneration paid / payable to Managing Director aggregating ₹ 332.88 Lakhs for the year ended March 31, 2017 in excess of the limits specified in the Order dated October 5, 2016 issued by the Central Government.

The Holding Company has made application to the Central Government seeking its clarification / approval on the application of the Notification dated September 12, 2016 issued by the Ministry of Corporate Affairs in place of the aforesaid Order and the response to which is awaited.

Our opinion is not qualified in respect of this matter.

Other Matter

9. We did not audit the financial statements/financial information of four subsidiaries and one jointly controlled entity whose financial statements/ financial information reflect total assets of ₹ 3136.19 Lakhs and net assets of ₹ (2172.89) Lakhs as at March 31, 2017, total revenue of ₹ 1835.87 Lakhs, net loss of ₹ 1262.72 Lakhs and net cash flows amounting to ₹ 159.21 Lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements/ financial information have been audited by other auditors whose reports have been furnished to us by the Management, and our opinion on the consolidated financial statements in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and jointly controlled entity and our report in terms of sub-section (3) of Section 143 of the Act insofar as it relates to the aforesaid subsidiaries and jointly controlled entity, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

10. As required by Section 143(3) of the Act, we report, to the extent applicable, 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 of the aforesaid consolidated financial statements.

(b) In our opinion, proper books of account as required by law maintained by the Holding Company, its subsidiaries included in the Group and jointly controlled entity, incorporated in India including relevant records relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and records of the Holding Company and the reports of the other auditors.

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained by the Holding Company, its subsidiaries included in the Group and jointly controlled entity incorporated in India including relevant records relating to the preparation of the consolidated financial statements.

(d) In our opinion, the aforesaid consolidated 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 of the Holding Company and taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies and jointly controlled entity incorporated in India, none of the directors of the Group companies and jointly controlled entity incorporated in India is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company, its subsidiary companies and jointly controlled entity incorporated in India and the operating effectiveness of such controls, refer to our separate Report in Annexure A.

INDEPENDENT AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS *(contd.)*

(g) With respect to the other matters to be included in the Auditors' 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 consolidated financial statements disclose the impact, if any, of pending litigations as at March 31, 2017 on the consolidated financial position of the Group and jointly controlled entity – Refer Note 31 to the consolidated financial statements.

ii. The Group and its jointly controlled entity did not have any derivative contracts as at March 31, 2017. The Group and its jointly controlled entity has other long-term contracts as at March 31, 2017 for which there were no material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, its subsidiary companies and jointly controlled entity incorporated in India during the year ended March 31, 2017.

iv. The Group has provided requisite disclosures in the consolidated financial statements as to holdings as well as dealings in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Holding Company and its subsidiary companies included in the Group, incorporated in India and as produced to us by the Management – Refer Note 16.1 to the consolidated financial statements.

For Price Waterhouse
Firm Registration Number: 301112E
Chartered Accountants

Pinaki Chowdhury
Partner
Membership Number 057572

Kolkata
May 25, 2017

ANNEXURE TO INDEPENDENT AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

Annexure A to Independent Auditors' Report

Referred to in paragraph 10(f) of the Independent Auditors' Report of even date to the members of Saregama India Limited on the consolidated financial statements for the year ended March 31, 2017

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

1. In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2017, we have audited the internal financial controls over financial reporting of Saregama India Limited (hereinafter referred to as "the Holding Company") and its subsidiary companies and jointly controlled entity, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Holding company, its subsidiary companies and jointly controlled entity, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on "internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI)". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Holding Company's and its subsidiary companies' and jointly controlled entity's incorporated in India, internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the

Standards on Auditing deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company's and its subsidiary companies' and jointly controlled entity's incorporated in India, internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

6. A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

7. Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Holding Company, its subsidiary companies and jointly controlled entity, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

9. Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to two subsidiary companies and one jointly controlled entity, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India. Our opinion is not qualified in respect of this matter.

For Price Waterhouse
Firm Registration Number: 301112E
Chartered Accountants

Pinaki Chowdhury
Partner
Membership Number 057572

Kolkata
May 25, 2017

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2017

(₹ in Lakhs)

	Note	As at 31st March, 2017	As at 31st March, 2016
EQUITY AND LIABILITIES			
Shareholders ' Funds			
Share Capital	2	**1,740.29**	1,740.29
Reserves and Surplus	3	**28,108.00**	15,660.60
Minority Interest		**237.69**	213.57
Non Current Liabilities			
Long Term Provisions	4	**220.56**	162.92
Current Liabilities			
Short Term Borrowings	5	**295.55**	361.58
Trade Payables	6		
a) Total outstanding dues of micro enterprises and small enterprises		**0.73**	0.56
b) Total outstanding dues of creditors other than micro enterprises and small enterprises		**3,839.91**	3,018.89
Other Current Liabilities	7	**2,021.95**	2,800.44
Short Term Provisions	8	**3,330.27**	2,745.67
		39,794.95	26,704.52
ASSETS			
Non Current Assets			
Fixed Assets	9		
Tangible Assets		**19,182.21**	7,751.40
Intangible Assets		**672.26**	715.00
Non-Current Investments	10	**3,972.12**	3,972.12
Deferred Tax Assets (net)	11	**1,034.10**	1,061.56
Long-term Loans and Advances	12	**721.98**	653.08
Other Non Current Assets	13	**2.50**	2.00
Current Assets			
Inventories	14	**1,033.60**	127.39
Trade Receivables	15	**5,227.05**	4,605.26
Cash and Bank Balances	16	**1,902.41**	2,595.95
Short-Term Loans and Advances	17	**6,040.42**	5,203.51
Other Current Assets	18	**6.30**	17.25
		39,794.95	26,704.52

The Notes are an integral part of these Financial Statements

This is the Consolidated Balance Sheet referred to in our report of even date

For Price Waterhouse
Firm Registration No. 301112 E
Chartered Accountants

On behalf of the Board

(Pinaki Chowdhury)
Partner
Membership No. 057572

G. B. Aayeer
Chief Financial Officer & Director
DIN - 00087760

V. Mehra
Managing Director
DIN - 03556680

Kolkata
25th May, 2017

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2017

(₹ in Lakhs)

	Note	Year ended 31st March, 2017	Year ended 31st March, 2016
Revenue from Operations (Gross)	19	**21,849.51**	22,168.02
Less: Excise Duty		**-**	0.03
Revenue from Operations (Net)		**21,849.51**	22,167.99
Other Income	20	**876.30**	1,216.67
Total Revenue		**22,725.81**	23,384.66
Expenses:			
Cost of Materials Consumed and Contract Manufacturing Charges	21	**649.25**	351.59
Cost of Production of Television Serials and Portal	22	**6,324.87**	6,766.82
Changes in Inventories of Finished Goods and Work-in-progress [(Increase)/Decrease]	23	**(892.85)**	383.21
Employee Benefits Expense	24	**4,886.52**	4,927.40
Finance Costs	25	**30.36**	47.96
Depreciation and Amortisation Expense	26	**429.43**	544.45
Other Expenses	27	**9,842.92**	8,292.98
Total Expenses		**21,270.50**	21,314.41
Profit Before Exceptional Items and Tax		**1,455.31**	2,070.25
Exceptional Items	28	**-**	1,158.88
Profit Before Tax and Minority Interests		**1,455.31**	911.37
Tax Expenses :			
Current Tax		**995.56**	527.44
Excess Provision of Earlier Years Written Back		**(187.60)**	-
Deferred Tax Charge/(Credit)		**27.46**	(302.67)
Profit After Tax and Before Minority Interests		**619.89**	686.60
Allocation for the period			
Minority Interest		**24.12**	3.12
Profit After Tax and Minority Interests attributable to Owners of the Parent		**595.77**	683.48
Earnings per Equity Share: [Nominal Value per share ₹ 10/-(Previous Year- ₹ 10/-)]	33.2		
Basic (₹)		**3.42**	3.93
Diluted (₹)		**3.42**	3.92

The Notes are an integral part of these Financial Statements

This is the Consolidated Statement of Profit and Loss referred to in our report of even date

For Price Waterhouse
Firm Registration No. 301112 E
Chartered Accountants

On behalf of the Board

(Pinaki Chowdhury)
Partner
Membership No. 057572

G. B. Aayeer
Chief Financial Officer & Director
DIN - 00087760

V. Mehra
Managing Director
DIN - 03556680

Kolkata
25th May, 2017

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS for the Year Ended 31st March, 2017

1 Significant Accounting Policies

(a) **Basis of the Preparation of the Financial Statements**

These Consolidated Financial Statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis, except for certain Tangible Fixed Assets which are being carried at revalued amounts (as indicated in Notes 9(i),9(ii),9(iii) and 9(iv). Pursuant to section 133 of the Companies Act, 2013 read with Rule 7(1) of the Companies (Accounts) Rules,2014, till the standards of Accounting or any addendum thereto are prescribed by Central Government in consultation and recommendation of the National Financial Reporting Authority, the existing Accounting Standards notified under the Companies Act, 1956 shall continue to apply. Consequently, these consolidated financial statements are prepared to comply in all material aspects, with the accounting standards notified under Section 211(3C) of the Companies Act, 1956 [Companies (Accounting Standards) Rules 2006 as amended] and the other relevant provisions of the Companies Act, 2013.

All assets and liabilities have been classified as current or non current as per the Group's normal operating cycle and other criteria set out in Schedule III (Division I) to the Companies Act, 2013. Based on the nature of products / service and the time between the acquisition of assets for processing / providing the services and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current, non current classification of assets and liabilities.

(b) **Use of Estimates**

The preparation of the consolidated financial statements in conformity with the generally accepted accounting principles in India requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities as at the balance sheet date, the reported amount of revenue and expenses for the period and disclosure of contingent liability as at the balance sheet date. The estimates and assumptions used in the consolidated financial statements are based upon managements' evaluation of the relevant facts and circumstances as of the date of the consolidated financial statements. Actual results could differ from estimates.

(c) **Fixed Assets [Property, Plant and Equipment - (PPE)]**

(i) **Tangible Assets**

Tangible Fixed Assets other than land are stated at their cost [also refer note 9(iv)] less accumulated depreciation and accumulated impairment losses, where applicable. Land is stated at revalued amount, as referred to in Notes 9(i), 9(ii), 9(iii) and 9(iv).

Impairment loss is recognised wherever the carrying amount of tangible fixed assets of a cash generating unit exceeds its recoverable amount(i.e. higher of net selling price and value in use).

Revaluation of Land is made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the balance sheet date. When the fair value differs materially from its carrying amount, the carrying amount is adjusted to the revalued amount. The fair value is determined based on appraisal undertaken by a professionally qualified valuer.

(ii) **Intangible Assets**

The cost incurred for producing / purchasing feature films wherein future economic benefits are established to accrue over medium to long term period are recognised as intangible asset in the year of release at 50% of the cost of making the film including negatives or purchase cost.

Outright acquisition of music copyrights wherein future economic benefits are established are capitalised.

Softwares are capitalised where it is expected to provide future enduring economic benefits. Capitalisation costs includes license fees and cost of implementation / system integration services. The costs are capitalised in the year in which the relevant software is implemented for use.

Impairment loss is recognised wherever the carrying amount of intangible fixed assets of a cash generating unit exceeds its recoverable amount (i.e. higher of net selling price and value in use).

(d) **Depreciation / Amortisation**

Depreciation on tangible fixed assets is provided on a pro rata basis on the straight line method based on the estimated useful lives of the asset as prescribed under Schedule II to the Companies Act, 2013 which is in line with the technical evaluation carried out in 2014-15 by the Internal expert. Aforesaid technical evaluation carried out in 2014-15 have been revisited by the Group's management during the year and no change to the evaluated life considered necessary.

Feature Films / Music Copyrights are amortised on a straight line basis over a period of 1-10 years. The Group reviews the expected future revenue potential at the end of each accounting period and recognises impairment loss, where required.

Softwares are amortised on a straight line basis over a period of three years from the date of capitalisation.

(e) **Investments**

Long term investments are stated at cost / cost less write down. Provision for diminution is made to recognise a decline other than temporary in the carrying amount of long term investments as determined by the Board of Directors on periodical review.

Current investments are carried at lower of cost and fair value.

(f) **Inventories**

Inventories are valued at lower of cost and net realisable value.

The cost is determined on weighted average basis, and includes, where applicable, appropriate share of overheads.

Provision is made for obsolete / slow moving / defective stocks, where necessary.

Television serials under production are included under 'Work-in-Progress'.

Untelecasted television serials are stated at lower of cost and net expected revenue and included under 'Finished Goods'.

Digital Films under production are included under 'Work-in-Progress'.

(g) **Employee Benefits**

Short-term Employee Benefits (i.e. benefits payable within one year) are recognised in the period in which employee services are rendered. Contribution towards superannuation at rates specified in related approved scheme covering eligible employees opting for such contribution is recognised as expense and funded.

Liability towards gratuity (defined benefit), covering eligible employees, is provided on the basis of year-end actuarial valuation using Projected Unit Credit Method. Gratuity is funded.

Accrued liability towards leave encashment benefits (defined benefit), covering eligible employees, evaluated on the basis of year-end actuarial valuation using Projected Unit Credit Method is recognised as charge.

Contribution towards provident fund to Government administered provident fund is recognised as expense.

Actuarial gains / losses arising in Defined Benefit Plans are recognised immediately in the Statement of Profit and Loss as income / expense for the year in which they occur.

Termination benefits represent compensation towards Voluntary Retirement Scheme which is expensed on accrual of liability.

(h) **Sales,Licence Fees and Advertising Revenue**

Revenue from sales is recognised on transfer of significant risks and rewards of ownership to customers based on the agreement with the customers. Licence Fees represent income from music rights.

Revenue relating to television serials is recognised on the basis of telecast / delivery of content, as applicable.

Advertising Revenue from Current Affairs & Features Magazine is recognised in the period in which the magazines are published and are accounted for net of commission and discounts.

Revenue from marketing support services is recognised as and when services are rendered.

(i) **Other Income**

Interest: Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable

Dividend: Dividend income is recognised when the right to receive dividend is established

(j) **Royalty**

Minimum Guarantee Royalty is recognised as expense within the license period or ten years, whichever is earlier.

Royalty on sales, other than physical sales, is provided on the basis of management's best estimate of the expenditure required to settle the obligation.

Other royalty payments are charged at agreed rates on related sales.

(k) **Foreign Currency Transactions**

Transactions in foreign currency are accounted for at the exchange rates prevailing on the date of transactions. Monetary assets and liabilities related to foreign currency transactions remaining unsettled at the end of the year are translated at year-end exchange rates. The resultant exchange differences arising from settlement of foreign currency transaction and from year-end restatement are recognised in the Statement of Profit and Loss.

Foreign currency non-monetary items carried in terms of historical cost are reported using the exchange rates at the date of transactions.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS for the Year Ended 31st March, 2017 *(contd.)*

(l) **Borrowing Costs**

Borrowing costs, if any, attributable to the acquisition and construction of qualifying assets are added to the cost up to the date when such assets are ready for their intended use. Other borrowing costs are recognised as expense in the period in which these are incurred.

(m) **Taxes on Income**

Current tax is provided as the amount of tax payable in respect of taxable income for the year measured using the applicable tax rules and laws.

Deferred tax is provided on timing differences between taxable income and accounting income measured using tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date.

Deferred tax assets are recognised only if there is a virtual / reasonable certainty, as applicable, in keeping with Accounting Standard 22 on 'Accounting for Taxes on Income' that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are reviewed for the appropriateness of their respective carrying amount at each Balance Sheet date.

Minimum Alternate Tax (MAT) credit is recognised as an asset only when and to the extent there is convincing evidence that the entity will pay normal income tax in excess of MAT during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the entity will pay normal income tax in excess of MAT during the specified period.

(n) **Provisions and Contingent Liabilities**

Provisions are recognised when there is a present obligation as a result of a past event and 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 as at the Balance Sheet date and are not discounted to its present value.

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 entity 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.

(o) **Goodwill on Consolidation**

Goodwill arising on consolidation are stated at cost and impairment is recognised, where applicable

(p) **Consolidation**

Consolidated financial statements relate to Saregama India Limited, the Parent Company and its subsidiaries and Joint venture (the Group). The consolidated financial statements are in conformity with the Accounting Standard – 21 on "Consolidated Financial Statements" and Accounting Standard - 27 on "Financial Reporting of Interests in Joint Ventures"", notified under Section 211(3C) of the Companies Act, 1956 of India (the Act) and are prepared as set out below:

1) The financial statements of the Parent Company and its subsidiaries have been combined on a line-by-line basis by adding together the book value of like items of assets, liabilities, income and expenses, after adjustments / elimination of inter-company balances, transactions including unrealized profits on inventories etc, if any.
2) Interest in Joint Ventures have been accounted by using the proportionate consolidation method as per Accounting Standard - 27 "Financial Reporting of Interests in Joint Ventures". (Also refer note 38).
3) The consolidated financial statements are prepared by adopting uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent required and possible, in the same manner as the Parent Company's separate financial statements
4) The financial statements of foreign operation (prepared other than in Indian rupees) is translated using the principles and procedures as if the transactions of the foreign operation had been those of the reporting enterprise.
5) The excess of cost to the Parent Company of its investment in the subsidiaries over the Parent's portion of equity of the subsidiaries at the dates they became subsidiaries/subsequent acquisition in subsidiary is recognized in the financial statements as Goodwill.
6) Minority interest in the consolidated financial statements is identified and recognized in the consolidated balance sheet separate from liabilities and the equity of the Parent Company's Shareholders after taking into consideration:
   i) The amount of equity attributable to minorities at the date on which investments in a subsidiary is made.
   ii) The minorities' share of movement in equity since the date parent-subsidiary relationship came into existence.
   iii) Adjustment of the Profit or Losses attributable to the minorities against the minority interest in the equity of the subsidiaries.

(₹ in Lakhs)

	As at 31st March, 2017	As at 31st March, 2016
2 SHARE CAPITAL		
Authorised		
2,50,00,000 (31.03.2016:2,50,00,000) Equity Shares of ₹10/- each	**2,500.00**	2,500.00
Issued		
1,74,02,938 (31.03.2016:1,74,02,938) Equity Shares of ₹10/- each	**1,740.29**	1,740.29
Subscribed and Paid Up		
1,74,02,938 (31.03.2016:1,74,02,938) Equity Shares of ₹10/- each fully paid up	**1,740.29**	1,740.29
TOTAL	**1,740.29**	1,740.29

2.1 Out of 53,38,628 equity shares issued for cash at a premium of ₹35/- (issue price- ₹45/-) pursuant to the Rights Issue in 2005, allotment of 5,290 (31.03.2016- 5,290) equity shares (relating to cases under litigation / pending clearance from the concerned authorities) are kept in abeyance as on 31st March, 2017.

2.2 Number of Equity Shares outstanding as at the beginning and as at the end of the year

	As at 31st March, 2017		As at 31st March, 2016	
	Number	**Amount (₹ Lakhs)**	Number	Amount (₹ Lakhs)
Balance as at the beginning of the year	**17,402,938**	**1,740.29**	17402938	1,740.29
Balance as at the end of the year	**17,402,938**	**1,740.29**	17402938	1,740.29

2.3 Rights, preferences and restrictions attached to shares

The Parent Company has only one class of equity shares having a par value of ₹10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting except in case of interim dividend.

In the event of liquidation of the Company, the holder of equity shares are eligible to receive remaining assets of the Company in proportion to their shareholding.

2.4 Shares held by holding company

Name of the Shareholder	As at 31st March, 2017		As at 31st March, 2016	
	No. of shares held	**Amount (₹ Lakhs)**	No. of shares held	Amount (₹ Lakhs)
Rainbow Investments Limited (up to 28th March, 2017)	**-**	**-**	10,291,599	1,029.16
Composure Services Private Limited (w.e.f 29th March, 2017)	**10,291,599**	**1,029.16**	-	-

2.5 Details of Shares held by Shareholders holding more than 5 % of the aggregate shares in the Parent Company:

Name of the Shareholder	As at 31st March, 2017		As at 31st March, 2016	
	No. of shares held	**Holding Percentage**	No. of shares held	Holding Percentage
Rainbow Investments Limited	-	-	10291599	59.14%
Composure Services Private Limited	10291599	59.14%		
Reliance Capital Limited	-	-	1188000	6.83%
Reliance Spot Exchange Infrastructure Limited	1188000	6.83%	-	-

2.6 Stock Option Schemes

Pursuant to approved Saregama Employee Stock Option Scheme 2013 (Scheme), the Compensation Committee of the Board of Directors of the Parent Company has granted shares / options during 2013-14 and 2016-17 to certain eligible employees and outstanding as on 31st March, 2017 at the following exercise price, being prevailing market price as on date of joining / revision of salary of respective employee :

Name of eligible employees	**No. of options/shares**	Exercise price per share (₹)
Mr. G. B. Aayeer, Chief Financial Officer and Director	10,000	69.85
Mr. Avinash Mudaliar, Head – Internet Products & Services	10,000	53.95
Mr. Kumar Ajit, Vice President - Sales & Marketing	10,000	243.70

Performance Linked Vesting schedule of the said options is as follows :-

- After 1 year from the date of grant : 20 % of the options granted
- After 2 years from the date of grant : 20 % of the options granted
- After 3 years from the date of grant : 20 % of the options granted
- After 4 years from the date of grant : 20 % of the options granted
- After 5 years from the date of grant : 20 % of the options granted

Exercise period is 10 years from the vesting date. Exercise of options by the option holders shall entail issuance of equity shares by the Parent Company on compliance / completion of related formalities on the basis of 1:1.

During the year 2015-16, the Nomination and Remuneration committee of the Board of Directors of Parent Company has approved vesting of 4000 options each to Mr. G.B Aayeer and Mr. Avinash Mudaliar respectively.

Option granted in 2015-16 for 10000 shares to Mr.Troy Lobo with exercise price of ₹195.40 per share was lapsed in 2016-17.

2.7 Stock Appreciation Rights

Pursuant to Stock Appreciation Rights Scheme 2014,the Nomination and Remuneration Committee of the Board of Directors of the Parent Company has granted 2,00,000 Stock Appreciation Rights (SAR) (being the difference in the share price between the date of grant and the date of exercise) to the Managing Director on October 27, 2014 (being the date of grant) with the following performance linked vesting schedule:-

- After one year from the date of grant:- 66%
- After two years from the date of grant:- 34%

The exercise period shall commence from the date of vesting and expire at the end of ten years from the relevant vesting date.

During the year 2016-17, the Nomination and Remuneration Committee of the Board of Directors has approved vesting of 2,00,000 SARs [including 1,32,000 SARs which was vested in 2015-16 but reversed in 2016-17 for reasons as stated in Note 35.1(b)] to its Managing Director.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS for the Year Ended 31st March, 2017 *(contd.)*

(₹ in Lakhs)

		As at 31st March, 2017		As at 31st March, 2016	
3	**RESERVES AND SURPLUS**				
	SECURITIES PREMIUM ACCOUNT				
	Balance as per Last Account		**10,249.40**		10,249.40
	CAPITAL RESERVE				
	Balance as at the beginning of the year	**55.19**		-	
	Add: Adjustment on acquisition of shares in subsidiary from Minority Shareholder	**-**		55.19	
	Balance as at the end of the year		**55.19**		55.19
	REVALUATION RESERVE				
	Balance as at the beginning of the year	**3,007.85**		3,021.53	
	Add: Surplus on Revaluation of Fixed Asset (Refer Note 9(iv))	**11,640.29**			
	Less: Adjustment with carrying amount of related assets (Refer Note 9(iv))	**50.87**			
	Less: Transferred to General Reserve	**-**		13.68	
	Balance as at the end of the year		**14,597.27**		3,007.85
	GENERAL RESERVE				
	Balance as at the beginning of the year	**693.95**		680.27	
	Add: Transferred from Revaluation Reserve	**-**		13.68	
	Balance as at the end of the year		**693.95**		693.95
	SURPLUS IN THE STATEMENT OF PROFIT AND LOSS				
	Balance as at the beginning of the year	**1,644.48**		1,077.58	
	(Less): Adjustment on acquisition of shares in subsidiary from Minority Shareholder	**-**		(26.70)	
	(Less): Adjustment for Capital Reserve pursuant to acquisition of shareholding	**-**		(2.42)	
	Add: Adjustment for Goodwill pursuant to acquisition of shareholding	**-**		226.72	
	Add: Profit for the year	**595.77**		683.48	
	Add: Adjustment on account of Liquidation of SROPL	**271.94**			
	Less: Appropriations				
	Proposed dividend (31.03.2016-₹ 1.50 per Share) (Refer Note 41)	**-**		261.04	
	Dividend distribution tax on proposed dividend	**-**		53.14	
	Balance as at the end of the year		**2,512.19**		1,644.48
			28,108.00		15,650.87
	Share of Joint venture [Refer Note 29(b) and 37]		**-**		9.73
	TOTAL		**28,108.00**		15,660.60

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS for the Year Ended 31st March, 2017 *(contd.)*

(₹ in Lakhs)

		As at 31st March, 2017	As at 31st March, 2016
4	**LONG TERM PROVISIONS**		
	Provision for Employee Benefits		
	Leave Encashment	**220.56**	162.92
		220.56	162.92
	Share of Joint venture [Refer Note 29(b)]	**-**	-
	TOTAL	**220.56**	162.92

(₹ in Lakhs)

		As at 31st March, 2017	As at 31st March, 2016
5	**SHORT TERM BORROWINGS**		
	Repayable on demand		
	Unsecured		
	Inter Corporate Deposits	**295.55**	295.55
		295.55	295.55
	Share of Joint venture [Refer Note 29(b) and 5.1]	**-**	66.03
	TOTAL	**295.55**	361.58

5.1 31st March, 2016 - Cash credit availed by Joint venture company from bank are secured against stock & book debts of the Joint venture company both present and future & collateral charge on movable fixed assets. The interest rate is the prime lending rate of the Bank. The Joint venture company has defaulted on repayment of these facilities as on Balance sheet date.

(₹ in Lakhs)

		As at 31st March, 2017	As at 31st March, 2016
6	**TRADE PAYABLES**		
	Trade Payables		
	a) Total outstanding dues of micro enterprises and small enterprises (Refer Note 6.1)	**0.73**	0.56
	b) Total outstanding dues of creditors other than micro enterprises and small enterprises	**3,839.91**	2,977.48
		3,840.64	2,978.04
	Share of Joint venture [Refer Note 29(b)]	**-**	41.41
	TOTAL	**3,840.64**	3,019.45

6.1 Micro and Small Enterprises :

The Group Company has amounts due to suppliers under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED')

(₹ in Lakhs)

	As at 31st March, 2017	As at 31st March, 2016
(a) The Principal amount and interest due thereon remaining unpaid to suppliers under MSMED as at the end of accounting year		
Principal	**0.03**	0.03
Interest	**0.06**	0.05
(b) The amount of interest paid in terms of Section 16 of MSMED along with the amount of payment made to suppliers beyond the appointed day during the year		
Principal	**-**	0.04
Interest	**-**	0.27
(c) The amount of interest due and payable for principal paid during the year beyond the appointed day but without adding the interest specified under MSMED	**-**	0.07
(d) The amount of interest accrued and remaining unpaid at the end of the year [including ₹ 0.53 Lakhs (Previous year ₹ 0.41 Lakhs) being interest outstanding as at the beginning of the accounting year]	**0.70**	0.53
(e) The amount of further interest remaining due and payable even in the succeeding year, until such date when interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as deductible expenditure under Section 23 of the MSMED	**0.17**	0.12

(₹ in Lakhs)

	As at 31st March, 2017	As at 31st March, 2016
7 OTHER CURRENT LIABILITIES		
Interest Accrued and Due on Deposits from Dealers	**40.27**	36.68
Unpaid Dividends (Refer Note:7.1)	**7.27**	5.40
Income Received In Advance	**431.75**	627.49
Advance from Customers	**178.03**	169.12
Advance - Subscription	**18.70**	21.33
Security Deposit from Dealers and Others	**85.67**	89.55
Dealer's Incentive	**-**	39.67
Liabilities for Expenses	**344.62**	461.36
Employee Benefits Payable	**595.61**	1,105.28
Amount payable to government authorities	**277.02**	190.57
Advance against proposed sale of certain fixed assets	**25.00**	25.00
Security Deposit from General Insurance Corporation of India on Sub lease of property	**18.01**	18.01
	2,021.95	2,789.46
Share of Joint venture [Refer Note 29(b)]	**-**	10.98
TOTAL	**2,021.95**	2,800.44

7.1 There are no amount due and outstanding to be credited to Investor Education and Protection Fund under Section 125 of the Companies Act, 2013 as at year end.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS for the Year Ended 31st March, 2017 *(contd.)*

(₹ in Lakhs)

	As at 31st March, 2017	As at 31st March, 2016
8 SHORT TERM PROVISIONS		
Provision for Employee Benefits		
Leave Encashment	**46.82**	32.31
Gratuity (Refer Note 24.1)	**115.68**	65.43
Other Provisions		
Provision for Royalty on License Fees (Refer Note:8.1)	**3,152.49**	2,322.09
Provision for Returns of Magazines	**15.28**	11.66
Provision for Proposed Dividend	**-**	261.04
Provision for Dividend Distribution Tax on Proposed Dividend	**-**	53.14
	3,330.27	2,745.67
Share of Joint venture [Refer Note 29(b)]	**-**	-
TOTAL	**3,330.27**	2,745.67

(₹ in Lakhs)

	As at 31st March, 2017	As at 31st March, 2016
8.1 Movements of Provision for Royalty on Licence Fees		
Carrying amount at the beginning of the year	**2,322.09**	1,686.87
Add: Created during the year	**1,685.77**	1,458.71
	4,007.86	3,145.58
Less: Excess provision of earlier years, written back	**-**	38.25
Less: Amounts utilised during the year	**855.37**	785.24
Carrying amount at the end of the year	**3,152.49**	2,322.09

9 FIXED ASSETS

(₹ in Lakhs)

A) Tangible Assets	Gross Block					Depreciation and Amortisation				Provision for Loss on Impairment of Fixed Assets				Net Block	
	Cost/Valuation as at 31st March, 2016	Additions during the year	Adjustment on adoption of Revaluation Model for Land and Cost Model for remaining class of Assets on 01.04.2016. (Refer Note 9(iv))	Deletions / Adjustments during the year	Cost/Valuation as at 31st March, 2017	Up to 31st March, 2016	For the Year	On Deletions / Adjustments during the year	Up to 31st March, 2017	Up to 31st March, 2016	For the Year	On Deletions / Adjustments during the year	Up to 31st March, 2017	As at 31st March, 2017	As at 31st March, 2016
Land - Freehold	6,567.47	-	11,640.29	-	**18,207.76**	-	-	-	-	-	-	-	-	**18,207.76**	6,567.47
Buildings - Freehold	771.96	-	(50.87)	-	**721.09**	448.66	7.85	-	**456.51**	-	-	-	-	**264.58**	323.30
Leasehold Buildings	70.60	-	-	-	**70.60**	32.89	0.80	-	**33.69**	-	-	-	-	**36.91**	37.71
Plant and Equipment	1,769.15	-	-	-	**1,769.15**	1,763.94	1.99	-	**1,765.93**	-	-	-	-	**3.22**	5.21
Furniture and Fittings	911.49	12.04	-	-	**923.53**	503.02	74.09	-	**577.11**	-	-	-	-	**346.42**	408.47
Office Equipment	2,078.63	69.33	-	4.12	**2,143.84**	1,679.44	150.48	3.55	**1,826.37**	-	-	-	-	**317.47**	399.19
Vehicles	73.13	-	-	-	**73.13**	63.08	4.20	-	**67.28**	-	-	-	-	**5.85**	10.05
TOTAL	12,242.43	81.37	11,589.42	4.12	**23,909.10**	4,491.03	239.41	3.55	**4,726.89**	-	-	-	-	**19,182.21**	7,751.40
Share of Joint venture [Refer Note 29(b)]	315.22	-	-	315.22	-	94.11	-	94.11	-	221.11	-	221.11	-	-	-
TOTAL	12,557.65	81.37	11,589.42	319.34	**23,909.10**	4,585.14	239.41	97.66	**4726.89**	221.11	-	221.11	-	**19,182.21**	7,751.40
Previous Year	12,200.84	414.99	-	58.18	**12,557.65**	4,365.16	265.55	45.57	**4,585.14**	221.11	-	-	**221.11**	**7,751.40**	

B) Intangible Assets	Gross Block				Amortisation				Provision for Loss on Impairment of Fixed Assets				Net Block	
	Cost/Valuation as at 31st March, 2016	Additions during the year	Deletions / Adjustments during the year	Cost/Valuation as at 31st March, 2017	Up to 31st March, 2016	For the Year	On Deletions / Adjustments during the year	Up to 31st March, 2017	Up to 31st March, 2016	For the Year (Refer Note 27)	On Deletions / Adjustments during the year	Up to 31st March, 2017	As at 31st March, 2017	As at 31st March, 2016
Goodwill on Consolidation	1,281.75	-	-	**1,281.75**	-	-	-	-	1,281.75	-	-	**1,281.75**	-	-
Copyrights-Music	1,975.95	119.55	-	**2,095.50**	1,317.02	136.49	-	**1,453.51**	-	45.83	-	**45.83**	**596.16**	658.93
Feature Film	3,759.72	-	-	**3,759.72**	3,759.72	-	-	**3,759.72**	-	-	-	-	-	-
Softwares	696.92	74.00	89.64	**681.28**	640.85	53.53	89.20	**605.18**	-	-	-	-	**76.10**	56.07
TOTAL	7,714.34	193.55	89.64	**7,818.25**	5,717.59	190.02	89.20	**5,818.41**	1,281.75	45.83	-	**1,327.58**	**672.26**	715.00
Share of Joint venture[Refer Note 29(b)]	7.61	-	7.61	-	7.61	-	7.61	-	-	-	-	-	-	-
TOTAL	7,721.95	193.55	97.25	**7,818.25**	5,725.20	190.02	96.81	**5,818.41**	1,281.75	45.83	-	**1,327.58**	**672.26**	715.00
Previous Year	7,292.96	434.44	5.45	**7,721.95**	5,449.97	278.90	3.67	**5,725.20**	1,079.06	202.69	-	**1,281.75**	**715.00**	

9(i) Based on valuation reports of valuers, the Parent Company's land was revalued on 31st March 1984 and 30th September 1987 by ₹ 199.73 lakhs and ₹ 59.69 lakhs respectively, after considering the then current market value /derived rates attributable to land with corresponding credit to Revaluation Reserve.

9(ii) The Parent Company's land was revalued in June 2003 by registered valuers at the lower of current replacement cost and realizable value. Resultant incremental value amounting to ₹ 1,868.97 lakhs were added to the book value of related land with utilization of corresponding credit amount pursuant to an approved scheme of arrangement.

9(iii) The Parent Company's land was revalued on 31st March, 2007 by registered valuers, at lower of current replacement cost and realizable value. Resultant incremental value amounting to ₹ 4,421.30 lakhs were added to the book value of related land with corresponding credit to Revaluation Reserve of ₹ 2,697.56 lakhs and utilization of the balance amount of ₹ 1,723.74 lakhs pursuant to a sanctioned scheme of amalgamation of erstwhile Saregama Films Limited with the Parent Company in 2006-07.

9(iv) In keeping with the requirements of Accounting Standard 10 on Property, Plant and Equipment (PPE) as notified by the Ministry of Corporate Affairs vide Notification No. G.S.R. 364(E) dated 30th March, 2016 (Notification) effective 1st April, 2016, Group has chosen the revaluation model for land and cost model for other items of PPE as its accounting policy. Accordingly, Parent Company's land was revalued on 1st April, 2016 by registered valuer using market approach. Resultant incremental value amounting to ₹ 11,640.29 lakhs were added to the book value of related land with corresponding credit to Revaluation Reserve.

In respect of those items of PPE having previous revaluation and where cost model is adopted, the amount outstanding in the Revaluation Reserve as on 1st April, 2016 aggregating ₹ 50.87 lakhs has been adjusted with the carrying amount of related items in keeping with the requirements as stated in the above Notification.

Had the cost model is not adopted in respect of above assets, depreciation charge for the year would have been higher by ₹ 13.43 lakhs with corresponding decremental impact on the net profit of the Parent Company.

9(v) Title deeds of the immovable properties as set out in the above table are in the name of the Parent Company.

9.1 FIXED ASSETS

(₹ in Lakhs)

	Gross Block				Depreciation and Amortisation				Provision for Loss on Impairment of Fixed Assets				Net Block	
A) Tangible Assets	**Cost/Valuation as at 31st March, 2015**	**Additions during the year**	**Deletions / Adjustments during the year**	**Cost/Valuation as at 31st March, 2016**	**Up to 31st March, 2015**	**For the Year**	**On Deletions / Adjustments during the year**	**Up to 31st March, 2016.**	**Up to 31st March, 2015**	**For the Year**	**On Deletions / Adjustments during the year**	**Up to 31st March,2016**	**As at 31st March, 2016**	**As at 31st March, 2015**
Land - Freehold	6,567.47	-	-	**6,567.47**	-	-	-	-	-	-	-	-	**6,567.47**	6,567.47
Buildings - Freehold	771.96	-	-	**771.96**	426.01	22.65	-	**448.66**	-	-	-	-	**323.30**	345.95
Leasehold Buildings	70.60	-	-	**70.60**	32.10	0.79	-	**32.89**	-	-	-	-	**37.71**	38.50
Plant and Equipment	1,773.10	-	3.95	**1,769.15**	1,747.76	19.85	3.67	**1,763.94**	-	-	-	-	**5.21**	25.34
Furniture and Fittings	839.14	106.75	34.40	**911.49**	456.35	69.08	22.41	**503.02**	-	-	-	-	**408.47**	382.79
Office Equipment	1,790.22	308.24	19.83	**2,078.63**	1,550.79	148.14	19.49	**1,679.44**	-	-	-	-	**399.19**	239.43
Vehicles	73.13	-	-	**73.13**	58.04	5.04	-	**63.08**	-	-	-	-	**10.05**	15.09
TOTAL	11,885.62	414.99	58.18	**12,242.43**	4,271.05	265.55	45.57	**4,491.03**	-	-	-	-	**7,751.40**	7,614.57
Share of Joint venture [Refer Note 29(b)]	315.22	-	-	**315.22**	94.11	-	-	**94.11**	221.11	-	-	**221.11**	-	-
TOTAL	12,200.84	414.99	58.18	**12,557.65**	4,365.16	265.55	45.57	**4,585.14**	221.11	-	-	**221.11**	**7,751.40**	7,614.57

	Gross Block				Amortisation				Provision for Loss on Impairment of Fixed Assets				Net Block	
B) Intangible Assets	**Cost as at 31st March, 2015**	**Additions during the year**	**Deletions / Adjustments during the year**	**Cost as at 31st March, 2016**	**Up to 31st March, 2015**	**For the Year**	**On Deletions / Adjustments during the year**	**Up to 31st March, 2016.**	**Up to 31st March, 2015**	**For the Year**	**On Deletions / Adjustments during the year**	**Up to 31st March, 2016**	**As at 31st March, 2016**	**As at 31st March, 2015**
Goodwill on Consolidation	1,079.06	202.69	-	**1,281.75**	-	-	-	-	1,079.06	202.69	-	**1,281.75**	-	-
Copyrights-Music	1,805.25	170.70	-	**1,975.95**	1,119.04	197.98	-	**1,317.02**	-	-	-	-	**658.93**	686.21
Feature Film	3,759.72	-	-	**3,759.72**	3,759.72	-	-	**3,759.72**	-	-	-	-	-	-
Softwares	641.32	61.05	5.45	**696.92**	563.60	80.92	3.67	**640.85**	-	-	-	-	**56.07**	77.72
TOTAL	7,285.35	434.44	5.45	**7,714.34**	5,442.36	278.90	3.67	**5,717.59**	1,079.06	202.69	-	**1,281.75**	**715.00**	763.93
Share of Joint venture[Refer Note 29(b)]	7.61	-	-	**7.61**	7.61	-	-	**7.61**	-	-	-	-	-	-
TOTAL	7,292.96	434.44	5.45	**7,721.95**	5,449.97	278.90	3.67	**5,725.20**	1,079.06	202.69	-	**1,281.75**	**715.00**	763.93

9.1(i) Based on valuation reports of valuers, appointed for the purpose, the tangible fixed assets of Parent Company (other than furniture and fittings, office equipment, vehicles and certain items of plant and equipment) were revalued on 31st March, 1984 and again (except for those relating to record making machinery items) on 30th September, 1987 after considering the then (a) current market value/ derived rates attributable to land (b) current replacement cost after depreciation etc. and an amount of ₹587.31 lakhs and ₹628.19 lakhs were added to the book value of the related assets (with corresponding credit to Fixed Asset Revaluation Reserve) on 31st March, 1984 and 30th September, 1987 respectively.

9.1(ii) Certain tangible fixed assets of the Parent Company viz Land and Buildings were revalued in June 2003 by registered valuers at the lower of current replacement cost and realisable value. Resultant incremental value amounting to ₹2,374.11 lakhs were added to the book value of the related assets with utilisation of the corresponding credit amount pursuant to an approved scheme of arrangement.

9.1(iii) Parent Company's land was revalued on 31st March, 2007 by registered valuers, at lower of current replacement cost and realisable value. Resultant incremental value amounting to ₹4,421.30 lakhs were added to the book value of land with corresponding credit to Revaluation Reserve of ₹2,697.56 lakhs and utilisation of the balance amount of ₹1,723.74 lakhs pursuant to a sanctioned scheme of amalgamation of erstwhile Saregama Films Limited with the Parent Company in 2006-07.

9.1(iv) In respect of tangible fixed asset covered by revaluation made in the earlier years, depreciation has been calculated on their respective revalued amounts. Depreciation on account of incremental amount, to the extent of ₹ 13.68 lakhs (Previous year- ₹ 13.68 lakhs) has been transferred from Revaluation Reserve to General Reserve.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS for the Year Ended 31st March, 2017 *(contd.)*

10 NON CURRENT INVESTMENTS

		Number			(₹ in Lakhs)	
		As at 31st March, 2017	As at 31st March, 2016	Face Value of each share/unit	**Book Value As at 31st March, 2017**	Book Value As at 31st March, 2016
A.	**Long Term :**					
	Trade Investment (Valued at cost/under)					
1	**Unquoted-Fully Paid Equity Shares**					
	Saregama Regency Optimedia Private Limited (Joint Venture) #	14,59,684	-	₹10	**145.97**	-
	Less: Provision for other than temporary diminution in the carrying amount of Investment				**(145.97)**	-
					-	-
B.	**Other than Trade Investment (Valued at cost unless stated otherwise)**					
1	**Fully Paid Equity/Ordinary Shares in Other Companies**					
	Quoted					
	CESC Limited.	1,544,988	15,44,988	₹10	**3,971.86**	3,971.86
	Phillips Carbon Black Limited.	100	100	₹10	**0.06**	0.06
	Harrisons Malayalam Limited.	100	100	₹10	**0.04**	0.04
	CFL Capital Financial Services Limited.	100	100	₹10	**0.02**	0.02
	STEL Holdings Ltd	100	100	₹10	**-**	-
	Unquoted					
	Spencer and Company Limited.	200	200	₹ 9	**0.07**	0.07
	Woodlands Multispeciality Hospital Limited	2,250	2,250	₹10	**0.07**	0.07
	Timbre Media Private Ltd @	2,30,000	2,30,000	₹10	**-**	-
					3,972.12	3,972.12
				Grand Total(A+B)	**3,972.12**	3,972.12
	Aggregate Amount of Quoted Investments				**3,971.98**	3,971.98
	Aggregate Market Value of Quoted Investments				**12,996.92**	7,303.33
	Aggregate Amount of Unquoted Investments				**0.14**	0.14

@ Acquired during the year 2012-13 pursuant to clause 3.8 of the agreement entered into between Saregama India Limited and Timbre Media Private Limited.

#Under liquidation effective 19th September,2016. Also refer Note 38.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS for the Year Ended 31st March, 2017 *(contd.)*

(₹ in Lakhs)

	As at 31st March, 2017	As at 31st March, 2016
11 DEFERRED TAX ASSET		
The major components of Deferred Tax Assets are:-		
Deferred Tax Asset on :-		
Provisions for doubtful debts	**674.72**	625.71
Unamortised Expenditure allowable for tax purpose in subsequent years	**233.07**	321.85
Depreciation	**126.31**	114.00
Total	**1,034.10**	1,061.56
Share of Joint venture [Refer Note 29(b)]	**-**	-
TOTAL	**1,034.10**	1,061.56

(₹ in Lakhs)

	As at 31st March, 2017		As at 31st March, 2016	
12 LONG TERM LOANS AND ADVANCES				
Capital Advances				
Unsecured considered Good		**32.50**		96.45
Unsecured considered Doubtful	**14.88**		14.88	
Less: Provision for Doubtful advances	**14.88**	**-**	14.88	-
Security Deposits				
Unsecured considered Good		**595.88**		556.51
Loan to Employees				
Unsecured considered Good		**-**		0.12
Prepaid Expense		**93.60**		-
Unsecured considered Good				
		721.98		653.08
Share of Joint venture [Refer Note 29(b)]		**-**		-
TOTAL		**721.98**		653.08

(₹ in Lakhs)

	As at 31st March, 2017	As at 31st March, 2016
13 OTHER NON CURRENT ASSETS		
-Deposits with maturity more than 12 months*	**2.50**	2.00
	2.50	2.00
Share of Joint venture [Refer Note 29(b)]	**-**	-
TOTAL	**2.50**	2.00

* Includes ₹ 0.25 Lakh (31.03.2016: ₹Nil) lodged with Government Authority

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS for the Year Ended 31st March, 2017 *(contd.)*

(₹ in Lakhs)

	As at 31st March, 2017		As at 31st March, 2016	
14 INVENTORIES [Refer Note:1(f)]				
Raw Materials		**44.09**		30.73
Finished Goods				
- Untelecasted Television Serials	**124.84**		83.60	
- Music Card	**146.74**	**271.58**	13.06	96.66
Work in Progress				
- Digital Films Under Production		**717.93**		-
		1,033.60		127.39
Share of Joint venture [Refer Note 29(b)]		**-**		-
TOTAL		**1,033.60**		127.39

(₹ in Lakhs)

	As at 31st March, 2017		As at 31st March, 2016	
14.1 Details of Closing Inventories of Raw Materials, Finished Goods and Work in Progress.				
Raw Materials				
- Papers		**44.09**		30.73
Finished Goods				
- Untelecasted Television Serials	**124.84**		83.60	
- Music Card	**146.74**	**271.58**	13.06	96.66
Work in Progress				
- Digital Films Under Production		**717.93**		-
		1,033.60		127.39
Share of Joint venture [Refer Note 29(b)]		**-**		-
TOTAL		**1,033.60**		127.39

(₹ in Lakhs)

	As at 31st March, 2017		As at 31st March, 2016	
15 TRADE RECEIVABLES				
Unsecured				
Outstanding for a period exceeding six months from the date they are due for payment				
Considered Good		**122.58**		88.10
Considered Doubtful	**1,943.32**		1,804.75	
Less: Provision for Doubtful Debts	**1,943.32**	**-**	1,804.75	-
Other Debts				
Considered Good		**5,104.47**		4,517.16
Considered Doubtful	**43.31**		22.37	
Less: Provision for Doubtful Debts	**43.31**	**-**	22.37	-
		5,227.05		4,605.26
Share of Joint venture [Refer Note 29(b)]		**-**		-
TOTAL		**5,227.05**		**4,605.26**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS for the Year Ended 31st March, 2017 *(contd.)*

(₹ in Lakhs)

	As at 31st March, 2017		As at 31st March, 2016	
16 CASH AND BANK BALANCES				
Cash and Cash Equivalents				
Cash on Hand	**1.08**		5.35	
Cheques on Hand	**0.14**		0.91	
Bank Balances				
- Current Accounts	**893.92**		843.00	
- Demand Deposits with Banks (upto 3 months maturity) (Include ₹300 Lakhs held as margin money against letter of credit facility (31.03.2016: ₹Nil))	**1,000.00**	**1,895.14**	1,700.00	2,549.26
Other Bank Balances *				
- Deposits with maturity more than 3 months but less than 12 months		**-**		40.15
- Unpaid Dividend Accounts @		**7.27**		5.40
		1,902.41		2,594.81
Share of Joint venture [Refer Note 29(b)]		**-**		1.14
TOTAL		**1,902.41**		2,595.95

@ Earmarked for payment of unclaimed dividend

* Excludes deposits ₹ 2.50 Lakhs (31.03.2016- ₹ 2 Lakhs) with maturity more than 12 months from the reporting period and shown under ' Other Non-Current Assets' (Note 13)

16.1 **Disclosures relating to Specified Bank Notes*(SBNs) held and transacted during the period from 8 November, 2016 to 30 December, 2016**

(₹ in Lakhs)

Particulars	**SBNs***	**Other Denomination Notes**	**Total**
Closing cash in hand as on 8 November, 2016	6.21	2.17	8.38
(+) Permitted Receipts	-	9.73	9.73
(-) Permitted Payment	(1.72)	(9.84)	(11.56)
(-) Amount deposited in Banks	(4.49)	-	(4.49)
Closing cash in hand as on 30 December, 2016	-	2.06	2.06

* Specified Bank Notes (SBNs) mean the bank notes of denominations of the existing series of the value of five hundred and one thousand rupees as defined under the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs no.S.O.3407(E) dated the 8th November, 2016.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS for the Year Ended 31st March, 2017 *(contd.)*

(₹ in Lakhs)

		As at 31st March, 2017		As at 31st March, 2016	
17	**SHORT TERM LOANS AND ADVANCES**				
	(Unsecured, considered good unless otherwise stated)				
	Minimum Guarantee Royalty Advances		**102.15**		199.33
	Royalty Advances				
	Unsecured considered Good		**225.27**		296.72
	Unsecured considered Doubtful	**434.05**		398.78	
	Less: Provision for Doubtful Advances	**434.05**	**-**	398.78	-
	Advance against TV Projects				
	Unsecured considered Good		**356.71**		5.51
	Unsecured considered Doubtful	**190.21**		190.21	
	Less: Provision for Doubtful Advances	**190.21**	**-**	190.21	-
	Loan to Employees		**13.17**		17.71
	Amount held by Director in Trust for the Parent Company		**258.08**		-
	Balances with Government Authorities		**474.86**		422.14
	Prepaid Expense				
	Unsecured considered Good		**295.98**		345.49
	Unsecured considered Doubtful	**125.19**		125.19	
	Less: Provision for Doubtful Advances	**125.19**	**-**	125.19	-
	Gratuity (Refer Note 24.1)		**8.19**		7.54
	Advance against Supply of Goods		**81.22**		-
	Unsecured considered Good				
	Advance to Artist / for Event / Others				
	Unsecured considered Good		**13.35**		28.36
	Unsecured considered Doubtful	**427.35**		427.35	
	Less: Provision for Doubtful Advances	**427.35**	**-**	427.35	-
	Advance payment of Income Tax and Tax Deducted at Source [net of Provision for Taxation ₹ 3,973.34 Lakhs (31.03.16- ₹ 3,165.38 Lakhs)]		**4,191.36**		3,851.14
	Advance payment of Fringe Benefit Tax [net of Provision ₹ 147.87 Lakhs; (31.03.2016-₹ 147.87 Lakhs)]		**20.08**		20.08
			6,040.42		5,194.02
	Share of Joint venture [Refer Note 29(b)]		**-**		9.49
	TOTAL		**6,040.42**		5,203.51

(₹ in Lakhs)

		As at 31st March, 2017	As at 31st March, 2016
18	**OTHER CURRENT ASSETS**		
	Unsecured considered Good		
	Interest accrued on deposits with bank	**6.30**	17.25
		6.30	17.25
	Share of Joint venture [Refer Note 29(b)]	**-**	-
	TOTAL	**6.30**	17.25

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS for the Year Ended 31st March, 2017 *(contd.)*

(₹ in Lakhs)

		Year ended 31st March, 2017		Year ended 31st March, 2016	
19	**REVENUE FROM OPERATIONS**				
	Sale of Products				
	Audio Compact Discs	**41.36**		265.74	
	Digital Versatile Discs	**19.38**		25.77	
	Music Card	**536.14**		-	
	Others	**16.55**	**613.43**	16.28	307.79
	Less: Excise Duty		**-**		0.03
			613.43		307.76
	Sale of Services				
	Advertising	**623.60**		243.14	
	News-stand	**44.88**		47.02	
	Income from Marketing Support Services	**-**		122.67	
	Income from Television Serials (including Free Commercial Time)	**6,692.49**		8,473.72	
	Licence Fees	**13,766.20**		12,870.26	
	Others	**87.06**	**21,214.23**	85.01	21,841.82
	Other Operating Revenue		**21.85**		18.41
			21,849.51		22,167.99
	Share of Joint venture [Refer Note 29(b)]		**-**		-
	TOTAL		**21,849.51**		22,167.99

(₹ in Lakhs)

		Year ended 31st March, 2017	Year ended 31st March, 2016
20	**OTHER INCOME**		
	Liabilities/Provisions no longer required written back	**344.98**	537.35
	Excess remuneration recoverable (Refer Note 35.1)	**258.08**	-
	Provision for Doubtful Debts/ Advances no longer required written back	**13.16**	150.50
	Interest Income (Gross)		
	- on Bank Deposits	**88.55**	55.65
	- on Security Deposits	**2.49**	2.48
	- on Income Tax Refund	**-**	84.53
	Dividend from Long Term (other than trade) Investments	**154.51**	293.55
	Profit on Sale of Tangible Fixed Assets	**0.68**	2.41
	Rent Income	**4.38**	3.92
	Net Gain on foreign currency transactions / translation	**-**	81.13
	Other Non-Operating Income	**9.47**	5.11
		876.30	1,216.63
	Share of Joint venture [Refer Note 29(b)]	**-**	0.04
	TOTAL	**876.30**	1,216.67

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS for the Year Ended 31st March, 2017 *(contd.)*

(₹ in Lakhs)

	Year ended 31st March, 2017	Year ended 31st March, 2016
21 COST OF MATERIALS CONSUMED AND CONTRACT MANUFACTURING CHARGES.		
A) Cost of Materials Consumed (Refer Note:21.1)	**104.55**	113.75
B) Contract Manufacturing Charges (Refer Note:21.2)	**544.70**	237.84
	649.25	351.59
Share of Joint venture [Refer Note 29(b)]	**-**	-
TOTAL	**649.25**	351.59

(₹ in Lakhs)

	Year ended 31st March, 2017	Year ended 31st March, 2016
21.1 Details of Materials Consumed		
Opening Stock		
- Materials : Paper	**30.73**	56.47
Materials Purchased		
- Materials : Paper	**117.91**	88.01
Less: Closing Stock		
- Materials : Paper	**44.09**	30.73
	104.55	113.75
Share of Joint venture [Refer Note 29(b)]	**-**	-
TOTAL	**104.55**	113.75

(₹ in Lakhs)

	Year ended 31st March, 2017	Year ended 31st March, 2016
21.2 Details of Contract Manufacturing Charges		
Contract Manufacturing Charges		
- Audio Compact Discs	**37.01**	196.47
- Digital Versatile Discs	**15.69**	18.64
- Music Card	**485.45**	-
- Others	**6.55**	22.73
	544.70	237.84
Share of Joint venture [Refer Note 29(b)]	**-**	-
TOTAL	**544.70**	237.84

(₹ in Lakhs)

	Year ended 31st March, 2017	Year ended 31st March, 2016
22 COST OF PRODUCTION OF TELEVISION SERIALS AND PORTAL		
Cost of Production of Television Serials (Refer Note:22.1)	**6,126.26**	6,632.80
Cost of Portal Development	**198.61**	134.02
	6,324.87	6,766.82
Share of Joint venture [Refer Note 29(b)]	**-**	-
TOTAL	**6,324.87**	6,766.82

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS for the Year Ended 31st March, 2017 *(contd.)*

(₹ in Lakhs)

	Year ended 31st March, 2017	Year ended 31st March, 2016
22.1 Details of Cost of Production of Television Serials		
Telecast Fees	**1,190.40**	1,252.35
Payment to artistes, directors, script-writers, etc.	**1,408.38**	1,175.43
Cost of Tapes	**-**	0.12
Food, Lodging and Travel	**285.68**	296.89
Set, properties and equipment charges	**483.58**	210.57
Other Production Expenses	**2,716.98**	4,093.71
Increase / (Decrease) in Inventories of Television Serials	**41.24**	(396.27)
	6,126.26	6,632.80
Share of Joint venture [Refer Note 29(b)]	**-**	-
TOTAL	**6,126.26**	6,632.80

(₹ in Lakhs)

	Year ended 31st March, 2017		Year ended 31st March, 2016	
23 CHANGES IN INVENTORIES OF FINISHED GOODSAND WORK IN PROGRESS				
Opening Stock				
- Finished Goods-Untelecasted Television Serials	**83.60**		479.87	
- Finished Goods- Music Card	**13.06**		-	
		96.66		479.87
Less: Closing Stock				
- Finished Goods-Untelecasted Television Serials	**124.84**		83.60	
- Finished Goods- Music Card	**146.74**		-	
- Work In Progress-Digital Films Under Production	**717.93**	**989.51**	13.06	96.66
		(892.85)		383.21
Share of Joint venture [Refer Note 29(b)]		**-**		-
Net (Increase)/Decrease		**(892.85)**		383.21

(₹ in Lakhs)

	Year ended 31st March, 2017		Year ended 31st March, 2016	
24 EMPLOYEE BENEFITS EXPENSE				
Salaries and Wages		**4,427.57**		4,441.00
Contributions to:				
Provident Fund	**130.76**		125.47	
Superannuation Fund	**10.96**		9.61	
Gratuity Fund	**132.90**		164.40	
Employee's State Insurance Scheme (contribution plan)	**10.35**	**284.97**	14.05	313.53
Staff Welfare Expenses		**173.98**		172.87
		4,886.52		4,927.40
Share of Joint venture [Refer Note 29(b)]		**-**		-
TOTAL		**4,886.52**		4,927.40

24.1 In keeping with the Group gratuity scheme (a defined benefit plan-funded), eligible employees are entitled to gratuity benefit (at one half months eligible salary for each completed year of service) on retirement / death / incapacitation / resignation etc. Also refer Note 1 (g) for accounting policy relating to gratuity. Following are the further particulars with respect to gratuity.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS for the Year Ended 31st March, 2017 *(contd.)*

(₹ in Lakhs)

	2016-17			2015-16		
I. Reconciliation of opening and closing balances of the present value of the Defined Benefit Obligation	**Parent Company**	**Subsidiary**	**Share of Joint Venture (Refer Note below)**	Parent Company	Subsidiary	Share of Joint Venture (Refer Note below)
(a) Present Value of Obligation at the beginning of the year	**688.27**	**25.51**	**N/A**	554.76	20.56	N/A
(b) Current Service Cost	**45.11**	**8.55**	**N/A**	38.26	7.45	N/A
(c) Interest Cost	**38.64**	**1.96**	**N/A**	40.79	1.48	N/A
(d) Curtailment Cost	**-**	**-**	**N/A**	63.06	-	N/A
(e) Actuarial Loss / (Gain)	**75.61**	**(1.80)**	**N/A**	55.13	(0.86)	N/A
(f) (Benefits Paid)	**(372.85)**	**(1.35)**	**N/A**	(63.73)	(3.12)	N/A
(g) Present Value of Obligation as at the end of the year	**474.78**	**32.87**	**N/A**	688.27	25.51	N/A
II. Reconciliation of opening and closing balances of the fair value of Plan Assets						
(a) Fair Value of Plan Assets at the beginning of the year	**622.84**	**33.05**	**N/A**	513.27	31.94	N/A
(b) Expected Return on Plan Assets	**38.04**	**2.79**	**N/A**	50.99	2.87	N/A
(c) Actuarial Gain / (Loss)	**(7.22)**	**1.56**	**N/A**	(11.31)	(1.64)	N/A
(d) Contributions	**78.29**	**5.00**	**N/A**	133.62	3.00	N/A
(e) (Benefits Paid)	**(372.85)**	**(1.34)**	**N/A**	(63.73)	(3.12)	N/A
(f) Fair Value of Plan Assets as at the end of the year	**359.10**	**41.06**	**N/A**	622.84	33.05	N/A
III. Reconciliation of the present value of Defined Benefit Obligation in 'I' above and the Fair value of Plan Assets in 'II' above						
(a) Present Value of Obligation as at the end of the year	**474.78**	**32.87**	**N/A**	688.27	25.51	N/A
(b) Fair Value of Plan Assets as at the end of the year	**359.10**	**41.06**	**N/A**	622.84	33.05	N/A
(c) Liability / (Asset) recognised in the Balance Sheet	**115.68**	**(8.19)**	**N/A**	65.43	(7.54)	N/A
IV. Expense charged to Statement of Profit and Loss						
(a) Current Service Cost	**45.11**	**8.55**	**N/A**	38.26	7.45	N/A
(b) Interest Cost	**38.64**	**1.96**	**N/A**	40.79	1.48	N/A
(c) (Expected Return on Plan Assets)	**(38.04)**	**(2.79)**	**N/A**	(50.99)	(2.87)	N/A
(d) Curtailment Cost	**-**	**-**	**N/A**	63.06	-	N/A
(e) Actuarial (Gain) / Loss	**82.83**	**(3.36)**	**N/A**	66.44	0.78	N/A
(f) Total expense charged to the Statement of Profit and Loss*	**128.54**	**4.36**	**N/A**	157.56	6.84	N/A
*reflected as 'Contribution to Gratuity Fund' in Note 24 on 'Employee Benefits Expense'						
V. Percentage of each Category of Plan Assets to total Fair Value of Plan Assets as at Balance Sheet date						
(a) Fund with Life Insurance Corporation of India	**58%**	**-**	**N/A**	78%	-	N/A
(b) NAV based Group Balanced Fund with ICICI Prudential Life Insurance Company Limited	**21%**	**-**	**N/A**	11%	-	N/A
(c) NAV based Group Short Term Debt Fund with ICICI Prudential Life Insurance Company Limited	**10%**	**-**	**N/A**	5%	-	N/A
(d) NAV based Group Debt Fund with ICICI Prudential Life Insurance Company Limited	**11%**	**-**	**N/A**	6%	-	N/A
(e) Fund with Aviva Life Insurance Company India Ltd	**-**	**100%**	**N/A**	-	100%	N/A
VI. Actual Return on Plan Assets	**30.82**	**4.35**	**N/A**	39.68	1.23	N/A
VII. Principal Actuarial Assumptions as at Balance Sheet date						
(a) Discount Rate	**7.10%**	**7.30%**	**N/A**	7.70%	7.90%	N/A
(b) Expected Rate of Return on Plan Assets	**8.00%**	**9.00%**	**N/A**	8.00%	9.00%	N/A
(c) Salary Escalation	**10.00%**	**7.00%**	**N/A**	10.00%	7.00%	N/A

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market. The expected rate of return on plan assets is based on the composition of plan assets held, assessed risks of asset management, historical results of the return on plan assets, the Group Company's policy for plan asset management and other relevant factors.

As the Joint Venture does not have any employee as on March 31, 2017, Actuarial Valuation of Gratuity liability was not carried out as on that date and accordingly disclosures as required by Accounting Standard-15-Employee Benefits are not applicable to the Joint Venture.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS for the Year Ended 31st March, 2017 *(contd.)*

(₹ in Lakhs)

VIII Other Disclosures

A) Parent Company	**2016-17**	2015-16	2014-15	2013-14	2012-13
a) Present value of the Obligation as at the end of the year	**474.78**	688.27	554.76	533.50	489.80
b) Fair value of Plan Assets as at the end of the year	**359.10**	622.84	513.27	520.12	463.09
c) (Surplus) / Deficit as at the end of the year	**115.68**	65.43	41.49	13.38	26.71
d) Experience Adjustment on Plan Obligation [Gain /(Loss)]	**(55.17)**	(24.03)	5.55	(25.03)	(2.31)
e) Experience Adjustment on Plan Assets [Gain /(Loss)]	**(7.22)**	(11.31)	3.99	(2.39)	(0.63)

B) Subsidiary	**2016-17**	2015-16	2014-15	2013-14	2012-13
a) Present value of the Obligation as at the end of the year	**32.87**	20.56	20.56	22.22	22.57
b) Fair value of Plan Assets as at the end of the year	**41.06**	31.94	31.94	23.77	24.96
c) (Surplus) / Deficit as at the end of the year	**(8.19)**	(11.38)	(11.38)	(1.55)	(2.39)
d) Experience Adjustment on Plan Obligation [Gain /(Loss)]	**4.11**	5.42	5.42	3.40	2.86
e) Experience Adjustment on Plan Assets [Gain /(Loss)]	**1.56**	2.02	2.02	(0.03)	(1.01)

C) Share of Joint Venture	**2016-17**	2015-16	2014-15	2013-14	2012-13
a) Present value of the Obligation as at the end of the year	**N/A**	N/A	N/A	0.27	0.97
b) Fair value of Plan Assets as at the end of the year	**N/A**	N/A	N/A	-	-
c) (Surplus) / Deficit as at the end of the year	**N/A**	N/A	N/A	0.27	0.97
d) Experience Adjustment on Plan Obligation [Gain /(Loss)]	**N/A**	N/A	N/A	0.18	(0.04)
e) Experience Adjustment on Plan Assets [Gain /(Loss)]	**N/A**	N/A	N/A	-	-

24.2 Post Employment Defined Contribution Plans

During the year an amount of ₹ 152.07 Lakhs (31.03.2016: ₹ 149.13 Lakhs) has been recognised as expenditure towards Defined Contribution Plans of the Group.

(₹ in Lakhs)

	Year ended 31st March, 2017	Year ended 31st March, 2016
25 FINANCE COSTS		
Interest Expenses	**15.21**	29.42
Other Borrowing Costs	**11.75**	6.63
	26.96	36.05
Share of Joint venture [Refer Note 29(b)]	**3.40**	11.91
TOTAL	**30.36**	47.96

(₹ in Lakhs)

	Year ended 31st March, 2017	Year ended 31st March, 2016
26 DEPRECIATION AND AMORTISATION EXPENSE		
Depreciation on Tangible Asset	**239.41**	265.55
Amortisation on Intangible Asset	**190.02**	278.90
	429.43	544.45
Share of Joint venture [Refer Note 29(b)]		
Depreciation on Tangible Asset	**-**	-
Amortisation on Intangible Asset	**-**	-
TOTAL	**429.43**	544.45

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS for the Year Ended 31st March, 2017 *(contd.)*

(₹ in Lakhs)

		Year ended 31st March, 2017	Year ended 31st March, 2016
27	**OTHER EXPENSES**		
	Consumption of Stores and Spare Parts	**-**	0.02
	Power and Fuel	**171.94**	172.36
	Rent	**387.70**	288.85
	Repairs - Buildings	**21.58**	11.69
	- Machinery	**3.60**	20.17
	- Others	**79.33**	85.51
	Royalties	**2,035.90**	1,698.20
	Recording Expenses	**685.58**	768.68
	Carriage, Freight and Forwarding Charges	**124.64**	135.68
	Rates and Taxes	**54.56**	158.61
	Insurance	**20.32**	20.62
	Travel and Conveyance	**542.02**	519.00
	Advertisement and Sales Promotion	**2,590.60**	1,853.05
	Editorial Expenses	**121.96**	118.62
	Printing & Publishing Expenses	**71.54**	73.56
	Printing and Communication Expenses	**438.86**	419.52
	Provision for Diminution in carrying amount of Long term Investment	**145.97**	-
	Bad Debts/Advances written off	**23.20**	53.76
	Provision for Doubtful debts and Advances	**207.94**	111.70
	Provision for impariment of Copyright-Music	**45.83**	-
	Provision for Magazine Returns	**11.87**	8.87
	Loss on disposal of Fixed Asset/Fixed Assets Scrapped	**1.01**	13.84
	Legal/Consultancy Expenses	**987.33**	703.94
	Event Expense	**-**	105.27
	Loss on Foreign Currency Transactions and Translation	**100.15**	-
	Payment to Auditors	**71.76**	69.89
	Contribution towards CSR (Refer Note 27.1)	**57.21**	54.00
	Miscellaneous Expense	**835.47**	807.88
		9,837.87	8,273.29
	Share of Joint venture [Refer Note 29(b)]	**5.05**	19.69
	TOTAL	**9,842.92**	8,292.98
27.1	Corporate Social Responsibility Expenditure		
	(a) Gross Amount required to be spent by the Parent company during the year	**57.21**	53.88
	(b) Amount paid to RP-Sanjiv Goenka Group CSR trust towards purposes other then construction/acquisition of assets ₹ 57.21 lakhs (previous year ₹ 54 Lakhs)		

(₹ in Lakhs)

		Year ended 31st March, 2017	Year ended 31st March, 2016
28	**EXCEPTIONAL ITEMS**		
	Capital Reserve arising on Consolidation	**-**	0.79
	Impairment Loss on Goodwill on Consolidation (Net of arising on Consolidation ₹ Nil, 31.03.2016- ₹ Nil)	**-**	202.69
	Payment under Voluntary Retirement Scheme	**-**	**955.40**
		-	1,158.88
	Share of Joint venture [Refer Note 29(b)]	**-**	-
	TOTAL	**-**	**1,158.88**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS for the Year Ended 31st March, 2017 *(contd.)*

29 The Consolidated Financial Statements have been prepared in accordance with Accounting Standard (AS) 21 " Consolidated Financial Statements" and Accounting Standard (AS) 27 "Financial Reporting of Interests in Joint Ventures", notified under Section 211 (3C) of the Companies Act,1956.

(a) The subsidiaries [which along with Saregama India Limited (Parent Company) and jointly controlled entity constitute the Group] considered in the preparation of these Consolidated Financial Statements are:

Name	Country of Incorporation	**Proportion of ownership interest as at 31st March, 2017**	Proportion of ownership interest as at 31st March, 2016
Saregama Plc.	United Kingdom	**76.41%**	76.41%
RPG Global Music Limited	Mauritius	**100%**	100%
Kolkata Metro Networks Limited	India	**100%**	100%
Open Media Network Private Limited	India	**100%**	100%

(b) Group's Interest in Joint Venture (jointly controlled entity) is :

Name	Country of Incorporation	**Proportion of ownership interest as at 18th September, 2016**	Proportion of ownership interest as at 31st March, 2016
Saregama Regency Optimedia Private Limited	India	**26%**	26%

Interest in the Joint Venture is accounted for using proportionate consolidation.

30 Capital commitments (net of advances of ₹ 25.00 Lakhs; 31.03.16 - ₹17.42 Lakhs) as at 31st March, 2017 are estimated at ₹ 75.00 Lakhs (31.03.16 - ₹ 26.92 Lakhs).

31 Contingent liabilities in respect of -

(₹ in Lakhs)

	As at 31st March, 2017	As at 31st March, 2016
(i) Claims against the Group not acknowledged as debts in respect of -		
Copyright matters	**120.00**	20.00
Income Tax matters	**1,593.47**	1,934.68
Sales tax / Value added tax / Entry tax matters	**559.87**	533.50
Excise duty matters	**112.16**	112.16
Custom duty matters	**266.75**	266.75

32 Un-hedged exposures in foreign currencies

	As at 31st March, 2017		As at 31st March, 2016	
	Foreign Currency (in'Lakhs)	**(₹ Lakhs)**	Foreign Currency (in'Lakhs)	(₹ Lakhs)
Trade Receivables	**USD 18.86**	**1,223.06**	USD 6.27	415.96
Trade Receivables	**SAR 0.06**	**1.02**	SAR 0.06	1.10
Trade Receivables	**LKR 55.69**	**23.45**	LKR 53.31	23.29
Trade Receivables	**NPR 0.05**	**0.03**	NPR 0.05	0.03
Trade Receivables	**-**	**-**	SGD 0.01	0.48
Trade Receivables	**QAR 0.46**	**8.25**	-	-
Trade Receivables	**AED 2.60**	**45.89**	-	-
Trade Payables	**USD 0.05**	**3.04**	USD 0.48	31.72

33.1 The Parent Company has adopted the intrinsic value method in keeping with the applicable regulatory pronouncements for accounting the stock options granted as referred to in Note 2.6, which has no impact on the financial results of the Parent Company. Had the fair value method been used in keeping with the said pronouncements, net profit for the year would have been lower by about ₹ 3.44 Lakhs (Previous Year ₹ 3.97 Lakhs), without any significant impact on basic and diluted earning per share.

33.2 Basic and Diluted Earnings per share :

	Year ended 31st March, 2017	Year ended 31st March, 2016
Number of equity shares at the beginning of the year	**17,402,938**	17,402,938
Number of equity shares at the end of the year	**17,402,938**	17,402,938
Weighted average number of equity shares outstanding during the year (A)	**17,402,938**	17,402,938
Weighted average number of potential equity shares on account of employee stock options (B)	**14,471**	19,048
Weighted average number of equity shares for computing diluted earnings per share [C= (A+B)]	**17,417,409**	17,421,986
Nominal value of each equity share (₹)	**10**	10
Profit after Taxation and Minority Interests available for equity shareholders (₹ in Lakhs) [D]	**595.77**	683.48
Basic Earning per share (₹) [D/A]	**3.42**	3.93
Diluted Earning per share (₹) [D/C]	**3.42**	3.92

34 Segment Reporting :

Primary Segment information (Business Segments)

(₹ in Lakhs)

	Particulars	Year ended 31st March, 2017							Year ended 31st March, 2016						
		Music	**Films/TV Serials**	**Publication**	**Marketing Support Services**	**Segment Total**	**Elimination**	**Consolidated Total**	Music	Films/TV Serials	Publication	Marketing Support Services	Segment Total	Elimination	Consolidated Total
1	Segment Revenue														
	- External Sales and License Fees	**14,418.96**	**6,692.49**	**738.06**	**-**	**21,849.51**	**-**	**21,849.51**	13,216.95	8,473.72	333.54	143.78	22,167.99	-	22,167.99
	- Intersegment Sales and License Fees	**-**	**-**			**-**	**-**	**-**	-	-	-	-	-	-	-
	Total	**14,418.96**	**6,692.49**	**738.06**	**-**	**21,849.51**	**-**	**21,849.51**	13,216.95	8,473.72	333.54	143.78	22,167.99	-	22,167.99
2	Segment Result	**3,970.47**	**787.20**	**(1,157.31)**	**-**	**3,600.36**	**-**	**3,600.36**	3,751.44	963.12	(918.31)	(3.54)	3,792.71	-	3,792.71
	Interest expense not allocated to segments							**(18.63)**							(41.33)
	Other unallocated expenditure (net)							**(2,126.42)**							(2,840.01)
	Profit before taxation and Minority Interest							**1,455.31**							911.37
3	Segment Assets	**24,219.24**	**3,370.32**	**520.67**	**-**	**28,110.23**	**-**	**28,110.23**	11,626.33	2,640.05	470.86	9.66	14,746.90	-	14,746.90
	Unallocated							**11,684.72**							11,957.62
	Total Assets							**39,794.95**							26,704.52
4	Segment Liabilities	**7,690.65**	**409.02**	**419.84**	**-**	**8,519.51**	**-**	**8,519.51**	6,940.92	276.70	337.98	8.85	7,564.45	-	7,564.45
	Unallocated							**1,189.46**							1,525.61
	Total Liabilities							**9,708.97**							9,090.06
5	Segment Capital Expenditure	**196.43**	**14.22**	**0.32**	**-**	**210.97**			616.53	12.90	101.80	1.46	732.69		
6	Segment Depreciation and amortisation	**376.26**	**17.03**	**36.14**	**-**	**429.43**			519.21	7.95	16.49	0.80	544.45		
7	Segment non-cash expenditure other than Depreciation and amortisation	**180.84**	**45.16**	**6.14**	**-**	**232.14**			125.54	39.52	14.24	-	179.30		
8	Impairment Loss on Copyright Music	**45.83**	**-**	**-**	**-**	**45.83**			-	-	-	-	-		

Business Segments- The internal business segmentation and activities are :-

Music: Manufacturing and sale of Music Card, Audio Compact Discs/Digital Versatile Discs, dealing with related music rights.

Films/TV Serials : Production and sale/ telecast/broadcast of films/ TV serials, pre recorded programmes and dealing in film rights.

Publication: Printing of printed material.

Marketing Support Services:Event management services, PR Services, Brand consultancy,Management/Creative services,Digital Marketing etc.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS for the Year Ended 31st March, 2017 *(contd.)*

Secondary Segment Information (Geographical Segments)

	12 Months to 31.03.17	12 Months to 31.03.16
Segment Revenue		
- within India	**20,916.87**	21,425.30
- outside India	**932.64**	742.69
Total	**21,849.51**	22,167.99
Segment Assets		
- within India	**27,850.82**	14,605.80
- outside India	**259.41**	141.10
Total	**28,110.23**	14,746.90
Capital Expenditure		
- within India	**210.97**	732.69
- outside India	**-**	-
Total	**210.97**	732.69

The Geographical Segments considered for disclosure are India and outside India.

35 Related Party Disclosures in keeping with Accounting Standard (AS) 18

Name of Related Parties	**Nature of Relationship**
a) **Where Control exists**	
Rainbow Investments Limited (RIL) *	Holding Company
Composure Services Private Limited (CSPL) #	Holding Company
b) **Others with whom transactions have taken place**	
Saregama Regency Optimedia Private Limited (SROPL)**	Joint Venture Company
Mr. Vikram Mehra (Managing Director of Parent Company)	Key Management Personnel
Mr. G.B.Aayeer (Executive Director of Parent Company)	Key Management Personnel
Mr. Sanjiv Goenka	Chairman
Mrs. Preeti Goenka	Relative of Mr. Sanjiv Goenka
Mrs. Sushila Goenka	Relative of Mr. Sanjiv Goenka
Mrs. S.G.Aayeer	Relative of Mr.G.B. Aayeer

* up to 28th March, 2017
# with effect from 29th March, 2017
** under liquidation effective 19th September, 2016

Particulars of transactions during the year ended 31st March,2017	**Year ended 31st March, 2017 (₹ Lakhs)**	**Year ended 31st March, 2016 (₹ Lakhs)**
A **Holding Company- (RIL) up to 28th March, 2017**		
Dividend Paid	154.37	154.37
B **Key Management Personnel**		
Managerial remuneration paid/payable to Mr Vikram Mehra.	530.81	489.92
Managerial remuneration paid/payable to Mr G.B.Aayeer.	177.79	133.07
Excess remuneration recoverable from Mr.Vikram Mehra [Refer Note 35.1(a) and 35.1(b)]	258.08	-
Excess remuneration to Mr.Vikram Mehra written back [Refer Note 35.1(b)]	130.88	-

	Particulars of transactions during the year ended 31st March,2017	Year ended 31st March, 2017 (₹ Lakhs)	Year ended 31st March, 2016 (₹ Lakhs)
C	**Payment to Relative of Key Managerial Personnel**		
	Car lease Rental Paid to Mrs S.G.Aayeer	-	3.64
D	**Sitting Fees**		
	Mr. Sanjiv Goenka	0.90	0.60
	Mrs. Preeti Goenka	0.40	0.20
	Mrs. Sushila Goenka	0.40	0.20
E	**Payment to Relative of Chairman**		
	Rent paid to Mrs. Preeti Goenka	5.40	5.40
F	**Joint Venture Company - SROPL**		
	Provision for Dimunition in the Carrying amount of Investment made	145.97	-

Balances outstanding at the year end	As at 31st March, 2017 (₹ Lakhs)	As at 31st March, 2016 (₹ Lakhs)
Joint Venture Company - SROPL		
1.) Non - Current Investment @	145.97	-
2.) Provision for Dimunition in the value of Investment	145.97	-
Key Management Personnel		
Remuneration Payable		
- Mr.Vikram Mehra	205.47	184.88
- Mr.G.B.Aayeer	30.00	-
Excess Remuneration Recoverable		
- Mr.Vikram Mehra	258.08	-
@ Gross of Provision		

35.1 (a) The Central Government vide its Order dated 5th October, 2016 ('Order') has approved remuneration payable to Managing Director of the Parent Company for the period from 27th October, 2014 to 26th October, 2017. According to the Board of Directors, remuneration for 2014-15 was paid within the limit as specified in Section 197 read with Schedule V of the Act. However, the same has exceeded by ₹ 78.98 Lakhs as against the limit as set out in the aforesaid Order. In the opinion of the Board of Directors, the Parent Company's application to Central Government in April 2016 was with the intention of getting approval relating to the remuneration paid/payable for the financial year 2015-16 and inadvertently sought the approval from the date of appointment of the Managing Director. The Parent Company has applied / sought clarification to / from the Central Government vide its letter dated 10th May, 2017 stating that the aforesaid Order would not be applicable (also in keeping with the legal opinion obtained by the Company) to the Company for the financial year 2014-15, as the amount of remuneration for that year was within the limits of the Act, as aforesaid. The Parent Company, however, on a prudent basis, has kept the aforesaid excess in receivable (recoverable from Managing Director holding it in trust for the Company) in these accounts and for till such time clarification is obtained from Central Government in this regard.

(b) In respect of financial year 2015-16, the Parent Company has paid/ provided remuneration in excess of the limit specified in Section 197 read with Schedule V of the Act. The Parent Company has subsequently made necessary application to the Central Government and received the aforesaid Order for an amount of ₹179.94 Lakhs as against the amount paid /provided of ₹489.92 Lakhs. The excess remuneration of ₹179.10 Lakhs and ₹130.88 Lakhs as against the aforesaid limit set out in the Order is in the process of recovery from the Managing Director with such excess been treated as receivable (recoverable from Managing Director holding it in trust for the Company) and written back respectively in these accounts.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS for the Year Ended 31st March, 2017 *(contd.)*

35.2 Remuneration for financial year 2016-17 aggregating ₹ 530.81 Lakhs has been paid / provided in the accounts in accordance with shareholders' approval read with Notification No. S.O.2922 (E) dated 12th September, 2016 issued by the Ministry of Corporate Affairs (Notification). However, the same has exceeded by ₹ 332.88 Lakhs as against the limit set out in the aforesaid Order in 35.1(a) above. According to the Board of Directors and a legal opinion obtained by the Parent Company, remuneration for the financial year 2016-17 shall be governed by the Notification, although it has specific Order as mentioned in 35.1(a) above and approval from the Central Government is not required. However, the Parent Company, on a prudent basis, has applied / sought clarification to / from the Central Government vide its letter dated 10th May, 2017 on the application of the aforesaid Notification in place of the aforesaid Order for remuneration paid / payable to the Managing Director for the financial year ended 31 March, 2017.

36. (a) Rent and share of Joint Venture disclosed under Other Expenses (Note 27) includes lease payments of ₹ 247.29 Lakhs (31.03.2016 - ₹ 151.93 Lakhs) and ₹ 2.18 Lakhs (31.03.2016 - ₹ 13.10 Lakhs) respectively relating to operating leases taken on or after 1st April, 2001. These leasing arrangements range from one year to ten years and are primarily in respect of accommodation for employees / office premises. The significant leasing arrangements inter alia include escalation clause and option for renewal.

(b) The total of future minimum lease payments under non-cancellable operating leases:

(₹ in Lakhs)

	Year ended 31st March, 2017		Year ended 31st March, 2016	
	Parent Company	**Share of Joint Venture (Refer Note 38)**	Parent Company	Share of Joint Venture
Not later than one year	**NIL**	**NIL**	NIL	13.10
Later than one year and not later than five years	**NIL**	**NIL**	NIL	NIL
More than five years	**NIL**	**NIL**	NIL	NIL

(c) Rent income includes sub-lease payments of ₹ 4.38 Lakhs (31.3.2016 - ₹ 3.92 Lakhs) for the year relating to sub-lease agreements entered into by the Parent Company on or after 1st April, 2001. These lease arrangements inter alia include escalation clause/option for renewal.

37. Share of Joint Venture ₹ Nil (31.03.2016-₹ 9.73 Lakhs) included in ' Reserve and Surplus' (Note 3) represents Fixed Capital Investment Subsidy received in earlier year. (Refer Note 38)

38. Saregama Regency Optimedia Private Limited (SROPL), a joint venture (JV) Company has been directed to be wound up vide Order dated 19th September, 2016 by the Hon'ble High Court at Calcutta and the Official Liquidator attached to this Court has forthwith taken into his custody all the property, effects, books of accounts, other documents and actionable claims. Since the parent company has ceased to have joint control over SROPL from the aforesaid date, its share in net assets of SROPL has been determined as on that date and shown under Non-current Investment (Refer Note 10).

39. Information of Net Assets and Profits

Name of the Entity	**Net Assets, i.e. total assets minus total liabilities**		**Share in Profit or Loss**	
	As % of Consolidated Net Assets	**Amount** (₹ in Lakhs)	**As % of Consolidated Profit or Loss**	**Amount** (₹ in Lakhs)
Parent				
Saregama India Limited	**98.38%**	**29,364.38**	**205.23%**	**1,222.71**
	(98.1%)	(17,070.94)	(161.89%)	(1,106.51)
Subsidiaries				
Indian				
Kolkata Metro Networks Limited	**1.50%**	**448.85**	**-4.91%**	**-29.28**
	(2.55%)	(443.81)	(-1.08%)	(-7.39)
Open Media Networks Private Limited	**0.34%**	**100.84**	**-194.25%**	**-1,157.27**
	(0.87%)	(150.87)	(-134.87%)	(-921.84)
Saregama Regency Optimedia Private Limited (Jointly Controlled Entity)	**-**	**-**	**-25.92%**	**-154.42**
	(-0.62%)	(-107.79)	(-4.62%)	(-31.57)

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS for the Year Ended 31st March, 2017 *(contd.)*

Name of the Entity	Net Assets, i.e. total assets minus total liabilities		Share in Profit or Loss	
	As % of Consolidated Net Assets	Amount (₹ in Lakhs)	As % of Consolidated Profit or Loss	Amount (₹ in Lakhs)
Foreign				
RPG Global Music Limited	**-0.11%**	**-31.64**	**0.04%**	**0.24**
	(-0.18%)	(-31.87)	(-1%)	(-6.81)
Saregama Plc	**0.68%**	**203.55**	**123.86%**	**737.91**
	(0.51%)	(88.50)	(80.13%)	(547.70)
Minority Interests in all subsidiaries				
Foreign				
Saregama Plc	**-0.80%**	**-237.69**	**-4.05%**	**-24.12**
	(-1.23%)	(-213.57)	(-0.46%)	(-3.12)
Total	**100.00%**	**29,848.29**	**100.00%**	**595.77**
	(100.00%)	**(17,400.89)**	**(100.00%)**	**(683.48)**

Figures in brackets represent for previous years.

40. Current Tax provision is net of Minimum Alternate Tax (MAT) credit of ₹ Nil (2015-16 ₹ 452.32 Lakhs) based on income tax computation set out in accounting policy [Note 1 (m)] and Parent Company's Return of Income.

41. **Proposed Dividend**

	As at 31st March, 2017	As at 31st March, 2016
The Final Dividend proposed for the year is on Equity Shares of ₹10 each		
Amount of Dividend Proposed	261.04	261.04
Dividend per Equity Share	₹ 1.50 per share	₹ 1.50 per share

42. Previous year's figures have been regrouped or rearranged, where considered necessary, to conform to current year's classification.

Signature to Note 1 to 42

For Price Waterhouse
Firm Registration No. 301112 E
Chartered Accountants

(Pinaki Chowdhury)
Partner
Membership No. 057572

On behalf of the Board

G. B. Aayeer
Chief Financial Officer & Director
DIN - 00087760

V. Mehra
Managing Director
DIN - 03556680

Kolkata
25th May, 2017

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017

(₹ in Lakhs)

		Year ended 31st March, 2017		Year ended 31st March, 2016	
A.	**Cash Flow from Operating Activities**				
	Profit Before Tax and Minority Interest		**1,455.31**		911.37
	Adjustments for:				
	Depreciation and Amortisation Expenses	**429.43**		544.45	
	Provision for impairment on Copyright Music	**45.83**		-	
	Bad debt/Advances written off	**23.20**		53.76	
	Provision for Doubtful Debts and Advances	**207.94**		111.70	
	Finance Costs	**30.36**		47.96	
	Provision for Diminution in carrying amount of Investments	**145.97**		-	
	Liabilities/Provisions no longer required written back	**(344.98)**		(537.35)	
	Provision for Doubtful Debts/ Advances no longer required written back	**(13.16)**		(150.50)	
	Interest Income	**(91.04)**		(58.13)	
	Loss on disposal of Fixed Asset/Fixed Assets Scrapped	**1.01**		13.84	
	Expenditure relating to Joint Venture on liquidation	**8.45**		-	
	Profit on sale of Fixed Assets	**(0.68)**		(2.41)	
	Exceptional Items (Refer Note 28)	**-**		203.48	
	Dividend from Long Term Investments-Other than Trade	**(154.51)**		(293.55)	
			287.82		(66.75)
	Operating profit before Working Capital Changes		**1,743.13**		844.62
	Changes in Working Capital:-				
	Increase in Trade Payables	**939.47**		734.24	
	Increase in Provisions	**956.42**		693.74	
	(Decrease)/ Increase in Other Current Liabilities	**(504.86)**		973.68	
	(Increase)/ Decrease in Trade Receivables	**(804.50)**		808.31	
	(Increase)/ Decrease in Inventories	**(906.21)**		408.95	
	(Increase) in Loans and Advances	**(674.30)**		(243.02)	
	(Increase) in Other Non Current Assets	**(0.50)**		-	
	(Increase) in Other Bank Balances	**(1.87)**		(0.41)	
			(996.35)		3,375.49
	Cash generated from operations		**746.78**		4,220.11
	Direct Taxes (net of refund)		**(1,148.18)**		(1,032.60)
	Net cash generated from / (used in) Operating Activities		**(401.40)**		3,187.51
B.	**Cash Flow from Investing Activities**				
	Purchase of Fixed Assets	**(210.97)**		(732.69)	
	Sale of Fixed assets	**0.68**		2.96	
	Interest Received	**101.99**		40.88	
	Dividend from Long Term Investments-Other than Trade	**154.51**		293.55	
	Purchase of Investments in a subsidiary Company	**-**		(5.80)	
	Proceeds from maturity of Fixed Deposits	**40.15**		-	
	Net cash from/(used in) Investing Activities		**86.36**		(401.10)

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017 *(contd.)*

(₹ in Lakhs)

	Year ended 31st March, 2017		Year ended 31st March, 2016	
C. Cash Flow from Financing Activities				
Decrease in Cash Credit facilities from banks	-		(350.59)	
Repayment of Short Term Borrowings	-		(67.50)	
Interest paid	**(15.02)**		(38.22)	
Other borrowing costs paid	**(11.75)**		(6.63)	
Dividend Paid	**(259.17)**		(260.63)	
Dividend Distribution Tax Paid	**(53.14)**		(53.14)	
Net cash (used in) Financing Activities		**(339.08)**		(776.71)
Net Increase in cash and cash equivalents (A+B+C)		**(654.12)**		2,009.70
Cash and Cash Equivalents at the beginning of the year		**2,550.40**		540.70
Less Cash and Cash Equivalents relating to Joint Venture		**(1.14)**		-
Cash and Cash Equivalents at the end of the year		**1,895.14**		2,550.40

Notes to the Consolidated Cash Flow Statement for the year ended 31st March, 2017

1 The above Consolidated Cash Flow Statement has been prepared under the Indirect Method as set out in the Accounting Standard 3 on 'Cash Flow Statements' prescribed under the Companies Act of India.

2 Cash and cash equivalents comprise of : -

(₹ in Lakhs)

	As at 31st March, 2017	As at 31st March, 2016
Cash on hand	**1.08**	5.35
Cheques on hand	**0.14**	0.91
Bank Balances	**893.92**	843.00
Demand Deposits with banks (upto 3 months maturity)	**1,000.00**	1,700.00
Share of Joint Venture	**-**	1.14
TOTAL	**1,895.14**	2,550.40

3 Previous year's figures have been regrouped / rearranged,where considered necessary.

This is the Consolidated Cash Flow Statement referred to in our report of even date

For Price Waterhouse
Firm Registration No. 301112 E
Chartered Accountants

On behalf of the Board

(Pinaki Chowdhury)
Partner
Membership No. 057572

G. B. Aayeer
Chief Financial Officer & Director
DIN - 00087760

V. Mehra
Managing Director
DIN - 03556680

Kolkata
25th May, 2017

FORM AOC-1

Annexure 2

(Prusuant to first proviso to sub-section (3) of section 129 read with rule of Companies (Accounts) Rules,2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/ joint ventures

Part "A": Subsidiaries

(₹ in Lakhs)

Name of the subsidiary	Saregama Plc.	RPG Global Music Limited	Kolkata Metro Networks Ltd	Open Media Network Private Limited
1. Reporting period for the subsidiary concerned, if different from the holding company's reporting period	No	No	No	No
2. Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.*	GBP(Refer "#" below)	INR	INR	INR
3. Share capital	69.24	1,026.20	1,705.00	107.56
4. Reserves & surplus	(54.56)	(1,476.17)	(132.84)	(3,417.32)
5. Total assets	669.29	9.59	1,936.64	520.67
6. Total Liabilities (excluding Capital and Reserves)	654.61	459.56	364.48	3,830.43
7. Details of Investment (except in case of investment in the Subsidiaries)	-	-	1,675.80	-
8. Turnover	998.56	5.72	84.66	746.93
9. Profit /(Loss) before taxation	1.64	0.24	17.87	(1,433.10)
10. Provision for taxation	-	-	-	-
11. Profit after taxation	1.64	0.24	17.87	(1,433.10)
12. Proposed Dividend	-	-	-	-
13. % of shareholding	76.41%	100%	100%	100.00%

Notes :
- Exchange rates as at year end considered for conversion:
GBP 1 = ₹ 79.64 for Current Asset (Closing Buying Rate), Fixed Asset,Share Capital.Share Premium at Historical cost
GBP 1 = ₹ 82.33 for Secured loan and Current Liabilites & Provision(Closing Selling Rate)
GBP 1 = ₹ 86.57 for Income (Average Selling Rate)
GBP 1 = ₹ 89.22 for Expense (Average Buying Rate)
Names of Subsidiaries which are yet to commence operations - N.A.

Names of Subsidiaries which have been liquidated or sold during the year - N.A.

Annexure 2

Part "B": Associates and Joint Ventures

(₹ in Lakhs)

Name of Associates/Joint Ventures	Saregama Regency Optimedia Private Limited
1. Latest audited Balance Sheet Date	18th September,2016
2. Shares of Joint Ventures held by the company on the year end	
No.	1,459,684
Amount of Investment in Joint Venture	145.97*
Extend of Holding %	26%
3. Description of how there is significant influence	By way of Shareholding
4. Reason why the joint venture is not consolidated	N.A
5. Networth attributable to Shareholding as per latest audited Balance Sheet	(116.25)
6. Profit / Loss for the year	
i. Considered in Consolidation	(8.45)
ii. Not Considered in Consolidation	(24.07)
* Fully provided for	

Saregama Regency Optimedia Private Limited (SROPL), a joint venture (JV) company of the Company has been directed to be wound up vide Order dated 19th September 2016 by the Hon'ble High Court at Calcutta and the Official Liquidator attached to this Court has forthwith taken into his custody all the property, effects, books of accounts, other documents and actionable claims. Accordingly, the financial statements of SROPL has been prepared up to the date, preceding the date of Court Order.

For Price Waterhouse
Firm Registration No. 301112 E
Chartered Accountants

(Pinaki Chowdhury)
Partner
Membership No. 057572

On behalf of the Board

G. B. Aayeer
Chief Financial Officer & Director
DIN - 00087760

V. Mehra
Managing Director
DIN - 03556680

Kolkata
25th May, 2017

SAREGAMA INDIA LIMITED

CIN : L22213WB1946PLC014346
Regd. Office: 33, Jessore Road, Dum Dum, Kolkata – 700028.
Tel: 033-2551 2984/4773, E-mail: co.sec@saregama.com, Web: www.saregama.com

ADDENDUM TO THE NOTICE OF 70TH ANNUAL GENERAL MEETING

Addendum to the original Notice of 70th Annual General Meeting of the Members of Saregama India Limited scheduled on Friday, July 28, 2017 at 10.00 a.m. at Mohit Moitra Mancha, 34/1, Raja Manindra Road, Paikpara, Kolkata-700 037, is hereby given to transact the following business:

Special Business:

The Company has received letter from a shareholder of the Company, proposing the candidature of Mr. Noshir Naval Framjee, Additional Director to the office of the Director of the Company in terms of Section 160 of the Companies Act, 2013 and rules thereunder.

As the notice was received from the shareholder subsequent to the circulation of the Notice of the forthcoming Annual General Meeting scheduled on July 28, 2017, an addendum to the notice is being circulated to the members in terms of Section 160 of the Companies Act, 2013 and the members are requested to consider, and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and the Listing Agreement, Mr. Noshir Naval Framjee (DIN: 01646640), who was appointed as an Additional Director by the Board of Directors vide circular resolution passed on June 12, 2017 w.e.f. June 12, 2017 and who has submitted a declaration that he meets the criteria of independence under Section 149(6) of the Companies Act, 2013 and is eligible for appointment and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013, be and is hereby appointed as an Independent Director of the Company, not liable to retire by retirement by rotation, to hold office for a period of five consecutive years commencing from June 12, 2017."

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this resolution.

Registered Office:
'The Studios @ Dum Dum' 33, Jessore Road, Kolkata-700 028

By Order of the Board

Dated: July 13, 2017
Place: Kolkata
CIN: L22213WB1946PLC014346

G.B. Aayeer
CFO and Whole-Time Director
DIN: 00087760

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. A proxy shall not have the right to speak and shall not be entitled to vote except on a poll.
3. Proxies, if any, in order to be effective must be received at the Company's Registered Office, either in person or through post, not later than 48 hours before the time fixed for holding the meeting.
4. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person / shareholder.
5. Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, in respect of the business item set out above is annexed hereto.
6. Documents, if any, referred to in the Addendum Notice may be inspected at the Registered Office of the Company on any working day during business hours up to the date of Meeting.
7. The details as required under the Secretarial Standards on General Meetings issued by The Institute of Company Secretaries of India (ICSI), of Director seeking appointment at this Annual General Meeting in respect of the business item set out above is annexed hereto.
8. The route map of the address of the meeting is hosted on the website of the Company (www.saregama.com).

EXPLANATORY STATEMENT

As required by Section 102(1) of the Companies Act 2013, the following statement sets out all the material facts relating to the business item mentioned under the accompanying addendum notice dated July 13, 2017.

The Board of Directors of the Company on the recommendation of the Nomination and Remuneration Committee appointed Mr. Noshir Naval Framjee as an Additional Director of the Company with effect from June 12, 2017. The term of office of Mr. Noshir Naval Framjee as an Additional Director shall be only up to the date of the forthcoming Annual General Meeting in terms of Section 161 of the Companies Act, 2013.

Subsequent to the circulation of the Notice of the forthcoming Annual General Meeting scheduled on July 28, 2017, the Company, pursuant to Section 160 of the Companies Act, 2013 has received a notice in writing, from a member proposing his candidature for the office of Director. Accordingly, an addendum to the notice for appointment of Mr. Noshir Naval Framjee as an Independent Director of the Company not liable to retire by rotation, is being circulated to the members not less than 7 days before the meeting in terms of Section 160 of the Companies Act, 2013. The Company has received a declaration from Mr. Noshir Naval Framjee that he meets the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Companies Act, 2013 and under the Uniform Listing Agreement.

Brief profile covering the details of his qualification, experience etc., as required pursuant to Secretarial Standards on General Meeting, is annexed to this Addendum Notice.

The Board considers that on account of vast knowledge and experience of Mr. Noshir Naval Framjee, his appointment will be in the interest of the Company. Documents, if any, referred above, are made available for inspection in terms of Pt.6 of the Notes.

The members are requested to consider the appointment of Mr. Noshir Naval Framjee as a Director of the Company and pass the proposed special resolution as set in the addendum Notice dated July 13, 2017.

None of the Directors, Key Managerial Persons of the Company and / or their relatives are concerned or interested, financially or otherwise, in the said resolution except Mr. Noshir Naval Framjee.

Registered Office:
'The Studios @ Dum Dum' 33, Jessore Road, Kolkata-700 028

By Order of the Board

Dated: July 13, 2017
Place: Kolkata
CIN: L22213WB1946PLC014346

G.B. Aayeer
CFO and Whole-Time Director
DIN: 00087760

ANNEXURE TO THE NOTICE

Details of Director seeking Appointment at the Annual General Meeting.

Name of the Director	Mr. Noshir Naval Framjee
DIN	01646640
Date of Birth	20th November 1941
Age	76
Date of Appointment	June 12, 2017
Expertise in Specific Functional Areas	Mr. Noshir Naval Framjee has been graduated in Electrical Engineering, from Banaras Hindu University and has completed General Management Course for Senior Management, ASCI, Hyderabad and Advance Course in IR&HR, ASCI, Hyderabad
Qualifications	Graduated in Electrical Engineering, from Banaras Hindu University and has completed General Management Course for Senior Management, ASCI, Hyderabad and Advance Course in IR&HR, ASCI, Hyderabad
Directorship held in other public companies (excluding foreign and private companies, but includes directorship held in private companies which are subsidiaries of public companies)	Nil
Membership of committees of other Public Limited Companies (Audit Committee and Stakeholder's Relationship Committee only)	Nil
Disclosure of relationships between directors interse and Manager and other Key Managerial Personnel of the Company	Nil
Terms and conditions of appointment or re-appointment	He will be appointed as a Non-Executive Independent Director of the Company w.e.f June 12, 2017 for a period of 5 years subject to the approval of shareholders
Details of remuneration sought to be paid and the remuneration last drawn by such person	Nil except sitting fees
No. of shares held in the company as on the date of notice	Nil
Number of meetings of the Board attended during the year 2016-17	N.A.

RP - Sanjiv Goenka Group
Growing Legacies

SAREGAMA INDIA LIMITED

CIN : L22213WB1946PLC014346

Regd. Office: 33, Jessore Road, Dum Dum, Kolkata – 700028.

Tel: 033-2551 2984/4773, E-mail: co.sec@saregama.com, Web: www.saregama.com

saregama
soul of India

Form No. MGT-11
Proxy Form

[*Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (*Management and Administration*) Rules, 2014]*

Name of the Member(s):

Registered address:

E-mail Id:

Folio No/ Client Id:

DP ID:

I/ We being the member of Saregama India Limited holding…..... shares, hereby appoint

1. Name: .....
   Address: .....
   E-mail Id:.....
   Signature: .....or failing him/her
2. Name: .....
   Address: .....
   E-mail Id:.....
   Signature: .....or failing him/her
3. Name: .....
   Address: .....
   E-mail Id:.....
   Signature: .....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at 70th Annual General Meeting of members of the Company, to be held on Friday, the 28th day of July, 2017 at Mohit Moitra Mancha, 34/1, Raja Manindra Road, Paikpara, Kolkata - 700 037 at 10.00 A.M., and at any adjournment thereof in respect of such resolutions as are indicated below:

Sr. No.	Resolutions	Optional*		
		For	Against	Abstain
1.	To receive, consider and adopt: (a) the Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2017, together with the Report of the Board of Directors and Auditors thereon. (b) the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2017 and the Report of Auditors thereon			
2.	To declare a final dividend of Rs.1.50 per equity share for the year ended 31st March, 2017.			
3.	To appoint a Director in place of Mrs. Sushila Goenka (DIN: 00087692) who retires by rotation and, being eligible, offers herself for re-appointment.			
4.	Appointment of BSR & Co. LLP, Chartered Accountants (ICAI Firm Registration Number – 101248W/W-100022) as the Statutory Auditors of the Company			
5.	Re-Appointment of Mr. G.B. Aayeer(DIN: 00087760) as a Whole-time Director			
6.	Variation in remuneration payable to Mr. Vikram Mehra (DIN: 03556680), Managing Director of the Company			
7	Appointment of Mr. Framjee as an Independent Director of the Company#			

As per the "Addendum to the Original AGM Notice dated July 13, 2017"

Signed this …..... day of ….....… 2017

Signature of Shareholder: ….....…….

Signature of Proxy holder(s)…….....

Note:

1. **This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, before the commencement of the Meeting.**
2. For the Resolutions, Explanatory Statements and Notes, please refer the Notice of Annual General Meeting.
3. The Company reserves its right to ask for identification of the proxy.
4. The proxy form should be signed across the Revenue Stamp as per specimen signature(s) registered with the Company/depository participant.
5. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. A member holding more than ten percent of the total share capital of the Company may appoint a single person as a proxy and such person cannot act as a proxy for any other person or shareholder
6. *It is optional to put 'X' in the appropriate column against the Resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all resolution, your proxy will be entitled to vote in the manner as he/she thinks appropriate.

Note

Note