





Corporate Information

Board of Directors

MR. TARIQUE ANSARI (DIN: 00101820)
Chairman & Managing Director

MR. ADILLE SUMARIWALLA (DIN: 00045855)
Independent Director

MR. I. VENKAT (DIN: 00089679)
Independent Director

MR. DILIP CHERIAN (DIN: 00322763)
Independent Director

MR. RAJBIR SINGH BHANDAL (DIN: 01962971)
Independent Director

MS. MONISHA SHAH (DIN: 00542228)
Independent Director

MR. SUNIL DALAL (DIN: 00021019)
Independent Director

MR. CHETAN DESAI (DIN: 03595319)
Non- Executive Director

Chief Financial Officer

MR. ISMAIL DABHOYA

Company Secretary & Compliance officer

MR. GAURAV SHARMA

Statutory Auditors

M/s Walker Chandiok & Co. LLP,
Chartered Accountants

Registered Office

Office Nos. I-17, I-18 & I-19, 10th Floor,
The Tardeo Everest Co-operative Society Limited,
156, D. J. Dadajee Road,
Tardeo, Mumbai – 400 034

Bankers

RBL Bank Limited

Registrar & Transfer Agent

Link Intime India Private Limited
C-101, 1st Floor 247 Park,
L.B.S. Marg, Vikroli (West),
Mumbai – 400 083

**37th Annual General Meeting
on Thursday, 20th September 2018
at 3:00 p.m.
at Hall of Harmony, Nehru Centre
Conference, Dr. Annie Besant Road,
Worli, Mumbai - 400 018.**

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CHAIRMAN'S NOTE

"This has been a signal year for your company. The media sector continued to reel under the effect of the major macro-economic measures taken by the government and muted consumer demand led to a significant reduction in advertising spends. However, even in this environment thanks to our sharp positioning and innovative approach to the business we were able to maintain our revenue line. The proposed merger of our stations with the metro radio business of HT media will build a powerhouse in urban FM radio in India and bring significant benefits to all stakeholders."



Dear Shareholders,

It gives me great pleasure in welcoming you all to the 37th Annual General Meeting of your Company. As we come to the close of another financial year, it is time to take stock of what we have achieved and then look at the roadmap we have drawn for the future.

YEAR GONE BY:

Economy overview:

The government at the Centre has continued to undertake a number of initiatives that have impacted economic growth in the short term. While the long-term implication of demonetization, new real estate regulations and a unified GST regime is probably positive, these measures have introduced a sense of uncertainty in the economy and slowed growth. Our singular revenue source is advertising. Uncertainty in the economy causes consumers to hold back on spending and marketers to hold back on advertising investments. These factors have an adverse impact on all media companies.

General Business Environment:

The year 2017 has been an eventful year for the Indian Media & Entertainment (M&E) Sector. The year 2017 saw India recover from demonetization only to face the new challenges and opportunities provided by the implementation of GST. However, the Indian Economy continued on its growth trajectory. Indian M & E Sector reached INR 1.5 trillion (USD 22.7 billion) in 2017, a growth of almost 13% over 2016. With this trajectory, it is expected to cross INR 2 trillion by 2020, at a CAGR of 11.6%.

(Amount in INR Billion)

Segment	*CY2016	CY2017	CY2018E	CY2020E	CAGR (2016-2020)
Television	594	660	734	862	9.8%
Print	296	303	331	369	5.7%
Filmed Entertainment	122	156	166	192	11.9%
Digital Media	92	119	151	224	24.9%
Animation and VFX	54	67	80	114	20.4%
Live Events	56	65	77	109	18.0%
Online gaming	26	30	40	68	27.5%
Out of Home media	32	34	37	43	7.7%
Radio	24	26	28	34	8.6%
Music	12	13	14	18	10.6%
Total	1308	1473	1660	2032	11.6%

MESSAGE FROM THE CHAIRMAN

[Source: FICCI-EY Report 2018 on Indian Media and Entertainment (M & E) Sector]

** CY denotes Calendar Year*

M & E sector's growth in 2017 was led by digital, film, gaming and events. While on average basis, sector grew by 13%, Radio segment just grew by 6.5%, on the back of the effect of demonetization and the impact of GST.

FM Radio Industry:

Present:

As stated above, Indian radio segment increased by around 6.5% in 2017 on the back of the effect of demonetization and the impact of GST. Key drivers of growth for the radio segment remain a large youth population, growth in the quality and quantity of film music on the radio, built-in FM receivers in most hand phones sold in India (76% of audiences listen to FM Radio via mobile devices), increased time spent out of home in transit etc.

Around 60% of the radio segment's revenues are generated by the top 10 cities. The share of local advertising in the radio market has increased from 20%-30% in the early 2000s to up to 60% currently.

Impact of Phase III Licenses:

Phase III saw the launch of 162 new FM radio stations, including across the key markets of Mumbai and Delhi. Licenses were acquired in 17 cities that had no operating FM licenses. New stations in existing cities and proliferation of private radio to smaller cities are likely to increase listener base. These launches created an increase in the volume of inventory available, which was one of the main reasons for the growth of industry revenues. Volume growth has put pressure on effective rates at an overall level. Going forward, it is expected that stations will need to curb inventory per hour to enable rate increases.

Future Outlook:

The Indian Radio Industry faced a slightly muted year on account of pressure faced by a slowdown in advertising spend on account of implementation of GST and implementation of RERA in the real estate sector. Going ahead, the industry may witness an uptick in M & A Activity with large media groups looking to acquire regional/small radio networks, with lock-in on license migrated under the Phase-III regime expiring on 31st March, 2018. Moreover, any relaxation in the FDI limit, from the current 49% will result in further investment by global strategic players in Indian radio market.

Operational Overview:

As you all are aware, your Company operates through its subsidiary viz. Next Radio Limited ("NRL") which is in the business of FM radio broadcasting. NRL operates under the brand "**Radio One**" in 7 cities across India viz. (i) Delhi, (ii) Mumbai, (iii) Chennai, (iv) Kolkata, (v) Bangalore, (vi) Pune, and (vii) Ahmedabad. NRL operates under frequency 94.3 MHz in all its cities except for the city of Ahmedabad where it operates under the frequency 95 MHz.

The Financial year 2017-18 was marked not only by challenges in the larger economy but also by increased competition in the space. This led to a dramatic increase in advertising inventory, a drop in effective rates and a resultant slowing of revenue growth.

Challenging times call for a renewed focus. Next Radio Limited has a strategy of content differentiation and audience super-engagement and it is because of this approach that we stand out in the market. In addition, during the year we have invested in people and new talent to address new competition in our cities and to sustain our position of being differentiated in each city where we operate.

We expect that the challenges in the economy and the industry will settle over the coming fiscal, and we

MESSAGE FROM THE CHAIRMAN

are ensuring that we are well prepared to reap the benefits of growth as the winds of change and good fortune turn to our advantage.

Group Financial Performance for the Financial Year 2017-18:

This Group performance is in context of the performance of Next Mediaworks Limited (consolidated with Next Radio Ltd and other subsidiaries). Next Radio Limited is the substantive part of the group financial performance. Through this note, we are providing shareholders the details on the performance of the financial year ended March 31, 2018:

(₹ In Lakhs)

Particulars	Standalone		Consolidated	
	2017-18	2016-17	2017-18	2016-17
Total Revenue	188.32	213.05	7914.68	8063.63
Profit/(Loss) before Finance Cost & Exceptional Items	(16.95)	(34.47)	253.52	310.68
Finance Cost	112.38	146.03	1019.32	1125.43
Profit/(Loss) after Finance Cost but before Extra-Ordinary Items	(129.33)	(180.50)	(765.80)	(814.75)
Extra-Ordinary Items	0	0	0	0
Profit/(Loss) before Tax	(129.33)	(180.50)	(765.80)	(814.75)
Tax Expense	1.84	0	1.85	0
Profit/(Loss) after Tax	(131.17)	(180.50)	(767.65)	(814.75)
Other Comprehensive Income	2.85	4.86	17.80	(13.45)
Total Comprehensive Income	(128.32)	(175.64)	(749.85)	(828.20)

- During the year under review, on a standalone basis, Company’s total revenues stood at ₹ 188.32 lakhs as compared to ₹ 213.05 lakhs in 2016-17. The Company posted loss of ₹ 131.17 lakhs as against loss of ₹ 180.50 lakhs in the year 2016-17.
- On a consolidated basis, your Company’s total revenues were stable and stood at ₹ 7914.68 lakhs. The Company posted loss of ₹ 767.65 lakhs as against loss of ₹ 814.75 lakhs in the year 2016-17.

GOING FORWARD:

With Intent to increase the Shareholders’ value, the Board of Directors of your company have, at their meeting held on July 18, 2018 accorded in-principle approval to scheme of arrangement with Next Radio Limited, HT Media Limited and HT Music & Entertainment Company Limited. A brief note on the same is provided in the Directors’ Report for the information of shareholders.

ACKNOWLEDGEMENT:

I would like to end by thanking various Government bodies, banks, financial institutions and vendors for their support and our Board members for their guidance. I would also like to express my gratitude to our shareholders, employees and our listeners for their continued support and encouragement at an important phase of our journey. With your support we will continue to contribute towards addressing the increasing needs of all our customers.

Thank you,

Tarique Ansari
Chairman & Managing Director

MANAGEMENT DISCUSSION AND ANALYSIS

This management discussion concerns the performance of Next Mediaworks Limited, consolidated with Next Radio Limited (“NRL”). Through this analysis, we have attempted to provide shareholders an indication of both the performance of the past year and the future growth plans of the Company.

A. MEDIA INDUSTRY STRUCTURE AND DEVELOPMENTS:

1. General Business Environment:

As per FICCI-EY Report 2018 on Indian Media and Entertainment (M & E) Sector, The Year 2017 has been an eventful year for the Indian Media & Entertainment Sector. The year 2017 saw India recover from demonetization only to face the new challenges and opportunities provided by the implementation of GST.

However, the Indian Economy continued on its growth trajectory. Indian M & E Sector reached INR 1.5 trillion (USD 22.7 billion) in 2017, a growth of almost 13% over 2016. With this trajectory, it is expected to cross INR 2 trillion by 2020, at a CAGR of 11.6%.

(Amount in INR Billion)

Segment	*CY2016	CY2017	CY2018E	CY2020E	CAGR (2016-2020)
Television	594	660	734	862	9.8%
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Music	12	13	14	18	10.6%
Total	1308	1473	1660	2032	11.6%

M & E sector’s growth in 2017 was led by digital, film, gaming and events. While on average basis, sector grew by 13%, Radio segment just grew by 6.5%, on the back of the effect of demonetization and the impact of GST [Source: FICCI-EY Report 2018 on Indian Media and Entertainment (M & E) Sector]

*CY denotes Calendar Year

2. Growth in Advertising Revenue:

As per FICCI-EY Report 2018 on Indian Media and Entertainment (M & E) Sector, it is expected that advertising growth will accelerate till 2020.

Next Mediaworks Limited

(Amount in INR Billion)

	CY2017	CY2018E	CY2020E
Advertising Revenue*	665	761	920

*The above numbers exclude animation, post production, gaming, events and VFX industry revenues

[Source: FICCI-EY Report 2018 on Indian Media and Entertainment (M & E) Sector]

3. FM Radio Industry – Present & Future Outlook:

Present:

As stated above, Indian radio segment increased by around 6.5% in 2017 on the back of the effect of demonetization and the impact of GST. Key drivers of growth for the radio segment remain a large youth population, growth in the quality and quantity of film music on the radio, built-in FM receivers in most hand phones sold in India (76% of audiences listen to FM Radio via mobile devices), increased time spent out of home in transit etc.

Around 60% of the radio segment's revenues are generated by the top 10 cities. The share of local advertising in the radio market has increased from 20%-30% in the early 2000s to up to 60% currently.

Impact of Phase III Licenses:

Phase III saw the launch of 162 new FM radio stations, including across the key markets of Mumbai and Delhi. Licenses were acquired in 17 cities that had no operating FM licenses. New stations in existing cities and proliferation of private radio to smaller cities are likely to increase listener base. These launches created an increase in the volume of inventory available, which was one of the main reasons for the growth of industry revenues. Volume growth has put pressure on effective rates at an overall level. Going forward, it is expected that stations will need to curb inventory per hour to enable rate increases.

Future Outlook:

The Indian Radio Industry faced a slightly muted year on account of pressure faced by a slowdown in advertising spend on account of implementation of GST and implementation of RERA in the real estate sector. Going ahead, the industry may witness an uptick in M & A Activity with large media groups looking to acquire regional/small radio networks, with lock-in on license migrated under the Phase-III regime expiring on 31st March, 2018. Moreover, any relaxation in the FDI limit, from the current 49% will result in further investment by global strategic players in Indian radio market.

B. DISCUSSION ON OPERATIONAL & FINANCIAL PERFORMANCE:

1. Operational Review:

The Company operates through its subsidiary viz. Next Radio Limited ("NRL") which is in the business of FM radio broadcasting. NRL operates under the brand "Radio One" in 7 cities across India viz. (i) Delhi, (ii) Mumbai, (iii) Chennai, (iv) Kolkata, (v) Bangalore, (vi) Pune, and (vii) Ahmedabad. NRL operates under frequency 94.3 MHz in all its cities except for the city of Ahmedabad where it operates under the frequency 95 MHz.

NRL has policy of content differentiation and audience engagement and it is because of this policy that "Radio One" stands out in the market. Your Company has taken measures to control costs at operational level with an aim to make business operations more cost efficient and these measures have yielded the positive results for the Company.

Management Discussion & Analysis

2. Financial Performance of the Company in Financial Year 2017-18:

During the year under review, on a standalone basis, Company's total revenues stood at ₹ 188.32 lakhs as compared to ₹ 213.05 lakhs in 2016-17. The Company posted loss of ₹ 131.17 lakhs as against loss of ₹ 180.50 lakhs in the year 2016-17.

On a consolidated basis, your Company's total revenues were stable and stood at ₹ 7914.68 lakhs. The Company posted loss of ₹ 767.65 lakhs as against loss of ₹ 814.75 lakhs in the year 2016-17.

3. Financial Performance of Next Radio Limited (Company's Subsidiary) in Financial Year 2017-18:

The financial year 2017-18 witnessed intense competition in the private FM radio industry with many new stations, which were acquired during the first stage of Phase III auctions, getting operationalized. The advertising rates witnessed a dip as radio inventory was offered at low rates with an aim to gain entry in a crowded market. This posed a great challenge to NRL which still managed to maintain stability in its top line.

Despite few challenges, NRL's revenues from operations remained stable during the financial year 2017-18 and stood at ₹ 7,961.85 lakhs.

Financial Statements of NRL form part of the Annual Report.

Group Financial Performance for the Financial Year 2017-18:

This Group performance is in context of the performance of Next Mediaworks Limited (consolidated with Next Radio Ltd and other subsidiaries). Next Radio Limited is the substantive part of the group financial performance. Through this note, we are providing shareholders, the details on the performance of the financial year ended March 31, 2018.

(₹ In Lakhs)

Particulars	Standalone		Consolidated	
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Extra-Ordinary Items	0	0	0	0
Profit/(Loss) before Tax	(129.33)	(180.50)	(765.80)	(814.75)
Tax Expense	1.84	0	1.85	0
Profit/(Loss) after Tax	(131.17)	(180.50)	(767.65)	(814.75)
Other Comprehensive Income	2.85	4.86	17.80	(13.45)
Total Comprehensive Income	(128.32)	(175.64)	(749.85)	(828.20)

4. Non-Financial Highlights:

- 94.3 Radio One has launched the first online re-broadcast of its Delhi, Mumbai and Bangalore international format network FM radio stations. It is the first in India to also launch the FIRST AUDIO BUSINESS CHANNEL LIVE STREAM at www.1cast.in. www.1cast.in has 4 large offerings. International radio content lovers anywhere in India can stream the 3 international format FM radio stations from Delhi, Mumbai and Bangalore from any internet connected digital device. The business community in India

Management Discussion & Analysis

can tune into India's first LIVE audio business channel which will be a LIVE channel that broadcasts only on the internet from 9am to 3pm Monday-Friday. The Business channel will report on the stock market, Indian & world economy and key finance-related topics and sectors that impact the business community in India.

- 94.3 Radio One was 'INDIA's most attractive Media – Radio Brand 2017-18 by a study conducted by TRA research titled 'Most Attractive Brand Report'. The robust research was conducted across 16 cities and 10,000 brands across categories. TRA research partnered with the Indian Statistical Institute – ISI and Tata Institute of Social Sciences for this landmark annual brand study.
- Next Radio Ltd (94.3 Radio One), HT Media Ltd (Fever and Radio-Nasha), HT Music and Entertainment Company Limited and Next Mediaworks Limited are proposing a scheme of arrangement to take advantage of a larger combined metro play subject to the approval of shareholders, legal bodies and the Ministry of Information & Broadcasting. While Radio One is a pioneer in the international format space, Fever & Radio Nasha are exceptional leaders in the Hindi CHR & Retro radio space respectively. This proposed coming together allows the merged entity to offer enhanced value for listeners and advertisers by offering them clearly segmented high value products. 7 stations of Fever FM + Radio Nasha (Delhi-2, Mumbai-2, Bangalore, Kolkata & Chennai) and 6 stations of Radio One (Delhi, Mumbai, Bangalore, Kolkata, Chennai, & Pune) will aim to come together in a proposed merged entity. Both radio companies will currently continue to operate 'independently' as before since the proposed merger is subject to regulatory and government approvals. Once the merger has all the requisite approvals, HT Media and its shareholders will hold 74% and shareholders of the Company and shareholders of Next Radio Limited together will hold 26% in the merged entity.

C. OPPORTUNITIES & RISKS:

FM Radio industry is currently witnessing an exponential growth as a result of expansion initiatives by the Government, availability of new delivery platforms and growing advertisement spend of brands to reach the diverse customer base. Tier-II and Tier-III cities are becoming attractive markets for media companies. Greater use of smartphones and high-speed internet connectivity across the country is expected to support the evolving e-commerce and social media trends. With the internet being under-penetrated across large parts of India, there are huge opportunities on offer for the traditional media platforms. With increasing penetration of high speed Internet and mobile devices, consumption of radio is bound to grow further with increase in ad spends.

RISKS:

1. The FM radio broadcasting industry has, over a period of time, become competitive. To combat the likely competition being faced from the new entrants, the existing FM radio broadcasters may resort to aggressive marketing to sustain their market share. This may further have an impact on the advertising rates in the cities that we operate in.
2. Apart from the competition within the industry, we also face competition from other segments of the media industry including television channels, magazines, newspapers, internet and other emerging technologies.
3. We are heavily dependent on advertisements as the main source of our revenue, especially as our FM radio stations are 'free to air', and therefore we do not derive any subscription revenue from our listeners. Any reduction in ad-spend by our customers or a reduction in our effective advertising rates, including as a response to the reduction in such rates by our competitors, or the loss of advertising customers or our inability to attract new advertising customers, could have a material adverse effect on our business, results of operations and financial condition.

Management Discussion & Analysis

4. Our business is substantially dependent on Government policies. There is often uncertainty concerning the impact of measures introduced by the Government on the business.
5. Our subsidiary viz. NRL is required to pay annual license fees to MIB and annual rental charges to other regulatory bodies such as Prasar Bharti and Broadcast Engineering Consultants India Limited. During FY 2015-16, MIB asked the incumbent Phase-II broadcasters to pay their “annual license fees” based on the One Time Entry Fee (OTEF) paid by new bidders in Phase-III, even though they had only migrated to Phase-III. This provision has caused a deep erosion of profits of many radio companies. This methodology has been challenged by all major players (including NRL) by filing a writ petition against MIB in the Hon’ble Delhi High Court and the matter is sub-judice. NRL has been paying the revised license fees to MIB under protest.

The private broadcasters are required to pay annual fees to Prasar Bharti for using their infrastructure for transmission. In a surprise move, Prasar Bharti significantly raised the annual fees under Phase-III which has been challenged by NRL by filing a writ petition against Prasar Bharti and MIB in the Hon’ble Delhi High Court and also by filing a complaint in Competition Commission of India and the matter is sub-judice. NRL has been paying the revised license fees to Prasar Bharti under protest.

The outcome of the aforementioned matters will have a huge impact on NRL’s profitability in the future.

6. The sound recordings that we broadcast are licensed by third parties and we pay license fees to these third parties for the right to broadcast these sound recordings. The license is granted to us for a limited period. Any significant increase in the rate of license fees charged by such third parties may put pressure on NRL’s margins. Further, NRL may also not be in a position to renew the contracts at a higher price. These events may adversely impact our listenership, operations and profitability.
7. Online platforms are connecting with the younger generation of listeners by providing customised music experiences. While these models are yet to be stabilised and the services have in all cases a broadband cost and in some cases, a subscription cost, it is likely to result in some erosion of the premium consumer base of Radio. Therefore, it is critical for the radio industry to be able to establish their digital brand and many customised channels on music platforms to remain relevant to premium listeners.

Risks Assessment Framework:

The Company has a robust business risk management framework in place that helps in identifying and evaluating business risks and opportunities. A risk management policy is in place to assess and address business risks on a regular basis. A detailed risk identification exercise is carried out periodically to identify various strategic, operational, financial and compliance related risks and they are evaluated for their likelihood and potential impact. The Risk Management Committee also review the identified risks and the mitigation strategy.

D. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has a system of internal controls focusing on all processes to ensure integrity of the financial accounting and reporting processes of the Company to ensure compliance with all legal rules and regulations. The Company has an Audit Committee which meets once in every quarter to review internal control systems, accounting processes, financial information, internal audit findings and other related areas including their adequacies.

Management Discussion & Analysis

E. HUMAN RESOURCES:

Your Company continues to focus strongly on attracting and retaining the best talent across various functions in its ongoing businesses. The compensation strategy is based on the principle of 'Pay for performance' and has been implemented across all levels to ensure alignment of remuneration to individual performance. The said practice is followed for all business and functional heads.

Maintaining Global Standards on the employment front and keeping pace with the ever developing technology in the field, the company has taken several initiatives to make its workforce more efficient, well organized, professional and skilled. These steps include building high performing teams, encouraging innovations, inducting leadership at all levels, readying its people for higher roles, increasing the scope for the search of young talent and improving the hiring process to raise the talent bar. As on March 31, 2018, the employee strength of Next Radio Limited (material subsidiary of your Company) was 133 (Payroll) and 18 (on contract).

Cautionary Statement

Statements in this Report, particularly those which relate to Management Discussion and Analysis, describing the Company's objectives, projections, estimates and expectations, may constitute 'Forward Looking Statements' within the meaning of applicable laws and regulations. Your Company undertakes no obligation or liability to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise actual results, performance of achievements could differ materially from those either expressed or implied in such forward-looking statements. Readers are cautioned not to place undue reliance on these forward looking statements and read in conjunction with financial statements included herein.

Disclaimer: All the data used in the initial sections of the MD&A has been taken from publicly available resources and discrepancies, if any, are incidental & unintentional.

DIRECTORS' REPORT

To,
The Members
Next Mediaworks Limited

Your Directors have pleasure in presenting their 37th Annual Report together with the Audited Accounts of the Company for the year ended 31st March 2018.

1. FINANCIAL HIGHLIGHTS:

(₹ In Lakhs)

Particulars	Standalone		Consolidated	
	2017-18	2016-17	2017-18	2016-17
Total Revenue	188.32	213.05	7914.68	8063.63
Profit/(Loss) before Finance Cost & Exceptional Items	(16.95)	(34.47)	253.52	310.68
Finance Cost	112.38	146.03	1019.32	1125.43
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Extra-Ordinary Items	0	0	0	0
Profit/(Loss) before Tax	(129.33)	(180.50)	(765.80)	(814.75)
Tax Expense	1.84	0	1.85	0
Profit/(Loss) after Tax	(131.17)	(180.50)	(767.65)	(814.75)
Other Comprehensive Income	2.85	4.86	17.80	(13.45)
Total Comprehensive Income	(128.32)	(175.64)	(749.85)	(828.20)

During the year under review, on a standalone basis, Company's total revenues stood at ₹ 188.32 lakhs. The Company posted loss of ₹ 131.17 lakhs as against loss of ₹ 180.50 lakhs in the financial year 2016-17.

On a consolidated basis, your Company's total revenues were stable and stood at ₹ 7914.68 lakhs. The Company posted loss of ₹ 767.65 lakhs as against loss of ₹ 814.75 lakhs in the previous year.

2. OPERATIONAL PERFORMANCE:

The Company is the holding Company of Next Radio Limited. Next Radio Limited ("NRL") is into the business of FM radio broadcasting. It was among the first private players to venture into private FM broadcasting and has established "Radio One" as the FM Brand in top 7 cities of the country viz. (i) Delhi, (ii) Mumbai, (iii) Chennai, (iv) Kolkata, (v) Bangalore, (vi) Pune, and (vii) Ahmedabad. NRL operates under frequency 94.3 MHz in all its cities except for the city of Ahmedabad where it operates under the frequency 95 MHz.

The financial year 2017-18 witnessed intense competition in the private FM radio industry with many new stations, which were acquired during the first stage of Phase III auctions, getting operationalized. The advertising rates witnessed a dip as radio inventory was offered at low rates with an aim to gain entry in a crowded market. This posed a great challenge to NRL which still managed to maintain stability in its top line.

Despite few challenges, NRL's revenues from operations remained stable during the financial year 2017-18 and stood at ₹ 7,961.85 lakhs. Your Company has taken measures to control cost at operational level with aim to make business operations more cost efficient and these measures have yielded the positive results for the Company.

Directors' Report

3. DIVIDEND:

In view of the loss incurred by the Company during the year under review, your Directors do not recommend any dividend for the financial year ended 31st March 2018.

4. TRANSFER TO RESERVES:

No amount is proposed to be transferred to reserves for the year under review.

5. FINANCE:

During the year under review, your Company did not raise any capital from the markets either by way of issue of equity shares /Convertible Securities/ ADR / GDR / or any debt by way of debentures.

6. SHARE CAPITAL:

During the year under review, the Company has not made any fresh allotment of shares.

7. MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION BETWEEN END OF THE FINANCIAL YEAR AND DATE OF REPORT:

There are no material events between the end of the financial year and date of this report, which may materially affect the financial position of the Company as it stood at the end of the financial year.

However, the Board of Directors of your company, at their meeting held on 18th July, 2018, considered and accorded 'in principle' approval to consolidate the radio businesses of the Company's subsidiary i.e. Next Radio Limited ("**NRL**") (except for the radio station located at Ahmedabad), HT Media Limited ("**HTML**") (except for radio stations at Hyderabad and Uttar Pradesh) and HT Music & Entertainment Company Limited, a wholly-owned subsidiary of HTML ("**HTMEL**") in the Company to be implemented by way of a composite scheme of arrangement and amalgamation pursuant to Sections 230-232 and other applicable provisions of the Companies Act 2013, which shall, inter alia, involve the following:

- (i) Demerger of the FM radio business of HTML, (except for FM radio stations operated by HTML in Hyderabad and the state of Uttar Pradesh), on a going concern basis and subsequent transfer and vesting of the same to the Company;
- (ii) Amalgamation of HTMEL with the Company and consequent dissolution of HTMEL without winding up;
- (iii) Demerger of the FM radio broadcasting business of NRL, (except for FM radio station located at Ahmedabad), on a going concern basis and subsequent transfer and vesting of the same to the Company; and
- (iv) Reduction of paid up share capital of NRL by cancellation and extinguishment of the entire shares held by the Company in NRL, which shall be regarded as reduction of share capital of NRL.

In respect of the above mentioned Proposed Transaction, the Company and the promoters have executed a binding term sheet with HTML, HTMEL, NRL and their respective promoters.

Further, at the meeting held on 8th August, 2018, the Board of Directors have also approved the draft scheme of arrangement. The Proposed Transaction is subject to execution of definitive documents between the parties, in accordance with the provisions of the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, and is also subject to necessary regulatory & corporate approvals and other compliances as per applicable laws.

Directors' Report

8. DEPOSITORY SYSTEM:

The Company's equity shares are compulsorily tradable in electronic form. As on 31st March 2018, 99.99% of the Company's total paid-up capital representing 66,891,019 equity shares is in dematerialized form. In view of the benefits offered by the depository system, members holding shares in physical mode are advised to avail the demat facility.

Securities and Exchange Board of India ("SEBI") has, vide its circular no. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated April 20, 2018, mandated listed companies to take special efforts (through their RTAs) to collect copy of PAN and Bank Accounts Details of all securities holders holding securities in physical form. In this regard, the RTA of your Company has sent letters to all those members of the Company, who are holding shares in physical form, seeking PAN and Bank Details. The RTA shall be sending reminder letters in due course. The Members who hold shares of the company in physical form are requested to provide the details as asked for in the letters sent by the RTA.

9. PUBLIC DEPOSITS:

Your Company did not invite or accept deposits from public within the meaning of Section 2(31) read with Section 73 and 74 of the Companies Act, 2013 during the year under review. Further, there were no deposits outstanding/unpaid/unclaimed whether at the beginning or end of the year under review.

10. SUBSIDIARY COMPANIES:

As on 31st March, 2018, the Company had the following subsidiaries including step-down subsidiaries:

- (a) Next Radio Limited;
- (b) One Audit Limited;
- (c) Next Outdoor Limited;
- (d) Digital One Private Limited
- (e) Syngience Broadcast Ahmedabad Limited (Step-Down Subsidiary)

A statement containing salient features of the financial statements and related information of the subsidiaries in the prescribed format (AOC-1) is provided as "Annexure A".

The annual audited financial statements of the Company's material subsidiary namely, Next Radio Limited have been included in this Annual Report.

Pursuant to Section 136 of the Companies Act, 2013, the audited financial statements of the subsidiary companies are kept for inspection by the shareholders at the Registered Office of the Company. The Company shall provide the copy of the financial statements of its subsidiary companies to the shareholders upon their request. The said statements are also available on the website of the Company i.e. www.nextmediaworks.com under the Investor's Desk section.

11. CONSOLIDATED FINANCIAL STATEMENTS:

Your Directors have pleasure in attaching the Consolidated Financial Statement of the Company and of all its subsidiaries prepared pursuant to the provisions of Section 129 of the Companies Act, 2013 and relevant provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and prepared in accordance with the Accounting Standards as recommended by the Institute of Chartered Accountants of India and as notified by the Central Government under Section 133 of the Companies Act, 2013. The Consolidated Financial Statements form part of the Annual Report.

Directors' Report

12. AUDITED FINANCIAL STATEMENTS OF THE COMPANY'S MATERIAL SUBSIDIARY:

The audited financial statements, the Auditors Report thereon and the Directors' Report for the year ended 31st March 2018 for the Company's material subsidiary i.e. Next Radio Limited forms part of Annual Report of the Company prepared for the Financial Year 2017-18.

13. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

Particulars of loans, guarantees given and investments made during the year are provided in Notes to the Standalone Financial Statements as required under Section 186 of the Companies Act, 2013 and Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

14. RELATED PARTY TRANSACTIONS:

All related party transactions which were entered into during the financial year were in compliance with the requirement of the Companies Act, 2013 and the Rules framed thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. All Related Party Transactions were placed before the Audit Committee and /or the Board, as the case may be, for approval.

A statement giving details of all related party transactions is placed before the Audit Committee and the Board of Directors for their approval / information, as the case may be.

During the year under review, the contracts or arrangements with related parties referred to in section 188 of Companies Act, 2013 have been on arm's length and in ordinary course of business and were not material in nature. Accordingly, the disclosure in respect of contracts or arrangements with related parties, as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC-2 is not applicable.

The policy on Related Party Transactions as approved by the Board is placed on the Company's website.

15. REPORT ON CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

Report on Corporate Governance and Management Discussion and Analysis Report for the year under review, together with a Certificate from the M/s A. Y. Sathe & Co., Company Secretaries regarding compliance of the conditions of Corporate Governance, as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 form part of the Annual Report.

16. CHANGES IN DIRECTORS & KEY MANAGERIAL PERSONNEL:

(a) Changes in Directors:

As on the date of this report, the Company's Board consists of the following Directors:

- (i) Mr. Adille Sumariwalla***
- (ii) Mr. Venkat Idupuganti
- (iii) Mr. Dilip Cherian
- (iv) Ms. Monisha Shah
- (v) Mr. Rajbir Singh Bhandal
- (vi) Mr. Chetan Desai**
- (vii) Mr. Tarique Ansari***
- (viii) Mr. Sunil Dalal*

Directors' Report

* During the year under review, Mr. Sunil Dalal was appointed as an Additional Director (Non-Executive Director under Independent Category) with effect from 29th August 2017. The Board of Directors have recommended his appointment as Non-Executive Director under Independent Category for a period of 5 years i.e. from 29th August 2017 up to 28th August 2022 at the ensuing Annual General Meeting.

** The Board of Directors have, at their meeting held on 8th May, 2018, appointed Mr. Chetan Desai as an Additional Director (Non- Executive Director under Non-Independent Category) with effect from 8th May, 2018. The Board of Directors have recommended his appointment as Non-Executive Director under Non-Independent category at the ensuing Annual General Meeting.

*** Pursuant to list of disqualified Directors published by Ministry of Corporate Affairs (MCA) in September, 2017, Mr. Tarique Ansari (Chairman and Managing Director) and Mr. Adille Sumariwalla (Independent Director) were disqualified under Section 164 (2) of the Companies Act, 2013 due to the reason that Bombay Marathon Private Limited, in which both of them were Directors, had failed to make annual filings for consecutive period of 3 years. Vide letters dated April 23, 2018, both Mr. Tarique Ansari (Chairman and Managing Director) and Mr. Adille Sumariwalla (Independent Director) informed the Board of Directors of the Company that Bombay Marathon Private Limited had filed all the pending filings under Condonation of Delay Scheme, 2018 announced by MCA and that consequent upon all the filings have been regularized, Status of DINs of both of them is shown as "Approved" on the website of Ministry of Corporate Affairs. The Board of Directors, at their meeting held on May 8, 2018, considered the aforesaid letters and took the view that disqualification incurred by Mr. Tarique Ansari and Mr. Adille Sumariwalla is removed as the status of their DINs is Approved now and that they can now resume the office of Chairman & Managing Director and Independent Director respectively.

Note: In accordance with Section 152 and other applicable provisions of Companies Act, 2013, Mr. Tarique Ansari (DIN: 00101820) - Chairman & Managing Director, retires by rotation and being eligible, offers himself for re-appointment at the ensuing Annual General Meeting. The Board of Directors have recommended his re-appointment.

The shareholders, at the 34th Annual General Meeting of the Company held on 6th August 2015, re-appointed Mr. Tarique Ansari as the Chairman & Managing Director of the Company for a further period of 3 years effective 1st July 2016 till 30th June 2019. The aforementioned reappointment is being commended for shareholders' approval only for complying with the provisions of Section 152 of the Companies Act, 2013 and shall not be construed as a break in his current tenure.

(b) Change in Key Managerial Personnel:

As on the date of this Report, the following persons are the Key Managerial Personnel (KMP) of the Company pursuant to Section 2(51) and 203 of the Companies Act, 2013:

- (i) Mr. Tarique Ansari – Chairman & Managing Director
- (ii) Mr. Ismail Dabhoya – Chief Financial Officer
- (iii) Mr. Gaurav Sharma – Company Secretary & Compliance Officer*

*Mr. Mandar Godbole, who was working as Company Secretary & Compliance Officer of the Company resigned as Company Secretary & Compliance Officer with effect from 25th November, 2017. Mr. Gaurav Sharma was appointed as Company Secretary & Compliance Officer of the Company with effect from 13th February, 2018.

Directors' Report

17. BOARD & COMMITTEE MEETINGS:

During the year under review, the following Board /Committee Meetings were convened and held:

- (a) Four (4) Board Meetings were held, details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- (b) Four (4) Audit Committee Meetings were held, details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- (c) Four (4) Risk Management Committee Meetings were held, details of which are given in the Corporate Governance Report.
- (d) Four (4) Stakeholders' Relationship Committee Meetings were held, details of which are given in the Corporate Governance Report.
- (e) Three (3) Nomination & Remuneration Committee Meetings were held, details of which are given in the Corporate Governance Report.

18. EVALUATION OF THE BOARD OF DIRECTORS, THE COMMITTEES THEREOF AND INDIVIDUAL DIRECTORS :

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the annual evaluation of the performance of the Board of Directors, its Committees and of Individual Directors has been made. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

19. FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS:

Since the Company's material subsidiary viz. Next Radio Limited is into FM broadcasting business, the familiarization program aims to provide Independent Directors with the radio industry scenario, the socio-economic environment in which the Company operates, the business model, the operational and financial performance of the Company, significant developments so as to enable them to take well informed decisions in a timely manner. The familiarization program also seeks to update the Directors on the roles, responsibilities, rights and duties under the Act and other statutes. The policy on Company's familiarization programme for Independent Directors is posted on the Company's website at www.nextmediaworks.com.

20. NOMINATION AND REMUNERATION COMMITTEE:

The 'Nomination and Remuneration Committee' consists of three Directors being all Independent Directors. The said constitution is in accordance with the provisions of Section 178 of the Companies Act, 2013 and provisions of Listing Regulations. The Committee acts in accordance with the Terms of Reference as approved and adopted by the Board.

Directors' Report

The Composition of the Committee is as under:

Members	Category
Mr. Dilip Cherian	Chairman
Mr. Rajbir Singh Bhandal	Member
Mr. I Venkat	Member

The Board has, on the recommendation of the Nomination & Remuneration Committee, framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The Remuneration Policy is stated in the Corporate Governance Report and is also available on the Company's Website at www.nextmediaworks.com.

21. AUDIT COMMITTEE:

The 'Audit Committee' consists of four Directors (three being Independent Directors and one being Non-Executive Non-Independent Director). The said constitution is in accordance with the provisions of Section 177 of the Companies Act, 2013 and provisions of Listing Regulations. The Committee acts in accordance with the Terms of Reference as approved and adopted by the Board.

The Composition of the Committee is as under:

Members	Category
Mr. Sunil Dalal	Chairman
Mr. Dilip Cherian	Member
Mr. I. Venkat	Member
Mr. Chetan Desai*	Member

The Board has, on the recommendation of the Audit Committee framed Vigil Mechanism / Whistle Blower policy. The Remuneration Policy is stated in the Corporate Governance Report and is also available on the Company's Website at www.nextmediaworks.com.

* Mr. Chetan Desai was appointed as the Director and Member of Audit Committee on May 8, 2018.

There were no instances where the Board had not accepted the recommendations of Audit Committee.

22. DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to Section 134(3)(c) of the Companies Act, 2013, the Directors confirm that:

- in the preparation of the annual accounts for the financial year ended 31st March, 2018, the applicable accounting standards and Schedule III of the Companies Act, 2013 have been followed and there are no material departures from the same;
- they have 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 your Company as at 31st March, 2018 and of the profit and loss of the Company for the financial year ended on 31st March, 2018;
- proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- the annual accounts have been prepared on a 'going concern' basis;

Directors' Report

- (e) proper internal financial controls had been laid down by the Directors and were followed by the Company and such internal financial controls were adequate and were operating effectively; and
- (f) proper systems to ensure compliance with the provisions of all applicable laws were in place and such systems were adequate and operating effectively.

23. STATUTORY AUDITORS:

M/s. Walker Chandio & Co. LLP, Chartered Accountants are the Company's Statutory Auditors until the conclusion of ensuing 37th Annual General Meeting and shall retire at the conclusion of the forthcoming 37th Annual General Meeting.

As per sub-section (2) of Section 139 of the Companies Act, 2013 ('the Act'), a listed company shall not appoint or re-appoint an audit firm as auditor for more than two consecutive terms of five years.

Accordingly, M/s. Walker Chandio & Co. LLP, Chartered Accountants are proposed to be re-appointed as statutory auditors for a period of 5 years, commencing from the conclusion of 37th AGM till the conclusion of the 42nd AGM.

M/s. Walker Chandio & Co. LLP, Chartered Accountants, have consented to the said appointment and confirmed that their appointment, if made, would be within the limits specified under Section 141(3)(g) of the Act. They have further confirmed that they are not disqualified to be appointed as statutory auditors in terms of the provisions of Section 139, Section 141 of the Act, the provisions of the Companies (Audit and Auditors) Rules, 2014 and other applicable laws.

24. STATUTORY AUDITORS' REPORT ON THE ANNUAL FINANCIAL STATEMENTS:

The Auditors' Report on the Standalone Financial Statements for the year does not contain any qualification.

However, the Auditors' Report on the Consolidated Financial Statements contains qualified opinion with respect to payment of excess remuneration to Managing Director by the Company's Subsidiary i.e. Next Radio Limited for the years 2012-13 to 2017-18. In this regard, Members' attention is drawn to "Qualified Opinion" stated in the Paragraph 8 of the said Auditors' Report dated May 8, 2018 on the Consolidated Financial Statements.

The Directors would like to state that the response to said qualification as required under Section 134 of the Companies Act, 2013 have been given in detail in the note no. 39 to the Consolidated Financial Statements and hence, is not being repeated here.

25. SECRETARIAL AUDIT REPORT:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company had appointed M/s. A. Y. Sathe & Co., Company Secretaries to undertake the Secretarial Audit of the Company for the financial year ended on 31st March 2018. The Report of the Secretarial Audit is annexed herewith as "**Annexure B**".

The Report of the Secretarial Auditor contains two qualifications. The comments/explanation as required under Section 134 are as follows:

- (a) With respect to the qualification that the Company has not filed MGT - 14 as required under section 117 of the Companies Act, 2013 for the providing guarantee for loan taken by Next Radio Limited, Subsidiary Company and for availing additional financial assistance from RBL

Directors' Report

Bank, the Directors would like to state that the said non-filing was inadvertent and that the Company shall take steps to regularize the said non-compliance by filing the form with necessary fees/penalty as may be applicable under the Companies Act, 2013;

- (b) With respect to the qualification that the Company has appointed Statutory Auditors in the Adjourned Annual General Meeting held on 11th September, 2017 for 1 year instead of 5 years as required under section 139 of the Companies Act, 2013, the Directors would like to state that the said non-compliance was inadvertently due to incorrect interpretation of law and that the Board of Directors of the Company have made recommendation for appointment of Statutory Auditors for a period of 5 years at the ensuing Annual General Meeting of Shareholders.

26. INTERNAL FINANCIAL CONTROL SYSTEM:

According to Section 134(5)(e) of the Companies Act, 2013, the term Internal Financial Control (IFC) means the policies and procedures adopted by the company for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, safeguarding of its assets, prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information.

The Company has a proper and adequate internal financial control system which ensures that all assets are safeguarded and protected and that the transactions are authorised, recorded and reported correctly. The Company's internal financial control system also comprises of compliances with the Company's policies and Standard Operating Procedures (SOPs), which is further reviewed by M/s. SMMP & Associates, the Internal Auditors. The Internal Auditors independently evaluate the adequacy of internal controls.

27. ADEQUACY OF INTERNAL FINANCIAL CONTROLS IN RELATION TO FINANCIAL STATEMENTS:

The Companies Act, 2013 re-emphasizes the need for an effective Internal Financial Control system in the Company. The system should be designed and operated effectively. Rule 8(5)(viii) of Companies (Accounts) Rules, 2014 requires the information regarding adequacy of Internal Financial Controls with reference to the financial statements to be disclosed in the Board's report. To ensure effective Internal Financial Controls, the Company has laid down the following measures:

- ✓ All operations are executed through Standard Operating Procedures (SOPs) in all functional activities for which key manuals have been put in place. The manuals are updated and validated periodically.
- ✓ All legal and statutory compliances are ensured on a monthly basis for all locations in India through a fully automated tool. Non-compliance, if any, is seriously taken by the management and corrective actions are taken immediately.
- ✓ Approval of all transactions is ensured through a pre-approved delegation of authority schedule. The schedule is reviewed periodically by the management and compliance of the same is regularly checked and monitored by the auditors.
- ✓ The Company follows a robust internal audit process wherein audits are conducted on a regular basis throughout the year by the Internal Auditors as per agreed audit plan.
- ✓ The audit reports of the Internal Auditors are submitted to the Audit Committee and the Board for review and necessary action.
- ✓ The Company has a comprehensive risk management framework.

Directors' Report

- ✓ The Company has a robust mechanism of building budgets at an integrated cross- functional level. The budgets are reviewed on a monthly basis so as to analyze the performance and take corrective action, wherever required.
- ✓ The Company has in place a well-defined Whistle Blower Policy / Vigil Mechanism.
- ✓ The Company has a system of Internal Business Reviews. All departmental heads discuss their business issues and future plans in monthly review meetings. They review their achievements in quarterly review meetings.
- ✓ Compliance of the secretarial functions is ensured by way of secretarial audit.

28. ANNUAL RETURN:

Pursuant to Section 92 (3) of the Companies Act, 2013, copy of the annual return is placed on the website of the company i.e. www.nextmediaworks.com

29. EMPLOYEE STOCK OPTION PLAN:

During the year, 66,680 options were exercised by one (1) employee pursuant to the Company's Employee Stock Option Scheme 2012 after the same were vested.

The applicable disclosures as stipulated under the SEBI Regulations as on 31st March 2018 with regard to Employees Stock Option Plan are provided in **Annexure 'C'** to this report.

30. EMPLOYEE REMUNERATION:

The ratio of the remuneration of each director to the median remuneration of employees and other details in terms of sub-section (12) of Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, forms part of this report as **Annexure 'D'**.

31. PREVENTION OF SEXUAL HARASSMENT MECHANISM:

During the year under review, the Company has not received any complaint from the employees related to sexual harassment. The Company has in place prevention of sexual harassment policy which is available on the Company's website i.e. www.nextmediaworks.com

Further, your company has complied with provisions relating to constitution of Internal Complaints Committee under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

32. RISK MANAGEMENT:

The Company is not mandatorily required to constitute Risk Management Committee under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. However, the Company has, on 23rd January, 2015, voluntarily constituted a Risk Management Committee comprising of the following persons viz. (i) Mr. I. Venkat - Independent Director, (ii) Ms. Monisha Shah – Independent Director and (iii) Mr. Ismail Dabhoya - Chief Financial Officer as its members. The Company has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. These are periodically discussed at the meetings of the Committee.

33. CORPORATE SOCIAL RESPONSIBILITY:

Due to inadequate profits, the provisions of Section 135 of the Companies Act, 2013 are not applicable to the company.

Directors' Report

34. VIGIL MECHANISM / WHISTLE BLOWER:

Your Company is committed to highest standards of ethical, moral and legal business conduct. Accordingly, the Board of Directors has formulated a Vigil Mechanism / Whistle Blower Policy which is in compliance with the provisions of Section 177 (10) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The policy provides for a framework and process whereby concerns can be raised by its employees against any kind of discrimination, harassment, victimization or any other unfair practice being adopted against them. More details on the vigil mechanism and the Whistle Blower Policy of your Company have been outlined in the Corporate Governance Report which forms part of this report.

35. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS/COURTS/TRIBUNALS:

During the year under review, there were no significant or material orders passed by any regulatory body, Court or tribunal, which may have impact on the going concern status and the Company's operations in future.

36. STATEMENT OF DECLARATION BY INDEPENDENT DIRECTORS:

The Independent Directors of the Company have provided declaration in terms of the provisions of Section 149 (7) read with Section 149 (6) of the Companies Act, 2013 to the effect that they meet the criteria of independence as provided in Section 149(6) and the same have been taken on record by the Board of Directors of the Company at their meeting held on May 8, 2018.

37. FRAUD REPORTED BY AUDITOR UNDER SECTION 143(12) OF THE COMPANIES ACT, 2013:

There was no instance of fraud reported by the Statutory Auditors/Secretarial Auditors in their report under Section 143 (12) of the Companies Act, 2013

38. CHANGES IN THE NATURE OF BUSINESS

There has been no change in the nature of business of the Company during the year under review.

39. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO:

- A. Conservation of Energy: NIL
- B. Technology Absorption: NIL
- C. Foreign Exchange Earning: NIL
- D. Foreign Exchange Outgo: NIL
- E. Expenditure incurred on Research and Development: NIL

For Next Mediaworks Limited

Sd/-

Tarique Ansari
Chairman & Managing Director
(DIN: 00101820)

Place: Mumbai

Date: 21st August, 2018

ANNEXURE 'A'

(Pursuant to first proviso to sub-section(3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the Financial Statement of Subsidiaries

Part A (Subsidiaries)

(Information in respect of each subsidiary to be presented with Amounts in Lakhs)

Sr. No.	Name of Subsidiary	Date since the company was acquired	Reporting period for the subsidiary concerned	Share capital	Reserves and surplus	Total assets	Total Liabilities	Investments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	Extent of share-holding
1	Next Radio Limited	14 th October, 1999	1 st April 2017- 31 st March 2018	7574.03	(919.74)	18414.29	11760.00	1976.50	7961.85	(533.04)	-	(533.04)	-	51.40%
2	One Audio Limited	14 th October, 1999	1 st April 2017- 31 st March 2018	5.00	233.84	12.49	241.34	-	-	(0.18)	-	(0.18)	-	100.00%
3	Next Outdoor Limited	16 th September, 1985	1 st April 2017- 31 st March 2018	349.50	(358.90)	0.16	9.56	-	-	(0.18)	-	(0.18)	-	100.00%
4	Digital One Private Limited	14 th October, 1999	1 st April 2017- 31 st March 2018	1.00	(1.48)	1.81	2.29	-	-	(0.09)	-	(0.09)	-	100.00%
5	Syngience Broadcast Ahmedabad Limited	18 th April 2017	1 st April 2017- 31 st March 2018	1976.00	(23.85)	1978.35	26.20	-	-	(1.98)	-	(1.98)	-	100.00%

Part B (Associates and Joint Ventures)

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures – Not Applicable

ANNEXURE 'B'

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2018

[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,

Next Mediaworks Limited

Office Nos. I-17, I-18 and I-19,
10th Floor, The Everest Building,
156, D J Dadajee Road, Tardeo Mumbai 400034

I, Ajit Y. Sathe, Proprietor of A. Y. Sathe & Co., Practicing Company Secretary have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Next Mediaworks Limited (CIN - L22100MH1981PLC024052)** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's 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, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2018 ('Audit Period') 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:

I 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, 2018** 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 Byelaws framed thereunder;
- (iv) 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;
- (v) 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, 2015
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **(Not Applicable as the Company has not issued any further capital under the regulations during the period under review);**

Next Mediaworks Limited

- (d) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
 - (e) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and The Securities and Exchange Board of India (Share Based Employee Benefits) (Amendment) Regulations, 2015.
 - (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not Applicable to the Company during the Audit Period);**
 - (g) 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; **(Not Applicable to the Company during the Audit Period)**
 - (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not Applicable to the Company during the Audit Period);** and
 - (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(Not Applicable to the Company during the Audit Period);**
- (vi) As informed to me, **there are no other specifically applicable laws to the Company.**

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to Board Meetings (SS-1) and General Meetings (SS-2).

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc mentioned above subject to the following observations:

I) Companies Act, 2013:

- a) The Company has not filed MGT – 14 as required under section 117 of the Companies Act, 2013 for the providing guarantee for loan taken by Next Radio Limited, Subsidiary Company and for availing additional financial assistance from RBL Bank.
- b) The Company has appointed Statutory Auditors in the Adjourned Annual General Meeting held on 11th September, 2017 for 1 year instead of 5 years as required under section 139 of the Companies Act, 2013.

I have relied on information / records produced by the Company during the course of my audit and the reporting is limited to that extent.

I 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.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I 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.

I further report that,

During the audit period, there were no instances of:

- (i) Public/ Rights/ Preferential issue of shares/ debentures/ sweat equity, etc.;
- (ii) Redemption/ buy-back of securities;
- (iii) Foreign technical collaborations;
- (iv) Major decisions taken by the members in pursuance to section 180 of the Companies Act, 2013;
- (v) Merger / amalgamation / reconstruction, etc.

**For A. Y. Sathe & Co.
Company Secretaries**

sd/-

**CS Ajit Sathe
(Proprietor)
FCS No.2899
COP No. 738**

Date: 8th August, 2018
Place: Mumbai

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

‘ANNEXURE - I’

To,

The Members,

Next Mediaworks Limited

Office Nos. I-17, I-18 and I-19,
10th Floor, The Everest Building,
156, D J Dadajee Road, Tardeo Mumbai 400034

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

1. Maintenance of Secretarial record 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 were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records. The verification was done on the 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, standards is the responsibility of 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 A. Y. Sathe & Co.
Company Secretaries

sd/-

CS Ajit Sathe
(Proprietor)
FCS No.2899

COP No. 738

Date: 8th August, 2018

Place: Mumbai

ANNEXURE 'C' TO THE DIRECTORS' REPORT

EMPLOYEE STOCK OPTIONS SCHEME

Sr. No.	Description	Details
(a)	Total Options granted	200,000
(b)	Pricing formula	Exercise price for the above options is NIL.
(c)	Options vested	66,680
(d)	Options exercised	66,680
(e)	Total number of shares arising as result of exercise of options	66,680
(f)	Options lapsed during the year	NIL
(g)	Variation of terms of the options	NIL
(h)	Money realized by exercise of options	NIL
(i)	Total number of options in force	NIL
(j)	Employee-wise details of options granted:	
	(i) Senior Managerial Personnel	200,000
	(ii) Any other employees to whom options granted amount to 5% or more of the total options granted during the year	NIL
	(iii) Employees to whom options equal to or exceeding 1% of the issued capital have been granted during the year.	NIL
(k)	Diluted earnings per share (EPS) pursuant to issue of shares on exercise of options during the year and options outstanding as on 31.03.2018 calculated in accordance with Accounting Standard 20 'Earning per share'.	₹(0.20)
(l)	Where the company has calculated the employee compensation cost using the intrinsic value of the stock options, the difference between the compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options, shall be disclosed. The impact of this difference on profits and EPS of the company.	Not Applicable
(m)	Weighted average exercise prices weighted average fair value of options disclosed separately for options whose exercise price equals to market price exceeds or is less than the market price of the stock.	1. Weighted average exercise price: ₹ Nil per share for all the options. 2. Weighted average fair value of all the options is ₹ 17.95 per option.
(n)	Description of the method and significant assumptions used during the year to estimate the fair value of the options.	Weighted Average closing price of last six Months.

ANNEXURE 'D'

Information pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- (1) RATIO OF THE REMUNERATION OF EACH DIRECTOR TO THE MEDIAN REMUNERATION OF ALL THE EMPLOYEES OF THE COMPANY FOR THE FINANCIAL YEAR AND OTHER DETAILS AS REQUIRED UNDER RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014:

Median remuneration of all the employees of the Company for the Financial Year 2017-18	₹ 57.55 (in lakhs)
The percentage increase in the median remuneration of employees in the Financial Year 2017-18	4.08%
The number of permanent employees on the rolls of Company as on 31 st March, 2018	3

Names of Director	Ratio of remuneration to median remuneration of all employees	% increase in remuneration in the Financial Year 2017-18
Mr. Tarique Ansari	1:1	-4.08%
Names of KMP		
Mr. Ismail Dabhoya	1.29:1	-17.77%
Mr. Gaurav Sharma*	0.08:1	NA

* Joined as on December 27, 2017 as employee and appointment as Company Secretary (KMP) on February 13, 2018.

Notes:

- The ratio of remuneration to median remuneration is based on remuneration paid during the period 1st April, 2017 to 31st March, 2018.
- Mr. Sunil Dalal was appointed as an Additional Director (Non-Executive Director under Independent Category) with effect from 29th August 2017. The Board of Directors have recommended his appointment as Non-Executive Director under Independent Category for a period of 5 years i.e. from 29th August 2017 up to 28th August 2022 at the ensuing Annual General Meeting.
- Mr. Chetan Desai was appointed as an Additional Director (Non- Executive Director under Non-Independent Category) by the Board of Directors at their meeting held on 8th May, 2018. The Board of Directors have recommended his appointment as Non-Executive Director under Non-Independent category at the ensuing Annual General Meeting.
- Mr. Mandar Godbole who was working as Company Secretary & Compliance Officer of the Company resigned as Company Secretary & Compliance Officer with effect from 25th November, 2017. Mr. Gaurav Sharma was appointed as Company Secretary & Compliance Officer of the Company with effect from 13th February, 2018.

- e) The Remuneration paid to the Directors and KMPs is according to the Remuneration policy of the Company.
- f) There are no other Employees other than those mentioned in the above table.

2. PARTICULARS OF EMPLOYEES AS REQUIRED UNDER SECTION 134 OF THE COMPANIES ACT, 2013:

The information as per Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 will be provided upon request by any Member of the Company. In terms of Section 136 of the Companies Act, 2013, the Annual Report including the Directors' Report and the Audited Accounts are being sent to the Members excluding the same. Any Member interested in obtaining such information may write to the Company Secretary at the Registered Office of the Company.

CORPORATE GOVERNANCE

The Directors present the Company's report on Corporate Governance for the year ended 31st March 2018.

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE :

The Company's philosophy on Corporate Governance envisages the adoption of best business policies and alignment of the highest levels of transparency, integrity, honesty, accountability and equity in all facets of its operations and in all its interactions with its stakeholders including shareholders, bankers, government and employees.

The Company is committed to best corporate governance practices which stems not only from the letter of law but also from the inherent belief of doing business in the right way. The Company believes that all its actions and operations must serve the underlying goal of enhancing overall shareholder value on a sustained basis.

2. BOARD OF DIRECTORS :

(a) Composition of the Board:

The Company has an optimum combination of Executive and Non-Executive Directors in conformity with Regulation 17 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, to maintain the independence of the Board and to separate the Board functions of governance and management.

As on 31st March 2018*, the Board comprises of a Chairman and Managing Director (Executive) and 6 (six) Non-Executive Independent Directors including a woman Director. All the members of the Board are persons with considerable experience and expertise in industry, finance, management and law. Detailed profile of our Directors is available on the website: www.nextmediaworks.com

The Chairman and Managing Director provides leadership to the Board and to the Management in strategizing and realizing business objectives. The Non-Executive Independent Directors contribute by giving their valuable guidance and inputs with their independent judgment on the overall business strategies and performance.

None of the Directors on the Board is a Member of more than 10 (ten) Committees and Chairman of more than 5 (five) Committees, in compliance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, across all the Companies in which he / she is a Director as per the disclosures made by all the Directors.

None of the Independent Directors on the Board serves as an Independent Director in more than seven listed companies.

The Whole time Director does not serve as an Independent Director in more than three listed companies.

Note: Mr. Chetan Desai was appointed as the Director and the member of Audit Committee on May 8, 2018. Therefore, as on date the Board comprises of total number of 8 Directors

* Pursuant to list of disqualified Directors published by Ministry of Corporate Affairs (MCA) in September, 2017, Mr. Tarique Ansari (Chairman and Managing Director) and Mr. Adille Sumariwalla (Independent Director) were disqualified under Section 164 (2) of the Companies

Corporate Governance

Act, 2013 due to the reason that Bombay Marathon Private Limited, in which both of them were Directors, had failed to make annual filings for consecutive period of 3 years. Vide letters dated April 23, 2018, both Mr. Tarique Ansari (Chairman and Managing Director) and Mr. Adille Sumariwalla (Independent Director) informed the Board of Directors of the Company that Bombay Marathon Private Limited had filed all the pending filings under Condonation of Delay Scheme, 2018 announced by MCA and that consequent upon all the filings have been regularized, Status of DINs of both of them is shown as "Approved" on the website of Ministry of Corporate Affairs. The Board of Directors, at their meeting held on May 8, 2018, considered the aforesaid letters and took the view that disqualification incurred by Mr. Tarique Ansari and Mr. Adille Sumariwalla is removed as the status of their DINs is Approved now and that they can now resume the office of Chairman & Managing Director and Independent Director respectively.

(b) Meetings of the Board:

The Board meets at least once in each quarter inter-alia, to review the quarterly financial results. The gap between two consecutive meetings is less than 120 days. In addition, the Board also meets whenever necessary. The Board periodically reviews compliance reports of all laws applicable to the Company.

During the year under review, the Board met four (4) times on May 04, 2017, August 29, 2017, November 13, 2017 and February 12, 2018.

The Company Secretary prepares a detailed agenda and the explanatory notes, in consultation with the Chairman & Managing Director and circulates the same in advance to the Directors. The Directors are also provided with all the material information including minimum information as required under Part A of schedule II of sub regulation 7 of Regulation 17 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations. Every Director has the right to suggest inclusion of items in the agenda.

The Minutes of the proceedings of the meetings of the Board of Directors are noted and the draft Minutes are circulated amongst the members of the Board for their review. Comments, if any, received from the Directors are also incorporated in the Minutes, in consultation with the Chairman. The Minutes are approved by the members of the Board prior to the next meeting and the signed minutes are noted at the subsequent meeting of the Board of Directors.

(c) Directors' Attendance Record and Directorships held:

The names and categories of the Directors on the Board and their attendance at the Board Meetings during the year under review and at the last Annual General Meeting are given below:

Name of the Director	Nature of Directorship	No. of Board Meetings attended		Attendance at last AGM
		Held	Attended	
Mr. Tarique Ansari	Promoter, Chairman & Managing Director	4	3	Yes
Mr. Dilip Cherian	Non - Executive & Independent	4	4	No
Mr. Adille Sumariwalla	Non - Executive & Independent	4	3	Yes
Mr. I. Venkat	Non - Executive & Independent	4	3	No
Mr. Raj Singh Bhandal	Non - Executive & Independent	4	4	No
Ms. Monisha Shah	Non - Executive & Independent	4	4	No
Mr. Sunil Dalal	Non - Executive & Independent	4	1	No

Corporate Governance

The names and categories of the Directors on the Board during the year under review and the number of directorships and committee memberships held by them in other Companies are given below:

Name of the Director	Nature of Nature of Directorship	No. of Directorships in other Public companies#	No. of Committee Memberships (including in Company) ##	
			Member	Chairman
Mr. Tarique Ansari	Promoter, Managing Director	3	0	0
Mr. Dilip Cherian	Non - Executive & Independent	4	4	2
Mr. Adille Sumariwalla	Non - Executive & Independent	3	1	0
Mr. I. Venkat	Non - Executive & Independent	0	0	0
Mr. Rajbir Singh Bhandal	Non - Executive & Independent	0	0	0
Ms. Monisha Shah	Non - Executive & Independent	1	2	0
Mr. Sunil Dalal	Non - Executive & Independent	1	0	0

excluding Directorships in Foreign companies, Private Limited companies, companies under Section 8 of the Companies Act, 2013.

Memberships include Chairmanships. Only memberships of Audit Committee, Remuneration Committee and Stakeholder Relationship Committee are considered.

(d) There is no relationship between the Directors inter se.

(e) Details of shares & Convertible instruments held by non-executive Directors:

Sr. No.	Name of the Director	Nature of Directorship	Number of Shares held in the Company	Type of Security
1.	Mr. Adille Sumariwalla	Non-Executive & Independent	5,875 (0.009%)	Equity shares of ₹ 10 Each

(f) The Company has in place a familiarization programme for the Independent Directors. Since the Company operates through its subsidiary viz. Next Radio Limited ("NRL") which is into FM broadcasting business, the familiarization programme aims to familiarise the Independent Directors with the radio industry scenario, the socio-economic environment in which NRL operates, the business model, the operational and financial performance of NRL, significant developments so as to enable them to take well informed decisions in a timely manner. The familiarization programme also seeks to update the Directors on the roles, responsibilities, rights and duties under the Act and other statutes. The policy of Company's familiarization programme for Independent Directors and the details of familiarization programme imparted to the Independent Directors are posted on the Company's website at www.nextmediaworks.com.

3. BOARD COMMITTEES :

In compliance with the requirements of the Companies Act, 2013, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the other applicable laws, the Company has the following committees in place: (i) Audit Committee (ii) Stakeholders' Relationship Committee (iii) Nomination & Remuneration Committee (iv) Risk Management Committee (The Company though strictly not required to constitute Risk Management Committee, has constituted it voluntarily).

Corporate Governance

The Board determines the constitution of the Committees and the terms of reference for Committee Members including their roles and responsibilities.

A. Audit Committee :

Composition:

The Audit Committee consists of Four (4) members, of which three (3) are Non-Executive-Independent Directors and one (1) Non-Executive- Non Independent Director viz. namely:

*Mr. Sunil Dalal	Non-Executive Independent Director	Chairman
Mr. I. Venkat	Non-Executive Independent Director	Member
Mr. Dilip Cherian	Non-Executive Independent Director	Member
**Mr. Chetan Desai	Non-Executive Non Independent Director	Member

*During the year, Mr. Sunil Dalal was appointed as an Additional Director (Non-Executive Director under Independent Category) with effect from 29th August 2017. The Board of Directors have recommended his appointment as Non-Executive Director under Independent Category for a period of 5 years i.e. from 29th August 2017 up to 28th August 2022 at the ensuing Annual General Meeting.

**The Board of Directors had, at their meeting held on 8th May, 2018, appointed Mr. Chetan Desai as an Additional Director (Non- Executive Director under Non-Independent Category) with effect from 8th May, 2018. The Board of Directors have recommended his appointment as Non-Executive Director under Non-Independent category at the ensuing Annual General Meeting.

All the members of the Audit Committee are financially literate and have accounting / related financial management expertise.

The Company Secretary acts as Secretary to the Committee.

The Statutory Auditors, Chief Financial Officer, Internal Auditors are invitees to the Audit Committee Meetings.

The scope of activities and powers of the Audit Committee are in line with Regulation 18 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and section 177 of the Companies Act, 2013.

Terms of reference:

The terms of reference of the Audit Committee are broadly as follows:

- (a) Overseeing 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) Recommending to the Board, the appointment, re-appointment and removal of statutory auditors, cost auditors, branch auditors and fixation of their remuneration.
- (c) Approving the payments to statutory auditors for any other services rendered by them.
- (d) Reviewing with management, the annual financial statements and auditor's report before submission to the Board for approval, focusing primarily on:
 - ✓ Matters required to be included in the Director's Responsibility for inclusion of the same in the Board Report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013;
 - ✓ Any changes in accounting policies and practices and reasons for the same;

Corporate Governance

- ✓ Major accounting entries involving estimates based on exercise of judgments by management;
 - ✓ Qualifications in draft audit report;
 - ✓ Significant adjustments made in the financial statements arising out of audit;
 - ✓ The going concern assumption;
 - ✓ Compliance with accounting standards;
 - ✓ Compliance with listing and legal requirements concerning financial statements;
 - ✓ All related party transactions i.e., transactions of the Company of material nature, with promoters or the management, their subsidiaries or relatives etc.
- (e) Reviewing with the management, internal financial controls and risk management system.
- (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.
- (g) Reviewing with the management, the quarterly and half yearly financial results before submission to the Board.
- (h) Reviewing the adequacy of internal audit functions, 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.
- (i) Scrutinizing the inter-corporate loans & investments.
- (j) Discussion with Internal Auditors and the Statutory Auditors on any significant findings and follow up thereon.
- (k) 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.
- (l) Approval or any subsequent modification of transactions of the Company with related parties.
- (m) To look into reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
- (n) Review and monitor the auditor's independence and performance, and effectiveness of audit processes.
- (o) To review the functioning of the Whistle Blower Policy / Vigil mechanism.
- (p) Valuation of undertaking or assets of the Company where ever it is necessary.
- (q) 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 and background, etc. of the candidate.
- (r) Discussions with the statutory auditors before the audit commences, about the nature and

Corporate Governance

scope of audit as well as post-audit discussion to ascertain any area of concern.

- (s) All such other functions as may be specified from time to time by the Board or under the Companies Act, 2013 or Listing Regulations.

Meetings:

During the year, four (4) Audit Committee meetings were held on May 04, 2017, August 29, 2017, November 13, 2017 and February 12, 2018. The gap between two consecutive meetings was less than 120 days.

The details of meetings attended by the Members are given below:-

Name of the Member	No. of meetings attended
Mr. Sunil Dalal (Chairman)	1
Mr. I. Venkat (Member)	3
Mr. Dilip Cherian	1
**Mr. Adille Sumariwalla	3
**Mr. Tarique Ansari	3

During the year, the Audit Committee was re-constituted by the Board by way of circular resolution duly passed by majority of directors and noted in the next board meeting held on 12th February 2018. Mr. Sunil Dalal and Mr. Dilip Cherian were appointed to act as the Chairman and Member of the Audit Committee respectively with effect from 12th February 2018.

**Pursuant to the Disqualification incurred by Mr. Adille Sumariwalla and Mr. Tarique Ansari, during the year, they ceased to be the Chairman and the Member of Audit Committee respectively.

Mr. Adille Sumariwalla—the previous Chairman of the Audit Committee was present at the previous Adjourned Annual General Meeting held on 11th September 2017.

B. Stakeholders' Relationship Committee :

Composition:

The Stakeholders' Relationship Committee comprises of two (2) members of which both are Non-Executive Independent Directors viz.:

Mr. I Venkat	Non-Executive Independent Director	Chairman
Mr. Dilip Cherian	Non-Executive Independent Director	Member

During the year, the Stakeholders' Relationship Committee was re-constituted by the Board by way of circular resolution duly passed by majority of directors and noted in the board meeting held on 12th February 2018. Mr. I Venkat and Mr. Dilip Cherian were appointed to act as the Chairman and Member of the Stakeholders' Relationship Committee respectively with effect from 12th February 2018.

The Company Secretary acts as Secretary to the Committee.

Terms of reference:

The Stakeholders' Relationship Committee primarily attends to and resolves grievances of the Company's shareholders and other stakeholders.

Corporate Governance

Meetings:

During the year, Four (4) Stakeholders' Relationship Committee meetings were held on May 04, 2017, August 29, 2017, November 13, 2017 and February 12, 2018. The gap between two consecutive meetings was less than 120 days.

The details of meeting attended by the Members are given below:-

Name of the Member	No. of meetings attended
Mr I Venkat(Chairman)	1
Mr. Dilip Cherian (Member)	1
**Mr. Adille Sumariwalla	3
**Mr. Tarique Ansari	3

**Pursuant to the Disqualification incurred by Mr. Adille Sumariwalla and Mr. Tarique Ansari, during the year, they ceased to be the Chairman and the Member of Stakeholders' Relationship Committee respectively.

Details of Investor Complaints:

The Company did not receive any queries / complaints during the year under review.

Name, Designation and Address of Compliance Officer:

Mr. Gaurav Sharma

Company Secretary & Compliance Officer

Next Mediaworks Limited
Unit I-17, 18 and 19, 10th Floor,
156, D.J Dadajee Road,
The Everest Building,
Tardeo, Mumbai-400 034.
Contact: +91 22 67527016
Email: gaurav.sharma@nextmediaworks.com

C. Nomination and Remuneration Committee:

Composition:

The Nomination and Remuneration Committee comprises of three (3) Non-Executive Independent Directors viz.:

Mr. Dilip Cherian	Non-Executive Independent Director	Chairman
Mr. Rajbir Singh Bhandal	Non-Executive Independent Director	Member
Mr. I Venkat	Non-Executive Independent Director	Member

During the year, the Nomination and Remuneration Committee was re-constituted by the Board by way of circular resolution duly passed by majority of directors and noted in the board meeting held on 12th February 2018. Mr. I Venkat was appointed as the Member of the Nomination and Remuneration Committee with effect from 12th February 2018.

The Company Secretary acts as Secretary to the Committee.

Terms of reference:

The role of the Nomination and Remuneration Committee is:

Corporate Governance

- a. To identify persons who are qualified to become directors or who can be appointed in the senior management.
- b. To formulate criteria for evaluation of the performance of the Independent Directors and the Board and decide whether to extend or continue the term of appointment of independent directors, on the basis of performance evaluation.
- c. To devise a policy on Board diversity.
- d. To recommend the appointment/ removal of directors or senior management personnel.
- e. To carry out evaluation of every director's performance.
- f. To formulate criteria for determining qualifications, positive attributes and independence of a director.
- g. To recommend to the Board, policy relating to remuneration for the directors, key managerial personnel and other senior employees and to review the policy at regular intervals.

Meetings:

During the year three (3) meetings of the Nomination and Remuneration Committee was held on 4th May 2017, 29th August 2017 and 12th February 2018.

The details of meeting attended by the Members are given below:-

Name of the Member	No. of meetings attended
Mr. Dilip Cherian	3
Mr. Rajbir Singh Bhandal	3
Mr. I Venkat	1
*Mr. Adille Sumariwalla	2

* Pursuant to the Disqualification incurred by Mr. Adille Sumariwalla during the year, he ceased to be the Chairman of Nomination and Remuneration Committee.

Nomination & Remuneration Policy

The Nomination and Remuneration policy provides a framework for appointment of Directors, Key Managerial Personnel and senior management, their performance evaluation and fixing their remuneration based on their performance.

Policy for selection and Appointment of Directors and their Remuneration

Criteria for selection of Non-executive Directors

- The Non-executive Director shall be of high integrity with relevant expertise and experience so as to have a diverse Board with Directors having expertise in the fields of marketing, finance, taxation, law, governance and general management.
- In case of appointment of Independent Directors, the Committee shall satisfy itself with regard to the independent nature of the Director to enable the Board to discharge its function and duties effectively.
- The Committee shall ensure that the candidate identified for appointment as a Director is not disqualified for appointment under Section 164 of the Companies Act, 2013.
- The Committee shall consider the following attributes / criteria, while recommending to the Board the candidature for appointment as Director:
 - i. Qualification, expertise and experience of the Directors in their respective fields;

Corporate Governance

- ii. Personal, Professional or business standing;
 - iii. Diversity of the Board.
- In case of re-appointment of Non-executive Directors, the Board shall take into consideration the performance evaluation of the Director and his engagement level.

Remuneration

The Non-executive Directors shall be entitled to receive sitting fees for each meeting of the Board / Committee attended by them, of such sum as may be approved by the Board of Directors within the overall limits prescribed under the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and reimbursement of expenses for participation in the Board Meetings.

Remuneration for the CEO, CFO & Executive Chairman / Director

At the time of appointment or re-appointment, the CEO, CFO & Executive Chairman / Director shall be paid such remuneration as may be mutually agreed between the Company (which includes the Committee and the Board of Directors) and the CEO, CFO & Executive Chairman / Director within the overall limits prescribed under the Companies Act, 2013. The Committee shall also take into account the comparative remuneration in the industry, size of the Company and profile of the candidate while deciding the remuneration. The remuneration shall be subject to the approval of the Members of the Company in General Meeting, where required under applicable laws.

The remuneration of the CEO & Executive Chairman / Director comprises of fixed and variable component as per the provisions of Companies Act, 2013. The fixed component comprises salary, allowances, perquisites, amenities and retiral benefits.

CEO & Executive Chairman / Director – Criteria for selection / appointment

For the purpose of selection of the CEO & Executive Chairman / Director the Committee shall identify persons of integrity who possess relevant expertise, experience and leadership qualities required for the position and shall take into consideration recommendation, if any, received from any member of the Board.

The Committee will also ensure that the incumbent fulfils such other criteria with regard to age and other qualifications as laid down under the Companies Act, 2013 or other applicable laws.

Remuneration Policy for the Senior Management Employees

In determining the remuneration of the Senior Management Employees, the Committee shall ensure that the relationship of remuneration and performance benchmark is clear.

The Non-Executive Chairman will carry out the individual performance review based on the respective defined objectives, qualification, expertise, experience and other factors while recommending the annual increment and performance incentive to the Committee for its review and approval.

Details of Remuneration paid to the Executive Director during the year ended 31st March 2018:

Particulars	Amount (₹)
Salary	24,82,830
Perquisites	25,91,600
Commission	0
Performance-linked incentive	0
Total	50,74,430

Corporate Governance

Service Contract, Severance Fees & Notice Period:

The terms of employment stipulate a notice period of 3 (three) months, for termination of appointment of Chairman & Managing Director and Executive Directors, on either side. There is no provision for payment of severance fees.

Sitting Fees to Non-Executive Independent Directors:

Non-Executive Independent Directors of the Company do not draw any remuneration from the Company other than sitting fees for attending Board and Audit Committee meetings. None of the Non-Executive Independent Directors have entered into any pecuniary transaction or relationship with the Company.

Details of sitting fees paid for attending Board and Committee Meetings during the year ended 31st March 2018 are given below:

(Amount in ₹)

Name of the Director	Sitting Fees		Total
	Board Meetings	Committee Meetings	
Mr. Adille Sumariwalla	30000	30000	60000
Mr. I. Venkat	30000	30000	60000
Mr. Dilip Cherian	40000	10000	50000
Ms. Monisha Shah	40000	-	40000
Mr. Rajbir Singh Bhandal	40000	-	40000
Mr. Sunil Dalal	20000	20000	40000

D. Risk Management Committee:

Composition:

The Risk Management Committee comprises of two (2) Non-Executive Independent Directors and Chief Financial Officer viz. (1) Mr. I. Venkat (Chairman), (2) Ms. Monisha Shah (Member), (3) Mr. Ismail Dabhoya (Member).

The Company Secretary acts as Secretary to the Committee.

Terms of reference:

Business Risk Evaluation and Management is an ongoing process within the Organization. The Company has a strong risk management framework to identify, monitor and minimize risks as also identify business opportunities.

The objectives and scope of the Risk Management Committee broadly comprise of:

- Oversight of risk management performed by the executive management.
- Reviewing the policy and framework in line with legal requirements and SEBI guidelines.
- Reviewing risks and evaluate treatment including initiating mitigation actions.
- Defining framework for identification, assessment, monitoring, mitigation and reporting of risks.

Corporate Governance

- Within its overall scope as aforesaid, the Committee shall review risks trends, exposure, potential impact analysis and mitigation plan

Meeting:

During the year under review, Four (4) Risk Management Committee Meetings were held on May 04, 2017, August 29, 2017, November 13, 2017 and February 12, 2018. The gap between two consecutive meetings was less than 120 days.

The details of meeting attended by the Members are given below:-

Name of the Member	No. of meetings attended
Mr. I. Venkat (Chairman)	4
Ms. Monisha Shah	4
Mr. Ismail Dabhoya	4

4. COMPANY POLICIES :

The Company has the following policies in place:

(a) Policy on Related Party Transactions:

Pursuant to Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has in place Policy on Related Party Transactions. This Policy can be viewed on the Company's website viz. www.nextmediaworks.com under the "Investors" Section.

(b) Policy on Material Subsidiaries:

Pursuant to Regulation 16 (c) of Securities And Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has in place Policy on Material Subsidiaries. This Policy can be viewed on the Company's website viz. www.nextmediaworks.com under the "Investors" Section.

(c) Whistle Blower / Vigil Mechanism Policy:

Pursuant to Regulation 4 of Securities And Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has in place Whistle Blower / Vigil Mechanism Policy and the same can be viewed on the Company's website viz. www.nextmediaworks.com under the "Investors" Section.

(d) Nomination & Remuneration Policy:

Pursuant to Provisions of Securities And Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Companies Act, 2013, the Company has in place Nomination & Remuneration Policy and the same can be viewed on the Company's website viz. www.nextmediaworks.com under the "Investors" Section.

(e) Policy on Preservation of Documents:

Pursuant to Regulation 9 of Securities And Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has in place Preservation

Corporate Governance

of Documents policy. This Policy can be viewed on the Company's website viz. www.nextmediaworks.com under the "Investors" Section.

(f) Policy for determining materiality of any event or information for the purpose of dissemination of the same to the stock exchanges:

Pursuant to Regulation 30(4)(ii) of Securities And Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has in place Policy for determining materiality of any event or information. This Policy can be viewed on the Company's website viz. www.nextmediaworks.com under the "Investors" Section.

5. PERFORMANCE EVALUATION OF THE BOARD

After taking into consideration one to one inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance and pursuant to the provisions of the Companies Act, 2013 and Securities And Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its committees.

A separate exercise was carried out to evaluate the performance of individual Directors (including Independent Directors and the Chairman of the Board), who were evaluated on parameters such as level of engagement and contribution, and other important aspects. The evaluation sheet was circulated to the Board Members for undertaking the evaluation. All Board members did the evaluation and handed over the duly filled Evaluation sheet to the Company Secretary. The Board noted the same at its meeting held on 08th May 2018.

6. MEETING OF THE INDEPENDENT DIRECTORS:

During the year under review, the Independent Directors met on 12th February 2018, inter alia, to discuss:

- (a) Evaluation of the performance of the Board of Directors as a Whole;
- (b) Evaluation of the performance of the Chairman of the Company, taking into account the views of the Non-executive Directors.
- (c) Evaluation of the quality, content and timelines of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors were present at the meeting.

7. OTHER INFORMATION:

- (a) The Corporate Identity Number allotted to the Company by the Ministry of Corporate Affairs is : L22100MH1981PLC024052.

Corporate Governance

(b) Code of Conduct :

The Company has laid down a Code of Conduct for all Board members and the Senior Management Personnel. The Code of Conduct is available on the Company's website viz., www.nextmediaworks.com. All the Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct. A declaration to this effect signed by the Chairman & Managing Director forms part of this Report.

(c) General Body Meetings :

(i) Location, Date and Time of Annual General Meetings held during the last 3 (three) years:

The Annual General Meetings ("AGM") of the Company for the financial years 2014-15 and 2016-17 were held at Hall of Harmony respectively, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai - 400 018, and for the financial year 2015-2016 at Sunville Banquets, 9, Middle of Worli Flyover, Near Poonam Chambers, Worli, Mumbai-400018 as detailed below:

AGM	Financial Year	Date of AGM
34 th	2014-15	6 th August 2015
35 th	2015-16	5 th August 2016
36 th	2016-17	11 th September 2017*

The AGM was originally conveyed on 29th August, 2017 and the adjourned meeting was held on 11th September, 2017.

(ii) Special Resolutions passed in the previous three Annual General Meetings:

34 th AGM held on 6 th August 2015 at 4:00 p.m. at Hall of Harmony, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai – 400 018.	(i)	Special Resolution for revision in the remuneration payable to Mr. Tarique Ansari – Chairman & Managing Director for the period 1 st April 2014 to 30 th June 2016.
	(ii)	Special Resolution for re-appointment of Mr. Tarique Ansari as the Chairman & Managing Director of the Company for further period of 3 years effective from 1 st July 2016.
35 th AGM held on 5 th August 2016 at 4:00 p.m. at Sunville Banquet, 9 Dr. Annie Beasant Road, Middle of Worli Flyover, Near Poonam Chambers, Worli, Mumbai 400018	(i)	Special Resolution for Adoption of new set of Articles of Association pursuant to Section 14 and other applicable provisions of Companies Act 2013.
	(ii)	Special Resolution for Maintenance of Register of Members at a place other than the Registered office of the Company i.e. Link Intime India Private Limited, Registrar and Share Transfer Agent of the Company
	(iii)	Special Resolution to increase the authorized share capital of the Company from ₹ 70 crores to ₹ 80 Crores.
36 th AGM on 11 th September 2017 at 3:00 p.m. at Hall of Harmony, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai – 400 018.	NIL	

(iii) During the year, there was no special resolution passed through postal ballot.

Corporate Governance

8. OTHER DISCLOSURES:

- (a) During the year, the Company has entered into related party transaction, which was in the normal course of business for which necessary approvals are taken and disclosures are made, the Company has not entered into any materially significant related party transactions i.e., transactions of material nature, with its Promoters, Directors or the Management, their subsidiaries or relatives etc. that may have potential conflict with the interest of the Company at large. However, the Company has annexed to the Financial Statements a list of all related parties as per Section 188 of the Companies Act, 2013 and Accounting Standard 18 and the transactions entered into with them and pursuant to and Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015. The Company has in place Policy on Related Party Transactions. This Policy can be viewed on the Company's website viz. www.nextmediaworks.com under the "Investors" Section.
- (b) A practicing Company Secretary conducts Share Capital Reconciliation Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) along with shares held in physical form and the total issued and listed capital. The Share Capital Reconciliation Audit Report confirms that the total issued/paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.
- (c) The Chairman and Managing Director and the Chief Financial Officer have provided certification to the Board in accordance with the requirements of Regulation 17 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- (d) The Company's risk management framework is reviewed and revised to minimize risk and strengthen risk assessment.
- (e) During the last three years, there were no strictures or penalties imposed either by Securities and Exchange Board of India or the Stock Exchange or any regulatory authority for non-compliance of any matter related to the capital market.
- (f) No personnel have been denied access to the Chairman or members of the Audit Committee. Your Company is committed to highest standards of ethical, moral and legal business conduct. Accordingly, the Board of Directors has formulated a Whistle Blower / Vigil Mechanism Policy which is in compliance with the provisions of Section 177 (10) of the Companies Act, 2013 and Regulation 4 Securities And Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The policy provides for a framework and process whereby concerns can be raised by its employees against any kind of discrimination, harassment, victimization or any other unfair practice being adopted against them. This Policy can be viewed on the Company's website viz. www.nextmediaworks.com under the "Investors" Section.
- (g) To the extent applicable, the Company has complied with the mandatory requirements of Regulation 34, 17 to 27 and Clause (b) to (i) of Regulation 46 (2) of Securities And Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- (h) The Company has complied with all applicable Accounting Standards issued by Institute of Chartered Accountants of India in preparation of its financial statements pursuant to the

Corporate Governance

amended Schedule III of Companies Act, 2013.

- (i) The Company has not complied with the discretionary requirements as mentioned in Part E of Schedule II except that the Internal Auditor presents his report to the Audit Committee and acts in accordance with the directions of Audit Committee as may be given from time to time.

9. MEANS OF COMMUNICATION :

- a. Financial Results: As required under the Securities And Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Quarterly and Half-Yearly results of the Company are published within forty five days from the end of the respective quarter and the annual audited results are announced as and when approved by the Board. The financial results are published usually in the Free Press Journal and Navshakti and also posted on the Company's website viz. www.nextmediaworks.com.
- b. News Releases, Presentations etc.: Official news releases, detailed presentations made to media, analysts, institutional investors etc. if any, are displayed on the Company's website viz. www.nextmediaworks.com. Official announcements are sent to the Stock Exchanges.
- c. Website: The Company's corporate website www.nextmediaworks.com provides information about the Company's business. It also contains a separate dedicated Section 'Investor Desk' where shareholders information is available. The Annual Report of the Company is also available on the website in a user friendly and downloadable format.
- d. Annual Report: Annual Report containing, inter alia, Audited Annual Accounts, Consolidated Financial Statements, Directors' Report, Auditors' Report and other important information is circulated to members and others entitled thereto. The Management Discussion and Analysis (MD&A) Report forms part of the Annual Report.
- e. There were no presentations made to the institutional investors or to the analysts in the financial year 2017-18.

10. MANDATORY REQUIREMENT :

The Company has complied with the mandatory requirements of Regulation 34 of Securities And Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 relating to Corporate Governance.

11. GENERAL SHAREHOLDER INFORMATION:

Annual General Meeting	20 th September 2018
Financial Year	1 st April 2017 to 31 st March 2018
Time & Venue	3:00 p.m. at Hall of Harmony, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai – 400 018.
Dividend Payment	No Dividend
Listing on Stock Exchanges	1. Bombay Stock Exchange Limited 25 th Floor, P J Towers, Dalal Street, Mumbai - 400001

Corporate Governance

	2. National Stock Exchange of India Limited Exchange Plaza, 5th floor, Plot No. C/1, 'G' Block, Bandra – Kurla Complex, Bandra (East), Mumbai – 400 051. The Company has paid the annual listing fees to both the afore-mentioned stock exchanges.
Stock Code	BSE: 532416 NSE: NEXTMEDIA
Registered office of Company / Address for Correspondence	I-17, 18, 19, 10 th Floor, The Everest Building, 156, D.J Dadajee Road, Tardeo, Mumbai-400 034 Tel: +91-22-67527016 Email: cs@nextmediaworks.com Web site: www.nextmediaworks.com

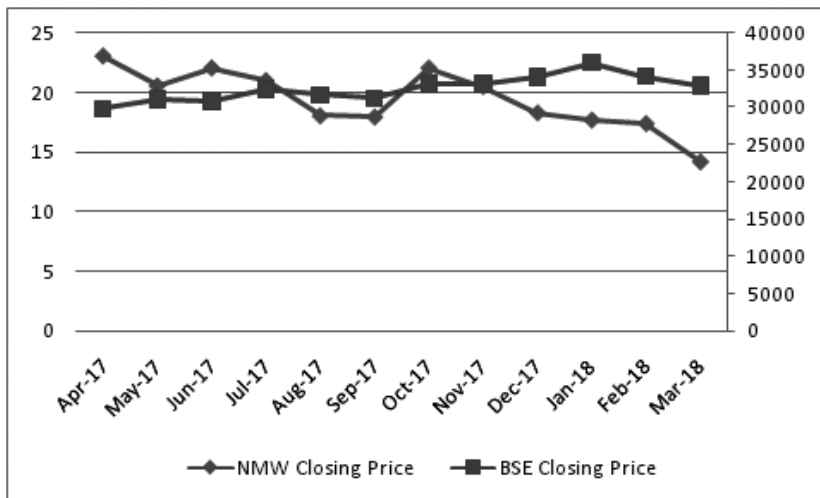
Financial Calendar (tentative and subject to change)

Particulars	Date
Financial Year	Ending on 31 st March

Results for the Quarter ending

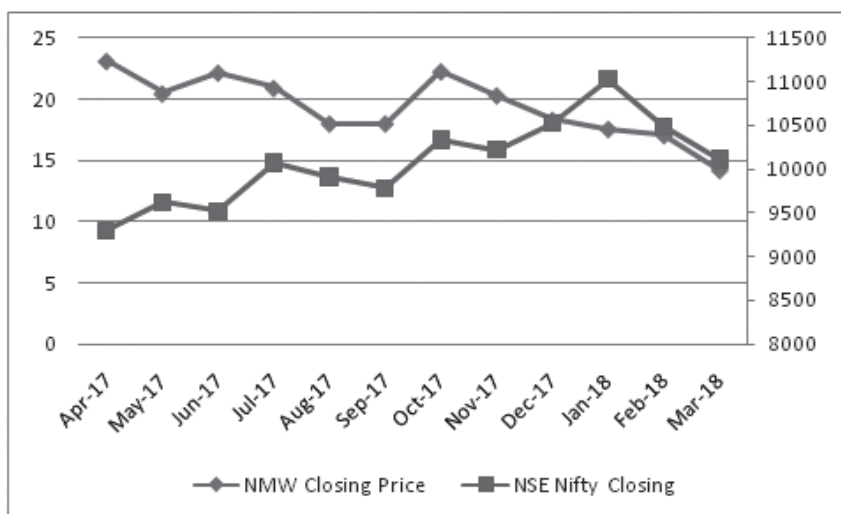
Particulars	Date
Financial unaudited results for 1 st Qtr. ended 30 th June 2018	on or before 14 th August 2018
Financial unaudited results for 2 nd Qtr. ended 30 th September 2018	on or before 14 th November 2018
Financial unaudited results for 3 rd Qtr. ended 31 st December 2018	on or before 14 th February, 2019
Financial audited results for 4 th Qtr. and year ended 31 st March 2019	on or before 15 th May 2019

Performance in comparison to BSE SENSEX:



Corporate Governance

Performance in comparison to NSE NIFTY:



Market Price Data - NSE & BSE:

MONTH	BSE		NSE	
	High	Low	High	Low
April 2017	24.50	21.55	23.40	22.00
May 2017	24.05	19.70	21.00	20.10
June 2017	23.50	18.20	22.15	19.95
July 2017	24.20	20.20	21.50	20.90
August 2017	21.50	17.00	18.15	17.50
September 2017	20.50	16.70	18.05	17.20
October 2017	25.60	17.20	22.75	21.85
November 2017	25.10	19.25	21.00	19.60
December 2017	20.95	17.50	18.90	17.50
January 2018	17.00	17.65	17.60	17.00
February 2018	16.00	17.35	17.50	16.55
March 2019	14.00	14.15	15.10	14.10

12. SHAREHOLDERS' INFORMATION:

Registrar and Share Transfer Agent	Link Intime India Private Limited C-101, 1 st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West) Mumbai, MH 400083 Tel: +91-022-49186000, Fax: +91-22-2594 6969 Email: ashwini.nemlekar@linkintime.co.in
Share Transfer System	The Board has delegated the authority for approving transfer, transmission, etc. of the Company's securities to the Stakeholders' relationship Committee. The Company obtains a half yearly certificate of compliance with the share transfer formalities as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and files a copy of the certificate with the Stock Exchanges.

Corporate Governance

The Distribution of Shareholding as on 31st March 2018

No. of Equity	No. of Shareholders	% of Total Shareholders	No. of Shares	% to total Shares
1-500	12915	79.77	2079874	3.11
501-1000	1505	9.30	1288358	1.93
1001-2000	696	4.30	1114083	1.67
2001-3000	265	1.64	694863	1.04
3001-4000	133	0.82	489403	0.73
4001-5000	151	0.93	729030	1.09
5001-10000	238	1.47	1810260	2.71
10001 and above	287	1.77	58687037	87.73
TOTAL	16190	100.00	66892908	100.00

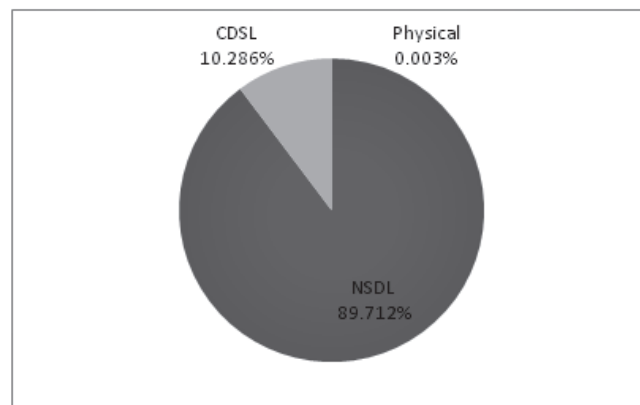
Category of Shareholders as on 31st March 2018:

Category	No. of shareholders	No. of shares held	% of holding
Promoter and Promoter Group	8	41396484	61.88
Clearing Members	68	227730	0.34
Other Bodies Corporate	234	5762215	8.61
Hindu Undivided Family	492	656969	0.98
Non Resident Indians	39	175592	0.26
Non Resident (Non Repatriable)	34	251721	0.38
Public	15309	16498533	24.66
Trusts	1	1000	0.00
Foreign Portfolio Investors (Corporate)	5	1922664	2.87
TOTAL	16190	66892908	100.00

13. Dematerialisation of shares

As on 31st March 2018, 99.99% of the total equity capital is held in dematerialised form with NSDL and CDSL. As per SEBI guidelines, the trading in equity shares of the Company is permitted only in dematerialized form.

Particulars	No. of Shares	% of total capital issued
NSDL	60010742	89.71
CDSL	6880277	10.29
Physical	1889	0.00
Total	66892908	100.00



Next Mediaworks Limited

CERTIFICATE PURSUANT TO REGULATION 17 OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

We, Tarique Ansari – Chairman & Managing Director and Ismail Dabhoya - Chief Financial Officer hereby certify for the financial year ended 31st March 2018 that: -

- (a) We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the auditors and the Audit committee
 - (i) that there are no significant changes in internal control over financial reporting during the year;
 - (ii) that there are no significant changes in accounting policies during the year; and
 - (iii) that there are no instances of significant fraud of which we have become aware.

sd/-

Tarique Ansari

Chairman & Managing Director
(DIN: 00101820)

sd/-

Ismail Dabhoya

Chief Financial Officer

Date: 8th May 2018

PURSUANT TO REGULATION 34(3) READ WITH CLAUSE 'D' OF SCHEDULE V OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS), 2015

To

**The Members of
NEXT MEDIAWORKS LIMITED**

DECLARATION

I, Tarique Ansari, Chairman & Managing Director of Next Mediaworks Limited hereby declare that all the members of the Board of Directors and the senior management personnel have affirmed compliance with the Code of Conduct of the Company for the year ended 31st March, 2018.

For Next Mediaworks Limited

sd/-

**Tarique Ansari
Chairman & Managing Director**

Place : Mumbai
Date : 8th May 2018

**PRACTICING COMPANY SECRETARY'S CERTIFICATE
ON CORPORATE GOVERNANCE**

To the Members of Next Mediaworks Limited

We have examined the Compliance of conditions of Corporate Governance by Next Mediaworks Limited (“the Company”) (CIN: L22100MH1981PLC024052) for the year ended March 31, 2018, as stipulated in Regulations 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of Regulation 46 and para C, D and E of Schedule V of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements), Regulations, 2015 (the “Listing Regulations”).

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to a review of procedures and implementations thereof, adopted by the Company for ensuring the compliances with the conditions of the Corporate Governance as stipulated in the said Listing Regulations. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of the Corporate Governance as stipulated in the Listing Regulations.

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

For A Y Sathe & Co.
Company Secretaries
sd/-
CS Ajit Sathe
Proprietor
FCS: 2899 COP: 738

Place: Mumbai

Date: 8th August, 2018

INDEPENDENT AUDITORS' REPORT

To the Members of Next Mediaworks Limited

Report on the Standalone Financial Statements

1. We have audited the accompanying standalone financial statements of Next Mediaworks Limited ('the Company'), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity 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 that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's 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, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.
5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether these standalone 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 auditor's 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 controls 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 these 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, including Ind AS specified under Section 133 of the Act, of the state of affairs (financial position) of the Company as at March 31, 2018, and its loss (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Other Matter

9. The comparative financial information for the year ended March 31, 2017 and the transition date opening balance sheet as at April 1, 2016 prepared in accordance with Ind AS included in these standalone

Independent Auditors' Report

financial statements, are based on the previously issued statutory financial statements for the year ended March 31, 2017 and March 31, 2016 respectively prepared in accordance with Accounting Standards prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended), which were audited by the predecessor auditor whose reports dated May 4, 2017 and May 13, 2016, respectively, expressed unmodified opinion on those standalone financial statements, and have been adjusted for the differences in the accounting principles adopted by the Company on transition to Ind AS, which have been audited by us. Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

10. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure I a statement on the matters specified in paragraphs 3 and 4 of the Order.
11. Further to our comments in Annexure I, 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 purpose 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 standalone financial statements dealt with by this report are in agreement with the books of account ;
 - d) in our opinion, the aforesaid standalone financial statements comply with Ind AS specified under Section 133 of the Act;
 - 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, 2018 from being appointed as a director in terms of Section 164(2) of the Act;
 - f) we have also audited the internal financial controls over financial reporting (IFCoFR) of the Company as on March 31, 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date and our report dated May 8, 2018 as per Annexure II expressed unmodified opinion;
 - g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
 - i. the Company, as detailed in Note 27 to the standalone financial statements, has disclosed the impact of pending litigations on its financial position;
 - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;
 - iv. the disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from November 8, 2016 to December 30, 2016 which are not relevant to these standalone financial statements. Hence, reporting under this clause is not applicable.

For **Walker Chandiook & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

per **Khushroo B. Panthaky**
Partner
Membership No.: 42423

Place: Mumbai
Date: May 8, 2018

ANNEXURE I TO AUDITORS' REPORT

Annexure I to the Independent Auditor's Report of even date to the members of Next Mediaworks Limited, on the Standalone Financial Statements for the year ended March 31, 2018

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular program of physical verification of its fixed assets under which fixed assets are verified in a phased manner over a period of two years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this program, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification.
- (c) The title deeds of all the immovable properties (which are included under the head 'Property, plant and equipment') are held in the name of the Company.
- (ii) The Company does not have any inventory. Accordingly, the provisions of clause 3(ii) of the Order are not applicable.
- (iii) The Company has not granted any loan, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clauses 3(iii) (a), 3(iii)(b) and 3(iii)(c) of the Order are not applicable.
- (iv) In our opinion, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of loans, investments, guarantees and security.
- (v) In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) The Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's services. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.
- (vii) (a) The Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, value added tax, cess and other material statutory dues, as applicable, to the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they become payable.
- (b) The dues outstanding in respect of income-tax, sales-tax, service-tax, duty of customs, duty of excise and value added tax on account of any dispute, are as follows:

ANNEXURE TO AUDITORS' REPORT

Statement of Disputed Dues

(Amount in ₹ Lakhs)

Name of the statute	Nature of dues	Amount ₹	Amount paid under Protest	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	193.11	40.47	A.Y. 2009-10	Hon'ble High Court at Bombay

- (viii) The Company has no loans or borrowings payable to a financial institution or a bank or government. The Company did not have any outstanding debentures during the year.
- (ix) The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments) and did not have any term loans outstanding during the year. Accordingly, the provisions of clause 3(ix) of the Order are not applicable.
- (x) In our opinion, no fraud by the Company or on the company by its officers or employees has been noticed or reported during the period covered by our audit.
- (xi) Managerial remuneration has been paid and provided by the company in accordance with the requisite approvals mandated by the provisions of Section 197 of the Act read with Schedule V to the Act.
- (xii) In our opinion, the Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.
- (xiii) In our opinion all transactions with the related parties are in compliance with Sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the financial statements etc., as required by the applicable IndAS.
- (xiv) During the year, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures.
- (xv) In our opinion, the company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act.
- (xvi) The company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Place: Mumbai
Date: May 8, 2018

per **Khushroo B. Panthaky**
Partner
Membership No.: 42423

ANNEXURE II TO THE INDEPENDENT AUDITOR'S REPORT

Annexure II to the Independent Auditor's Report of even date to the Members of Next Mediaworks Limited on the Standalone Financial Statements for the year ended March 31, 2018

Independent Auditor's Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the financial statements of Next Mediaworks Limited ('the Company') as at and for the year ended March 31, 2018, we have audited the internal financial controls over financial reporting ('IFCoFR') of the Company as at that date.

Management's Responsibility for Internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the IFCOFR criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of IFCoFR issued by the Institute of Chartered Accountants of India ("the 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 the Company's business, including adherence to the 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 Company's IFCoFR based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India ('ICAI') and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of IFCoFR, and the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('the Guidance Note') 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 IFCoFR were 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 IFCoFR and their operating effectiveness. Our audit of IFCoFR includes obtaining an understanding of IFCoFR, 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 IFCoFR.

Independent Auditors' Report

Meaning of Internal Financial Controls over Financial Reporting

6. A company's IFCoFR 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 IFCoFR include 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 IFCoFR, 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 IFCoFR to future periods are subject to the risk that the IFCoFR 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 Company has, in all material respects, adequate internal financial controls over financial reporting and such controls were operating effectively as at March 31, 2018, based on the IFCoFR criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

per **Khushroo B. Panthaky**
Partner
Membership No.: 42423

Place: Mumbai
Date: May 8, 2018

Next Mediaworks Limited

BALANCE SHEET

as at March 31, 2018

Particulars	Refer Note No.	As at	As at	As at
		March 31, 2018	March 31, 2017	April 1, 2016
		₹ in lakhs	₹ in lakhs	₹ in lakhs
ASSETS				
Non-current assets				
Investment Property	2	20.94	22.37	23.87
Financial assets				
Investments	3	4,192.08	4,192.08	4,192.08
Others	4	133.51	125.47	118.12
Other non-current assets	5	18.12	16.80	12.40
Total non-current assets		4,364.65	4,356.72	4,346.47
Current assets				
Financial assets				
Investment	6	51.80	-	-
Trade receivables	7	16.46	11.92	17.02
Cash and cash equivalents	8	33.89	0.55	23.35
Loans	9	-	-	1.37
Others	10	-	4.26	0.72
Other current assets	11	14.60	14.41	13.79
Total current assets		116.75	31.14	56.25
TOTAL ASSETS		4,481.40	4,387.86	4,402.72
EQUITY AND LIABILITIES				
Equity				
Equity share capital	12	6,685.64	6,678.97	6,516.54
Other equity		(3,753.48)	(3,622.09)	(3,643.11)
TOTAL EQUITY		2,932.16	3,056.88	2,873.43
Non-current liabilities				
Financial Liabilities				
Borrowings	13	613.55	1,035.63	1,340.01
Provisions	14	3.65	3.87	5.00
Other non-current liabilities	15	314.24	261.35	131.75
Total non-current liabilities		931.44	1,300.85	1,476.76
Current liabilities				
Financial liabilities				
Borrowings	16	600.00	-	-
Trade payables	17	0.55	0.59	2.48
Other financial liabilities	18	8.85	19.58	39.83
Other Current Liabilities	19	8.13	9.68	9.70
Provisions	14	0.27	0.28	0.52
Total current liabilities		617.80	30.13	52.53
TOTAL LIABILITIES		1,549.24	1,330.98	1,529.29
TOTAL EQUITY AND LIABILITIES		4,481.40	4,387.86	4,402.72
Summary of significant accounting policies	1			

The Notes referred to above are an integral part of financial statements

As per our report of even date attached
For Walker Chandiook & Co LLP
Chartered Accountants
Firm Regn No.001076N/N500013

Khushroo B. Panthaky
Partner
Membership No.:42423

Place: Mumbai
Date: May 8, 2018

For and on behalf of the Board of Directors of
Next Mediaworks Limited

Tarique Ansari
Chairman & Managing Director
(DIN: 00101820)

Gaurav Sharma
Company Secretary
Membership No.: ACS19509

Adille Sumariwalla
Director
(DIN: 00045855)

Ismail Dabhoya
Chief Financial Officer

Place: Mumbai
Date: May 8, 2018

STATEMENT OF PROFIT AND LOSS

for the year ended March 31, 2018

₹ in lakhs

Particulars	Notes	For the year ended March 31, 2018	For the year ended March 31, 2017
Revenue			
Revenue from operations	20	77.77	84.32
Other income	21	110.55	128.73
Total Revenue		188.32	213.05
Expenses			
Employee benefits expense	22	119.39	135.19
Finance cost	23	112.38	146.03
Depreciation and amortization	2	1.43	1.50
Other expenses	24	84.45	110.83
Total expenses		317.65	393.55
(loss) before exceptional items and tax		(129.33)	(180.50)
Exceptional items			-
(a) write back of provision for diminution in the value of long-term investment in subsidiary		-	11,709.54
(b) write off of Investment in lieu of reduction of share capital by a subsidiary company		-	(11,709.54)
(Loss) before tax		(129.33)	(180.50)
Tax expense			
a) Current tax		-	-
b) Deferred tax		-	-
c) Tax expenses of earlier period	28	1.84	-
Total tax expenses		1.84	-
(Loss) for the Year		(131.17)	(180.50)
Other Comprehensive Income			
Remeasurement of benefit of the defined benefits plan		2.85	4.86
Total Comprehensive Income		(128.32)	(175.64)
Earnings per equity share (nominal value of ₹ 10 each)			
a) Basic and Diluted	25	(0.20)	(0.27)
Summary of significant accounting policies	1		

The Notes referred to above are an integral part of financial statements

As per our report of even date attached

For Walker Chandiok & Co LLP

Chartered Accountants

Firm Regn No.001076N/N500013

Khushroo B. Panthaky

Partner

Membership No.:42423

Place: Mumbai

Date: May 8, 2018

For and on behalf of the Board of Directors of
Next Mediaworks Limited**Tarique Ansari**

Chairman & Managing Director

(DIN: 00101820)

Gaurav Sharma

Company Secretary

Membership No.: ACS19509

Adille Sumariwalla

Director

(DIN: 00045855)

Ismail Dabhoya

Chief Financial Officer

Place: Mumbai
Date: May 8, 2018

Next Mediaworks Limited

STATEMENT OF CHANGES IN EQUITY

for the year ended March 31, 2018

A Equity share capital	₹ in lakhs
	Amount
Balance as at April 1, 2016	6,516.54
Changes in equity share capital during the year	162.43
Balance as at March 31, 201	6,678.97
Balance as at April 01, 2017	6,678.97
Changes in equity share capital during the year	6.67
Balance as at March 31, 2018	6,685.64

Particulars	Reserves and Surplus			Total other equity
	Stock option outstanding	Securities Premium	Retained earnings	
Balance as at April 1, 2016	12.51	8,399.29	(12,120.70)	(3,708.90)
Ind AS remeasurement	-	-	65.79	65.79
Balance as at April 1, 2016	12.51	8,399.29	(12,054.91)	(3,643.11)
Profit for the year			(180.50)	(180.50)
Transaction during the year				
Securities premium	-	200.41	-	200.41
Amortised during the year	(2.82)	-	-	(2.82)
Premium utilized for preferential allotment	-	(0.93)	-	(0.93)
Other comprehensive income	-	-	4.86	4.86
Balance as at March 31, 2017	9.69	8,598.77	(12,230.55)	(3,622.09)
Balance as at April 01, 2017	9.69	8,598.77	(12,230.55)	(3,622.09)
Profit for the year			(131.17)	(131.17)
Transaction during the year				
Securities premium	-	6.60	-	6.60
Amortised during the year	(9.69)	-	-	(9.69)
Other comprehensive income	-	-	2.85	2.85
Balance as at March 31, 2018	-	8,605.37	(12,358.87)	(3,753.48)
Summary of significant accounting policies	1			

The Notes referred to above are an integral part of financial statements

As per our report of even date attached

For Walker Chandiok & Co LLP

Chartered Accountants

Firm Regn No.001076N/N500013

Khushroo B. Panthaky

Partner

Membership No.:42423

Place: Mumbai

Date: May 8, 2018

For and on behalf of the Board of Directors of

Next Mediaworks Limited

Tarique Ansari
Chairman & Managing Director
(DIN: 00101820)

Gaurav Sharma
Company Secretary
Membership No.: ACS19509

Adille Sumariwalla
Director
(DIN: 00045855)

Ismail Dabhoya
Chief Financial Officer

Place: Mumbai
Date: May 8, 2018

CASH FLOW STATEMENT

Particulars	As at March 31, 2018 ₹ in lakhs	As at March 31, 2017 ₹ in lakhs
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Taxes and Exceptional Items	(129.33)	(180.50)
Adjustments for :		
Depreciation	1.43	1.50
Sundry Balance w/off	1.57	2.50
Interest (net)	112.38	146.03
Net (gain)/ loss arising on financial instruments designated at fair value	48.00	126.57
Employee Stock Option	3.58	9.65
Dividend Income	(1.80)	-
Excess provisions / Liabilities no longer required written back	(8.50)	(23.42)
Total	156.66	262.83
Operating Profit Before Working Capital Changes	27.33	82.33
Adjustments for :		
(Increase)/Decrease in Trade & Other Receivables	7.55	9.68
(Increase)/Decrease in Non Current Assets	(1.32)	(4.40)
Increase/(Decrease) in Trade & Other Payables	(58.27)	(131.11)
Increase/(Decrease) in Non Current Liabilities	(0.21)	(1.13)
	(52.25)	(126.96)
Cash used in operations	(24.92)	(44.63)
Direct Taxes Paid	(8.03)	(7.36)
	(8.03)	(7.36)
Net Cash used in Operating Activities	(32.95)	(51.99)
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Investments	(51.80)	-
Net cash used in Investing Activities	(51.80)	-
C CASH FLOW FROM FINANCING ACTIVITIES		
Issue of securities	-	350.00
Proceeds from borrowings	727.57	(304.38)
Repayment of Long Term & Other borrowings	(550.00)	-
Interest Paid	(59.48)	(16.43)
Net cash from Financing Activities	118.09	29.19
NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	33.34	(22.80)
Opening Cash and Cash equivalent	0.55	23.35
Closing Cash and Cash equivalent	33.89	0.55

The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard (Ind AS) 7 - "Cash Flow Statements", whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

As per our report of even date attached
For Walker Chandiook & Co LLP
Chartered Accountants
Firm Regn No.001076N/N500013
Khushroo B. Panthaky
Partner
Membership No.:42423

Place: Mumbai
Date: May 8, 2018

For and on behalf of the Board of Directors of
Next Mediaworks Limited

Tarique Ansari
Chairman & Managing Director
(DIN: 00101820)

Gaurav Sharma
Company Secretary
Membership No.: ACS19509

Adille Sumariwalla
Director
(DIN: 00045855)

Ismail Dabhoya
Chief Financial Officer

Place: Mumbai
Date: May 8, 2018

NOTES TO FINANCIAL STATEMENTS

for the period ended on March 31, 2018

Corporate Information

Next Mediaworks Limited ('the Company') is a public Company domiciled in India and incorporated under the provisions of Companies Act, 1956.

The company stock is listed on National Stock Exchange (NSE) and Bombay Stock Exchange (BSE)

These financial statements were approved for issue by the Company's Board of Directors on May 8, 2018.

1. Significant Accounting Policies

i. Basis of preparation and presentation

These financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016, as applicable.

These financial statements are prepared under the historical cost convention on an accrual basis except for certain financial assets and liabilities which have been measured at fair value amount.

Upto the year ended March 31, 2017 the Company has prepared its financial statements in accordance with the requirement of Indian GAAP, which includes Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended).

These financial statements are the Company's first Ind-AS financial statements.

All assets and liabilities have been classified as current or non-current as per the criteria set out in the Schedule III to the Act.

ii. Revenue Recognition

Revenue is recognized to the extent it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable. The revenue recognised is net of discounts and taxes.

- a. Revenue from other services is recognized, in the period in which the services are rendered and where applicable.

iii. Investment property

Investment in buildings that is not intended to be occupied substantially for use by, or in the operations of the Company, have been classified as investment property. All repairs and maintenance costs incurred for the investment properties are charged to profit and loss account when incurred.

Investment properties are carried at cost less accumulated depreciation and impairment loss, if any. Investment properties are depreciated using the written down value method over their estimated useful lives. Investment properties generally have a useful life of 60 years.

iv. Borrowing cost

Borrowing cost directly attributable to qualifying assets, which take substantial period to get ready for its intended use, are capitalized to the extent they relate to the period until such

Notes to financial statements

assets are ready to be put to use. Other borrowing costs are recognized as an expense in the period in which they are incurred.

v. Foreign currency transactions

The Functional Currency of the Company is the Indian Rupee. These financial statements are presented in Indian Rupees (rounded off to lakhs; one lac equals one hundred thousand).

Foreign currency transactions are recorded at the exchange rates prevailing on the date of the transaction. Gains and losses arising out of subsequent fluctuations are accounted for on actual payment or realisation. Monetary items denominated in foreign currency as at the balance sheet date are converted at the exchange rates prevailing on that day. Exchange differences are recognised in the statement of profit and loss.

vi. Financial instruments

1. Recognition and initial measurement

The Company recognizes trade receivables and debt securities when they are originated at transaction price. All other financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Except trade receivables, all financial assets and liabilities are recognised at fair value. In case of financial assets and liabilities that are not measured at fair value through profit or loss, directly attributable transaction costs are added to the fair value on initial recognition.

a. Classification and subsequent measurement

i. Financial assets

The Company classifies its financial assets in the following measurement categories: those to be measured at fair value through profit or loss; and those measured at amortised cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

Investments that are intended to be held for not more than a year from the date of investment are classified as current investments. All other investments are termed as long term investments. The portion of long term investments which is expected to be realized within twelve months from the balance sheet date is classified as current investments.

Changes in the fair value of financial assets at fair value through profit or loss are recognised as gain/(losses) in the statement of profit and loss.

ii. Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest rates method. For trade and other payables, the carrying amount represents the fair value due to the short maturity of these instruments.

Changes in the fair value of financial liabilities at fair value through profit or loss are recognised as gain / (losses) in the statement of profit and loss.

iii. Investment in subsidiary

Investment in subsidiary is carried at cost.

Notes to financial statements

c. De-recognition of financial instruments

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for de-recognition under Ind AS 109 - 'Financial Instruments'. A financial liability (or part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

d. Impairment of financial assets

The Company assesses on a forward-looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in the credit risk.

For trade receivables, the Company applies the simplified approach permitted by Ind AS 109 - 'Financial Instruments', which requires expected lifetime losses to be recognised from initial recognition of the receivables.

e. Income recognition

i. Dividends are recognised in statement of profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

ii. Interest income from financial assets is recognised using the effective interest rate method.

The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset.

When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

vii. Employee benefits

a. Defined Contribution Plans:

The Company has defined contribution plans for post-employment benefits such as Provident Fund, National Pension Scheme and Employee's Pension Scheme, 1995. The Company contributes to a government administered Provident Fund, state plan namely Employee's Pension Scheme, 1995 and National Pension Scheme on behalf of its employees and has no further obligation beyond making its contribution.

The Company's contributions to the above funds are recognized in the statement of profit and loss every year.

b. Defined Benefit Plans:

The Company has defined benefit plans namely gratuity for all its employees. Liability for Defined Benefit Plans is provided based on valuations, as at the balance sheet date, carried out by an independent actuary. The actuarial valuation method used by the independent actuary for measuring the liability is the projected unit credit method.

Actuarial losses and gains are recognized in other comprehensive income and shall not be reclassified to the statement of profit and loss in a subsequent period.

Notes to financial statements

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the statement of profit or loss as past service costs.

c. Other Long term benefits

The Company has other long term benefits namely compensated absences for all its employees. The liabilities in respect of compensated absences which are expected to be encashed / utilised before twelve months from the balance sheet date are short term. Other such liabilities are considered long term.

d. Termination benefits are recognised as an expense as and when incurred.

viii. Operating leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases net off any lease incentives received from the lessor are charged to the statement of profit and loss on a straight line basis over the period of the lease unless the increase in payments is in line with the expected general inflation.

ix. Cash and cash equivalents

Cash and cash equivalents include cash in hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts, if any are shown as borrowings under current liabilities in the balance sheet.

x. Earnings per share

Basic earning per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share is the net profit for the period after deducting preference dividends and any attributable tax thereto for the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events (such as bonus shares) other than the conversion of potential equity shares that have changed the number of equity shares outstanding without a corresponding change in resources. For calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

xi. Income taxes

Tax expense comprises current and deferred tax. Current income tax and deferred tax are measured based on the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961.

Minimum Alternate Tax (MAT) paid in accordance with tax laws which give rise to future economic benefits in the form of adjustment to future income tax liability is considered as an asset, if there is convincing evidence that the Company will pay normal tax in future. Accordingly, MAT is recognised as a deferred tax asset in the balance sheet when it is probable that the future economic benefit associated with it will flow to the Company and the asset can be measured reliably. The Company reviews the 'Minimum Alternate Tax (MAT) Credit Entitlement' asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period i.e. the period for which MAT credit is allowed to be carried forward.

Notes to financial statements

Deferred tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets and liabilities are measured using the tax rates that have been enacted or substantively enacted by the balance sheet date.

Tax assets and liabilities are offset when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis.

Current and deferred tax is recognised in the statement of profit and loss, except to the extent that it relates to the items recognised in other comprehensive income or directly in equity. In such situations, the tax is also recognised in other comprehensive income or directly in equity, as the case may be.

xii. Impairment of non-financial assets

The Company assesses at each balance sheet date whether there is any indication that a non-financial asset, other than goodwill, may be impaired. If any such indication exists, the Company estimates the recoverable amount of such asset. If recoverable amount of such asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the statement of profit and loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical carrying value.

xiii. Provisions and contingent liabilities

The Company recognises a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. Provisions are determined based on best estimates of the amount required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. If the effect of time value of money is material, provisions are discounted. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources embodying economic benefit. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.

xiv. Dividends

Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of approval by the Company's Board of Directors.

xv. Critical Accounting Judgements And Key Sources Of Estimation Uncertainty:

The preparation of the Company's financial statements requires management to make judgement, estimates and assumptions that affect the reported amount of revenue, expenses,

Notes to financial statements

assets and liabilities and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

- a) **Depreciation and useful lives of Investment property:** Investment property is depreciated over the estimated useful lives of the asset, after taking into account their estimated residual value. Management reviews the estimated useful lives and residual value of the asset annually in order to determine the amount of depreciation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation for future periods is adjusted if there are significant changes from previous estimates.
- b) **Recoverability of trade receivable:** Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.
- c) **Provisions:** Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgement to existing facts and circumstances, which can be subject to change. Since the cash outflows can take place many years in the future, the carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances.
- d) **Impairment of non-financial assets:** The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or a group of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if no such transactions can be identified, an appropriate valuation model is used.
- e) **Impairment of financial assets:** The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

xvi. First time adoption of Ind AS:

The Company has adopted Ind AS with effect from April 1, 2017 with comparatives being restated. Accordingly the impact of transition has been provided in the Opening Reserves as

Notes to financial statements

at April 1, 2016 and all the periods presented have been restated accordingly.

a) Exemptions from retrospective application:

- i) **Share-based payment transactions :** Ind AS 101 encourages, but does not require, first time adopters to apply Ind AS 102 Share based Payment to equity instruments that were vested before the later of the date of transition to Ind AS. The Company has elected not to apply Ind AS 102 towards that vested prior to April 1, 2016.
- ii) **Deemed cost exemption:** The Company has elected to consider the carrying value as per previous GAAP for all of its Investment property and intangible assets as deemed cost as at the date of transition.
- iii) **Investments in subsidiaries:** The Company has elected to measure investment in subsidiaries at cost and consider the previous GAAP carrying value as at the date of transition as deemed cost.

b) Exceptions from full retrospective application:

- a) **Estimates exception :** Upon an assessment of the estimates made under Indian GAAP, the Company has concluded that there was no necessity to revise the estimates under Ind AS except where estimates were required by Ind AS and not required by Indian GAAP.
- b) **De-recognition of financial assets and liabilities exception:** Financial assets and liabilities derecognized before transition date are not re-recognised under Ind AS.

xvii. Recent accounting pronouncements –

Standard issued but not effective yet

The ministry of Corporate affairs (MCA), on 28 March 2018, issued certain amendments to Ind AS and Notified Ind AS-115.

Ind AS 115: Revenue from Contracts with customers

Applicable from April 1, 2018, the Core principle of the new standard is that revenue should be recognized when (or as) an entity transfers control of goods or services to a customer at an amount to which the entity expects to be entitled. To achieve the core principle the new standard establishes a five step model that entities would need to apply to determine when to recognize revenue, and at what amount.

Applying this core principle involves the 5 steps approach.

- The standard requires to identify contract with customer as a first step.
- Having identified a contract, the entity next identifies the performance obligations within that contract. A performance obligation is a promise in a contract with a customer to transfer either a good or service or bundle of goods or services, that are 'distinct'.
- Third step in the model is to determine the transaction price and then as a fourth step, such transaction price needs to be allocated to the performance obligation identified in step 2.
- In accordance with this Standard, entity is required to recognise revenue when the entity satisfies the performance obligations.

The Standard requires extensive disclosure about the nature , amount , timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers. The effect on adoption of Ind AS 115 is expected to be insignificant

Notes to financial statements

Ind AS 21, The effects of changes in foreign exchange rates

Foreign currency transactions and Advance consideration: It clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency. The date of the transaction, for the purpose of determining the exchange rate, is the date of initial recognition of the non-monetary prepayment asset or deferred income liability. If there are multiple payments or receipts in advance, a date of transaction is established for each payment or receipt. The effective date for adoption of Changes in Ind AS 21 is April 1, 2018. The effect on the financial statements is being evaluated by the Company.

The effect on adoption of amendments to Ind AS 21 is expected to be insignificant.

Ind AS 12: Income taxes

Ind AS 12, Income taxes, has been amended to provide guidance on recognition of deferred tax assets for unrealised losses. The existing standard provides that an entity recognises deferred tax assets only when it is probable that taxable profits will be available against which the deductible temporary differences can be utilised. The amended standard provides that when an entity assesses whether taxable profits will be available against which it can utilise a deductible temporary difference, it considers whether tax law restricts the source of taxable profits against which it may make deductions on the reversal of that deductible temporary difference. If tax law restricts the utilisation of losses to deduction against income of a specific type, a deductible temporary difference is assessed in combination only with other deductible temporary differences of the appropriate type. It further provides that while estimating probable future taxable profit, an entity may include the recovery of some of entity's assets for more than their carrying amount if there is sufficient evidence that it is probable that the entity will achieve this.

The amendments are applicable retrospectively for annual periods beginning on or after April 1, 2018. These amended rules also state that an entity is permitted to apply these amendments retrospectively also in accordance with Ind AS 8. The effect on adoption of amendments to Ind AS 12.

2 INVESTMENT PROPERTY

Particulars	As at March 31, 2018 (₹) in lakhs
Deemed cost as at April 1, 2016	23.87
Add: Addition for the year	-
Less: Depreciation for the year	1.50
Closing Balance as on March 31, 2017	22.37
Add: Addition for the year	-
Less: Depreciation for the year	1.43
Closing Balance as on March 31, 2018	20.94

The rental income recognized, from the above investment properties, in the statement of profit and loss for the year ending March 31, 2018 and March 31, 2017 is ₹ 18.00 lakhs and ₹ 4.50 lakhs respectively.

Notes to financial statements

3. NON CURRENT INVESTMENT

Particulars	As at March 31, 2018		As at March 31, 2017		As at 1 April, 2016	
	No. of units	Amount (₹) in lakhs	No. of units	Amount (₹) in lakhs	No. of units	Amount (₹) in lakhs
In Equity Instruments						
1. Investments in subsidiaries - Unquoted fully paid up						
Next Outdoor Limited (Equity Shares of ₹ 10/- Each)	3,494,200	349.42	3,494,200	349.42	3,494,200	349.42
Digital One Pvt Limited (Equity Shares of ₹ 10/- Each)	10,000	1.00	10,000	1.00	10,000	1.00
One Audio Limited (Equity Shares of ₹ 10/- Each)	50,000	5.00	50,000	5.00	50,000	5.00
Allowances for diminution in value of Investment		(355.42)		(355.42)		(355.42)
Next Radio Limited (Equity Shares of ₹ 10/- Each)	38,932,286	3,893.32	38,932,286	3,893.32	38,932,286	3,893.32
Financial guarantee given for Next Radio Limited		298.75		298.75		298.75
		4,192.07		4,192.07		4,192.07
2. Others						
Awami Co-op Bank Limited (Equity Shares of ₹ 10/- Each)	250	0.03	250	0.03	250	0.03
Allowances for diminution in value of Investment		(0.03)		(0.03)		(0.03)
Dombivli Nagari Sahakari Bank (Equity Shares of ₹ 50/- Each)	20	0.01	20	0.01	20	0.01
		0.01		0.01		0.01
Total		4,192.08		4,192.08		4,192.08
Aggregate deemed cost of investment based on previous GAAP carrying amount		3,893.33		3,893.33		3,893.33
Aggregate amount of unquoted investment (net of allowances for diminution in value of Investment)		3,893.33		3,893.33		3,893.33
Aggregate amount of Impairment in value of Investment		355.45		355.45		355.45

4 OTHER NON CURRENT FINANCIAL ASSETS

Particulars	As at March 31, 2018	As at March 31, 2017	As at 1 April, 2016
	Amount (₹) in lakhs	Amount (₹) in lakhs	Amount (₹) in lakhs
Advance tax and TDS (net of provision ₹ 1.85 lakhs, (Previous year 2017 ₹ Nil as at April 1, 2016 ₹ Nil) - (refer note no. 28)	93.04	85.00	77.65
Balance recoverable from government authorities	40.47	40.47	40.47
Total	133.51	125.47	118.12

5 OTHER NON CURRENT ASSETS

Particulars	As at March 31, 2018	As at March 31, 2017	As at 1 April, 2016
	Amount (₹) in lakhs	Amount (₹) in lakhs	Amount (₹) in lakhs
Prepaid Rent A/c	0.41	0.72	-
Gratuity fund (Refer note no. 31)	17.71	16.08	12.40
Total	18.12	16.80	12.40

Notes to financial statements

6 INVESTMENT - CURRENT

Particulars	As at March 31, 2018	As at March 31, 2017	As at 1 April, 2016
	Amount (₹) in lakhs	Amount (₹) in lakhs	Amount (₹) in lakhs
Investment classified at fair value through Profit and Loss (FVTPL)			
Investments in mutual fund quoted Aditya Birla Sun Life Cash Plus - Daily Dividend Direct Reinvestment (51,573.50 units (Previous year Nil and as at April 01, 2016 Nil)	51.80	-	-
Total	51.80	-	-

7 TRADE RECEIVABLES

Particulars	As at March 31, 2018	As at March 31, 2017	As at 1 April, 2016
	Amount (₹) in lakhs	Amount (₹) in lakhs	Amount (₹) in lakhs
Unsecured considered good	16.46	11.92	17.02
Total	16.46	11.92	17.02

8 CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2018	As at March 31, 2017	As at 1 April, 2016
	Amount (₹) in lakhs	Amount (₹) in lakhs	Amount (₹) in lakhs
Balances with banks	33.89	0.55	-
Cheques on hand	-	-	23.35
Cash on hand *	0.00	0.00	0.00
Total	33.89	0.55	23.35

* represents value less than ₹ 1,000

9 LOAN - CURRENT

Particulars	As at March 31, 2018	As at March 31, 2017	As at 1 April, 2016
	Amount (₹) in lakhs	Amount (₹) in lakhs	Amount (₹) in lakhs
Unsecured and considered good			
Loans to related parties	-	-	1.37
Unsecured and considered doubtful			
Loans to related parties	203.10	203.10	201.73
Less: Allowances for doubtful loans	(203.10)	(203.10)	(201.73)
	-	-	1.37

10 OTHER CURRENT FINANCIAL ASSETS

Particulars	As at March 31, 2018	As at March 31, 2017	As at 1 April, 2016
	Amount (₹) in lakhs	Amount (₹) in lakhs	Amount (₹) in lakhs
Service tax receivable	-	4.26	0.72
Total	-	4.26	0.72

Notes to financial statements

11 OTHER CURRENT ASSETS

Particulars	As at March 31, 2018	As at March 31, 2017	As at 1 April, 2016
	Amount (₹) in lakhs	Amount (₹) in lakhs	Amount (₹) in lakhs
Security deposits	4.01	4.62	4.00
Prepaid expenses	10.59	9.79	9.79
Total	14.60	14.41	13.79

12. SHARE CAPITAL

a Authorized, issued and paid-up capital

Particulars	As at March 31, 2018		As at March 31, 2017		As at 1 April, 2016	
	Number of shares	Amount (₹) in lakhs	Number of shares	Amount (₹) in lakhs	Number of shares	Amount (₹) in lakhs
Authorised Capital						
Equity Shares of ₹ 10/- Each	80,000,000	8,000.00	80,000,000	8,000.00	70,000,000	7,000.00
	80,000,000	8,000.00	80,000,000	8,000.00	70,000,000	7,000.00
Issued, Subscribed & Paid up Capital						
Equity Shares of ₹ 10/- Each fully paid	66,892,908	6,689.29	66,892,908	6,689.29	65,335,276	6,533.52
Less : Amount recoverable from ESOP trust	(36,500)	(3.65)	(103,180)	(10.32)	(169,840)	(16.98)
	66,856,408	6,685.64	66,789,728	6,678.97	65,165,436	6,516.54

b Reconciliation of Equity Shares at the beginning of the year & at the end of the year

Particulars	As at March 31, 2018		As at March 31, 2017		As at 1 April, 2016	
	Number of shares	Amount (₹) in lakhs	Number of shares	Amount (₹) in lakhs	Number of shares	Amount (₹) in lakhs
Shares outstanding at the beginning of the period	66,789,728	6,678.97	65,165,436	6,516.54	64,998,756	6,499.88
Add: Shares issued during the period	66,680	6.67	1,624,292	162.43	166,680	16.66
Shares outstanding at the end of period	66,856,408	6,685.64	66,789,728	6,678.97	65,165,436	6,516.54

* On March 27 2017, the company has made preferential allotment of 15,57,632 equity shares of face value ₹ 10/- each to Ferari Investment & Trading Co. Pvt. Ltd. (a promoter group company) at a price of ₹ 22.47/- each

c Terms / rights attached to equity shares

The company has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The dividend proposed, if any, by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

Notes to financial statements

d Details of Shareholders holding more than 5% shares in the company

Particulars	As at March 31, 2018		As at March 31, 2017	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Mr. Khalid Ansari	4,338,055	6.49%	4,338,055	6.49%
Mr. Tarique Ansari	4,337,298	6.48%	4,337,298	6.48%
Mrs. Rukya Ansari	4,615,075	6.90%	4,615,075	6.90%
Mr. Sharique Ansari	4,337,298	6.48%	4,337,298	6.48%
Ms. Tehzeb Ansari	4,337,298	6.48%	4,337,298	6.48%
Bennett, Coleman and Company Ltd.	3,649,391	5.46%	3,649,391	5.46%
Ferari Investments & Trading Company Pvt. Ltd.	11,216,858	16.77%	11,216,858	16.77%
Meridian Holding and Leasing Co. P. Ltd.	7,469,856	11.17%	7,469,856	11.17%
	44,301,129	66.23%	44,301,129	66.23%

e Aggregate number of bonus shares issued, shares issued for consideration other than cash during the period five years immediately preceding the reporting date.

Particulars	2017-18	2016-17	2015-16	2014-15	2013-14
Equity Shares	-	-	-	-	-
Shares issued under ESOP	66,680	66,660	166,680	99,990	99,990

f Employee stock option scheme for details of employee stock option, plan scheme refer note no. 35

13 BORROWINGS NON CURRENT

Particulars	As at March 31, 2018	As at March 31, 2017	As at 1 April, 2016
	Amount (₹) in lakhs	Amount (₹) in lakhs	Amount (₹) in lakhs
Unsecured			
From related parties			
Next Radio Limited*	490.98	834.11	1,041.26
Financial guarantee liability	122.57	201.52	298.75
Total	613.55	1,035.63	1,340.01

* Unsecured loan from related party are payable at the end of the tenure i.e. 8 years. The loan carries interest rate of 13% which is reduced to 11% from October 1, 2017.

14 PROVISIONS

Particulars	As at March 31, 2018	As at March 31, 2017	As at 1 April, 2016
	Amount (₹) in lakhs	Amount (₹) in lakhs	Amount (₹) in lakhs
Non-current			
Provision for employee benefits			
Leave encashment	3.65	3.87	5.00
Total	3.65	3.87	5.00
Current			
Provision for employee benefits			
Leave encashment	0.27	0.28	0.52
Total	0.27	0.28	0.52

Notes to financial statements

15 OTHER NON-CURRENT LIABILITIES

Particulars	As at March 31, 2018	As at March 31, 2017	As at 1 April, 2016
	Amount (₹) in lakhs	Amount (₹) in lakhs	Amount (₹) in lakhs
Interest accrued but not due to Related Parties	314.24	261.35	131.75
Total	314.24	261.35	131.75

16 BORROWINGS - CURRENT

Particulars	As at March 31, 2018	As at March 31, 2017	As at 1 April, 2016
	Amount (₹) in lakhs	Amount (₹) in lakhs	Amount (₹) in lakhs
Unsecured			
From related parties			
Inquilab Offset Printers Limited*	600.00	-	-
Total	600.00	-	-

* Unsecured loan from related party are payable on demand. The loan carries interest @ 11%

17 TRADE PAYABLES

Particulars	As at March 31, 2018	As at March 31, 2017	As at 1 April, 2016
	Amount (₹) in lakhs	Amount (₹) in lakhs	Amount (₹) in lakhs
Trade and other payable			
Dues to Micro and Small Enterprise (refer note below)	-	-	-
Other than dues to Micro and Small Enterprises	0.55	0.59	2.48
Total	0.55	0.59	2.48

There are no dues payable to Micro, Small and Medium Enterprises. The same has been determined to the extent such parties have been identified on the basis of information available with the company. This has been relied upon by the auditors.

18 OTHER FINANCIAL LIABILITIES

Particulars	As at March 31, 2018	As at March 31, 2017	As at 1 April, 2016
	Amount (₹) in lakhs	Amount (₹) in lakhs	Amount (₹) in lakhs
Current			
Employee dues payable	4.34	7.38	8.53
Book overdraft	-	-	0.16
Provision for expenses	4.51	12.20	31.14
Total	8.85	19.58	39.83

19 OTHER CURRENT LIABILITIES

Particulars	As at March 31, 2018	As at March 31, 2017	As at 1 April, 2016
	Amount (₹) in lakhs	Amount (₹) in lakhs	Amount (₹) in lakhs
Statutory remittances	8.13	9.68	9.70
Total	8.13	9.68	9.70

Notes to financial statements

20 REVENUE FROM OPERATIONS

(₹) in lakhs

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Service charges received	77.77	84.32
Total	77.77	84.32

21 OTHER INCOME

(₹) in lakhs

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Creditors / Liabilities Written Back	8.50	23.42
Dividend Income	1.80	-
Rental Income	18.00	4.50
Other non operating income	3.00	3.39
Financial guarantee income	79.25	97.42
Total	110.55	128.73

22. EMPLOYEE BENEFITS EXPENSE

(₹) in lakhs

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Salary and Wages	110.09	119.21
Contribution to PF and other funds	5.72	6.33
Employee Compensation (ESOP) Exp	3.58	9.65
Total	119.39	135.19

23. FINANCE COST

(₹) in lakhs

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Interest Charges		
On Loans from Others	-	1.78
On Loans from related party	112.37	144.24
Other Finance cost		
Bank Charges	0.01	0.01
Total	112.38	146.03

Notes to financial statements

24 OTHER EXPENSES

(₹) in lakhs

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Electricity charges	1.21	0.51
Rent	26.77	25.79
Repairs and Maintenance - Others	0.91	1.14
Insurance	0.98	1.00
Rates and Taxes	0.31	9.75
Telephone charges and Postage and Courier	1.36	1.31
Travelling and Conveyance	3.25	3.25
Auditors' remuneration :-		
- Statutory Audit	2.90	1.00
- Others	-	0.45
Directors' sitting fees	2.90	2.99
Business Promotion	3.89	3.60
Sundry Balances written off	1.57	2.50
Hire Charges	2.75	3.11
Membership and Subscription fees	4.51	3.52
Legal and Professional Charges	23.26	41.54
Printing and stationery	5.55	8.38
Miscellaneous Expenses	2.33	0.99
Total	84.45	110.83

25 EARNINGS PER SHARE (EPS)

(₹) in lakhs

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Profit/ (Loss) as per statement of Profit and Loss Account	(131.17)	(180.50)
Weighted average number of equity shares at the end of the year	66,802,329	65,195,107
Basic and diluted earnings (in ₹) per share	(0.20)	(0.27)
Nominal Value of equity share (₹)	10.00	10.00

26 SEGMENT REPORTING

In accordance with Ind AS-108 'Operating Segments', the Company's business segment is providing management consultancy in India and it has no other primary reportable segments. Accordingly, the segment revenue, segment results, total carrying amount of segment assets and segment liabilities, total cost incurred to acquire segment assets and total amount of charge for depreciation during the year, is as reflected in the Financial Statements as at and for the year ended March 31, 2018. The Company primarily caters to the domestic market and hence there are no reportable geographical segments.

Notes to financial statements

27 CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS**(A) Contingent Liabilities**

- a. Corporate guarantee issued to banks for Company's Subsidiary amounting to ₹ 9,500 lakhs (previous year ₹ 9,300 lakhs and as at April 1, 2016 ₹ 9,300 lakhs) for term loan Cash Credit limit facility availed by the subsidiary.
- b. In respect of Income Tax demand under dispute ₹ 193.11 lakhs (Previous Year ₹ 193.11 lakhs, as at April 1, 2016 ₹ 265.54 lakhs) against the same the company has paid tax under protest of ₹ 40.46 lakhs (previous year ₹ 40.46 lakhs, as at April 1, 2016 ₹ 40.46 lakhs).

(B) Capital Commitments

Estimated amount of contracts remaining to be executed on capital account is ₹ Nil (Previous Year ₹ Nil)

28 TAXATION

(₹) in lakhs

a) income tax recognised in Profit or Loss	For the year ended March 31, 2018	For the year ended March 31, 2017
current tax	-	-
in respect of earlier years	1.84	-
	1.84	-

b) current tax assets	As at March 31, 2018	As at March 31, 2017	As at 1 April, 2016
At the start of the year	85.00	77.65	77.65
Short provision of earlier years	(1.84)	-	-
taxes paid during the year (TDS receivable)	9.88	7.35	
At the end of the period	93.04	85.00	77.65

29 DEFERRED TAX

In the absence of reasonable certainty, the Company has not recognised the deferred tax assets (net) amounting to ₹ 234.65 lakhs (Previous year ₹ 150.61 lakhs and as on April 1, 2016 ₹ 74.83 lakhs) arising out of tangible and intangible assets, financial assets, unabsorbed depreciation, brought forward tax losses and other items. the same shall be reassessed at subsequent balance sheet date.

30 RELATED PARTY DISCLOSURES**Names of related parties and related party relationship**

- a. Subsidiary Companies
 - Next Radio Limited
 - One Audio Limited
 - Digital One Private Limited
 - Next Outdoor Limited
 - Syngience Broadcast Ahmedabad Limited
(Subsidiary of Next Radio Limited)

Notes to financial statements

- b. Under control of Management - Next Publishing Services Private Limited
Mid-Day Exports Private Limited
Inquilab Offset Printers Limited
Ferari Investments and Trading Co Private Limited
Meridian Holding & Leasing Co Private Limited
- c. Key Managerial Personnel - Mr. Tarique Ansari, Managing Director
Mr. Mandar Godbole (till November 24, 2017)
Mr. Gaurav Sharma (from February 13, 2018)
Mr. Ismail Dabhoya, CFO
- d. Independent Directors - Adille Sumariwalla
Dilip Cherian
I Venkat
Ms.Monisha Shah
Rajbir Singh Bhandal
Sunil Dalal

Related party transactions

(₹) in lakhs

Transaction During the year	For the year ended March 31, 2018	For the year ended March 31, 2017
Service charges received		
Next Radio Limited	77.77	84.32
Rental Income		
Next Radio Limited	18.00	4.50
Interest Expenses		
Next Radio Limited	59.69	145.84
Inquilab Offset Printers Ltd.	53.47	-
Managerial Remuneration-Mr Tarique Ansari	50.00	60.00
Sitting Fees to Independent Directors	2.90	2.99
Remuneration to Key Managerial Remuneration		
Ismail Dabhoya	78.75	90.45
Mandar Godbole	7.49	14.30
Gaurav Sharma	4.47	-
Printing expenses		
Inquilab Offset Printers Ltd.	5.13	1.43
Receipt of Unsecured Loan during the year		
Next Radio Ltd.	207.33	299.62
Inquilab Offset Printers Ltd.	600.00	-
Repayment of Unsecured Loan During the year		
Next Radio Ltd.	550.47	500.77
Ferari Investments and Trading Co Pvt Ltd	-	6.00
Issue of Shares		
Ferari Investments and Trading Co Pvt Ltd	-	350.00

Notes to financial statements

Balance at the end of the year	March 31, 2018	March 31, 2017	April 1, 2016
Unsecured Loan payable at end of year			
Next Radio Limited	490.98	834.11	1035.27
Inquilab Offset Printers Ltd	600.00	-	-
Interest Payable			
Next Radio Limited	381.93	328.21	196.90
Trade Payable			
Inquilab Offset Printers Ltd	-	0.43	0.13
Receivables at the end of the year			
Next Radio Limited	16.46	11.92	17.02

31. EMPLOYEE BENEFITS

The Company has classified the various benefits provided to the employees as under.

a. Defined Benefit Plans**Provident Fund**

The Company has recognized ₹ 5.72 lakhs in Statement of Profit and Loss towards employer's contribution to provident fund.

b. Defined Benefit Plans**i. Contribution to Gratuity Fund (Funded Scheme)**

The Company has invested in HDFC GROUP Unit Linked Plan- Option A through trust "Mid-Day Multimedia Ltd Employees Group Gratuity Cum Life Assurance Scheme.

ii. Leave Encashment (Non-funded Scheme)

In accordance with the Ind AS 19, actuarial valuation was performed in respect of the aforesaid defined benefit plans based on the following assumptions:

Assumptions	March 31, 2018	March 31, 2017
Discount Rate	7.73% pa	7.12% pa
Rate of Increase in compensation levels (pa)	6.00% pa	6.00% pa
Attrition Rate	1.00% pa	1.00% pa

a. Change in the Present Value obligation

Particulars	Year Ended March 31, 2018 (₹) in lakhs	Year Ended March 31, 2017 (₹) in lakhs
Present Value of Defined Benefit Obligation as at beginning of the Period	50.26	45.75
Interest Cost	3.58	3.57
Current Service Cost	2.36	2.15
Benefits Paid	-	-
Actuarial (gain) / Loss on Obligation	(3.93)	(1.21)
Present Value of Defined Benefit Obligation as at end of the period	52.27	50.26

Notes to financial statements

b. Fair Value of Plan Assets (for Funded Scheme – Gratuity)

Particulars	Year Ended March 31, 2018 (₹) in lakhs	Year Ended March 31, 2017 (₹) in lakhs
Present Value of Plan Assets as at beginning of the period	66.34	58.15
Expected Return on Plan Assets	4.72	4.54
Actuarial gain/(loss) on Plan Assets	(1.09)	3.65
Contributions	-	-
Benefits Paid	-	-
Fair Value of Plan Assets as at end of the period *	69.97	66.34

* The company has invested in HDFC GROUP Unit Linked Plan - Option A through trust "Mid Day Multimedia Ltd Employees Group Gratuity Cum Life Assurance Scheme"

c. Reconciliation of Present Value of Defined Benefit Obligation and the Fair Value of Assets

Particulars	Year Ended March 31, 2018 (₹) in lakhs	Year Ended March 31, 2017 (₹) in lakhs
Present Value of Funded Obligation as at end of the period	52.27	50.26
Fair Value of Plan Assets as at end of the period	69.97	66.34
Funded Asset recognised in the Balance Sheet	17.70	16.08
Included in provision (Schedule)	-	-
Present Value of Unfunded Obligation as at end of the period	-	-
Unrecognised Actuarial gains / (losses)	-	-
Unfunded Liability recognised in the Balance Sheet	-	-
Included in provision (Schedule)	-	-

d. Amount Recognized in the Balance Sheet

Particulars	Year Ended March 31, 2018 (₹) in lakhs	Year Ended March 31, 2017 (₹) in lakhs
Present Value of Defined Benefit Obligation as at the end of the period	52.27	50.26
Fair Value of Plan Assets As at the end of the period	69.97	66.34
Liability / (Net Asset) recognized in the Balance Sheet	(17.70)	(16.08)

Notes to financial statements

e. Expenses Recognized in the Profit & Loss Statement

Particulars	Year Ended March 31, 2018 (₹) in lakhs	Year Ended March 31, 2017 (₹) in lakhs
Current Service Cost	2.36	2.15
Past Service Cost	-	-
Interest Cost	3.58	3.57
Expected Return on Plan Assets	(4.72)	(4.54)
Curtailment Cost / (Credit)		
Settlement Cost / (Credit)	-	-
Net Actuarial (gain) / Loss recognised in the Period	-	-
Total Expenses recognised in the Statement of Profit and Loss	1.22	1.18

The expected rate of return on plan assets is based on market expectation at the beginning of the year. The rate of return on risk free investments is taken as reference for this purpose.

The company has based on actuarial Valuations reversed an amount of ₹ 0.04 lakhs on account of leave encashment payable to the employees.

f. Expenses Recognized in the Other comprehensive income

Particulars	Year Ended March 31, 2018 (₹) in lakhs	Year Ended March 31, 2017 (₹) in lakhs
Actuarial (Gains)/Losses on obligation for the period	(3.93)	(1.21)
Return on Plan Assets, Excluding Interest Income	1.09	(3.65)
Change in asset ceiling		
Net (income)/ Expense for the period recongized in OCI	(2.84)	(4.86)

Sensitivity analysis

Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase and mortality. The sensitivity analyses below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

Notes to financial statements

The sensitivity of the defined benefit obligation to changes in the principal assumptions:

Particulars	Year Ended March 31, 2018 (₹) in lakhs	Year Ended March 31, 2017 (₹) in lakhs
Projected Benefit Obligation on Current Assumptions	52.27	50.26
Delta Effect of +1% Change in Rate of Discounting	(1.10)	(1.51)
Delta Effect of -1% Change in Rate of Discounting	1.14	1.58
Delta Effect of +1% Change in Rate of Salary Increase	1.15	1.58
Delta Effect of -1% Change in Rate of Salary Increase	(1.13)	(1.54)
Delta Effect of +1% Change in Rate of Employee Turnover	0.04	0.04
Delta Effect of -1% Change in Rate of Employee Turnover	(0.04)	(0.04)

Maturity Analysis of Projected Benefit Obligation: From the Fund

Projected Benefits Payable in Future Years From the Date of Reporting	Year Ended March 31, 2018 (₹) in lakhs	Year Ended March 31, 2017 (₹) in lakhs
1 st Following Year	0.99	0.91
2 nd Following Year	1.07	0.99
3 rd Following Year	52.44	1.06
4 th Following Year	0.12	52.98
5 th Following Year	0.12	0.11
Sum of Years 6 To 10	7.38	6.55

32 EXPENDITURE IN FOREIGN CURRENCY

Expenditure in Foreign Currency – NIL (Previous Year – NIL)

Earning in Foreign Currency – NIL (Previous Year – NIL)

33 LEASES

Pursuant to Indian Accounting Standard (Ind AS-17) - Leases, the following information is given

In case of assets taken on operating lease

The lease rent and amenities charges recognized in the Statement of Profit and Loss during the year ended March 31, 2018 is ₹ 26.77 lakhs (previous year: ₹ 25.79 Lakhs)

Obligation of the Company towards future lease payments

Particulars	As at March 31, 2018 Amount (₹) in lakhs	As at March 31, 2017 Amount (₹) in lakhs
Not later than one year	27.21	25.92
Later than one year but not later than five years	9.22	36.43
Later than five years	-	-

Notes to financial statements

34 DISCLOSURE REQUIRED UNDER SECTION 186(4) OF THE COMPANIES ACT, 2013 AND SCHEDULE V OF THE SEBI (LISTING OBLIGATIONS & DISCLOSURE REQUIREMENT) REGULATIONS, 2015

Loans, Guarantees given or Investment made as on March 31, 2018

Particulars	For the year ended March 31, 2018 (₹) in lakhs
Loans given	203.05
Guarantee given	9,500.00
Investment made	4,249.34

Name of the entity	Relation	Amount (₹) in lakhs	Particulars of loans, guarantee given or Investment made	Purpose
Next Radio Limited	Subsidiary	9,500.00	Guarantee	Business Purpose
One Audio Limited	Subsidiary	201.73	Loans given	Business Purpose
Next Outdoor Limited	Subsidiary	1.32	Loans given	Business Purpose
Next Radio Limited	Subsidiary	3,893.92	Investment	Business Purpose
Next Outdoor Limited	Subsidiary	349.42	Investment	Business Purpose
Digital One Pvt Limited	Subsidiary	1.00	Investment	Business Purpose
One Audio Limited	Subsidiary	5.00	Investment	Business Purpose

35 EMPLOYEE STOCK OPTION PLANS

1. For the financial year March 31, 2018 following schemes were in operation:

Particulars	During the year ended		
	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
	Option in No. (FY 2017-18)	Option in No. (FY 2016-17)	Option in No.
Option outstanding at the beginning of the year	66,680	133,340	300,020
Granted during the year	-	-	-
Vested during the year	66,680	66,660	166,680
Exercised during the year	66,680	66,660	166,680
Lapsed during the year	NIL	NIL	NIL
Option outstanding at the end of the year	-	66,680	133,340
Option available for grant as at March 31,	-	66,680	133,340

Notes to financial statements

2. Details of options granted to Senior Managerial Personal as at March 31, 2018

Name of Employee	Mr. Ismail Dabhoya
Option Granted	-
Option vested	66,680
Option Lapsed	NIL
Option Exercised	66,680
Balance	-

3. Vesting schedule of the ESOP plan is as follow:

- 12 months from the grant date-33.33%
- 24 months from the grant date-33.33%
- 36 months from grant date -33.33%

36 FINANCIAL RISK MANAGEMENT

The Company’s activities expose it to a variety of market risks, liquidity risks and credit risks. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk in the financial statements.

a. Credit risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including investments in debt mutual funds and deposits with banks. The company's maximum exposure to credit risk is limited to the carrying amount of the financial assets recognised as at March 31, 2018.

Customer credit risk is managed by each business unit subject to the Company’s established policy, procedures and control relating to customer credit risk management. The Company undertakes a detailed review of the credit worthiness of clients before extending credit. Outstanding customer receivables are regularly monitored. The Company believes the concentration of risk with respect to trade receivables as low, as its customers are in several jurisdictions and industries and operate in largely independent markets. Management monitors the Company’s net liquidity position through rolling forecasts based on expected cash flows.

The Company uses the expected credit loss model as per IND AS 109 - ‘Financial Instruments’ to assess the impairment loss or gain. The Company uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix considers available external and internal credit risk factors and the Company’s historical experience in respect of customers.

b. Liquidity Risk

Liquidity risk is defined as a risk that the Company will not be able to settle or meet its obligations on time. The Company’s treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by the Senior Management.

The Company’s principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The company has short term borrowings in the form of loan from related parties. The Company believes that the same can be paid out from internal

Notes to financial statements

accruals and mutual fund investments. The Company believes that the working capital is sufficient to meet its current requirements. Accordingly, no liquidity risk is perceived.

At the end of the reporting period the Company held Mutual fund investments of ₹51.80 lakhs (Previous year : Nil, April 1, 2016 : Nil) that are expected to readily generate cash inflows for managing liquidity risk.

Maturities of financial liabilities

The tables below analyze the Company's Financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows.

(₹ in lakhs)

Contractual maturities of financial liabilities	As at March 31, 2018		As at March 31, 2017		As at 1 April, 2016	
	Less than 6 months	More than 6 months	Less than 6 months	More than 6 months	Less than 6 months	More than 6 months
Borrowings	-	1,213.55	-	1,035.63		1,340.01
Trade payables	0.55	-	0.59	-	2.48	-
other financial liabilities	8.85	-	19.58	-	39.83	-

c. Foreign Currency risk

Foreign currency risk arises due to the fluctuations in foreign currency exchange rates. The Company does not have any material transactions in foreign currencies. Accordingly, its exposure to the foreign currency risk is limited.

d. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's fixed rate borrowings are carried at amortized cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate on account of a change in market interest rates.

e. Price risk

The Company's exposure to mutual fund securities arises from investments held by the Company and classified in the balance sheet at fair value through profit or loss. To manage its price risk arising from investments in mutual funds, the Company diversifies its portfolio. Diversification of the portfolio is done in accordance with the framework and policies set by the Board of Directors.

37 CAPITAL MANAGEMENT

The Company manages its capital to ensure that it will continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The Company monitors capital using the gearing ratio.

(₹ in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at 1 April, 2016
Gross Debt	1213.55	1035.63	1340.01
Less: Cash and cash equivalent	33.89	0.55	23.35
(a) Net debts	1179.66	1035.08	1316.66
(b) Total Equity (as per balance sheet)	2932.16	3056.88	2873.43
(c) Net Gearing Ratio (a)/(b)	0.40	0.34	0.46

Notes to financial statements

38 FAIR VALUE MEASUREMENT

The fair values of financial assets and liabilities are included at the amount at which the instrument can be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair vales:

- a. Fair value of cash and cash equivalents, trade and other current financial assets, trade & other payables and short term borrowings approximate their carrying amounts due to the short maturities of these instruments.
- b. The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation techniques:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

Financial Instrument by category

(₹ in lakhs)

Particulars	As at March 31, 2018			
	Carrying amount	Level 1	Level 2	Level 3
Financial assets				
At amortised cost				
Investment in subsidiaries	4,192.08	-	-	-
Others non-current financial assets	133.51	-	-	-
Trade receivables	16.46	-	-	-
Cash and cash equivalents	33.89	-	-	-
At FVTPL				
Investments in mutual fund - Quoted	51.80	51.80	-	-
Financial Liabilities				
At amortised cost				
Borrowings current	600.00	-	-	-
Trade payables	0.55	-	-	-
Other financial liabilities	8.85	-	-	-
At FVTPL				
Borrowings non-current	613.55		613.55	
Particulars	As at March 31, 2017			
	Carrying amount	Level 1	Level 2	Level 3
Financial assets				
At amortised cost				
Investment in subsidiaries	4,192.08	-	-	-
Others non-current financial assets	125.47	-	-	-
Trade receivables	11.92	-	-	-
Cash and cash equivalents	0.55	-	-	-
Others current financial assets	4.26	-	-	-
Financial Liabilities				
At amortised cost				
Trade payables	0.59	-	-	-
Other financial liabilities	19.58	-	-	-
At FVTPL				
Borrowings non-current	1,035.63	-	1035.63	-

Notes to financial statements

(₹ in lakhs)

Particulars	Carrying amount	April 1, 2016		
		Level 1	Level 2	Level 3
Financial assets				
At amortised cost				
Investment in subsidiaries	4,192.08	-	-	-
Others non-current financial assets	118.12	-	-	-
Trade receivables	17.02	-	-	-
Cash and cash equivalents	23.35	-	-	-
Loans current	1.37	-	-	-
Others current financial assets	0.72	-	-	-
Financial Liabilities				
At amortised cost				
Trade payables	2.48	-	-	-
Other financial liabilities	39.83	-	-	-
At FVTPL				
Borrowings	1,340.01	-	1340.01	-

FVTPL- Fair Value through Profit and Loss

39 RECONCILIATIONS BETWEEN PREVIOUS GAAP AND IND AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from Previous GAAP to Ind AS.

Reconciliation of equity as previously reported under Previous GAAP to Ind AS

The Previous GAAP figures hve been reclassified to confirm to Ind-AS presentation requirement for the purpose of this note

Notes to financial statements

(₹ in lakhs)

Particulars	As at March 31, 2017	Effect of Ind-AS	As at March 31, 2017	As at April 1, 2016	Effect of Ind-AS	As at April 1, 2016
ASSETS						
(1) Non-current assets						
Property, plant and equipment	22.37	-	22.37	23.87		23.87
Financial assets						
Investments	3,893.33	298.75	4,192.08	3,893.33	298.75	4,192.08
Others	125.47		125.47	118.12	-	118.12
Other non-current assets	16.08	0.72	16.80	12.40	-	12.40
Total non-current assets	4,057.25	299.47	4,356.72	4,047.72	298.75	4,346.47
(2) Current assets						
(a) Financial assets						
(i) Trade receivables	11.92	-	11.92	17.02	-	17.02
(ii) Cash and cash equivalents	0.55	-	0.55	23.35	-	23.35
(iv) Loans	-	-	-	1.37	-	1.37
(v) Others	4.26	-	4.26	0.72	-	0.72
(b) Other current assets	15.14	(0.73)	14.41	13.79	-	13.79
Total current assets	31.87	(0.73)	31.14	56.25	-	56.25
TOTAL ASSETS	4,089.12	298.74	4,387.86	4,103.97	298.75	4,402.72
EQUITY AND LIABILITIES						
Equity						
(a) Equity share capital	6,678.97		6,678.97	6,516.54		6,516.54
(b) Instruments entirely equity in nature						
(c) Other equity						
(i) Reserves and surplus	(3,787.01)	164.93	(3,622.09)	(3,708.89)	65.78	(3,643.11)
TOTAL EQUITY	2,891.96	164.93	3,056.88	2,807.65	65.78	2,873.43
Non-current liabilities						
(a) Financial Liabilities						
(i) Borrowings	834.11	201.52	1,035.63	1,041.26	298.75	1,340.01
(b) Provisions	3.87	-	3.87	5.00	-	5.00
(c) Other non-current liabilities	328.21	(66.86)	261.35	197.02	(65.27)	131.75
(e) Net employee defined benefit liabilities						
Total non-current liabilities	1,166.19	134.66	1,300.85	1,243.28	233.48	1,476.76
(2) Current liabilities						
(a) Financial liabilities						
Trade payables	0.59	-	0.59	2.48	-	2.48
Other financial liabilities	19.58	-	19.58	39.83	-	39.83
(b) Other current liabilities						
(b) Provisions	0.28	-	0.28	0.52	-	0.52
(c) Current Tax Liabilities (Net)						
(d) Other Current Liabilities	10.52	(0.85)	9.68	10.21	(0.51)	9.70
Total current liabilities	30.97	(0.85)	30.13	53.04	(0.51)	52.53
TOTAL LIABILITIES	1,197.16	133.81	1,330.98	1,296.32	232.97	1,529.29
TOTAL EQUITY AND LIABILITIES	4,089.12	298.74	4,387.86	4,103.97	298.75	4,402.72

Notes to financial statements

(₹ in lakhs)

Particulars	Year ended March 31, 2017	Effect of Ind-AS	Year ended March 31, 2017
Revenue from operations			
Services charges received	84.32	-	84.32
Other income	31.31	97.42	128.73
Total Revenue	115.63	97.42	213.05
Expenses			
Employee benefits expense	130.33	4.86	135.19
Finance cost	147.63	(1.60)	146.03
Depreciation & amortization	1.50		1.50
Other expenses	110.98	(0.14)	110.83
Total expenses	390.44	3.12	393.55
Profit/ (loss) before exceptional items and tax	(274.81)	94.30	(180.50)
Exceptional items			-
(a) Provision for diminution in value of investment	-	-	
(b) write back of provision for diminution in the value of long-term investment in subsidiary	11,709.54		11,709.54
(c) write off of Investment in lieu of reduction of share capital by a subsidiary company	(11,709.54)		(11,709.54)
Profit / (Loss) before tax	(274.81)	94.30	(180.50)
Tax expense			
a) Current tax			-
b) Deferred tax			-
Total tax expenses			-
Profit / (Loss) for the Year	(274.81)	94.30	(180.50)
Other Comprehensive Income			
Remeasurement of benefit of the defined benefits plan		4.86	4.86
Total other comprehensive Income			-
Total Comprehensive Income	(274.81)	99.16	(175.64)

40 Figures for Previous Year have been regrouped/rearranged wherever required to make them comparable.

As per our report of even date attached
For Walker Chandio & Co LLP
Chartered Accountants
Firm Regn No.001076N/N500013

Khushroo B. Panthaky
Partner
Membership No.:42423

Place: Mumbai
Date: May 8, 2018

For and on behalf of the Board of Directors of
Next Mediaworks Limited

Tarique Ansari
Chairman & Managing Director
(DIN: 00101820)

Gaurav Sharma
Company Secretary

Membership No.: ACS19509

Adille Sumariwalla
Director
(DIN: 00045855)

Ismail Dabhoya
Chief Financial Officer

Place: Mumbai
Date: May 8, 2018

INDEPENDENT AUDITORS' REPORT

On Consolidated Financial Statements of Next Mediaworks Limited

To The Members of Next Mediaworks Limited

Report on the Consolidated Financial Statements

1. We have audited the accompanying consolidated financial statements of Next Mediaworks Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), which comprise the Consolidated Balance Sheet as at March 31, 2018, the Consolidated Statement of Profit and Loss(including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

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 ('the Act') that give a true and fair view of the consolidated state of affairs (consolidated financial position), consolidated profit or loss (consolidated financial performance including other comprehensive income), consolidated cash flows and consolidated changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act. The respective Board of Directors/management of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.
4. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.
5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether these consolidated 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 consolidated financial statements. The procedures selected depend on the auditor's judgment, 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

INDEPENDENT AUDITORS' REPORT On Consolidated Financial Statements

internal financial controls 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.

7. 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 paragraph 10 of the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our qualified audit opinion on these consolidated financial statements.

Basis for Qualified Opinion

8. We draw attention to the following qualification to the audit opinion on the financial statements of Next Radio Limited, a subsidiary of the Holding Company issued by us vide our audit report dated May 8, 2018 reproduced by us as under:

'As detailed in the note 38 to the consolidated financial statements, the Next Radio Limited has paid remuneration to its Managing Director for financial years 2012-13 to 2017-18 in excess of the limits specified under the relevant provisions of the Companies Act, 1956 and Companies Act, 2013, as applicable. The Central Government has rejected the application for approval of the excess remuneration paid for the financial years 2012-13 to 2015-16 and directed the Company to recover such excess from the Managing Director. The Company has made subsequent applications for waiver of such excess remuneration, which are pending with the Central Government. For financial years 2016-17 and 2017-18, the Company does not have the approval of shareholders in the general meeting in relation to the waiver for the excess amounts of remuneration paid and the relevant applications are yet to be filed with the Central Government for such approvals, which is not in compliance with the provisions of the Companies Act, 2013. The Company has also not recorded such excess remuneration paid as recoverable from the Managing Director. Had the Company recorded the excess remuneration paid as recoverable for all these years, the employee benefit expenses for the year ended March 31, 2018 would have been lower by ₹ 57.40 lakhs (excess paid in the year 2017-18), other income for the year ended March 31, 2018 would have been higher by ₹ 350.88 lakhs (excess paid for the previous years 2012-13 to 2016-17) and retained earnings and other current assets as at March 31, 2018 would have been higher by 408.28 lakhs, each (cumulative impact for the years 2012-13 to 2017-18)'.

Qualified Opinion

9. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiaries, except for the effects of the matter described in the Basis for Qualified Opinion paragraph above 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 (consolidated financial position) of the Group, as at March 31, 2018, and their consolidated loss (consolidated financial performance including other comprehensive income), their consolidated cash flows and consolidated changes in equity for the year ended on that date.

Other Matter

10. We did not audit the financial statements of 4 subsidiaries, whose financial statements reflect total assets of ₹171.82 lakhs and net assets of ₹(107.58) lakhs as at March 31, 2018, total revenues of ₹ 5.15 lakhs and net cash inflows amounting to ₹ 2.17 lakhs for the year ended on that date, as

INDEPENDENT AUDITORS' REPORT On Consolidated Financial Statements

considered in the consolidated financial statements. These financial statements 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 our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance on the work done by and the reports of the other auditors.

11. The comparative consolidated financial information for the year ended March 31, 2017 and the transition date consolidated opening balance sheet as at April 1, 2016 prepared in accordance with Ind AS included in these consolidated financial statements, are based on the previously issued statutory consolidated financial statements for the year ended March 31, 2017 and March 31, 2016, respectively, prepared in accordance with Accounting Standards prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) which were audited by the predecessor auditors, whose reports dated May 4, 2017 and May 13, 2016, respectively, expressed unqualified opinion on those consolidated financial statements, and have been adjusted for the differences in the accounting principles adopted by the Company on transition to Ind AS, which have been audited by us. Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

12. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on separate financial statements and other financial information of the subsidiaries, we report, to the extent applicable, that:
 - a) We have sought and except for the possible effect of the matter described in the Basis for Qualified Opinion paragraph, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors, except for the effects of the matter described in paragraph 8 of the Basis for Qualified Opinion paragraph with respect to the financial statements of the Holding Company, (Next Radio Limited), a subsidiary of the Holding Company.
 - c) The consolidated financial statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
 - d) Except for the effects of the matter described in the Basis for Qualified Opinion paragraph, in our opinion, the aforesaid consolidated financial statements comply with Ind AS specified under Section 133 of the Act;
 - e) The matter described in paragraph 8 Basis for Qualified Opinion paragraph, in our opinion, may have an adverse effect on the functioning of the Holding Company, Next Radio Limited, a subsidiary of the Holding Company.
 - f) 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 other statutory auditors of its subsidiary companies, covered under the Act, none of the directors of the Group companies covered under the Act, are disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164(2) of the Act.

INDEPENDENT AUDITORS' REPORT On Consolidated Financial Statements

- g) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 8 of the Basis for Qualified Opinion paragraph with respect to the Holding Company, Next Radio Limited, a subsidiary of the Holding Company.
- h) With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company, and its subsidiary companies covered under the Act and the operating effectiveness of such controls, refer to our separate report in 'Annexure I'.
 - i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries:
 - (i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, as detailed in Note 29 to the consolidated financial statements.
 - (ii) the Group does not have any long-term contracts, including derivative contracts, for which there were any material foreseeable losses;
 - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies covered under the Act during the year ended March 31, 2018;
 - (iv) the disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from November 8, 2016 to December 30, 2016 which are not relevant to these consolidated financial statements. Hence, reporting under this clause is not applicable.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Place: Mumbai
Date: May 8, 2018

per **Khushroo B. Panthaky**
Partner
Membership No.:42423

ANNEXURE I TO INDEPENDENT AUDITORS' REPORT

Independent Auditor's Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the consolidated financial statements of Next Mediaworks Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), as at and for the year ended March 31, 2018, we have audited the internal financial controls over financial reporting ('IFCoFR') of the Holding Company, its subsidiary companies, which are companies covered under the Act, as at that date.

Management's Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Holding Company, its subsidiary companies, which are companies covered under the Act, are 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. 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 the company's business, including adherence to the 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 IFCoFR of the Holding Company, its subsidiary companies, as aforesaid, based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India ('ICAI') and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of IFCoFR, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') 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 IFCoFR were 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 IFCoFR and their operating effectiveness. Our audit of IFCoFR includes obtaining an understanding of IFCoFR, 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 Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the IFCoFR of the Holding Company, its subsidiary companies, as aforesaid.

Meaning of Internal Financial Controls over Financial Reporting

6. A company's IFCoFR 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 IFCoFR include those policies and

INDEPENDENT AUDITORS' REPORT On Consolidated Financial Statements

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 IFCoFR, 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 IFCoFR to future periods are subject to the risk that the IFCoFR 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 and based on the consideration of the reports of the other auditors on IFCoFR of the subsidiary companies, the Holding Company, its subsidiary companies, which are companies covered under the Act, have in all material respects, adequate internal financial controls over financial reporting and such controls were operating effectively as at March 31, 2018, 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. We did not audit the IFCoFR in so far as it relates to 4 subsidiary companies, which are companies covered under the Act, whose financial statements reflect total assets of ₹ 171.82 lakhs and net assets of ₹ (107.58) lakhs as at March 31, 2018, total revenues of ₹5.15 lakhs and net cash inflows amounting to ₹ 2.17 lakhs for the year ended on that date, as considered in the consolidated financial statements. The IFCoFR in so far as it relates to such subsidiary companies, have been audited by other auditors whose report have been furnished to us by the management and our report on the adequacy and operating effectiveness of the IFCoFR for the Holding Company, its subsidiary companies, as aforesaid, under Section 143(3)(i) of the Act in so far as it relates to such subsidiary companies, is based solely on the reports of the auditors of such companies. Our opinion is not modified in respect of this matter with respect to our reliance on the work done by and on the reports of the other auditors.

For **Walker Chandio & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

per **Khushroo B. Panthaky**
Partner
Membership No.:42423

Place: Mumbai
Date: May 8, 2018

Next Mediaworks Limited & Subsidiaries

CONSOLIDATED BALANCE SHEET

as at March 31, 2018

Particulars	Refer Note No.	As at March 31, 2018 ₹ in lakhs	As at March 31, 2017 ₹ in lakhs	As at April 1, 2016 ₹ in lakhs
ASSETS				
Non-current assets				
Property, plant and equipment	2	416.01	564.88	548.97
Other Intangible assets	3	11,059.71	11,985.76	12,894.38
Investment Property	4	20.94	22.37	23.87
Financial assets				
Investments	5	0.51	0.51	0.54
Others	6	657.02	726.03	786.82
Other non-current assets	7	164.02	172.10	315.84
Total non-current assets		12,318.21	13,471.65	14,570.41
Current assets				
Financial assets				
Investments	8	51.80	-	-
Trade receivables	9	2,453.48	2,024.41	1,918.93
Cash and cash equivalents	10	623.71	150.53	209.50
Bank balances other than above	11	87.78	50.57	57.11
Loans	12	0.36	0.27	5.94
Others	13	45.69	73.87	42.59
Other current assets	14	312.27	390.56	395.12
Total current assets		3,575.09	2,690.21	2,629.19
TOTAL ASSETS		15,893.30	16,161.86	17,199.60
EQUITY AND LIABILITIES				
Equity				
Equity share capital	15	6,685.64	6,678.97	6,516.55
Preference share capital in Subsidiary Company		-	-	2,500.00
Other equity		(4,363.82)	(3,873.95)	(2,598.26)
Minority Interest		3,139.29	3,409.95	261.54
TOTAL EQUITY		5,461.11	6,214.97	6,679.83
Non-current liabilities				
Financial Liabilities				
Borrowings	16	3,527.34	4,920.05	6,306.72
Provisions	17	105.64	77.33	40.23
Other non-current liabilities	18	1,808.55	1,629.79	1,468.81
Total non-current liabilities		5,441.53	6,627.17	7,815.76
Current liabilities				
Financial liabilities				
Borrowings	19	1,732.01	285.07	261.69
Trade payables	20	409.36	380.77	144.95
Other financial liabilities	21	2,628.09	2,527.62	2,208.98
Other Current Liabilities	22	194.98	77.27	43.45
Provisions	17	26.22	48.99	44.94
Total current liabilities		4,990.66	3,319.72	2,704.01
TOTAL LIABILITIES		10,432.19	9,946.89	10,519.77
TOTAL EQUITY AND LIABILITIES		15,893.30	16,161.86	17,199.60
Summary of significant accounting policies	1			

The Notes referred to above are an integral part of financial statements

As per our report of even date attached

For Walker Chandio & Co LLP

Chartered Accountants

Firm Regn No.001076N/N500013

Khushroo B. Panthaky

Partner

Membership No.:42423

Place: Mumbai

Date: May 8, 2018

For and on behalf of the Board of Directors of

Next Mediaworks Limited

Tarique Ansari

Chairman & Managing Director

(DIN: 00101820)

Gaurav Sharma

Company Secretary

Membership No.: ACS19509

Adille Sumariwalla

Director

(DIN: 00045855)

Ismail Dabhoya

Chief Financial Officer

Place: Mumbai

Date: May 8, 2018

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

for the period ended March 31, 2018

Particulars	Notes	For the year ended March 31, 2018	For the year ended March 31, 2017
Revenue from operations	23	7,636.93	7,801.12
Other income	24	277.75	262.51
Total Revenue		7,914.68	8,063.63
Expenses			
Radio license fees		1,398.95	1,398.71
Employee benefits expense	25	2,216.63	2,470.40
Finance charges	26	1,019.32	1,125.43
Depreciation & amortization	2,3 & 4	1,101.67	1,151.08
Operating and other expenses	27	2,943.92	2,732.76
Total expenses		8,680.49	8,878.38
Profit/ (loss) before tax		(765.81)	(814.75)
Loss before tax		(765.81)	(814.75)
Tax expense			
a) Current tax		-	-
b) Deferred tax		-	-
c) Tax expenses of earlier period	30	(1.84)	-
Total tax expenses		(1.84)	-
Loss for the Year		(767.65)	(814.75)
Other Comprehensive Income			
Remeasurement of benefit of the defined benefits plan		17.80	(13.45)
Total Comprehensive Income		(749.85)	(828.20)
Net loss attributable to:			
a) Owners of the company		(497.00)	(555.56)
b) Non- Controlling Interest		(270.65)	(259.19)
Other Comprehensive Income			
a) Owners of the company		10.53	(4.55)
b) Non- Controlling Interest		7.27	(8.90)
Total Comprehensive Income			
a) Owners of the company		(486.47)	(560.10)
b) Non- Controlling Interest		(263.38)	(268.10)
Earnings per equity share (nominal value of ₹10 each)			
a) Basic and Diluted	28	(1.15)	(1.25)
Summary of significant accounting policies	1		

The Notes referred to above are an integral part of financial statements

As per our report of even date attached

For Walker Chandiok & Co LLP

Chartered Accountants

Firm Regn No.001076N/N500013

Khushroo B. Panthaky

Partner

Membership No.:42423

Place: Mumbai

Date: May 8, 2018

For and on behalf of the Board of Directors of

Next Mediaworks Limited

Tarique Ansari

Chairman & Managing Director

(DIN: 00101820)

Gaurav Sharma

Company Secretary

Membership No.: ACS19509

Adille Sumariwalla

Director

(DIN: 00045855)

Ismail Dabhoya

Chief Financial Officer

Place: Mumbai
Date: May 8, 2018

Next Mediaworks Limited & Subsidiaries

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended March 31, 2018

A Equity share capital

Particulars	Equity ₹ in lakhs	Preference ₹ in lakhs
Balance as at April 1, 2016	6,516.54	2,500.00
Changes in equity share capital during the year	162.43	(2,500.00)
Balance as at March 31, 2017	6,678.97	-
Balance as at April 1, 2017	6,678.97	-
Changes in equity share capital during the year	6.67	-
Balance as at March 31, 2018	6,685.64	-

B Other equity

(₹ in lakhs)

Particulars	Reserves and Surplus			Total
	Securities Premium	Retained earnings	Stock option outstanding	
Balance as at April 1, 2016	9,306.88	(12,136.56)	12.51	(2,817.17)
Ind AS remeasurement		218.91		218.91
Balance as at April 1, 2016	9,306.88	(11,917.65)	12.51	(2,598.26)
Loss for the year		(555.56)		(555.56)
Transaction during the year				
Transfer to minority interest	(907.59)			(907.59)
Security premium received	200.41			200.41
Security premium utilised	(0.95)			(0.95)
Amortization of cost			(3.21)	(3.21)
Adjustment on account of Capital Reduction		(4.54)		(4.54)
Remeasurement benefits		4.55		4.55
Balance as at March 31, 2017	8,598.75	(12,473.20)	9.30	(3,865.16)
At April 01, 2017	8,598.75	(12,473.20)	9.30	(3,865.16)
Premium received	6.20			6.20
Loss for the year		(497.00)		(497.00)
Transaction during the year				
Amortization of cost			(9.30)	(9.30)
Remeasurement benefits		(10.53)		(10.53)
Balance as at March 31, 2018	8,604.95	(12,980.73)	-	(4,375.79)

The Notes referred to above are an integral part of financial statements

As per our report of even date attached

For Walker Chandiok & Co LLP

Chartered Accountants

Firm Regn No.001076N/N500013

Khushroo B. Panthaky

Partner

Membership No.:42423

Place: Mumbai

Date: May 8, 2018

For and on behalf of the Board of Directors of

Next Mediaworks Limited

Tarique Ansari

Chairman & Managing Director

(DIN: 00101820)

Gaurav Sharma

Company Secretary

Membership No.: ACS19509

Adille Sumariwalla

Director

(DIN: 00045855)

Ismail Dabhoya

Chief Financial Officer

Place: Mumbai

Date: May 8, 2018

CONSOLIDATED CASH FLOW STATEMENT

for the year ended March 31, 2018

Particulars	As at March 31, 2018 ₹ in lakhs	As at March 31, 2017 ₹ in lakhs
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Taxes and Exceptional Items	(765.80)	(814.74)
Adjustments for :		
Depreciation	1,101.67	1,151.08
Provision for doubtful debts & bad debts written off	212.08	230.50
Sundry Balance w/off	50.60	40.88
Interest (net)	1,011.15	1,119.90
Net (gain)/ loss arising on financial instruments designated at fair value	219.59	220.13
Interest on Income Tax Refund	(22.25)	(28.94)
Employee Stock Option	3.58	9.65
(Profit)/Loss on Fixed Assets sold/discarded (Net)	(0.37)	-
Dividend Income	(1.86)	(0.07)
Excess provisions / Liabilities no longer required written back	(58.88)	(52.47)
Total	2,515.31	2,690.66
Operating Profit Before Working Capital Changes	1,749.51	1,875.92
Adjustments for :		
(Increase)/Decrease in Trade & Other Receivables	(49.87)	2.17
(Increase)/Decrease in Non Current Assets	(6.13)	17.29
Increase/(Decrease) in Trade & Other Payables	810.71	684.59
Increase/(Decrease) in Non Current Liabilities	28.30	37.11
	783.01	741.16
Cash generated from operations	2,532.51	2,617.08
Direct Taxes Paid	(169.96)	(137.61)
	(169.96)	(137.61)
Net Cash from Operating Activities	2,362.55	2,479.46

Next Mediaworks Limited & Subsidiaries

Consolidated Cash Flow Statement

Particulars	As at March 31, 2018 ₹ in lakhs	As at March 31, 2017 ₹ in lakhs
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(31.51)	(128.10)
Sale of Fixed Assets	1.75	-
Purchase of Investments	(206.80)	-
Interest received	19.97	21.64
Dividend From Investments	0.06	0.06
Net cash used in Investing Activities	(216.53)	(106.40)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Issue of securities	-	350.00
Proceeds from borrowings	798.32	(520.36)
Repayment of Long Term & Other borrowings	(1,440.00)	(1,120.00)
Interest Paid	(1,031.16)	(1,141.67)
Net cash from Financing Activities	(1,672.84)	(2,432.03)
NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	473.18	(58.97)
Opening Cash and Cash equivalent	150.53	209.50
Closing Cash and Cash equivalent	623.71	150.53

The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard (Ind AS) 7 - "Cash Flow Statements", whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

As per our report of even date attached
For Walker Chandiook & Co LLP
 Chartered Accountants
 Firm Regn No.001076N/N500013

Khushroo B. Panthaky
 Partner
 Membership No.:42423

Place: Mumbai
 Date: May 8, 2018

For and on behalf of the Board of Directors of
Next Mediaworks Limited

Tarique Ansari
 Chairman & Managing Director
 (DIN: 00101820)

Gaurav Sharma
 Company Secretary
 Membership No.: ACS19509

Adille Sumariwalla
 Director
 (DIN: 00045855)

Ismail Dabhoya
 Chief Financial Officer

Place: Mumbai
 Date: May 8, 2018

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT

for the period ended on March 31, 2018

Corporate Information

Next Mediaworks Limited ('the Company') is a public Company domiciled in India and incorporated under the provisions of Companies Act, 1956.

The company stock is listed on National Stock Exchange (NSE) and Bombay Stock Exchange (BSE)

These financial statements were approved for issue by the Company's Board of Directors on May 8, 2018.

1. Significant Accounting Policies

i. Basis of preparation and presentation

These financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016, as applicable.

These financial statements are prepared under the historical cost convention on an accrual basis except for certain financial assets and liabilities which have been measured at fair value amount.

Upto the year ended March 31, 2017 the Company has prepared its financial statements in accordance with the requirement of Indian GAAP, which includes Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended).

These financial statements are the Company's first Ind-AS financial statements.

All assets and liabilities have been classified as current or non-current as per the criteria set out in the Schedule III to the Act.

ii. Basis of consolidation

The consolidated financial statements have been prepared in accordance with Ind AS 110 on 'Consolidated financial statements' and on the basis of the separate audited financial statements of Next Mediaworks Limited and its subsidiaries. Reference in the notes to 'the Company' shall mean to include Next Mediaworks Limited and 'Group' shall include Next Mediaworks Limited and its subsidiaries consolidated in these financial statements unless otherwise stated.

The consolidated financial statements of the Group are combined on a line by line basis by adding together book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions resulting in unrealised profits or losses in accordance with Ind AS 110.

The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and necessary adjustments required for deviations, if any, have been made in consolidated financial statements.

Subsidiaries considered in the consolidated financial statements

Name of the subsidiary	Country of Incorporation	Ownership Interest / Voting power	Financial Year ends on
Next Radio Limited	India	51.40%	31-Mar-18
One Audio Limited	India	100%	31-Mar-18
Digital One Limited	India	100%	31-Mar-18
Next Outdoor Limited	India	100%	31-Mar-18

Next Mediaworks Limited & Subsidiaries

Notes to financial statements

Step-down Subsidiaries considered in the consolidated financial statements

Name of the subsidiary	Country of Incorporation	Ownership Interest / Voting power	Financial Year ends on
Syngience Broadcast Ahmedabad Limited (Subsidiary of Next Radio Limited)	India	100%	31-Mar-18

iii. Revenue Recognition

Revenue is recognized to the extent it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable. The revenue recognised is net of discounts and taxes.

- a. Revenue from other services is recognized, in the period in which the services are rendered and where applicable.

iv. Investment property

Investment in buildings that is not intended to be occupied substantially for use by, or in the operations of the Company, have been classified as investment property. All repairs and maintenance costs incurred for the investment properties are charged to profit and loss account when incurred.

Investment properties are carried at cost less accumulated depreciation and impairment loss, if any. Investment properties are depreciated using the written down value method over their estimated useful lives. Investment properties generally have a useful life of 60 years.

v. Borrowing cost

Borrowing cost directly attributable to qualifying assets, which take substantial period to get ready for its intended use, are capitalized to the extent they relate to the period until such assets are ready to be put to use. Other borrowing costs are recognized as an expense in the period in which they are incurred.

vi. Foreign currency transactions

The Functional Currency of the Company is the Indian Rupee. These financial statements are presented in Indian Rupees (rounded off to lakhs; one lakh equals one hundred thousand).

Foreign currency transactions are recorded at the exchange rates prevailing on the date of the transaction. Gains and losses arising out of subsequent fluctuations are accounted for on actual payment or realisation. Monetary items denominated in foreign currency as at the balance sheet date are converted at the exchange rates prevailing on that day. Exchange differences are recognised in the statement of profit and loss.

vii. Financial instruments

1. Recognition and initial measurement

The Company recognizes trade receivables and debt securities when they are originated at transaction price. All other financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Except trade receivables, all financial assets and liabilities are recognised at fair value. In case of financial assets and liabilities that are not measured at fair value through profit or loss, directly attributable transaction costs are added to the fair value on initial recognition.

Notes to financial statements

a. Classification and subsequent measurement

i. Financial assets

The Company classifies its financial assets in the following measurement categories: those to be measured at fair value through profit or loss; and those measured at amortised cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

Investments that are intended to be held for not more than a year from the date of investment are classified as current investments. All other investments are termed as long term investments. The portion of long term investments which is expected to be realized within twelve months from the balance sheet date is classified as current investments.

Changes in the fair value of financial assets at fair value through profit or loss are recognised as gain/(losses) in the statement of profit and loss.

ii. Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest rates method. For trade and other payables, the carrying amount represents the fair value due to the short maturity of these instruments.

Changes in the fair value of financial liabilities at fair value through profit or loss are recognised as gain / (losses) in the statement of profit and loss.

iii. Investment in subsidiary

Investment in subsidiary is carried at cost.

c. De-recognition of financial instruments

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for de-recognition under Ind AS 109 - 'Financial Instruments'. A financial liability (or part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

d. Impairment of financial assets

The Company assesses on a forward-looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in the credit risk.

For trade receivables, the Company applies the simplified approach permitted by Ind AS 109 - 'Financial Instruments', which requires expected lifetime losses to be recognised from initial recognition of the receivables.

e. Income recognition

i. Dividends are recognised in statement of profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

Notes to financial statements

- ii. Interest income from financial assets is recognised using the effective interest rate method.

The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset.

When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

viii. Employee benefits

a. Defined Contribution Plans:

The Company has defined contribution plans for post-employment benefits such as Provident Fund, National Pension Scheme and Employee's Pension Scheme, 1995. The Company contributes to a government administered Provident Fund, state plan namely Employee's Pension Scheme, 1995 and National Pension Scheme on behalf of its employees and has no further obligation beyond making its contribution.

The Company's contributions to the above funds are recognized in the statement of profit and loss every year.

b. Defined Benefit Plans:

The Company has defined benefit plans namely gratuity for all its employees. Liability for Defined Benefit Plans is provided based on valuations, as at the balance sheet date, carried out by an independent actuary. The actuarial valuation method used by the independent actuary for measuring the liability is the projected unit credit method.

Actuarial losses and gains are recognized in other comprehensive income and shall not be reclassified to the statement of profit and loss in a subsequent period.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the statement of profit or loss as past service costs.

c. Other Long term benefits

The Company has other long term benefits namely compensated absences for all its employees. The liabilities in respect of compensated absences which are expected to be encashed / utilised before twelve months from the balance sheet date are short term. Other such liabilities are considered long term.

- d. Termination benefits are recognised as an expense as and when incurred.

ix. Operating leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases net off any lease incentives received from the lessor are charged to the statement of profit and loss on a straight line basis over the period of the lease unless the increase in payments is in line with the expected general inflation.

x. Cash and cash equivalents

Cash and cash equivalents include cash in hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts, if any are shown as borrowings under current liabilities in the balance sheet.

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xi. Earnings per share

Basic earning per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share is the net profit for the period after deducting preference dividends and any attributable tax thereto for the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events (such as bonus shares) other than the conversion of potential equity shares that have changed the number of equity shares outstanding without a corresponding change in resources. For calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

xii. Income taxes

Tax expense comprises current and deferred tax. Current income tax and deferred tax are measured based on the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961.

Minimum Alternate Tax (MAT) paid in accordance with tax laws which give rise to future economic benefits in the form of adjustment to future income tax liability is considered as an asset, if there is convincing evidence that the Company will pay normal tax in future. Accordingly, MAT is recognised as a deferred tax asset in the balance sheet when it is probable that the future economic benefit associated with it will flow to the Company and the asset can be measured reliably. The Company reviews the 'Minimum Alternate Tax (MAT) Credit Entitlement' asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period i.e. the period for which MAT credit is allowed to be carried forward.

Deferred tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets and liabilities are measured using the tax rates that have been enacted or substantively enacted by the balance sheet date.

Tax assets and liabilities are offset when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis.

Current and deferred tax is recognised in the statement of profit and loss, except to the extent that it relates to the items recognised in other comprehensive income or directly in equity. In such situations, the tax is also recognised in other comprehensive income or directly in equity, as the case may be.

xiii. Impairment of non-financial assets

The Company assesses at each balance sheet date whether there is any indication that a non-financial asset, other than goodwill, may be impaired. If any such indication exists, the Company estimates the recoverable amount of such asset. If recoverable amount of such asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the statement of profit and

Notes to financial statements

loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical carrying value.

xiv. Provisions and contingent liabilities

The Company recognises a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. Provisions are determined based on best estimates of the amount required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. If the effect of time value of money is material, provisions are discounted. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources embodying economic benefit. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.

xv. Dividends

Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of approval by the Company's Board of Directors.

xv. Critical Accounting Judgements And Key Sources Of Estimation Uncertainty:

The preparation of the Company's financial statements requires management to make judgement, estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

- a) **Depreciation and useful lives of Investment property:** Investment property is depreciated over the estimated useful lives of the asset, after taking into account their estimated residual value. Management reviews the estimated useful lives and residual value of the asset annually in order to determine the amount of depreciation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation for future periods is adjusted if there are significant changes from previous estimates.
- b) **Recoverability of trade receivable:** Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.
- c) **Provisions:** Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgement to existing facts and circumstances, which can be subject to change. Since the cash outflows can take place many years in the future, the carrying amounts of provisions

Notes to financial statements

and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances.

- d) **Impairment of non-financial assets:** The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or a group of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transaction are taken into account, if no such transactions can be identified, an appropriate valuation model is used.
- e) **Impairment of financial assets:** The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

xvi. First time adoption of Ind AS:

The Company has adopted Ind AS with effect from April 1, 2017 with comparatives being restated. Accordingly the impact of transition has been provided in the Opening Reserves as at April 1, 2016 and all the periods presented have been restated accordingly.

a) Exemptions from retrospective application:

- i) **Share-based payment transactions :** Ind AS 101 encourages, but does not require, first time adopters to apply Ind AS 102 Share based Payment to equity instruments that were vested before the later of the date of transition to Ind AS. The Company has elected not to apply Ind AS 102 towards that vested prior to April 1, 2016.
- ii) **Deemed cost exemption:** The Company has elected to consider the carrying value as per previous GAAP for all of its Investment property and intangible assets as deemed cost as at the date of transition.
- iii) **Investments in subsidiaries:** The Company has elected to measure investment in subsidiaries at cost and consider the previous GAAP carrying value as at the date of transition as deemed cost.

b) Exceptions from full retrospective application:

- a) **Estimates exception :** Upon an assessment of the estimates made under Indian GAAP, the Company has concluded that there was no necessity to revise the estimates under Ind AS except where estimates were required by Ind AS and not required by Indian GAAP.
- b) **De-recognition of financial assets and liabilities exception:** Financial assets and liabilities derecognized before transition date are not re-recognised under Ind AS.

Notes to financial statements

xvii. Recent accounting pronouncements –

Standard issued but not effective yet

The ministry of Corporate affairs (MCA), on March 28, 2018, issued certain amendments to Ind AS and Notified Ind AS-115.

Ind AS 115: Revenue from Contracts with customers”

Applicable from 1 April 2018. The Core principle of the new standard is that revenue should be recognised when (or as) an entity transfers control of goods or services to a customer at an amount to which the entity expects to be entitled. To achieve the core principle the new standard establishes a five step model that entities would need to apply to determine when to recognise revenue, and at what amount.

Applying this core principle involves the 5 steps approach.

- The standard requires to identify contract with customer as a first step.
- Having identified a contract, the entity next identifies the performance obligations within that contract. A performance obligation is a promise in a contract with a customer to transfer either a good or service or bundle of goods or services, that are 'distinct'.
- Third step in the model is to determine the transaction price and then as a fourth step, such transaction price needs to be allocated to the performance obligation identified in step 2.
- In accordance with this Standard, entity is required to recognise revenue when the entity satisfies the performance obligations.

The Standard requires extensive disclosure about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers. The effect on adoption of Ind AS 115 is expected to be insignificant.

Ind AS 21, The effects of changes in foreign exchange rates

Foreign currency transactions and Advance consideration: It clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency. The date of the transaction, for the purpose of determining the exchange rate, is the date of initial recognition of the non-monetary prepayment asset or deferred income liability. If there are multiple payments or receipts in advance, a date of transaction is established for each payment or receipt. The effective date for adoption of Changes in Ind AS 21 is April 1, 2018. The effect on the financial statements is being evaluated by the Company.

The effect on adoption of amendments to Ind AS 21 is expected to be insignificant.

Ind AS 12: Income taxes

Ind AS 12, Income taxes, has been amended to provide guidance on recognition of deferred tax assets for unrealised losses. The existing standard provides that an entity recognises deferred tax assets only when it is probable that taxable profits will be available against which the deductible temporary differences can be utilised. The amended standard provides that when an entity assesses whether taxable profits will be available against which it can utilise a deductible temporary difference, it considers whether tax law restricts the source of taxable profits against which it may make deductions on the reversal of that deductible temporary difference. If tax law restricts the utilisation of losses to deduction against income of a specific

Notes to financial statements

type, a deductible temporary difference is assessed in combination only with other deductible temporary differences of the appropriate type. It further provides that while estimating probable future taxable profit, an entity may include the recovery of some of entity's assets for more than their carrying amount if there is sufficient evidence that it is probable that the entity will achieve this.

The amendments are applicable retrospectively for annual periods beginning on or after 1 April 2018. These amended rules also state that an entity is permitted to apply these amendments retrospectively also in accordance with Ind AS 8. The effect on adoption of amendments to Ind AS 12

2 PROPERTY, PLANT AND EQUIPMENT

(Amount (₹) in lakhs)

Particulars	Gross Block				Depreciation			Net Block		
	As at April 1, 2016	Additions during the year	Deductions during the year	As at March 31, 2017	As at April 1, 2016	For the year	Deductions during the year	As at March 31, 2017	As at March 31, 2017	As at March 31, 2016
Building (Leasehold Improvement)	38.07	134.19	-	172.26	38.07	16.10	-	54.17	118.09	-
Studio equipment	459.74	38.22	-	497.96	403.18	9.16	-	412.34	85.62	56.56
Transmitter	715.51	8.61	-	724.12	442.08	55.29	-	497.37	226.75	273.43
Furniture and fixtures	647.49	15.98	-	663.47	535.79	72.56	-	608.35	55.12	111.70
Office Equipments	59.42	4.46	-	63.88	56.57	1.30	-	57.87	6.01	2.85
Computers	383.89	24.47	-	408.36	350.56	24.08	-	374.64	33.72	33.33
Air-conditioners	102.65	15.15	-	117.80	99.27	3.63	-	102.90	14.90	3.38
Audio-visual equipments	2.74	-	-	2.74	2.64	0.02	-	2.66	0.08	0.10
Vehicles	7.73	-	-	7.73	1.50	1.29	-	2.79	4.94	6.23
Common Transmission Infrastructure	521.85	-	-	521.85	460.46	41.74	-	502.20	19.65	61.39
Total	2,939.09	241.08	-	3,180.17	2,390.12	225.17	-	2,615.29	564.88	548.97

Particulars	Gross Block				Depreciation			Net Block		
	As at April 1, 2017	Additions during the year	Deductions during the year	As at March 31, 2018	As at April 1, 2017	For the year	Deductions during the year	As at March 31, 2018	As at March 31, 2018	As at March 31, 2017
Building (Leasehold Improvement)	172.26	7.78	-	180.04	54.17	29.51	-	83.68	96.36	118.09
Studio equipment	497.96	4.56	-	502.52	412.34	9.67	-	422.01	80.51	85.62
Transmitter	724.12	6.81	4.98	725.95	497.37	56.00	3.60	549.77	176.18	226.75
Furniture and fixtures	663.47	-	-	663.47	608.35	32.55	-	640.90	22.57	55.12
Office Equipments	63.88	1.06	-	64.94	57.87	1.64	-	59.51	5.43	6.01
Computers	408.36	5.62	-	413.98	374.64	20.81	-	395.45	18.53	33.72
Air-conditioners	117.80	0.72	-	118.52	102.90	4.24	-	107.14	11.38	14.90
Audio-visual equipments	2.74	0.14	-	2.88	2.66	0.03	-	2.69	0.19	0.08
Vehicles	7.73	-	-	7.73	2.79	1.29	-	4.08	3.65	4.94
Common Transmission Infrastructure	521.85	-	-	521.85	502.20	18.44	-	520.64	1.21	19.65
Total	3,180.17	26.69	4.98	3,201.88	2,615.29	174.18	3.60	2,785.87	416.01	564.88

Notes to financial statements

3 OTHER INTANGIBLE ASSETS

(Amount ₹ in lakhs)

Particulars	Gross Block				Depreciation			Net Block		
	As at April 1, 2016	Additions during the year	Deductions during the year	As at March 31, 2017	As at April 1, 2016	For the year	Deductions during the year	As at March 31, 2017	As at March 31, 2017	As at March 31, 2016
One Time Entry Fees	13,815.18	-	-	13,815.18	923.54	920.29	-	1,843.83	11,971.35	12,891.64
Computer software	92.63	17.29	-	109.92	89.89	5.62	-	95.51	14.41	2.74
Total	13,907.81	17.29	-	13,925.10	1,013.43	925.91	-	1,939.34	11,985.76	12,894.38

Particulars	Gross Block				Depreciation			Net Block		
	As at April 1, 2017	Additions during the year	Deductions during the year	As at March 31, 2018	As at April 1, 2017	For the year	Deductions during the year	As at March 31, 2018	As at March 31, 2018	As at March 31, 2017
One Time Entry Fees	13,815.18	-	-	13,815.18	1,843.83	920.29	-	2,764.12	11,051.06	11,971.35
Computer software	109.92	-	-	109.92	95.51	5.76	-	101.27	8.65	14.41
Total	13,925.10	-	-	13,925.10	1,939.34	926.05	-	2,865.39	11,059.71	11,985.76

4 INVESTMENT PROPERTY

Particulars	As at March 31, 2018
	Amount (₹) in lakhs
Deemed cost as at April 1, 2016	23.87
Add: Addition for the year	-
Less: Depreciation	1.50
Closing Balance as on March 31, 2017	22.37
Add: Addition for the year	-
Less: Depreciation	1.43
Closing Balance as on March 31, 2018	20.94

5 NON CURRENT FINANCIAL INVESTMENTS

Particulars	As at March 31, 2018	As at March 31, 2017	Opening Balance As at April 1, 2016
	Amount (₹) in lakhs	Amount (₹) in lakhs	Amount (₹) in lakhs
Investments in Equity Instruments			
Unquoted			
Dombivli Nagari Sahakari Bank (Equity shares of ₹ 50/- each)	0.51	0.51	0.51
Awami Co-op Bank Limited (250 Equity Shares of ₹ 50/- Each)	0.03	0.03	0.03
Allowances for diminution in value of Investment	(0.03)	(0.03)	-
	-	-	-
Total	0.51	0.51	0.54
Aggregate deemed cost of investment based on previous GAAP carrying amount	0.51	0.51	0.54
Aggregate amount of unquoted investment	0.51	0.51	0.54

Notes to financial statements

6 OTHER NON CURRENT FINANCIAL ASSETS

Particulars	As at March 31, 2018	As at March 31, 2017	Opening Balance As at April 1, 2016
	Amount (₹) in lakhs	Amount (₹) in lakhs	Amount (₹) in lakhs
Fixed Deposit	-	4.50	4.50
Security Deposits (unsecured considered good)	237.19	213.67	217.49
Advance tax and TDS (net of provision ₹ 1.85 lakhs, (Previous year 2017 ₹ Nil as at April 1, 2016 ₹ Nil) - (refer note 30)	379.36	467.39	524.36
Balance recoverable from government authorities	40.47	40.47	40.47
Total	657.02	726.03	786.82

7 OTHER NON CURRENT ASSETS

Particulars	As at March 31, 2018	As at March 31, 2017	Opening Balance As at April 1, 2016
	Amount (₹) in lakhs	Amount (₹) in lakhs	Amount (₹) in lakhs
Capital Advances	7.81	3.00	133.27
Prepaid Rent A/c	135.29	153.02	170.17
Balance with government authorities	3.21	-	-
Gratuity Fund	17.71	16.08	12.40
	-		
Total	164.02	172.10	315.84

8 CURRENT FINANCIAL INVESTMENTS

Particulars	As at March 31, 2018	As at March 31, 2017	Opening Balance As at April 1, 2016
	Amount (₹) in lakhs	Amount (₹) in lakhs	Amount (₹) in lakhs
Investment classified at fair value through Profit and Loss (FVTPL) Investments in mutual fund quoted Aditya Birla Sun Life Cash Plus - Daily Dividend Direct Reinvestment (51,573.50 units (Previous year Nil and as at April 01, 2016 Nil)	51.80	-	-
Total	51.80	-	-

Notes to financial statements

9 TRADE RECEIVABLES

Particulars	As at March 31, 2018	As at March 31, 2017	Opening Balance As at April 1, 2016
	Amount (₹) in lakhs	Amount (₹) in lakhs	Amount (₹) in lakhs
Unsecured considered good	2,453.48	2,024.41	1,918.93
Unsecured considered doubtful	568.71	440.51	239.21
Less: Allowance for doubtful doubts	(568.71)	(440.51)	(239.21)
Total	2,453.48	2,024.41	1,918.93

10 CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2018	As at March 31, 2017	Opening Balance As at April 1, 2016
	Amount (₹) in lakhs	Amount (₹) in lakhs	Amount (₹) in lakhs
Balances with banks	615.96	148.39	184.10
Cheques on hand	-	-	23.35
Cash on hand	7.75	2.14	2.05
Total	623.71	150.53	209.50

11 BANK BALANCES OTHER THAN ABOVE

Particulars	As at March 31, 2018	As at March 31, 2017	Opening Balance As at April 1, 2016
	Amount (₹) in lakhs	Amount (₹) in lakhs	Amount (₹) in lakhs
Margin Money - (under lien with bank) *	83.28	50.57	57.11
Fixed deposit	4.50	-	-
Total	87.78	50.57	57.11

* Margin Money placed with a bank against which bank has given a guarantee.

12 LOANS - CURRENT

Particulars	As at March 31, 2018	As at March 31, 2017	Opening Balance As at April 1, 2016
	Amount (₹) in lakhs	Amount (₹) in lakhs	Amount (₹) in lakhs
Unsecured and considered good			
Loans to employees	0.10	0.27	0.82
Loans to others	-	-	1.37
Loans to related parties	0.26	-	3.75
Total	0.36	0.27	5.94

Notes to financial statements

13 OTHER CURRENT FINANCIAL ASSETS

Particulars	As at March 31, 2018	As at March 31, 2017	Opening Balance As at April 1, 2016
	Amount (₹) in lakhs	Amount (₹) in lakhs	Amount (₹) in lakhs
Interest accrued but not due	44.63	69.61	41.87
Service Tax Receivable	-	4.26	0.72
Advances recoverable in cash from related parties	1.06	-	-
Total	45.69	73.87	42.59

14 OTHER CURRENT ASSETS

Particulars	As at March 31, 2018	As at March 31, 2017	Opening Balance As at April 1, 2016
	Amount (₹) in lakhs	Amount (₹) in lakhs	Amount (₹) in lakhs
Advances other than capital advances			
Security deposits	4.25	41.55	5.53
Advance to creditors	1.57	16.08	64.89
Prepaid expenses	255.81	263.86	290.44
Balance with government authorities	50.64	69.07	34.26
Total	312.27	390.56	395.12

15 SHARE CAPITAL

a. Authorized and issued and paid-up capital

(Amount (₹) in lakhs)

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount
Authorised Capital						
Equity Shares of ₹ 10/- Each	80,000,000	8000.00	80,000,000	8000.00	70,000,000	7000.00
	80,000,000	8000.00	80,000,000	8000.00	70,000,000	7000.00
Issued, Subscribed & Paid up Capital						
Equity Shares of ₹ 10/- Each fully paid	66,892,908	6,689.29	66,892,908	6,689.29	65,335,276	6,533.53
Less : Amount recoverable from ESOP trust	(36,500)	(3.65)	(103,180)	(10.32)	(169,840)	(16.98)
	66,856,408	6,685.64	66,789,728	6,678.97	65,165,436	6,516.55

Notes to financial statements

b Reconciliation of Equity Shares at the beginning of the year & at the end of the year

(Amount (₹) in lakhs)

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount
Shares outstanding at the beginning of the period	66,789,728	6,678.97	65,165,436	6,516.54	64,998,756	6,499.88
Add: Shares issued during the period	66,680	6.67	1,624,292	162.43	166,680	16.67
Shares outstanding at the end of period	66,856,408	6,685.64	66,789,728	6,678.97	65,165,436	6,516.55

* On March 27 2017, the Company has made preferential allotment of 15,57,632 equity shares of face value Rs 10/- each to Ferari Investment & Trading Co. Pvt. Ltd. (a promoter group company) at a price of Rs 22.47/- each

c Terms / rights attached to equity shares

The Company has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The dividend proposed, if any, by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

d Details of Shareholders holding more than 5% shares in the company

Equity Shares	As at March 31, 2018		As at March 31, 2017	
	Number of Shares	% of Holding	Number of Shares	% of Holding
Mr. Khalid Ansari	4,338,055	6.49%	4,338,055	6.49%
Mr. Tarique Ansari	4,337,298	6.48%	4,337,298	6.48%
Mrs. Rukya Ansari	4,615,075	6.90%	4,615,075	6.90%
Mr. Sharique Ansari	4,337,298	6.48%	4,337,298	6.48%
Ms. Tehzeb Ansari	4,337,298	6.48%	4,337,298	6.48%
Bennett, Coleman and Company Ltd.	3,649,391	5.46%	3,649,391	5.46%
Ferari Investments & Trading Company Pvt. Ltd.	11,216,858	16.77%	11,216,858	16.77%
Meridian Holding and Leasing Co. P. Ltd.	7,469,856	11.17%	7,469,856	11.17%
Total	44,301,129	66.23%	44,301,129	66.23%

e Aggregate number of bonus shares issued, shares issued for consideration other than cash during the period five years immediately preceding the reporting date.

Particulars	2017-18	2016-17	2015-16	2014-15	2013-14
Equity Shares	-	-	-	-	-
Shares issued under ESOP	66,680	66,660	166,680	99,990	99,990

f Shares reserved under options and other commitments.

For shares reserved under options Refer note no. 40

Notes to financial statements

16 BORROWINGS - NON CURRENT

Particulars	As at March 31, 2018	As at March 31, 2017	Opening Balance As at April 1, 2016
	Amount (₹) in lakhs	Amount (₹) in lakhs	Amount (₹) in lakhs
Secured			
Term Loans			
(i) from banks	3,527.34	4,920.05	6,301.43
(ii) from related parties	-	-	5.29
Total	3,527.34	4,920.05	6,306.72

- a - First exclusive charge on the subsidiary (Next Radio Limited) fixed assets both present and future.
- First exclusive charge on subsidiary (Next Radio Limited) current assets both present and future.
- First exclusive charge by way of Equitable Mortgage on office property of the holding company."
- b The interest rate is fixed at 9.9% w.e.f. February 28, 2017 (Previously 11%) on term loan obtain from bank.
- c Term Loan from bank is repayable in first 4 quaterly installment of ₹ 2 crore each and balance 20 quarterly installment of ₹ 3.60 crore each starting from December 18, 2016.
- d Current maturities of Long term borrowings have been reported as Other Current Liabilities
- e On February 28, 2017, the company has converted the above INR outstanding loan into equivalent amount of USD Loan. The principal amount and the interest payable calculated at fixed INR rate on the outstanding balance of the loan has been completely hedged by a back to back cross currency swap of equal amount payable in INR. As a result there are no financial implications of forex fluctuations and interest rate fluctuations on the said loan and interest payable thereon.

17 PROVISIONS

Particulars	As at March 31, 2018	As at March 31, 2017	Opening Balance As at April 1, 2016
	Amount (₹) in lakhs	Amount (₹) in lakhs	Amount (₹) in lakhs
Non-current			
Provision for employee benefits			
Leave encashment	26.97	29.79	27.16
Gratuity	78.67	47.54	13.07
Total	105.64	77.33	40.23
Current			
Provision for employee benefits			
Leave encashment	2.90	3.48	3.28
Gratuity	23.32	45.51	41.66
Total	26.22	48.99	44.94

Notes to financial statements

18 OTHER NON CURRENT LIABILITIES

Particulars	As at March 31, 2018	As at March 31, 2017	Opening Balance As at April 1, 2016
	Amount (₹) in lakhs	Amount (₹) in lakhs	Amount (₹) in lakhs
Security deposit	1,808.55	1,629.79	1,468.69
Interest accrued but not due	-	-	0.12
Total	1,808.55	1,629.79	1,468.81

19 BORROWINGS CURRENT

Particulars	As at March 31, 2018	As at March 31, 2017	Opening Balance As at April 1, 2016
	Amount (₹) in lakhs	Amount (₹) in lakhs	Amount (₹) in lakhs
Secured			
Cash Credit			
from bank (refer note a and b below)	1,093.48	248.29	218.51
Loan from related party (refer note c)	638.53	36.78	43.18
Total	1,732.01	285.07	261.69

- a - First exclusive charge on the company's fixed assets both present and future.
- First exclusive charge on current assets both present and future.
- First exclusive charge by way of Equitable Mortgage on office property of the holding company.
- b - The interest rate is fixed at 12% w.e.f. January 1 2017 (Previously 12.75%) on cash credit facility obtained from bank.
- c - Loan from related party are payable on demand and carries interets rate at 11% p.a.

20 TRADE PAYABLES

Particulars	As at March 31, 2018	As at March 31, 2017	Opening Balance As at April 1, 2016
	Amount (₹) in lakhs	Amount (₹) in lakhs	Amount (₹) in lakhs
Trade and other payable			
Dues to Micro and Small Enterprise (refer note below)	-	-	-
Other than dues to Micro and Small Enterprises	409.36	380.77	144.95
Total	409.36	380.77	144.95

There are no dues payable to Micro, Small and Medium Enterprises. The same has been determined to the extent such parties have been identified on the basis of information available with the company. This has been relied upon by the statutory auditors of the company.

Notes to financial statements

21 OTHER FINANCIAL LIABILITIES

Particulars	As at March 31, 2018	As at March 31, 2017	Opening Balance As at April 1, 2016
	Amount (₹) in lakhs	Amount (₹) in lakhs	Amount (₹) in lakhs
Current Maturities of Long term debt	1,440.00	1,440.00	1,120.13
Employee dues payable	105.67	167.41	168.49
Book Overdraft			0.16
Interest Accrued but not due to Financials Institutions	-	22.26	-
Unearned marketing fees	77.09	239.73	402.37
Provision for Expenses	1,005.33	658.22	517.83
Total	2,628.09	2,527.62	2,208.98

22 OTHER CURRENT LIABILITIES

Particulars	As at March 31, 2018	As at March 31, 2017	Opening Balance As at April 1, 2016
	Amount (₹) in lakhs	Amount (₹) in lakhs	Amount (₹) in lakhs
Statutory remittances	92.44	72.85	30.35
Advances from customers	102.54	4.43	13.10
Total	194.98	77.27	43.45

23 REVENUE FROM OPERATIONS

Particulars	Year Ended March 31, 2018	Year Ended March 31, 2017
	Amount (₹ in lakhs)	Amount (₹ in lakhs)
Advertisement revenue	7,636.93	7,631.12
Outsourcing revenue	-	170.00
Total	7,636.93	7,801.12

Notes to financial statements

24 OTHER INCOME

Particulars	Year Ended March 31, 2018	Year Ended March 31, 2017
	Amount (₹ in lakhs)	Amount (₹ in lakhs)
Interest Income	19.24	5.52
Marketing Fees Income	162.64	162.64
Dividend Income	1.86	0.07
Interest on Income Tax Refund	22.25	28.94
Rental Income	9.51	12.87
Profit on Sale of Fixed Assets	0.37	-
Other Income	3.00	-
Creditors / Liabilities Written Back	58.88	52.47
Total	277.75	262.51

25 EMPLOYEE BENEFIT EXPENSES

Particulars	Year Ended March 31, 2018	Year Ended March 31, 2017
	Amount (₹ in lakhs)	Amount (₹ in lakhs)
Salary & Wages	2,028.65	2,219.44
Contribution to provident fund and other funds	57.93	73.51
Employee Compensation (ESOP) Exp	3.58	9.65
Gratuity and compensated absences (refer note no. 35)	27.73	20.04
Staff Welfare expenses & Other Employee cost	98.74	147.76
Total	2,216.63	2,470.40

26 FINANCE COST

Particulars	Year Ended March 31, 2018	Year Ended March 31, 2017
	Amount (₹ in lakhs)	Amount (₹ in lakhs)
Interest Charges		
On Loans from Banks	758.80	911.24
On Loans from Related Parties	52.78	0.18
On Loans from Others	4.10	16.02
Other borrowing cost	203.64	197.99
Total	1,019.32	1,125.43

Notes to financial statements

27 OPERATING AND OTHER EXPENSES

Particulars	Year Ended March 31, 2018	Year Ended March 31, 2017
	Amount (₹ in lakhs)	Amount (₹ in lakhs)
General & Administration Expenses		
Insurance	23.69	16.09
Rates and Taxes	30.61	10.11
Telephone charges	52.51	56.79
Travelling	29.62	43.11
Conveyance	38.06	43.90
Royalty	203.32	184.11
Radio programme creation and others	267.17	187.42
Repairs & Maintenance - Equipment	173.76	196.55
Repairs & Maintenance - Others	78.45	79.38
Electricity charges	229.99	251.92
Rent	586.32	583.97
Auditors remuneration :-		
- Statutory Audit	13.24	6.43
- Tax Audit	0.75	1.00
- Others	1.25	3.90
Sundry Balance w/off	50.92	40.88
Corporate social responsibility expenses	2.20	9.04
Directors Sitting Fees	2.90	2.99
Discounts & Other Incentives	144.21	177.64
Advertisement Expenses	284.54	148.35
Legal & Professional Charges	364.93	354.00
Hire Charges	2.75	3.11
Membership and Subscription	4.51	3.52
Printing and stationery	17.96	21.66
Directors sitting fees	0.48	0.35
Business Promotion	79.84	37.74
Provision for doubtful debts	212.08	230.50
Miscellaneous Expenses	47.87	38.30
Bad Debts Written Off	84.31	29.20
Less: Provision made in earlier years for doubtful debts	(84.31)	(29.20)
Total	2,943.92	2,732.76

28 EARNINGS PER SHARE (EPS)

Particulars	Year Ended March 31, 2018	Year Ended March 31, 2017
	Amount (₹ in lakhs)	Amount (₹ in lakhs)
Profit/(Loss) as per Profit & Loss Statement	(767.65)	(814.75)
Weighted average number of equity shares at the end of the year	66,802,329	65,195,107
Basic and diluted earnings (in ₹) per share	(1.15)	(1.25)
Nominal Value of equity share (₹)	10.00	10.00

Notes to financial statements

29 CONTINGENT LIABILITIES AND CAPITAL COMMITMENT

Contingent liabilities

- a In respect of guarantees issued by the Company's bankers ₹ 1377.73 lakhs (Previous Year ₹ 1384.13 lakhs).
- b In respect of Income Tax demand under dispute ₹ 214.50 lakhs (Previous Year ₹ 458.65 lakhs)

Capital commitment

- a Estimated amount of contracts remaining to be executed on capital account is Rs Nil (Previous Year Rs Nil)

30 TAXATION

a) income tax recognised in Profit or Loss	Year Ended March 31, 2018	Year Ended March 31, 2017
	Amount (₹ in lakhs)	Amount (₹ in lakhs)
current tax	-	-
in respect of earlier years	1.85	-
	1.85	-

b) current tax assets	Year Ended March 31, 2018	Year Ended March 31, 2017	Year Ended March 31, 2016
	Amount (₹ in lakhs)	Amount (₹ in lakhs)	Amount (₹ in lakhs)
At the start of the year	381.21	467.39	524.36
Short provision of earlier years	(1.85)	-	-
Refund received during the years			
Taxes paid during the year (TDS receivable)	-	-	-
At the end of the period	379.36	467.39	524.36

31 DEFERRED TAX

In the absence of reasonable certainty, the Company has not recognised the deferred tax assets (net) amounting to ₹ 3,281.14 lakhs (Previous year ₹ 3,934.90 lakhs and as on April 1, 2016 ₹ 3,684.30 lakhs) arising out of tangible and intangible assets, financial assets, unabsorbed depreciation, brought forward tax losses and other items. The same shall be reassessed at subsequent balance sheet date.

32 SEGMENT REPORTING

In accordance with Ind AS-108 'Operating Segments', the Group' business segment is Media and Entertainment and it has no other primary reportable segments. Accordingly, the segment revenue, segment results, total carrying amount of segment assets and segment liabilities, total cost incurred to acquire segment assets and total amount of charge for depreciation during the year, are as reflected in the Financial Statements as at and for the year ended March 31, 2018. The Company primarily caters to the domestic market and hence there are no reportable geographical segments.

Notes to financial statements

33 The Board of Directors of the Company had, at its meeting held on 8th June, 2017, approved a Scheme of Arrangement (the “Scheme”) pursuant to which NRL’s FM radio broadcasting business at Ahmedabad (the “Undertaking”) will be transferred to its wholly owned subsidiary Syngience Broadcast Ahmedabad Limited. The Appointed Date as per the Scheme is April 1, 2017. The Scheme, which was approved by the shareholders and Secured Creditors of NRL, has also been approved by the National Company Law Tribunal (“NCLT”) at its hearing conducted on October 5, 2017. The Company has made an application to Ministry of Information & Broadcasting (“MIB”) for their approval of the scheme and the response from MIB is awaited.

34 RELATED PARTY DISCLOSURES**Names of related parties and related party relationship**

- | | | |
|----|-----------------------------|---|
| a. | Under Control of Management | - Next Publishing Services Private Limited
Mid-Day Exports Private Limited
Inquilab Offset Printers Limited
Ferari Investments and Trading Co Private Limited
Meridian Holding & Leasing Co Private Limited |
| b. | Key Managerial Personnel | - Mr. Tarique Ansari, Managing Director
Mr. Mandar Godbole, CS (till November 24, 2017)
Mr. Gaurav Sharma (from February 13, 2018)
Mr. Ismail Dabhoya |
| c. | Independent Directors | - Adille Sumariwalla
Dilip Cherian
I Venkat
Ms.Monisha Shah
Rajbir Singh Bhandal
Sunil Dalal |

Related party transactions**(₹ in lakhs)**

Transaction During the year	For the year ended March 31, 2018	For the year ended March 31, 2017
Interest Expenses		
Inquilab Offset Printers Ltd.	53.47	-
Managerial Remuneration-Mr Tarique Ansari	50.00	60.00
Rent Expense		
Inquilab Offset Printers Ltd.	16.80	16.80
Sitting Fees to Independent Directors	2.90	2.99
Remuneration to Key Managerial Remuneration		
Ismail Dabhoya	78.75	90.45
Mandar Godbole	7.49	14.30
Gaurav Sharma	4.47	-
Printing expenses		
Inquilab Offset Printers Ltd.	5.13	1.43
Receipt of Unsecured Loan during the year		
Inquilab Offset Printers Ltd.	600.00	-
Repayment of Unsecured Loan During the year		
Ferari Investments and Trading Co Pvt Ltd	-	6.00
Issue of Shares		
Ferari Investments and Trading Co Pvt Ltd	-	350.00

Notes to financial statements

Balance at the end of the year	March 31, 2018	March 31, 2017	April 1, 2016
Unsecured Loan payable at end of year			
Inquilab Offset Printers Ltd	600.00	-	-
Trade Payable	-	0.43	0.13
Inquilab Offset Printers Ltd			

35 EMPLOYEE BENEFITS

The Company has classified the various benefits provided to the employees as under.

a. Defined Contribution Plans

i. Provident Fund

The Company has recognized ₹ 52.21 lakhs (previous year ₹ 67.17 lakhs) in Profit & Loss Statement towards employer's contribution to provident fund.

b. Defined Benefit Plans

i. Contribution to Gratuity Fund (Funded Scheme)

ii. Leave Encashment (Non-funded Scheme)

In accordance with the Indian Accounting Standards (Ind AS 15) , actuarial valuation was performed in respect of the aforesaid defined benefit plans based on the following assumptions:

Assumption	March 31, 2018	March 31, 2017
Discount Rate	7.73% pa	7.39% pa
Rate of Increase in compensation levels (pa)	6.00% pa	6.00% pa
Attrition Rate	1.00 % - 4.00% pa	1.00 % - 4.00% pa

a. Change in the Present Value obligation

Amount (₹ in lakhs)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Present Value of Defined Benefit Obligation as at beginning of the Period	185.40	148.24
Interest Cost	13.57	11.81
Current Service Cost	22.87	18.88
Benefits Paid	(15.78)	(10.63)
Actuarial (gain) / Loss on Obligation	(22.08)	17.10
Present Value of Defined Benefit Obligation as at end of the period	183.98	185.40

Notes to financial statements

b. Fair Value of Plan Assets (for Funded Scheme – Gratuity)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Present Value of Plan Assets as at beginning of the period	108.43	105.93
Expected Return on Plan Assets	7.83	8.38
Actuarial gain/(loss) on Plan Assets	(4.28)	4.75
Contributions	3.50	-
Benefits Paid	(15.78)	(10.63)
Fair Value of Plan Assets as at end of the period *	99.70	108.43

c. Reconciliation of Present Value of Defined Benefit Obligation and the Fair Value of Assets

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Present Value of Funded Obligation as at end of the period	183.98	185.40
Fair Value of Plan Assets as at end of the period	99.70	108.43
Funded Asset recognised in the Balance Sheet	(84.28)	(76.97)

d. Amount Recognized in the Balance Sheet

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Present Value of Defined Benefit Obligation as at the end of the period	183.98	185.40
Fair Value of Plan Assets As at the end of the period	99.70	108.43
Liability / (Net Asset) recognized in the Balance Sheet	84.28	76.97

e. Expenses Recognized in the Profit & Loss Statement

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Current Service Cost	22.87	18.88
Past Service Cost	-	-
Interest Cost	10.46	7.97
Expected Return on Plan Assets	(4.72)	(4.54)
Curtailment Cost / (Credit)	-	-
Settlement Cost / (Credit)	-	-
Net Actuarial (gain) / Loss recognised in the Period	-	-
Total Expenses recognised in the Statement of Profit and Loss	28.61	22.31

Notes to financial statements

Expenses Recognized in the Other Comprehensive Income (OCI) for Current Period

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Actuarial (Gains)/Losses on Obligation For the Period	(22.08)	18.20
Return on Plan Assets, Excluding Interest Income	4.28	(4.75)
Change in Asset Ceiling	-	-
Net (Income)/Expense For the Period Recognized in OCI	(17.80)	13.45

Maturity Analysis of Projected Benefit Obligation: From the Fund

Projected Benefits Payable in Future Years From the Date of Reporting	For the year ended March 31, 2018	For the year ended March 31, 2017
1st Following Year	0.99	0.91
2nd Following Year	1.07	0.99
3rd Following Year	52.44	1.06
4th Following Year	0.12	52.98
5th Following Year	0.12	0.11
Sum of Years 6 To 10	7.38	6.55
Sum of Years 11 and above	174.11	217.78

Sensitivity Analysis

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Projected Benefit Obligation on Current Assumptions	183.99	185.41
Delta Effect of +1% Change in Rate of Discounting	(11.70)	(13.04)
Delta Effect of -1% Change in Rate of Discounting	13.35	14.93
Delta Effect of +1% Change in Rate of Salary Increase	13.44	14.98
Delta Effect of -1% Change in Rate of Salary Increase	(11.98)	(13.31)
Delta Effect of +1% Change in Rate of Employee Turnover	1.29	1.00
Delta Effect of -1% Change in Rate of Employee Turnover	(1.47)	(1.17)

36 LEASES

Pursuant to Indian Accounting Standard (AS-17) - Leases, the following information is given

In case of assets taken on operating lease

The lease rent charges recognized in the Statement of Profit and Loss during the year ended March 31, 2018 is ₹ 586.32 Lakhs (previous year: ₹ 583.97 Lakhs)

Notes to financial statements

Obligation of the Company towards future lease payments

(₹ in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Not later than one year	100.83	79.47
Later than one year but not later than five years	66.36	60.18
Later than five years	-	-

37 FOREIGN CURRENCY EARNINGS & EXPENDITURE
EXPENDITURE IN FOREIGN CURRENCY

(₹ in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Capital Expenditure	-	-
Others	23.19	9.59

Earning in Foreign Currency – ₹ Nil (Previous Year – ₹ Nil)

38 CORPORATE SOCIAL RESPONSIBILITY (CSR)

(₹ in lakhs)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
A. Gross amount required to be spent by company during the year	2.20	9.04
B. Amount spent during the year	2.20	9.04
C. Related party transaction in relation to corporate social responsibility expenses	NIL	NIL

(₹ in lakhs)

CSR Activities	Amount
1. Construction / Acquisition of any assets	-
2. On purpose other than (1) above	2.20

39 MANAGERIAL REMUNERATION

During the financial year 2012-13, 2013-14, 2014-15 and 2015-16, the Company's Subsidiary Next Radio Limited ("NRL") had paid remuneration to its Managing Director, which was in excess of the limits specified in Section 197 of the Companies Act, 2013. The said remuneration has been approved by the Remuneration Committee, the Board of Directors and the shareholders of NRL. As required under Schedule V to the Companies Act, 2013, NRL had sought approval from the Central Government which was rejected by the Central Government vide its letter dated April 8, 2016. Subsequently, NRL filed an appeal and the Central Government, vide its letter dated September 11, 2017 rejected the same. NRL has again preferred an appeal to Central Government vide its application dated October 16, 2017 and response for same is awaited. The excess Managerial remuneration of ₹ 209.48 lakhs debited to Statement of Profit and Loss in relation to such years is subject to such approvals.

During the financial year 2016-17 and 2017-18, the Company's Subsidiary Next Radio Limited ("NRL") had paid remuneration to its Managing Director, which was also in excess of the limits specified in Section 197 of the Companies Act, 2013. The Company is in the process of seeking approval from the shareholders in relation to excess remuneration paid for the years 2016-17 and 2017-18.

Next Mediaworks Limited & Subsidiaries

Notes to financial statements

Further, as required under Schedule V to the Companies Act, 2013, the Company is in the process of filing an application to Central Government for approval of such excess remuneration. The excess Managerial remuneration of ₹ 198.80 lakhs debited to Statement of Profit and Loss in relation to 2016-17 and 2017-18 is subject to such approval.

The audit report of the Statutory Auditors on the financial statement for the year ended March 31, 2018 is qualified in respect of these matters.

40 EMPLOYEE STOCK OPTION PLANS

1. For the financial year March 31, 2018 following schemes were in operation:

Particulars	During the year ended		
	March 31, 2018 Option in No. (FY 2017-18)	March 31, 2017 Option in No. (FY 2016-17)	April 1, 2016 Option in No.
Option outstanding at the beginning of the year	66,680	1,33,340	3,00,020
Granted during the year	-	-	-
Vested during the year	66,680	66,660	1,66,680
Exercised during the year	66,680	66,660	1,66,680
Lapsed during the year	NIL	NIL	NIL
Option outstanding at the end of the year	-	66,680	1,33,340
Option available for grant as at March 31,	-	66,680	1,33,340

2. Details of options granted to Senior Managerial Personal as at March 31, 2018

Name of Employee	Mr. Ismail Dabhoya
Option Granted	-
Option vested	66,680
Option Lapsed	NIL
Option Exercised	66,680
Balance	-

3. Vesting schedule of the ESOP plan is as follow:

- 12 months from the grant date-33.33%
- 24 months from the grant date-33.33%
- 36 months from grant date -33.33%

41 FINANCIAL RISK MANAGEMENT

The Company's activities expose it to a variety of market risks, liquidity risks and credit risks. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk in the financial statements.

a. Credit risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including investments in debt mutual funds and deposits with banks. The company's maximum exposure to credit risk is limited to the

Notes to financial statements

carrying amount of the financial assets recognised as at March 31, 2018.

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. The Company undertakes a detailed review of the credit worthiness of clients before extending credit. Outstanding customer receivables are regularly monitored. The Company believes the concentration of risk with respect to trade receivables as low, as its customers are in several jurisdictions and industries and operate in largely independent markets. Management monitors the Company's net liquidity position through rolling forecasts based on expected cash flows.

The Company uses the expected credit loss model as per IND AS 109 - 'Financial Instruments' to assess the impairment loss or gain. The Company uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix considers available external and internal credit risk factors and the Company's historical experience in respect of customers.

b. Liquidity Risk

Liquidity risk is defined as a risk that the Company will not be able to settle or meet its obligations on time. The Company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by the Senior Management.

The Company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The company has short term borrowings in the form of commercial papers. The Company believes that the same can be paid out from internal accruals and mutual fund investments. The Company believes that the working capital is sufficient to meet its current requirements. Accordingly, no liquidity risk is perceived.

Maturities of financial liabilities

The tables below analyze the Company's Financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows.

Amount (₹ in lakhs)

Contractual maturities of financial liabilities	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	Less than 6 months	More than 6 months	Less than 6 months	More than 6 months	Less than 6 months	More than 6 months
Borrowings	1,732.01	3,527.34	285.07	4,920.05	261.69	6,306.72
Trade payables	312.24	97.12	312.24	97.12	159.49	-
other financial liabilities	1,908.09	720.00	1,720.22	720.00	1,409.30	720.00

c. Foreign Currency risk

Foreign currency risk arises due to the fluctuations in foreign currency exchange rates. The Company does not have any material transactions in foreign currencies. Accordingly, its exposure to the foreign currency risk is limited.

Notes to financial statements

d. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company’s fixed rate borrowings are carried at amortized cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate on account of a change in market interest rates.

e. Price risk

The Company’s exposure to mutual fund securities arises from investments held by the Company and classified in the balance sheet at fair value through profit or loss. To manage its price risk arising from investments in mutual funds, the Company diversifies its portfolio. Diversification of the portfolio is done in accordance with the framework and policies set by the Board of Directors.

42 CAPITAL MANAGEMENT

The Company manages its capital to ensure that it will continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The Company monitors capital using the gearing ratio.

Amount (₹ in lakhs)

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Gross Debt	5,259.35	5,205.12	6,568.41
Less: Cash and cash equivalent	623.71	149.19	0.55
(a) Net debts	4635.64	5055.93	6567.86
(b) Total Equity (as per balance sheet)	5461.11	6214.97	6679.83
(c) Net Gearing Ratio (a)/(b)	0.85	0.81	0.98

43 FAIR VALUE MEASUREMENT

The fair values of financial assets and liabilities are included at the amount at which the instrument can be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

- a. Fair value of cash and cash equivalents, trade and other current financial assets, trade & other payables and short term borrowings approximate their carrying amounts due to the short maturities of these instruments.
- b. The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation techniques:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

Notes to financial statements

Financial Instrument by category

Amount (₹ in lakhs)

Particulars	As at March 31, 2018			
	Carrying amount	Level 1	Level 2	Level 3
Financial assets				
At amortised cost				
Investments in unquoted shares	52.31	51.80		
Others non-current financial assets	657.02			
Trade receivables	2,453.48			
Cash and cash equivalents	623.71			
Other bank balances	87.78			
Loans current	0.36			
Others current financial assets	45.69			
Financial Liabilities				
At amortised cost				
Trade payables	409.36			
Other financial liabilities	2,628.09			
At FVTPL				
Borrowings	5,259.35		5,259.35	
Security Deposit payable	1,808.55		1,808.55	
Particulars	March 31, 2017			
	Carrying amount	Level 1	Level 2	Level 3
Financial assets				
At amortised cost				
Investments in unquoted shares	0.51	-	-	-
Loans non-current	0.00	-	-	-
Others non-current financial assets	726.03	-	-	-
Trade receivables	2,024.41	-	-	-
Cash and cash equivalents	150.53	-	-	-
Other bank balances	50.57	-	-	-
Others current financial assets	73.87	-	-	-
Financial Liabilities				
At amortised cost				
Trade payables	380.77	-	-	-
Other financial liabilities	2,527.62	-	-	-
At FVTPL				
Borrowings	5,205.12		5,205.12	-
Security Deposit payable	1,629.79	-	1,629.79	-

Next Mediaworks Limited & Subsidiaries

Notes to financial statements

Amount (₹ in lakhs)

Particulars	April 1, 2016			
	Carrying amount	Level 1	Level 2	Level 3
Financial assets				
At amortised cost				
Investments in unquoted shares	0.54	-	-	-
Others non-current financial assets	786.82	-	-	-
Trade receivables	1,918.93	-	-	-
Cash and cash equivalents	209.50	-	-	-
Other bank balances	57.11	-	-	-
Loans current	5.94	-	-	-
Others current financial assets	42.59	-	-	-
Financial Liabilities				
At amortised cost				
Trade payables	144.95	-	-	-
Other financial liabilities	2,208.98	-	-	-
At FVTPL				
Borrowings	6,568.41		6568.41	-
Security Deposit payable	1,468.81	-	1468.81	-

FVTPL- Fair Value through Profit and Loss

44 RECONCILIATIONS BETWEEN PREVIOUS GAAP AND IND AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from Previous GAAP to Ind AS.

Reconciliation of equity as previously reported under Previous GAAP to Ind AS

The Previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.

Amount (₹ in lakhs)

Particulars	As at March 31, 2017	Effect of Ind-AS	As at March 31, 2017	As at April 1, 2016	Effect of Ind-AS	As at April 1, 2016
ASSETS						
Non-current assets						
Property, plant and equipment	564.88		564.88	548.97		548.97
Other Intangible assets	11,985.76		11,985.76	12,894.38		12,894.38
Investment Property	22.37		22.37	23.87		23.87
Financial assets	-			-		
Investments	0.51		0.51	0.54		0.54
Others	714.88	11.15	726.03	535.53	251.30	786.83
Other non-current assets	172.10		172.10	315.84		315.84
Total non-current assets	13,460.50	11.15	13,471.65	14,319.13	251.30	14,570.43

Notes to financial statements

Amount (₹ in lakhs)

Particulars	As at March 31, 2017	Effect of Ind-AS	As at March 31, 2017	As at April 1, 2016	Effect of Ind-AS	As at April 1, 2016
Current assets						
Financial assets						
Investments	-		-	-		-
Trade receivables	2,024.41		2,024.41	1,918.93		1,918.93
Cash and cash equivalents	150.53		150.53	209.50		209.50
Bank balances other than above	50.57		50.57	57.11		57.11
Loans	0.27		0.27	5.94		5.94
Others	39.53	34.34	73.87	17.68	24.91	42.59
Other current assets	391.29	(0.73)	390.56	395.12		395.12
Total current assets	2,656.60	33.61	2,690.21	2,604.28	24.91	2,629.19
TOTAL ASSETS	16,117.10	44.76	16,161.86	16,923.41	276.21	17,199.62
EQUITY AND LIABILITIES						
Equity						
Equity share capital	6,678.97		6,678.97	6,516.55		6,516.55
Preference share capital in Subsidiary Company	-		-	2,500.00		2,500.00
Other equity	(4,078.87)	204.92	(3,873.95)	(3,081.98)	483.72	(2,598.26)
Minority Interest	3,409.95		3,409.95	261.54		261.54
TOTAL EQUITY	6,010.05	204.92	6,214.97	6,196.11	483.72	6,679.83
Non-current liabilities						
Financial Liabilities						
Borrowings	5,157.25	(237.20)	4,920.05	6,485.29	(178.57)	6,306.72
Provisions	77.33		77.33	40.23		40.23
Other non-current liabilities	1,900.00	(270.21)	1,629.79	1,900.11	(431.30)	1,468.81
Total non-current liabilities	7,134.58	(507.41)	6,627.17	8,425.62	(609.87)	7,815.76
Current liabilities						
Financial liabilities						
Borrowings	285.07		285.07	261.69		261.69
Trade payables	380.77		380.77	144.95		144.95
Other financial liabilities	2,180.37	347.25	2,527.62	1,806.63	402.36	2,208.99
Other Current Liabilities	77.27		77.27	43.45		43.45
Provisions	48.99		48.99	44.94		44.94
Total current liabilities	2,972.47	347.25	3,319.72	2,301.66	402.36	2,704.02
TOTAL LIABILITIES	10,107.05	(160.16)	9,946.89	10,727.28	(207.51)	10,519.78
TOTAL EQUITY AND LIABILITIES	16,117.10	44.76	16,161.86	16,923.40	276.21	17,199.61

Next Mediaworks Limited & Subsidiaries

Notes to financial statements

Amount (₹ in lakhs)

Particulars	Year ended March 31, 2017	Effect of transition to Ind AS	Year ended March 31, 2017
Revenue from operations	7,801.12		7,801.12
Other income	88.69	173.82	262.51
Total Revenue	7,889.81	173.82	8,063.63
Expenses			
Radio license fees	1,398.71	-	1,398.71
Employee benefits expense	2,470.40	-	2,470.40
Finance charges (net)	948.12	177.30	1,125.42
Depreciation & amortization	1,151.08		1,151.08
Other expenses	2,736.11	(3.34)	2,732.77
Total expenses	8,704.42	173.96	8,878.38
Profit / (Loss) before tax	(814.61)	(0.14)	(814.75)
Tax expense			
a) Current tax	-	-	-
b) Deferred tax	-	-	-
Total tax expenses	-	-	-
Profit / (Loss) for the Year	(814.61)	(0.14)	(814.75)
Other Comprehensive Income			
Remeasurement of benefit of the defined benefits plan	-	(13.45)	(13.45)
Total other comprehensive Income			-
Total Comprehensive Income	(814.61)	(13.59)	(828.20)

45 Previous years figures have been regrouped/rearranged wherever required to make them comparable.

As per our report of even date attached
For Walker Chandio & Co LLP
Chartered Accountants
Firm Regn No.001076N/N500013

Khushroo B. Panthaky
Partner
Membership No.:42423

Place: Mumbai
Date: May 8, 2018

For and on behalf of the Board of Directors of
Next Mediaworks Limited

Tarique Ansari
Chairman & Managing Director
(DIN: 00101820)

Gaurav Sharma
Company Secretary
Membership No.: ACS19509

Adille Sumariwalla
Director
(DIN: 00045855)

Ismail Dabhoya
Chief Financial Officer

Place: Mumbai
Date: May 8, 2018

DIRECTORS' REPORT

To,
The Members
Next Radio Limited

Your Directors are pleased to present the 18th Annual Report together with the Audited Accounts of the Company for the financial year ended 31st March, 2018.

FINANCIAL PERFORMANCE

(₹ in lakhs)

Particulars	Standalone	
	2017-18	2016-17
Total Revenue	7,961.85	8,186.05
Profit/(Loss) before Finance Cost & Exceptional Items	438.64	586.47
Finance Cost	971.68	1,125.23
Profit/(Loss) after Finance Cost but before Extra-Ordinary Items	(533.04)	(538.76)
Extra-Ordinary Items	-	-
Profit/(Loss) before Tax	(533.04)	(538.76)
Tax Expense	-	-
Profit/(Loss) after Tax	(533.04)	(538.76)
Other Comprehensive Income	14.96	(18.31)
Total Comprehensive Income	(518.08)	(557.07)

OPERATIONAL HIGHLIGHTS:

The Company is into the business of FM radio broadcasting. It was among the first private players to venture into private FM broadcasting and has established “Radio One” as the FM Brand in top 7 cities of the country viz. (i) Delhi, (ii) Mumbai, (iii) Chennai, (iv) Kolkata, (v) Bangalore, (vi) Pune, and (vii) Ahmedabad. Next Radio Limited operates under frequency 94.3 MHz in all its cities except for the city of Ahmedabad where it operates under the frequency 95 MHz.

The financial year 2017-18 witnessed intense competition in the private FM radio industry with many new stations, which were acquired during the first stage of Phase III auctions, getting operationalized. The advertising rates witnessed a dip as radio inventory was offered at low rates with an aim to gain entry in a crowded market. This posed a great challenge to the Company which still managed to maintain stability in its top line.

Despite few challenges, Company's revenues from operations remained stable during the financial year 2017-18 and stood at ₹ 7,961.85 lakhs. Your Company has taken measures to control cost at operational level with aim to make business operations more cost efficient and these measures have yielded the positive results for the Company.

DIVIDEND:

In view of the loss incurred by the Company during the year under review, your Directors do not recommend any dividend for the financial year ended 31st March 2018.

TRANSFER TO RESERVE:

There has not been any transfer to the General Reserves during the year under review.

Directors' Report

CHANGES IN DIRECTORS & KEY MANAGERIAL PERSONNEL:

(a) Changes in Directors:

As on the date of this report, the Company's Board consists of the following Directors:

- (i) Mr. Adille Sumariwalla*
- (ii) Mr. Dilip Cherian
- (iii) Ms. Monisha Shah
- (iv) Mr. Vineet Singh Hukmani

**Pursuant to list of disqualified Directors published by Ministry of Corporate Affairs (MCA) in September, 2017, Mr. Adille Sumariwalla (Independent Director) was disqualified under Section 164 (2) of the Companies Act, 2013 due to the reason that Bombay Marathon Private Limited, in which he was director, had failed to make annual filings for consecutive period of 3 years. Vide letter dated April 23, 2018, Mr. Adille Sumariwalla (Independent Director) informed all the Directors of the Company that Bombay Marathon Private Limited had filed all the pending filings under Condonation of Delay Scheme, 2018 announced by MCA and that consequent upon all the filings have been regularized, Status of his DIN is shown as 'Approved' on the website of Ministry of Corporate Affairs. All the Board Members had given a letter in writing stating that considering the content of the letter and the opinion of Practising Company Secretary obtained by Next Mediaworks Limited (Holding Company) disqualification incurred by Mr. Adille Sumariwalla is said to have been removed and that he can now resume the office of Director in the Company.*

In view of the above, Mr. Adille Sumariwalla had resumed the office of Independent Director of the Company.

(b) Change in Key Managerial Personnel:

As on the date of this Report, the following persons are the Key Managerial Personnel (KMP) of the Company pursuant to Section 2(51) and 203 of the Companies Act, 2013:

- (i) Mr. Ismail Dabhoya – Chief Financial Officer
- (ii) Ms. Varsha Patel- Company Secretary*

**Ms. Deepal Khandelwal who was working as Company Secretary of the Company resigned as Company Secretary with effect from 18th January, 2018. Ms. Varsha Patel was appointed as Company Secretary of the Company with effect from 9th May, 2018.*

INDEPENDENT DIRECTORS:

In pursuance of the requirements of Section 149(4) of the Companies Act, 2013 read with Rule 4 of The Companies (Appointment and Qualification of Directors) Rules, 2014, the Company had appointed the following Independent Directors on the Board of the Company:

Sr. No	Name of the Director	DIN	Date of appointment	Period of appointment
1	Mr. Adille Sumariwalla	00045855	23 rd January, 2015	Five years commencing from 23 rd January, 2015
2	Mr. Dilip Cherian	00322763	23 rd January, 2015	Five years commencing from 23 rd January, 2015
3	Ms. Monisha Shah	00542228	2 nd February, 2017	Five years commencing from 2 nd February, 2017

Directors' Report

All the above Independent Directors meets the criteria of 'Independence' prescribed under Section 149(6) and have submitted declaration to that effect under Section 149(7) of the Companies Act, 2013.

MEETINGS OF THE BOARD OF DIRECTORS:

During the Financial Year 2017-18, 6 (Six) Meetings of the Board of Directors were held on the following dates:

1. 4th May, 2017
2. 8th June, 2017
3. 29th August, 2017
4. 13th November, 2017
5. 26th December, 2017
6. 12th February, 2018

COMMITTEES OF THE BOARD OF DIRECTORS:

In pursuance of the provisions of the Companies Act, 2013 and the rules made there under, the following committees of the Board of Directors were constituted:

I. Audit Committee:

In accordance with the provisions of Section 177 of the Companies Act, 2013 your Company has constituted an "Audit Committee" comprising of three (3) directors consisting of one (1) Executive Director and Two (2) Independent directors with the Chairman being Independent Director.

The Audit Committee acts in accordance with the Terms of Reference specified by the Board in writing.

Sr. No	Name of the Director	Designation	Category
1	Mr. Dilip Cherian	Chairman	Independent Director
2	Ms. Monisha Shah*	Member	Independent Director
3	Mr. Vineet Singh Hukmani	Member	Managing Director

The Audit Committee was re-constituted by the Board by way of circular resolution duly passed by majority of directors and noted in the board meeting held on 12th February 2018. *Ms. Monisha Shah was appointed to act as the Member of the Audit Committee respectively with effect from 12th February 2018.

There were no instances where the Board had not accepted the recommendations of the Audit Committee.

II. Nomination and remuneration Committee:

The Board of Directors of your Company has constituted the "Nomination and Remuneration Committee" consisting of three (3) Independent Directors.

The Nomination and remuneration Committee comprising of following members:

Sr. No	Name of the Director	Designation	Category
1	Mr. Adille Sumariwalla	Chairman	Independent Director
2	Mr. Dilip Cherian	Member	Independent Director
3	Ms. Monisha Shah	Member	Independent Director

Directors' Report

Nomination and remuneration policy is annexed to this Report as “Annexure-I”

III. Corporate Social Responsibility Committee:

Pursuant to Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, your Company has constituted Corporate Social Responsibility committee comprising of the following:

Sr. No	Name of the Director	Designation	Category
1	Mr. Vineet Singh Hukmani	Chairman	Managing Director
2	Mr. Dilip Cherian	Member	Independent Director
3	Ms. Monisha Shah *	Member	Independent Director

During the year, the Corporate Social Responsibility Committee was re-constituted by the Board by way of circular resolution duly passed by majority of directors and in the board meeting held on 12th February 2018.

*Ms. Monisha Shah was appointed to act as the Member of the Corporate Social Responsibility Committee with effect from 12th February 2018.

Details of Disclosure as required to be provided in the Directors' Report pursuant to Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 are given as “Annexure-II”

Meeting of Corporate Social Responsibility Committee:

The meeting of Corporate Social Responsibility Committee was held on 29th August 2017 and 12th February, 2018. All the members of the Committee had attended the Meeting.

VIGIL MECHANISM:

Your Company believes in conducting its affairs in a fair and transparent manner while maintaining high standards of governance, personal ethics and seeks to induce and recognize the virtues of honesty, integrity and accountability with ethical behavior and adherence to laws, amongst its employees in the course of discharge of their duties and responsibilities. The Company has established the necessary vigil mechanism as provided under Section 177 (9) of the Companies, Act, 2013 for directors and employees to report concerns about unethical behavior. Further, the Board of Directors has framed a Vigil Mechanism Policy in this regard.

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES:

The details of the Subsidiaries, Joint Ventures and Associates of the Company are as under:

i. DETAILS OF COMPANIES WHICH HAVE BECOME SUBSIDIARY/ JOINT VENTURES/ ASSOCIATE COMPANIES DURING THE YEAR UNDER REVIEW:

Sr. No.	Name of Company	Subsidiary/ Joint ventures/ Associate Company	Date of becoming of Subsidiary / Joint ventures/ Associate Company.
1	Syngience Broadcast Ahmedabad Limited	Subsidiary	18 th April, 2017

Directors' Report

ii. DETAILS OF COMPANIES WHICH HAVE CEASED TO BE ITS SUBSIDIARY/ JOINT VENTURES/ ASSOCIATE COMPANIES DURING THE YEAR UNDER REVIEW:

Sr. No.	Name of Company	Subsidiary/ Joint ventures/ Associate Company	Date of cession of Subsidiary / Joint ventures/ Associate
NIL			

HIGHLIGHTS OF PERFORMANCE OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES AND THEIR CONTRIBUTION TO THE OVERALL PERFORMANCE OF THE COMPANY:

Pursuant to scheme of Demerger approved by the National Company Law Tribunal, Radio channel of the Company operated in Ahmedabad city is to be transferred to Syngience Broadcast Ahmedabad Limited (subsidiary of the Company). However, the scheme is effective upon receipt of approval of Ministry of Information and Broadcasting, Government of India (MIB).

The Company has submitted documents for obtaining approval of MIB and is awaiting approval from MIB.

EXTRACT OF ANNUAL RETURN:

In terms of provisions of Section 92(3) of the Companies Act, 2013, copy of Annual Return is placed on the website of the Company i.e. www.radioone.in

STATUTORY AUDITORS:

M/s. Walker Chandiok & Co. LLP, Chartered Accountants are the Company's Statutory Auditors until the conclusion of ensuing Annual General Meeting (AGM) and shall retire at the conclusion of the forthcoming Annual General Meeting.

As per sub-section (2) of Section 139 of the Companies Act, 2013 ('the Act'), a public Company falling under prescribed criteria shall not appoint or re-appoint an audit firm as auditor for more than two consecutive terms of five years.

Accordingly, M/s. Walker Chandiok & Co. LLP, Chartered Accountants are proposed to be re-appointed as statutory auditors for a period of 5 years, commencing from the conclusion of 18th AGM till the conclusion of the 23rd AGM.

M/s. Walker Chandiok & Co. LLP, Chartered Accountants, have consented to the said appointment and confirmed that their appointment, if made, would be within the limits specified under Section 141(3) (g) of the Act. They have further confirmed that they are not disqualified to be appointed as statutory auditors in terms of the provisions of the proviso to Section 139(1), Section 141(2) and Section 141(3) of the Act, the provisions of the Companies (Audit and Auditors) Rules, 2014 and other applicable laws.

STATUTORY AUDITORS' REPORT ON THE ANNUAL FINANCIAL STATEMENTS:

The Auditors' Report on the Standalone Financial Statements for the Financial Year 2017-18 contains qualified opinion with respect to payment of excess remuneration to Managing Director for the years 2012-13 to 2017-18. In this regard, Members' attention is drawn to "Qualified Opinion" stated in the Paragraph 8 of the said Auditors' Report dated May 8, 2018 on the Standalone Financial Statements.

Directors' Report

The Directors would like to state that the response to said qualification as required under Section 134 of the Companies Act, 2013 have been given in detail in the note no. 36 to the Standalone Financial Statements and hence, is not being repeated here.

INTERNAL AUDITORS:

Your Company is required to appoint Internal Auditor pursuant to Section 138 of the Companies Act, 2013 and relevant rules framed thereunder. Board of Directors at their Meeting held on 4th May, 2017 has appointed M/s. SMMP & Associates, Practising Chartered Accountants as an Internal auditors for conducting Internal Audit of the functions and activities of the Company for the Financial year 2017-18.

M/s. SMMP & Associates, Practising Chartered Accountants had conducted the Internal Audit on quarterly basis during the Financial Year 2017-18 and the Internal audit reports were placed before the Audit committee for providing comments on the observations, if any.

SECRETARIAL AUDITORS:

Pursuant to Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, every Listed Company and Every public Company having a paid-up share capital of fifty crore rupees or more or Every public company having a turnover of two hundred fifty crore rupees or more is required to appoint Secretarial Auditor.

Since paid up capital of your Company is more than 50 crore, the Company was required to appoint Secretarial Auditor for the Financial Year 2017-18.

The Board of Directors at their Meeting held on 12th February, 2018 had appointed M/s. V. Joglekar & Associates, Practising Company Secretaries as Secretarial Auditor to conduct the Secretarial Audit for the Financial Year 2017-18.

SECRETARIAL AUDIT REPORT:

Ms. Vidya Joglekar, proprietor of M/s. V. Joglekar & Associates, Practising Company Secretaries has issued the Secretarial Audit Report in FORM MR-3 for the Financial Year 2017-18.

The copy of Secretarial Audit Report is annexed to this Report as “Annexure-III”

The Secretarial Audit Report contains one qualification in relation to Remuneration paid to Mr. Vineet Singh Hukmani, Managing Director of the Company.

In response to the qualification mentioned in Secretarial Audit report, the Board of Directors would like to submit that “The Company is in the process of obtaining approval from its Shareholders for waiving off the recovery of excess remuneration paid for 2016-17 and 2017-18. Upon receipt of such approval from Shareholders, the Company shall be filing application with the Central Government under Section 197 of the Companies Act, 2013 for waiver of such recovery”

COST AUDITOR:

Pursuant to provisions of Section 148 of the Companies Act, 2013 read with relevant rules made thereunder, the Company was required to maintain cost records and include the said cost records in its books of account, accordingly, the Company has maintained the cost records and included the same in its Books of accounts.

Further, the audit of such cost records shall be done by a Cost Accountant. The Company had appointed Mr. Ritesh Talati of M/s. N. Ritesh & Associates as Cost Auditor of the Company for conducting audit of cost records maintained by the Company for the Financial Year 2017-18.

The cost audit report issued by Mr. Ritesh Naimesh Talati for the Financial Year 2017-18 does not have any qualified opinion.

Directors' Report

INTERNAL FINANCIAL CONTROL AND RISK MANAGEMENT POLICY:

The Company has adequate and effective financial control system commensurate with its size and nature of the business operations. It ensures that the business of the Company are conducted orderly and efficiently and the assets and the interest of the Company are safeguarded. It ensures early detection and prevention of the frauds and errors, accuracy and completeness of accounting records and timely preparation of the reliable financial information.

The Company continuously identifies, assesses, monitors and mitigates various risks to key business objectives. Major risks identified by the businesses and functions are systematically addressed through actions on a continuing basis. These are routinely tested by the Auditors of the Company. Further, the Company does not envisage any such elements of risk which is threatening the existence of its business operations.

FRAUD REPORTED BY AUDITOR UNDER SECTION 143(12) OF THE COMPANIES ACT, 2013:

There was no instance of fraud reported by the auditor in their report under Section 143 (12) of the Companies Act, 2013.

POLICY ON APPOINTMENT OF SENIOR MANAGEMENT AND OTHER EMPLOYEES:

The Company has a policy on Human Resource which enables the Company to recruit and retain best talent from time to time.

EMPLOYEES STOCK OPTION SCHEME (ESOPS):

The Company has not framed any Employees Stock Option Scheme during the period under review.

PARTICULARS OF LOANS, GUARANTEES & INVESTMENTS:

Particulars of loans, guarantees given and investments made during the year are provided in Notes to the Standalone Financial Statements as required under Section 186 of the Companies Act, 2013.

TRANSACTIONS WITH RELATED PARTIES:

All related party transactions which were entered into during the financial year were in compliance with the requirement of the Companies Act, 2013 and the Rules framed thereunder. All Related Party Transactions are placed before the Audit Committee and/or the Board, as the case may be, for approval wherever required.

During the year under review, the contracts or arrangements with related parties referred to in Section 188 of Companies Act, 2013 have been on arm's length and in ordinary course of business and are not material in nature. Accordingly, the disclosure in respect of contracts or arrangements with related parties, as required under Section 134(3) (h) of the Companies Act, 2013 in Form AOC-2 does not form part of the Directors' Report.

EVALUATION OF THE BOARD OF DIRECTORS, THE COMMITTEES THEREOF AND INDIVIDUAL DIRECTORS :

Pursuant to the provisions of the Companies Act, 2013, the annual evaluation of the performance of the Board of Directors, its Committees and of Individual Directors has been made.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN

Director's Report

FUTURE:

During the financial year 2017-18, there were no significant or material orders passed by any regulatory body or court or tribunal impacting the going concern status and the Company's operations in future.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, OCCURRED AFTER THE CLOSE OF THE FINANCIAL YEAR TILL THE DATE OF THIS REPORT:

There are no material events between the end of the financial year and date of this report, which may materially affect the financial position of the Company as it stood at the end of the financial year.

However, the Board of Directors of your company, at their meeting held on 18th July, 2018, considered and accorded 'in principle' approval to consolidate the Radio businesses of the Company (except for the radio station located at Ahmedabad), Radio Business of HT Media Limited ("**HTML**") (except for radio stations at Hyderabad and Uttar Pradesh) and HT Music & Entertainment Company Limited, a wholly-owned subsidiary of HTML ("**HTMEL**") in to Next Mediaworks Limited ("**NMW**") to be implemented by way of a composite scheme of arrangement and amalgamation pursuant to Sections 230-232 and other applicable provisions of the Companies Act 2013, which shall, inter alia, involve the following:

- (i) Demerger of the FM radio business of HTML, (except for FM radio stations operated by HTML in Hyderabad and the state of Uttar Pradesh), on a going concern basis and subsequent transfer and vesting of the same to NMW;
- (ii) Amalgamation of HTMEL with NMW and consequent dissolution of HTMEL without winding up;
- (iii) Demerger of the FM radio broadcasting business of the Company, (except for FM radio station located at Ahmedabad), on a going concern basis and subsequent transfer and vesting of the same to NMW; and
- (iv) Reduction of paid up share capital of the Company by cancellation and extinguishment of the entire shares held by NMW in the Company, which shall be regarded as reduction of share capital of the Company.

In respect of the above mentioned Proposed Transaction, the Company and the promoters have executed a binding term sheet with HTML, HTMEL, NMW and their respective promoters.

Further, at the meeting held on 8th August, 2018, the Board of Directors has approved the draft scheme of arrangement. The Proposed Transaction is subject to execution of definitive documents between the parties, in accordance with the provisions of the Companies Act, 2013, and is also subject to necessary regulatory & corporate approvals and other compliances as per applicable laws.

CHANGES IN THE NATURE OF BUSINESS:

There has been no change in the nature of business of the Company during the year under review.

DEPOSITS:

The Company has not accepted deposit within the meaning of Sections 2(31), 73 and 74 of the Companies Act, 2013 during the year under review.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the requirements of Section 134(3) (c) of the Companies Act, 2013, with respect to Directors' Responsibility Statement it is hereby confirmed that:

Director's Report

- i. In the preparation of the annual accounts for the financial year ended 31st March, 2018, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- ii. The Directors have 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 31st March, 2018 and of the profit and loss of the Company for that period;
- iii. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. The Directors have prepared the annual accounts for the financial year ended 31st March, 2018, on a going concern basis;
- v. 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.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, EXPENDITURE ON RESEARCH AND DEVELOPMENT, FOREIGN EXCHANGE EARNINGS AND OUTGO ETC:

The particulars as required under section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 relating to conservation of energy, technology absorption, foreign exchange earnings and outgo are given hereunder:

- A. Conservation of Energy: NIL
- B. Technology Absorption: NIL
- C. Foreign Exchange Earning: NIL
- D. Foreign Exchange Outgo: NIL
- E. Expenditure incurred on Research and Development: NIL

PARTICULARS OF EMPLOYEES AS REQUIRED UNDER SECTION 134 OF THE COMPANIES ACT, 2013:

The information as per Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 will be provided upon request by any Member of the Company. In terms of Section 136 of the Companies Act, 2013, the Annual Report including the Directors' Report and the Audited Accounts are being sent to the Members excluding the same. Any Member interested in obtaining such information may write to the Company Secretary at the Registered Office of the Company.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The Company has always believed in providing a safe and harassment free workplace for every individual working in Company's premises through various interventions and practices. The Company always endeavours to create and provide an environment that is free from discrimination and harassment including sexual harassment.

During the year under review, the Company has not received any complaint from the employees related to sexual harassment. The Company has in place sexual harassment policy which is available on the Company's website i.e. www.radioone.in

Director's Report

Further, your company has complied with provisions relating to constitution of Internal Complaints Committee under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

CORPORATE GOVERNANCE:

Your Company believes in transparency and has maintained the practices of ethics and good level of Corporate Governance. Your Board has a primary role of trusteeship to protect and enhance stakeholder value through strategic supervision of the Company by providing direction and exercising appropriate controls. Your Board lays strong emphasis on transparency, accountability and integrity.

ACKNOWLEDGEMENT:

Your Directors would like to thank and place on record their appreciation for the support and co-operation provided to the Company by its Shareholders, excellent work done by all the employees of the Company at all level, regulatory authorities and its bankers. The Directors also thank the shareholders for their faith in the Company.

For and on behalf of the Board of Directors

sd/-

Vineet Singh Hukmani

Managing Director
DIN: 02514684

Date: 16th August, 2018

Place: Delhi

sd/-

Adille Sumariwalla

Director
DIN: 00045855

Date: 8th August, 2018

Place: Mumbai

ANNEXURE-I

NOMINATION AND REMUNERATION POLICY

1. PREAMBLE :

The Nomination and Remuneration Policy of Next Radio Limited (“the Company”) was revised by the Company’s Board of Directors on 8th May, 2018.

The Nomination and remuneration Committee comprising of following members:

Sr. No	Name of the Director	Designation	Category
1	Mr. Adille Sumariwalla	Chairman	Independent Director
2	Mr. Dilip Cherian	Member	Independent Director
3	Ms. Monisha Shah	Member	Independent Director

The Nomination and Remuneration Committee (NRC) and this Policy is in compliance with Section 178 of the Companies Act, 2013

2. DEFINITIONS:

- (a) **Board** means the Board of Directors of Next Radio Limited.
- (b) **Committee** means the Nomination and Remuneration Committee constituted by the Board of Next Radio Limited.
- (c) **Company** means Next Radio Limited.
- (d) **Key Managerial Personnel** means:
 - (i) Chief Executive Officer or the Managing Director or the Manager;
 - (ii) Company Secretary,
 - (iii) Whole-time Director;
 - (iv) Chief Financial Officer; and
 - (v) such other officer as may be prescribed by the Companies Act, 2013 or the rules made thereunder.
- (e) **Senior Management** means employees of the Company who are members of the Company’s core management team excluding the Board. This would also include all members of management one level below the Executive Directors and all the functional heads.

3. CHARTER :

- (a) To identify persons who are qualified to become Directors and who may be appointed in Senior Management as well as devising a policy on Board diversity.
- (b) To lay down criteria for such appointments.
- (c) Recommend to the Board their appointment and renewal.
- (d) To evaluate performance of every Director including the independent Directors.
- (e) To recommend to the Board, remuneration payable to the Directors, Key Managerial Personnel and Senior Management.

Annexure Directors' Report

4. DUTIES & RESPONSIBILITIES OF THE COMMITTEE :

A. Identification of persons qualified to become Directors or occupy senior management positions and devising a policy on Board diversity:

While appointing new Director(s) on the Company's Board, Key Managerial Personnel and Senior management the Committee shall implement a process to identify and evaluate suitable candidates in line based on the following guidelines:

- a. Well considered Organogram of the Company must be made and reviewed from time to time so that the vacancy slots, seniority and position in the Company are well defined and clear before the selection process is initiated.
- b. The incumbents must have qualifications and experience in the field that has relevance to the Company's functions and working. The incumbents should have personal attributes such as personality, seniority, articulation, decision making, team building, management skills, leadership skills and ability to participate in meetings with peers and seniors.
- c. Such appointments may be made after considering recommendations from reliable and knowledgeable sources and/or outcome of a selection process which could be based on Head Hunters' short listings or direct recruitment and advertisements, and/or promotions of the present cadre of managerial personnel.
- d. There should be a proper mix of technical skills, financial acumen and expertise such as in the fields of HR and commercial laws fairly represented at the Board level.
- e. The Managing Director shall report to the Board. The Key Managerial Personnel other than the Managing Director shall report to the Managing Director on day to day operations. However on all the matters, which in the opinion of the Key Managerial Personnel are important and critical or are required to be reported to the Board to comply with the prevailing laws and statutes, the Key Managerial Personnel shall report to the Board.

B. Fixing Remuneration of the Directors and Key Managerial personnel and Senior management :

- a. The level and composition of the Remuneration should be reasonable and sufficient to attract, retain and motivate the incumbent.
- b. The Committee shall ensure that amount of remuneration is commensurate with the roles assigned to the Directors, Key Managerial Personnel and Senior Management and that the relationship between remuneration and performance is clear and meets appropriate performance benchmarks.
- c. Committee's recommendations to the Board or the Management, as the case may be, must include remuneration based on age, experience and qualification of the incumbent.
- d. Remuneration should have two components, one Fixed and the other Variable. The Fixed Component should be well defined and Variable Component, as far as feasible, should be based on factors such as growth and performance of the Company without considering exceptional items, interest and depreciation and or as may be advised by NRC and decided by the Board. The Board should have full discretion in the matter. Such Variable Component should be based either on the performance of the incumbent and/

Annexure Directors' Report

or the performance/growth of the Company. Contracts should be made in a manner that a deterrent clause is included to restrict employees leaving the organization from joining a competitor.

- e. The balance between the Fixed and Variable component can vary from time to time and from office to office.

C. Renewal of Contracts and evaluation of Directors and Senior Personnel:

Evaluation process must precede renewal of contracts. Self-evaluation is not recommended. Directors' performance, including that of independent Directors, must be evaluated by the Chairman of the Board who may seek advice from other Board members before making a recommendation.

D. Other duties & responsibilities:

The Committee's duties and responsibilities will, *inter alia*, include the following:

- to make recommendations to the Board concerning any matters relating to the Appointment and Removal of any Director at any time including the suspension or termination of services of an Executive Director as an employee of the Company subject to the provision of the law and their service contract;
- to recommend to the Board the appointment and removal of Senior Management employee based on the criteria mentioned in this Policy;
- to recommend a succession plan for the Board and to regularly review the plan;
- to review this policy atleast periodically to make suitable changes required either pursuant to any applicable laws or by virtue of any other changes within the Company.

5. COMPOSITION :

- a. The Committee shall consists of a minimum of three (3) non-executive directors with a majority of them being independent.
- b. Minimum two (2) members shall constitute a quorum for the Committee meeting.
- c. Composition of the Committee shall be disclosed in the Directors' Report.
- d. The term of the Committee shall continue unless terminated by the Board.

6. CHAIRMAN :

The Chairman of the Committee shall be an Independent Director. In the absence of the Chairman, the Committee members present may nominate any one amongst them as the Chairman of the meeting.

7. COMMITTEE MEETINGS :

- a. The meeting of the Committee shall be held at such regular intervals as may be required.
- b. The Chairman of the Committee will report to the Board (at the next Board meeting) on the proceedings of each Committee meeting, bringing forward all Committee recommendations requiring Board approval.

8. COMMITTEE MEMBERS' CONFLICT OF INTEREST :

A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.

Annexure Directors' Report

9. DUTIES OF THE COMPANY SECRETARY :

The Company Secretary shall:

- a. in co-ordination with the Chairman of the Committee finalize agenda and arrange for the Committee meetings.
- b. provide agenda and supporting documents to Committee members sufficiently in advance so as to enable the Committee members to prepare for the meeting.
- c. circulate minutes of each meeting to Committee members; and
- d. circulate copies of the minutes of the Committee meeting to the remaining Board members upon request.

For and on behalf of the Board of Directors

sd/-
Vineet Singh Hukmani
Managing Director
DIN: 02514684

Date: 16th August, 2018
Place: Delhi

sd/-
Adille Sumariwalla
Director
DIN: 00045855

Date: 8th August, 2018
Place: Mumbai

ANNEXURE-II

I. Brief outline of the Corporate Social Responsibility (CSR) Policy:

The Corporate Social Responsibility (CSR) Committee was constituted on 27th January, 2016.

As per the provisions of Section 135 (a) of the Companies Act, 2013, CSR Committee has formulated the Policy at their meeting held on 26th February, 2016.

II. Composition of CSR Committee:

The composition of the CSR Committee are given below:

Sr. No	Name of the Director	Category	Designation
1	Mr. Vineet Singh Hukmani	Chairman	Managing Director
2	Mr. Dilip Cherian	Member	Independent Director
3	Ms. Monisha Shah	Member	Independent Director

III. Financial Details:

Particulars	₹ in Lakhs
Average net profit of the Company for the last 3 financial years	110.01
Prescribed CSR Expenditure (2% of the average net profit for the last 3 financial years)	2.20
Details of CSR Expenditure during the financial year 2017-18	
Total amount to be spent for the financial year 2017-18	2.20
Amount spent	2.20
Amount unspent	-

IV. Manner in which the amount was spent during the financial year:

The Company had donated ₹ 2.20 Lakhs to 'Indians for Amnesty International Trust' in 2017-18 towards CSR in compliance with the requirements of Section 135 of the Companies Act, 2013.

V. Responsibility Statement:

We hereby affirm that the Implementation and monitoring of CSR policy is in compliance with CSR objectives and policy of the Company.

For and on behalf of the Board of Directors

sd/-
Vineet Singh Hukmani
Managing Director
DIN: 02514684

Date: 16th August, 2018
Place: Delhi

sd/-
Adille Sumariwalla
Director
DIN: 00045855

Date: 8th August, 2018
Place: Mumbai

ANNEXURE III

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED MARCH 31, 2018
[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,

Next Radio Limited

CIN U32201MH1999PLC122233

Office Nos. I-17, I-18 and I-19, 10th Floor

The Everest Building, 156, D J Dadajee Road

Tardeo, Mumbai-400034

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Next Radio Limited** (CIN U32201MH1999PLC122233) (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.

Based on our verification of the Company’s 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, I hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31,2018 (“Audit Period”), 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:

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 **March 31, 2018**, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and enactments and the rules applicable thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules applicable thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws applicable thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations applicable thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) 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; - Not Applicable during the Audit Period
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; - Not Applicable during the Audit Period
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; Not Applicable during the Audit Period
 - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; Not Applicable during the Audit Period
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; Not Applicable during the Audit Period

- f) 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; Not Applicable during the Audit Period
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and Not Applicable during the Audit Period
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; Not Applicable during the Audit Period
- (vi) The other laws applicable to the Company as per the representations made by the company :
- 1. Telecom Regulatory Authority of India Act, 1997
 - 2. Telegraph Act, 1885
 - 3. Information Technology Act, 2000 and rules made thereunder
 - 4. Indian Stamp Act, 1999
 - 5. Employees Provident Fund and Misc. Provisions Act, 1952
 - 6. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and rules made thereunder
 - 7. The Payment of Bonus Act, 1965
 - 8. The Payment of Gratuity Act, 1972
 - 9. Employees State Insurance Act, 1948
 - 10. Maharashtra Stamp Act, 1958
 - 11. The Maharashtra Shops and Establishments (Regulation of Employment and Conditions of Service) Act, 2017
 - 12. Maharashtra Shops and Establishment Act of 1948
 - 13. Income Tax Act, 1961
 - 14. GST Laws (Central Act, State Acts)
 - 15. Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975
 - 16. Contract Labour (Regulation and Abolition) Act, 1970
 - 17. UP Shops & Establishments Act 1962
 - 18. Minimum Wages Act, 1948
 - 19. Maternity Benefits Act, 1961
 - 20. The Karnataka Shops and Commercial Establishments Act, 1961
 - 21. The Payment of Wages Act, 1936
 - 22. The Minimum Wages Act, 1948
 - 23. Tamil Nadu Shops and Establishment Act, 1947
 - 24. The West Bengal State Tax on professions, trades, callings and employments rules, 1979
 - 25. Karnataka Tax on Profession, Trade, Callings and Employment Act, 1976
 - 26. Child and Adolescent Labour (Prohibition and Regulation) Act, 1986
 - 27. Gujarat State Tax on Professions, Trades, Callings and Employments Act, 1976
 - 28. Tamil Nadu Tax on Professions, Trades Callings, and Employment's Act, 1992
 - 29. Gujarat Shops & Establishments Act 1948
 - 30. West Bengal Shops and Establishments Act, 1963

Next Radio Limited

31. Environmental Protection Act, 1986
32. Air and Water Pollution Prevention laws
33. The Indian Wireless Telegraphy Act, 1933
34. The Prasar Bharti (Broadcasting Corporation of India) Act, 1990
35. Grant of Permission Agreement (GOPA) executed between the Company and Ministry of Information and Broadcasting, Government of India
36. Code of Commercial Broadcasting
37. Code of Ethics for Radio Broadcasting
38. Policy Guidelines for expansion of FM Radio Broadcasting services through private agencies (Phase III)
39. Employment Guidance and Promotion Centres (Compulsory Notifications of Vacancies) Act, 1959

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with Stock Exchange(s): **Not Applicable during the Audit Period**

During the period under review and subject to explanations submitted to us and representations made by the Management, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

Managing Director's Remuneration:

The Company has paid remuneration to its Managing Director for financial years 2012- 2013 to 2017-2018 in excess of the limits specified under the relevant provisions of the Companies Act, 1956 and Companies Act, 2013 as applicable. The Central Government has rejected the application for approval of the excess remuneration paid for the financial years 2012-13 to 2015-16 and directed the Company to recover such excess from the Managing Director. The Company has made subsequent applications for waiver of such excess remuneration, which are pending with the Central Government. For financial years 2016-17 and 2017-18, the Company does not have the approval of shareholders in the general meeting in relation to the waiver for the excess amounts of remuneration paid and the relevant applications are yet to be filed with the Central Government for such approvals. which is not in compliance with the provisions of the Companies Act, 2013. The Company has also not recorded such excess remuneration paid as recoverable from the Managing Director.

This has been suitably qualified in the Independent Auditor's Report on Consolidated Financial Results of the Holding Company viz. (M/s. Next Mediaworks Limited CIN: L22100MH1981PLC024052) pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and also in the Independent Auditor's Report on Standalone Financial Results of the Company.

We further report that

- a) 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.
- b) 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.

- c) Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that as represented by the Company, and relied upon by us 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.

We further report that during the audit period there were no major events which has bearing on the company affairs in pursuance of the above referred laws, rules, regulations, guidelines etc.

For V Joglekar & Associates

sd/-

Vidya Joglekar

Practising Company Secretary

Membership No. FCS7401

Certificate of Practice No.5172

Date: August 07, 2018

Place: Mumbai

ANNEXURE III

To,

The Members,

Next Radio Limited

CIN U32201MH1999PLC122233

Office Nos. I-17, I-18 and I-19,10th Floor

The Everest Building, 156, D J Dadajee Road

Tardeo Mumbai-400034

Our report of even date for the financial year ended 31st March, 2018 is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of Next Radio Limited (hereinafter referred to as “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 were 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, standards is the responsibility of management. Our examination and audit 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 V Joglekar & Associates

sd/-

Vidya Joglekar

Practising Company Secretary

Membership No. FCS7401

Certificate of Practice No.5172

Date: August 07, 2018

Place: Mumbai

INDEPENDENT AUDITORS' REPORT

To the Members of Next Radio Limited

Report on the Financial Statements

1. We have audited the accompanying financial statements of Next Radio Limited ('the Company'), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the 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 financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit.
4. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.
5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether these 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 auditor's 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 controls 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.

Independent Auditors' Report

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

Basis for Qualified Opinion

8. As detailed in the note 36 to the accompanying financial statements, the Company has paid remuneration to its Managing Director for financial years 2012-13 to 2017-18 in excess of the limits specified under the relevant provisions of the Companies Act, 1956 and Companies Act, 2013, as applicable. The Central Government has rejected the application for approval of the excess remuneration paid for the financial years 2012-13 to 2015-16 and directed the Company to recover such excess from the Managing Director. The Company has made subsequent applications for waiver of such excess remuneration, which are pending with the Central Government. For financial years 2016-17 and 2017-18, the Company does not have the approval of shareholders in the general meeting in relation to the waiver for the excess amounts of remuneration paid and the relevant applications are yet to be filed with the Central Government for such approvals, which is not in compliance with the provisions of the Companies Act, 2013. The Company has also not recorded such excess remuneration paid as recoverable from the Managing Director. Had the Company recorded the excess remuneration paid as recoverable for all these years, the employee benefit expenses for the year ended March 31, 2018 would have been lower by ₹ 57.40 lakhs (excess paid in the year 2017-18), other income for the year ended March 31, 2018 would have been higher by ₹ 350.88 lakhs (excess paid for the previous years 2012-13 to 2016-17) and retained earnings and other current assets as at March 31, 2018 would have been higher by ₹ 408.28 lakhs, each (cumulative impact for the years 2012-13 to 2017-18).

Qualified Opinion

9. In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Ind AS specified under Section 133 of the Act, of the state of affairs (financial position) of the Company as at March 31, 2018, and its loss (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Other Matter

10. The comparative financial information for the year ended March 31, 2017 and the transition date opening balance sheet as at April 1, 2016 prepared in accordance with Ind AS included in these financial statements, are based on the previously issued statutory financial statements for the year ended March 31, 2017 and March 31, 2016 respectively prepared in accordance with Accounting Standards prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended), which were audited by the predecessor auditor whose reports dated May 13, 2016 and May 4, 2017 respectively expressed unqualified opinion on those financial statements, and have been adjusted for the differences in the accounting principles adopted by the Company on transition to Ind AS, which have been audited by us. Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

11. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure I a statement on the matters specified in paragraphs 3 and 4 of the Order.
12. Further to our comments in Annexure I, as required by Section 143(3) of the Act, we report that:

Independent Auditors' Report

- a) we have sought and except for the effect of the matter described in the Basis for Qualified Opinion paragraph, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- b) except for the effect of the matter described in the Basis for Qualified Opinion paragraph, 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 financial statements dealt with by this report are in agreement with the books of account;
- d) except for the effect of the matter described in the Basis for Qualified Opinion paragraph, in our opinion, the aforesaid financial statements comply with Ind AS specified under Section 133 of the Act;
- e) the matter described in paragraph 8 under the Basis for Qualified Opinion paragraph, in our opinion, may have an adverse effect on the functioning of the Company.
- f) 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, 2018 from being appointed as a director in terms of Section 164(2) of the Act;
- g) the qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph.
- h) we have also audited the internal financial controls over financial reporting (IFCoFR) of the Company as on 31 March 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date and our report dated May 8, 2018 as per Annexure II expressed unmodified opinion;
- i) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
 - i. the Company, as detailed in Note 28 to the financial statements, has disclosed the impact of pending litigations on its financial position;
 - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;
 - iv. the disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from November 8, 2016 to December 30, 2016 which are not relevant to these financial statements. Hence, reporting under this clause is not applicable.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

per **Khushroo B. Panthaky**
Partner
Membership No.: 42423

Place: Mumbai
Date: May 8, 2018

ANNEXURE I TO INDEPENDENT AUDITOR'S REPORT

Annexure I to the Independent Auditor's Report of even date to the members of Next Radio Limited, on the financial statements for the year ended March 31, 2018

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets The Company has a regular program of physical verification of its fixed assets under which fixed assets are verified in a phased manner over a period of two years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this program, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification.
- (c) The title deeds of all the immovable properties (which are included under the head 'Property, plant and equipment') are held in the name of the Company.
- (ii) The Company does not have any inventory. Accordingly, the provisions of clause 3(ii) of the Order are not applicable.
- (iii) The Company has granted unsecured loan to a company covered in the register maintained under Section 189 of the Act; and with respect to the same:
 - (a) In our opinion the terms and conditions of grant of such loans are not, prima facie, prejudicial to the company's interest.
 - (b) The schedule of repayment of principal and payment of interest in respect of such loan has been stipulated and the repayment of loan and interest is not due in current year as per the stipulations.
 - (c) In respect of the aforesaid loan, there is no overdue amount of loan granted to a company listed in the register maintained under Section 189 of the Act.
- (iv) In our opinion, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of loans, investments, guarantees and security.
- (v) In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) The Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's services. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.
- (vii) (a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited to the appropriate authorities, though there has been a slight delay in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable
- (b) The dues outstanding in respect of income-tax, sales-tax, service-tax, duty of customs, duty of excise and value added tax on account of any dispute, are as follows:

Annexure to Auditors' Report

Statement of Disputed Dues

(₹ in lakhs)

Name of the statute	Nature of dues	Amount	Amount paid under protest	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income tax	21.39	3.21	A.Y. 2014-15	CIT (Appeal)

- (viii) The Company has not defaulted in repayment of loans or borrowings to any financial institution or a bank. The Company did not have any outstanding debentures during the year.
- (ix) The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments) and did not have any term loans outstanding during the year. Accordingly, the provisions of clause 3(ix) of the Order are not applicable.
- (x) In our opinion, no fraud by the Company or on the company by its officers or employees has been noticed or reported during the period covered by our audit.
- (xi) The Company has paid managerial remuneration which is not in accordance with the requisite approval mandated by the provisions of Section 197 of the Act read with Schedule V to the Act. The details of the same are as follows:

S. No	Payment made to	Amount Paid in excess of limits prescribed ₹ in lakhs	Amount due for Recovery as at 31 March 2018	Steps taken to secure the recovery of the amount
1	Managing Director	408.28	408.28	For the year 2012-13 to 2015-16 waiver application has been filed with central government. For 2016-17 and 2017-18 Approval for waiver from shareholder is still pending.

- (xii) In our opinion, the Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.
- (xiii) In our opinion all transactions with the related parties are in compliance with Sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the financial statements etc., as required by the applicable Ind AS.
- (xiv) During the year, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures.
- (xv) In our opinion, the company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act.
- (xvi) The company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

per **Khushroo B. Panthaky**

Partner

Membership No.: 42423

Place: Mumbai

Date: May 8, 2018

ANNEXURE II TO THE INDEPENDENT AUDITOR'S REPORT

Annexure II to the Independent Auditor's Report of even date to the Members of Next Radio Limited on the Financial Statements for the year ended March 31, 2018

Independent Auditor's Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the financial statements of Next Radio Limited ('the Company') as at and for the year ended 31 March 2018, we have audited the internal financial controls over financial reporting ('IFCoFR') of the Company as at that date.

Management's Responsibility for Internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the IFCOFR criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of IFCoFR issued by the Institute of Chartered Accountants of India ("the 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 the Company's business, including adherence to the 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 Company's IFCoFR based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India ('ICAI') and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of IFCoFR, and the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('the Guidance Note') 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 IFCoFR were 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 IFCoFR and their operating effectiveness. Our audit of IFCoFR includes obtaining an understanding of IFCoFR, 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 IFCoFR.

Meaning of Internal Financial Controls over Financial Reporting

6. A company's IFCoFR 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 IFCoFR include 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 IFCoFR, 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 IFCoFR to future periods are subject to the risk that the IFCoFR 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 Company has, in all material respects, adequate internal financial controls over financial reporting and such controls were operating effectively as at 31 March 2018, based on the IFCoFR criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

per **Khushroo B. Panthaky**
Partner
Membership No.: 42423

Place: Mumbai
Date: May 8, 2018

Next Radio Limited

BALANCE SHEET

as at March 31, 2018

Particulars	Refer Note No.	As at March 31, 2018 ₹ in lakhs	As at March 31, 2017 ₹ in lakhs	As at April 1, 2016 ₹ in lakhs
ASSETS				
Non-current assets				
Property, plant and equipment	2	415.90	564.88	548.97
Other Intangible assets	3	11,059.71	11,985.77	12,894.39
Financial assets				
Investments	4	1,976.50	0.50	0.50
Loans	5	490.98	834.11	1,035.97
Others	6	558.29	479.52	353.62
Other non-current assets	7	418.51	523.98	736.46
Total non-current assets		14,919.89	14,388.76	15,569.91
Current assets				
Financial assets				
Trade receivables	8	2,453.48	2,024.41	1,918.93
Cash and cash equivalents	9	586.87	149.19	185.36
Bank balances other than above	10	87.78	50.57	57.11
Loans	11	0.35	0.27	4.58
Others	12	68.26	69.61	41.87
Other current assets	13	297.66	376.14	381.32
Total current assets		3,494.40	2,670.20	2,589.17
TOTAL ASSETS		18,414.29	17,058.96	18,159.08
EQUITY AND LIABILITIES				
Equity				
Equity share capital	14	7,574.03	7,574.03	18,426.38
Other equity		(919.74)	(401.66)	(10,696.93)
TOTAL EQUITY		6,654.29	7,172.37	7,729.45
Non-current liabilities				
Financial Liabilities				
Borrowings	15	3,527.34	4,920.04	6,301.44
Provisions	16	101.99	73.48	35.23
Other non-current liabilities	17	1,808.55	1,629.79	1,468.70
Total non-current liabilities		5,437.88	6,623.31	7,805.37
Current liabilities				
Financial liabilities				
Borrowings	18	1,243.48	248.29	218.51
Trade payables	19	425.27	392.11	159.49
Other financial liabilities	20	4,440.63	2,506.57	2,168.13
Other Current Liabilities	21	186.79	67.60	33.72
Provisions	16	25.95	48.71	44.41
Total current liabilities		6,322.12	3,263.28	2,624.26
TOTAL LIABILITIES		11,760.00	9,886.59	10,429.63
TOTAL EQUITY AND LIABILITIES		18,414.29	17,058.96	18,159.08
Summary of significant accounting policies	1			

The Notes referred to above are an integral part of financial statements

As per our report of even date attached

For Walker Chandiook & Co LLP

Chartered Accountants

Firm Regn No.001076N/N500013

Khushroo B. Panthaky

Partner

Membership No.:42423

Place: Mumbai

Date: May 8, 2018

For and on behalf of the Board of Directors of

Next Radio Limited

Vineet Singh Hukmani

Managing Director

(DIN: 02514684)

Ismail Dabhoya

Chief Financial Officer

Dilip Cherian

Chairman and Director

(DIN: 00322763)

Adille Sumariwalla

Director

(DIN: 00045855)

Place: Mumbai

Date: May 8, 2018

STATEMENT OF PROFIT AND LOSS

for the period ended March 31, 2018

Particulars	Refer Note No.	Year Ended	Year Ended
		31st Mar, 2018	31st Mar, 2017
		₹ in lakhs	₹ in lakhs
Revenue from operations	22	7,636.93	7,801.13
Other income	23	324.92	384.92
Total Revenue		7,961.85	8,186.05
Expenses			
Radio license fees		1,398.95	1,398.71
Employee benefits expense	24	2,097.24	2,335.20
Finance charges (net)	25	971.68	1,125.23
Depreciation & amortization	2 & 3	1,100.35	1,151.08
Operating and other expenses	26	2,926.67	2,714.59
Total expenses		8,494.89	8,724.81
Loss before tax		(533.04)	(538.76)
Tax expense			
a) Current tax		-	-
b) Deferred tax		-	-
Total tax expenses		-	-
Loss for the Year		(533.04)	(538.76)
Other Comprehensive Income			
Remeasurement of benefit of the defined benefits plan		14.96	(18.31)
Total Comprehensive Income		(518.08)	(557.07)
Earnings per equity share (nominal value of ₹ 10 each)			
a) Basic and Diluted	27	(0.70)	(0.64)
Summary of significant accounting policies	1		

As per our report of even date attached
For Walker Chandiok & Co LLP
Chartered Accountants
Firm Regn No.001076N/N500013

Khushroo B. Panthaky
Partner
Membership No.:42423

Place: Mumbai
Date: May 8, 2018

For and on behalf of the Board of Directors of
Next Radio Limited

Vineet Singh Hukmani
Managing Director
(DIN: 02514684)

Ismail Dabhoya
Chief Financial Officer

Dilip Cherian
Chairman and Director
(DIN: 00322763)

Adille Sumariwalla
Director
(DIN: 00045855)

Place: Mumbai
Date: May 8, 2018

STATEMENT OF CHANGES IN EQUITY

for the year ended March 31, 2018

A Equity share capital

Particulars	Equity		Preference	
	Number of shares	Value	Number of shares	Value
		₹ in lakhs		₹ in lakhs
Balance as at April 1, 2016	15,92,63,757	15,926.38	2,50,00,000	2,500.00
Changes in equity share capital during the year	(8,35,23,470)	(8,352.35)	(2,50,00,000)	(2,500.00)
Balance as at March 31, 2017	7,57,40,287	7,574.03	-	-
Changes in equity share capital during the year	-	-	-	-
Balance as at March 31, 2018	7,57,40,287	7,574.03	-	-

B Other equity

(Amount ₹ in lakhs)

Particulars	Reserves and Surplus		Total
	Securities Premium	Retained earnings	
Balance as at April 1, 2016	3,837.81	(14,687.85)	(10,850.04)
Ind AS remeasurement	-	153.11	153.11
Balance as at April 1, 2016	3,837.81	(14,534.74)	(10,696.93)
Loss for the year	-	(538.76)	(538.76)
Transaction during the year	-	-	-
Adjustment on account of Capital Reduction	(3,837.81)	14,690.15	10,852.34
Remeasurement benefits	-	(18.31)	(18.31)
Balance as at March 31, 2017	-	(401.66)	(401.66)
At April 01, 2017	-	(401.66)	(401.66)
Loss for the year	-	(533.04)	(533.04)
Remeasurement benefits	-	14.96	14.96
Balance as at March 31, 2018	-	(919.74)	(919.74)

As per our report of even date attached
For Walker Chandiook & Co LLP
 Chartered Accountants
 Firm Regn No.001076N/N500013

Khushroo B. Panthaky
 Partner
 Membership No.:42423

Place: Mumbai
 Date: May 8, 2018

For and on behalf of the Board of Directors of
Next Radio Limited

Vineet Singh Hukmani
 Managing Director
 (DIN: 02514684)

Ismail Dabhoya
 Chief Financial Officer

Dilip Cherian
 Chairman and Director
 (DIN: 00322763)

Adille Sumariwalla
 Director
 (DIN: 00045855)

Place: Mumbai
 Date: May 8, 2018

CASH FLOW STATEMENT

Particulars	As at March 31, 2018	As at March 31, 2017
	₹ in lakhs	₹ in lakhs
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Taxes and Exceptional Items	(533.04)	(538.76)
Adjustments for :		
Depreciation	1,100.35	1,151.08
Provision for doubtful debts & bad debts written off	212.08	230.50
Sundry Balance w/off	49.03	38.38
Interest (net)	891.97	973.87
Net (gain)/ loss arising on financial instruments designated at fair value	92.94	(1.03)
Interest on Income Tax Refund	(22.25)	(28.94)
(Profit)/Loss on Fixed Assets sold/discarded (Net)	(0.37)	-
Dividend Income	(0.06)	(0.07)
Excess provisions / Liabilities no longer required written back	(50.38)	(29.04)
Total	2,273.31	2,334.75
Operating Profit Before Working Capital Changes	1,740.27	1,795.99
Adjustments for :		
(Increase) in Trade & Other Receivables	(52.99)	(14.17)
(Increase)/Decrease in Non Current Assets	(4.81)	21.24
Increase in Trade & Other Payables	422.90	516.01
Increase in Non Current Liabilities	28.51	38.25
	393.61	561.33
Cash generated from operations	2,133.88	2,357.32
Direct Taxes Paid	(161.93)	(130.25)
	(161.93)	(130.25)
Net Cash from Operating Activities	1,971.95	2,227.07
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(31.51)	(128.10)
Sale of Fixed Assets	1.75	
Purchase of Investments	(155.00)	
Interest received	19.97	21.64
Dividend From Investments	0.06	0.06
Net cash used in Investing Activities	(164.73)	(106.40)
C CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from borrowings	1,042.48	88.40
Repayment of Long Term & Other borrowings	(1,440.00)	(1,120.00)
Interest Paid	(972.02)	(1,125.23)
Net cash from Financing Activities	(1,369.54)	(2,156.83)

Cash Flow Statement

Particulars	As at March 31, 2018	As at March 31, 2017
	₹ in lakhs	₹ in lakhs
NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	437.68	(36.17)
Opening Cash and Cash equivalent	149.19	185.36
Closing Cash and Cash equivalent	586.87	149.19

The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard (Ind AS) 7 - "Cash Flow Statements", whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

As per our report of even date attached
For Walker Chandiok & Co LLP
 Chartered Accountants
 Firm Regn No.001076N/N500013

Khushroo B. Panthaky
 Partner
 Membership No.:42423

Place: Mumbai
 Date: May 8, 2018

For and on behalf of the Board of Directors of
Next Radio Limited

Vineet Singh Hukmani
 Managing Director
 (DIN: 02514684)

Ismail Dabhoya
 Chief Financial Officer

Dilip Cherian
 Chairman and Director
 (DIN: 00322763)

Adille Sumariwalla
 Director
 (DIN: 00045855)

Place: Mumbai
 Date: May 8, 2018

NOTES TO FINANCIAL STATEMENTS

for the year ended on March 31, 2018

Corporate Information

Next Radio Limited (previously known as Radio One Limited) ('the Company') is a public Company domiciled in India and incorporated under the provisions of Companies Act, 1956. Next Radio Limited was among the first private players to venture into private FM broadcasting and presently has established "Radio One" as the premium FM Brand in top 7 cities of the country being Delhi, Mumbai, Chennai, Kolkata, Bangalore, Pune, and Ahmedabad.

The Company's principal revenue stream is advertising. Advertising revenues are generated through the sale of air time in the Company's FM radio broadcasting stations, activations and monetization of Company's digital and other media properties.

These financial statements were approved for issue by the Company's Board of Directors on May 8, 2018

1. Significant Accounting Policies

i. Basis of preparation and presentation

These financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016, as applicable.

These financial statements are prepared under the historical cost convention on an accrual basis except for certain financial assets and liabilities which have been measured at fair value amount.

Upto the year ended March 31, 2017 the Company has prepared its financial statements in accordance with the requirement of Indian GAAP, which includes Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended).

These financial statements are the Company's first Ind-AS financial statements.

All assets and liabilities have been classified as current or non-current as per the criteria set out in the Schedule III to the Act.

ii. Revenue Recognition

Revenue is recognized to the extent it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable. The revenue recognised is net of discounts and service tax.

- a. Revenue from radio broadcasting is recognised on an accrual basis on the airing of client's commercials.
- b. Revenue from other services is recognized, in the period in which the services are rendered and where applicable, the percentage completed method is applied.

iii. Property, Plant and Equipment

Property, Plant and Equipment are stated at acquisition cost less accumulated depreciation and impairment losses, if any. Cost of Property, Plant and Equipment comprises purchase price, net of recoverable taxes and any directly attributable cost of bringing the asset to its working condition and location for the intended use.

Notes to financial statements

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. The present value of the expected cost for the decommissioning of an asset (after its use) is included in the cost of the respective asset if the recognition criteria for a provision are met.

Cost incurred on Property, Plant and Equipment not ready for their intended use is disclosed as Capital Work-in-Progress. Advances paid towards the acquisition of Property, Plant and Equipment outstanding at each balance sheet date are classified as capital advances under other non-current assets.

Depreciation on Property, Plant and Equipment, other than leasehold improvements, is provided on straight line method as per the useful life and in the manner specified in schedule II to the Act. Leasehold improvements are depreciated on straight line basis, over the lease period.

The estimated useful lives used by the Company to compute depreciation is as under:

Asset class	Useful lives estimated by the management (in years)
Building (Including compensation paid for use of land)	60
Plant and machinery – Studio	15
Plant and machinery –Transmission	13
Furniture and fixtures	10
Office equipment	5
Motor vehicles	8
Leasehold improvements	Life based on lease period
Computers	3
Computers – Servers	6

An item of Property, Plant & Equipment is derecognised upon disposal and any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised. Assets to be disposed off are reported at the lower of the carrying value or the fair value less cost to sell.

iv. Intangible assets

a. Frequency Module (FM) Radio Licenses

Non-Refundable One Time Migration Fees paid by the Company for existing FM Radio licenses upon migration to Phase III of the Licensing policy and Non-Refundable One Time Entry Fees paid by the Company for acquiring new FM radio licenses have been capitalised as an intangible asset. These assets are stated at cost less accumulated amortization and impairment losses, if applicable.

Notes to financial statements

A summary of amortization policies applied to the licences is tabulated below:

Asset class	Useful lives estimated by the management
Non Refundable One Time Migration Fees	15 years with effect from April 1, 2015

v. Investment property

Investment in buildings that is not intended to be occupied substantially for use by, or in the operations of the Company, have been classified as investment property. All repairs and maintenance costs incurred for the investment properties are charged to profit and loss account when incurred.

Investment properties are carried at cost less accumulated depreciation and impairment loss, if any. Investment properties are depreciated using the written down value method over their estimated useful lives. Investment properties generally have a useful life of 60 years.

vi. Borrowing cost

Borrowing cost directly attributable to qualifying assets, which take substantial period to get ready for its intended use, are capitalized to the extent they relate to the period until such assets are ready to be put to use. Other borrowing costs are recognized as an expense in the period in which they are incurred.

vii. Foreign currency transactions

The Functional Currency of the Company is the Indian Rupee. These financial statements are presented in Indian Rupees (rounded off to lakhs; one lakh equals one hundred thousand).

Foreign currency transactions are recorded at the exchange rates prevailing on the date of the transaction. Gains and losses arising out of subsequent fluctuations are accounted for on actual payment or realisation. Monetary items denominated in foreign currency as at the balance sheet date are converted at the exchange rates prevailing on that day. Exchange differences are recognised in the statement of profit and loss.

viii. Financial instruments

a. Recognition and initial measurement

The Company recognizes trade receivables and debt securities when they are originated at transaction price. All other financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Except trade receivables, all financial assets and liabilities are recognised at fair value. In case of financial assets and liabilities that are not measured at fair value through profit or loss, directly attributable transaction costs are added to the fair value on initial recognition.

b. Classification and subsequent measurement

i. Financial assets

The Company classifies its financial assets in the following measurement categories: those to be measured at fair value through profit or loss; and those measured at amortised cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

Investments that are intended to be held for not more than a year from the date of investment are classified as current investments. All other investments are termed

Notes to financial statements

as long term investments. The portion of long term investments which is expected to be realized within twelve months from the balance sheet date is classified as current investments.

Changes in the fair value of financial assets at fair value through profit or loss are recognised as gain/(losses) in the statement of profit and loss.

ii. Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest rates method. For trade and other payables, the carrying amounts represents the fair value due to the short maturity of these instruments.

Changes in the fair value of financial liabilities at fair value through profit or loss are recognised as gain/(losses) in the statement of profit and loss.

iii. Investment in subsidiary

Investment in subsidiary is carried at cost.

c. Derecognition of financial instruments

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109 - 'Financial Instruments'. A financial liability (or part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

d. Impairment of financial assets

The Company assesses on a forward-looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in the credit risk.

For trade receivables, the Company applies the simplified approach permitted by Ind AS 109 - 'Financial Instruments', which requires expected lifetime losses to be recognised from initial recognition of the receivables.

e. Income recognition

i. Dividends are recognised in statement of profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

ii. Interest income from financial assets is recognised using the effective interest rate method.

The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset.

When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

ix. Employee benefits

a. Defined Contribution Plans:

The Company has defined contribution plans for post-employment benefits such as Provident Fund, National Pension Scheme and Employee's Pension Scheme, 1995. The Company contributes to a government administered Provident Fund, state plan namely

Notes to financial statements

Employee's Pension Scheme, 1995 and

National Pension Scheme on behalf of its employees and has no further obligation beyond making its contribution.

The Company's contributions to the above funds are recognized in the statement of profit and loss every year.

b. Defined Benefit Plans:

The Company has defined benefit plans namely gratuity for all its employees. Liability for Defined Benefit

Plans is provided based on valuations, as at the balance sheet date, carried out by an independent actuary. The actuarial valuation method used by the independent actuary for measuring the liability is the projected unit credit method.

Actuarial losses and gains are recognized in other comprehensive income and shall not be reclassified to the statement of profit and loss in a subsequent period.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the statement of profit or loss as past service costs.

c. Other Long term benefits

The Company has other long term benefits namely compensated absences for all its employees. The liabilities in respect of compensated absences which are expected to be encashed / utilised before twelve months from the balance sheet date are short term. Other such liabilities are considered long term.

d. Termination benefits are recognised as an expense as and when incurred.

x. Operating leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases net off any lease incentives received from the lessor are charged to the statement of profit and loss on a straight line basis over the period of the lease unless the increase in payments is in line with the expected general inflation.

xi. Cash and cash equivalents

Cash and cash equivalents include cash in hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts, if any are shown as borrowings under current liabilities in the balance sheet.

xii. Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share is the net profit for the period after deducting preference dividends and any attributable tax thereto for the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events (such as bonus shares) other than the conversion of potential equity shares that have changed the number of equity shares outstanding without a corresponding change in resources. For calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of

Notes to financial statements

shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

xiii. Income taxes

Tax expense comprises current and deferred tax. Current income tax and deferred tax are measured based on the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961.

Minimum Alternate Tax (MAT) paid in accordance with tax laws which give rise to future economic benefits in the form of adjustment to future income tax liability is considered as an asset, if there is convincing evidence that the Company will pay normal tax in future. Accordingly, MAT is recognised as a deferred tax asset in the balance sheet when it is probable that the future economic benefit associated with it will flow to the Company and the asset can be measured reliably. The Company reviews the 'Minimum Alternate Tax (MAT) Credit Entitlement' asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period i.e. the period for which MAT credit is allowed to be carried forward.

Deferred tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets and liabilities are measured using the tax rates that have been enacted or substantively enacted by the balance sheet date.

Tax assets and liabilities are offset when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis.

Current and deferred tax is recognised in the statement of profit and loss, except to the extent that it relates to the items recognised in other comprehensive income or directly in equity. In such situations, the tax is also recognised in other comprehensive income or directly in equity, as the case may be.

xiv. Impairment of non-financial assets

The Company assesses at each balance sheet date whether there is any indication that a non-financial asset, other than goodwill, may be impaired. If any such indication exists, the Company estimates the recoverable amount of such asset. If recoverable amount of such asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the statement of profit and loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical carrying value.

Goodwill is not subject to amortisation and is tested for impairment on each reporting date. An impairment loss recognized for goodwill shall not be reversed in a subsequent period.

xv. Provisions and contingent liabilities

The Company recognises a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. Provisions are determined based on best estimates of the amount required to settle the obligation at the balance sheet date. These are reviewed at each

Notes to financial statements

balance sheet date and adjusted to reflect the current best estimates. If the effect of time value of money is material, provisions are discounted. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources embodying economic benefit. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.

xvi. Dividends

Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of approval by the Company's Board of Directors.

xvii. License Fees

As per the applicable Frequency Module (FM) broadcasting policy, license fees is recognized in statement of profit and loss at the rate of 4% of gross revenue for the financial year or minimum fixed fee for the concerned city, whichever is higher. Minimum fixed fee is 2.5% of the Non-Refundable One Time Entry Fees (NOTEF).

Gross Revenue for this purpose shall mean revenue on the basis of billing rates inclusive of any taxes. Barter advertising contracts are also included in the gross revenue on the basis of relevant billing rates. NOTEF means the successful bid amount arrived at through an ascending e-auction process for private FM Radio Phase-III Channels conducted by the Ministry of Information & Broadcasting ('MIB').

xviii. Critical Accounting Judgements And Key Sources Of Estimation Uncertainty:

The preparation of the Company's financial statements requires management to make judgement, estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

- a) **Depreciation and useful lives of Investment property:** Investment property is depreciated over the estimated useful lives of the asset, after taking into account their estimated residual value. Management reviews the estimated useful lives and residual value of the asset annually in order to determine the amount of depreciation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation for future periods is adjusted if there are significant changes from previous estimates.
- b) **Recoverability of trade receivable:** Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

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- c) **Provisions:** Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgement to existing facts and circumstances, which can be subject to change. Since the cash outflows can take place many years in the future, the carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances.
- d) **Impairment of non-financial assets:** The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or a group of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transaction are taken into account, if no such transactions can be identified, an appropriate valuation model is used.
- e) **Impairment of financial assets:** The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

xix. First time adoption of Ind AS:

The Company has adopted Ind AS with effect from April 1, 2017 with comparatives being restated. Accordingly the impact of transition has been provided in the Opening Reserves as at April 1, 2016 and all the periods presented have been restated accordingly.

a) Exemptions from retrospective application:

- i) **Share-based payment transactions :** Ind AS 101 encourages, but does not require, first time adopters to apply Ind AS 102 Share based Payment to equity instruments that were vested before the later of the date of transition to Ind AS. The Company has elected not to apply Ind AS 102 to awards that vested prior to April 1, 2016.
- ii) **Deemed cost exemption:** The Company has elected to consider the carrying value as per previous GAAP for all of its Investment property and intangible assets as deemed cost as at the date of transition.
- iii) **Investments in subsidiaries:** The Company has elected to measure investment in subsidiaries at cost and consider the previous GAAP carrying value as at the date of transition as deemed cost.

b) Exceptions from full retrospective application:

- a) **Estimates exception :** Upon an assessment of the estimates made under Indian GAAP, the Company has concluded that there was no necessity to revise the

Notes to financial statements

estimates under Ind AS except where estimates were required by Ind AS and not required by Indian GAAP.

- b) **De-recognition of financial assets and liabilities exception:** Financial assets and liabilities derecognized before transition date are not re-recognised under Ind AS.

xx. Recent accounting pronouncements

Standard issued but not effective yet

The ministry of Corporate affairs (MCA), on March 28, 2018, issued certain amendments to Ind AS and Notified Ind AS-115.

Ind AS 115: Revenue from Contracts with customers

Applicable from April 1, 2018. The Core principle of the new standard is that revenue should be recognised when (or as) an entity transfers control of goods or services to a customer at an amount to which the entity expects to be entitled. To achieve the core principle the new standard establishes a five step model that entities would need to apply to determine when to recognise revenue, and at what amount.

Applying this core principle involves the 5 steps approach.

- The standard requires to identify contract with customer as a first step.
- Having identified a contract, the entity next identifies the performance obligations within that contract. A performance obligation is a promise in a contract with a customer to transfer either a good or service or bundle of goods or services, that are 'distinct'.
- Third step in the model is to determine the transaction price and then as a fourth step, such transaction price needs to be allocated to the performance obligation identified in step 2.
- In accordance with this Standard, entity is required to recognise revenue when the entity satisfies the performance obligations.

The Standard requires extensive disclosure about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers. The effect on adoption of Ind AS 115 is expected to be insignificant.

Ind AS 21, The effects of changes in foreign exchange rates

Foreign currency transactions and Advance consideration: It clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency. The date of the transaction, for the purpose of determining the exchange rate, is the date of initial recognition of the non-monetary prepayment asset or deferred income liability. If there are multiple payments or receipts in advance, a date of transaction is established for each payment or receipt. The effective date for adoption of Changes in Ind AS 21 is April 1, 2018. The effect on the financial statements is being evaluated by the Company.

The effect on adoption of amendments to Ind AS 21 is expected to be insignificant.

Ind AS 12: Income taxes

Ind AS 12, Income taxes, has been amended to provide guidance on recognition of deferred tax assets for unrealised losses. The existing standard provides that an entity recognises

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deferred tax assets only when it is probable that taxable profits will be available against which the deductible temporary differences can be utilised. The amended standard provides that when an entity assesses whether taxable profits will be available against which it can utilise a deductible temporary difference, it considers whether tax law restricts the source of taxable profits against which it may make deductions on the reversal of that deductible temporary difference. If tax law restricts the utilisation of losses to deduction against income of a specific type, a deductible temporary difference is assessed in combination only with other deductible temporary differences of the appropriate type. It further provides that while estimating probable future taxable profit, an entity may include the recovery of some of entity's assets for more than their carrying amount if there is sufficient evidence that it is probable that the entity will achieve this.

The amendments are applicable retrospectively for annual periods beginning on or after April 1, 2018. These amended rules also state that an entity is permitted to apply these amendments retrospectively also in accordance with Ind AS 8. The effect on adoption of amendments to Ind AS 12 is expected to be insignificant.

2 PROPERTY, PLANT AND EQUIPMENT

Amount (₹) in lakhs

Particulars	Gross Block				Depreciation			Net Block		
	As at April 1, 2016	Additions during the year	Deductions during the year	As at March 31, 2017	As at April 1, 2016	For the year	Deductions during the year	As at March 31, 2017	As at March 31, 2017	As at March 31, 2016
Building (Leasehold Improvement)	38.07	134.19	-	172.26	38.07	16.10	-	54.17	118.09	-
Studio equipment	459.74	38.22	-	497.96	403.18	9.16	-	412.34	85.62	56.56
Transmitter	715.51	8.61	-	724.12	442.08	55.29	-	497.37	226.75	273.43
Furniture and fixtures	647.49	15.98	-	663.47	535.79	72.56	-	608.35	55.12	111.70
Office Equipments	58.81	4.46	-	63.27	55.96	1.30	-	57.26	6.01	2.85
Computers	383.89	24.47	-	408.36	350.56	24.08	-	374.64	33.72	33.33
Air-conditioners	102.65	15.15	-	117.80	99.27	3.63	-	102.90	14.90	3.38
Audio-visual equipments	2.74	-	-	2.74	2.64	0.02	-	2.66	0.08	0.10
Vehilces	7.73	-	-	7.73	1.50	1.29	-	2.79	4.94	6.23
Common Transmission Infrastructure	521.85	-	-	521.85	460.46	41.74	-	502.20	19.65	61.39
Total	2,938.48	241.08	-	3,179.56	2,389.51	225.17	-	2,614.68	564.88	548.97

Particulars	Gross Block				Depreciation			Net Block		
	As at April 1, 2017	Additions during the year	Deductions during the year	As at March 31, 2018	As at April 1, 2017	For the year	Deductions during the year	As at March 31, 2018	As at March 31, 2018	As at March 31, 2017
Building (Leasehold Improvement)	172.26	7.78	-	180.04	54.17	29.51	-	83.68	96.36	118.09
Studio equipment	497.96	4.56	-	502.52	412.34	9.67	-	422.01	80.51	85.62
Transmitter	724.12	6.81	4.98	725.95	497.37	56.00	3.60	549.77	176.18	226.75
Furniture and fixtures	663.47	-	-	663.47	608.35	32.55	-	640.90	22.57	55.12
Office Equipments	63.27	1.06	-	64.33	57.26	1.64	-	58.90	5.43	6.01
Computers	408.36	5.62	-	413.98	374.64	20.93	-	395.57	18.41	33.72
Air-conditioners	117.80	0.72	-	118.52	102.89	4.24	-	107.13	11.39	14.91
Audio-visual equipments	2.74	0.14	-	2.88	2.66	0.03	-	2.69	0.19	0.08
Vehilces	7.73	-	-	7.73	2.79	1.29	-	4.08	3.65	4.94
Common Transmission Infrastructure	521.85	-	-	521.85	502.20	18.44	-	520.64	1.21	19.65
Total	3,179.56	26.69	4.98	3,201.27	2,614.67	174.30	3.60	2,785.37	415.90	564.89

Notes to financial statements

3 OTHER INTANGIBLE ASSETS

Amount (₹) in lakhs

Particulars	Gross Block				Depreciation				Net Block	
	As at April 1, 2016	Additions during the year	Deductions during the year	As at March 31, 2017	As at April 1, 2016	For the year	Deductions during the year	As at March 31, 2017	As at March 31, 2017	As at March 31, 2016
One Time Entry Fees	13,815.18	-	-	13,815.18	923.53	920.29	-	1,843.82	11,971.35	12,891.65
Computer software	92.63	17.29	-	109.92	89.89	5.62	-	95.51	14.41	2.75
Total	13,907.81	17.29	-	13,925.10	1,013.42	925.91	-	1,939.33	11,985.77	12,894.39

Particulars	Gross Block				Depreciation				Net Block	
	As at April 1, 2017	Additions during the year	Deductions during the year	As at March 31, 2018	As at April 1, 2017	For the year	Deductions during the year	As at March 31, 2018	As at March 31, 2018	As at March 31, 2017
One Time Entry Fees	13,815.18	-	-	13,815.18	1,843.82	920.30	-	2,764.12	11,051.06	11,971.36
Computer software	109.92	-	-	109.92	95.51	5.76	-	101.27	8.65	14.41
Total	13,925.10	-	-	13,925.10	1,939.33	926.06	-	2,865.39	11,059.71	11,985.77

4 NON CURRENT FINANCIAL INVESTMENTS

Particulars	As at March 31, 2018	As at March 31, 2017	Opening Balance As at April 1, 2016
	Amount (₹) in lakhs	Amount (₹) in lakhs	Amount (₹) in lakhs
In Equity Instruments			
Unquoted			
Dombivli Nagari Sahakari Bank (Equity shares of ₹ 50/- each)	0.50	0.50	0.50
Syience Ahemdabad Broadcast Limited (Equity shares of ₹ 10/- each)	1,976.00	-	-
Total	1,976.50	0.50	0.50
Aggregate deemed cost of investment based on previous GAAP carrying amount	1,976.50	0.50	0.50
Aggregate amount of unquoted investment	1,976.50	0.50	0.50

5 LOANS - NON CURRENT

Particulars	As at March 31, 2018	As at March 31, 2017	Opening Balance As at April 1, 2016
	Amount (₹) in lakhs	Amount (₹) in lakhs	Amount (₹) in lakhs
Unsecured and considered good			
Loans to related parties			
Next Mediaworks Limited	490.98	834.11	1,035.97
Total	490.98	834.11	1,035.97

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6 OTHER NON CURRENT FINANCIAL ASSETS

Particulars	As at March 31, 2018	As at March 31, 2017	Opening Balance As at April 1, 2016
	Amount (₹) in lakhs	Amount (₹) in lakhs	Amount (₹) in lakhs
Fixed Deposit	-	4.50	4.50
Security Deposits (unsecured considered good)	237.20	213.67	217.49
Interest Accrued but not due to Related parties	321.09	261.35	131.63
Total	558.29	479.52	353.62

7 OTHER NON CURRENT ASSETS

Particulars	As at March 31, 2018	As at March 31, 2017	Opening Balance As at April 1, 2016
	Amount (₹) in lakhs	Amount (₹) in lakhs	Amount (₹) in lakhs
Capital Advances	7.81	3.00	133.27
Prepaid Rent A/c	134.88	152.30	170.17
Advance tax and TDS (Net of provision ₹ Nil, Previous year ₹ Nil, As at April 1, 2016 ₹ Nil)	272.61	368.68	433.02
Balance with government authorities	3.21	-	-
Total	418.51	523.98	736.46

8 TRADE RECEIVABLES

Particulars	As at March 31, 2018	As at March 31, 2017	Opening Balance As at April 1, 2016
	Amount (₹) in lakhs	Amount (₹) in lakhs	Amount (₹) in lakhs
Unsecured considered good	2,453.48	2,024.41	1,918.93
Unsecured considered doubtful	568.71	440.51	239.21
Less: Allowance for doubtful doubts	(568.71)	(440.51)	(239.21)
Total	2,453.48	2,024.41	1,918.93

9 CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2018	As at March 31, 2017	Opening Balance As at April 1, 2016
	Amount (₹) in lakhs	Amount (₹) in lakhs	Amount (₹) in lakhs
Balances with banks	579.12	147.05	183.30
Cash on hand	7.75	2.14	2.06
Total	586.87	149.19	185.36

Notes to financial statements

10 BANK BALANCES OTHER THAN ABOVE

Particulars	As at March 31, 2018	As at March 31, 2017	Opening Balance As at April 1, 2016
	Amount (₹) in lakhs	Amount (₹) in lakhs	Amount (₹) in lakhs
Margin Money - (under lien with bank) *	83.28	50.57	57.11
Fixed deposit	4.50	-	-
Total	87.78	50.57	57.11

* Margin Money placed with a bank against which bank has given a guarantee.

11 LOANS - CURRENT

Particulars	As at March 31, 2018	As at March 31, 2017	Opening Balance As at April 1, 2016
	Amount (₹) in lakhs	Amount (₹) in lakhs	Amount (₹) in lakhs
Unsecured and considered good			
Loans to employees	0.10	0.27	0.82
Loans to related parties	0.25	-	3.76
	0.35	0.27	4.58

12 OTHER CURRENT FINANCIAL ASSETS

Particulars	As at March 31, 2018	As at March 31, 2017	Opening Balance As at April 1, 2016
	Amount (₹) in lakhs	Amount (₹) in lakhs	Amount (₹) in lakhs
Interest accrued but not due	44.63	69.61	41.87
Advances recoverable in cash from related parties	23.63	-	-
Total	68.26	69.61	41.87

13 OTHER CURRENT ASSETS

Particulars	As at March 31, 2018	As at March 31, 2017	Opening Balance As at April 1, 2016
	Amount (₹) in lakhs	Amount (₹) in lakhs	Amount (₹) in lakhs
Advances other than capital advances			
Security deposits	0.24	36.92	1.53
Advance to creditors	1.57	16.08	64.89
Prepaid expenses	245.22	254.07	280.64
Balance with government authorities	50.63	69.07	34.26
Total	297.66	376.14	381.32

Notes to financial statements

14. Share Capital

a. Authorized and issued and paid-up capital

Particulars	As at March 31, 2018		As at March 31, 2017		Opening Balance As at April 1, 2016	
	Number of shares	Amount (₹) in lakhs	Number of shares	Amount (₹) in lakhs	Number of shares	Amount (₹) in lakhs
Authorised Capital						
Equity Shares of ₹ 10/- Each	18,89,30,000	18,893.00	18,89,30,000	18,893.00	18,89,30,000	18,893.00
Preference Shares of ₹ 10/- Each	2,57,70,000	2,577.00	2,57,70,000	2,577.00	2,57,70,000	2,577.00
	21,47,00,000	21,470.00	21,47,00,000	21,470.00	21,47,00,000	21,470.00
Issued, Subscribed & Paid up Capital						
Equity Shares of ₹ 10/- Each	7,57,40,287	7,574.03	7,57,40,287	7,574.03	15,92,63,757	15,926.38
0.001% Compulsorily Convertible Preference Shares of ₹ 10/- Each			-		2,50,00,000	2,500.00
	7,57,40,287	7,574.03	7,57,40,287	7,574.03	18,42,63,757	18,426.38

b. Reconciliation of Equity Shares & Preference Shares at the beginning of the year & at the end of the year
Equity Shares

Particulars	2017-18		2016-17		Opening Balance As at April 1, 2016	
	Number of shares	Amount (₹) in lakhs	Number of shares	Amount (₹) in lakhs	Number of shares	Amount (₹) in lakhs
Shares outstanding at the beginning of the period	7,57,40,287	7,574.03	15,92,63,757	15,926.38	15,92,63,757	15,926.38
Add: Shares converted during the year (Note 2)	-	-	2,50,00,000	2,500.00	-	-
Less: Reduction in share capital (Note 1)	-	-	10,85,23,470	10,852.35	-	-
Shares outstanding at the end of period	7,57,40,287	7,574.03	7,57,40,287	7,574.03	15,92,63,757	15,926.38

Note

- The Hon'ble High Court at Bombay has, vide its Order dated April 1, 2016, approved the Scheme of Capital Reduction of the Company, wherein the company has set-off its accumulated losses of ₹ 14690.15 Lakhs against its retained earnings and ₹ 3837.81 Lakhs against Securities Premium, pursuant to the approval of the said Scheme. The equity paid-up share capital of the company after such reduction has reduced from ₹ 15926.38 Lakhs (15,92,63,757 equity shares of ₹ 10/- each fully paid-up) to ₹ 5074.03 Lakhs (5,07,40,287 equity shares of ₹ 10/- each fully paid-up).
- On May 13, 2016, the 0.001% cumulative compulsory convertible preference shares issued to Mr Rakesh Jhunjhunwala has been converted into equity shares of face value of ₹ 10/- each.

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0.001 % Compulsory Convertible Preference Shares (issued on September 18, 2015)

Particulars	2017-18		2016-17		Opening Balance As at April 1, 2016	
	Number of shares	Amount (₹) in lakhs	Number of shares	Amount (₹) in lakhs	Number of shares	Amount (₹) in lakhs
Shares outstanding at the beginning of the year	-	-	2,50,00,000	2,500	2,50,00,000	2,500
Add: Shares issued during the year	-	-	-	-	-	-
Less: Shares converted during the year (Note 1 below)	-	-	2,50,00,000	2,500	-	-
Shares outstanding at the end of year	-	-	-	-	2,50,00,000	2,500

c Terms of equity and preference shares

- i. Preference shares are convertible into equity shares at par.
- ii. Cumulative outstanding preference dividend (as on March 31, 2017 is ₹ NIL, as on April 1, 2016 ₹ 0.01 Lakhs)
- iii. The company has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The dividend proposed, if any, by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except for Interim Dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

d. Shares held by holding company and / or their subsidiaries

Particulars	As at March 31, 2018		As at March 31, 2017		Opening Balance As at April 1, 2016	
	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount
Equity Shares						
Next Mediaworks Limited (holding Company)	3,89,32,286	51.40%	3,89,32,286	51.40%	12,22,00,770	76.73%

e Details of Shareholders holding more than 5% of Shares in the Company

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount
Equity Shares						
Next Mediaworks Limited	3,89,32,286	51.40%	3,89,32,286	51.40%	12,22,00,770	76.73%
Rakesh Jhunjhunwala	2,50,00,000	33.01%	2,50,00,000	33.01%		
BBC Worldwide holding B.V					2,42,87,982	15.25%
Ferari Investment and Trading Co. Pvt. Ltd.	76,62,786	10.12%	76,62,786	10.12%		
Preference Shares						
Rakesh Jhunjhunwala	-	-	-	-	2,50,00,000	100.00%

Notes to financial statements

- f Aggregate number of bonus shares issued, shares issued for consideration other than cash during the period five years immediately preceding the reporting date.

Particulars	Year (Aggregate No. of Shares)				
	2017-18	2016-17	2015-16	2014-15	2013-14
Equity Shares	-	-	-	-	-
Preference Shares	-	-	-	-	-

- g Shares reserved under options and other commitments

Particulars	Year (Aggregate No. of Shares)				
	2017-18	2016-17	2015-16	2014-15	2013-14
Equity Shares	-	-	-	-	-
Preference Shares	-	-	-	-	-

15 BORROWINGS - NON CURRENT

Particulars	As at March 31, 2018	As at March 31, 2017	Opening Balance As at April 1, 2016
	Amount (₹) in lakhs	Amount (₹) in lakhs	Amount (₹) in lakhs
Secured			
Term Loans			
(i) from banks	3,527.34	4,920.04	6,301.44
Others			
Total	3,527.34	4,920.04	6,301.44

Note:

- First exclusive charge on the company's fixed assets both present and future.
- First exclusive charge on current assets both present and future.
- First exclusive charge by way of Equitable Mortgage on office property of the holding company."
- The interest rate is fixed at 9.9% w.e.f. February 28, 2017 (Previously 11%) on term loan obtain from bank.
- Term Loan from bank is repayable in first 4 quarterly installment of ₹ 2 crore each and balance 20 quarterly installment of ₹ 3.60 crore each starting from December 18, 2016.
- Current maturities of Long term borrowings have been reported as Other Current Liabilities
- On February 28, 2017, the Company has converted the above INR outstanding loan into equivalent amount of USD Loan. The principal amount and the interest payable calculated at fixed INR rate on the outstanding balance of the loan has been completely hedged by a back to back cross currency swap of equal amount payable in INR. As a result there are no financial implications of forex fluctuations and interest rate fluctuations on the said loan and interest payable thereon.

Notes to financial statements

16 PROVISIONS

Particulars	As at March 31, 2018	As at March 31, 2017	Opening Balance As at April 1, 2016
	Amount (₹) in lakhs	Amount (₹) in lakhs	Amount (₹) in lakhs
Non-current			
Provision for employee benefits			
Leave encashment	23.32	25.93	22.16
Gratuity	78.67	47.55	13.07
Total	101.99	73.48	35.23
Current			
Provision for employee benefits			
Leave encashment	2.63	3.20	2.76
Gratuity	23.32	45.51	41.65
Total	25.95	48.71	44.41

17 OTHER NON CURRENT LIABILITIES

Particulars	As at March 31, 2018	As at March 31, 2017	Opening Balance As at April 1, 2016
	Amount (₹) in lakhs	Amount (₹) in lakhs	Amount (₹) in lakhs
Security deposit	1,808.55	1,629.79	1,468.70
Total	1,808.55	1,629.79	1,468.70

18 BORROWINGS CURRENT

Particulars	As at March 31, 2018	As at March 31, 2017	Opening Balance As at April 1, 2016
	Amount (₹) in lakhs	Amount (₹) in lakhs	Amount (₹) in lakhs
Secured			
Cash Credit			
from bank (refer note a and b below)	1,093.48	248.29	218.51
Loan from related party (refer note c)	150.00	-	-
Total	1,243.48	248.29	218.51

- a - First exclusive charge on the company's fixed assets both present and future.
- First exclusive charge on current assets both present and future.
- First exclusive charge by way of Euitable Mortgage on office property of the holding company.
- b The interest rate is fixed at 12% w.e.f. January 1, 2017 (Previously 12.75%) on cash credit facility obtained from bank.
- c The loan from related party is repayable at demand and carries interest rate of 11% p.a.

Notes to financial statements

19 TRADE PAYABLES

Particulars	As at March 31, 2018	As at March 31, 2017	Opening Balance As at April 1, 2016
	Amount (₹) in lakhs	Amount (₹) in lakhs	Amount (₹) in lakhs
Trade and other payable			
Dues to Micro and Small Enterprise (refer note below)	-	-	-
Other than dues to Micro and Small Enterprises	425.27	392.11	159.49
Total	425.27	392.11	159.49

There are no dues payable to Micro, Small and Medium Enterprises. The same has been determined to the extent such parties have been identified on the basis of information available with the company. This has been relied upon by the statutory auditors of the Company.

20 OTHER CURRENT FINANCIAL LIABILITIES

Particulars	As at March 31, 2018	As at March 31, 2017	Opening Balance As at April 1, 2016
	Amount (₹) in lakhs	Amount (₹) in lakhs	Amount (₹) in lakhs
Current Maturities of Long term debt	1,440.00	1,440.00	1,120.13
Employee dues payable	101.32	159.99	159.95
Interest Accrued but not due to Financials Institutions	16.40	22.26	-
Payable against share issue (Refer Note No. 37)	1,821.00		
Unearned marketing fees	77.09	239.73	402.37
Provision for Expenses	984.82	644.59	485.68
Total	4,440.63	2,506.57	2,168.13

21 OTHER CURRENT LIABILITIES

Particulars	As at March 31, 2018	As at March 31, 2017	Opening Balance As at April 1, 2016
	Amount (₹) in lakhs	Amount (₹) in lakhs	Amount (₹) in lakhs
Statutory remittances	84.25	63.18	20.63
Advances from customers	102.54	4.42	13.09
Total	186.79	67.60	33.72

22 REVENUE FROM OPERATIONS

Particulars	Year Ended 31 st Mar, 2018	Year Ended 31 st Mar, 2017
	Amount (₹) in lakhs	Amount (₹) in lakhs
Advertisement revenue	7,636.93	7,631.13
Outsourcing revenue	-	170.00
Total	7,636.93	7,801.13

Notes to financial statements

23 OTHER INCOME

Particulars	Year Ended March 31, 2018	Year Ended March 31, 2017
	Amount (₹ in lakhs)	Amount (₹ in lakhs)
Interest Income	79.71	151.36
Marketing Fees Income	162.64	162.64
Dividend Income	0.06	0.07
Interest on Income Tax Refund	22.25	28.94
Rental Income	9.51	12.87
Profit on Sale of Fixed Assets	0.37	-
Creditors / Liabilities Written Back	50.38	29.04
Total	324.92	384.92

24 EMPLOYEE BENEFIT EXPENSES

Particulars	Year Ended March 31, 2018	Year Ended March 31, 2017
	Amount (₹ in lakhs)	Amount (₹ in lakhs)
Salary & Wages	1,918.90	2,099.14
Contribution to provident fund and other funds	52.21	67.17
Gratuity (refer note 32)	27.39	21.13
Staff Welfare expenses & Other Employee cost	98.74	147.76
Total	2,097.24	2,335.20

25 FINANCE COST

Particulars	Year Ended 31 st Mar, 2018	Year Ended 31 st Mar, 2017
	Amount (₹ in lakhs)	Amount (₹ in lakhs)
Interest Charges		
On Loans from Banks	758.80	911.24
On Loans from Others	9.25	16.02
Other borrowing cost	203.63	197.97
Total	971.68	1,125.23

Notes to financial statements

26 OPERATING AND OTHER EXPENSES

Particulars	Year Ended March 31, 2018	Year Ended March 31, 2017
	Amount (₹ in lakhs)	Amount (₹ in lakhs)
General & Administration Expenses		
Insurance	22.71	15.09
Rates and Taxes	7.93	0.35
Telephone charges	51.15	55.47
Travelling	26.36	39.86
Conveyance	38.06	43.90
Royalty	203.32	184.11
Radio programme creation and others	267.17	187.42
Repairs & Maintenance - Equipment	173.76	196.55
Repairs & Maintenance - Others	77.54	78.24
Electricity charges	228.78	251.41
Rent	577.55	562.68
Auditors remuneration :-		
- Statutory Audit	6.90	5.00
- Tax Audit	0.75	1.00
- Others	1.25	3.90
Sundry Balance w/off	49.03	38.38
Corporate social responsibility expenses	2.20	9.04
Discounts & Other Incentives	144.21	177.64
Advertisement Expenses	284.54	148.35
Legal & Professional Charges	417.01	396.78
Printing and stationery	12.40	13.28
Directors sitting fees	0.48	0.35
Business Promotion	75.94	37.96
Provision for doubtful debts	212.08	230.50
Miscellaneous Expenses	45.55	37.33
Bad Debts Written Off	84.31	29.20
Less: Provision made in earlier years for bad debts	(84.31)	(29.20)
Total	2,926.67	2,714.59

27 EARNINGS PER SHARE (EPS)

Particulars	Year Ended March 31, 2018	Year Ended March 31, 2017
	Amount (₹ in lakhs)	Amount (₹ in lakhs)
Loss for the year	(533.04)	(538.76)
Weighted average number of equity shares at the end of the year	7,57,40,287	8,43,98,766
Basic and diluted earnings (in ₹) per share	(0.70)	(0.64)
Nominal Value of equity share (₹)	10.00	10.00

Notes to financial statements

28 CONTINGENT LIABILITIES AND CAPITAL COMMITMENT

Contingent liabilities

- a In respect of guarantees issued by the Company's bankers ₹ 1377.27 lakhs (Previous Year ₹ 1384.13 lakhs).
- b In respect of Income Tax demand under dispute ₹ 21.39 lakhs (Previous Year ₹ 268.74 lakhs) against which the company has paid ₹ 3.20 as under protest (Previous year NIL)
- c Estimated amount of contracts remaining to be executed on capital account is ₹Nil(Previous Year ₹Nil)

29 SEGMENT REPORTING

In accordance with Ind AS-108 'Operating Segments', the Company's business segment is Media and Entertainment and it has no other primary reportable segments. Accordingly, the segment revenue, segment results, total carrying amount of segment assets and segment liabilities, total cost incurred to acquire segment assets and total amount of charge for depreciation during the year, are as reflected in the Financial Statements as at and for the year ended March 31, 2018. The Company primarily caters to the domestic market and hence there are no reportable geographical segments.

- 30 The Board of Directors of the Company had, at its meeting held on June 8, 2017, approved a Scheme of Arrangement (the "Scheme") pursuant to which NRL's FM radio broadcasting business at Ahmedabad (the "Undertaking") will be transferred to its wholly owned subsidiary Syngience Broadcast Ahmedabad Limited. The Appointed Date as per the Scheme is April 1, 2017. The Scheme, which was approved by the shareholders and Secured Creditors of NRL, has also been approved by the National Company Law Tribunal ("NCLT") at its hearing conducted on Oct 5, 2017. The Company has made an application to Ministry of Information & Broadcasting ("MIB") for their approval of the scheme and the response from MIB is awaited.

31. RELATED PARTY DISCLOSURES

Names of related parties and related party relationship

- a. Holding Company - Next Mediaworks Limited
- b. Subsidiary Company - Syngience Broadcast Ahmedabad Limited
- c. Fellow Subsidiaries - One Audio Limited
Digital One Private Limited
Next Outdoor Limited
- d. Under control of Management - Next Publishing Services Private Limited
Mid-Day Exports Pvt Ltd
Inquilab Offset Printers Ltd
Ferari Investments and Trading Co Pvt Ltd
Meridian Holding & Leasing Co Pvt Ltd
MC Media Limited
- e. Key Managerial Personnel - Mr. Vineet Singh Hukmani, Managing Director
Mr. Ismail Dabhoya, Group CFO
Ms. Deepal Khandelwal,
Company Secretary (till January 18, 2018)
- f. Person having significant control - Mr. Rakesh Jhunjunwala

Notes to financial statements

Related party transactions (₹ in lakhs)

Nature of Transaction	For the year ended March 31, 2018	For the year ended March 31, 2017
Management fee expenses		
Next Mediaworks Limited	77.77	84.32
Interest expenses		
Syngience Broadcast Ahmedabad Limited	4.08	-
Expenses incurred on their behalf		
One Audio Limited	-	0.17
Digital One Private Limited	0.09	0.18
Next Outdoor Limited	0.17	0.26
Advance given		
Inquilab Offset Printers Ltd.	1.01	-
Syngience Broadcast Ahmedabad Limited	22.62	-
Managerial Remuneration		
Mr. Vineet Singh Hukmani	225.40	225.40
Rent Expense		
Next Mediaworks Limited	18.00	4.50
Inquilab Offset Printers Ltd	16.80	16.80
Investment made during the year		
Syngience Broadcast Ahmedabad Limited	155.00	-
Conversion of Equity shares from Preference shares		
Mr. Rakesh Jhunjhunwala	-	2,500.00
Interest Earned on loan to Related Party		
Next Mediaworks Limited	59.69	145.84
Loan repaid during the year		
Meridian Holding & Leasing Co Pvt Ltd	-	0.13
Next Mediaworks Limited	550.47	500.77
Loan given During the year		
Next Mediaworks Limited	207.33	299.62

(₹ in lakhs)

Related party balances	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
Unsecured Loan receivable			
Next Mediaworks Limited	490.98	834.11	1035.27
Unsecured Loan payable			
Syngience Broadcast Ahmedabad Limited	150.00	-	-
Advance Recoverable from			
Inquilab Offset Printers Ltd.	1.01	-	-
Syngience Broadcast Ahmedabad Limited	22.62	-	-
Trade Payable			
Next Mediaworks Ltd	16.46	11.92	17.02
Inquilab Offset Printer Ltd	0.14	-	-

Notes to financial statements

Related party balances	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
Receivable against expenses paid on their behalf - Note 1			
One Audio Limited	0.09	-	1.96
Inquilab Offset Printers Limited	1.01	-	0.81
Next Outdoor Limited	0.17	-	1.79
Interest Receivable			
Next Mediaworks Ltd	381.93	328.21	296.9
Interest payable			
Syngience Broadcast Ahmedabad Limited	4.08	-	-

Disclosure required under section 186(4) of the Companies Act, 2013

Loans, Gurantees given or Investment made as at March 31, 2018.

Particulars	Amount (₹ in lakhs)
Loans given	490.98
Investment made	155.00

Name of the entity	Relation	Amount (₹ in lakhs)	Particulars of loans, gurantee given or Investment made	Purpose
Next Mediaworks Limited	Holding company	490.98	Loan given	Working capital
Syngience Broadcast Ahmedabad Limited	Subsidiary company	150.00	Loan taken	Working capital

32 EMPLOYEE BENEFITS

The Company has classified the various benefits provided to the employees as under.

a. Defined Contribution Plans

i. Provident Fund

The Company has recognized ₹ 52.21 lakhs (previous year ₹ 67.17 lakhs) in Profit & Loss Statement towards employer's contribution to provident fund.

b. Defined Benefit Plans

i. Contribution to Gratuity Fund (Funded Scheme)

ii. Leave Encashment (Non-funded Scheme)

In accordance with the Indian Accounting Standards (Ind AS 15), actuarial valuation was performed in respect of the aforesaid defined benefit plans based on the following assumptions:

Assumption	March 31, 2018	March 31, 2017
Discount Rate	7.73% pa	7.39% pa
Rate of Increase in compensation levels (pa)	6.00% pa	6.00% pa
Attrition Rate	4.00% pa	4.00% pa

Notes to financial statements

a. Change in the Present Value obligation

Amount (₹ in lakhs)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Present Value of Defined Benefit Obligation as at beginning of the Period	135.14	102.49
Interest Cost	9.99	8.24
Current Service Cost	20.51	16.73
Benefits Paid	(15.78)	(10.63)
Actuarial (gain) / Loss on Obligation	(18.15)	18.31
Present Value of Defined Benefit Obligation as at end of the period	131.72	135.14

b. Fair Value of Plan Assets (for Funded Scheme – Gratuity)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Present Value of Plan Assets as at beginning of the period	42.09	47.78
Expected Return on Plan Assets	3.11	3.84
Actuarial gain/(loss) on Plan Assets	(3.19)	1.10
Contributions	3.50	-
Benefits Paid	(15.78)	(10.63)
Fair Value of Plan Assets as at end of the period *	29.74	42.09

c. Reconciliation of Present Value of Defined Benefit Obligation and the Fair Value of Assets

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Present Value of Funded Obligation as at end of the period	131.72	135.14
Fair Value of Plan Assets as at end of the period	29.74	42.09
Funded Asset recognised in the Balance Sheet	(101.98)	(93.06)

d. Amount Recognized in the Balance Sheet

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Present Value of Defined Benefit Obligation as at the end of the period	131.72	135.14
Fair Value of Plan Assets As at the end of the period	29.74	42.09
Liability / (Net Asset) recognized in the Balance Sheet	101.98	93.06

Notes to financial statements

e. Expenses Recognized in the Profit & Loss Statement

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Current Service Cost	20.51	16.73
Past Service Cost	-	-
Interest Cost	6.88	4.40
Expected Return on Plan Assets	-	-
Curtailment Cost / (Credit)	-	-
Settlement Cost / (Credit)	-	-
Net Actuarial (gain) / Loss recognised in the Period	-	-
Total Expenses recognised in the Statement of Profit and Loss	27.39	21.13

Expenses Recognized in the Other Comprehensive Income (OCI) for Current Period

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Actuarial (Gains)/Losses on Obligation For the Period	(18.15)	18.31
Return on Plan Assets, Excluding Interest Income	3.19	(1.10)
Change in Asset Ceiling	-	-
Net (Income)/Expense For the Period Recognized in OCI	(14.96)	17.21

Maturity Analysis of Projected Benefit Obligation: From the Fund

Projected Benefits Payable in Future Years From the Date of Reporting	For the year ended March 31, 2018	For the year ended March 31, 2017
1st Following Year	10.41	7.85
2nd Following Year	6.13	9.93
3rd Following Year	10.14	6.29
4th Following Year	7.11	10.24
5th Following Year	7.56	7.24
Sum of Years 6 To 10	76.92	76.25
Sum of Years 11 and above	174.11	217.78

Sensitivity Analysis

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Projected Benefit Obligation on Current Assumptions	131.71	135.15
Delta Effect of +1% Change in Rate of Discounting	(10.59)	(11.53)
Delta Effect of -1% Change in Rate of Discounting	12.20	13.35
Delta Effect of +1% Change in Rate of Salary Increase	12.29	13.40
Delta Effect of -1% Change in Rate of Salary Increase	(10.85)	(11.77)
Delta Effect of +1% Change in Rate of Employee Turnover	1.25	0.97
Delta Effect of -1% Change in Rate of Employee Turnover	(1.44)	(1.13)

Notes to financial statements

The expected rate of return on plan assets is based on market expectation at the beginning of the year. The rate of return on risk free investments is taken as reference for this purpose.

The expected contribution for next year is ₹ 40.45 Lakhs (Previous Year ₹ 45.51 Lakhs)

The company has based on Actuarial Valuations provided an amount of ₹ (3.17 lakhs) (Previous Year 9.08 Lakhs) as expenses on account of leave encashment payable to the employees.

f. Other Disclosure

Experience Adjustments of last three years	Year Ended March 31, 2018	Year Ended March 31, 2017	Year Ended March 31, 2016	Year Ended March 31, 2015	Year Ended March 31, 2014
(Present Value Of Benefit Obligation as at the End of the Period)	(131.71)	(135.15)	(102.49)	(80.40)	(39.03)
Fair Value Of Plan Assets as at End of the period	29.73	42.10	47.78	41.14	30.46
Funded Status (Deficit)/ Surplus	(101.98)	(93.06)	(54.71)	(39.25)	(8.57)
Experience Adjustment On Benefit Obligation (Gains)/ Losses	(14.19)	10.63	10.83	18.92	2.52
Experience Adjustments On Plan Assets (Losses)/Gains	1.10	1.10	(1.80)	2.49	(1.29)

33 LEASES

Pursuant to Indian Accounting Standard (AS-116) - Leases, the following information is given

In case of assets taken on operating lease

The lease rent charges recognized in the Statement of Profit and Loss during the year ended March 31, 2018 is ₹ 577.55 Lakhs (previous year: ₹ 562.68 Lakhs)

Obligation of the Company towards future lease payments

Amount (₹ in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Not later than one year	73.62	79.47
Later than one year but not later than five years	57.14	60.18
Later than five years	-	-

34 FOREIGN CURRENCY EARNINGS & EXPENDITURE

Expenditure in Foreign Currency

Amount (₹ in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
Capital Expenditure	-	-
Others	23.19	9.59

Earning in Foreign Currency – ₹ Nil (Previous Year – ₹ Nil)

Notes to financial statements

35 CORPORATE SOCIAL RESPONSIBILITY (CSR)

Amount (₹ in lakhs)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
A. Gross amount required to be spent by company during the year	2.20	9.04
B. Amount spent during the year	2.20	9.04
C. Related party transaction in relation to corporate social responsibility expenses	NIL	NIL
D. Provision made during the year	NIL	NIL

CSR Activities	In Cash	Yet to be paid in cash	Total
1. Construction / Acquisition of any assets	-	-	-
2. On purpose other than (1) above	2.20	-	2.20

36 MANAGERIAL REMUNERATION

During the financial year 2012-13, 2013-14, 2014-15 and 2015-16, the Company ("NRL") had paid remuneration to its Managing Director, which was in excess of the limits specified in Section 197 of the Companies Act, 2013. The said remuneration has been approved by the Remuneration Committee, the Board of Directors and the shareholders of NRL. As required under Schedule V to the Companies Act, 2013, NRL had sought approval from the Central Government which was rejected by the Central Government vide its letter dated April 8, 2016. Subsequently, NRL filed an appeal and the Central Government, vide its letter dated Sept 11, 2017 rejected the same. NRL has again preferred an appeal to Central Government vide its application dated Oct 16, 2017 and response for same is awaited. The excess Managerial remuneration of ₹ 209.48 lakhs debited to Statement of Profit and Loss in relation to such years is subject to such approvals.

During the financial year 2016-17 and 2017-18, the Company ("NRL") had paid remuneration to its Managing Director, which was also in excess of the limits specified in Section 197 of the Companies Act, 2013. The said remuneration has been approved by the Remuneration Committee, the Board of Directors and the shareholders of NRL. The Company is in the process of seeking approval from the shareholders in relation to excess remuneration paid for the years 2016-17 and 2017-18. Further, as required under Schedule V to the Companies Act, 2013, the Company is in the process of filing and application to Central Government for approval of such excess remuneration. The excess Managerial Remuneration of ₹ 198.80 lakhs debited to Statement of Profit and Loss in relation to 2016-17 and 2017-18 is subject to such approvals.

The audit report of the Statutory Auditors on the financial statement for the year ended March 31, 2018 is qualified in respect of these matters.

- 37** The Company's Board of Directors in its meeting held on June 08, 2017 has approved a Scheme of Arrangement (Demerger) between the Company and Syngience Broadcast Ahmedabad Limited (SBAL) and their respective shareholders and creditors under the provisions of Section 230 to 232 and other applicable provisions of the Companies Act, 2013 for transfer of the Ahmedabad FM Broadcasting Division of the Company to NRL with appointed date as April 01, 2017. The Scheme inter alia provides for transfer of the Ahmedabad FM Broadcasting Division of Company to the SBAL at their respective carrying value, on a going concern basis, for a lumpsum consideration. The proposed scheme of arrangement filed with the National Company Law Tribunal, Mumbai

Notes to financial statements

Bench, has been approved on October 05, 2017. Subject to approval of the Scheme by Ministry of Information and Broadcasting (MIB), assets and liabilities of the Ahmedabad Division are not transferred to SBAL. Accordingly, net assets transferrable from the Company as per scheme have been shown as Payable against share issue and grouped under Other Current Financial Liabilities.

38 DEFERRED TAX ASSETS

In the absence of reasonable certainty, has not recognised the deferred tax assets (net) amounting to ₹ 3046.49 lakhs (Previous year ₹ 3784.29 lakhs and as on April 1, 2016 ₹ 3609.47 lakhs) arising out of tangible and intangible assets, financial assets, unabsorbed depreciation, brought forward tax losses and other items. The same shall be reassessed at subsequent balance sheet date.

39 FINANCIAL RISK MANAGEMENT

The Company's activities expose it to a variety of market risks, liquidity risks and credit risks. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk in the financial statements.

a. Credit risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including investments in debt mutual funds and deposits with banks. The company's maximum exposure to credit risk is limited to the carrying amount of the financial assets recognised as at March 31, 2018.

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. The Company undertakes a detailed review of the credit worthiness of clients before extending credit. Outstanding customer receivables are regularly monitored. The Company believes the concentration of risk with respect to trade receivables as low, as its customers are in several jurisdictions and industries and operate in largely independent markets. Management monitors the Company's net liquidity position through rolling forecasts based on expected cash flows.

The Company uses the expected credit loss model as per IND AS 109 - 'Financial Instruments' to assess the impairment loss or gain. The Company uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix considers available external and internal credit risk factors and the Company's historical experience in respect of customers.

b. Liquidity Risk

Liquidity risk is defined as a risk that the Company will not be able to settle or meet its obligations on time. The Company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by the Senior Management.

The Company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The company has short term borrowings in the form of commercial papers. The Company believes that the same can be paid out of from internal accruals and mutual fund investments. The Company believes that the working capital is sufficient to meet its current requirements. Accordingly, no liquidity risk is perceived.

Notes to financial statements

Maturities of financial liabilities

The tables below analyze the Company's Financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows.

Contractual maturities of financial liabilities

Amount (₹ in lakhs)

Particulars	As at March 31, 2018		As at March 31, 2017		As at March 31, 2016	
	Less than 6 months	More than 6 months	Less than 6 months	More than 6 months	Less than 6 months	More than 6 months
Borrowings	1,243.48	3,527.34	248.29	4,920.05	218.51	6,301.44
Trade payables	328.15	97.12	294.99	97.12	159.49	-
Other financial liabilities	3,720.63	720.00	1,720.22	720.00	1,409.30	720.00

c. Foreign Currency risk

Foreign currency risk arises due to the fluctuations in foreign currency exchange rates. The Company does not have any material transactions in foreign currencies. Accordingly, its exposure to the foreign currency risk is limited.

d. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's fixed rate borrowings are carried at amortized cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate on account of a change in market interest rates.

e. Price risk

The Company's exposure to mutual fund securities arises from investments held by the Company and classified in the balance sheet at fair value through profit or loss. To manage its price risk arising from investments in mutual funds, the Company diversifies its portfolio. Diversification of the portfolio is done in accordance with the framework and policies set by the Board of Directors.

40 CAPITAL MANAGEMENT

The Company manages its capital to ensure that it will continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The Company monitors capital using the gearing ratio.

Amount (₹ in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
Gross Debt	4,770.82	5,168.34	6,519.95
Less: Cash and cash equivalent	586.87	149.19	185.36
(a) Net debts	4183.95	5019.15	6334.59
(b) Total Equity (as per balance sheet)	6654.29	7172.37	7729.45
(c) Net Gearing Ratio (a)/(b)	0.63	0.70	0.82

41 FAIR VALUE MEASUREMENT

The fair values of financial assets and liabilities are included at the amounts at which the instrument can be exchanged in a current transaction between willing parties, other than in a forced or liquidation sales.

Notes to financial statements

The following methods and assumptions were used to estimate the fair values:

- a. Fair value of cash and cash equivalents, trade and other current financial assets, trade & other payables and short term borrowings approximate their carrying amounts due to the short maturities of these instruments.
- b. The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation techniques:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

Financial Instrument by category

Amount (₹ in lakhs)

Particulars	As at March 31, 2018			
	Carrying amount	Level 1	Level 2	Level 3
Financial assets				
At amortised cost				
Investments in unquoted shares	1,976.50	-	-	-
Others non-current financial assets	558.29	-	-	-
Trade receivables	2,453.48	-	-	-
Cash and cash equivalents	586.87	-	-	-
Other bank balances	87.78	-	-	-
Loans current	0.35	-	-	-
Others current financial assets	68.26	-	-	-
At FVTPL				
Loans non-current	490.98	-	490.98	-
Financial Liabilities				
At amortised cost				
Trade payables	425.27	-	-	-
Other financial liabilities	4,440.63	-	-	-
At FVTPL				
Borrowings	4,770.82	-	4,620.82	-
Security Deposit payable	1,808.55	-	1,808.55	-
Particulars	As at March 31, 2017			
	Carrying amount	Level 1	Level 2	Level 3
Financial assets				
At amortised cost				
Investments in unquoted shares	0.50	-	-	-
Others non-current financial assets	479.52	-	-	-
Trade receivables	2,024.41	-	-	-
Cash and cash equivalents	149.19	-	-	-

Notes to financial statements

Particulars	As at March 31, 2018			
	Carrying amount	Level 1	Level 2	Level 3
Other bank balances	50.57	-	-	-
Others current financial assets	69.61	-	-	-
At FVTPL				
Loans non-current	834.11	-	834.11	-
Financial Liabilities				
At amortised cost				
Trade payables	392.11	-	-	-
Other financial liabilities	2,506.57	-	-	-
At FVTPL				
Borrowings	5,168.33	-	5168.34	-
Security Deposit payable	1,629.79	-	1629.79	-

Particulars	As at March 31, 2016			
	Carrying amount	Level 1	Level 2	Level 3
Financial assets				
At amortised cost				
Investments in unquoted shares	0.50	-	-	-
Others non-current financial assets	353.62	-	-	-
Trade receivables	1,918.93	-	-	-
Cash and cash equivalents	185.36	-	-	-
Other bank balances	57.11	-	-	-
Loans current	4.58	-	-	-
Others current financial assets	41.87	-	-	-
At FVTPL				
Loans non-current	1,035.97	-	1035.97	-
Financial Liabilities				
At amortised cost				
Trade payables	159.49	-	-	-
Other financial liabilities	2,168.13	-	-	-
At FVTPL				
Borrowings	6,519.95	-	6519.94	-
Security Deposit payable	1,468.70	-	1468.69	-
Total Financial Liability	2,327.62			

FVTPL- Fair Value through Profit and Loss

42 RECONCILIATIONS BETWEEN PREVIOUS GAAP AND IND AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from Previous GAAP to Ind AS.

Reconciliation of equity as previously reported under Previous GAAP to Ind AS

Notes to financial statements

The Previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.

Amount (₹ in lakhs)

Particulars	As at March 31, 2017	Effect of Ind-AS	As at March 31, 2017	As at April 1, 2016	Effect of Ind-AS	As at April 1, 2016
ASSETS						
Non-current assets						
Property, plant and equipment	564.88		564.88	549.00		548.97
Other Intangible assets	11,985.77		11,985.77	12,894.40		12,894.39
Financial assets						
Investments	0.50	-	0.50	0.50	-	0.50
(ii) Trade receivables	-	-	-	-	-	-
Loans	834.11		834.11	1,035.97		1,035.97
Others	719.67	(240.15)	479.52	604.92	(251.30)	353.62
Deferred tax assets (net)			-			-
Other non-current assets	371.68	152.30	523.98	566.28	170.17	736.46
Total non-current assets	14,476.64	(87.85)	14,388.76	15,651.07	81.13	15,569.91
Current assets						
Financial assets						
Trade receivables	2,024.41	-	2,024.41	1,918.93	-	1,918.93
Cash and cash equivalents	149.19	-	149.19	185.36	-	185.36
Bank balances other than above	50.57	-	50.57	57.11	-	57.11
Loans	0.27	-	0.27	4.58	-	4.58
Others	3.87	65.74	69.61	16.96	24.91	41.87
Other current assets	376.14	-	376.14	381.32	-	381.32
Total current assets	2,604.45	65.74	2,670.20	2,564.26	24.91	2,589.17
TOTAL ASSETS	17,081.10	(22.11)	17,058.96	18,215.33	56.22	18,159.08
EQUITY AND LIABILITIES						
Equity						
Equity share capital	7,574.03		7,574.03	18,426.38		18,426.38
Other equity	(537.49)	135.83	(401.66)	(10,850.04)	153.11	(10,696.93)
TOTAL EQUITY	7,036.54	135.83	7,172.37	7,576.34	(153.11)	7,729.45
Non-current liabilities						
Financial Liabilities						
Borrowings	5,039.99	(119.95)	4,920.04	6,480.00	178.57	6,301.44
Provisions	73.48	-	73.48	35.23	-	35.23
Other non-current liabilities	1,900.00	(270.21)	1,629.79	1,900.00	431.31	1,468.70
Total non-current liabilities	7,013.47	(390.16)	6,623.31	8,415.23	609.88	7,805.37
Current liabilities						
Financial liabilities						
Borrowings	248.29	-	248.29	218.51	-	218.51
Trade payables	392.11	-	392.11	159.49	-	159.49
Other financial liabilities	2,274.37	232.22	2,506.59	1,767.60	400.55	2,168.15
Other Current Liabilities	67.60	-	67.60	33.72	-	33.72
Provisions	48.71	-	48.71	44.41	-	44.41
Total current liabilities	3,031.08	232.22	3,263.30	2,223.75	400.55	2,624.26
TOTAL LIABILITIES	10,044.57	(157.94)	9,886.59	10,638.99	209.33	10,429.63
TOTAL EQUITY AND LIABILITIES	17,081.10	(22.11)	17,058.96	18,215.33	56.22	18,159.08

Notes to financial statements

Amount (₹ in lakhs)

Particulars	Year ended March 31, 2018	Effect of transition to Ind AS	Year ended March 31, 2017
Revenue from operations	7,801.13	-	7,801.13
Other income	211.11	173.81	384.92
Total Revenue	8,012.24	173.81	8,186.05
Expenses		-	
Radio license fees	1,398.71	-	1,398.71
Employee benefits expense	2,353.51	(18.31)	2,335.20
Finance charges (net)	946.32	178.91	1,125.23
Depreciation & amortization	1,151.08	-	1,151.08
Operating and other expenses	2,702.41	12.18	2,714.59
Total expenses	8,552.03	172.78	8,724.81
Loss before tax	(539.79)	1.03	(538.76)
Tax expense		-	
a) Current tax		-	-
b) Deferred tax		-	-
Total tax expenses		-	-
Loss for the Year	(539.79)	1.03	(538.76)
Other Comprehensive Income		-	
Remeasurement of benefit of the defined benefits plan		(18.31)	(18.31)
Total Comprehensive Income	(539.79)	(17.28)	(557.07)

43 Previous years figures have been regrouped/rearranged wherever required to make them comparable.

As per our report of even date attached
For Walker Chandiok & Co LLP
Chartered Accountants
Firm Regn No.001076N/N500013

Khushroo B. Panthaky
Partner
Membership No.:42423

Place: Mumbai
Date: May 8, 2018

For and on behalf of the Board of Directors of
Next Radio Limited

Vineet Singh Hukmani
Managing Director
(DIN: 02514684)

Ismail Dabhoya
Chief Financial Officer

Dilip Cherian
Chairman and Director
(DIN: 00322763)

Adille Sumariwalla
Director
(DIN: 00045855)

Place: Mumbai
Date: May 8, 2018

NOTICE

NOTICE is hereby given that the **37th ANNUAL GENERAL MEETING of NEXT MEDIAWORKS LIMITED** will be held on Thursday, 20th September 2018 at 3 p.m. at Hall of Harmony, Nehru Centre Conference, Dr. Annie Besant Road, Worli, Mumbai-400018 to transact the following business:

ORDINARY BUSINESS

1. To consider and adopt:
 - a. the Audited Financial Statements of the Company for the financial year ended 31st March 2018 and the Reports of the Board of Directors and the Auditors thereon; and
 - b. the Audited Consolidated Financial Statements of the Company for the financial year ended 31st March 2018 and the Reports of the Auditors thereon.
2. To appoint a Director in place of Mr. Tarique Ansari (DIN: 00101820), who retires by rotation and being eligible, offers himself for re-appointment.
3. **Re-appointment of Statutory Auditors:**

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, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, as may be applicable including any statutory modifications and amendments, if any and pursuant to the recommendations of the Audit Committee, M/s. Walker Chandio & Co. LLP, Chartered Accountants (Firm Registration No. 001076N/N500013), be re-appointed as statutory auditors of the Company, to hold office from the conclusion of this 37th Annual General Meeting (AGM) until the conclusion of the 42nd AGM, at such remuneration and out of pocket expenses, as may be decided by the Board of Directors of the Company;

RESOLVED FURTHER THAT the Board of Directors of the Company (including its Committee thereof), be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this Resolution.”

SPECIAL BUSINESS:

4. Appointment of Mr. Sunil Dalal as an Independent Director

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 Section 149, 152 and other applicable provisions of the Companies Act, 2013 and rules made thereunder (including any Statutory modifications or amendments thereof), Mr. Sunil Dalal (DIN 00021019) who was appointed by the Board of Directors as an Additional Director (Independent Director) of the Company with effect from August 29, 2017 and who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161(1) of the Companies Act, 2013 (“Act”), but who is eligible for appointment and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company for a period of 5 years i.e. the period commencing from 29th August 2017 and ending on 28th August 2022, and he shall not be liable to retire by rotation.”

Notice

5. Appointment of Mr. Chetan Desai as a Non-Executive Non-Independent Director

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 Section 149, 152 and other applicable provisions of the Companies Act, 2013 and rules made thereunder (including any Statutory modifications or amendments thereof), Mr. Chetan Desai (DIN 03595319) who was appointed by the Board of Directors as an Additional Director (Non-Executive Non-Independent Director) of the Company with effect from May 8, 2018 and who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161(1) of the Companies Act, 2013 ("Act"), but who is eligible for appointment and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as an Non-Executive Non-Independent Director of the Company, and he shall be liable to retire by rotation."

6. To Approve the transfer of assets of the Company

To consider and if thought fit, to pass with or without modification(s) the following resolution as Special Resolution:

"RESOLVED THAT pursuant to Section 180 (1) (a) and Section 188 of the Companies Act, 2013 and other applicable laws, rules and regulations including any statutory modifications, amendments, if any, approval of the members be and is hereby given to transfer the following assets to Inquilab Offset Printers Limited ('IOPL') against setting off the loan repayable by the Company to IOPL:

- (i) the Immovable Property of the Company situated at I-17, 18, 19, 10th Floor, Everest Building, 156 D.J Dadajee Road, Tardeo, Mumbai – 400034;
- (ii) all rights in the movie 'Black Friday'

RESOLVED FURTHER THAT any of the Directors, Company Secretary and Chief Financial Officer of the Company be and are hereby jointly and severally authorised to do such things and take such steps as may be required to give effect to the above Resolution."

By Order of the Board of Directors

For Next Mediaworks Limited

Sd/-

Gaurav Sharma

Company Secretary & Compliance Officer

Registered Office:

Office Nos. I-17, I-18 & I-19,
10th Floor, The Tardeo Everest Co-operative Society Limited,
156, D J Dadajee Road,
Tardeo, Mumbai – 400034.

Dated: 8th August, 2018

Notice

NOTES:

1. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (“Act”) setting out material facts concerning the business under Item Nos. 2 to 6 of the Notice, is annexed hereto. The relevant details as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, of the persons seeking appointment/ re-appointment as Director under Item Nos. 2, 4 and 5 of the Notice are also annexed to the notice.
2. A Member entitled to attend and vote at the Annual General Meeting (AGM) is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a Member of the Company. The instrument appointing the proxy, in order to be effective, must be deposited at the Company's Registered Office, duly completed and signed, not less than FORTY-EIGHT (48) hours before the commencement of the AGM. Proxies submitted on behalf of limited companies, societies etc., must be supported by appropriate resolutions / authority, as applicable. A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.
3. Members, Proxies and Authorized Representatives are requested to bring to the AGM, the attendance slips enclosed herewith duly completed and signed mentioning therein details of their DP ID and Client ID/Folio No.
4. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details such as bank account number, name of the bank and branch details, MICR code and IFSC code, mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., to their depository participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrars and Transfer Agents, Link Intime India Pvt. Ltd. (LIPL) to provide efficient and better services.

Members holding shares in physical form are requested to intimate such changes to LIPL.

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 participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to LIPL.

5. Securities and Exchange Board of India (“SEBI”) has, vide its circular no. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated April 20, 2018, mandated listed companies to take special efforts (through their RTAs) to collect copy of PAN and Bank Accounts Details of all securities holders holding securities in physical form. In this regard, the RTA of your Company has sent letters to all those members of the Company, who are holding shares in physical form, seeking PAN and Bank Details. The RTA shall be sending reminder letters in due course. The Members who hold shares of the company in physical form are requested to provide the details as asked for in the letters sent by the RTA.
6. SEBI has, vide its notification dated June 8, 2018, amended Regulation 40 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. As per the said amendment, the requests for effecting the transfer of listed securities shall not be processed unless the securities

Notice

are held in the dematerialized form with a depository. The said amendment shall come into force within 180 days i.e. December 5, 2018. In view of the said amendment, the Members who hold shares of the company in physical form are advised to convert their physical shares into dematerialised form.

7. In case of joint holders attending the AGM, the joint holder who is higher in the order of names will be entitled to vote at the AGM.
8. Members seeking any information with regard to the accounts, are requested to write to the Company at an early date, so as to enable the Management to keep the information ready at the AGM.
9. The Notice of the AGM along with the Annual Report 2017-18 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company / Depositories, unless any Member has requested for a physical copy of the same. For Members, who have not registered their e-mail addresses, physical copies are being sent by the permitted mode. Members may note that this Notice and the Annual Report 2017-18 will also be available on the Company's website viz. www.nextmediaworks.com.
10. To support the 'Green Initiative', Members who have not registered their e-mail addresses are requested to register the same with DPs / LIPL.

11. Voting through electronic means

- I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as substituted by the Companies (Management and Administration) Amendment Rules, 2015 ('Amended Rules 2015') and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the 37th AGM by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).
- II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- IV. **The remote e-voting period commences on Monday, 17th September 2018 (9:00 am) and ends on Wednesday, 19th September 2018 (5:00 pm). During this period, members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Thursday, 13th September 2018, may cast their vote by remote e-voting.** The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- V. The process and manner for remote e-voting are as under:
The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:
Step 1 : Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>
Step 2 : Cast your vote electronically on NSDL e-Voting system.

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- DETAILS ON STEP 1 IS MENTIONED BELOW:**

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholders’ section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:
 - (a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - (b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
 - (c) How to retrieve your ‘initial password’?
 - (i) If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.

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- (ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address.
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on "Forgot User Details/Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN,your name and your registered address.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

- **DETAILS ON STEP 2 IS GIVEN BELOW:**

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. 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. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to partner@ghvandco.comwith a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five

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unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.

3. 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 download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in

VI. In case of any queries, you may refer to the Frequently Asked Questions (FAQs) and e-voting user manual for Members available in the ‘Downloads’ section of www.evoting.nsdl.com.

VII. If you are already registered with NSDL for remote e-voting, you can use your existing user ID and password/PIN for casting your vote.

NOTE: Shareholders who have forgotten the User Details/Password can use “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com.

In case Shareholders are holding shares in demat mode, USER-ID is the combination of (DPID+ClientID).

In case Shareholders are holding shares in physical mode, USER-ID is the combination of (EVEN No+Folio No).

VIII. 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 future communication(s).

IX. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 13th September 2018.

X. Any person, who acquires shares of the Company and becomes member of the Company after dispatch of the Notice of AGM and holding shares as of the cut-off date i.e. Thursday, 13th September 2018, may obtain the login ID and password by sending a request at evoting@nsdl.co.in. However, if you are already registered with NSDL for remote e-voting, you can use your existing user ID and password for casting your vote. If you forget your password, you can reset your password by using “Forgot User Details/Password” option available on www.evoting.nsdl.com.

XI. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting / voting at the AGM through ballot paper, as the case may be.

XII. The Board has, at its meeting held on 8th August 2018, appointed Ms. Harshika Bhadracha, Practicing Company Secretary (Membership No. 33412) of M/s GHV & Co., as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.

XIII. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of ballot paper for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

XIV. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast at the meeting and thereafter, unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer’s report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

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- XV. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company www.nextmediaworks.com and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited and NSE Limited.
12. All documents referred to in the accompanying Notice shall be open for inspection at the Registered Office of the Company during normal business hours (9.00 am to 5.00 pm) on all working days except Saturdays, up to and including the date of the Annual General Meeting of the Company.
13. This Notice has been updated with the instructions for voting through electronic means as per the latest amended rules.
14. This is for the information of Shareholders: Pursuant to list of disqualified Directors published by Ministry of Corporate Affairs (MCA) in September, 2017, Mr. Tarique Ansari (Chairman and Managing Director) and Mr. Adille Sumariwalla (Independent Director) were disqualified under Section 164 (2) of the Companies Act, 2013 due to the reason that Bombay Marathon Private Limited, in which both of them were Directors, had failed to make annual filings for consecutive period of 3 years. Vide letters dated April 23, 2018, both Mr. Tarique Ansari (Chairman and Managing Director) and Mr. Adille Sumariwalla (Independent Director) informed the Board of Directors of the Company that Bombay Marathon Private Limited had filed all the pending filings under Condonation of Delay Scheme, 2018 announced by MCA and that consequent upon all the filings have been regularized, Status of DINs of both of them is shown as "Approved" on the website of Ministry of Corporate Affairs. The Board of Directors, at their meeting held on May 8, 2018, considered the aforesaid letters and took the view that disqualification incurred by Mr. Tarique Ansari and Mr. Adille Sumariwalla is removed as the status of their DINs is Approved now and that they can now resume the office of Chairman & Managing Director and Independent Director respectively.

By Order of the Board of Directors
For Next Mediaworks Limited

Sd/-
Gaurav Sharma
Company Secretary

Registered Office:

Office Nos. I-17, I-18 & I-19,
10th Floor, The Tardeo Everest Co-operative Society Limited,
156, D J Dadajee Road,
Tardeo, Mumbai – 400034.

Dated: 8th August, 2018

Notice

EXPLANATORY STATEMENT:

As required by Section 102 of the Companies Act, 2013 ("Act"), the following explanatory statement sets out all material facts relating to the business mentioned under Item Nos. 2 to 6 of the accompanying Notice:

Item No. 2

This explanatory statement is provided though strictly not required as per Section 102 of the Act.

Section 152 of the Act provides that 1/3rd of directors who are liable to retire by rotation shall retire at every annual general meeting.

The shareholders have, at the 34th Annual General Meeting of the Company held on 6th August 2015, re-appointed Mr. Tarique Ansari as the Chairman & Managing Director of the Company for a further period of 3 years effective from 1st July 2016 till 30th June 2019. The resolution for re-appointment of Mr. Ansari as mentioned in Item No. 2 of this Notice is being recommended for shareholders' approval for complying with the provisions of Section 152 of the Companies Act, 2013 and shall not be construed as a break in his current tenure, which is up to 30th June 2019.

Except Mr. Tarique Ansari, none of the Directors and Key Managerial Personnel (KMP) of the Company and relatives of Directors and KMPs are in any way concerned or interested, financially or otherwise in Item No. 2 of the Notice.

The relevant details as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are given in Annexure to this notice.

The Board recommends the item No. 2 of the notice for approval of the members.

Item No. 3:

This explanatory statement is provided though strictly not required as per Section 102 of the Act.

M/s. Walker Chandio & Co. LLP, Chartered Accountants were appointed as Statutory Auditors of the Company from the conclusion of 36th AGM till the conclusion of this AGM and hence, would retire at the conclusion of the ensuing AGM.

As per sub-section (2) of Section 139 of the Companies Act, 2013 ('the Act'), a listed company shall not appoint or re-appoint an audit firm as auditor for more than two consecutive terms of five years.

Accordingly, M/s. Walker Chandio & Co. LLP, Chartered Accountants are proposed to be re-appointed as auditors for a further period of 5 years, commencing from the conclusion of 37th AGM till the conclusion of the 42nd AGM.

M/s. Walker Chandio & Co. LLP, Chartered Accountants, have consented to the said appointment and confirmed that their appointment, if made, would be within the limits specified under Section 141(3) (g) of the Act. They have further confirmed that they are not disqualified to be appointed as statutory auditors in terms of the provisions of the proviso to Section 139(1), Section 141(2) and Section 141(3) of the Act and the provisions of the Companies (Audit and Auditors) Rules, 2014.

None of the Directors and Key Managerial Personnel (KMP) of the Company and relatives of Directors and KMPs are concerned or interested, financially or otherwise in the resolution set out at item No. 3 of the notice.

The Board recommends the resolution set forth in item No. 3 of the notice for approval of the members.

Item No. 4

The Board of Directors has appointed Mr. Sunil Dalal, as an Additional Director (Independent Director) of the Company with effect from August 29, 2017, on the recommendation of the Nomination and

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Remuneration Committee. As per the provisions of Section 161(1) of the Act, he holds office of Additional Director only up to the date of this Annual General Meeting of the Company, and is eligible for appointment as Director. The Company has received a notice under Section 160(1) of the Act proposing his candidature for the office of Director of the Company. Since, Mr. Sunil Dalal is being proposed to be appointed as Independent Director for a term of 5 years, he, if appointed, shall be director, not liable to retire by rotation pursuant to the provisions of Section 149 and 152 of the Act.

Except Mr. Sunil Dalal, none of the Directors and Key Managerial Personnel (KMP) of the Company and relatives of Directors and KMPs are in any way concerned or interested, financially or otherwise in the resolution set out under Item No. 4 of the Notice.

The relevant details of Mr. Sunil Dalal as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are given in Annexure to this notice.

The Board recommends the resolution set forth in item No. 4 of the notice for approval of the members.

Item No. 5

The Board of Directors has appointed Mr. Chetan Desai, as an Additional Director (Non-Executive Non-Independent Director) of the Company with effect from May 8, 2018, on the recommendation of the Nomination and Remuneration Committee. As per the provisions of Section 161(1) of the Act, he holds office of Additional Director only up to the date of this Annual General Meeting of the Company, and is eligible for appointment as Director. The Company has received a notice under Section 160(1) of the Act proposing his candidature for the office of Director of the Company.

Except Mr. Chetan Desai, none of the Directors and Key Managerial Personnel (KMP) of the Company and relatives of Directors and KMPs are in any way concerned or interested, financially or otherwise in the resolution set out under Item No. 5 of the Notice.

The relevant details of Mr. Chetan Desai as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are given in Annexure to this notice.

The Board recommends the resolution set forth in item No. 5 of the notice for approval of the members.

Item no. 6

The Company has a loan outstanding in its books amounting to Rs. 6 Crores, which is repayable to Inquilab Offset Printers Limited.

The Company has an Immovable Property situated at I-17, 18, 19, 10th Floor, Everest Building, 156 D.J Dadajee Road, Tardeo, Mumbai – 400034. The Company has also exclusive rights and all the properties in the movie 'Black Friday'.

In order to settle the loan referred to above, a proposal to transfer the Immovable Property of the Company situated at I-17, 18, 19, 10th Floor, Everest Building, 156 D.J Dadajee Road, Tardeo, Mumbai – 400034 and also exclusive rights and all the properties in the movie 'Black Friday' to Inquilab Offset Printers Limited was considered and approved by the Audit Committee as well as the Board of Directors of the Company at their meetings held on August 8, 2018, subject to approval of Shareholders.

Except Mr. Tarique Ansari (being a director in Inquilab Offset Printers Limited), none of the Directors and Key Managerial Personnel (KMP) of the Company and relatives of Directors and KMPs are in any way concerned or interested, financially or otherwise in Item No. 6 of the Notice.

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

Next Mediaworks Limited

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ANNEXURE

Details of Directors seeking Appointment/ Re-appointment at the Annual General Meeting

Name of Director	Mr. Tarique Ansari	Mr. Sunil Dalal	Mr. Chetan Desai
Date of Birth (Age)	11 th June 1961 (57 years)	12 th October, 1968 (49 years)	14 th January, 1951 (67 years)
Date of Appointment	1 st July 2004	29 th August , 2017	8 th May, 2018
Qualifications	Bachelor of Business Administration from Notre Dame, USA	Bachelor in Mechanical Engineering & Management of Technology from Vanderbilt University, USA	Chartered Accountant
Nature of Expertise in Specific Functional Area(s)	Mr. Ansari has rich knowledge of the Media Industry specially Radio segment since he is working with the Company from 1983. He has good amount of academic and practical experience.	Serial Entrepreneur having experience in numerous global businesses and wide knowledge in the ventures of industrial software, fintech and edutech space.	Wide knowledge and exposure in the fields of accounting, auditing, Companies Act and related areas, corporate governance, compliances etc.
Relationships with other Directors, if any	NIL	NIL	Nil
Directorships held in other listed companies	NIL	Digital Electronics Limited	1. Mercator Limited 2. Delta Corp Limited <i>(In both the above companies, he is Non-Executive Independent Director)</i>
Memberships / Chairmanships of committees of other listed companies of the board	NIL	NIL	Mercator Limited 1. Member of Audit Committee; 2. Member of Nomination and Remuneration Committee; 3. Member of Risk Management Committee; Delta Corp Limited Member of Audit Committee
Shareholding (No. of shares) in the Company	4,337,298	NIL	NIL

By Order of the Board of Directors
For Next Mediaworks Limited

Sd/-
Gaurav Sharma
Company Secretary

Registered Office:

Office Nos. I-17, I-18 & I-19,
10th Floor, The Tardeo Everest Co-operative Society Limited,
156, D J Dadajee Road,
Tardeo, Mumbai – 400034.

Dated: 8th August, 2018

Next Mediaworks Limited

CIN: L22100MH1981PLC024052

Regd. Off: Office Nos. I-17, I-18 & I-19, 10th Floor, The Tardeo Everest Co-operative Society Limited,
156, D. J. Dadajee Road, Tardeo, Mumbai- 400034. Tel. No.: 022-67527016
Website: www.nextmediaworks.com E-mail ID: cs@nextmediaworks.com

THIRTY SEVENTH ANNUAL GENERAL MEETING

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(s) of _____ shares of the above company, hereby appoint

1. Name: _____ Address: _____

Email Id: _____ Signature: _____

2. Name: _____ Address: _____

Email Id: _____ Signature: _____

3. Name: _____ Address: _____

Email Id: _____ Signature: _____

as my/ our proxy to attend and vote (on poll) for me/ our behalf at the 37th Annual General Meeting of the Company, to be held on Thursday, September 20, 2018, at Hall of Harmony, Nehru Centre Conference, Dr. Annie Besant Road, Worli, Mumbai-400018. at 3.00 p.m. and at any adjournment thereof in respect of such resolution as are indicated below:

Next Mediaworks Limited

Sr, No	Resolution	Optional*	
		For	Against
Ordinary Resolution			
1.	a) Adoption of Standalone Financial Statement of the Company for the year ended March 31, 2018.		
	b) Adoption of Consolidated Financial Statement of the Company for the year ended March 31, 2018.		
2.	To appoint Director in place of Mr. Tarique Ansari (DIN: 00101820), who retires by rotation and being eligible, offers himself for re-appointment.		
3.	Appointment of M/s Walker Chandiook & Co., LLP, Chartered Accountants as Statutory Auditors of the Company for a term of 5 years upto 42 nd AGM of the Company.		
4.	To Appoint Mr. Sunil Dalal as an Independent Director		
5.	To Appoint Mr. Chetan Desai as a Non-Executive Non-Independent Director		
Special Resolution			
6.	To Approve the transfer of assets of the Company		

Signed this _____ day of _____ 2018.

Signature of the Shareholder

Signature of the 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 addressed to the Company Secretary, not later than 48 hours before the commencement of the meeting
2. A person can act as a proxy on behalf of the Members upto and not exceeding fifty and holding in the aggregate not more than ten percent of the total paid-up Share Capital of the Company. Further, a member holding ten percent of the total paid-up Share Capital of the Company carrying voting rights, may appoint a single person as proxy and such person shall not act as proxy for any other person or Member.

*It is optional to put a (tick symbol) in the appropriate column against the Resolution indicated in the box. If you leave the "For or Against" column blank against any or all resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.

Next Mediaworks Limited

CIN: L22100MH1981PLC024052

Regd. Off: Office Nos. I-17, I-18 & I-19, 10th Floor, The Tardeo Everest Co-operative Society Limited,
156, D. J. Dadajee Road, Tardeo, Mumbai- 400034. Tel. No.: 022-67527016
Website: www.nextmediaworks.com E-mail ID: cs@nextmediaworks.com

**THIRTY SEVENTH ANNUAL GENERAL MEETING
ATTENDANCE SLIP**

Regd. Folio/DP ID & Client ID	
Name and Address of the shareholder	
Joint Holders	
No. of shares held	

I hereby record my presence at the THIRTY SEVENTH ANNUAL GENERAL MEETING of the Company being held at 3.00 P.M. on Thursday, September 20, 2018, at Hall of Harmony, Nehru Centre Conference, Dr. Annie Besant Road, Worli, Mumbai-400018.

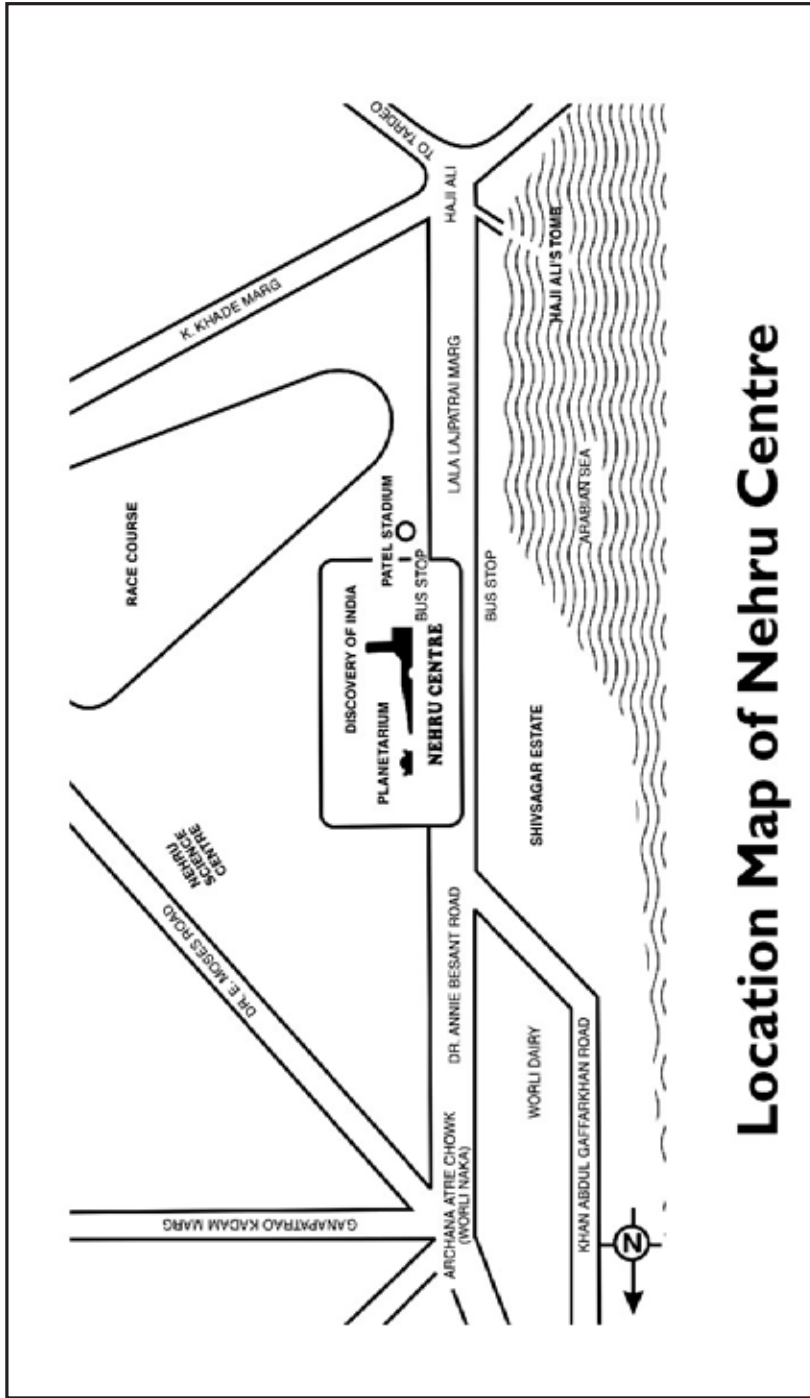
Signature of the Shareholder/Proxy Present

Note:

1. Sign this attendance slip and hand it over at the attendance verification counter at the entrance of meeting hall.
2. Electronic copy of the Annual Report for the year ended 31st March, 2018 and Notice of Annual General Meeting (AGM) along with attendance slip and proxy form is being sent to all members whose e-mail address is registered with the Company/ Depository Participant unless any member has requested for a hard copy of the same. Members receiving electronic copy and attending the AGM can print copy of this attendance slip.
3. Physical copy of Annual Report for the year ended 31st March, 2018 and notice of the AGM along with the attendance slip and proxy form is sent in the permitted mode(s) to all members whose e-mail is not registered or have requested for a hard copy.

. E-Voting Information

EVEN (Electronic Voting Event Number)	User ID	Password



Location Map of Nehru Centre