

Next Outdoor Limited
Balance Sheet as at 31st March, 2018

	Refer Note No.	As at 31st March, 2018 Rs. in lakhs	As at 31st March, 2017 Rs. in lakhs
EQUITY AND LIABILITIES			
<u>Shareholders' funds</u>			
Share capital	4	349.50	349.50
Reserves and surplus/(deficit)	5	(358.90)	(358.72)
		(9.40)	(9.22)
<u>Non-current liabilities</u>			
Long-term borrowings		-	-
<u>Current liabilities</u>			
Short-term borrowings	6	8.86	8.86
Other current liabilities	7	0.70	0.54
		9.56	9.40
		0.16	0.19
ASSETS			
<u>Current assets</u>			
Cash and Bank Balances	8	0.16	0.19
		0.16	0.19
		0.16	0.19

Summary of significant accounting policies

3

As per our report of even date attach
For ASP & Co.
Chartered Accountants
Firm Reg. No. 000576

Sehul S. Shah

Sehul Shah
(Partner)
Membership No.: 78210

Place: Mumbai
Date:



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

Tarique Ansari

Tarique Ansari
Director

Rukya Ansari

Rukya Ansari
Director



Next Outdoor Limited

Statement of Profit and Loss for the period ended 31st March, 2018

	Refer Note No.	Period Ended 31st March, 2018 Rs. in lakhs	Year Ended 31st March, 2017 Rs. in lakhs
Income			
Other income		-	-
Total Revenue		-	-
Expenses			
Finance charges (Net)	9	0.01	0.01
General & Administration Expenses	10	0.17	0.17
Total expenses		0.18	0.17
Profit before tax		(0.18)	(0.17)
Tax expense:			
Profit (Loss) for the period		(0.18)	(0.17)
Earnings per equity share:			
Basic & Diluted	11	-0.01	-0.01
Summary of significant accounting policies	3		

As per our report of even date attach
For ASP & Co.
Chartered Accountants
Firm Reg. No. 000576N

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

Sehul S. Shah

Sehul Shah
(Partner)
Membership No.: 78210



Tarique Ansari
Tarique Ansari
Director

Rukya Ansari
Rukya Ansari
Director

Place: Mumbai
Date:



Next Outdoor Limited
Cash Flow Statement for the year ended 31st March '18

	As at 31st March 2018 Rs. in lakhs	As at 31st March 2017 Rs. in lakhs
A. Net Cashflow from operating Activities		
Net Profit / (Loss) before tax	(0.18)	(0.17)
Operational Profit before Working Capital	(0.18)	(0.17)
Adjustments for changes in Working Capital		
Current Liabilities	0.16	0.20
Sub-Total	0.16	0.20
Cash generated from operations	(0.02)	0.03
Net Cash Flow from Operating Activities	(A) (0.02)	0.03
B. Cash Flow from Investing Activities		
Net Cash Flow from Investing Activities	(B) -	-
C. Cash Flow from financing Activities		
Borrowings	-	-
Net Cash Flow from Financing Activities	(C) -	-
Net Increase/decrease in Cash & Cash Equivalents	(A+B+C) (0.02)	0.03
Cash & Cash Equivalents at the beginning of the year	0.19	0.16
Cash & Cash Equivalents at the end of the year	0.16	0.19

This is the cash flow statement referred to in our report of even date.

For ASP & Co.
Chartered Accountants
Firm Reg. No. 000576N

Sehul S. Shah

Sehul Shah
(Partner)
Membership No.: 78210

Place: Mumbai
Date:



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

Tarique Ansari
Tarique Ansari
Director

Rukya Ansari
Rukya Ansari
Director



Next Outdoor Limited

Notes to financial statements for the year ended on 31st March, 2018

1. Corporate Information

Next Outdoor Limited (the company) is a public company domiciled in India and Incorporated under the provisions of Companies Act, 1956.

2. Basis of preparation

The Financial statements of the company have been prepared and presented in accordance with generally accepted accounting principles in India (Indian GAAP) under the historical cost convention on accrual basis of accounting, unless otherwise stated, and comply with and comply with the Accounting Standards as prescribed under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, the relevant provisions of the Companies Act, 2013.

3. Summary of significant accounting policies

a) Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the management of the company to make estimates and assumptions that affect the reported amounts of income and expenses during the reporting period and the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as on the date of the financial statements. Management believes that the estimates used in preparation of the financial statement are prudent and reasonable. Difference, if any, between the actual results and estimates is recognized in the period in which the results are known / materialize.

b) Operating Cycle

Based on the nature of its activities, the Company has determined its operating cycle as 12 months for the purpose of classification of its Assets and Liabilities as current and non-current.

c) Amounts in the financial statements are presented in Rs. lakh, except for per share data and as otherwise stated.

d) Tangible fixed assets

Fixed assets are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses in existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Gains or losses arising from derecognizing of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the fixed asset and are recognized in the statement of profit and loss when the asset is derecognized.

e) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment, if any.



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Next Outdoor Limited

Notes to financial statements for the year ended on 31st March, 2018

Internally generated intangible assets, are not capitalized and expenditure is reflected in the statement of profit and loss in the year in which expenditure is incurred.

f) Depreciation

Depreciation on fixed assets is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management, or those prescribed under the Part C of Schedule II of the Companies Act, 2013, whichever is higher. Depreciation on additions during the year is provided on a pro-rata basis from the date of addition.

Intangible assets are amortized over their estimated useful life not exceeding 10 years on straight line method.

g) Impairment

Impairment losses (if any) on fixed assets are recognized in accordance with the Accounting Standard 28 "Impairment of Assets" issued in this regard by The Institute of Chartered Accountants of India. The Company assesses at each Balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the assets. An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value.

h) Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

i) Taxes on Income

Tax expense comprises current and deferred tax.

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961.

Deferred tax is recognized, subject to the consideration of prudence, on timing differences, being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods using the tax rates and tax laws that have been enacted or substantially enacted as at the reporting date.

Deferred Tax Asset arising on account of unabsorbed tax losses and unabsorbed depreciation are accounted for on prudence basis when there is a virtual certainty that sufficient future taxable income will be available against which such deferred tax asset can be realized

j) Earnings Per Share

The Basic earnings per share and Diluted earnings per share have been computed in accordance with Accounting Standard (AS-20) on, "Earnings Per Share" and is also shown in the Statement of Profit and Loss.

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to the equity shareholders (after deducting preference dividends and attributable expenses) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity share outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share spilt and reverse share spilt (consolidation of shares) that have



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Next Outdoor Limited

Notes to financial statements for the year ended on 31st March, 2018

changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of 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.

k) Provisions

A provision is recognized when the company has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the obligation. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

l) Contingent liabilities & assets

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

Contingent Assets are neither recognized nor disclosed in the financial statements.

m) Cash Flow Statement

Cash flows are reported using the indirect method set out in Accounting Standard (AS 3) on Cash Flow Statement. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information. Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

4. Share Capital

a. Authorized and issued and paid-up capital

	As at 31 st Mar, 2018		As at 31 st Mar, 2017	
	Number of Shares	Amount (Rs in lakhs)	Number of Shares	Amount (Rs in lakhs)
Authorized Capital				
Equity Shares of Rs. 10/- each	4,000,000	400.00	4,000,000	400.00
	4,000,000	400.00	4,000,000	400.00
Issued, Subscribed & Paid up Capital				
Equity Shares of Rs. 10/- each	3,495,000	349.50	3,495,000	349.50
	3,495,000	349.50	3,495,000	349.50



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Next Outdoor Limited

Notes to financial statements for the year ended on 31st March, 2018

b. Reconciliation of the shares outstanding at the beginning and at the end of the year

	As at 31 st Mar, 2018		As at 31 st Mar, 2017	
	Number of Shares	Amount (Rs in lakhs)	Number of Shares	Amount (Rs in lakhs)
Shares outstanding at the beginning of the year	3,495,000	349.50	3,495,000	349.50
Add: Shares issued during the year	-	-	-	-
Less: Shares bought back during the year	-	-	-	-
Shares outstanding at the end of year	3,495,000	349.50	3,495,000	349.50

c. Terms / rights attached to equity shares

The company has only one class of equity shares having par value of Rs. 10 per share. Each holder of equity share is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

d. Shares held by holding company and / or their subsidiaries

	As at 31 st Mar, 2018		As at 31 st Mar, 2017	
	Number of Shares	% of Holding	Number of Shares	% of Holding
Equity Shares				
Next Mediaworks Limited	3,495,000	100.00%	3,495,000	100.00%

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

	As at 31 st Mar, 2017		As at 31 st Mar, 2016	
	Number of Shares	% of Holding	Number of Shares	% of Holding
Equity Shares				
Next Mediaworks Limited	3,495,000	100.00%	3,495,000	100.00%
Total	3,495,000	100.00%	3,495,000	100.00%

f. No shares reserved for issue under options and contracts/commitments for the sale of shares/disinvestment. No Shares were allotted without payment being received in cash. The company had not buy back any of the shares during the period of five years immediately preceding the balance sheet date and none of the shares were forfeited.



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Next Outdoor Limited

Notes to financial statements for the year ended on 31st March, 2018

5. Reserves & Surplus

	As at 31 st Mar, 2018 Amount (Rs in lakhs)	As at 31 st Mar, 2017 Amount (Rs in lakhs)
Surplus		
Opening Balance	(358.72)	(358.54)
Add: Net Loss for the year	(0.18)	(0.18)
Total Reserves & Surplus	(358.90)	(358.72)

6. Short Term Borrowings

	As at 31 st Mar, 2018 Amount (Rs in lakhs)	As at 31 st Mar, 2017 Amount (Rs in lakhs)
Unsecured Borrowings		
Inter Corporate Loans		
- From Holding Company	7.71	7.71
- From Other Related Party	1.15	1.15
	8.86	8.86

The above mentioned unsecured borrowings are interest free and repayable on mutual understanding of both the parties.

7. Other Current Liabilities

	As at 31 st Mar, 2018 Amount (Rs in lakhs)	As at 31 st Mar, 2017 Amount (Rs in lakhs)
Outstanding Expenditure	0.70	0.54
Total	0.70	0.34

8. Cash & Bank Balances

	As at 31 st Mar, 2018 Amount (Rs in lakhs)	As at 31 st Mar, 2017 Amount (Rs in lakhs)
Balance with Banks - In Current Account	0.16	0.19
Total	0.16	0.19



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Next Outdoor Limited

Notes to financial statements for the year ended on 31st March, 2018

9. Finance charges

	Year Ended 31 st Mar, 2018	Year Ended 31 st Mar, 2017
	Amount	Amount
	(Rs in lakhs)	(Rs in lakhs)
Interest charges		
- Bank Charges & Commission	0.01	0.01
	<u>0.01</u>	<u>0.01</u>

10. General & Administration Expenses

	Year Ended 31 st Mar, 2018	Year Ended 31 st Mar, 2017
	Amount	Amount
	(Rs in lakhs)	(Rs in lakhs)
General & Administrative Expenses		
<u>Auditors remuneration</u>		
- Statutory Audit Fee	0.17	0.17
	<u>0.17</u>	<u>0.17</u>

11. Earning per Share (EPS)

	March 31, 2018	March 31, 2017
Net loss for the year attributable to equity shareholders (Rs in lakhs)	(0.18)	(0.17)
Calculation of weighted average number of equity shares		
Number of shares at the beginning of the year	3,495,000	3,495,000
Weighted average number of Shares issued during the year	-	-
Weighted average number of equity shares at the end of the year	3,495,000	3,495,000
Basic and diluted earnings / (loss) (in Rs) per share (In Rs.)	<u>(522.12)</u>	<u>(510.10)</u>

12. Contingent Liabilities

There are no contingent liabilities.

13. Employee Benefits

No Provision has been made for retirement benefits since there are no employees on the roll of the company.



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Next Outdoor Limited

Notes to financial statements for the year ended on 31st March, 2018

14. Segment Reporting

The Company has no operations during the year or immediately preceding previous year; hence disclosure requirement for segment reporting as per AS - 17 is not applicable to company.

15. In the opinion of the Board, current assets, loans and advances have a value, in the ordinary course of business, on realization at least equal to the amount at which they are stated.
16. Expenditure in Foreign Currency - Nil (Previous Year - Nil)
17. Earning in Foreign Currency - Nil (Previous Year - Nil)
18. Company had not entered in any transaction with Micro, Small and Medium Enterprise during the year under review or in preceding previous year, as such no disclosure is required.

19. Related party disclosures

Names of related parties and related party relationship

- a. Holding Company - Next Mediaworks Limited
- b. Fellow Subsidiaries - One Audio Limited
Next Radio Limited
Digital One Private Limited
- c. Associate Company - Next Publishing Services Private Limited
Mid-Day Exports Pvt Ltd
Inquilab offset printers Pvt Ltd
Ferari Investments and Trading Co Pvt Ltd
Meridian Holding & Leasing Co Pvt Ltd

Name of Related Party	Relation	Nature of Transaction	Amount (Rs in lakhs)
Next Mediaworks Limited	Holding Company	Unsecured loan received during the year	0.00 (0.00)
		Unsecured loan Outstanding at year end	7.71 (7.71)
Next Radio Limited	Fellow Subsidiary	Unsecured loan received during the year	0.00 (0.00)
		Unsecured loan Outstanding at year end	1.15 (1.15)

Notes

- i. Related party relationship is as identified by the Company and relied upon by the Auditors.
- ii. Transactions with the related parties are disclosed only till the relationship exists.



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Next Outdoor Limited

Notes to financial statements for the year ended on 31st March, 2018

20. Figures for the previous year have been regrouped, rearranged and reclassified wherever necessary.

For ASP & Co.
Chartered Accountants
Firm Reg. No. 000576N

Sehul S. Shah

Sehul Shah
Partner
Membership No.: 78210

Place: Mumbai
Date:



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

Tarique Ansari
Tarique Ansari
Director

Rukya Ansari
Rukya Ansari
Director





A S P & CO.
CHARTERED ACCOUNTANTS

A -203, Koteshwar Palace
Jiva Mahale Marg, Sai Wadi
Andheri (E), Mumbai 400 069
Tel.: +91 9167353273
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INDEPENDENT AUDITOR'S REPORT

To
The Members of Next Outdoor Limited

Report on the Financial Statements

We have audited the accompanying financial statements of **Next Outdoor Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

We have 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 the financial statements are free from material misstatement.

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 control relevant to the Company's preparation of the financial statements that give a true and fair view in order





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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.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2018, and its **Loss** and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Companies Act, 2013 we give in the **Annexure A**, a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet and the Statement of Profit and Loss dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule of the Companies (Accounts) Rules, 2014.
 - (e) There are no observations or comments on the financial transactions or matters which have any adverse effect on the functioning of the Company.
 - (f) On the basis of the written representations received from the directors as on 31 March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **Annexure B**.





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- (h) 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 does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

Place: Mumbai
Date :

For ASP & Co.
Chartered Accountants
Firm Regn. No: 000576N

Sehul S. Shah

Sehul Shah
Partner
Membership No. 78210





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Annexure A to the Auditor's Report

The annexure referred to in Independent Auditors' Report to the member of the Company on the financial statement for the year ended 31st March 2018, we report that;

(i) Fixed Assets

The Company is not having any Fixed Assets, accordingly sub clause (a), (b) and (c) of para 3(i) of the order is not applicable.

(ii) Inventories

There were no inventory lying as on 31.03.2018, accordingly, the provisions of para 3(ii) of the Order is not applicable to the company.

(iii) Loans given

During the year, the Company has not granted any Secured or unsecured loan to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, the provisions of the para 3 (iii) (a), (b) and (c) of the order is not applicable to the Company.

(iv) Compliance of Sec. 185 & 186

The Company has not entered into any transaction during the year in respect of loans, investments, guarantee and security which attracts compliance to provisions of section 185 & 186 of the Companies Act, 2013, therefore, para 3 (iv) of the order is not applicable to the company.

(v) Public Deposit

During the year, the company has not accepted any deposits from the public, therefore, para 3 (v) of the order is not applicable.

(vi) Cost Records

In our opinion and according to information and explanations given to us, maintenance of cost records has not been prescribed by the Central Government under Section 148(1) of the Companies Act.

(vii) Statutory Dues

a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has generally been regular in depositing its undisputed applicable statutory dues including Provident Fund, Employees State insurance, income-tax, Sales-Tax, Wealth Tax, GST, Service tax, value added tax, cess and Entertainment Tax etc. There are no undisputed dues payable, outstanding as on 31st March, 2018 for a period of more than six months from the date they became payable.





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- b) According to the information and explanations given to us, there are no amounts in respect of income tax, service tax etc. that have not been deposited with the appropriate authorities on account of any dispute.
- (viii) Company has not borrowed any fund from financial institutions, banks, government or issue debenture. therefore, para 3 (viii) of the order is not applicable to the company.
- (ix) The Company has not raised money by way of initial public offer or further public offer (including debt instrument) any term loans during the period under audit therefore, para 3 (ix) of the order is not applicable to the company.
- (x) According to the information and explanation given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to information & explanations given to us, managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V of the Companies Act, 2013.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly para 3(xii) of the Order is not applicable.
- (xiii) As per the information and explanations given by the management, all the transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the financial statements etc., as required by the applicable accounting standards.
- (xiv) Company has not made preferential allotment or private placement of shares or fully or partially convertible debenture during the year under review. Therefore, para 3 (xiv) of the order is not applicable to the company.
- (xv) As per the information and explanations given by the management, the company has not entered into any non-cash transaction with directors or persons connected with him. Therefore para 3 (xv) of the order is not applicable to the company.
- (xvi) As per the information and explanations given by the management, company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Therefore para 3 (xvi) of the order is not applicable to the company.

For A S P & Co.
Chartered Accountants
Firm Regn. No: 000576N

Sehul S. Shah

Sehul Shah
Partner
Membership No. 78210



Place: Mumbai
Date :



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ANNEXURE B

Report on the Internal Financial Controls over financial reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Next Outdoor Limited ("the Company") as of 31 March, 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on, "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI)". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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





A S P & CO.
CHARTERED ACCOUNTANTS
A -203, Koteswar Palace
Jiva Mahale Marg, Sai Wadi
Andheri (E), Mumbai 400 069
Tel.: +91 9167353273
Email: mumbai@aspco.co.in

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March, 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".

Place: Mumbai
Date :

For A S P & Co.
Chartered Accountants
Firm Regn. No: 000576N
Sehul S. Shah
Sehul Shah
Partner
Membership No. 78210



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Regd. Office: 156, D J Dadajee Road, Behind Everest Building, Tardeo, Mumbai – 400034

ASP & Co.

Chartered Accountants

A-203, 2nd Floor, Koteswar Palace

Jiva Mahale Marg, Sai Wadi Andheri (E)

Mumbai – 400 069

E Mail: mumbai@aspco.co.in

Dear Sir,

Re: Statutory Audit as per Indian GAAP for the year ended 31st March 2018

In connection with your audit of the financial statements of **Next Outdoor Limited** as of and for the year ended March 31, 2018, we recognize that obtaining representations from us concerning the information contained in this letter is a significant procedure in enabling you to form an opinion whether the financial statements present fairly, in all material respects, the financial position, results of operations and cash flows of the Company in conformity with Companies Act, 2013 ("the Act") including applicable Accounting Standards (AS) notified u/s 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and in accordance with accounting principles generally accepted in India, other relevant acts and recognized accounting policies and practices as per Indian Generally accepted accounting principles (Indian GAAP). We acknowledge our responsibility for preparation and presentation of financial statements in accordance with the requirements of the Companies Act, 2013 including applicable Accounting Standards referred above and in accordance with accounting principles generally accepted in India and other relevant acts and recognized accounting policies and practices as per Indian Generally accepted accounting principles (Indian GAAP).

Further, this representation letter is provided in connection with your audit of the internal financial controls over financial reporting in the audit of Next Outdoor Limited in conjunction with your audit of the financial statements of the Company for the year ended March 31, 2018, for the purpose of expressing an opinion as to whether the Company had, in all material respects, an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") and the Standards on Auditing issued by the Institute of Chartered Accountants of India (ICAI) and deemed to be prescribed by the Central Government in accordance with Section 143(10) of the 2013 Act, to the extent applicable to an audit of internal financial controls over financial reporting.

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement.

Accordingly, we make the following representations, which are true to the best of our knowledge and belief:

1. Management's responsibilities

We recognize that, as members of management of the Company, we are responsible for the fair presentation and preparation of its financial statements. We have fulfilled our responsibilities for the preparation and presentation of the financial statements of financial position, results of operations and cash flows, as set out in the terms of audit engagement and, in particular, the financial statements are



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fairly presented in conformity with applicable Indian generally accepted accounting principles applied on a consistent basis. We also believe that we have made all the required disclosures in Notes to the Financial Statements as per requirements of Accounting Standard.

We have made available to your representatives all financial records and related data. We have no plans or intentions that may materially affect the carrying value or classification of assets and liabilities.

The financial statements are free of material misstatements, including omissions. The operations have been conducted based on the delegation of power as approved by the Board of Directors.

All the money received / paid has been recorded during the course of the business and no amount is left unrecorded or is wrongly entered or represented wrongly in the books of accounts and the financial statement.

2. *Unrecorded audit differences*

There are no unrecorded audit differences (including the effects of correcting or reversing prior year audit differences) relating to the current year financial statements.

3. *Minutes and contracts*

We have shown you all minutes of the meetings of shareholders, directors and audit committee for the year ended 31st March 2018 or summaries of actions of recent meetings for which minutes have not yet been signed. We also have made available to you all significant contracts and agreements and have communicated to you all significant oral agreements. We have complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of non-compliance. We confirm that there are no minutes or agreements other than as shown / provided to you.

4. *Internal control*

There are no transactions of a material nature, individually or in the aggregate, that have not been properly recorded in the accounting records underlying the financial statements. The board of directors of the company has approved the internal financial control procedure and the same has been implemented and are adequate. There have been no significant changes in internal control since March 31, 2018.

5. *Risks and uncertainties*

There are no risks and uncertainties related to significant estimates and current vulnerabilities due to material concentrations that have not been disclosed.

6. *Ownership and pledging of assets*

The Company has a satisfactory title to all assets and there are no liens or encumbrances on the company's assets, other than as disclosed in the financial statement.



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7. Financial instruments (Current / Non-Current Assets and Liabilities)

The carrying amounts reported in the Balance sheets for Cash and Bank Balances, Trade receivable, Current Loans and Advances, Trade payable and accrued liabilities and other Current liabilities and provisions approximate their fair value due to the short maturity of these instruments. Our valuation methodologies have been consistently applied from period to period and we believe that the methods and significant assumptions used are reasonable, reflect those we believe would be used by market participants, and result in a measure of value that is appropriate for financial statement measurement and disclosure purposes.

8. Tax positions

Provision for Income Tax has been provided during the year as per the practice followed by the company and after considering the nature of dis-allowance if any by assessing officer and are adequate.

9. Related party transactions

Transactions and relations with related parties, as defined in AS 18, have been properly recorded and disclosed in the financial statements and are entered at arm's length and are duly approved by the Audit Committee as required under Companies Act, 2013.

The disclosures made in the financial statements are adequate having regard to the framework under which the financial statements have been drawn. We also confirm the completeness of the information provided regarding the identification of related parties. The following are identified related party as per the accounting standard referred above:

Relationship	Name of Related Party
Holding Company	Next Mediaworks Limited
Fellow Subsidiaries	One Audio Limited Next Radio Limited Digital One Private Limited Syngience Broadcast Ahmedabad Limited
Associate Company	Next Publishing Services Private Limited Mid-Day Exports Pvt. Ltd. Inquilab offset printers Pvt. Ltd. Ferari Investments and Trading Co Pvt. Ltd. Meridian Holding & Leasing Co Pvt. Ltd. Outdoor Network Private Limited One By Two Media Private Limited Bombay Marathon Private Limited

10. Contingent liabilities

There are no unasserted claims or assessments, including those our lawyers have advised us of, which are probable of assertion and must be disclosed other than those disclosed in the financial statements. All demand notices received by company from various statutory authorities, if any, have been included in contingent liabilities in notes on accounts.

There have been no violations or possible violations of laws or regulations in any jurisdiction whose effects should be considered for disclosure in the financial statements or as a basis for recording a loss contingency other than those disclosed or accrued in the financial statements.



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There have been no internal investigations or communications from regulatory agencies or government representatives concerning investigations or allegations of noncompliance with laws or regulations in any jurisdiction, noncompliance with or deficiencies in financial reporting practices, or other matters that could have a material effect on the financial statements.

There are no other liabilities or gain or loss contingencies considered material, individually or in the aggregate, that are required to be accrued other than those accrued or disclosed in the financial statements, nor are there any accruals for loss contingencies included in the balance sheets.

11. Liabilities & provisions

We have accounted all known liabilities in the financial statements. Provision has been made in the accounts for all known losses and claims of material amounts and as per the guidelines issued by National Housing Bank on time to time basis.

The nature of borrowings classified into "Secured" and "Unsecured" and further into short term and long-term dues as on 31.3.2018 is based on the securities charged to the lenders as per the documents available with the company. The balances appearing in all borrowing accounts are duly reconciled with the lenders and there is no disputed amount with relation to it, which has not been accounted for.

12. Provisions for claims and losses

Provision has been made in the accounts for all the known losses and claims of material amount other than those disclosed in Notes to accounts.

13. Oral or written guarantees

There are no oral or written guarantees other than those reported in the financial statements, including guarantees of the debt of others.

14. Capital Commitment

There are no capital commitments at the end of the year other than those disclosed in the financial. There were no agreements or commitments to repurchase assets previously sold. There were no material commitments outstanding at March 31, 2018 as a result of being a party to futures or forwards contracts, short sales or hedge transactions.

15. Fraud

We acknowledge our responsibility for the design and implementation of programs and controls to prevent and detect fraud. No material fraud on or by company has been noticed or reported during the year. We have no knowledge of any fraud or suspected fraud involving management or other employees who have a significant role in the Company's internal control over financial reporting. In addition, we have no knowledge of any fraud or suspected fraud involving other employees where the fraud could have a material effect on the financial statements.



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16. *Independence and conflicts of interest*

Based on inquiries we have made of our officers, directors and substantial stockholders, we are not aware of any business relationship between any such officer, director or substantial stockholder (or any entity for or of which such an officer or director acts in a similar capacity) and ASP & Co.

We are not aware of any reason that ASP & Co. would not be considered to be independent for purposes of the Company's audit.

There are no instances where any officer or employee of the Company has an interest in a company with which the Company does business that would be considered a "conflict of interest." Such an interest would be contrary to Company policy.

17. *Derivative Contracts*

We confirm that there are no agreements that are binding in nature and resulting in identification of embedded derivatives against the same other than those disclosed in the financial statement.

18. *Tax accounting methods*

We recognize that we are responsible for the Company's compliance with jurisdictional tax laws and regulations that are applicable to it. We have identified and disclosed to your representatives all significant methods of accounting used under the applicable jurisdictional tax laws and regulations that materially affect the determination of financial statement amounts.

19. *Internal Control Over Financial reporting*

- a) We are responsible for establishing and maintaining adequate and effective internal financial controls and the preparation and presentation of the financial statements as set out in the terms of the audit engagement dated and, in particular, the assertions to you on the internal financial controls in accordance with the "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.
- b) We have performed an evaluation and made an assessment of the adequacy and effectiveness of the company's internal financial controls.
- c) We have not used the procedures performed by you during the audit of internal financial controls over financial reporting as part of the basis for our assessment of the effectiveness of internal financial controls.
- d) Based on the assessment carried out by us and the evaluation of the results of the assessment, we conclude that the Company has adequate internal financial controls system that was operating effectively as at the March 31, 2018.
- e) There were no instances of fraud resulting in a material misstatement to the company's financial statements and any other fraud that does not result in a material misstatement to the company's financial statements but involves senior management or management or other employees who have a significant role in the company's internal financial controls.
- f) There have been no communications from regulatory agencies concerning noncompliance with or deficiencies in financial reporting practices.



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- g) We have provided you with;
- i. All information, such as records and documentation, and other matters that are relevant to your assessment of internal financial controls;
 - ii. Additional information that you have requested from us; and
 - iii. Unrestricted access to those within the entity.
- h) There are no changes in the internal financial controls system from March 31, 2018 till the date of this representation letter.

20. Subsequent events

Subsequent to March 31, 2018, no events or transactions have occurred or are pending, other than those disclosed in the notes to the financial statements, that would have a material effect on the financial statements at that date or for the period then ended, or that are of such significance in relation to the Company's affairs to require mention in a note to the financial statements in order to make them not misleading regarding the financial position, results of operations or cash flows of the Company.

We have no plans or intentions that may materially affect the carrying value or classification of assets and liabilities reflected in the financial statements.

21. Accounting policies

The accounting policies which are material or critical in determining the results of operations for the year or financial position are set out in the financial statements and are consistent. The accounting policies are drawn up in accordance with the generally accepted accounting policies in India.

22. Cash & Bank Balances

The cash balance of the company as at 31.3.2018 was physically verified by the management at the year end and properly disclosed in financial statements. All the operative bank accounts have been reconciled at the year end and entries are properly recorded. All the cheques deposited in the banks and outstanding as on March 31, 2018 were duly cleared subsequently.

We have appropriately disclosed, the details of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016 pursuant to the requirement of Notification G.S.R 308(E) dated 30th March 2018. Further we confirm that we have complied will all relevant guidelines / notifications issued by Reserve Bank of India from time to time in respect of holding and dealing with Specified Bank Notes, and that the company had proper controls, system and procedures in place for such compliances.

23. Profit and Loss Statement

Except as disclosed in the financial statements, the results for the period were not affected in the financial statements by:

- a) Transactions of a nature not usually undertaken by the company
- b) Circumstances of an exceptional or non-recurring nature.
- c) Charges or credits relating to prior years



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d) Changes in accounting policies

No personal expenses have been charged to revenue account other than those payable under contractual obligations or in accordance with the generally accepted business practice. The expenses classified under travelling expenses, business promotion expenses are wholly and exclusively incurred for the business of the Company.

24. General

- The company has not defaulted in payment of deposit, loan and interest thereon and accordingly the directors of the company are not restricted from being appointed as director under relevant provision of the companies Act, 2013.
- The particulars of contracts or arrangements with related parties have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- Balances grouped under Noncurrent and current liabilities and Non-Current and Current Assets in certain cases are subject to confirmation and reconciliation from respective parties.
- There are adequate internal control procedures and system commensurate with the size of the company and the nature of its business with regard to purchase of fixed assets and with regard to sanction and disbursement of Loan. There are no unattended issues with regard to internal control system.
- The Central Government has not prescribed maintenance of cost records under section 148(1) of the Companies Act, 2013 for any of the products of the company.
- The Company has generally been regular in depositing its undisputed statutory dues with the appropriate authorities during the year.
- There are not disputed statutory dues that have not been deposited on account of disputed matters pending before appropriate authorities.
- The Company has not given any guarantee for loans taken by others from Banks or Financial Institutions.
- The Company has generally applied the amount raised by it, by way of term loans for the purpose for which those loans were obtained.

We understand that your audits were conducted in accordance with the Indian auditing standards and were, therefore, designed primarily for the purpose of expressing an opinion on the financial statements of the Company taken as a whole, and that your tests of the accounting records and other auditing procedures were limited to those that you considered necessary for that purpose.

For, Next Audio Limited



Authorised Signatory