B.A.G. Films and Media Limited
"CIN: L74899DL1993PLC051841"
FC-23, Sector 16A, Film City,
Noida 201 301
Tel.: 0120 4602424 | Fax : 0120 3911401
Mail : info@bagnetwork.in
www.bagnetwork24.in

BAG/stx/letters/2018-19/AM/862
October 10, 2018

To,
The Listing Compliance Department
National Stock Exchange of India Ltd.
Exchange Plaza, Plot No. C/1, G
Block, Bandra-Kurla Complex,
Bandra (E), Mumbai-400 051
Fax: 91-22-26598237/38

To,
The Listing Department
BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai-400 001.
Fax: 91-22-2272 3121

NSE-SYMBOL: BAGFILMS BSE-Scrip Code: 532507

Sub: Submission of Annual Report for the Financial Year 2017-18

Dear Sir/Madam

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith soft copy of the Annual Report of the Company for the financial year 2017-18.

This is for your information and record please.

Thanking You

Yours sincerely
For **B.A.G. Films and Media Limited**

B.A.G. Films and Media Limited
Noida

(Rajeev Parashar)
Company Secretary &
Compliance Officer

Encl: a/a

25TH | ANNUAL REPORT 2017-18

NEWS 24 Think First

E24

106.4 FM RADIO DHAMAL

B.A.G. FILMS AND MEDIA LIMITED

CORPORATE INFORMATION

Board of Directors	Ms. Anurradha Prasad	Chairperson cum Managing Director
	Dr. Anuradha Mishra	Independent Director
	Ms. Urmila Gupta	Independent Director
	Mr. Sudhir Shukla	Non-Executive Director
	Mr. Pankaj Chaturvedi	Independent Director

Chief Financial Officer Mr. Ajay Jain

Company Secretary Mr. Rajeev Parashar

Statutory Adutiros Kumar Khare & Co.

Bankers Yes Bank Limited

Registered Office 352, Aggarwal Plaza, Plot No. 8, Kondli,
New Delhi-110 096

Corporate Office FC-23, Sector-16, Film City,
Noida-201 301 (U.P.)

Registrar and Share Transfer Agent Alankit Assignments Limited, Alankit Heights,
3E/7, Jhandewalan Extension, New Delhi-110 055

B.A.G. FILMS AND MEDIA LIMITED

(CIN: L74899DL1993PLC051841)
Reg. Off: 352, Aggarwal Plaza, Plot No.8, Kondli, New Delhi-110096
Corporate Off: FC-23, Film City, Sector-16A, Noida-201301, (U.P.)
Tel: 91 120 3911 444, Fax No. 91 120 3911 401
Web: www.bagfilms.com, mail: info@bagnetwork.in

NOTICE

Notice is hereby given that the 25th Annual General Meeting of the Members of B.A.G. Films and Media Limited will be held on Tuesday, September 25, 2018 at 4.00 P.M. at M P C U Shah Auditorium, Shree Delhi Gujarati Samaj Marg, Civil Lines, Delhi-110054 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements (including Consolidated Financial Statements) of the Company for the financial year ended March 31, 2018 and the Reports of the Directors and Auditors thereon.

2. To appoint a Director in place of Ms. Anuradha Prasad Shukla (DIN: 00010716) who retires by rotation, and being eligible, offers herself for re-appointment.

SPECIAL BUSINESS

3. **To Re-appoint Ms. Urmila Gupta (DIN: 00637110) as an Independent Director of the Company for Second Term.**

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

   "RESOLVED THAT pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Ms. Urmila Gupta (DIN: 00637110), who was appointed as an Independent Director and who holds office as an Independent Director up to June 24, 2019 and being eligible, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years, i.e. up to June 24, 2024."

4. **Consent of Members for Giving Loans/ Guarantees or providing securities and/or making investments.**

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

   "RESOLVED THAT pursuant to the provisions of Section 186 of the Companies Act, 2013 ("the Act") read with the Companies (Meetings of Board and its Powers) Rules, 2014 and other applicable provisions, if any, of the Act (including any modification or re-enactment thereof for the time being in force) and subject to such approvals, consents, sanctions and permissions as may be necessary, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board", which term shall be deemed to include, unless the context otherwise requires, any committee of the Board or any officer(s) authorized by the Board to exercise the powers conferred on the Board under this resolution), to (i) give any loan to any person or other body corporate; (ii) give any guarantee or provide any security in connection with a loan to any other body corporate or person and (iii) acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, as they may in their absolute discretion deem beneficial and in the interest of the Company, subject however that the aggregate of the loans and investments so far made in and the amount for which guarantees or securities have so far been provided to all persons or bodies corporate along with the additional investments, loans, guarantees or securities proposed to be made or given or provided by the Company, from time to time, in future, shall not exceed a sum of Rs. 500 Crores (Rupees Five Hundred Crores only) over and above 60% of the paid-up share capital, free reserves and securities premium account of the Company or 100% of free reserves and securities premium account of the Company, whichever is more, as prescribed under Section 186 of the Companies Act, 2013.

RESOLVED FURTHER THAT the Board of Directors (or a Committee thereof constituted for this purpose) be and is hereby authorized to take all such steps as may be necessary, proper and expedient to give effect to this Resolution."

By Order of the Board of Directors
For B.A.G. Films and Media Limited

Place : Noida
Date : August 27, 2018

Rajeev Parashar
Company Secretary
ACS No. 18631

Registered Office:
352, Aggarwal Plaza, Plot No.8,
Kondli, New Delhi-110096

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE, ON A POLL ONLY, INSTEAD OF HIMSELF/HERSELF AND SUCH A PROXY SO APPOINTED NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 (FOURTY EIGHT) HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**

   A PERSON CAN ACT AS PROXY FOR ONLY 50 MEMBERS AND HOLDING IN AGGREGATE NOT MORE THAN 10 PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. MEMBER HOLDING MORE THAN 10 PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS PROXY FOR ANY OTHER MEMBER.
2. The Register of Members and Share Transfer Register of the Company will remain closed from Wednesday, September 19, 2018 to Tuesday, September 25, 2018 (both days inclusive).
3. Members/Proxies should bring the Attendance Slip/Proxy Form duly completed and signed in accordance with the specimen signature registered with the Company for attending the Meeting. An Attendance Slip and Proxy Form are annexed to this Notice.
4. Corporate Members intending to send their authorized representatives are requested to send duly certified copy of Board Resolution / Power of Attorney authorizing their representative to attend and vote on their behalf at the ensuing Annual General Meeting so as to reach the company on or before September 23, 2018.
5. Members holding shares in electronic form are requested to intimate any change in their registered address/E-mail address and/ or bank mandates to their Depository Participants with whom they are maintaining their demat accounts immediately. Members holding shares in physical form are requested to advise any change in their registered address to the Secretarial Department of the Company or M/s Alankit Assignments Limited, the Registrar and Share Transfer Agent.
6. Pursuant to section 72 of the Companies Act, 2013 read with Rule 19(1) of the Rules made there under, Shareholders are entitled to make nomination in respect of shares held by them in physical form.
7. Members are requested to address all correspondence to the Registrar and Share Transfer Agent, (RTA), Alankit Assignments Limited, 3E/7, Alankit Heights, Jhandewalan Extension, New Delhi- 110 055.
8. Members are requested to quote Folio numbers/ DPID and Client ID, as the case may be, in all correspondence with the Company.
9. For security reasons briefcases, transistors, bags, tiffin boxes, cameras, binoculars etc. are not allowed inside the Auditorium.
10. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 relating to Special Business to be transacted at the Annual General Meeting is annexed hereto and form part of the Notice.
11. Under Section 125 of the Companies Act, 2013 read with rules made there under the amount of unclaimed or unpaid dividend for the period of seven year or more from the due date is required to be deposited in the Investor Education and Protection Fund (IEPF) constituted by the Central Government.
12. In view of the "Green Initiative" announced by Ministry of Corporate Affairs and circular issued by the Securities and Exchange Board of India (SEBI), the Company will send all correspondences like General Meeting Notices, Annual Reports and any other communication in future (hereinafter referred as "documents") in electronic form. Accordingly the Company sends all communications including the Notices along with Annual Report in electronic form to all the members whose email address is registered with Company/ Depository Participant{DP}/RTA unless a specific request for hard copy has been requested. Members are requested to update their email Id's with the Company for receiving the notices and other documents at their email address.

13. To ensure all communications/ monetary benefits are received promptly, all shareholders holding shares in physical form are requested to notify to the company, his/ her PAN/change in their address/bank details /email id/mobile number instantly by filling the KYC Form and by sending at the RTA office, at Alankit Assignments Limited, 3E/7, Alankit Heights, Jhandewalan Extension, New Delhi- 110 055. As per SEBI circular, the reminder 1 for updating the details of updation of PAN Card and bank particulars are annexed to the Notice.

14. The Shareholders of the Company had approved the appointment of M/s Kumar Khare & Co. Chartered Accountants as Statutory Auditors of the Company at the 24th Annual General Meeting of the Company which is valid till 29th Annual General Meeting of the Company. In accordance with the Companies (Amendments) Act, 2017 and enforcement of relevant provisions on 7th May, 2018 by Ministry of Corporate Affairs, the requirement of ratification of appointment of Statutory Auditors by Shareholders at every Annual General Meeting is no longer required.

15. The Annual accounts of the subsidiary companies along with the related detailed information are available for inspection at corporate office of the Company and of the subsidiaries concerned and copies will be made available to the shareholders of B.A.G. Films and Media Limited and its subsidiary companies upon request.

16. Brief resume of the Directors proposed to be appointed/re-appointed at the Annual General Meeting as stipulated under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and in accordance with the provisions of Companies Act, 2013 read with Secretarial Standard-2 are provided in the Annexure to the Notice. The Directors have furnished the relevant disclosure for their appointment.

17. Members may also note that the Notice of the 25th Annual General Meeting and the Annual Report for the financial year 2017-18 shall also be available on the Company's website www.bagfilms.com for ready reference. The Notice of the 25th Annual General Meeting shall also be available on the website of National Securities Depositories Limited (NSDL), viz. www.evoting,nsdl.com. Members are also requested to take note that they will be entitled to be furnished, free of cost, the aforesaid documents, upon receipt of requisition from them, any time, as a member of the Company.

18. Electronic copy of the Notice of 25th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to the members whose email IDs are registered with the Company/ Depository Participant(s) unless such member requests for a physical copy of the same.

19. Voting through electronic means

In terms of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and relevant provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any statutory modification(s) or re-enactment thereof for the time being in force) , the Company is pleased to provide facility for voting by electronic means for all its Members to enable them to cast their vote electronically and the business may be transacted through such e-voting.

A Member may exercise his/her vote at the AGM by electronic means and the Company may pass any resolution by electronic voting system in accordance with the provisions of the aforesaid Rule. The facility of casting the votes by the Members using an electronic voting system from a place other than venue of AGM ("remote e-voting") will be provided by NSDL.

The facility for electronic voting system shall also be made available at the AGM and the Members attending the AGM who have not already cast their vote by remote e-voting shall be able to exercise their right at the AGM.

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.

Members may contact Mr. Rajeev Parashar, Company Secretary for any grievances connected with electronic voting at the Corporate Office of the Company at FC-23, Sector 16A, Film City, Noida, 201301,(U.P.) Tel. # 91 120 39 11 444 or 91 120 460 2424 .

20. The remote e-voting period commences on **Friday, 21st September, 2018** at 9:00 a.m. (IST) and ends on **Monday, 24th September, 2018 at 5:00 p.m. (IST).**

- Members of the Company, holding shares either in physical form or in dematerialized form, as on the **cut-off date** i.e. **18th September, 2018** may opt for remote e-voting and cast their vote electronically.
- A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on cut-off date only shall be entitled to avail the facility of remote e-voting or voting at the meeting.
- Any person, who acquires shares of the Company and becomes member of the Company after dispatch of the notice and holding shares as of the **cut-off date i.e. 18th September, 2018** may obtain the login ID and password by sending an email to evoting@nsdl.co.in or info@bagnetwork.in by mentioning their Folio No./DP ID and Client ID No. However, if you are already registered with NSDL for e-voting then 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 "Forget User Details/Password" option available on www.evoting.nsdl.com.

- Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently or cast the vote again.
- Member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again.
- At the end of remote e-voting period, the facility shall forthwith be blocked.

21. The details of the process and manner for remote e-Voting are explained herein 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.

Details on Step 1 are 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. .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'.
      (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.

   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 are 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 “B.A.G. Films and Media Limited”.
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 bagscrutinizer@gmail.com or info@bagnetwork.in with 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 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 Members and e-voting user manual for Members 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

22. If you are already registered with NSDL for e-voting then you can use your existing User ID and password for casting your vote.
23. The Board of Directors has appointed M/s Balika Sharma & Associates Company Secretaries (Membership No. FCS 4816 and COP No. 3222), as the Scrutinizer for conducting the e-voting process in accordance with the law and in a fair and transparent manner.

    The Scrutinizer shall immediately after the conclusion of voting at the AGM, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses who are not in the employment of the Company and make, not later than 48 hours from the conclusion of the meeting, a consolidated Scrutinizer’s Report of the total votes cast in favour or against, if any, forthwith to the Chairperson of the Company or any person authorized by her in writing and the Results shall be declared by the Chairperson or any person authorized by her thereafter.

    The Results declared along with the Scrutinizer’s Report shall be placed on the website of the Company www.bagfilms.com and on the website of NSDL www.evoting.nsdl.com immediately after the declaration of Result by the Chairperson or any person authorized by him in writing. The Company shall simultaneously forward the results to National Stock Exchange of India Limited and BSE Limited, where the shares of the Company are listed.
24. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (11.00 am to 5.00 pm) on all working days till the date of AGM.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO. 3

Ms. Urmila Gupta (DIN: 00637110) was appointed as an Independent Director of the Company under the provisions of the Companies Act, 2013 (the Act), vide resolution passed by the members at the Annual General Meeting held on June 25, 2014. As per the said resolution, she holds office as an Independent Director of the Company up to June 24, 2019 ("first term"). Ms. Urmila Gupta, being eligible and offer herself for re-appointment, is proposed to be appointed as an Independent Director for a second term of 5 (five) consecutive years, i.e. up to June 24, 2024.

However, in view of the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 dated 9th May, 2018 which will come into force with effect from 1st April, 2019, no listed entity can continue the directorship of any person as a non-executive director who has attained the age of 75 (seventy five) years unless a special resolution is passed to that effect.

In terms of Section 149 of the Companies Act, 2013, an Independent Director is eligible for re-appointment on passing of Special Resolution.

In the opinion of the Board, Ms. Urmila Gupta fulfils the conditions for appointment as an Independent Director as specified in the Act and the Listing Regulations. Ms. Urmila Gupta is independent to the management.

In the Performance Evaluation conducted for the year 2017-18, the performance of Ms. Urmila Gupta was evaluated satisfactory in the effective and efficient discharge of her role and responsibilities as an Independent Director of the Company. The Board and its allied Committees have benefitted from her relevant specialization and expertise. Details on her attendance of various Board and Committee Meetings held during the last financial year are included in the Corporate Governance Report of the Annual Report.

The Board upon the recommendation of Nomination and Remuneration Committee (NRC) on the basis of the report of performance evaluation, has recommended re-appointment of Ms. Urmila Gupta as an Independent Director, not liable to retire by rotation, for a second term of 5 (five) consecutive years on the Board of the Company.

Ms. Urmila Gupta is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given her consent to act as a Director. The Company has also received declaration from Ms. Urmila Gupta that she meets the criteria of independence as prescribed both under Section 149(6) of the Act and under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

Details of Ms. Urmila Gupta are provided in the "Annexure" to the Notice. She shall be paid remuneration by way of fee for attending meetings of the Board or Committees thereof or for any other purpose whatsoever as may be decided by the Board, reimbursement of expenses for participating in the Board and other meetings within the limits stipulated under Section 197 of the Act.

Copy of draft letter of appointment of Ms. Urmila Gupta setting out the terms and conditions of her appointment is available for inspection by the members at the registered office of the Company.

Except Ms. Urmila Gupta, no other Director and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the Resolution set out at Item No. 3 of this Notice.

The Board commends the Special Resolution set out at Item No. 3 of the Notice for approval by the Members.

ITEM NO. 4

The Company is required to borrow and make investments, giving loans and guarantees to and providing securities in connection with loans to various persons and bodies corporate (including its subsidiaries) from time to time, in compliance with the applicable provisions of the Act. The provisions of Section 186 of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014, as amended to date, provides that no company is permitted to, directly or indirectly, (a) give any loan to any person or other body corporate; (b) give any guarantee or provide security in connection with a loan to any other body corporate or person; and (c) acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, exceeding sixty percent of its paid-up share capital, free reserves and securities premium account or one hundred per cent of its free reserves and securities premium account, whichever is more.

Further, the said Section provides that where the giving of any loan or guarantee or providing any security or the acquisition as provided under Section 186(2) of the Act, exceeds the limits specified therein, prior approval of Members by means of a Special Resolution is required to be passed at a general meeting.

As a measure of achieving greater financial flexibility and to enable optimal financing structure, this permission is sought pursuant to the provisions of Section 186 of the Companies Act, 2013 to give powers to the Board of Directors or any duly constituted committee thereof, for making further investment, providing loans or give guarantee or provide security in connection with loans to any person or body corporate for an amount not exceeding Rs. 500 Crores over and above the aggregate of paid-up capital and free reserves (i.e. reserves not set apart for any specific purpose) of the Company.

The Directors recommend the Special Resolution as set out at Item No. 4 of the accompanying Notice, for Members' approval.

None of the Directors or Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the Special Resolution.

By Order of the Board of Directors
For B.A.G. Films and Media Limited

Rajeev Parashar
Company Secretary
ACS No. 18631

Place : Noida
Date : August 27, 2018

Registered Office:
352, Aggarwal Plaza, Plot No.8,
Kondli, New Delhi-110096

ANNEXURE

PURSUANT TO REGULATION 36 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL STANDARD 2 ISSUED BY ICSI, INFORMATION ABOUT THE DIRECTORS PROPOSED TO BE APPOINTED/RE-APPOINTED IS FURNISHED BELOW:

I. Ms. Anuradha Prasad Shukla

Age	55 Years
Nationality	Indian
Date of Appointment	Since Incorporation
Qualification	Master Degree in Political Science from Delhi University.
Nature of Expertise	Ms. Anuradha Prasad Shukla started her career in the media at PTI. She subsequently worked in various positions with the Observer Channel, and also headed the Observer Channel. She has also worked with Network East, department of BBC Network. Working with top professionals of the industry, both national and international, Ms. Anurradha has produced, directed, conceived, scripted, reported and anchored many television programs. And most of these have been under the banner of B.A.G. Films. Since its inception in 1993, under her capable leadership, the Company has grown tremendously. For her immense contribution to Indian Television, Ms. Anurradha has won accolades and awards over the years. She is a member of CII and FICCI Entertainment Committee. She is on the board of Uttaranchal Film Development Council, and is an executive member of Film Producers Guild of India. In a journey spanning close to more than two decades; Ms. Anurradha Prasad has become one of the most influential person in the Indian entertainment industry today.
Directorships held in other companies (excluding foreign Companies and section 8 companies)	1. ARVR Communications Private Limited 2. Skyline Radio Network Limited 3. E24 Glamour Limited 4. News24 Broadcast India Limited 5. Skyline Tele Media Services Limited
Chairmanships/ Memberships of Committees in other Companies	1. E24 Glamour Limited Audit Committee (Member) Nomination and Remuneration Committee (Member)
Relationship with other Directors	None
No. of shares held	21,479,190

II. Ms. Urmila Gupta

Age	75 Years
Nationality	Indian
Date of Appointment	June 25, 2014
Qualification	Post Graduate from Lucknow University
Nature of Expertise	She has been associated with Television throughout her career. She had a long association with the media both print and electronic having served senior management positions in Press Information Bureau, DAVP, AIR and Doordarshan. Among her major assignments in GOI was long stint heading the Directorate of Film Festivals, in which capacity she organized several national and International Film events in India and abroad and participated in Film fests in Cannes, Venice, Moscow, Tokyo, Algiers, Karlovy Vary, London etc. She was an Executive Director & Board member NFDC, Ministry of Information and Broadcasting, Children's Film Society. She was the first woman Director, P.R. for the Indian Railways under Press Information Bureau.
Directorships held in other companies (excluding foreign Companies and section 8 companies)	1. News24 Broadcast India Limited 2. Cinema Capital Contributory Company Private Limited 3. Ferro Alloys Corporations Limited 4. Facor Alloys Limited 5. Skyline Radio Network Limited
Chairmanships/ Memberships of Committees in other Companies	1. News24 Broadcast India Limited Audit Committee (Member) Nomination and Remuneration Committee (Member) 2. Skyline Radio Network Limited Audit Committee (Member) Nomination and Remuneration Committee (Member)
Relationship with other Directors	None
No. of shares held	0

BOARD'S REPORT

To,
The Members,
B.A.G. Films and Media Limited

Your Directors have pleasure in presenting their 25th Annual Report on business and operations of the Company along with the Audited Financial Statements for the financial year ended March 31, 2018. The consolidated performance of the Company and its subsidiaries has been referred to wherever required.

FINANCIAL RESULTS

The standalone and consolidated performance of the Company and its subsidiaries, for the year under review along with previous year figures are given hereunder:

(Rupees in Lacs)

Particulars	Standalone		Consolidated	
	2017-18	2016-17	2017-18	2016-17
Total Income	2,505.99	2,474.70	13,316.14	1,3761.25
Profit before Depreciation & Financial Charges	1,529.65	1,556.68	2,787.26	3,286.65
Financial Charges	757.58	1,068.91	1,384.67	1,634.95
Cash Profit	772.07	487.77	1,402.59	1,651.70
Depreciation	1,227.63	785.71	1,697.46	1,299.15
Profit before Tax	(455.56)	(297.94)	(294.87)	352.55
Provision for Tax	(167.17)	(35.71)	(147.42)	(6.42)
Profit after Tax	(288.39)	(262.23)	(147.45)	358.97
Proposed Dividend	Nil	Nil	Nil	Nil

COMPANY PERFORMANCE/ STATE OF COMPANY'S AFFAIRS

During the year under review, the Standalone total income from operation of the company is Rs. 2,505.99 lacs against Rs. 2474.70 lacs during the previous financial year. As per the Consolidated Accounts, the total income decreased from Rs. 13,761.25 lacs to Rs. 13,316.14 lacs during the year. As a strategy, we focused on cost optimising thereby improving bottomline. There was standalone Cash profit of Rs. 772.07 lacs as against Rs. 487.77 lacs in previous year.

On Standalone basis, loss after tax for the year slightly increased to Rs. 288.39 lacs against Rs. 262.23 lacs in Financial Year 2016-17.

BAG

BAG holds the unique distinction of producing programmes of all genres for a range of channels and audience. We maintain a strong leadership spot in the TV business with our unmatched creative production capacity to develop shows catering to a diverse set of audience. We have constantly built relationships across the news and entertainment industry which allows us to identify new avenues and markets. We will continue to focus on creating more high impact content for the daily shows as they are more economical and profitable. We are consistently building capacity and capabilities to provide relevant content on a regular basis in the digital space.

We will also create more content for news and entertainment channels. We are also planning to produce content for digital platform such as Netflix and Hotstar.

Broadcasting

News24, a 24 hours National Hindi free to air Hindi news channel operating through its subsidiary, i.e. News24 Broadcast India Limited, has consistently maintained healthy market share in Hindi News Genre and is available throughout India on cable and DTH platforms. In the age of social media, News 24 has been able to maintain its credibility.

News24, Hindi news channel is also available throughout West Asia and the MENA Region on DU network.

E24, a 24 hours Bollywood Entertainment channel operating through its subsidiary E24 Glamour Limited, pitched as Bollywood's channel managed to attract audience of all age groups and succeeded in creating a new genre in television entertainment.

E24, now available throughout west Asia and the MENA region on DU network has gained popularity in international market too.

Dhamaal24

FM radio station, on frequency 106.4 in the name of "**Dhamaal24** - Har Khushi hai Jahan" operating through its subsidiary Skyline Radio Network Limited is now the voice of the regions and many of its shows are household names in all ten cities where it is operational i.e.Hissar, Karnal, Patiala, Ranchi, Muzaffarpur, Dhule, Jalgaon, Ahemednagar, Simla and Jabalpur.

Darshan24: Darshan24 is the new age devotional channel which has been designed for all age groups. The Channel endeavors to bring the masses close to roots of our Indian culture and its diverse religion in order to teach and preach the new generation our long age tradition and customs.

CHANGE IN THE NATURE OF BUSINESS, IF ANY

There was no change in the nature of business of the Company during the financial year ended March 31, 2018.

DIVIDEND

The Directors express their inability to declare any dividend for the financial year ended March 31, 2018 on account of losses incurred during the year under review. The Company has not made any transfer to General Reserve.

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCTION AND PROTECTION FUND

In terms of Section 125 of the Companies Act, 2013 (herein after referred as "the Act"), relevant amounts which remained unpaid or unclaimed for a period of seven years have been transferred by the Company to the Investor Education and Protection Fund (IEPF) established by the Central Government. During the year under review, the Company has no any unclaimed and unpaid dividend amount for a period of seven year or more.

DIRECTORS

There are 5 (five) Directors on the Board of your Company, comprising of 3 Independent Directors, a Non-Executive Director and a Chairperson cum Managing Director (CMD).

The Board of the Company besides Ms. Anurradha Prasad, as the Chairperson cum Managing Director has 2(two) women Independent Directors, viz. Dr. Anuradha Mishra and Ms. Urmila Gupta.

Independent Directors

Definition of Independence of Directors is derived from Regulation 16 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (herein after referred as "the SEBI Listing Regulations") and Section 149(6) of the Act. The Company has received necessary declaration from Independent Directors stating that they meet the prescribed criteria of independence.

Based on the confirmation/ disclosures received from the Directors under section 149 (7) of the Act, the following Non-Executive are considered as Independent Directors:

1. Dr. Anuradha Mishra
2. Ms. Urmila Gupta
3. Mr. Pankaj Chaturvedi

In a separate meeting of independent directors, performance of non-independent directors, performance of the board as a whole and performance of the chairperson was evaluated, taking into account the views of executive directors and non-executive directors. Performance evaluation of independent directors was done by the entire board, excluding the independent director being evaluated.

Appointments/ Resignations from the Board of Directors

During the financial year under review, there was no change in the Board of Directors of the Company.

Appointments/ Resignations of the Key Managerial Personnel

Ms. Anurradha Prasad, Chairperson cum Managing Director, Mr. Ajay Jain, Chief Financial Officer and Mr. Rajeev Parashar, Secretary of the Company are the Key Managerial Personnel as per the provisions of the Act. During the year under review, there was no change in the Key Managerial Personnel of the Company.

Directors retiring by rotation

Pursuant to provision of section 152 of the Act read with the Articles of Association of the Company, Ms. Anurradha Prasad will retire by rotation at the ensuing 25th Annual General Meeting and is eligible for re-appointment.

Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and SEBI Listing Regulations, the Board has carried out the annual performance evaluation of its own performance, of the Directors individually, as well as the evaluation of the working of its Audit, Nomination & Remuneration and other Committees of the Board. At the meeting of the Board, all the relevant factors that are material for evaluating the performance of individual Directors, the Board and its various Committees, were discussed in detail.

Schedule IV of Companies Act, 2013 read with corporate governance requirements as prescribed by under the SEBI Listing Regulations mandate that annual performance evaluation of Independent Directors should be carried out by other directors to the exclusion of Directors being evaluated.

The evaluation of all the Directors and the Board as a whole was conducted based on the criteria and framework adopted by the Board. The evaluation process has been explained in the Corporate Governance Report section in the Annual Report. The Board approved the evaluation process results of the Company.

Meetings

The Board of Directors of your Company met 7 (seven) times during the year under review. The details of Board meetings and the attendance of the Directors are provided in the Corporate Governance Report, which forms part of this report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

Composition of Committees of the Board of Directors

The Board Committees play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas/activities which concern the Company and need a closer review. The Board Committees are set up under the formal approval of the Board to carry out clearly defined roles which are considered to be performed by members of the Board. The terms of reference of Board Committees are determined by the Board from time to time.

The Company's Board has the following Committees:

1. Audit Committee
2. Stakeholders Relationship Committee
3. Risk Management Committee
4. ESOP Compensation Committee

5. Nomination and Remuneration Committee
6. Securities Committee

The details of scope terms of reference, membership, composition and attendance at meetings are provided in Corporate Governance Report of this Annual Report.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors to the best of their knowledge and ability confirm that:-

a) in the preparation of the annual accounts for the year ended March 31, 2018, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
b) 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 the Company at the end of the financial year March 31, 2018 and of the loss of the Company for the year ended on that date;
c) they have taken proper and sufficient care for the 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 fraud and other irregularities;
d) they have prepared the annual accounts of the Company on a 'going concern' basis.
e) the internal financial controls to be followed by the Company were laid down and such internal financial controls are adequate and operating effectively.
f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

SUBSIDIARY COMPANIES

The Company has four subsidiaries as on March 31, 2018 out of which one is Wholly Owned Foreign Subsidiary. There is no associate company within the meaning of Section 2(6) of the Companies Act, 2013.

Consolidated Financial Statements

The audited consolidated financial statements together with Auditors Report form part of the annual report. The details of basis of preparation and consideration, principle of consolidation are disclosed in Notes of Consolidated Financial Statement. Pursuant to provisions of section 129(3) of the Act, a statement containing salient features of the financial statements of the Company's subsidiaries in Form AOC-1 is attached to the financial statements of the Company.

Further, pursuant to the provisions of section 136 of the Act, the financial statements of the Company including the consolidated financial statements along with relevant documents and separate audited financial accounts in respect of subsidiaries, are available on the company's website www.bagfilms.com.

EXTRACT OF ANNUAL RETURN

Pursuant to section 92(3) and section 134(3)(a) of the Act extract of the Annual Return as on March 31, 2018 in **Form No. MGT-9** is enclosed as **Annexure I** to this report.

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

Your Company is not engaged in any manufacturing or processing activity, as such particulars required to be given in terms of Section 134 (3) (m) of the Act read along with Companies (Accounts) Rules, 2014, regarding conservation of energy and technology absorption are not applicable.

FOREIGN EXCHANGE EARNING AND OUTGO

During the financial year 2017-18, your Company's foreign exchange earning was nil and foreign exchange outgoings were Rs. 2,871,955.

SIGNIFICANT AND MATERIAL ORDERS

During the year under review, there were no significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations in future.

INTERNAL FINANCIAL CONTROLS AND THEIR ADEQUACY

The Company had internal financial control systems, commensurate with the size and complexity of its operations, to ensure proper recording of financial and monitoring of operational effectiveness and compliance of various regulatory and statutory requirements. The internal auditor monitors and evaluates the efficacy and adequacy of internal control systems in the Company. Based on the report of the internal auditor, respective departments undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Act are given in the notes to the Financial Statements which form part of this Annual Report.

RISK MANAGEMENT POLICY

In accordance with the requirements of the Companies Act, 2013 the Company has adopted Risk Management Policy, approved by Board and established a risk management framework to identify, mitigate and control the risk and threat.

An abridged policy on risk management has been placed on the company's website www.bagfilms.com.

The details of Committee and its terms of reference are set out in the Corporate Governance Report forming part of the Board's Report.

PUBLIC DEPOSITS

During the year under review, your Company has not accepted any deposits under section 73 to 76 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014.

CORPORATE SOCIAL RESPONSIBILITY POLICY

The Company believes in voluntary commitment to Corporate Social Responsibility initiatives though mandatory contribution is not yet applicable to the company. The Company shall report the same and shall submit the relevant report as and when they become applicable.

NOMINATION AND REMUNERATION POLICY

The Board has on the recommendation of the Nomination & Remuneration Committee framed a policy for selection & appointment of Directors, Senior Management and their remuneration in compliance with provisions of section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI Listing Regulations as amended from time to time.

The Remuneration policy of the Company is a comprehensive policy which is competitive, in consonance with the industry practices. The policy ensures equality, fairness and consistency in rewarding the employees on the basis of performance against set objectives.

The Company's Policy relating to appointment of Directors, payment of managerial remuneration, Directors' qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013 is furnished in **Annexure II** and forming part of the Board's Report.

RELATED PARTY TRANSACTIONS

In line with the requirements of the Companies Act, 2013 and Listing Regulations, your Company has formulated a Policy on Related Party Transactions, which is also available on the Company's website www.bagfilms.com.

The Policy intends to ensure that proper reporting approval and disclosure processes are in place for all transactions between the Company and Related Parties. All Related Party Transactions entered during the year were placed before the Audit Committee for review and approval and were in Ordinary Course of the Business and at Arm's Length basis.

The particulars of related parties transactions referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto are disclosed in Form No. AOC -2 in **Annexure III** forming part of the Board's Report.

VIGIL MECHANISM

The company has a Whistle Blower Policy to establish a vigil mechanism for Directors and employees of the Company to report concerns about unethical behavior, actual or suspected fraud or violation of the company's code of conduct or ethics policy to the Audit Committee. There is no restriction for reporting any such occurrence and all the employees have uninterrupted access for reporting their concern in confidence to the Audit Committee.

The details of the Whistle Blower Policy are posted on the website of the Company at www.bagfilms.com .

AUDITORS AND AUDITORS' REPORT

Statutory Auditors

M/s. Kumar Khare & Co., Chartered Accountants (ICAI Firm Registration No 006740C), Chartered Accountants, were appointed as Statutory Auditors of the Company at the 24th Annual General Meeting held on September 26, 2017 for a term of five consecutive years. As per the provisions of Section 139 of the Companies Act, 2013, the appointment of Auditors is required to be ratified by Members at every Annual General Meeting.

In accordance with the Companies Amendment Act, 2017, enforced on 7th May, 2018 by the Ministry of Corporate Affairs, the appointment of Statutory Auditors is not required to be ratified at every Annual General Meeting.

Qualification in Auditors reports

There are no qualifications, reservations or adverse remarks made by M/s. Kumar Khare & Co., Chartered Accountants, Statutory Auditors, in their report for the financial year ended March 31, 2018.

Pursuant to provisions of section 143(12) of the Companies Act, 2013, the Statutory Auditors have not reported any incident of fraud to the Audit Committee during the year under review.

Secretarial Auditors

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s Balika Sharma & Associates, a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company for the financial year ended March 31, 2018.

There are no qualifications, reservations or adverse remarks made by the Secretarial Auditor in her report. The Report of the Secretarial Audit in **Form No MR-3** for the financial year ended March 31, 2018 is enclosed as **Annexure IV** to the Board's Report.

LISTING

The equity shares of the Company are listed with National Stock Exchange of India Limited (NSE) and BSE Limited (BSE). There are no arrears on account of payment of listing fee to the Stock Exchanges.

CORPORATE GOVERNANCE

The Company is committed to maintain the highest standards of Corporate Governance and adhere to the Corporate Governance requirements.

As per Regulation 34 of the SEBI Listing Regulations, a separate section on corporate governance practices followed by your Company, together with a certificate from M/s. Kumar Khare & Co., Statutory Auditors, on compliance with corporate governance norms under the SEBI Listing Regulations, is annexed and forms part of this Report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

In terms of Regulation 34 of the SEBI Listing Regulations, the Management Discussion and Analysis report on your Company's performance, industry trends and other material changes with respect to your Company and its subsidiaries, wherever applicable, are provided separately and forms part of this Report.

CODE OF CONDUCT

The Company has in place a comprehensive Code of Conduct (the Code) modified from time to time applicable to Directors, Independent Directors and Senior Management Personnel. The Code gives guidance and support needed for ethical conduct of business and compliance of law. The Code reflects the values of the Company. A copy of the Code has been put on the Company's website www.bagfilms.com. The Code has been circulated to Directors and Senior Management Personnel, and its compliance is affirmed by them annually.

In compliance with the SEBI (prohibition of Insider Trading) Regulations 2015 (SEBI Regulations) the existing Code of Conduct which was formulated under erstwhile regulation has been replaced with the new Code of Conduct, viz. "Code of conduct for trading by insiders" pursuant to Regulation 9 of the SEBI (Prohibition of Insider Trading) Regulations, 2015. Besides, the Company has also formulated code of fair disclosure of Unpublished Price Sensitive Information in addition therewith pursuant to Regulation 8 of the SEBI (Prohibition of Insider Trading) Regulations, 2015. These codes are applicable to Directors/officers/connected person/designated employee of the Company and their immediate relatives.

SHARE CAPITAL

PREFRENTIAL ALLOTMENT

Your company issued and allotted 9,800,000 warrants at a price of Rs. 4.70/- per Equity Share ("Conversion Price" including a premium of Rs. 2.70/- per Equity Share) to Skyline Tele Media Services Limited under promoter group on preferential basis with an option to get allotted one equity share per warrant before expiry of eighteen months from the date of allotment pursuant to section 42 and 62 of the Companies Act, 2013 with the approval accorded by the Members of the Company at the 24th Annual General Meeting held on September 26, 2017.

The paid up Equity Share Capital as on March 31, 2018 was Rs. 376,236,180/- (including the calls in arrear of Rs. 170,341/-) divided into 188,118,090 equity shares of Rs. 2 each.

PARTICULARS OF EMPLOYEES

The requisite details containing the names and other particulars of employees in accordance with the provisions of Section 197(12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed as **Annexure-V** as part of this Board's report.

The information required pursuant to Section 197 of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of your Company is available for inspection by the members at registered office of the Company during business hours on working days up to the date of the ensuing Annual General Meeting. If any member is interested in obtaining a copy thereof, such member may write to the Company Secretary in this regard.

Information Required Under Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee has been set up to redress complaints received regarding sexual harassment. All employees are covered under this policy. No complaints were received by the committee during the year.

Material Events Occurred between the end of Financial Year to which the Financial Statement relates and the Date of the Report:

No material event has occurred between the end of Financial Year 2017-18 and the date of this Report which has effect over the financial position of the company.

Additional Information

The consolidated financial statements of the Company form part of this Annual Report. The Audited Annual Accounts and related information of the Company's subsidiaries will be made available upon request. These documents will also be available for inspection during business hours at the Company's registered office in Delhi, India. The subsidiary companies' documents will also be available for inspection at the respective registered offices of the subsidiary companies during business hours.

ACKNOWLEDGEMENTS

Your Directors thank the Central and State Governments Departments, organizations and agencies for the continued help and co-operation extended by them.

Your Directors also gratefully acknowledge all stakeholders of the Company viz. viewers, producers, vendors, members, stock exchanges, auditors, consultants, banks and other business partners for the excellent support received from them during the year. The Directors place on record their sincere appreciation to all employees of the Company for their unstinted commitment and continued contribution to the Company's well being.

For and on behalf of the Board of Directors
B.A.G. Films and Media Limited

Anurradha Prasad
Chairperson cum Managing Director
(DIN:00010716)

Place: Noida
Date: 28.05.2018

ANNEXURE I

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31.03.2018

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i)	**CIN:**	L74899DL1993PLC051841
ii)	**Registration Date:**	22nd January,1993
iii)	**Name of the Company:**	B.A.G. Films and Media Limited
iv)	**Category / Sub-Category of the Company:**	Public Company/Limited by Shares/Indian Non-Government Company
v)	**Address of the Registered office and contact details:**	352, Aggarwal Plaza, Plot No-8, Kondli, New Delhi-110096. Telephone No. 91 120 391 1444 Fax: 91 120 3911401
vi)	**Whether listed company:**	Yes. BSE Limited and National Stock Exchange of India Limited
vii)	**Name, Address and Contact details of Registrar and Transfer Agent, if any:**	Alankit Assignments Limited, 3E/7, Alankit Heights, Jhandewala Extension, New Delhi- 110055. Phn: 011-42541234 , Fax: 011-23552001

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sr. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the Company
1	Motion Picture, Video and Television Programs Production Activities	5911	65.83
2	Leasing of Production and Broadcast Equipments and/ or other assets	7730	34.17

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares Held	Applicable Section
1	Skyline Radio Network Limited A-60, Basement, Near Malviya Nagar Market, New Delhi-110017	U92132DL2005PLC142230	Subsidiary	71.05	2(87)
2	E24 Glamour Limited 352, Aggarwal Plaza, Plot No.8, Kondli, New Delhi-110096	U92419DL2007PLC160548	Subsidiary	69.23	2(87)
3	News24 Broadcast India Limited 352, Aggarwal Plaza, Plot No.8, Kondli, New Delhi-110096	U32204DL2007PLC162094	Subsidiary	53.82	2(87)

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

i) Category-wise Share Holding

Cate-gory	Category of Shareholders	No. of Shares held at the beginning of the year (1st April, 2017)				No. of Shares held at the end of the year (31st March, 2018)				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A)	**Promoter**									
1	**Indian**									
(a)	Individuals/ HUF	21507790	-	21507790	11.43	21507790	-	21507790	11.43	0.00
(b)	Central Government	-	-	-	-	-	-	-	-	-
(c)	State Government(s)	-	-	-	-	-	-	-	-	-
(d)	Bodies Corporate	56094868	-	56094868	29.82	56094868	-	56094868	29.82	0.00
(e)	Banks /FI	-	-	-	-	-	-	-	-	-
(f)	Any other	-	-	-	-	-	-	-	-	-
	Sub – Total (A) (1)	**77602658**	**-**	**77602658**	**41.25**	**77602658**	**-**	**77602658**	**41.25**	**0.00**
2	**Foreign**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
(a)	NRI – Individuals	-	-	-	-	-	-	-	-	-
(b)	Other – Individuals	-	-	-	-	-	-	-	-	-
(c)	Bodies Corporate	-	-	-	-	-	-	-	-	-
(d)	Banks /FI	-	-	-	-	-	-	-	-	-
(e)	Any other	-	-	-	-	-	-	-	-	-
	Sub – Total (A) (2)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	Total shareholding of Promoter (A) = (A) (1) + (A) (2)	**77602658**	**-**	**77602658**	**41.25**	**77602658**	**-**	**77602658**	**41.25**	**0.00**
(B)	**Public shareholding**	-	-	-	-	-	-		-	-
1	**Institutions**	-	-	-	-	-	-	-	-	-
(a)	Mutual Funds/ UTI	-	-	-	-	-	-	-	-	-
(b)	Banks /FI	-	-	-	-	-	-	-	-	-
(c)	Central Government	-	-	-	-	-	-	-	-	-
(d)	State Government(s)	-	-	-	-	-	-	-	-	-
(e)	Venture Capital Funds	-	-	-	-	-	-	-	-	-
(f)	Insurance Companies	-	-	-	-	-	-	-	-	-
(g)	FIIs	-	-	-	-	-	-	-	-	-
(h)	Foreign Venture Capital Investors	-	-	-		-	-	-	-	-
(i)	Other (specify):	-	-	-		-	-	-	-	-
	Sub – Total (B) (1)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
2	**Non-Institutions**		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
(a)	Bodies Corporate	-	-	-	-	-	-	-	-	-
	i) Indian	25245166	2	25245168	13.42	24197123	2	24197125	12.86	-0.56
	ii) Overseas	-	-	-	-	-	-	-	-	-
(b)	Individuals –	-	-	-	-	-	-	-	-	-
	i) Individual shareholders holding nominal share capital up to Rs. 1 Lac	44987981	208238	45196219	24.02	43572211	208838	43781049	23.27	-0.75
	ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 Lac	38869533	70250	38939783	20.70	41432448	70250	41502698	22.062	1.36

(c)	Any other (specify)	-	-	-	-	-	-	-	-	-
	i)NRIs	1035562	-	1035562	0.55	910860	-	910860	0.484	-0.06
	ii)OCBs	49300	49300	98600	0.052	49300	49300	98600	0.052	0.00
	iii)Trust	100	-	100	0.00	25100	-	25100	0.013	0.01
	Sub - Total (B) (2)	**110187642**	**327790**	**110515432**	**58.75**	**110187042**	**328390**	**110515432**	**58.75**	**0.00**
	Total Public Shareholding (B) = (B) (1) + (B) (2)	**110187642**	**327790**	**110515432**	**58.75**	**110187042**	**328390**	**110515432**	**58.75**	**0.00**
	TOTAL (A) + (B)	**187790300**	**327790**	**188118090**	**100.00**	**187789700**	**328390**	**188118090**	**100.00**	**0.00**
(C)	**Shares held by Custodians for GDRs and ADRs**	-	-	-	-	-	-	-	-	-
	GRAND TOTAL (A) + (B) + (C)	**187790300**	**327790**	**188118090**	**100.00**	**187789700**	**328390**	**188118090**	**100.00**	**0.00**

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year (1st April, 2017)			Shareholding at the end of the year (31st March, 2018)			% Change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Anurradha Shukla	21479190	11.42	0	21479190	11.42	0	0.00
2	Jyoti Shukla	1900	0.00	0	1900	0.00	0	0.00
3	Sudhir Shukla	26700	0.01	0	26700	0.01	0	0.00
4	ARVR Communications Private Limited	38194868	20.30	0	38194868	20.30	0	0.00
5	Skyline Tele Media Services Limited	13650000	7.26	0	13650000	7.26	0	0.00
6	B.A.G. Live Entertainment Limited	4250000	2.26	0	4250000	2.26	0	0.00
	Total	**77602658**	**41.25**	**0**	**77602658**	**41.25**	**0**	**0.00**

(iii) Change in Promoters' Shareholding (No Change)

Sl. No.	Name of the shareholder	Shareholding at the beginning of the year (April 1, 2017)		Cumulative Shareholding during the year (2017-2018)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	77602658	41.25	-	-
	Date wise Increase /Decrease in Promoters Share holding during the year specifying the reasons for increase //decrease (e.g. allotment /transfer / bonus/ sweat equity etc):	-	-	-	-
	At the End of the year (March 31, 2018)	77602658	41.25	77602658	41.25

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.		Shareholding at the beginning of the year (April 1, 2017)		Cumulative Shareholding during the year (2017-2018)	
	For Each of the Top 10 Shareholders	**No. of shares**	**% of total shares of the company**	**No. of shares**	**% of total shares of the company**
1	Sameer Gehlaut	20250900	10.76	20250900	10.76
2	High Growth Distributors Private Limited	13078000	6.95	13078000	6.95
3	PAR Vision Consultancy Private Limited	1702054	0.86	1702054	0.86
4	Pragmatic Traders Private Limited	1400000	0.74	1400000	0.74
5	Sreekumar Kizhakke Kandoot	0	0.00	1157713	0.62
6	Nimish Talsania	305262	0.16	990035	0.53
7	Ritika Mukesh Agarwal	880000	0.47	972500	0.52
8	Girdharilal V Lakhi	754770	0.40	754770	0.40
9	NITCO Paints Private Limited	728092	0.39	728092	0.39
10	Neeraj Bhatia	185500	0.09	717330	0.38

(v) Shareholding of Directors and Key Managerial Personnel (KMPs):

Sl. No.		Shareholding at the beginning of the year (April 1,2017)		Cumulative Shareholding during the year (2017-2018)	
	Directors*	**No. of shares**	**% of total shares of the company**	**No. of shares**	**% of total shares of the company**
1	**Ms. Anurradha Prasad, Chairperson cum Managing Director**				
	At the beginning of the year	21479190	11.42	21479190	11.42
	Increase/Decrease in shareholding during the year	0	0	0	0
	At the End of the year	21479190	11.42	21479190	11.42
2.	**Mr. Sudhir Shukla, Director**				
	At the beginning of the year	26700	00.01	26700	00.01
	Increase/Decrease in shareholding during the year	0	0	0	0
	At the End of the year	26700	00.01	26700	00.01
	Key Managerial Personnel*				
	At the beginning of the year	0	0	0	0
	Increase/Decrease in shareholding during the year	0	0	0	0
	At the End of the year	0	0	0	0

*** Note:** Names of only those Directors & KMPs who who held shares at any time during the year have been mentioned.

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment "**Refer Notes to Financial Statement**.

The Company is not accepting any deposit under section 73 to 76 of the company Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014.

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(Rs. In Lakh)

Sl. No.	Particulars of Remuneration	Ms. Anurradha Prasad, Chairperson Cum Managing Director	Total Amount
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	130.00	130.00
2.	Stock Option	-	-
3.	Sweat Equity	-	-
4.	Commission - as % of profit - others, specify…	-	-
5.	Others, please specify	-	-
	Total (A)	130.00	130.00
	Ceiling as per the Act*	**N.A.***	

*The above said remuneration is in compliance with provisions of Schedule V of the Companies Act, 2013 and the said payment is within the overall limit approved by Members of the Company.

B. Remuneration to other Directors:

(Rs. In Lakh)

Sl. No.	Particulars of Remuneration	Name of Directors			Total Amount
1	**Independent Directors**	**Dr. Anuradha Mishra**	**Ms. Urmila Gupta**	**Mr. Pankaj Chaturvedi**	
	• Fee for attending board / committee meetings • Commission • Others, please specify	0.60	1.50	1.35	3.45
	Total (1)	0.60	1.50	1.35	3.45
2.	**Other Non-Executive Directors**			**Mr. Sudhir Shukla**	
	• Fee for attending board / committee meetings • Commission • Others, please specify			1.50	1.50
	Total (2)			1.50	1.50
	Total (B)=(1+2)	**0.60**	**1.50**	**2.85**	**4.95**
	Total Managerial Remuneration= (A+B)				**134.95#**
	Overall Ceiling as per the Act*				N.A.

The remuneration to Managing Director and other Directors (being the total of A and B).
*There is no net profit of the Company calculated as per section 198 of the Companies Act, 2013.

C. Remuneration To Key Managerial Personnel Other Than Managing Director/Manager/Whole Time Director

(Rs. In Lakh)

Sl. No.	Particulars of Remuneration	Name of KMP other than MD/WTD/ Manager		
		Mr. Ajay Jain CFO	**Mr. Rajeev Parashar Company Secretary**	**Total**
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	33.58	30.00	63.58
2.	Stock Option	-	-	
3.	Sweat Equity	-	-	
4.	Commission - as % of profit - others, specify…	-	-	
5.	Others, please Specify	-	-	
	Total	**33.58**	**30.00**	**63.58**

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: (NONE)

ANNEXURE II
NOMINATION AND REMUNERATION POLICY OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES
[B.A.G. Films and Media Limited]

INTRODUCTION

Section 178 of the Companies Act, 2013 and part D of schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 require the Nomination and Remuneration Committee (NRC) of the Board of Directors of every listed entity, among other classes of companies, to

- formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.
- identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal.
- carry out evaluation of every director's performance.
- formulate the criteria for evaluation of Independent Directors and the Board.

Accordingly, in adherence to the above said requirements and in line with the Company philosophy towards nurturing its human resources, Board of Directors adopted the Nomination and Remuneration Policy of B.A.G. Films and Media Limited (herein after called as B.A.G.) for the directors, key managerial personnel and other employees of the Company duly recommended by NRC as set out below.

COMPANY PHILOSHPHY

B.A.G. is an equal opportunities employer. The organization does not discriminate on grounds of age, gender, color, race, ethnicity, language, caste, creed, economic or social status or disability. Pay revisions and other benefits are designed in such a way to compensate good performance of the employees of the Company and motivate them to do better in future.

Employee recognition schemes in the form of ESOPs have also been introduced as successful tools in acknowledging their contribution and making them partners in the wealth created by B.A.G.

The endeavor of the organization is to acknowledge the contributions of its directors, key managerial personnel and other employees with best compensation and benefits that appropriately reward performance in line with the regulatory and industry best practices.

GUIDING PRINCIPLES

In the formulation of this Policy, the Nomination and Remuneration Committee has also endeavored to ensure the guiding principles as prescribed u/s 178(4) of the Companies Act, 2013 and the section on Responsibilities of Board under clause 49 of the Listing Agreement, summarized hereunder:

a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate human resource including directors of the quality required to run the company successfully;

b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks;

c) remuneration to directors, key managerial personnel and senior management reflecting short and long term performance objectives appropriate to the working of the company and its goals;

d) facilitating effective shareholder participation in key Corporate Governance decisions such as the nomination and election of board members;

e) aligning key executive and board remuneration with the longer term interests of the company and its shareholders;

f) ensuring a transparent board nomination process with the diversity of thought, experience, knowledge, perspective and gender in the Board.

NOMINATION OF THE DIRECTORS

The Nomination and Remuneration Committee of the Board of Directors is dedicated to ensuring the continuance of a dynamic and forward-thinking Board and recommend to the Board qualified candidates for directorship.

Before recommending a nominee's candidature to the Board for being appointed as a Director, the following criteria set out may be applied as guidelines in considering potential nominees to the Board of Directors.

General Criteria

- The background and qualifications of the Directors considered as a group should provide a significant breadth of experience, knowledge and abilities to assist the Board in fulfilling its responsibilities.
- Directors should be selected so that the Board of Directors should remain as a diverse body, with diversity reflecting gender, ethnic background, country of citizenship and professional experience. Because a mix of viewpoints and ideas enhances the Board's ability to function effectively, the Committee shall consider the diversity of the existing Board when considering potential nominees, so that the Board maintains a body of directors from diverse professional and personal backgrounds.
- Potential nominees shall not be discriminated against on the basis of race, religion, national origin, sex, disability, or any other basis prohibited by law.
- Any nominee should be free of any conflict of interest which

would violate any applicable law or regulation or interfere with the performance of the responsibilities of a director.

- Commitment of the nominee to understanding the Company and its industry, embracing the organisation's values to help shape its vision, mission and strategic direction including oversight of risk management and internal control.
- Commitment of the nominee to spending the time necessary to function effectively as a Director, including attending and participating in meetings of the Board and its Committees.

Specific Criteria

- Demonstrated business acumen, experience and ability to use sound judgment and to contribute to the effective oversight of the business and financial affairs of a large, multifaceted, global organisation.
- The nominee reflects the right corporate tone and culture and excels at board-management relationships.
- Experience in strategic planning and managing multidisciplinary responsibilities, the ability to navigate among diverse professional groups and points of view, a track record of communicating effectively in a global environment, and high standards of integrity and professional conduct.
- Nominees understand and endeavour to balance the interests of shareholders and/ or other stakeholders and put the interests of the company or organisation above self-interest. He/ she has demonstrated a commitment to transparency and disclosure.
- He/ she is committed to superior corporate performance, consistently striving to go beyond the legal and/or regulatory governance requirements to enhance, not just protect, shareholder value.
- Nominee contributes to effective governance through superior, constructive relationships with the Executive Directorate and management.

REMUNERATION OF THE DIRECTORS

The Company strives to provide fair compensation to directors, taking into consideration industry benchmarks, Company's performance vis-à-vis the industry, responsibilities shouldered, performance/track record, macroeconomic review on remuneration packages of heads of other organisations.

The remuneration payable to the directors of the company, shall at all times be determined, in accordance with the provisions of the Companies Act, 2013.

Appointment and Remuneration of Managing Director and Whole-time Director

The terms and conditions of appointment and remuneration payable to a Managing Director and Whole-time Director(s) shall be recommended by the Nomination and Remuneration Committee to the Board for its approval which shall be subject to approval by shareholders at the next general meeting of the Company and by the Central Government in case such appointment is at variance to the conditions specified in Schedule V to the Companies Act, 2013. Approval of the Central Government is not necessary if the appointment is made in accordance with the conditions specified in Schedule V to the Act.

In terms of the provisions of Companies Act, 2013, the Company may appoint a person as its Managing Director or Whole-time Director for a term not exceeding 5 (Five) years at a time.

The executive directors may be paid remuneration either by way of a monthly payment or at a specified percentage of the net profits of the Company or partly by one way and partly by the other.

The break-up of the pay scale, performance bonus and quantum of perquisites including, employer's contribution to P.F., pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee and shall be within the overall remuneration approved by the shareholders and Central Government, wherever required.

While recommending the remuneration payable to a Managing/ Whole-time Director, the Nomination and Remuneration Committee shall, inter alia, have regard to the following matters:

- Financial and operating performance of the Company
- Relationship between remuneration and performance
- Industry/ sector trends for the remuneration paid to executive directorate

Annual Increments to the Managing/ Whole-time Director(s) shall be within the slabs approved by the Shareholders. Increments shall be decided by the Nomination and Remuneration Committee at times it desires to do so but preferably on an annual basis.

Remuneration of Independent Directors

Independent Directors may receive remuneration by way of

- Sitting fees for participation in the Board and other meetings
- Reimbursement of expenses for participation in the Board and other meetings
- Commission as approved by the Shareholders of the Company

Independent Directors shall not be entitled to any stock options.

Based on the recommendation of the Nomination and Remuneration Committee, the Board may decide the sitting fee payable to independent directors. Provided that the amount of such fees shall not exceed the maximum permissible under the Companies Act, 2013.

Remuneration to Directors in other Capacity

The remuneration payable to the directors including Managing or Whole-time Director or Manager shall be inclusive of the remuneration payable for the services rendered by him in any other capacity except the following:

(a) the services rendered are of a professional nature; and

(b) in the opinion of the Nomination and Remuneration

Committee, the director possesses the requisite qualification for the practice of the profession.

EVALUATION OF THE DIRECTORS

As members of the Board, the performance of the individual Directors as well as the performance of the entire Board and its Committees is required to be formally evaluated annually.

Section 178(2) of the Companies Act, 2013 also mandates the Nomination and Remuneration Committee to carry out evaluation of every director's performance.

In developing the methodology to be used for evaluation on the basis of best standards and methods meeting international parameters, the Board / Committee may take the advice of an independent professional consultant.

Assistance in conducting the process of evaluation shall be provided by a person as authorized by the Board and for this purpose, such person shall report to Board.

NOMINATION AND REMUNERATION OF THE KEY MANAGERIAL PERSONNEL (OTHER THAN MANAGING DIRECTORS/WHOLE TIME DIRECTORS), KEY EXECUTIVES AND SENIOR MANAGEMENTS

The executive management of a company is responsible for the day to day management of a company. The Companies Act, 2013 has used the term "key managerial personnel" to define the executive management.

The KMPs are the point of first contact between the company and its stakeholders. While the Board of Directors are responsible for providing the oversight, it is the key managerial personnel and the senior management who are responsible for not just laying down the strategies as well as its implementation.

The Companies Act, 2013 has for the first time recognized the concept of Key Managerial Personnel. As per section 2(51) "key managerial personnel", in relation to a company, means:

(i) the Chief Executive Officer or the Managing Director or the Manager;

(ii) the Whole-time Director;

(iii) the Chief Financial Officer;

(iv) the Company Secretary; and

(v) such other officer as may be prescribed.

Among the KMPs, the remuneration of the CEO or the Managing Director and the Whole-time Director(s), shall be governed by the Section on REMUNERATION OF THE DIRECTORS of this Policy dealing with "Remuneration of Managing Director and Whole-time Director".

Apart from the directors, the remuneration of

- All the Other KMPs such as the company secretary or any other officer that may be prescribed under the statute from time to time; and
- "Senior Management" of the Company defined in the SEBI Listing Regulations i.e. personnel who are members of its core management team excluding the Board of Directors. Senior executives' one level below the Board shall be determined by the Human Resources Department of the Company in consultation with the Managing Director and/ or the Whole-time Director.

The remuneration determined for all the above said senior personnel shall be in line with the Company's philosophy to provide fair compensation to key - executive officers based on their performance and contribution to the Company and to provide incentives that attract and retain key executives, instill a long-term commitment to the Company, and develop a pride and sense of Company ownership, all in a manner consistent with shareholders interests.

The break-up of the pay scale and quantum of perquisites including, employer's contribution to P.F., pension scheme, medical expenses, club fees etc. shall be decided by the Company's HR department.

Decisions on Annual Increments of the Senior Personnel shall be decided by the Human Resources Department in consultation with the Managing Director and/ or the Whole-time Director of the Company.

REMUNERATION OF THE EMPLOYEES

Apart from the Directors, KMPs and Senior Management, the remuneration for rest of the employees is determined on the basis of the role and position of the individual employee, including professional experience, responsibility, job complexity and local market conditions.

The Company considers it essential to incentivize the workforce to ensure adequate and reasonable compensation to the staff. The Human Resources Department shall ensure that the level of remuneration motivates and rewards high performers who perform according to set expectations for the individual in question.

The various remuneration components, basic salary, allowances, perquisites etc. may be combined to ensure an appropriate and balanced remuneration package.

The annual increments to the remuneration paid to the employees shall be determined based on the annual appraisal carried out by the HODs of various departments. Decisions on Annual Increments shall be made on the basis of this annual appraisal.

GENERAL

This Policy shall apply to all future employment of Company's Senior Management including Key Managerial Personnel and Board of Directors.

Any or all the provisions of this Policy would be subject to the revision/ amendment in the Companies Act, 2013, related rules and regulations, guidelines and the Listing Agreement on the subject as may be notified from time to time. Any such amendment shall automatically have the effect of amending this Policy without the need of any approval by the Nomination and Remuneration Committee and/or the Board of Directors.

Annexure III

FORM NO. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso is given below:

1. **Details of contracts or arrangements or transactions not at Arm's length basis :**

   There were no contracts or arrangements or transactions entered during the year ended March 31, 2018 which were not at arm's length basis.

2. **Details of material contracts or arrangements or transactions at Arm's length basis:**

Sr. No.	Name of the related party	Nature of relationship	Nature of contracts or arrangements or transaction	Duration of contracts or arrangements or transactions	Salient Terms	Amount (in Rs.)
1	News24 Broadcast India Limited	Subsidiary	Leasing / Television Programming	Continuing	As per Related Party Transaction Policy	63,784,764
2	E24 Glamour Limited	Subsidiary	Leasing / Television Programming	Continuing	As per Related Party Transaction Policy	45,946,290
3	Anurradha Prasad	Chairperson cum Managing Director	Managerial Remuneration	Continuing	As per Agreement	13,000,000
4	B.A.G. Live Entertainment Limited	Promoter Group	Leasing / Television Programming	Continuing	As per Related Party Transaction Policy	83,240,250
5	Skyline Radio Network Limited	Subsidiary	Leasing	Continuing	As per Related Party Transaction Policy	2,160,000
6	Skyline Tele Media Services Limited	Promoter Group	Leasing	Continuing	As per Related Party Transaction Policy	1,764,000

For and on behalf of the Board of Directors
B.A.G. Films and Media Limited

Anurradha Prasad
Chairperson cum Managing Director
DIN: 00010716

Place : Noida
Date : May 28, 2018

ANNEXURE –IV
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,
B.A.G. Films and Media Limited

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **B.A.G. Films and Media Limited [CIN L74899DL1993PLC051841]** (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, we hereby report that in our opinion, the company has, during the audit period covering the financial year commencing from 1st April, 2017 and 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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended March 31, 2018 according to the provisions of:

1) The Companies Act, 2013 (the Act) and the rules made thereunder to the extent notified and came into force;
2) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
3) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
4) Foreign Exchange Management Act, 1999 (FEMA) & the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
5) 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;
   d) The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulations, 2015;

   During the Audit Period under review, the Company has complied with the provisions of the Acts, Laws and Regulations and guidelines, to the extent applicable, as mentioned above.
6) As informed by the management, being a programs and content provider, there is no sector specific law applicable to the Company.

   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 Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors and Committees thereof 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 decisions were carried out with unanimous consent and therefore no dissenting views were captured and recorded as part of the minutes

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

We further report that during the audit period, there were no instances of:

(i) Redemption / buy-back of securities.

(ii) Major decisions taken by the Members in pursuance to Section 180 of the Companies Act, 2013.

(iii) Merger / amalgamation / reconstruction etc.

(iv) Foreign technical collaborations.

We further report that during the Audit Period, the Members of the Company inter-alia passed the following Special Resolution (s):

1. Issue Warrants with an option to convert into equity shares on preferential basis under section 42 and 62 of the Companies Act, 2013.
2. Revision in the terms of remuneration of Ms. Anurradha Prasad (DIN: 00010716) Chairperson cum Managing Director of the Company under section 196 and 197 of the Companies Act, 2013.
3. Approval of borrowing in excess of the paid up capital and fee reserves under section 180 (1) (c) of the Companies Act, 2013.
4. Approval of creation of charge on movable and immovable properties of the Company under section 180 (1) (a) of the Companies Act, 2013.

For Balika Sharma & Associates
Company Secretaries

Balika Sharma
Proprietor
FCS No: 4816
C P No: 3222

Place : Noida
Date : May 28, 2018

This report is to be read with our letter of even date which is annexed as **Annexure 1** and forms an integral part of this report.

Annexure 1

To,

The Members,
B.A.G. Films and Media Limited

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

1. Management 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 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 & 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 procedure on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company not the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Balika Sharma & Associates
Company Secretaries

Balika Sharma
Proprietor
FCS No: 4816
C P No: 3222

Place : Noida
Date : May 28, 2018

ANNEXURE V

Disclosure of Managerial Remuneration pursuant to Section 197 read with Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

A. Remuneration of each Director and Key Managerial Personnel (KMP) along with particulars of increase during the financial year, ratio of remuneration of Directors to the Median remuneration of employees and comparison of remuneration of each KMP against Company's performance:

i) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2017-18, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2017-18:

(a) Ms. Anurradha Prasad, Chairperson cum Managing Director, get remuneration for the financial year 2017-18 is Rs. 130.00 Lakh, thirty percentage increase in remuneration, Ratio of remuneration of each Director/to median remuneration of employees was 9:1.

(b) Mr. Ajay Jain, Chief Financial Officer, get remuneration for the financial year 2017-18 Rs. 33.58 lacs, with zero per cent increase in remuneration.

(c) Mr. Rajeev Parashar, Company Secretary, get remuneration for the financial year 2017-18 Rs. 30 lacs, with zero per cent increase in remuneration.

(Note: No remuneration is paid to Non-executive Directors except sitting fee).

ii) The median remuneration of employees of the Company during the financial year was Rs. 14.40 Lacs;

iii) In the financial year, there was an increase of 18.64% in the median remuneration of employees;

iv) There were 29 permanent employees on the roll of Company as on March 31, 2018;

v) Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2017-18 was 3.4% whereas the decrease in the managerial remuneration for the same financial year was 16.67%.

vi) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and senior management.

B. Disclosures relating to remuneration drawn by employees in terms of Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

1. Employed throughout the year and in receipt of remuneration aggregating Rs. 1.02 Crores or more per annum.

1.	**Name**	Anurradha Prasad
2.	**Age**	55 Years
3.	**Designation**	Chairperson cum Managing Director
4.	**Remuneration received**	Rs. 1,30,00,000
5.	**Qualification**	Master Degree in Political Science
6.	**Date of Joining**	Since incorporation
7.	**Last Employment**	Observer Channel
8.	**Percentage of Equity Shares held**	11.42%

Notes:

1. Appointment of Ms. Anurradha Prasad is contractual and terminable by notice on either side.
2. She is not related to any of the Directors.
3. Remuneration includes Salary, Allowances, Variable Pay, Company's Contribution to Provident Fund, Medical Benefits, Leave Travel Allowance & other Perquisites and benefits valued on the basis of Income Tax Act, 1961.

For and on behalf of the Board of Directors
B.A.G. Films and Media Limited

Anurradha Prasad
Chairperson cum Managing Director
DIN: 00010716

Place : Noida
Date : May 28, 2018

Corporate Governance Report 2017-2018

Creating an ethical culture means instilling and maintaining a commitment to doing the right thing, this time and every time-so much so that it becomes entwined in the essential DNA of the firm

1. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

The Company is in compliance with the requirements stipulated under the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 (the "SEBI Listing Regulations") with regard to corporate governance.

Corporate Governance is an ethically driven business process and practices to ensure that the affairs of the Company are being managed in a way which ensures accountability, transparency, fairness in all its transactions in the widest sense and meet its stakeholders' aspirations and societal expectations. The Company's philosophy on Corporate Governance is to conduct business and its dealings with all stakeholders in compliance with laws and high standard of business ethics for effective control and management system in organizations, which leads to enhancement of shareholders and other stakeholders' value. The Board of directors ("the Board") considers itself as a Trustee of its shareholders and acknowledges its responsibilities towards them for creating and safeguarding their wealth.

The Management of the Company believes that Corporate Governance is the commitment for compliance with all Laws, Rules and Regulations that apply to it with the spirit and intent of high business ethics, honesty and integrity resulting in the effective control and management system in the organization leading towards the enhancement of shareholders and other stakeholders' value. It brings into focus the fiduciary and the trusteeship role of the Board to align and direct the actions of the organization towards creating wealth and shareholder's value.

B.A.G. firmly believes in adopting the 'best practices' for sustainable development, increasing productivity and competitiveness within the sector. The essence of corporate governance lies in promoting and maintaining transparency and accountability in the higher echelons of management. The demands of corporate governance require professionals to raise their competence and capability levels to meet the expectations in managing the enterprise and its resources effectively with the highest standards of ethics. Good governance practices stem from the culture and mindset of the organization and at B.A.G. we are committed to meet the aspirations of all our stakeholders. Your Company's essential charter is shaped by the objectives of transparency, professionalism and accountability. The Company continuously endeavors to improve on these aspects on an ongoing basis.

2. BOARD OF DIRECTORS

The Board represents a healthy blend of knowledge and experience. The Board of Directors is entrusted with the ultimate responsibility of the management, general affairs, direction and performance of the Company and has been vested with the requisite powers, authorities and duties.

(i) Size and Composition of Board of Directors

The Board comprises such number of Executive, Non-Executive and Independent Directors with women director as required under applicable legislation. As on date of this Report, the Company has 5 (five) Directors consisting of one is Executive Director and four are Non-Executive Directors out of which three are Independent Directors. The composition of the Board is in conformity with Regulation 17 of the SEBI Listing Regulations read with Section 149 of the Companies Act, 2013.

The rich and vast professional expertise of Independent Directors gives immense benefits to the Company. The number of Non-Executive Independent Directors on the Board is more than 50% of the total number of Directors. Ms. Anurradha Prasad, Chairperson cum Managing Director is the only Executive Director of the Company. The composition of the Board represents an optimal mix of professionalism, knowledge and experience which enables the Board to discharge its responsibilities efficiently and provide effective leadership in the business. Non-executive Directors do not have any specific term, but retire by rotation in accordance with the provisions of the Companies Act, 2013 and Rules made there under.

Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act. The maximum tenure of independent directors is in compliance with the Act. All the Independent Directors have confirmed that they meet the criteria as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act.

(ii) Appointment of Directors

In terms of Article 89 of Articles of Association of the Company and pursuant to section 152 of the Companies Act, 2013, Ms. Anurradha Prasad (DIN 00010716), retires at the ensuing Annual General Meeting and is eligible for re-appointment.

(iii) Directors' Attendance Records and Committee Positions:

The names and categories of the Directors on the Board, their attendance at Board Meetings held during the year and the number of Directorships and Committee Chairmanships / Memberships held by them in other public companies are given herein below:

Name of Director	Category	Attendance*		Number of Directorship in other public companies**	Number of committee positions ***	
		Board Meeting	Last AGM		Members	Chairman/ Chairperson
Ms. Anurradha Prasad	Chairperson cum Managing Director (Promoter Executive Director)	7	Present	4	1	-
Mr. Sudhir Shukla	Promoter Non-Executive Director	7	Present	6	3	-
Dr. Anuradha Mishra	Non-Executive Independent Director	3	Present	2	-	2
Ms. Urmila Gupta	Non-Executive Independent Director	7	Present	4	2	-
Mr. Pankaj Chaturvedi	Non-Executive Independent Director	6	Absent	1	-	-

Notes:

*Leave of absence was granted to the Director(s) for the Board Meeting(s), in which they did not attend and sought the leave of absence from the meeting.

**Excludes private limited companies, foreign companies and companies registered under section 8 of the Companies Act, 2013 and B.A.G. Films and Media Limited.

***Committees considered for the purpose are those prescribed under explanation to Regulation 26(1)(b) of the SEBI Regulations viz. Audit Committee and Stakeholders' Relationship Committee of Indian public limited companies excluding B.A.G. Films and Media Limited.

None of the Directors are members of more than 10 (Ten) Committees and Chairman of 5 (Five) Committees across all the listed Companies in which they are Directors. None of the Directors held directorship in more than 10 public limited companies.

None of the Independent Directors of the Company served as Independent Director in more than 7 listed companies.

The necessary disclosures regarding other Directorship(s)/Committee Membership(s)/ Chairmanship(s) have been made by all the Directors in the first Board Meeting of the financial year which began on 1st April, 2018.

There is no relationship between the directors of the company.

(iv) Number of Board Meetings

The Board meets at regular intervals to discuss and decide on Company policy and strategy apart from other regular business. The Board/Committee meetings are pre scheduled and a tentative calendar of Board and Committee meeting is circulated to the Directors well in advance to facilitate them to plan their schedule and to ensure meaningful participation in the meeting. The meetings of the Board are generally held at the Corporate Office of the Company at FC-23, Film City, Sector-16A, Noida -201301, Uttar Pradesh.

Reviews: The Board regularly reviews inter-alia, industry environment, annual business plans and performance against the plans, business opportunities including investments/ divestment, compliance processes including material legal issues, strategy, risk management practices, approval of quarterly/annual results and compliance reports on applicable laws. Senior executives are invited to provide additional inputs at the Board meetings for the items discussed by the Board of Directors, as and when required.

Meetings: Seven Board Meetings were held during the year and the gap between two meetings did not exceed one hundred and twenty days. The dates on which the said meetings were held: on May 19, 2017; May 29, 2017; August 09, 2017; August 28, 2017; September 26, 2017; November 13, 2017; and February 08, 2018.

The necessary quorum was present for all the meetings.

(v) Independent Directors

In terms of definition of Independent Director as prescribed under the SEBI Listing Regulations and Section 149(6) of the Companies Act, 2013 and based on the confirmation/ disclosures received from the Directors, the following Non-

Executive Directors are Independent Directors:

1. Dr. Anuradha Mishra
2. Ms. Urmila Gupta
3. Mr. Pankaj Chaturvedi

The Company issued formal letters of appointment to Independent Directors in the manner as provided in the Companies Act, 2013. The terms and conditions of appointment are disclosed on the website of the company www.bagfilms.com .

During the year, one meeting of the Independent Directors was held on February 10, 2018. The Independent Directors, inter-alia, reviewed the performance of non-independent directors, Chairman of the Company and the Board as a whole.

Whenever new Non-executive and Independent Directors are inducted in the Board they are introduced to the Company's culture through appropriate orientation session and they are also introduced to the organization structure, our business, constitution, board procedures, major risks and management strategy.

The Board has evaluated the performance of Non-executive and Independent Directors. All the Non-executive and Independent Directors are eminent personalities having wide experience in the field of business, industry and administration. Their presence on the Board is advantageous and fruitful in taking business decisions.

The details of the familiarization programmes of the Independent Directors are available on the website of the Company (http://www.bagmilms.com/investors).

(VI) Performance Evaluations:

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17 of the SEBI Listing Regulations a separate exercise was carried out to evaluate the performance of individual Directors including the Chairperson of the Board who were evaluated on parameters such as level of engagement and contribution and independence of judgment thereby safeguarding the interest of the Company. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors.

3. COMMITTEES OF THE BOARD

The Board Committees play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas/activities which concern the Company and needs a closer review. The Board Committees are set up under the formal approval of the Board to carry out clearly defined roles which are considered to be performed by members of the Board. The terms of reference of Board Committees are determined by the Board from time to time. All decisions and recommendations of the Committees are placed before the Board for information or approval.

There are six Committees of the Board as at March 31, 2018:

1. Audit Committee
2. Stakeholders Relationship Committee
3. Risk Management Committee
4. ESOP Compensation Committee
5. Nomination and Remuneration Committee
6. Securities Committee

In addition, the Board also constitutes specific committees, from time to time, depending on the business exigencies. The terms of reference of the Committees are reviewed and modified by the Board from time to time. Meetings of each Committee are convened by the respective Committee Chairman.

A) AUDIT COMMITTEE

The Audit Committee of the Company is constituted in line with provisions of Regulation 18 of the SEBI Listing Regulations read with Section 177 of the Companies Act, 2013.

i) Terms of reference

The broad terms of reference of the Audit Committee are as under:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommendation for appointment, re-appointment, remuneration and terms of appointment of auditors of the Company;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing, with the management, the annual financial statements and auditors' report thereon before submission to the board for approval, with particular reference to:
  - ➢ Matters required being included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Act.
  - ➢ Changes, if any, in accounting policies and practices and reasons for the same.
  - ➢ Major accounting entries involving estimates based on the exercise of judgment by management.
  - ➢ Significant adjustments made in the financial statements arising out of audit findings.
  - ➢ Compliance with listing and other legal requirements relating to financial statements.
  - ➢ Disclosure of any related party transactions.
  - ➢ Modified opinion(s) in the draft audit report.

- Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- Review and monitor the auditors' independence and performance, and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the Company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Examination of the financial statement and the auditors' report thereon;
- Valuation of undertakings or assets of the company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Establish a vigil mechanism for directors and employees to report genuine concerns in such manner as may be prescribed;
- Reviewing the findings of any internal investigations by internal auditors into matters where there is suspected fraud or irregularity or failure of internal control systems of a material nature and reporting the matter to the Board;
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit, as well as post-audit discussions to ascertain any area of concern;
- Reviewing with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- to review the functioning of the whistle blower mechanism;
- Discussion with internal auditors of any significant finding and follow up thereon;
- Approval of appointment of CFO after assessing the qualifications, experience and background, etc. of the candidate; and
- Such other functions as may be delegated by the Board from time to time.
- The audit committee shall review the information required as per the SEBI Listing Regulations.

(ii) Composition and number of meetings attended by the Members:-

Presently, the Audit Committee of the Company comprises of four Non-executive Directors. Mr. Pankaj Chaturvedi, Chairman of the Committee is a Non-Executive Independent Director. Other members are Mr. Sudhir Shukla, Non-Executive Director, Dr. Anuradha Mishra, Non-Executive Independent Director and Ms. Urmila Gupta, Non-Executive Independent Director. All the members possess financial, management and accounting knowledge/ expertise and have held or hold senior positions in several reputed organizations.

During financial year 2017-18, six Audit Committee Meetings were held on May 19, 2017, May 29, 2017; August 09, 2017, August 28, 2017, November 13, 2017 and February 08, 2018 respectively. The Meeting attended by its members is given below:

Name of the Director	Category	No. of meetings attended
Mr. Pankaj Chaturvedi	Non-executive Independent Director	6
Mr. Sudhir Shukla	Non-Executive Director	6
Ms. Urmila Gupta	Non-executive Independent Director	6
Dr. Anuradha Mishra	Non-executive Independent Director	2

The meetings of Audit Committee are also attended by Chief Finance officer, Statutory Auditors and Internal Auditors of the company. The Company Secretary acts as the Secretary to the Committee. The minutes of each Audit Committee meeting are placed and discussed in the meeting of the Board. Chairman of the Audit Committee was also present in the previous Annual General Meeting.

B) NOMINATION AND REMUNERATION COMMITTEE

The Company has constituted a Nomination and Remuneration Committee (NRC) of Directors in compliance with provisions of the Act, and Regulation 19 of the SEBI Listing Regulations, 2015 (the SEBI Listing Regulations) as amended from time to time.

All the matters relating to finalization of remuneration to executive director is being taken in the meeting of said Committee for their consideration and approval.

Terms of Reference

Brief terms of reference of Nomination and Remuneration Committee are as under:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of Independent Directors and the Board;
- Devising a policy on Board diversity;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.
- Such other matters as may be required under the Act/ the SEBI Listing Regulations.

Composition and Attendance at the Meeting

Nomination and Remuneration Committee comprises of three Non-executive Directors. The Chairperson of the Committee is Dr. Anuradha Mishra, a Non-executive Independent Director and other members of the Committee are Mr. Sudhir Shukla, Non-executive Director and Mrs. Urmila Gupta, Non Executive Independent director. Company Secretary act as the Secretary of the Committee.

The detail of meeting of NRC held during the year on August 09, 2017 is given below:

Name of Director	Category	No. of meetings attended
Ms. Urmila Gupta	Non-executive Independent Director	1
Mr. Sudhir Shukla	Non-Executive Director	1

Nomination and Remuneration Policy and Details of Remuneration Paid to the Directors

The Remuneration policy of the Company is performance driven and is structured to motivate employees, recognize their merits and achievements and promote excellence in their performance. In line with this requirement, the Remuneration Policy is attached as part of Board Report of this Report.

The Board of Directors/Nomination and Remuneration Committee of Directors is authorized to decide the remuneration of the Managing Director/Executive Director's, subject to the approval of the Members and Central Government, if required. Remuneration comprises of fixed Component viz. salary, perquisites and allowances and a variable component

Apart from receiving sitting fees, independent directors do not have any other material pecuniary relationship or transactions with the Company, its promoters, and its management, which in the judgment of the Board may affect independence of judgment of directors.

Company does not pay any remuneration to the non-executive directors except sitting fee. During the year the Company duly paid sitting fees to Non-Executive Directors for attending meeting. The Company has not granted any stock option to any of its Non-Executive Directors. The sitting fees paid for the year ended March 31, 2018 to the Directors are as follows:-

Name of the Directors	Sitting Fees (in Rs.)
Dr. Anuradha Mishra	60,000
Mr. Sudhir Shukla	1,50,000
Ms. Urmila Gupta	1,50,000
Mr. Pankaj Chaturvedi	1,35,000

Besides above, the Company does not pay any other commission or remuneration to its Non-Executive Directors. Company is not paying any sitting fee to Ms. Anurradha Prasad- Executive Director of the Company. Rs. 13,000,000/- per annum was paid as consolidated remuneration to Ms. Anurradha Prasad, as Chairperson cum Managing Director of the Company for the financial year 2017-18.

None of the Independent Directors or their relatives has any material pecuniary relationship with the Company, its holding, subsidiary Company or their promoters or directors during the two immediately preceding financial years or during the current financial year.

C) STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee is constituted in line with the provisions of Regulation 20 of SEBI Listing Regulations read with section 178 of the Companies Act, 2013.

Terms of Reference

The broad terms of reference of the stakeholders' relationship committee are as under:

- Consider and resolve the grievances of security holders of the Company including redressal of investor complaints such as transfer or credit of securities, non-receipt of dividend / notice / annual reports, etc. and all other securities-holders related matters.
- Consider and approve issue of share certificates (including issue of renewed or duplicate share certificates), transfer and transmission of securities, the dematerialsation, rematerialisation etc.

The Board has delegated the power of redressal of Investor Grievances to Registrar and Share Transfer Agent who specifically looks into redressing of shareholders' and investors' complaints and queries and generally processes the grievance within the prescribe period from the date of receipt.

Presently, the Committee consists of three Members viz. Mr. Sudhir Shukla-Chairman, Non-executive Director, Dr.

Anuradha Mishra, Non-executive Independent Director and Ms. Urmila Gupta, Non- executive Independent Director. The Board has designated Mr. Rajeev Parashar, Company Secretary as the Compliance Officer.

During the financial year 2017-18, four Stakeholders Relationship Committee Meetings were held on May 29, 2017; August 09, 2017; November 13, 2017; and February 08, 2018 respectively. The details of Meeting attended by its members are given below:

Name of the Director	Category	No. of meetings attended
Mr. Sudhir Shukla	Non-Executive Director	4
Ms. Urmila Gupta	Non-executive Independent Director	4
Dr. Anuradha Mishra	Non-executive Independent Director	2

During the period under review, Company received 20 complaints/queries from shareholders, relating to non receipt of dividend warrants and/or annual reports posted by the company, change of address and bank details, all of them were redressed/ answered to the satisfaction of shareholders. There was no investor grievance remaining unattended or pending as on March 31, 2018.

Name, designation and address of Compliance Officer:

Mr. Rajeev Parashar
Company Secretary
Corporate Office: FC-23, Sector-16A,
Film City, Noida-201301
Tel: 91 120 39 11 444
Fax: 91 120 39 11 401

The shareholders may directly e-mail to the company at info@bagnetwork.in for early redressal of their queries.

D) RISK MANAGEMENT COMMITTEE

The Risk Management Committee ("the RMC") of the Board of Directors of the Company has been framed in compliance with the erstwhile Listing Agreement to ensure that the affairs of the Company are carried out in a sound and a prudent manner by managing its business, operating, strategic and financial risk by adopting appropriate risk identification, assessment, control and mitigation measures.

(i) Purpose & Objectives

The purpose of the RMC of the Board of Directors of the Company is to assist the Board in fulfilling its Corporate Governance oversight responsibilities with regard to the identification, evaluation and mitigation of business, operating, strategic and financial risk. The RMC has overall responsibility for monitoring and approving the risk policies and associated practices of the Company.

The Policy is uploaded on the website of the company www.bagfilms.com.

(ii) Composition of the Committee

Committee comprises of three Non-executive Directors. The Chairman of the Committee is Mr. Sudhir Shukla, a Non-executive Director and other members of the Committee are Dr. Anuradha Mishra, Non-executive Independent Director and Mrs. Urmila Gupta, Non Executive Independent director. The Company Secretary acts as the secretary of the Committee.

E) SECURITIES COMMITTEE

(i) Composition of the Committee

Securities Committee comprises of four Non-executive Directors. The Chairperson of the Committee is Dr. Anuradha Mishra, Independent Non-executive Director and other members of the Committee are Mr. Pankaj Chaturvedi, Non-executive Independent Director, Mr. Sudhir Shukla, a Non-executive Director and Mrs. Urmila Gupta, Non Executive Independent director. The Company Secretary acts as the secretary of the Committee.

(ii) Terms of Reference

The broad terms of reference of the Securities Committee are to allot equity shares, warrants, and other securities and as such other things as decided by the Board. During the financial year one meeting was held on 23.10.2017.

F) ESOP COMPENSATION COMMITTEE

The Committee for allotment of shares under ESOPs has been constituted as per the requirement of relevant regulations to expedite the process of allotment and issue of eligible shares to the employee of the Company under the BAG ESOP Scheme of the Company.

The ESOP Compensation Committee comprises three Directors of the Board. They are Ms. Anurradha Prasad, Chairperson and Dr. Anuradha Mishra and Mr. Sudhir Shukla as members. The Committee is constituted for approval, issue and allotment of shares under the ESOP, pursuant to and in terms of "the BAG ESOP Scheme". No meeting was held during the year.

4. GENERAL BODY MEETINGS:-

(i) The details of Annual General Meetings (AGMs) of shareholders held in last three years are as under:-

Year	Date	Location	Time
22nd AGM 2014-15	September 23, 2015	MPCU, Shah Auditorium, Shree Delhi Gujarati Samaj Marg, Delhi-110054	4.30 P.M.
23rd AGM 2015-16	September 28, 2016	MPCU, Shah Auditorium, Shree Delhi Gujarati Samaj Marg, Delhi-110054	4.00 P.M.

24th AGM 2016-17	September 26, 2017	MPCU, Shah Auditorium, Shree Delhi Gujarati Samaj Marg, Delhi-110054	4.00 P.M.

(ii) Details of Special Resolutions passed in the previous three AGMs:

Date of AGM	Number of Special Resolution Passed	Details of Special Resolution Passed
September 23, 2015	2	1. Re-appointment of Ms Anurradha Prasad (DIN : 00010716) as Chairperson cum Managing Director of the Company; and 2. Approval of Related Party Transactions
September 28, 2016	0	No Special Resolution passed.
September 26, 2017	4	1. Issue of Warrants with an option to convert into equity shares on Preferential Basis; 2. Revision in terms of remuneration of Ms Anurradha Prasad (DIN : 00010716) Chairperson cum Managing Director of the Company; 3. Approval of Borrowing in excess of the paid up capital and free reserves and 4. Approval of Creation of Charge on movable and immovable properties of the Company.

(iii) No special resolution was passed through postal ballot during the Financial Year 2017-18. None of the businesses proposed to be transacted require passing a special resolution through postal ballot.

5) MEANS OF COMMUNICATION

(a) Results:

The quarterly and annual financial results of the Company's performance are published in leading English newspaper like Business Standard and in regional language daily Business Standard.

The Company has its own web-site and all vital information relating to the Company and its performance, including quarterly and yearly results and presentation or official news and release, if any, to analysts are posted on the website www.bagfilms.com.

(b) Website

The Company's website www.bagfilms.com contains a dedicated section "Investor Relations" where shareholders' information is available. The Company's Annual Report is also available in a user friendly and downloadable form.

The Company files the quarterly results, Corporate Governance report, Share holding pattern, etc in the BSE Listing Centre and NSE Electronic Application Processing System (NEAPS) electronically.

(c) Annual Report

The Annual Report containing, inter alia, Audited Financial Statement, Consolidated Financial Statements, Board's Report, Auditors' Report and other important information is circulated to members. The Management's Discussion and Analysis Report forms part of the Annual Report.

(d) SEBI Complaints System (SCORES)

The investor complaints are processed in a centralized web based complaints redressal system. The salient features of this system are: Centralized database of all complaints, online upload of Action Taken Reports (ATRs) by concerned companies and online viewing by investors of actions taken on the complaint and its current status.

(6) DISCLOSURES

(i) Related Party Transactions

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of business. There were no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

Details of all related party transactions is available on http://bagnetwork24.in/images/Related%20Party%20Transactions%20Policy.pdf.

The Company has adopted policy for determining material subsidiaries and is available on http://bagnetwork24.in/Document/2015/Policy%20for%20Determining%20Material%20Subsadiries.pdf.

(ii) Details of non-compliances by the Company, penalties and strictures imposed on the Company by Stock Exchanges or SEBI, or any other statutory authority on any matter related to capital markets, during the last three years:

There has been no instance of non-compliance by the Company on any matter related to capital markets during last three years.

(iii) Whistle Blower Policy

The Board has laid down a Vigil Mechanism' ("Whistle Blower Policy") for all the Directors and employees to report to the management instances of unethical behavior, actual or suspected fraud or violation of the employment rules, working of the Company or ethics policy, genuine concerns and grievances. No personnel have been denied access to the Audit Committee. The said policy has been posted on the Company's website www.bagfilms.com.

(iv) Disclosure of Accounting Treatment

These financial statements have been prepared under the historical cost convention on a going concern basis, with Indian Accounting Standard (Ind AS) notified under the Companies (Indian Accounting Standard) Rules, 2015 as amended by the Companies Accounting Standards) (Amendment) Rules, 2016 as specified under the section 133 of the Companies Act, 2013 read with Rule 7 of Companies (Accounts) Rules, 2014 and other accounting pronouncements of the Institute of Chartered Accountants of India. There are no audit qualifications in the Company's financial statements for the year under review.

(v) Insider Trading Code in terms of SEBI (Insider-Trading) Regulations, 2015

The Securities and Exchange Board of India (SEBI) vide notification dated 15 January, 2015 has put in place a new framework for prohibition of Insider Trading in Securities and to strengthen the legal framework thereof. These new regulations of the SEBI under the above notification have become effective from 15 May, 2015. Accordingly, the Company has formulated the Code of Practice for Fair Disclosure of Unpublished Price Sensitive Information in accordance with Regulation 8 of Insider Trading Regulations 2015 and the Code of Conduct, as per Regulation 9 for regulating, monitoring and reporting of Trading of Shares by Insiders.

(vi) Compliances by the Company with Mandatory Requirements

Your Company has complied with all the mandatory corporate governance requirements under the Listing Regulations. Specifically, your Company confirms compliance with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub regulation (2) of regulation 46 of the SEBI Listing Regulations.

(vii) Compliance Report on Non-mandatory requirements

Compliance Report on non-mandatory requirements as adopted/complied by the Company's under Regulation 27(1) of the SEBI Listing Regulation is given below:

(a) The Board

The Company has an Executive Chairperson. None of the Independent Directors has a tenure exceeding those as prescribed under the Listing Regulations. All the Directors of the Company possess requisite qualification to contribute effectively to the Company in their respective capacity as Director.

(b) Shareholders' Rights

The quarterly financial results are published in the newspapers as mentioned under the heading "Means of Communication" herein below and also displayed on the website of the Company. The quarterly/half yearly results are not separately circulated to the shareholders. The NEAPS/BSE Listing Centre is a web-based application designed by NSE/BSE for corporate. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, among others are filed electronically on NEAPS/ BSE Listing Centre platform.

(c) **Auditors' Qualifications**

The Company's financial statements for the financial year 2017-18 do not contain any audit qualification.

(d) Separate post of Chairman and CEO

The company does not have a CEO and therefore there is no separate post.

(e) Report of Internal Auditor's

The Internal Auditors of the Company make presentation to the Audit Committee on their reports.

(viii) Commodity Price Index or Foreign Exchange Risk and Hedging Activities

The details of foreign currency exposure has been shown elsewhere in the Annual Report.

7. GENERAL SHAREHOLDER INFORMATION

i) Annual General Meeting

Details of Annual General Meeting for the Financial Year 2017-18 will be mentioned in the Notice of the 25th AGM of the Company.

As required under Regulation 36(3) of the SEBI Listing Regulations, particulars of Director seeking appointment and/or re-appointment at the forthcoming AGM will be given in the Notice of the AGM.

ii) Financial Year

The Financial year of the Company starts from 1st April of a year and ends on 31st March of the following year.

(iii) Date of Book Closure/Record Date:-

Date of Book Closure/Record date will be mentioned in the Notice of the 25th AGM of the Company.

(iv) Dividend Payment Date:-

The Company has not declared any dividend during the financial year 2017-18.

(v) Listing on Stock Exchanges:- :
National Stock Exchange of India Limited ("NSE")

Exchange Plaza, C-1, Block G
Bandra Kurla Complex
Bandra (East), Mumbai 400 051

BSE Limited ("BSE")
25th Floor, P. J. Towers, Dalal Street
Mumbai 400 001

The Company has paid the requisite Annual Listing Fees to the above Stock Exchanges for the financial year 2017-18. The Securities have not been suspended from trading.

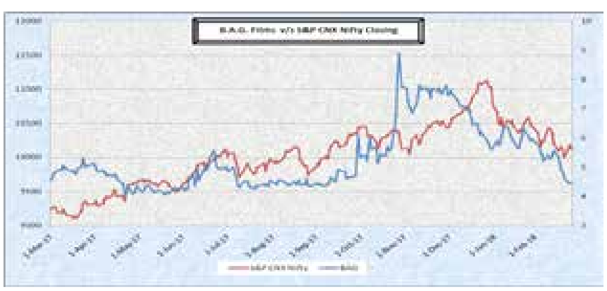
For the financial year ended on 31.03.2019, the results will be announced on following tentative dates:

For Quarter Ending	On or Before
30 June, 2018	14 August, 2018
30 September, 2018	14 November, 2018
31 December, 2018	14 February, 2019
31 March, 2019	30 May, 2019

(vi) Stock Code:

ISIN (Equity Shares) for Fully Paid Up Share	INE116D01028
ISIN (Equity Shares) for Partly Paid Up Share	IN9116D01018
ISIN (Share Warrant)	INE116D13015
BSE Code	532507
NSE Code	BAGFILMS

(vii) Performance of the Share Price of the Company in comparison to S&P CNX Nifty



(viii) Market Price Data

The details of monthly highest and lowest quotations of the equity shares of the Company during financial year 2017-2018 are as under:-

Month	(NSE)		(BSE)	
	High	Low	High	Low
	Rates (Rs.)	Rates (Rs.)	Rates (Rs.)	Rates (Rs.)
April 2017	5.3	4.55	5.32	4.58
May 2017	5.1	4	5.08	4.08
June 2017	4.4	4.05	4.35	4.09
July 2017	5.55	4.2	5.53	4.21
August 2017	5	4.25	5.06	4.28
September 2017	4.6	4.35	4.64	4.34
October 2017	5.6	4.35	5.66	4.33
November 2017	8.9	5.15	8.92	5.18
December 2017	7.8	6.85	7.8	6.72
January 2018	7.8	5.65	7.82	5.66
February 2018	6.4	5.6	6.43	5.57
March 2018	5.95	4.45	6.05	4.41

(ix) Registrar and Transfer Agent :-

Alankit Assignments Limited
Alankit Heights, 1E/13, Jhandewalan Extension,
New Delhi-110055
Tel: 011-42541234, 23541234
Fax: 011-23552001
Web: www.alankit.com e-mail: info@alankit.com

(x) Share Transfer System

The Company has appointed M/s Alankit Assignments Limited as Registrar and Transfer Agent of the Company. The Company ensures a predetermined process to expedite the share transfers. The shares for transfers received in physical form are transferred expeditiously. The share certificates duly endorsed are returned immediately to shareholders.

In compliance with the Listing Regulations, every six months, the share transfer system is audited by the practicing Company Secretary M/s Balika Sharma & Associates and the certificates to that effect are issued by her.

(xi) Distribution of Shareholdings as on March 31, 2018

Category	No. of Shareholders		No. of Shares	
From - To	Number	%Total	Number	%Total
1- 100	27357	53.622	556715	0.296
101 - 500	11439	22.421	3784341	2.012
501 - 1000	4871	9.548	4314194	2.293
1001 - 5000	5385	10.555	13640653	7.251
5001 - 10000	1017	1.993	7842538	4.169
10001 – 20000	463	0.908	6756991	3.592
20001 – 30000	166	0.325	4199467	2.232
30001 – 40000	69	0.135	2481339	1.319
40001- 50000	63	0.123	2962790	1.575
50001- 100000	104	0.204	7371936	3.919
100001- 500000	64	0.125	12162616	6.465
500001- & Above	20	0.039	122044510	64.877
Total	**51018**	**100.00**	**188118090**	**100.00**

(xii) Shareholding of Non-Executive Directors in the Company as on March 31, 2018

Name of Non-Executive Director	No. of shares	Percentage of holding
Dr. Anurradha Mishra	-	-
Mr. Sudhir Shukla	26700	0.01
Ms. Urmila Gupta	-	-
Mr. Pankaj Chaturvedi	-	-

(xiii) Dematerialization of shares and liquidity

As on March 31, 2018, 99.84 % of fully paid up Equity Share Capital and 78.87 % of partly paid Equity Share Capital are held in electronic form with NSDL and CDSL.

(xiv) Outstanding GDRs/ ADRs/ Warrants/ Convertible Instruments

During the year review, the company had issued and allotted 9,800,000 warrants to Skyline Tele Media Services Limited under promoter group company, at a price of Rs. 4.70/- per Equity Share ("Conversion Price" including a premium of Rs. 2.70/- per Equity Share) on preferential basis, with an option to convert in to equal number of equity share before expiry of eighteen months from the date of allotment, pursuant to section 42 and 62 of the Companies Act, 2013, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 with the approval accorded by the Members of the Company at the 24th Annual General Meeting held on September 26, 2017.

(xv) Address for correspondence

Registered Office:
352, Aggarwal Plaza, Plot No. 8, Kondli,
New Delhi-110096
Corporate Office
FC-23, Sector 16A, Film City,
Noida- 201 301 (Uttar Pradesh)
Tel: 91 120 3911 444 Fax: 91 120 39 11 401
E-mail: info@bagnetwork.in

(xvi) Plant Location

N.A.

(xvii) Unclaimed Dividend

During the year under review, the Company did not have any unclaimed or unpaid dividend.

8. DECLARATION

The declaration by the Chairperson cum Managing Director stating that all the Board Members and senior management personnel have affirmed their compliance with the laid down code of conduct for the year ended March 31, 2018, is annexed to the Corporate Governance Report.

9. COMPLIANCE CERTIFICATE

The Compliance Certificate as required under Regulation 17(8) of the SEBI Listing Regulations from Chairperson cum Managing Director (CMD) and Chief Financial Officer (CFO) of the Company is annexed to the Corporate Governance Report.

10. AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

As stipulated in Regulation 34 of the SEBI Listing Regulations read with clause E of Schedule V of the SEBI Listing Regulations, the auditor's certificate regarding compliance of conditions of corporate governance is annexed to the board's Report.

DECLARATION BY MANAGING DIRECTOR

I, Ms. Anurradha Prasad, Chairperson cum Managing Director of B.A.G. Films and Media Limited, hereby confirm pursuant to Regulation 34(3) read with Schedule V (D) of the SEBI, (Listing Obligations and disclosure Requirements) Regulations, 2015 that:

The Board of Directors of the B.A.G. Films and Media Limited has laid down a code of conduct for all Board members and senior management of the Company. The said code of conduct has also been posted on the Company's website viz. www.bagfilms.com. All the Board members and senior management personnel have affirmed their compliance with the said code of conduct for the year ended March 31, 2018.

Place : Noida
Date : May 28, 2018

Anurradha Prasad
Chairperson cum Managing Director
(DIN: 00010716)

CMD AND CFO CERTIFICATION

We, Ms. Anurradha Prasad, Chairperson cum Managing Director (CMD) and Mr. Ajay Jain, Chief Financial Officer (CFO) of B.A.G. Films and Media Limited ('the Company') to the best of our knowledge and belief certify that:

a. We have reviewed the financial statements and the cash flow statement for the year ended 31st March, 2018 and that to the best of our knowledge and belief:

   (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   (2) 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 transaction entered into by the company during the year which are fraudulent, illegal or volatile of the Company's code of conduct.

c. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, wherever applicable, 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 further certify that we have indicated to the auditors and the Audit Committee

   i) There are no significant changes in internal control over financial reporting during the year;

   ii) There is no significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

   iii) There is no instance of significant fraud of which we have become aware and the involvement therein, of the management or an employee having a significant role in the company's internal control system over financial reporting.

e. We, further declare that all Board members and senior managerial personnel have affirmed compliance with the code of conduct for the current year.

Place : Noida	**Anurradha Prasad**	**Ajay Jain**
Date : May 28, 2018	(Chairperson cum Managing Director)	(Chief Financial Officer)
	(DIN: 00010716)	

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To

The Members of B.A.G. Films and Media Limited

We, Kumar Khare & Co., Chartered Accountants, the Statutory Auditors of B.A.G. Films and Media Limited (herein after referred to as "the Company") have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on March 31, 2018, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations).

Managements' Responsibility

The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

Auditor's Responsibility

i) Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

i) We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

ii) We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

iii) We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended March 31, 2018.

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

.

Place : Noida
Date : May 28, 2018

For Kumar Khare & Co.
Chartered Accountants

Alok Khare
Partner
Membership No. 075236
FRN : 006740C

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A. INDUSTRY STRUCTURE AND DEVELOPMENTS

The Indian M&E sector reached Rs.1.5 trillion in 2017, a growth of almost 13 percent over 2016. With its current trajectory, we expect it to cross Rs. 2 trillion by 2020, at a CAGR of 11.6 per cent.

During the year, television increased its reach and engagement with the audience, further enhancing its reputation as the default entertainment medium. Print media continued to grow, albeit at a slower pace, due to multiple headwinds faced during the year. The movie industry surpassed all previous records riding on a strong performance at both the domestic and the international box office. Online video consumption continued its exponential growth due to the increased availability of affordable data and content on digital platforms.

Digital Subscription made a strong impact in 2017, with a growth of 50%. By 2020 we expect there to be 4 million digital consumers which, along with millions of other tactical and mass customers will generate subscription revenue of Rs. 20 billion. The key reasons for higher adoption are availability of niche content, global content, increased OTT-only content, sports and falling data charges.

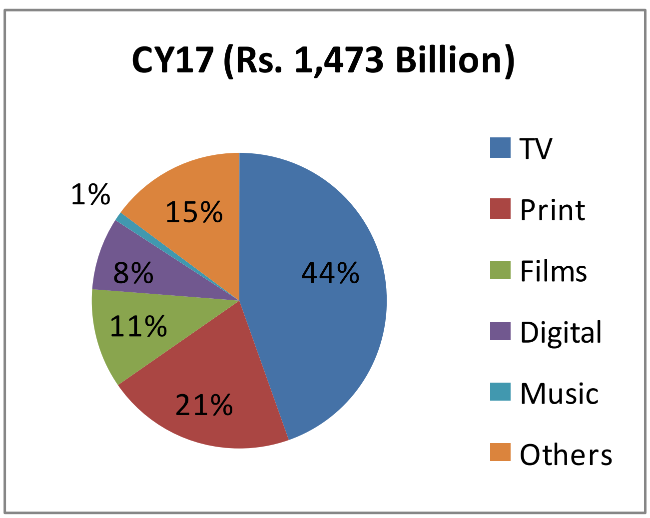
The overall increased need for escapism is enabling a situation where subscription revenue is not being impacted by economic shifts and slowdown, as was seen in 2017, the quality of subscription revenue is high, and will provide a stable source of income till 2020, Ad revenue will increase from 0.41 per cent of GDP in 2016 to 0.43 per cent of GDP in 2020. The growth in subscription revenues was impacted due to the slow pace of digitisation and Average Revenue Per User (ARPU) realization from the addressable Cable and Satellite (C&S) base.

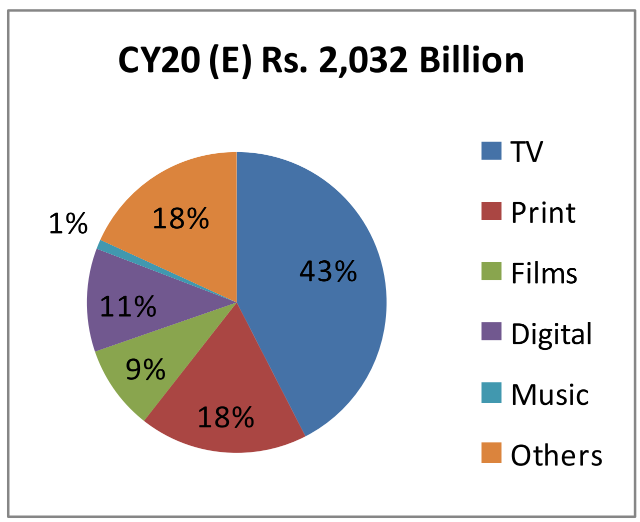
The Indian radio industry faced a slightly muted year on account of the pressure faced by the industry due to a slowdown in advertising spend on account of demonetization, implementation of RERA in the real estate sector.

INDUSTRY SIZE & PROJECTIONS

Television:

Television, the largest segment in the M&E industry in terms of deal value and volume saw rise in deal activity in 2017. The year 2017 saw India recover from demonetization only to face the new challenges and opportunities provided by the implementation of GST. According to FICCI-EY Report 2018 (Report), M&E industry grew by 12.6% YoY in CY17, to Rs.1,473 billion.





Source - FICCI EY M&E Report - 2018

Media and entertainment has become a necessity of life and provides opportunities for existing and new companies as it heads towards a Rs. 2 trillion Industry by 2020. Despite strong growth over the past The Indian M&E industry is expected to grow at a CAGR of 11.3% to Rs.2,032 billion over the next three years, driven by growth in all the segments.

The number of licensed private satellite TV channels reached 877, out of which 389 were News channels and 488 were Non-News channels. 300 channels were pay channels, while 577 were free to air. 11 fresh channel licenses were issued during 2017. There were 1469 registered MSOs, Six DTH operators, Two IPTV operators, one HITS operator and Doordashan's Fee Dish Free satellite service operator in India. The Number of local cable operators are estimated to be over 60,000.

M & E Sector's growth in 2017 was led by digital media, film gaming and event. It reached to INR1.5 trillion (USD 22.7 billion) in 2017, a growth of almost 13 percent over 2016.

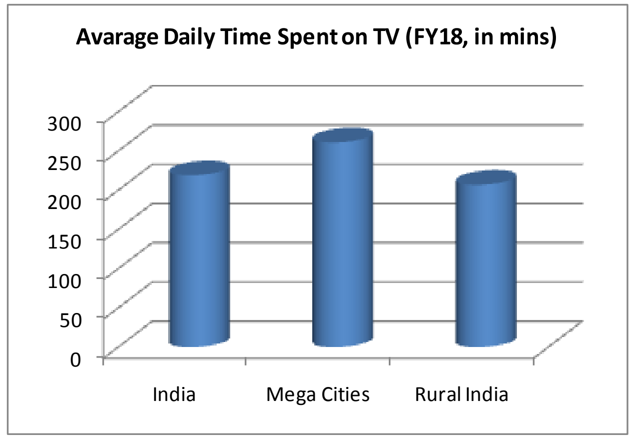
Segment	CY2016	CY2017	CY2018E	CY2020E	CAGR 2016-20
Television	594	660	734	862	9.8%
Print	296	303	331	369	5.7%
Films Entertainment	122	156	166	192	11.9%
Digital Media	92	119	151	224	24.9%
Animation &VFX	54	67	80	114	20.4%
Live Events	56	65	77	109	18.0%
Online gaming	26	30	40	68	27.5%
Out Of Home Media	32	34	37	43	7.7%
Radio	24	26	28	34	8.6%
Music	12	13	14	18	10.6%
Total	**1,308**	**1,473**	**1,660**	**2,032**	**11.6%**

Source: All figures are gross of taxes (INR in billion)

Growth was led by the digital segment, showing that advertising budgets were following the changing content consumption pattern of consumers. As India's digital infrastructure matures, it has given a boost to gaming as a segment, which witnessed significant growth in 2017, albeit from a small base.

In India, for most of the consumers, watching content on television has been the primary source of entertainment, and now digital TV is also becoming relevant. Over the past two and half decades, content availability on television has exploded across genres, languages, and formats. This extensive range of content is accessible at an average monthly price of USD 3. Over the past 18 months, digital platform has further widened the content choice and availability, at an affordable price.

India's content consumption has been in a secular growth phase. Despite several years of growth, it still compares adversely with developed as well as emerging markets. For example, India's television penetration is low at around 64%. Online data usage in India has increased by 15 times over the past two years, but the total digital content consumption still pales in comparison with other countries. The disparity in content consumption between rural and urban areas visible today is primarily explained by the difference in power availability. The government's push to improve electrification of rural areas will help narrow the gap. Despite producing the maximum number of movies every year, the size of the movie industry is small and cinema visits per adult has room for growth. And, the market for ticketed live events is just opening up.



Source - BARC date [WK 14 2017 - WK 13 2018]

Advertising:

In 2017, the number of advertisers on TV grew to 12,964 and ad volumes grew to 70 million insertions, as reported by BARC, Ad volume growth was dependent on several factors such as cricket, elections in several large Indian states, penetration of regional channels, launch of new channels, and marquee nonfiction programming, which continued to attract advertisers, irrespective of the impact of demonetization or GST.

Total Ad revenue grew from Rs. 243 billion to Rs. 267 billion, an increase of 10% (8.7% on a net of tax basis). This was largely driven by volume growth as more channels were launched, particularly in the fee to air genre. This could indicate that television continues to move towards its core of being an efferent mass medium. Premium properties viz. sports, prime time content, film premieres and reality TV also grew their advertising rates.

India's Ad Spend Growth Drivers

Slot Sale to Advertisers

The volume of slot sales to advertisers has continued to hold for many channels. The launch of additional FTA and pay channels in the news, GEC and movies genres- which have high distribution in HSM and regional markets-has created inventory availability and generate estimated revenues of between Rs. 5 to 8 billion.

News channels, too, now appear to be firmly entrenched in many cases as free to air offerings, with several of them on DD's Free Dish platform.

Distribution:

The distribution segment in India has an estimated 60,000 local cable operators (LCs) and more than 6,000 multi service operators (MSOs). As on Oct, 2017, 1469 of these MSOs were registered with MIB. There were six direct-to-home (DTH) operators and Doordarshan's free satellite services in operation. In addition, there was one Head end-in-the-sky (HITS) operator. The DTH companies and 10 largest MSOs dominated the market, serving around 65% of pay TV homes.

Digitization led to increased collections from end customer, across all DAS market, while the increases varied by location. Increased collections from end customers have resulted in an increase in revenue received by MSOs and broadcasters.

The number of active DTH subscribers in India grew by over three million during 2017. Primarily driven by digitization in DAS III and DAS IV markets. However, due to demonetization, implementation of GST and introduction of low value packs for rural markets and to counter the competition from free dish, ARPU has been flat at around INR 220 per month as compared to previous year, despite muted increase in package prices.

The benefits of digitization in these phases in terms of improved addressability and ARPU is expected to take much longer. At the end of 2020, we expect Digital cable subscription and DTH subscribers to be in the ratio of 53:47, with 90 million digital cable subscribers and 79 million DTH subscribers by 2020.

Broadcasting:

Broadcaster's subscription revenue increased from INR 90 billion in 2016 to INR 99 billion in 2017, the growth in subscription income was a result of long term contracts with escalation clauses, digitization of TV households and increased transparency. Many broadcasters initiated subscriber audit to validate their revenue as declared by the distribution companies. International subscription revenues faced stagnant rates due to increased number of bouquets being offered to consumers.

With the advent of BARC, there is an expanded audience measurement. With an increasing number of TV-viewing homes in the rural areas, a skew to the same is visible. This presents the requirement of content that appeal to the mass audience and an opportunity for TV to continue to grow.

Going forward, we seek to bolster the TV business by pushing the weekend fiction format, capitalizing on the slots, using our TV Company's competency to make digital shows for News24 and E24 and also other digital platforms while trying to retain and get better terms on syndication and remake rights.

The television broadcast segment continued to witness low volumes of deal activity despite the TRAI guidelines on Tariff Order and Interconnect Regulations (currently sub judice). Given the requirement to have subscribed packages within the same broadcast network, there was expectation of national players acquiring smaller niche players or regional packages for consumers.

Movies:

The Indian movie industry grew by 28% year over year (YoY) to Rs.156 billion in CY17. Domestic theatrical revenues grew at 12.5% YoY to Rs. 96.3 billion while overseas theatrical collections tripled to Rs.25 billion. Strong growth in overseas revenues was driven by the success of a few movies in foreign markets. Revenue from sale of digital rights also rose 42% YoY to Rs.8.5 billion. The Indian movie industry is estimated to grow 7.2% CAGR over CY17-20 as per the Report.

The Indian movie production industry has immensely benefited over the past decade due to multiplex proliferation, decline in piracy due to digitized delivery, and growth of regional cinema. However, domestic theatrical collection has been growing at a slower pace even as multiplexes continue to expand. For larger chains, footfall growth in past couple of years has been trailing growth in seats. While on the one hand, top movies are taking away a larger share, on the other, niche content is getting wider acceptance from the audience.

Digital movie rights and international box office revenue streams have significantly strengthened the economics for Indian movie producers. The sharp increase in content consumption on digital devices is driving up the price of digital rights of movies. For some small budget niche movies, revenues from the sale of digital rights are now equaling the box office collections.

BAG MARCHES AHEAD

BAG holds the unique distinction of producing programmes of all genres for a range of channels and audience. Realizing the potential in digital market, we have intensive plans to produce for digital platform.

We plan to create and deliver popular, high-quality programming for catering to not only domestic but also to the demands of international viewership and expects to earn high returns for its stakeholders.

We realized that to scale up in a meaningful way, we would need to make, own and broadcast our own content and be present across the entire value chain of the media and entertainment industry, keeping in mind changed scenerio of content production in India.

We will continue to focus on creating more high impact content for the daily shows as they are more economical and profitable. We produced successful programmes like, U Me aur TV, Jaal, 100 Shahar 100 Khabar, Sanjeevni, 5 Ki Panchyat, Aaj Ka Agenda, kalchakra and Jago India, Aamne Saamne, Sabse Bada Sawal, E Special, Its Controversial across different channels and strengthened its presence.

As times change, the world-view of people also changes. By aligning ourselves to the aspirations of evolving audiences, we strive to deliver content that grips and entices them. Our legacy is of our stories, expressed to viewers in the most appealing of ways. We continue to deliver the same as we understand what ticks, placing our creative zeal in all that we do.

OUR SUBSIDIARIES

News24 Broadcast India Limited

News24, a 24 hours National Hindi news channel operating through one of its subsidiary, i.e. News24 Broadcast India Limited has been very well received by the audiences. It is available throughout India on cable and DTH platforms.

Programs like National News Centre, Aaj Ka Raaz, Aamne Saamne, Sabse Bada Sawal, News Shatak, Itihaas Gawah Hai and 100 Shahar 100 Khabrein, Panch Ki Panchyat, amongst others cover a gamut of genres in news reporting and have been received exceptionally well with the audiences across the nation. "**Sabse Bada Sawal**" and "**Aamne Saamne**" are most liked program on News24.

These shows continue to reflect the innovative ways of reporting news that has given the maximum viewership and rating to our channel making its marked presence felt in the whole Media Industry. During the year, News24 organized conclaves at different places in India to cover all segment of current affairs. Special focus has been placed on holding more and more events at different locations across different States. These events have not only added to revenue streams but also added value in brand recall, better marketing and direct connect with the viewers.

E24 Glamour Limited

'E24' a 24 hours Bollywood Entertainment channel operating through its subsidiary E24 Glamour Limited maintain impactfull presence.

E24 managed to attract audiences of all age groups and succeeded in creating a new genre in television entertainment. The channel had not only successfully been able to entertain its audience but had also been educating the youth by sending important messages and uplifting the lifestyle up-to to the global stands at the same time not forgetting its culture and traditions.

In the past, E24 launched a slew of new shows while continuing with its flagship shows like Bollywood Reporter, E Special, It's Controversial, Breaking Beats, E review and U Me & TV, thus strengthening its programming line-up further.

However, rapid growth of digital platforms has hit the growth of music based channels, forcing most of the players in this segment to re-strategies their content and sales pitch. The sales growth of the channel remained negatively impacted by various extraneous factors such as GST implementation, piracy and onslaught by digital music players. We plan to get over this de-growth in the coming year with a different road map.

Skyline Radio Network Limited

Your FM radio station, on frequency 106.4 in the name of "**Dhamaal24** - **Har Khushi hai Jahan**" is now the voice of the regions and its many shows are household names in all ten cities where it is operational i.e.Hissar, Karnal, Patiala, Ranchi, Muzaffarpur, Dhule, Jalgaon, Ahemednagar, Simla and Jabalpur.

Dhamaal24 believes that life must be lived to the fullest and celebrated. Dhamaal24 is a channel with a slice of life and approach to the infotainment & entertainment programming. Various programming are purposely aligned for maximum listenership. Our content entices regional listeners.

Your Company has also revamped its radio station 'Dhamaal24' with revitalized, novel and popular shows like Dil Ke Mareez Hazir Ho, Zindagi Live, Zara Hat Ke Zara Bachke, Omkar, Yad Kiya Dil Ne, Aamne-Saamne, Gee Se Gee, Good Morning, AGOG, Bollywood Reporter, Bollywood Flash Back and Back to Back are aired on Dhamaal24 keeping the regional flavor in each of its programmes offered to its listeners.

B. OPPORTUNITIES AND THREATS

Your Company has a diversified business model in media and entertainment sector and the revenue is expected to come from various segments across various levels of the value chain. The diversified business model of the Company will provide scalability apart from spreading the risk profile of the overall business. The key focus areas would continue to be (1) Television content (2) Broadcasting services (3) FM radio.

Opportunities for Indian Media Industry

Increase in per capita income and growing middleclass;
The expansion of overseas market is expected to drive growth;
Rise in acquisitions of digital content by over-the-top (OTT) platforms;
Increase in regional content depth will uplift the regional markets;

THREATS

Upcoming regulations that can impact the industry

Industry players are facing various issues due to ambiguity in tax laws, conflicting ruling and retrospective amendments. Some of the key expectations are clarity on applicability of provisions relating to withholding tax (WHT) on various expenses (placement fees satellite transponder payments, discount on set-top boxes, etc.) extending benefit of set-off and carry forward of tax losses, taxes on acquisition of copy-rights on content, etc.

Withholding Tax (WHT) on Various Payments by TV Channel Companies

Television Broadcasting Companies make significant payments to software production houses towards production of TV programmes. They also pay placement/ carriage fees to DTH operators, multi system operators and cable operators toward placement/carriage of the channels. Broadcasters are of the view that such payments attract WHT under section 194C of the Income Tax at the rate of 2%. However the tax authorities contended that such payments are liable for WHT at 10% on the premise that the payment are towards technical services/royalty. This has resulted in protected litigation.

Taxation on Advertisement Revenues

Under Income Tax Act, 1962, Advertisement Revenues of Foreign Telecasting Companies (FTCs) are taxable in India in case a FTC has a business connection in India. In case a FTC operates from a country with which India has a treaty, the advertisement revenues will be taxable in India only if the FTC has a permanent establishment in India. The taxability in such cases is only on the income which is attributable to the permanent establishment/operations carried out in India. The circumstances in which FTCs constitute a permanent establishment/business connection in India and the determination of income attributable to such permanent establishment/operation carried out in India, continue to be continuous issues between FTCs and the tax authorities.

TRAI Tariff Order

TRAI released the tariff order in March-2017 with an objective to allow viewers to choose channels on an a-la-carte basis. The order was supposed to be implemented from May-2017, but was challenged by multiple stakeholders. Of the two cases filed against the order. As per the clause, in a content agreement between broadcaster and distributors, a bouquet of channels cannot be priced at less than 85% of the sum of a-la-carte price of these channels. The court found this provision to be arbitrary and hence not enforceable. Effective implementation of this order requires a significant upgrade of infrastructure and subscriber management systems of the distributors. Given the low ARPUs in India, it might be difficult to offer channels on an a-la-carte basis to every consumer. As a result, bouquet may remain the most popular option for subscription even under the new regulation.

General Anti-Avoidance Rules (GAAR)

Finally, India is going ahead with the implementation of GAAR from the intended date of April 1, 2017. GAAR will be applicable to arrangements which are regarded as 'impermissible avoidance arrangements' which could result in, amongst others, recharacterisation of such arrangements, denial of tax benefits or treaty benefits etc.

Dual GST

GST legislation provides for principles to determine whether the supply shall be construed to be made within the state or the supply is an interstate supply I.e., supply made by a supplier from one state is provided in another state. This principle is termed as "place of supply" (POS). In case where the POS state for a particular supply is different from the state in which the supplier is located, an integrated GST needs to be paid which is also termed as IGST.

C. SEGMENT WISE PERFORMANCE

The segment wise performance has been shown elsewhere in the Annual Report.

D. OUTLOOK

We are content producers and innovators. We create content that is relevant to diverse audiences and available across multiple platforms. We continue to make concrete strategies to ensure we leverage our leadership market position. We continue to create capabilities, infrastructure, content and platforms aligned to emerging consumer preferences and audience behavior. We are aligning our strategic priorities and tangible goals that will place us in a different orbit. Actions are geared towards not just thinking of what is, but thinking what can be. Our main businesses are:

1. Creating original and diverse show content;
2. Exploring opportunities across channels, languages;
3. Building our marketing and distribution capabilities;
4. Creating newer show formats for television content;
5. Leveraging opportunities in regional markets by expanding network.

We will leverage our expertise across facets, target the audiences and make a digitally connected society. We will strengthen our existing platforms and building new ones, gauging viewer preferences. We will continue to align our content offerings, making a borderless and seamless world of entertainment, targeting growth in viewership and content consumption.

E. RISK AND CONCERNS

Being a content driven entity, we are strengthening our intellectual property to ensure cost optimization at all levels. The four key pillars that continue to influence the digital Media and Entertainment space are infrastructure; mobility, government policy and digital technologies. We continue to have a readily available database of our IP, such as scripts, dialogues, clips and other content. The following risks and challenges are affecting our business:

1. **Piracy**: The issue of piracy remains a critical issue for the Indian film industry. However, there are some changes that have helped the industry battle this issue aggressively. Also, with the shift in consumer preference to the Internet, the business of piracy has also transformed. The physical format (VCDs and DVDs) is disappearing and pirates are therefore shifting online.

   Indian OTT players generate significant traffic from streaming of live TV channels. As a result, the piracy of content, especially illegal live streaming of sports matches is a significant concern. With the growth of broadband, piracy of content may further increase, impacting subscription revenue potential for OTT providers.

   The Government has refocused on the challenge the M&E industries is facing due to digital piracy. A social media campaign to promote Indian Geographical indications (GIs) has been launched by the cell for IPR Promotions and Management (CIPAM) with the #LetsTalkIP hash tag. This movement aims to make more people aware of the importance of intellectual Property Rights (IPRs).

2. **Complex IP with Licensing Regime:** As audience fragment and platforms diversify, different content windows, geography restrictions, formatting terms, character rights, etc. emerge, leading to a very complex

rights environment. The IP ownership and royalty definitions between artists, producers, aggregators etc. are also blurring, leading to intermittent litigation.

3. **Tax and Regulatory Concern:** Television broadcasting companies make significant payments to software production houses towards production of TV programmes. They also pay placement/ carriage fees to DTH operators, multi-system operators and cable operators towards placement/ carriage of the channels. Broadcasters are of the view that such payments attract Withholding tax (WHT) under Section 194C of the IT Act. However, in some of the cases the tax authorities contend that such payments are liable for WHT at 10% on the premise that the payments are towards technical services/royalty. This has resulted in protracted litigation.

   Broadcasting companies pay transponder charges to satellite companies for transmission of their TV signals. The tax authorities contend that payments made towards transponder charges are in the nature of royalty.

   Regulatory changes will be the catalyst to growth in the television and radio space. Digitalization, Phase III licensing for radio and 4G rollout will provide the required impetus to the industry. Higher penetration of internet will, especially in the mobile space, continue to drive the investment in the digital media space. This will have an impact on the advertising as well as print and publishing sector in the coming years.

4. **Tax on Content and other Goods Procurement**

   Television content procured on licensing / acquisition basis was liable to VAT, generally at 6%. Further, other consumables and goods purchased by broadcasters were liable to excise duty and VAT.

F. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Company's internal control systems are commensurate with the nature of its business and the size and complexity of its operations. These are routinely tested and certified by Statutory as well as Internal Auditors and cover key business areas. Significant audit observations and follow up actions thereon are reported to the Audit Committee. The Audit Committee reviews adequacy and effectiveness of the Company's internal control processes and monitors the implementation of audit recommendations, including those relating to strengthening of the Company's risk management policies and systems.

Your Company's Internal Control system is designed to:

- Safeguard the company's assets and to identify liabilities and managed it accordingly.
- Prevention and detection of Fraud and Errors
- Ensure that transactions are properly recorded and authorized.
- Ensure maintenance of proper records and processes that facilitates relevant and reliable information.
- Ensure compliance with applicable Laws and Regulations.

The CMD/CFO Certification provided elsewhere in the report discusses about the adequacy of our internal control systems and procedures.

G. DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

The details of the financial performance of the Company are appearing in the Balance Sheet, Profit & Loss Account and other financial statements appearing separately.

H. MATERIAL DEVELOPMENT IN HUMAN RESOURCES

BAG considers Human Resources to be one of the key elements to sustain competitive advantage in the News Media Sector. Media organizations are human driven; its growth depends upon the quality contribution made by the people in the organization. Therefore, your Company recognizes human resources as a key component for facilitating organizational growth. Your Company has continuously worked to create and nurture an organization that is highly motivated, result oriented and adaptable to the changing business environment and that is why that in this slowdown your company has managed to sustain its leadership in the electronic media.

BAG aims to recruit, nurture and retain quality professionals and provide them with a high performance environment. Knowledge and intellectual assets are being strategically shared across BAG Network. The Company has 31 permanent employees on the roll of the Company as on March 31, 2018. At BAG, we have understood the potential of the human resource and its contribution to the financial standing of your company. Therefore, the human asset is highly valued and regarded by your company. No effort is spared to provide the employees with a healthy work environment and all assistance is rendered in order to bring-out the best in each one of them. BAG Network is reassessing traditional notions about employment and experimenting with broad-based employee ownership.

Cautionary statement

Statements in the Management Discussion and Analysis and the annual report describing the Company's objectives, projections, estimates, expectations may be "forward-looking statements" within the meaning of applicable securities laws and regulations in India and other countries. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting the domestic market, in which the Company operates, changes in the Government regulations, tax laws and other statutes and other incidental factors and unforeseen circumstances.

(*Source of information: FICCI-EY-Reimaging Indian M & E Sector, 2018)

INDEPENDENT AUDITOR'S REPORT

To
The Members of
B.A.G. Films and Media Limited

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of B.A.G Films and Media Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2018, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and summary of the significant accounting policies and other explanatory information (herein after referred to as "standalone Ind AS financial statements").

Management's Responsibility for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134 (5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the state of affairs, profit/ loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ("Ind AS") prescribed 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone Ind AS 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.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS 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 standalone Ind AS 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 standalone Ind AS financial statements.

We are also responsible to conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause an entity to cease to continue as a going concern.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS 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 31 March 2018, its loss and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, 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, to the extent applicable, that:
   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.

(e) On the basis of the written representations received from the directors as on 31 March 2018, and 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;

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure B”, which is based on the Auditors’ Reports of the Company. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial controls over financial reporting of the Company.

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

   i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note 24 to the standalone Ind AS financial statements.

   ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;

   iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

   iv. The disclosures regarding details of specified bank notes held and transacted during 8 November 2016 to 30 December 2016 has not been made since the requirement does not pertain to financial year ended 31 March 2018.

For Kumar Khare & Co.
Chartered Accountants
Firm Registration No. 006740C

Alok Khare
Partner
Membership No.075236

Place : Noida
Dated : May 28, 2018

ANNEXURE A
to the Independent Auditor’s Report

(Referred to in paragraph 1 under report on other Legal and Regulatory Requirements' section of our report of even date)

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 system of physical verification of fixed assets which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this programme, certain fixed assets were physically verified by the management during the year and we are informed that no material discrepancies were noticed on such verification.

   (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, title deeds of immovable properties are held in the name of the Company.

ii. (a) The inventory of video tapes and films have been physically verified by the management during the year and no material discrepancies were noticed on physical verification.

   (b) In our opinion, the procedures and frequency of physical verification of inventory of video tapes and films followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.

   (c) On the basis of our examination of the inventory records, in our opinion, the Company is maintaining proper records of inventory. As explained to us, there were no material discrepancies noticed on physical verification of inventory as compared to the book records.

iii. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a), (b)and (c) of the Order are not applicable to the Company and hence not commented upon.

iv. In our opinion and according to the information and explanations given to us, the Company does not have any transactions to which the provisions of Section 185 apply. The Company has complied with the provisions of Section 186 of the Act, with respect to the loans, investments, guarantees and security.

v. The Company has not accepted deposits with the meaning of Section73 to 76 of the Act and the Companies (Acceptance of Deposits)Rule, 2014 (as amended). Accordingly, the provisions of the clause 3 (v) of the Order are not applicable.

vi. To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under clause 148(1) of the Companies Act, 2013, for the products/ services of the Company.

vii. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues were in arrears as at March 31, 2018 for a period of more than six months from the date they became payable.

(c) According to the information and explanations given to us, there are no dues of income tax, service tax, goods and services tax, customs duty, excise duty and cess on account of any dispute, which have not been deposited.

viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to banks. The Company does not have any outstanding dues in respect of a financial institution or debenture holders or government.

ix. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) or term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable to the Company.

x. In our opinion and in according to the information and explanation given to us, no fraud on the company by its officer or employees nor any fraud by the Company has been noticed or reported during the year , that causes the financial statement to be materially miss-stated.

xi. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company and hence reporting under clause 3(xii) of the Order is not applicable to the Company.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013 where applicable and details of such transactions have been disclosed in the standalone Ind AS financial statements, as required by the applicable accounting standards.

xiv. According to the information and explanations given to us the Company has made preferential allotment of warrants convertible into equal number of equity shares during the year under review. In respect of the above issue, we further report that:

(a) The requirement of the section 42 of the companies Act, 2013, as applicable, has been complied with; and

(b) The amount raised has been applied by the company during the year for the purposed for which the fund was raised.

xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them and Accordingly, paragraph 3 (xv) of the Order is not applicable to the Company.

xvi. According to the information and explanations given to us, the Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3 (xvi) of the Order is not applicable to the Company.

For Kumar Khare & Co.
Chartered Accountants
Firm Registration No. 006740C

Alok Khare
Partner
Membership No.075236

Place : Noida
Dated : May 28, 2018

ANNEXURE 'B' TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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 B.A.G Films and Media Limited ('the Company') as of March 31, 2018 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended and as 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 controls with reference to financial statements criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

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 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 Internal Financial Controls Over Financials Reporting(IFCoFR) and the Guidance Note on Audit of Internal Financial Control Over Financial Reporting (the "Guidance Note")issued by the ICAI. Those Standards and the Guidance Note require that we comply with the 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 auditors' judgment, including the assessment of the risks of material misstatement of the standalone 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 with reference to financial statements.

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 controls 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 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.

For Kumar Khare & Co.
Chartered Accountants
Firm Registration No. 006740C

Alok Khare
Partner
Membership No.075236

Place : Noida
Dated : May 28, 2018

BALANCE SHEET

as at March 31, 2018 **(Amount in ₹)**

Particulars	Note No.	As at March 31, 2018	As at March 31,2017	As at April 1, 2016
ASSETS				
NON-CURRENT ASSETS				
Property, plant and equipment	4	405,276,999	527,301,859	417,663,361
Capital work-in-progress		-	6,608,599	196,377,735
Investment in subsidiaries	5	2,474,732,546	2,553,620,046	2,541,007,546
Financial assets				
Investments	5	13,610,195	148,658,811	55,930,800
Deferred tax assets (net)	6	33,522,266	16,805,738	13,234,345
TOTAL NON-CURRENT ASSETS		**2,927,142,006**	**3,252,995,053**	**3,224,213,787**
CURRENT ASSETS				
Inventories	7	189,574,889	190,031,589	212,649,467
Financial assets				
Trade receivables	8	46,621,168	112,015,009	171,077,729
Cash and cash equivalents	9	26,411,933	29,706,564	29,936,251
Other financial assets	10	16,872,714	8,260,216	6,835,856
Other current assets	11	25,709,970	29,780,351	47,659,486
TOTAL CURRENT ASSETS		**305,190,674**	**369,793,729**	**468,158,789**
TOTAL ASSETS		**3,232,332,680**	**3,622,788,782**	**3,692,372,576**
EQUITY AND LIABILITIES				
EQUITY				
Equity share capital	12	376,065,839	376,065,839	376,065,839
Other equity	13	2,228,497,549	2,257,337,431	2,283,317,719
Money Received against share warrants		1,1515,000	-	-
		2,616,078,388	**2,633,403,270**	**2,659,383,558**
LIABILITIES				
NON-CURRENT LIABILITIES				
Financial liabilities				
Other financial liabilties	14	1,091,166	134,251,717	332,549,399
Provisions	15	7,712,586	5,724,377	4,856,170
TOTAL NON-CURRENT LIABILITIES		**8,803,752**	**139,976,094**	**337,405,569**
CURRENT LIABILITIES				
FINANCIAL LIABILITIES				
Trade payables				
Total outstanding dues of micro enterprises and small enterprises	16	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	16	14,111,847	14,399,955	22,238,841
Other financial liabilities	17	496,153,414	404,014,169	414,706,758
Other current liabilities	18	97,185,279	430,995,294	247,562,371
Provisions		-	-	11,075,479
TOTAL CURRENT LIABILITIES		**607,450,540**	**849,409,418**	**695,583,449**
TOTAL EQUITY AND LIABILITIES		**3,232,332,680**	**3,622,788,782**	**3,692,372,576**
Basis of preparation, measurement and significant accounting policies	2			
First time adoption of Ind AS	3			
Contingent liabilities and commitments	26.1			

The accompanying notes are an integral part of the financial statements.

As per our report of even date
For Kumar Khare & Co.
Firm Registration Number: 006740C
Chartered Accountants

For and on behalf of Board of Directors

Anurradha Prasad
Chairperson cum Managing Director
DIN : 00010716

Sudhir Shukla
Director
DIN : 01567595

Ajay Jain
CFO

Rajeev Parashar
Company Secretary

Alok Khare
Partner
Membership No.: 075236

Place : Noida
Date : May 28, 2018

STATEMENT OF PROFIT AND LOSS

for the year ended 31st March, 2018 **(Amount in ₹)**

Particulars	Note No.	Year ended March 31, 2018	Year ended March 31, 2017
Sales	19	162,905,226	185,967,239
Other operating revenue	19	84,551,635	58,078,884
Revenue from operations		247,456,861	244,046,123
Other income	20	3,141,988	3,424,342
Total Income		**250,598,849**	**247,470,465**
Expenses			
Changes in inventories of finished goods, work-in-progress and traded goods	21	456,700	22,617,878
Employee benefits expense	22	23,959,289	19,651,944
Finance costs	23	75,758,228	106,890,574
Depreciation and amortisation expense	24	122,763,301	78,570,592
Other expenses	25	71,229,532	48,433,338
Total Expenses		**294,167,050**	**276,164,326**
Profit before exceptional items and tax		**(43,568,201)**	**(28,693,861)**
Exceptional items		-	-
Profit before tax		**(43,568,201)**	**(28,693,861)**
Tax expense			
Deferred tax		(16,716,528)	(3,571,393)
Total tax expense		**(16,716,528)**	**(3,571,393)**
Profit for the year (A)		**(26,851,673)**	**(25,122,468)**
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Acturial gains/losses of defined benefit plans		(1,988,209)	(1,098,814)
Other comprehensive income for the year (net of tax) (B)		**(1,988,209)**	**(1,098,814)**
Total comprehensive income for the year (A+B)		**(28,839,882)**	**(26,221,282)**
Nominal value per share Rs.2/- each			
Earnings per equity share			
Basic earnings from operations attributable to share holders		(0.15)	(0.14)
Diluted earnings from operations attributable to share holders		(0.15)	(0.14)
Basis of preparation, measurement and significant accounting policies	2		
First time adoption of Ind AS	3		

The accompanying notes are an integral part of the financial statements.

As per our report of even date
For Kumar Khare & Co.
Firm Registration Number: 006740C
Chartered Accountants

For and on behalf of Board of Directors

Anurradha Prasad
Chairperson cum Managing Director
DIN : 00010716

Sudhir Shukla
Director
DIN : 01567595

Ajay Jain
CFO

Rajeev Parashar
Company Secretary

Alok Khare
Partner
Membership No.: 075236

Place : Noida
Date : May 28, 2018

CASH FLOW STATEMENT

For the Year ended March 31, 2018

(Amount in ₹)

Particulars		For the Year ended March 31, 2018		For the Year ended March 31, 2017
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit / (Loss) before extraordinary items and tax		(45,556,410)		(29,792,675)
Adjustments for:				
Depreciation and amortisation	122,763,301		78,570,592	
(Profit) / loss on sale / write off of assets	-		66,201	
Finance costs	75,758,228		106,890,574	
Interest income	(2,339,619)		(3,289,142)	
Liabilities / provisions no longer required written back	(802,369)		(135,200)	
Adjustment relating to earlier year	-		240,994	
		195,379,541		182,344,019
Operating profit / (loss) before working capital changes				
Movements in working capital:				
Adjustments for (increase) / decrease in operating assets:				
(Increase) / Decrease in inventories	456,700		22,617,878	
(Increase) / Decrease in trade receivables	65,393,843		59,062,720	
(Increase) / Decrease in loans and advances	(8,612,498)		(1,424,360)	
(Increase) / Decrease in other current assets/other financial assets	4,070,381		17,879,135	
Adjustments for increase / (decrease) in operating liabilities:				
Increase / (Decrease) in trade payables	514,261		(7,703,686)	
Increase / (Decrease) in t other financial liabilities	92,139,244		(10,692,588)	
Increase / (Decrease) in Other current liabilities	(333,810,015)		183,432,923	
Increase / (Decrease) in provisions	1,988,209	(177,859,875)	(10,207,272)	252,964,750
Cash generated from operations		(28,036,744)		405,516,094
Net cash flow from / (used in) operating activities (A)		**(28,036,744)**		**405,516,094**
B. CASH FLOW FROM INVESTING ACTIVITIES				
Payment for Purchase of Property, plant and Equipment (PP&E),	(738,441)		(188,538,090)	
Proceeds from Property, plant and Equipment (PP&E), Investment properties and capital work in progress	6,608,599		190,031,935	
Proceeds from long-term investments				
- Subsidiaries	78,887,500		(12,612,500)	
Proceeds from sale of long-term investments				
- Others	135,048,616		(92,728,011)	
Interest received (finance income)	2,339,619		3,289,142	
		222,145,893		(100,557,524)
Net cash flow from / (used in) investing activities (B)		**222,145,893**		**(100,557,524)**

CASH FLOW STATEMENT

For the Year ended March 31, 2018

(Amount in ₹)

Particulars	For the Year ended March 31, 2018		For the Year ended March 31, 2017	
C. CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from issue of share warrants	11,515,000		-	
Repayment of other financial liabilities	(133,160,552)		(198,297,682)	
Interest paid (finance cost)	(75,758,228)		(106,890,574)	
		(197,403,780)		(305,188,256)
Net cash flow from / (used in) financing activities (C)		**(197,403,780)**		**(305,188,256)**
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		**(3,294,631)**		**(229,687)**
Cash and cash equivalents at the beginning of the year		29,706,564		2,993,6251
Cash and cash equivalents at the end of the year		26,411,933		29,706,564
Reconciliation of Cash and cash equivalents with the Balance Sheet:				
Cash and cash equivalents as per Balance Sheet		26,411,933		29,706,564
Cash and cash equivalents at the end of the year (refer Note 9)		**26,411,933**		**29,706,564**

Note: The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'.

The accompanying notes are an integral part of the financial statements.

As per our report of even date
For Kumar Khare & Co.
Firm Registration Number: 006740C
Chartered Accountants

For and on behalf of Board of Directors

Anurradha Prasad
Chairperson cum Managing Director
DIN : 00010716

Sudhir Shukla
Director
DIN : 01567595

Ajay Jain
CFO

Rajeev Parashar
Company Secretary

Alok Khare
Partner
Membership No.: 075236

Place : Noida
Date : May 28, 2018

STATEMENT OF CHANGES IN EQUITY

For the year ended March 31, 2018

A. Equity Share Capital **Amount in ₹**

Particulars	Note No.	Balance
As at 1st April, 2016		376,065,839
Changes in equity share capital during the year		-
As at 31st March, 2017		**376,065,839**
Changes in equity share capital during the year		-
As at 31st March, 2018	12	**376,065,839**

B. Other Equity **(Amount in ₹)**

		Reserves and surplus				Items of Other Comprehensive Income (OCI)	
Particulars	**Note No.**	**Capital Reserves**	**General Reserves**	**Securities Premium Reserves**	**Retained earnings**	**Remeasurements of net defined benefit plans**	**Total other equity**
Balance as at 1 April 2016		**112,935,000**	**37,927,284**	**2,433,647,085**	**(301,191,650)**	**-**	**2,283,317,719**
Profit for the year		-	-	-	(24,881,474)	-	(24,881,474)
Other comprehensive income (net of tax)		-	-	-	-	(1,098,814)	(1,098,814)
Total comprehensive income for the year ended 31 March 2017		**-**	**-**	**-**	**(24,881,474)**	**(1,098,814)**	**(25,980,288)**
Transactions with owners in their capacity as owners							
Transfer from Retained earnings to General reserve		-	-	-	-	-	-
Balance as at 31 March 2017		**112,935,000**	**37,927,284**	**2,433,647,085**	**(326,073,124)**	**(1,098,814)**	**2,257,337,431**
Profit for the year		-	-	-	(26,851,673)	-	(26,851,673)
Other comprehensive income (net of tax)		-	-	-	-	(1,988,209)	(1,988,209)
Total comprehensive income for the year ended 31 March 2018		**-**	**-**	**-**	**(26,851,673)**	**(1,988,209)**	**(28,839,882)**
Transactions with owners in their capacity as owners							
Transfer from Retained earnings to General reserve		-	-	-	-	-	-
Balance as at 31 March 2018	13	**112,935,000**	**37,927,284**	**2,433,647,085**	**(352,924,797)**	**(3,087,023)**	**2,228,497,549**

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For and on behalf of Board of Directors

For Kumar Khare & Co.
Firm Registration Number: 006740C
Chartered Accountants

Anurradha Prasad
Chairperson cum Managing Director
DIN : 00010716

Sudhir Shukla
Director
DIN : 01567595

Ajay Jain
CFO

Rajeev Parashar
Company Secretary

Alok Khare
Partner
Membership No.: 075236

Place : Noida
Date : May 28, 2018

NOTES

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

1. CORPORATE INFORMATION

The Company was incorporated on January 22, 1993. It is a Public Limited Company domiciled in India and is Listed on the BSE Limited [BSE] and National Stock Exchange of India Limited [NSE]. It is one of the largest television content house in India.

2. BASIS OF PREPARATION, MEASUREMENT AND SIGNIFICANT ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION AND MEASUREMENT

(a) Basis of preparation

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

These financial statements for the year ended 31st March, 2018 are the first the Company has prepared under Ind AS. For all periods upto and including the year ended 31st March, 2017 , the Company prepared its financial statements in accordance with the accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (hereinafter referred to as 'Previous GAAP') used for its statutory reporting requirement in India immediately before adopting Ind AS. The financial statements for the year ended 31st March, 2017 and the opening Balance Sheet as at 1st April, 2016 have been restated in accordance with Ind AS for comparative information. Reconciliations and explanations of the effect of the transition from Previous GAAP to Ind AS on the Company's Balance Sheet, Statement of Profit and Loss and Statement of Cash Flows are provided in note 3.

The financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements, including the preparation of the opening Ind AS Balance Sheet as at 1st April, 2016 being the 'date of transition to Ind AS'.

The financial statements of the Company for the year ended 31st March, 2018 were approved by the Board of Directors.

(b) Basis of measurement

These financial statements are prepared under the historical cost convention unless otherwise indicated.

2.2 KEY ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions, that affect the application of accounting policies and reported amounts of assets, liabilities, income, expenses etc. at the date of these financial statements and reported amount of revenues and expenses for the year presented.

Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed at each balance sheet date. Revisons to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

2.3 SIGNIFICANT ACCOUNTING POLICIES

(a) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current and non-current classification.

Assets

An asset is classified as current when it satisfies any of the following criteria:

- Expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle;
- Held primarily for the purpose of being traded;
- Expected to be realized within twelve months after the reporting period; or
- Cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- it is expected to be settled in the Company's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is due to be settled within twelve months after the reporting date; or
- the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents.

The Company has identified twelve months as its operating cycle.

(b) Property, plant and equipment and Depreciation

The Company has elected to continue with the carrying value for all of its property, plant and equipment as recognised in its Indian GAAP financial statements as deemed cost at the transition date, viz., April 1, 2016.

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price (including all duties and taxes after deducting trade discounts and rebates if any) and any attributable cost of bringing the asset to its working condition for its intended use. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. Likewise, when a major expenditure is incurred, its cost is recognised in the carrying amount of the plant and equipment, if it increases the future benefits from the existing asset. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Property, plant and equipment under construction and fixed assets acquired but not put to use at the balance sheet date are classified as capital work in progress.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Depreciation

Based on a technical assessment and a review of past history of asset usage, management of the Company has not revised its useful lives to those referred to under Schedule II to the Companies Act, 2013 (as amended).

Depreciation on property, plant and equipment is provided on written down value method, using the rates arrived at based on the useful lives estimated by the management.

Assets costing 5,000 or less are fully depreciated in the year of purchase.

(c) Impairment of non-financial assets

At each reporting date, the Company assesses 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 Cash Generating Unit's ('CGU') fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets.

Where the carrying amount of an asset or cash generating unit 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 a 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 cost of disposal, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

Impairment losses are recognized in the statement of profit and loss. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the asset's or cash-generating unit's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit and loss.

(d) Inventories

Inventories of raw stock consists of tapes, cassettes, compact discs and other electronic devices which are valued at lower of cost or estimated net realizable value.

Costs include the cost incurred in bringing each product to its present location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. Cost of goods is determined on a FIFO basis.

Appropriate adjustments are made to the carrying value of damaged, slow moving and obsolete inventories based on management's current best estimate.

(e) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and on hand and short-term deposit and (three months or less from the date of acquisition), highly liquid investments that are readily convertible into cash and which are subject to an insignificant risk of changes in value.

(f) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

(g) Foreign Currency Transactions

Items included in the financial statements are measured using currency of primary economic environment in which the Company operates ("the functional currency"). The financial statements are presented in Indian rupees (INR), the functional currency of the Company.

<u>Initial recognition</u>

Foreign currency transactions are recorded in the functional currency, by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction.

<u>Conversion</u>

Foreign currency monetary items are translated using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary items which are carried at fair value denominated in a foreign currency are translated using the exchange rates that existed when the values were determined.

<u>Exchange differences</u>

All exchange differences arising on settlement / conversion of foreign currency monetary items are included in the statement of profit and loss.

(h) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability
- The principal or the most advantageous market must be accessible by the Company

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For recurring and non-recurring fair value measurements categorised within Level 3 of the fair value hierarchy, mention a description of the valuation processes used by the entity (including, for example, how an entity decides its valuation policies and procedures and analyses changes in fair value measurements from period to period).

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above

This note summarizes accounting policy for fair value. Other fair value related disclosures are given in Note No. 26.7 & 26.8of the Standalone financial statements.

(i) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Financial assets are subsequently classified as measured at

- amortised cost
- fair value through profit and loss (FVTPL)
- fair value through other comprehensive income (FVTOCI)

Financial assets are not reclassified subsequent to their recognition, except if and in the period the Company changes its business model for managing financial assets.

For the impairment policy on financial assets measured at amortised cost.

Debt instruments at amortized cost

A debt instrument' is measured at the amortized cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and loss account. The Company does not have any financial asset under this category.

In addition, the Company may elect to classify a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, the Company doesn't have any debt instruments that qualify for FVTOCI classification.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company decides to classify the same either as at FVTOCI or FVTPL. However there are no such instruments that have been classified through FVTOCI and all equity instruments are routed through FVTPL.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Equity investment in Subsidiary and Joint Venture

Equity investment in Subsidiary and Joint Venture Investment in subsidiary and joint venture is carried at cost in the separate financial statements as permitted under Ind AS 27.

Impairment of Financial Asset

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are debt instruments, and are measured at amortized cost e.g. debt securities, deposits, trade receivables and bank balance
- Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18.

The Company follows 'simplified approach'for recognition of impairment loss allowance on Trade receivables.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortized cost: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Financial liabilities

Initial recognition measurement

The Company's financial liabilities include deposits, trade and other payables. These are recognized initially at amortized cost net of directly attributable transaction costs.

Subsequent measurement

After initial recognition, they are subsequently measured at amortized cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

The EIR amortization is included as finance costs in the statement of profit and loss.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

(j) Provisions and Contingent Liabilities:

Provisions

A provision is recognized when the Company has a present obligation as a result of 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 amount of the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. The expense relating to a provision is presented in the statement of profit and loss.

Contingent liabilities

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. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

(k) Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

- In respect of Commissioned programmes, revenue is recognized as and when the relevant Software programme is delivered to the customers. Production expenses are net of recoveries, if any.

- Rental income arising from operating leases on equipment is accounted for based on the terms of the agreements and is included in other operating income in the statement of profit or loss.
- Sale of Rights are recognised in accordance with the terms of agreements with customers.
- Income from infrastructure support, building rent and royalty income is recognised based on the terms of the underlying agreement.
- Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

(l) Expenditure:

Expenses are accounted on accrual basis.

(m) Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes the contribution payable to the provident fund scheme as an expenditure when the employee renders the related service.

Gratuity liability is a defined benefit obligation. The cost of providing benefits under the plan is determined on the basis of actuarial valuation at each year-end using the projected unit credit method.

Remeasurement, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through Other Comprehensive Income ('OCI') in the period in which they occur.

Remeasurement is not reclassified to profit or loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognizes the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end.

(n) Earning per share (EPS)

Basic earnings per share are 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. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split and reverse share split that have 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.

(o) Segment reporting

Based on internal reporting provided to the Chief operating decision maker(CODM) as defined in IND AS 108, the Company's operations predominantly related to audio-video production, movies and leasing of property & broadcasting equipments. The management committee reviews and monitors the operating results of the business segment for the purpose of making decisions about resource allocation and performance assessment using profit or loss and return on capital employed.

(p) Operating leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement

Operating leases (where the Company is the lessee)

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

Operating leases (where the Company is the lessor)

Leases in which the Company does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases.. Lease income on an operating lease is recognized in the statement of profit and loss on a straight-line basis over the lease term. Costs, including depreciation, are recognized as an expense in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the statement of profit and loss.

(q) Taxes

Tax expense comprises current and deferred tax.

- **Current income-tax**

  Current income-tax asset and liabilities are measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

- **Deferred tax**

  Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences could be utilized.

- **Minimum alternate tax**

  Minimum alternate tax ('MAT') paid in a year is charged to the statement of profit and loss as current tax. The Group recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Group will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. The said asset is recognised as "MAT Credit Entitlement" as deferred tax asset, and is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement."

2.4 RECENT ACCOUNTING DEVELOPMENTS

(a) Standards issued but not yet effective:

IND AS 115: Revenue from Contracts with Customers

In March 2018, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying Ind AS 115, 'Revenue from Contracts with Customers'. The Standard is applicable to the Company with effect from 1st April, 2018.

Revenue from Contracts with Customers Ind AS 115 establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. Ind AS 115 will supersede the current revenue recognition standard Ind AS 18 Revenue, Ind AS 11 Construction Contracts when it becomes effective. The core principle of Ind AS 115 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the standard introduces a 5-step approach to revenue recognition:

Step 1: Identify the contract(s) with a customer

Step 2: Identify the performance obligation in contract

Step 3: Determine the transaction price

Step 4: Allocate the transaction price to the performance obligations in the contract

Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Under Ind AS 115, an entity recognises revenue when a performance obligation is satisfied, i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customer. The Company has completed its evaluation of the possible impact of Ind AS 115 and will adopt the standard from 1st April, 2018.

3. FIRST TIME ADOPTION OF IND AS

These financial statements, for the year ended 31 March 2018, are the first financial statements the Company has prepared in accordance with Ind AS. For periods up to and including the year ended 31 March 2017, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP) and Companies Account (Amendment) rules, 2016, as amended.

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on 31 March 2018, together with the comparative period data as at and for the year ended 31March 2017, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at 1 April 2016, the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the balance sheet as at 1 April 2016 and the financial statements as at and for the year ended 31 March 2017.

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has applied the following exemptions :

- Ind AS 16 - Property, plant and equitment are opted to be carried as recognised in its previous GAAP financials as deemed cost at the transition date. The Company has elected to continue with the carrying value as at 1st April, 2016 for all of its investment properties, Intangible assets and property plant & equipment as recognised in its Previous GAAP financial as deemed cost at the transition date.
- The Company has elected not to apply Ind AS 103 Business Combinations retrospectively to past business combinations that occurred before the transition date of April 1, 2016.
- The Company has elected to measure its investments in subsidiaries and other investment at the Previous GAAP carrying amount as its deemed cost on the date of transition to Ind AS.
- The Company has applied the impairment requirements of Ind AS 109 retrospectively; however, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognised in order to compare it with the credit risk at the transition date. Further, the Company has not undertaken an exhaustive search for information when determining, at the date of transition to Ind AS, whether there have been significant increases in credit risk since initial recognition, as permitted by Ind AS 101.

Estimates

The estimates at April 1, 2016 and at March 31, 2017 are consistent with those made for the same dates in accordance with Indian GAAP (after adjustments to reflect any differences in accounting policies) apart from Impairment of financial assets based on expected credit loss model where application of Indian GAAP did not require estimation.

The estimates used by the Company to present these amounts in accordance with Ind AS reflect conditions at April 1, 2016 (i.e. the date of transition to Ind-AS) and as of March 31, 2017.

Previous GAAP figures have been reclassified/ regrouped wherever necessary to conform with financial statements prepared under Ind AS.

Effect of the Transition to Ind AS

Reconciliations of the Company's balance sheets prepared under Indian GAAP and Ind AS as of April 1, 2016 and March 31, 2017 are also presented in Note 3.1. Reconciliations of the Company's income statements for the year ended March 31, 2017 prepared in accordance with Indian GAAP and Ind AS in Note 3.2.

BALANCE SHEET

3.1 Effect of Ind AS adoption on the balance sheet as at March 31, 2017 and April 1, 2016

(Amount in ₹)

Particulars	As at March 31, 2017 Previous GAAP	Effect of transition to Ind AS	As per Ind AS balance sheet	As at March 31, 2016 Previous GAAP	Effect of transition to Ind AS	As per Ind AS
ASSETS						
NON-CURRENT ASSETS						
Property, plant and equipment	527,301,859	-	527,301,859	417,663,361	-	4,176,63,361
Capital work-in-progress	6,608,599	-	6,608,599	196,377,735	-	196,377,735
Investment in subsidiaries	2,553,620,046	-	2,553,620,046	2,541,007,546	-	2,541,007,546
Financial assets						
Investments	148,699,396	40,585	148,658,811	56,199,395	2,68,595	55,930,800
Deferred tax assets (net)	16,805,738	-	16,805,738	13,234,345	-	13,234,345
TOTAL NON-CURRENT ASSETS	**3,253,035,638**		**3,252,995,053**	**3,224,482,382**		**3,224,213,787**
CURRENT ASSETS						
Inventories	190,031,589	-	190,031,589	212,649,467	-	212,649,467
Financial assets						
Trade receivables	112,015,009	-	112,015,009	171,077,729	-	171,077,729
Cash and cash equivalents	33,887,368	4,180,804	29,706,564	34,862,786	49,26,535	29,936,251
Other finacial assets	7,920,423	(339,793)	8,260,216	5,770,992	(10,64,864)	6,835,856
Other current assets	25,961,351	(3,819,000)	29,780,351	43,840,486	(38,19,000)	47,659,486
TOTAL CURRENT ASSETS	**369,815,740**		**369,793,729**	**468,201,460**		**468,158,789**
TOTAL ASSETS	**3,622,851,378**		**3,622,788,782**	**3,692,683,842**		**3,692,372,576**
EQUITY AND LIABILITIES						
EQUITY						
Equity share capital	376,065,839	-	376,065,839	376,065,839	-	376,065,839
Other equity	2,257,400,027	62,596	2,257,337,431	2,283,628,985	3,11,266	2,283,317,719
LIABILITIES						
NON-CURRENT LIABILITIES						
Financial liabilities						
Other financial liabilties	134,251,717	-	134,251,717	332,549,399	-	332,549,399
Provisions	5,724,377	-	5,724,377	4,856,170	-	4,856,170
TOTAL NON-CURRENT LIABILITIES	**2,773,441,960**		**2,773,379,364**	**2,997,100,393**		**2,996,789,127**
CURRENT LIABILITIES						
FINANCIAL LIABILITIES						
Trade payables	14,399,955	-	14,399,955	22,238,841	-	22,238,841
Other financial liabilities	404,014,169	-	404,014,169	414,706,758	-	414,706,758
Other current liabilities	430,995,294	-	430,995,294	247,562,371	-	247,562,371
Provisions	-		-	11,075,479	-	11,075,479
TOTAL CURRENT LIABILITIES	**849,409,418**		**849,409,418**	**695,583,449**		**695,583,449**
TOTAL EQUITY AND LIABILITIES	**3,622,851,378**		**3,622,788,782**	**3,692,683,842**		**3,692,372,576**

STATEMENT OF PROFIT AND LOSS

3.2 Effect of Ind AS adoption on the statement of profit and loss for the year ended March 31, 2017

(Amount in ₹)

	As at March 31, 2017		
Particulars	**Previous GAAP**	**Effect of transition to Ind AS**	**As per Ind AS balance sheet**
Sales	185,967,239	-	185,967,239
Other operating revenue	58,078,884	-	58,078,884
Revenue from operations	244,046,123	-	244,046,123
Other income	3,424,342	-	3,424,342
Total Income	**247,470,465**		**247,470,465**
Changes in inventories of finished goods, work-in-progress and traded goods	22,617,878	-	22,617,878
Employee benefits expense	20,793,427	(1,141,483)	19,651,944
Finance costs	106,890,574	-	106,890,574
Depreciation and amortisation expense	78,570,592	-	78,570,592
Other expenses	48,392,756	(40,582)	48,433,338
Total Expenses	**277,265,227**		**276,164,326**
Profit before exceptional items and tax	**(29,794,762)**		**(28,693,861)**
Exceptional items	-		-
Profit before tax	**(29,794,762)**		**(28,693,861)**
Tax expense			
Deferred tax	(3,571,393)	-	(3,571,393)
Total tax expense	**(3,571,393)**		**(3,571,393)**
Profit for the year (A)			
	(26,223,369)		**(25,122,468)**
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Acturial gains/losses of defined benefit plans	-	1,098,814	(1,098,814)
Other comprehensive income for the year (net of tax) (B)	**-**		**(1,098,814)**
Total comprehensive income for the year (A+B)	**(26,223,369)**		**(26,221,282)**

3.3 Adjustments to Statement of Cash flows

There were no material differences between the Statement of Cash Flows presented under Ind AS and the Previous GAAP.

Notes to the reconciliation

1. Fair valuation of investments in mutual funds: Under the Ind AS, the Investments in mutual funds have been accounted at fair value through Statement of Profit and Loss instead of accounting at lower of cost and fair value under IGAAP.
2. Actuarial gain/loss on defined benefit plans: The Remeasurement cost arising primarily due to change in actuarial assumptions has been recognized in Other Comprehensive Income (OCI) under Ind AS instead of Statement of Profit and Loss under previous GAAP. However, this has no impact on total comprehensive income and total equity
3. Under Previous GAAP, deferred taxes were recognised for the tax effect of timing differences between accounting profit and taxable profit for the year using the income statement approach. Under Ind AS, deferred taxes are recognised using the balance sheet for future tax consequences of temporary differences between the carrying value of assets and liabilities and their respective tax bases. The above difference, together with the consequential tax impact of the other Ind AS transitional adjustments lead to temporary differences. Deferred tax adjustments are recognised in correlation to the underlying transaction either in retained earnings or through other comprehensive income.
4. Under Indian GAAP, the Company has not presented other comprehensive income (OCI) separately. Hence, it has reconciled Indian GAAP profit or loss to profit or loss as per Ind AS. Further, Indian GAAP profit or loss is reconciled to total comprehensive income as per Ind AS.

4. Property, plant and equipment

(Amount in ₹)

Description of Assets	Land	Building	Plant & Equipment	Computers & Peripherals	Vehicle	Furnitures & Fixtures	Office Equipments	Total
Gross Block								
Balance as at 1st April, 2016 (Deemed Cost)	**57,825,219**	**176,255,435**	**659,174,535**	**222,225,981**	**27,412,255**	**367,548,142**	**35,394,644**	**1,545,836,211**
Additions	-	-	1,323,895	204,059	-	94,796,320	92,213,816	188,538,090
Disposal	-	-	952,500	-	-	-	-	952,500
Balance as at 31st March, 2017	**57,825,219**	**176,255,435**	**659,545,930**	**222,430,040**	**27,412,255**	**462,344,462**	**127,608,460**	**1,733,421,801**
Additions	-	-	295,850	296,640	-	8,203	137,748	738,441
Disposal	-	-	-	-	-	-	-	-
Balance as at 31st March, 2018	**57,825,219**	**176,255,435**	**659,841,780**	**222,726,680**	**27,412,255**	**462,352,665**	**127,746,208**	**1,734,160,242**
Accumulated Depreciation								
Balance as at 1st April, 2016	**-**	**70,210,110**	**534,113,394**	**220,571,576**	**25,927,350**	**242,991,963**	**34,358,457**	**1,128,172,850**
Additions	-	6,061,238	33,872,632	590,661	503,746	37,184,593	357,722	78,570,592
Disposal	-	-	623,500	-	-	-	-	623,500
Balance as at 31st March, 2017	**-**	**76,271,348**	**567,362,526**	**221,162,237**	**26,431,096**	**280,176,556**	**34,716,179**	**1,206,119,942**
Additions	-	5,714,784	24,537,484	336,260	299,970	50,216,839	41,657,964	122,763,301
Disposal	-	-			-	-	-	-
Balance as at 31st March, 2018	**-**	**81,986,132**	**591,900,010**	**221,498,497**	**26,731,066**	**330,393,395**	**76,374,143**	**1,328,883,243**
Net Block								
Balance as at 1st April, 2016	**57,825,219**	**106,045,325**	**125,061,141**	**1,654,405**	**1,484,905**	**124,556,179**	**1,036,187**	**417,663,361**
Balance as at 31st March, 2017	**57,825,219**	**99,984,087**	**92,183,404**	**1,267,803**	**981,159**	**182,167,906**	**92,892,281**	**527,301,859**
Balance as at 31st March, 2018	**57,825,219**	**94,269,303**	**67,941,770**	**1,228,183**	**681,189**	**131,959,270**	**51,372,065**	**405,276,999**

NOTES TO FINANCIAL STATEMENT

5. NON-CURRENT INVESTMENTS **(Amount in ₹)**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Equity instruments Fair value through profit and loss			
(Quoted)			
5,000 (31st March, 2017: 5,000 and 1st April, 2016: 5,000) fully paid up equity shares of Rs 100/- each in Mukta Arts Limited	321,250	501,250	294,000
Investment in Mutual Funds	4,791,245	2,520,761	-
Investment in Equity instruments(Unquoted)			
485,000 (31st March, 2017: 485,000 and 1st April, 2016: 485,000) fully paid up equity shares of Rs 1/- each in B.A.G. Business Ventures Limited	485,000	485,000	485,000
Investment in optionally fully convertible debentures (OFCDs) (unquoted)			
80,127 (31st March, 2017: 296,006 and 1st April, 2016: 296,006) fully paid up Optionally Fully Convertible Debenture of Rs 100/- each in B.A.G. Business Venture Private Limited	8,012,700	29,600,600	29,600,600
Nil (31st March, 2017: 255,512 and 1st April, 2016: 255,512) fully paid up Optionally Fully Convertible Debenture of Rs 100/- each in Approach Films and Television Limited	-	25,551,200	25,551,200
Nil (31st March, 2017: 900,000 and 1st April, 2016: Nil) fully paid up Optionally Fully Convertible Debenture of Rs 100/- each in B.A.G Live Entertainment Limited	-	90,000,000	-
	13,610,195	**148,658,811**	**55,930,800**
Investment in Subsidiary (at cost)			
Equity instruments (Unquoted)			
Subsidiaries :			
20,614,100 (31st March, 2017: 20,614,100 and 1st April, 2016: 20,614,100) fully paid up equity shares of Rs 10/- each in Skyline Radio Network Limited	346,112,034	424,999,534	412,387,034
19,031,847 (31st March, 2017: 19,031,847 and 1st April, 2016: 19,031,847) fully paid up equity shares of Rs 10/- each in News24 Broadcast India Limited	1,100,374,749	1,100,374,749	1,100,374,749
18,564,909 (31st March, 2017: 18,564,909 and 1st April, 2016: 18,564,909) fully paid up equity shares of Rs 10/- each in E24 Glamour Limited	1,028,130,309	1,028,130,309	1,028,130,309
Wholly owned subsidiaries :			
Investments in B.A.G. Network Limited	115,454	115,454	115,454
	2,474,732,546	**2,553,620,046**	**2,541,007,546**
Total	**2,488,342,741**	**2,702,278,857**	**2,596,938,346**

6. DEFERRED TAX BALANCES

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Asset:			
Deferred tax assets (net)	33,522,266	16,805,738	13,234,345
Total	**33,522,266**	**16,805,738**	**13,234,345**

7. INVENTORIES

(At lower of cost and net realisable value)

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Raw Materials	1,242,126	741,550	866,000
Work in Progress	9,922,930	10,423,506	15,769,176
Finished Goods	178,409,833	178,866,533	196,014,291
Total	**189,574,889**	**190,031,589**	**212,649,467**

8. TRADE RECEIVABLES

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Considered good	46,621,168	112,015,009	171,077,729
Considered doubtful	-	-	-
Less: Allowance for bad and doubtful debts	-	-	-
Total	**46,621,168**	**112,015,009**	**171,077,729**

9. CASH AND CASH EQUIVALENTS

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Cash in hand	508,305	394,930	75,555
Balance with Banks			
-In current accounts	1,301,185	6,017,277	2,919,682
- Term deposits with original maturity of less than three months	24,602,443	23,294,357	26,941,014
Total	**26,411,933**	**29,706,564**	**29,936,251**

10. OTHER FINANCIAL ASSETS

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Loans and advances to related parties	395,679	395,679	395,679
Loans and advances to employees	2,108,484	4,055,373	2,359,952
Advance to Other	14,368,551	3,809,164	4,080,225
Total	**16,872,714**	**8,260,216**	**6,835,856**

11. OTHER CURRENT ASSETS

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Balances with government authorities	16,452,123	16,545,060	34,349,852
Earnest Money & Security Deposits	7,770,684	10,948,334	10,648,334
Prepaid Expenses	1,487,163	2,286,957	2,661,300
Total	**25,709,970**	**29,780,351**	**47,659,486**

12. SHARE CAPITAL

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
(a) Authorised Share Capital			
275,000,000 (31st March 2017: 275,000,000 and 1st April, 2016: 275,000,000) equity shares of Rs. 2/- each	550,000,000	550,000,000	550,000,000
	550,000,000	**550,000,000**	**550,000,000**
(b) Issued, Subscribed and Fully Paid Share Capital			
188,118,090 (31st March 2017: 188,118,090 and 1st April, 2016: 188,118,090) equity shares of Rs. 2/- each	376,236,180	376,236,180	376,236,180
Calls unpaid (170,341 Equity Shares @ Rs. 1/- each)	170,341	170,341	170,341
	376,065,839	**376,065,839**	**376,065,839**

Details of share holding in excess of 5% of share capital:

Name of Shareholders	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
	No. of Shares	**No. of Shares**	**No. of Shares**
Anurradha Prasad	21,479,190	21,479,190	21,479,190
ARVR Communications Private Limited	38,194,868	38,194,868	38,194,868
High Growth Distributors Private Limited	13,078,000	13,078,000	13,078,000
Sameer Gehlaut	20,250,900	20,250,900	20,250,900
Skyline Tele Media Services Limited	13,650,000	13,650,000	13,650,000

Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the March 2018:

Issued , Subscribed and fully paid up share capital:-

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	Number of shares held	Amount in ₹	Number of shares held	Amount in ₹	Number of shares held	Amount in ₹
Equity share with Voting Rights						
Equity shares outstanding at the beginning of the year	188,118,090	376,236,180	188,118,090	376,236,180	188,118,090	376,236,180
Add: Issue of Equity Shares during the year	-	-	-	-	-	-
Equity shares outstanding at the end of the year	188,118,090	376,236,180	188,118,090	376,236,180	188,118,090	376,236,180

Rights, preferences and restrictions attached to shares Equity shares

The Company has one class of equity shares having a par value of Rs 2 per share. Each shareholder is eligible for one vote per share held. 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 in case of 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.

The company has not allotted any bonus shares or bought back any shares during the current year or for a period of five years immediately preceding the balance sheet date.

13. OTHER EQUITY

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
(a) Capital Reserves	112,935,000	112,935,000	112,935,000
(b) General Reserves	37,927,284	37,927,284	37,927,284
(c) Securities Premium Reserves	2,433,647,085	2,433,647,085	2,433,647,085
(d) Retained Earnings	(356,011,820)	(327,171,938)	(301,191,650)
Total	**2,228,497,549**	**2,257,337,431**	**2,283,317,719**

13.1 Capital Reserves

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Balance at beginning of year	112935000	112935000	
Add: Transferred from retained earnings	-	-	
Balance at the end of Year	**112,935,000**	**112,935,000**	**112,935,000**

13.2 General Reserves

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Balance at beginning of year	37,927,284	37,927,284	
Add: Transferred from retained earnings	-	-	
Balance at the end of Year	**37,927,284**	**37,927,284**	**37,927,284**

13.3 Securities Premium Reserves

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Balance at beginning of year	2,434,328,449	2,434,328,449	
Add : Premium on Shares Issued during the year	-	-	
	2,434,328,449	2,434,328,449	
Less: Calls Unpaid (170,341 Equity Shares @ Rs.4/- each)	681,364	681,364	
Balance at the end of Year	**2,433,647,085**	**2,433,647,085**	**2,433,647,085**

13.4 Retained Earnings

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Opening Balance	(327,171,938)	(301,191,650)	
Add: Profit / (Loss) for the year	(26,851,673)	(25,122,468)	
Add: Adjustment of tax relating to earlier periods	-	240,994	
Other comprehensive income for the year (net of tax)	(1,988,209)	(1,098,814)	
Balance at the end of Year	**(356,011,820)**	**(327,171,938)**	**(301,191,650)**

Equity share capital and other equity are considered for the purpose of Company's capital management.

The Company manages its capital so as to safeguard its ability to continue as a going concern and to optimise returns to shareholders. The capital structure of the Company is based on management's judgement of its strategic and day-to-day needs with a focus on total equity so as to maintain investor, creditors and market confidence.

The management and the board of directors monitors the return on capital as well as the level of dividends to shareholders. The Company may take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

14. OTHER FINANCIAL LIABILITIES **(Amount in ₹)**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Vehicle Loans			
- From Bank	646,166	532,162	790,652
Term loans			
- From Bank	-	133,569,555	331,593,747
Deposits	445,000	150,000	165,000
Total	**1,091,166**	**134,251,717**	**332,549,399**

15. PROVISIONS **(Amount in ₹)**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Provision for Employee Benefits			
- Provision for Gratuity	5,780,681	4,309,537	3,474,584
- Provision for Leave encashment	1,931,905	1,414,840	1,381,586
Total	**7,712,586**	**5,724,377**	**4,856,170**

16. TRADE PAYABLES **(Amount in ₹)**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Trade payables	14,111,847	14,399,955	22,238,841
Total	**14,111,847**	**14,399,955**	**22,238,841**

Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	-	-	-
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-	-
(iv) The amount of interest due and payable for the year	-	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

Terms and conditions of the above financial liabilities:

Trade payables are non interest bearing and are normally settled within due dates

17. OTHER FINANCIAL LIABILITIES **(Amount in ₹)**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Secured			
Loans repayable on demand	403,746,638	404,014,169	414,706,758
Unsecured			
Loans and advances from related parties	92,406,776	-	-
Total	**496,153,414**	**404,014,169**	**414,706,758**

18. OTHER CURRENT LIABILITIES **(Amount in ₹)**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Current maturities of long term debt	51,282,820	220,204,002	220,204,002
Other payables			
Statutory remittances payable	63,070	201,623	54,060
Other Liability	43,474,261	208,340,756	25,104,422
Employee Cost	2,365,128	2,248,913	2,199,887
Total	**97,185,279**	**430,995,294**	**247,562,371**

19. REVENUE FROM OPERATIONS **(Amount in ₹)**

Particulars	As at March 31, 2018	As at March 31, 2017
Revenue from Operations		
Sale of Services	162,905,226	185,967,239
	162,905,226	**185,967,239**
Other Operating Revenues		
Income from Leasing of Equipment	55,573,885	55,573,884
Income from Rent	28,977,750	2,505,000
	84,551,635	**58,078,884**
Total	**247,456,861**	**244,046,123**

20. OTHER INCOME **(Amount in ₹)**

Particulars	As at March 31, 2018	As at March 31, 2017
Interest Income		
Deposit	2,325,103	3,019,583
Other Interest	14,516	269,559
Other Non-Operating Income(net of expenses directly attributable to such income)		
Sundry balance written back	802,369	135,200
Total	**3,141,988**	**3,424,342**

21. CHANGES IN INVENTORIES OF FINISHED GOODS (INCLUDING STOCK-IN-TRADE) AND WORK-IN-PROGRES

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017
Opening inventories		
Raw Materials	1,242,126	741,550
Work in Progress	9,922,930	10,423,506
Finished Goods	178,409,833	178,866,533
Closing inventories		
Raw Materials	(741,550)	(866,000)
Work in Progress	(10,423,506)	(15,769,176)
Finished Goods	(178,866,533)	(196,014,291)
Total	**(456,700)**	**(22,617,878)**

22. EMPLOYEE BENEFITS EXPENSE **(Amount in ₹)**

Particulars	As at March 31, 2018	As at March 31, 2017
Salaries , Wages and Bonus to employees	23,532,934	19,179,482
Contribution to Provident and other funds	346,760	396,744
Staff Welfare Expenses	79,595	75,718
Total	**23,959,289**	**19,651,944**

23. FINANCE COSTS **(Amount in ₹)**

Particulars	As at March 31, 2018	As at March 31, 2017
Interest expense on		
Borrowing	75,609,717	106,337,951
Other borrowing cost		
Bank Charges	102,511	74,123
Processing Fees	46,000	478,500
	75,758,228	**106,890,574**

24. DEPRECIATION AND AMORTISATION EXPENSE **(Amount in ₹)**

Particulars	As at March 31, 2018	As at March 31, 2017
Depreciation of property, plant and equipment pertaining to continuing operations	122,763,301	78,570,592
Total	**122,763,301**	**78,570,592**

25. OTHER EXPENSES **(Amount in ₹)**

Particulars	As at March 31, 2018	As at March 31, 2017
Power and fuel	9,407,069	7,102,535
Lease Rent	1,956,529	574,405
Repairs to Machinery	3,435,131	5,144,449
Insurance	1,278,600	2,188,123
Rates and Taxes	1,624,044	1,859,657
Loss on foreign currency transaction	50,382	38,486
Loss on sale of Assets	-	66,201
Payment to auditors	426,027	547,222
Professional Charges Artist, Directors, Technicians	12,345,707	10,184,484
Shooting Expenses	2,777,111	2,684,492
Production travellings & conveyance	321,594	1,446,127
Publicity & Content expenses	26,439,866	2,814,256
Consultancy & Legal charges	3,451,503	3,064,726
Miscellaneous Expenses	7,715,969	10,718,175
	71,229,532	**48,433,338**

Payment to Auditor

Particulars	As at March 31, 2018	As at March 31, 2017
- As Auditor	250,000	250,000
- For Taxation Matters	75,000	75,000
- For Management Services	25,000	25,000
- For Reimbursement of Expenses	76,027	197,222
Total	**426,027**	**547,222**

26. ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS AND DISCLOSURE UNDER ACCOUNTING STANDARDS

26.1 Contingent liabilities (to the extent not provided for) **(Amount in ₹)**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Contingent liabilities			
a) Claims against the Company not acknowledged as debt	Nil	Nil	Nil
b) Guarantees			
-to Bank	606,000	606,000	606,000
(Guarantee given to bank amounting to Rs. 606,000 (31st March, 2017: 606,000 and 1st April, 2016: 606,000) secure by fixed deposit.)			

-on behalf of subsidiary companies			
News24 Broadcast India Limited	Nil	2,700,000	2,700,000
(Guarantee given on behalf of subsidiary company, News24 Broadcast India Limited) amounting to Rs. Nil (31st March, 2017: 2,700,000 and 1st April, 2016: 2,700,000).			
E24 Glamour Limited	Nil	98,000,000	98,000,000
(Corporate Guarantee given on behalf of subsidiary company, E24 Glamour Limited amounting to Rs. Nil to Dena Bank, G-35, Cannaught Circus, New Delhi-110001 (31st March, 2017: 98,000,000 and 1st April, 2016: 98,000,000).			
Skyline Radio Network limited	Nil	98,500,000	98,500,000
(Corporate Guarantee given on behalf of subsidiary company, Skyline Radio Network Limited amounting to Rs. Nil to Dena Bank, G-35, Connaught Circus, New Delhi-110001 (31st March, 2017: 98,500,000and 1st April, 2016: 98,500,000).			
-on behalf of Others			
ARVR Education Society	250,000,000	250,000,000	250,000,000
Corporate Guarantees given in favour of Yes bank by creating charge on land situated at Plot No. HS-20, Sector-B-7, Greater Noida amounting to Rs. 250,000,000 (31st March, 2017: 250,000,000 and 1st April, 2016: 250,000,000) on behalf of ARVR Education Society(Formerly Known as B.A.G. Education Society).			
c) Other money for which the Company is contingently liable	Nil	Nil	Nil

26.2 As per information available with the Company, none of the creditors have confirmed that they are registered under the Micro, Small and Medium enterprises Development Act, 2006.

26.3 Disclosure under Regulation 34(3) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

Loans and advances in the nature of loan given to wholly owned foreign subsidiary :

Name of Foreign Subsidiary	Balance as at March 31, 2018	Maximum outstanding During the year
B.A.G Network Limited	395,679	395,679
	(395,679)	(395,679)

Note: Figures in bracket relate to the previous financial year.

26.4 Employee Benefits

Defined Contribution Plans

Contribution to Defined Contribution Plan recognized as expense for the year is as under:

Employer's Contribution to Provident Fund : Rs. 281,985
(Previous Year Rs. 271,143)

Employer's Contribution to ESI : Rs. 35,759
(Previous Year Rs. 26,193)

Defined Benefit Plans:

The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for leave encashment is recognized in the same manner as gratuity.

a. Change in present value of obligation

(Amount in ₹)

Particulars	**Gratuity**		**Leave Encashment**	
	March 31, 2018	**March 31, 2017**	**March 31, 2018**	**March 31, 2017**
Present value of obligation as at the beginning of the period	4,309,537	3,474,584	1,414,840	13,81,586
Current Service Cost	647,666	515,071	203,444	1,51,695
Interest Cost	323,215	277,967	106,113	1,10,527
Expected Return on Plan Assets	NIL	NIL	NIL	NIL
Actuarial (gain)/loss	(361,603)	339,030	207,508	(2,28,968)
Past Service Cost	861,866	NIL	NIL	NIL
Curtailment and settlement Cost/(credit)	NIL	NIL	NIL	NIL
Benefits Paid	NIL	(297,115)	NIL	NIL
Present value of obligation as at the end of the period	**5,780,681**	**43,09,537**	**1,931,905**	**14,14,840**

b. Expense recognized in the statement of profit and loss

(Amount in ₹)

Particulars	**Gratuity**		**Leave Encashment**	
	March 31, 2018	**March 31, 2017**	**March 31, 2018**	**March 31, 2017**
Current service cost	647,666	515,071	203,444	1,51,695
Past service cost	861,866	--	--	--
Interest cost	323,215	277,967	106,113	1,10,527
Expected return on plan assets	--	--	--	--
Curtailment cost / (Credit)	--	--	--	--
Settlement cost / (credit)	--	--	--	--
Net actuarial (gain)/ loss recognized in the period	(361,603)	339,030	207,508	(2,28,968)
Expenses recognized in the statement of profit & loss	**1,471,144**	**1,132,068**	**517,065**	**33,254**

c. Actuarial gain / loss recognized

(Amount in ₹)

Particulars	**Gratuity**		**Leave Encashment**	
	March 31, 2018	**March 31, 2017**	**March 31, 2018**	**March 31, 2017**
Actuarial gain/(loss) for the period- obligation	361,603	(339,030)	(207,508)	228,968
Actuarial (gain)/loss for the period - plan assets	-	-	-	-
Total (gain)/loss for the period	(361,603)	339,030	207,508	(228,968)
Actuarial (gain) / loss recognized in the period	(361,603)	339,030	207,508	(228,968)
Unrecognized actuarial (gains) losses at the end of period	-	-	-	-

d. The amounts to be recognized in balance sheet and related analysis

(Amount in ₹)

Particulars	Gratuity		Leave Encashment	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Present value of obligation as at the end of the period	5,780,681	4,309,537	1,931,905	1,414,840
Fair value of plan assets as at the end of the period	-	-	-	-
Funded status / Difference	(5,780,681)	(4,309,537)	(1,931,905)	(1,414,840)
Excess of actual over estimated	-	-	-	-
Unrecognized actuarial (gains)/losses	-	-	-	-
Net asset/(liability) recognized in balance sheet	(5,780,681)	(4,309,537)	(1,931,905)	(1,414,840)

e. Actuarial Assumptions

i) Economic Assumptions

The principal assumptions are the discount rate & salary growth rate. The discount rate is generally based upon the market yields available on Government bonds at the accounting date relevant to currency of benefit payments for a term that matches the liabilities. Salary growth rate is company's long term best estimate as to salary increases & takes account of inflation, seniority, promotion, business plan, HR policy and other relevant factors on long term basis as provided in relevant accounting standard. Valuation assumptions are as follows which have been agreed by the company:

(Amount in ₹)

Particulars	Gratuity		Leave Encashment	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Discount Rate (%)	7.70	7.50	7.70	7.50
Expected Rate of increase in Compensation Levels (%)	5.50	5.50	5.50	5.50
Expected Rate of Return on Plan Assets	NIL	NIL	NIL	NIL
Expected Average remaining working lives of employees (years)	**15.76**	**18.19**	**15.76**	**18.19**

ii) Demographic Assumption

(Amount in ₹)

Particulars		Gratuity		Leave Encashment	
		March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
i)	Retirement Age (Years)	60	60	60	60
ii)	Mortality Table	IALM (2006 - 08)	IALM (2006 - 08)	IALM (2006 - 08)	IALM (2006 - 08)
iii)	Ages	Withdrawal Rate(%)	Withdrawal Rate(%)	Withdrawal Rate(%)	Withdrawal Rate(%)
	Up to 30 Years	3.00	3.00	3.00	3.00
	From 31 to 44 years	2.00	2.00	2.00	2.00
	Above 44 years	1.00	1.00	1.00	1.00

iii) **Sensitivity Analysis of the defined benefit obligation**

(Amount in ₹)

Particulars		Gratuity	Leave Encashment
		March 31, 2018	March 31, 2018
a)	**Impact of the change in discount rate**		
	Present Value of Obligation at the end of the period	**57,80,681**	**19,31,905**
	Impact due to increase of 0.50%	(2,64,079)	(94,394)
	Impact due to decrease of 0.50 %	2,83,430	1,01,425
b)	**Impact of the change in salary increase**		
	Present Value of Obligation at the end of the period	**57,80,681**	**19,31,905**
	Impact due to increase of 0.50%	2,88,142	1,03,110
	Impact due to decrease of 0.50 %	(2,70,626)	(96,736)

26.5 Related Party Transactions

a. **Name of related parties and description of relationship**

Name of Related Parties	Description of Relationship
Ms. Anurradha Prasad	Chairperson cum Managing Director
Skyline Radio Network Limited News24 Broadcast India Limited E24 Glamour Limited	Subsidiaries
E24 Entertainment Limited	Fellow Subsidiary
B.A.G Network Limited	Wholly owned foreign subsidiary
Skyline Tele Media Services Limited ARVR Communications Pvt. Limited B.A.G Live Entertainment Limited	Promoter and Promoter Group/ Enterprises over which Key Managerial Persons or their relative have significant influence

b. **Details of Transactions with related parties during the year**

(Amount in ₹)

Particulars	Chairperson cum Managing Director Year Ended March, 31		Subsidiaries Year Ended March, 31		Associates Year Ended March, 31		Fellow Subsidiaries Year Ended March, 31	
	2018	2017	2018	2017	2018	2017	2018	2017
Salary	13,000,000	10,000,000	-	-	-	-	-	-
Lease rent on equipments received	-	-	55,573,888	55,573,888	-	-	-	-
Office Rent	-	-	19,080,000	-	2,124,000	-	-	-
Income from Television Programming	-	-	37,237,170	81,225,750	82,880,250	104,741,489	-	-
Advertisement Expenses	-	-	24,982,985	1,525,500	-	-	-	-
Expenses incurred	-	-	53,477,316	49,543,196	-	-	-	-

Terms and conditions of transactions with related parties

All Related Party Transactions entered during the year were in ordinary course of the business and are on arm's length basis.

For the year ended 31st March, 2018, the Company has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

26.6 Earnings Per Share

(Amount in ₹)

Particulars	For the year ended	
	March 31, 2018	March 31, 2017
Profit for the year	(28,839,882)	(25,980,288)
Weighted Average number of equity shares used as denominator for calculating Basic EPS	188,118,090	188,118,090
Basic Earnings per share	(0.15)	(0.14)
Weighted Average number of equity shares used as denominator for calculating Diluted EPS	190,534,528	188,118,090
Diluted Earnings per share	(0.15)	(0.14)
Face Value per equity share	2.00	2.00

26.7 Fair values

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values

Particulars	Carrying value			Fair value		
	March 31, 2018	March 31, 2017	April 1, 2016	March 31, 2018	March 31, 2017	April 1, 2016
Financial assets						
(Non Current & Current)						
Other investment	500,000	500,000	500,000	321,250	501,250	294,000
Investment in mutual funds and other investment	13,110,195	148,199,395	55,699,395	13,288,945	148,157,561	55,636,800

26.8 Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities:

Quantitative disclosures fair value measurement hierarchy for assets

	Fair Value Measurement using			
Particulars	Total	Quoted Price in active markets (Level 1)	Significant Observable inputs(Level 2)	Significant Unobservable inputs(Level 3)
As at 31st March, 2018				
Asset measured at fair value: Investments measured at:	500,000	500,000	501,250	294,000
Fair Value through Profit or Loss	-	321,250	-	-
As at 31st March, 2017				
Asset measured at fair value: Investments measured at:				
Fair Value through Profit or Loss	-	501,250	-	-
As at 1st April, 2016				
Asset measured at fair value: Investments measured at:				
Fair Value through Profit or Loss	-	294,000	-	-

Calculation of Fair Values

The fair values of the financial assets and liabilities are defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Methods and assumptions used to estimate the fair values are consistent with those used for the year ended 31st March, 2017.

Financial assets and liabilities measured at fair value as at Balance Sheet date:

1) The fair values of investment in quoted investment in equity shares is based on the current bid price of respective investment as at the Balance Sheet date.

2) The fair values of investments in mutual fund units is based on the net asset value ('NAV') as stated by the issuers of these mutual fund units in the published statements as at Balance Sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors.

Other financial assets and liabilities

- Cash and cash equivalents, trade receivables, investments in term deposits, other financial assets (except derivative financial instruments), trade payables, and other financial liabilities (except derivative financial instruments) have fair values that approximate to their carrying amounts due to their short-term nature.
- Loans have fair values that approximate to their carrying amounts as it is based on the net present value of the anticipated future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities.

26.9 Capital management

The Company's capital management objectives are:

- to ensure the company's ability to continue as a going concern
- to provide an adequate return to shareholders by pricing products and services commensurately with the level of risk.

The Company monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented on the face of the statement of financial position.

Financial Risk Management objectives

The Company's activities expose it to a variety of financial risks viz. credit risk, liquidity risk and market risk. In order to manage the aforementioned risks, the Company operates a risk management policy and a program that performs close monitoring of and responding to each risk factors.

Credit risk management

Credit risk arises when a counterparty defaults on its contractual obligations to pay resulting in financial loss to the Company. The Company deals with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The Company uses publicly available financial information and its own trading records to rate its major customers. The Company's exposure and credit ratings of its counterparties are regularly monitored and the aggregate value of transactions concluded is spread amongst counterparties.

Liquidity risk management

The responsibility for liquidity risk management rests with the Board of directors, which has an appropriate liquidity risk management framework for the management of the Company's short-, medium- and longterm funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities by regularly monitoring forecast and actual cash flows.

Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk such as equity price risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. The Company is exposed to equity price risks arising from equity investments. Equity investments are held for strategic rather than trading purposes. The Company does not actively trade these investments.

26.10 The Company has presented segment information in the consolidated financial statements which are presented in the same financial report. Accordingly, in terms of Paragraph 3 of Ind AS 108 'Operating Segments', no disclosures related to segments are presented in this standalone financial statements.

26.11 Previous year's figures have been regrouped/reclassified to be comparable with currents year's classification/disclosures.

For and on behalf of Board of Directors				**For Kumar Khare & Co.** Firm Registration Number: 006740C Chartered Accountants
Anurradha Prasad	**Sudhir Shukla**	**Ajay Jain**	**Rajeev Parashar**	**Alok Khare**
Chairperson cum Managing Director	Director	CFO	Company Secretary	Partner
DIN : 00010716	DIN : 01567595			Membership No.: 075236

Place : Noida
Date : May 28, 2018

INDEPENDENT AUDITORS' REPORT

To

The members of
B.A.G Films and Media Limited

Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying Consolidated Ind AS financial statements of B.A.G Films and Media Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as"the Group"), comprising of 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, the Consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Ind AS Financial Statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these Consolidated Ind AS financial statements in terms of the requirement of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group, in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Indian Accounting Standard) Rules, 2015, as amended. The respective Board of Directors 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 of the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Ind AS 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 Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these Consolidated Ind AS financial statements based on our audit. 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. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as 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 Consolidated Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Consolidated Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the Consolidated Ind AS 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 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 Ind AS financial statements. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports on separate financial statements and on the other financial information of the subsidiaries, the aforesaid Consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the consolidated state of affairs of the Group as at March 31, 2018, their consolidated loss including other comprehensive income, their consolidated cash flows and consolidated statement of changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

As required by section 143 (3) of the Act, based on our audit and on the consideration of report on separate financial statements and the other financial information of subsidiaries, we report, to the extent applicable, that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid Consolidated Ind AS 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 by the Company so far as it appears from our examination of those books;

(c) The Consolidated Balance Sheet, Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the Consolidated Ind AS financial statements;

(d) In our opinion, the aforesaid Consolidated Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Indian Accounting Standard) Rules, 2015, as amended;

(e) On the basis of the written representations received from the directors of the Holding Company as on March 31,2018 taken on record by the Board of Directors of the Holding Company, and on the basis of the reports of its subsidiary companies incorporated in India, none of the directors of the Group's companies incorporated in India are disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting of the Holding Company and its subsidiary companies incorporated in India, refer to our separate report in "Annexure A" to this report;

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

i. The Consolidated financial statement disclose the impact of pending litigations on the consolidated financial position of the Group;

ii. The Group did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2018.

iii. There was no amount which was required to be transferred to the Investor Education and Protection Fund by the Company by the Holding Company and its subsidiaries during the year ended March 31, 2018.

iv. The disclosures regarding details of specified bank notes held and transacted during 8 November, 2016 to 30 December, 2016 has not been made since the requirement does not pertain to financial year ended 31 March, 2018.

For Kumar Khare & Co.
Chartered Accountants
Firm Registration No. 006740C

Alok Khare
Partner
Membership No. 074602

Place : Noida
Date : May 28, 2018

ANNEXURE 'A' TO THE INDEPENDENT AUDITORS' REPORT

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")

To the Members of
B.A.G Films and Media Limited

We have audited the internal financial controls over financial reporting of B.A.G Films and Media Limited ('the Company') and its subsidiary companies incorporated in India as at March 31, 2018 in conjunction with our audit of the consolidated financial statements of the Company for the year ended and as on that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and its subsidiaries, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding 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 its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Holding Company and its subsidiary companies, which are incorporated in India, internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Standards on Auditing prescribed under Section 143(10) of the Act and the Guidance Note, to the extent applicable to an audit of internal financial controls over financial reporting. Those Standards and the Guidance Note require that we comply with the 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 auditors' judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS 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 Holding Company's and its subsidiary companies incorporated in India, internal financial controls system over financial reporting.

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 Consolidated Ind AS 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 Consolidated Ind AS 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 unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Consolidated Ind AS 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 to the best of our information and according to the explanations given to us, the Holding Company and its subsidiary companies, which are incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Holding Company and its subsidiary companies, which are incorporated in India considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Kumar Khare & Co.
Chartered Accountants
Firm Registration No. 006740C

Alok Khare
Partner
Membership No. 074602

Place : Noida
Date : May 28 , 2018

CONSOLIDATED BALANCE SHEET

as at March 31, 2018 **(Amount in ₹)**

Particulars	Note No.	As at March 31, 2018	As at March 31,2017	As at April 1, 2016
ASSETS				
NON-CURRENT ASSETS				
Property, plant and equipment	4	546,154,149	670,539,207	602,405,555
Capital work-in-progress		10,342,366	23,405,888	210,850,054
Intangible assets	5	87,539,150	94,850,727	102,142,326
Financial assets				
Investments	6	1,585,564,088	1,234,603,004	1,063,683,915
Deferred tax assets (net)	7	28,038,987	13,297,291	12,655,399
Other non-current assets		-	-	266,426
TOTAL NON-CURRENT ASSETS		**2,257,638,740**	**2,036,696,117**	**1,992,003,675**
CURRENT ASSETS				
Inventories	8	341,795,740	315,441,390	339,405,568
Financial assets				
Trade receivables	9	563,707,719	667,418,812	650,841,640
Cash and cash equivalents	10	84,902,754	100,234,818	126,480,444
Other financial assets	11	152,035,397	385,473,108	204,387,231
Other current assets	12	127,852,123	163,368,103	192,512,743
TOTAL CURRENT ASSETS		**1,270,293,733**	**1,631,936,231**	**1,513,627,626**
TOTAL ASSETS		**3,527,932,473**	**3,668,632,348**	**3,505,631,301**
EQUITY AND LIABILITIES				
EQUITY				
Equity share capital	13	376,065,839	376,065,839	376,065,839
Other equity	14	686,467,025	712,244,636	695,095,507
Money Received against share warrants		11,515,000	-	-
		1,074,047,864	**1,088,310,475**	**1,071,161,346**
MINORITY INTEREST		**546,221,769**	**535,148,400**	**507,722,150**
NON-CURRENT LIABILITIES				
Financial liabilities				
Other financial liabilties	15	534,082,256	515,414,215	751,155,345
Provisions	16	20,058,136	14,960,500	12,685,671
TOTAL NON-CURRENT LIABILITIES		**554,140,392**	**530,374,715**	**763,841,016**
CURRENT LIABILITIES				
FINANCIAL LIABILITIES				
Trade payables				
Total outstanding dues of micro enterprises and small enterprises		-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	17	159,408,606	102,188,424	171,730,642
Other financial liabilities	15	890,567,484	812,375,990	529,138,247
Other current liabilities	18	303,546,358	600,234,344	450,962,421
Provisions		-	-	11,075,479
TOTAL CURRENT LIABILITIES		**1,353,522,448**	**1,514,798,758**	**1,162,906,789**
TOTAL EQUITY AND LIABILITIES		**3,527,932,473**	**3,668,632,348**	**3,505,631,301**
Basis of preparation, measurement and significant accounting policies	2			
First time adoption of Ind AS	3			
Contingent liabilities and commitments	2.4			

The accompanying notes are an integral part of the financial statements.

As per our report of even date
For Kumar Khare & Co.
Firm Registration Number: 006740C
Chartered Accountants

For and on behalf of Board of Directors

Anurradha Prasad
Chairperson cum Managing Director
DIN : 00010716

Sudhir Shukla
Director
DIN : 01567595

Ajay Jain
CFO

Rajeev Parashar
Company Secretary

Alok Khare
Partner
Membership No.: 075236

Place : Noida
Date : May 28, 2018

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

for the year ended 31st March, 2018 **(Amount in ₹)**

Particulars	Note No.	Year ended March 31, 2018	Year ended March 31, 2017
Sales	19	1,317,806,613	1,363,682,642
Other operating revenue	19	5,361,751	3,157,640
Revenue from operations		1,323,168,364	1,366,840,282
Other income	20	8,445,595	9,284,277
Total Income		**1,331,613,959**	**1,376,124,559**
Expenses			
Changes in inventories of finished goods, work-in-progress and traded goods	21	(26,354,350)	23,964,178
Employee benefits expense	22	256,862,236	205,744,956
Finance costs	23	138,467,174	163,494,572
Depreciation and amortisation expense	24	169,745,515	129,914,714
Other expenses	25	816,946,154	814,591,658
Expenses, include in above items, capitalised			
Total Expenses		**1,355,666,729**	**1,337,710,078**
Profit before exceptional items and tax		**(24,052,770)**	**38,414,481**
Exceptional items		-	-
Profit before tax		**(24,052,770)**	**38,414,481**
Tax expense			
Deferred tax		(14,741,696)	(641,892)
Total tax expense		**(14,741,696)**	**(641,892)**
Profit for the year (A)		**(9,311,074)**	**39,056,373**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Acturial gains/losses of defined benefit plans		(5,433,752)	(3,158,492)
Other comprehensive income for the year (net of tax)		**(5,433,752)**	**(3,158,492)**
Total comprehensive income for the year		**(14,744,826)**	**35,897,881**
Profit attributable to:			
Owners of the Company		(21,630,063)	10,769,066
Non-controlling interests		12,318,989	28,287,307
Other Comprehensive income attributable to:			
Owners of the Company		(4,188,132)	(2,297,434)
Non-controlling interests		(1,245,620)	(861,058)
Total Comprehensive income attributable to:			
Owners of the Company		(25,818,195)	8,471,632
Non-controlling interests		11,073,369	27,426,249
Nominal value per share Rs.2/- each			
Earnings per equity share			
Basic earnings from operations attributable to share holders	32	(0.08)	0.24
Diluted earnings from operations attributable to share holders	32	(0.08)	0.20
Basis of preparation, measurement and significant accounting policies	2		
First time adoption of Ind AS	3		

The accompanying notes are an integral part of the financial statements.

As per our report of even date
For Kumar Khare & Co.
Firm Registration Number: 006740C
Chartered Accountants

For and on behalf of Board of Directors

Anurradha Prasad
Chairperson cum Managing Director
DIN : 00010716

Sudhir Shukla
Director
DIN : 01567595

Ajay Jain
CFO

Rajeev Parashar
Company Secretary

Alok Khare
Partner
Membership No.: 075236

Place : Noida
Date : May 28, 2018

CASH FLOW STATEMENT

For the Year ended March 31, 2018 **(Amount in ₹)**

Particulars	For the Year ended March 31, 2018		For the Year ended March 31, 2017	
A. Cash flow from operating activities				
Net Profit / (Loss) before extraordinary items and tax		(29,486,522)		35,255,989
Adjustments for:				
Depreciation and amortisation	169,745,515		129,914,714	
(Profit) / loss on sale / write off of assets	(34,000)		(144,400)	
Finance costs	138,467,174		163,494,572	
Interest income	(7,027,663)		(8,160,635)	
Liabilities / provisions no longer required written back	(802,369)		(256,923)	
Other non-cash charges				
Adjustment relating to earlier year	40,584		8,677,497	
		300,389,241		293,524,825
Operating profit / (loss) before working capital changes				
Movements in working capital:				
Adjustments for (increase) / decrease in operating assets:				
(Increase) / Decrease in inventories	(26,354,350)		23,964,178	
(Increase) / Decrease in trade receivables	104,513,462		(16,320,248)	
(Increase) / Decrease in loans and advances	233,437,712		(181,085,877)	
(Increase) / Decrease in other current assets/other financial assets	35,515,980		29,144,640	
(Increase) / Decrease in other non current assets	-		266,426	
Adjustments for increase / (decrease) in operating liabilities:				
Increase / (Decrease) in trade payables	57,220,182		(69,542,218)	
Increase / (Decrease) in Other current liabilities	(296,687,986)		149,271,923	
Increase / (Decrease) in provisions	5,097,636		(8,800,650)	
		112,742,636		(73,101,826)
Cash generated from operations		383,645,355		255,678,988
Net cash flow from / (used in) operating activities (A)		**383,645,355**		**255,678,988**
B. Cash flow from investing activities				
Capital expenditure on fixed assets, including capital advances	(38,048,882)		(191,085,768)	
Proceeds from sale of fixed assets/Work-in-progess	13,097,523		187,917,567	
Purchase of long-term investments				
- Others	(350,961,084)		(170,919,089)	
Interest received (finance income)	7,027,663		8,160,635	
		(368,884,780)		(165,926,655)
Net cash flow from / (used in) investing activities (B)		**(368,884,780)**		**(165,926,655)**

CASH FLOW STATEMENT

For the Year ended March 31, 2018 **(Amount in ₹)**

Particulars	For the Year ended March 31, 2018		For the Year ended March 31, 2017	
C. Cash flow from financing activities				
Proceeds from issue of share warrants	11,515,000		-	
Proceeds from other financial liabilities	18,668,041		(235,741,130)	
Proceeds from other current financial liabilities	78,191,494		283,237,743	
Interest paid (finance cost)	(138,467,174)		(163,494,572)	
		(30,092,639)		(115,997,959)
Net cash flow from / (used in) financing activities (C)		**(30,092,639)**		**(115,997,959)**
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		**(15,332,064)**		**(26,245,626)**
Cash and cash equivalents at the beginning of the year		100,234,818		126,480,444
Cash and cash equivalents at the end of the year		84,902,754		100,234,818
Reconciliation of Cash and cash equivalents with the Balance Sheet:				
Cash and cash equialents as per Balance Sheet		84,902,754		100,234,818
Cash and cash equivalents at the end of the year (refer note 10)		**84,902,754**		**100,234,818**

Note: The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'.

The accompanying notes are an integral part of the financial statements.

As per our report of even date
For Kumar Khare & Co.
Firm Registration Number: 006740C
Chartered Accountants

For and on behalf of Board of Directors

Anurradha Prasad
Chairperson cum Managing Director
DIN : 00010716

Sudhir Shukla
Director
DIN : 01567595

Ajay Jain
CFO

Rajeev Parashar
Company Secretary

Alok Khare
Partner
Membership No.: 075236

Place : Noida
Date : May 28, 2018

STATEMENT OF CHANGES IN EQUITY

For the year ended March 31, 2018

A. Equity Share Capital **(Amount in ₹)**

Particulars	Note No.	Balance
As at 1st April, 2016		376,065,839
Changes in equity share capital during the year		-
As at 31st March, 2017		**376,065,839**
Changes in equity share capital during the year		-
As at 31st March, 2018	13	**376,065,839**

B. Other Equity **(Amount in ₹)**

		Reserves and surplus				Items of Other Comprehensive Income (OCI)	
Particulars	**Note No.**	**Capital Reserves**	**General Reserves**	**Securities Premium Reserves**	**Retained earnings**	**Remeasurements of net defined benefit plans**	**Total other equity**
Balance as at 1 April 2016		**77,754,054**	**37,927,284**	**3,672,658,535**	**(3,093,244,366)**	**-**	**695,095,507**
Profit for the year		-	-	-	19,446,564	-	19,446,564
Other comprehensive income (net of tax)		-	-	-	-	(2,297,434)	(2,297,434)
Total comprehensive income for the year ended 31 March 2017		-	-	-	19,446,564	(2,297,434)	17,149,129
Transactions with owners in their capacity as owners							
Transfer from Retained earnings to General reserve		-	-	-	-	-	-
Balance as at 31 March 2017		**77,754,054**	**37,927,284**	**3,672,658,535**	**(3,073,797,802)**	**(2,297,434)**	**712,244,636**
Profit for the year		-	-	-	(21,589,480)	-	(21,589,480)
Other comprehensive income (net of tax)		-	-	-	-	(4,188,132)	-
Total comprehensive income for the year ended 31 March 2018		-	-	-	(21,589,480)	(4,188,132)	(25,777,613)
Transactions with owners in their capacity as owners		-	-	-	-	-	-
Transfer from Retained earnings to General reserve		-	-	-	-	-	-
Balance as at 31 March 2018	14	**77,754,054**	**37,927,284**	**3,672,658,535**	**(3,095,387,282)**	**(6,485,566)**	**686,467,025**

The accompanying notes are an integral part of the financial statements.

As per our report of even date
For Kumar Khare & Co.
Firm Registration Number: 006740C
Chartered Accountants

For and on behalf of Board of Directors

Anurradha Prasad
Chairperson cum Managing Director
DIN : 00010716

Sudhir Shukla
Director
DIN : 01567595

Ajay Jain
CFO

Rajeev Parashar
Company Secretary

Alok Khare
Partner
Membership No.: 075236

Place : Noida
Date : May 28, 2018

NOTES

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

1. **CORPORATE INFORMATION**

The Company was incorporated on January 22, 1993. It is a Public Limited Company domiciled in India and is listed on the BSE Limited [BSE] and National Stock Exchange of India Limited [NSE]. It is one of the largest television content house in India.

2. **BASIS OF PREPARATION, MEASUREMENT AND SIGNIFICANT ACCOUNTING POLICIES**

2.1 BASIS OF PREPARATION AND MEASUREMENT

(a) Basis of preparation

These Consolidated Financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

These Consolidated Financial statements for the year ended 31st March, 2018 are the first the Group has prepared under Ind AS. For all periods upto and including the year ended 31st March, 2017 , the Group prepared its Consolidated Financial statements in accordance with the accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014(hereinafter referred to as 'Previous GAAP') used for its statutory reporting requirement in India immediately before adopting Ind AS. The Consolidated Financial statements for the year ended 31st March, 2017 and the opening Balance Sheet as at 1st April, 2016 have been restated in accordance with Ind AS for comparative information. Reconciliations and explanations of the effect of the transition from Previous GAAP to Ind AS on the Company's Balance Sheet, Statement of Profit and Loss and Statement of Cash Flows are provided in note 3.

The Consolidated Financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the Consolidated Financial statements, including the preparation of the opening Ind AS Balance Sheet as at 1st April, 2016 being the 'date of transition to Ind AS'. All assets and liabilities have been classified as current or non current as per the Company's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

Subsidiaries are entities where the group exercise or controls more than one-half of its total share capital. The net assets and results of acquired businesses are included in the consolidated financial statements from their respective dates of acquisition, being the date on which the Group obtains control.

The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year. The financial statements of the Company and its subsidiaries have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating intra-group balances, intra-group transactions and the unrealised profits/ losses, unless cost/revenue cannot be recovered.

The excess of cost to the Group of its investment in subsidiaries, on the acquisition dates over and above the Group's share of equity in the subsidiaries, is recognised as 'Goodwill on Consolidation' in the consolidated financial statements. On the other hand, where the share of equity in subsidiaries as on the date of investment is in excess of cost of investments of the Group, it is recognised as 'Capital Reserve' and shown under the head 'Reserves and Surplus' in the consolidated financial statements.

Non-controlling interests in the net assets of consolidated subsidiaries is identified and presented in the consolidated Balance Sheet separately within equity.

Non-controlling interests in the net assets of consolidated subsidiaries consists of:

- The amount of equity attributable to non-controlling interests at the date on which investment in a subsidiary is made; and

- The non-controlling interests share of movements in equity since the date parent subsidiary relationship came into existence.

  The profit and other comprehensive income attributable to non-controlling interests of subsidiaries are shown separately in the Statement of Profit and Loss and Statement of Changes in Equity.

  The Consolidated Financial statements of the Company for the year ended 31st March, 2018 were approved for issue by the Board of Directors.

(b) Basis of measurement

These Consolidated Financial statements are prepared under the historical cost convention unless otherwise indicated.

2.2 KEY ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of Consolidated Financial statements requires management to make judgements, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Continuous evaluation is done on the estimation and judgments based on historical experience and other factors, including expectations of future events that are believed to be reasonable. Revisions to accounting estimates are recognised prospectively.

2.3 RECENT ACCOUNTING DEVELOPMENT

a. Standards issued but not yet effective:

IND AS 115: Revenue from Contracts with Customers

In March 2018, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying Ind AS 115, 'Revenue from Contracts with Customers'. The Standard is applicable to the Group with effect from 1st April, 2018.

Revenue from Contracts with Customers Ind AS 115 establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. Ind AS 115 will supersede the current revenue recognition standard Ind AS 18 Revenue, Ind AS 11 Construction Contracts when it becomes effective. The core principle of Ind AS 115 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the standard introduces a 5-step approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligation in contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Under Ind AS 115, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customer. The Group has completed its evaluation of the possible impact of Ind AS 115 and will adopt the standard from 1st April, 2018

2.4 SIGNIFICANT ACCOUNTING POLICIES

(a) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current and non-current classification.

Assets

An asset is classified as current when it satisfies any of the following criteria:

- Expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle;
- Held primarily for the purpose of being traded;
- Expected to be realized within twelve months after the reporting period; or
- Cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

  Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- it is expected to be settled in the Company's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is due to be settled within twelve months after the reporting date; or

- the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents.

The Company has identified twelve months as its operating cycle.

(b) Property, plant and equipment and Depreciation

The Company has elected to continue with the carrying value for all of its property, plant and equipment as recognised in its Indian GAAP financial statements as deemed cost at the transition date, viz., April 1, 2016.

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price (including all duties and taxes after deducting trade discounts and rebates if any) and any attributable cost of bringing the asset to its working condition for its intended use. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. Likewise, when a major expenditure is incurred, its cost is recognised in the carrying amount of the plant and equipment, if it increases the future benefits from the existing asset. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Property, plant and equipment under construction and fixed assets acquired but not put to use at the balance sheet date are classified as capital work in progress.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Depreciation

Based on a technical assessment and a review of past history of asset usage, management of the Company has not revised its useful lives to those referred to under Schedule II to the Companies Act, 2013 (as amended).

Depreciation on property, plant and equipment is provided on written down value method, using the rates arrived at based on the useful lives estimated by the management.

Assets costing 5,000 or less are fully depreciated in the year of purchase.

(c) Intangible Assets and amortization

The Group has elected to continue with the carrying value for all of its Intangible assets as recognised in its Indian GAAP financial statements as deemed cost at the transition date, viz., April 1, 2016.

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

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

- Licenses

  Licenses represent one time entry fees paid to Ministry of Information and Broadcasting ('MIB') under the applicable licensing policy for Frequency Modulation ('FM') Radio broadcasting. Cost of licenses are amortised over the license period, being 15 years.

(d) Impairment of non-financial assets

At each reporting date, the Company assesses 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 Cash Generating Unit's ('CGU') fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets.

Where the carrying amount of an asset or cash generating unit 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 a 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 cost of disposal, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

Impairment losses are recognized in the statement of profit and loss. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the asset's or cash-generating unit's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit and loss.

(e) Inventories

Inventories of raw stock consists of tapes, cassettes, compact discs and other electronic devices which are valued at lower of cost or estimated net realizable value. Costs include the cost incurred in bringing each product to its present location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. Cost of goods is determined on a FIFO basis.

Appropriate adjustments are made to the carrying value of damaged, slow moving and obsolete inventories based on management's current best estimate.

(f) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and on hand and short-term deposits (three months or less from the date of acquisition), highly liquid investments that are readily convertible into cash and which are subject to an insignificant risk of changes in value.

(g) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

(h) Foreign Currency Transactions

Items included in the financial statements are measured using currency of primary economic environment in which the company operates ("the functional currency"). The financial statements are presented in Indian rupees (INR), the functional currency of the Company.

Initial recognition

Foreign currency transactions are recorded in the functional currency, by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction.

Conversion

Foreign currency monetary items are translated using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary items which are carried at fair value denominated in a foreign currency are translated using the exchange rates that existed when the values were determined.

Exchange differences

All exchange differences arising on settlement / conversion of foreign currency monetary items are included in the statement of profit and loss.

(i) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability
- The principal or the most advantageous market must be accessible by the Company

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For recurring and non-recurring fair value measurements categorised within Level 3 of the fair value hierarchy, mention a description of the valuation processes used by the entity (including, for example, how an entity decides its valuation policies and procedures and analyses changes in fair value measurements from period to period).

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above

This note summarizes accounting policy for fair value. Other fair value related disclosures are given in Note No. 37 & 38 of the Consolidated financial statements.

(j) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Financial assets are subsequently classified as measured at

- amortised cost
- fair value through profit and loss (FVTPL)
- fair value through other comprehensive income (FVOCI)

Financial assets are not reclassified subsequent to their recognition, except if and in the period the Company changes its business model for managing financial assets.

For the impairment policy on financial assets measured at amortised cost.

Debt instruments at amortized cost

A'debt instrument' is measured at the amortized cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

  After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

  Debt instrument at FVTPL

  FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

  Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and loss account. The Company does not have any financial asset under this category.

  In addition, the Company may elect to classify a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, the Company doesn't have any debt instruments that qualify for FVTOCI classification.

  Equity investments

  All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company decides to classify the same either as at FVTOCI or FVTPL. However there are no such instruments that have been classified through FVTOCI and all equity instruments are routed through FVTPL.

  Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

  Equity investment in Subsidiary and Joint Venture

  Equity investment in Subsidiary and Joint Venture Investment in subsidiary and joint venture is carried at cost in the separate financial statements as permitted under Ind AS 27.

  Impairment of Financial Asset

  In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are debt instruments, and are measured at amortized cost e.g. debt securities, deposits, trade receivables and bank balance
- Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18.

The Company follows 'simplified approach'for recognition of impairment loss allowance on Trade receivables.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the qfinancial instrument

- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

  As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

  ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortized cost: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Financial liabilities

Initial recognition and measurement

The Company's financial liabilities include deposits, and trade and other payables. These are recognized initially at amortized cost net of directly attributable transaction costs.

Subsequent measurement

After initial recognition, they are subsequently measured at amortized cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

The EIR amortization is included as finance costs in the statement of profit and loss.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

(k) Provision and Contingent Liabilities:

Provisions

A provision is recognized when the Company has a present obligation as a result of 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 amount of the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. The expense relating to a provision is presented in the statement of profit and loss.

Contingent liabilities

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. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

(Amount in ₹)

Particulars		As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
Contingent liabilities				
a)	Guarantees			
	- to Bank	5,956,931	15,046,931	82,97,200
	-on behalf of Other			
	ARVR Education Society	250,000,000	250,000,000	250,000,000

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

(l) Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

- In respect of Commissioned programmes, revenue is recognized as and when the relevant Software programme is delivered to the customers. Production expenses are net of recoveries, if any.
- Rental income arising from operating leases on equipment is accounted for based on the terms of the agreements and is included in other operating income in the statement of profit or loss
- Sale of Rights are recognised in accordance with the terms of agreements with customers.
- Income from infrastructure support, building rent and royalty income is recognised based on the terms of the underlying agreement.
- Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.
- Advertising income and income from sale of broadcast slots are recognised when the related commercial or programme is telecast.

(m) Expenditure

Expenses are accounted on accrual basis.

(n) Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes the contribution payable to the provident fund scheme as an expenditure when the employee renders the related service.

Gratuity liability is a defined benefit obligation. The cost of providing benefits under the plan is determined on the basis of actuarial valuation at each year-end using the projected unit credit method.

Remeasurement, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through Other Comprehensive Income ('OCI') in the period in which they occur.

Remeasurement is not reclassified to profit or loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognizes the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end.

(o) Earning per share (EPS)

Basic earnings per share are 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. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split and reverse share split that have 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.

(p) Operating leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

<u>Operating leases (where the Company is the lessee)</u>

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

<u>Operating leases (where the Company is the lessor)</u>

Leases in which the Company does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases.. Lease income on an operating lease is recognized in the statement of profit and loss on a straight-line basis over the lease term. Costs, including depreciation, are recognized as an expense in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the statement of profit and loss.

(q) Taxes

Tax expense comprises current and deferred tax.

- **Current income-tax**

  Current income-tax asset and liabilities are measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

- **Deferred tax**

  Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences could be utilized.

- **Minimum alternate tax**

  Minimum alternate tax ('MAT') paid in a year is charged to the statement of profit and loss as current tax. The Group recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Group will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. The said asset is recognised as "MAT Credit Entitlement" as deferred tax asset, and is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement."

(r) Segment reporting

Based on internal reporting provided to the Chief operating decision maker(CODM) as defined in IND AS 108, the Group's operations predominantly related to audio-video production, movies and leasing of property , broadcasting equipments & Media and Entertainment. The management committee reviews and monitors the operating results of the business segment for the purpose of making decisions about resource allocation and performance assessment using profit or loss and return on capital employed.

3. FIRST TIME ADOPTION OF IND AS

These financial statements, for the year ended 31 March 2018, are the first financial statements the Company has prepared in accordance with Ind AS. For periods up to and including the year ended 31 March 2017, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP) and Companies Account (Amendment) rules, 2016, as amended.

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on 31 March 2018, together with the comparative period data as at and for the year ended 31March 2017, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at 1 April 2016, the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the balance sheet as at 1 April 2016 and the financial statements as at and for the year ended 31 March 2017.

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has applied the following exemptions :

- Ind AS 16 - Property, plant and equitment are opted to be carried as recognised in its previous GAAP financials as deemed cost at the transition date. The Company has elected to continue with the carrying value as at 1st April, 2016 for all of its investment properties, Intangible assets and property plant & equipment as recognised in its Previous GAAP financial as deemed cost at the transition date.
- The Company has elected not to apply Ind AS 103 Business Combinations retrospectively to past business combinations that occurred before the transition date of April 1, 2016.
- The Company has elected to measure its investments in subsidiaries and other investment at the Previous GAAP carrying amount as its deemed cost on the date of transition to Ind AS.
- The Company has applied the impairment requirements of Ind AS 109 retrospectively; however, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognised in order to compare it with the credit risk at the transition date. Further, the Company has not undertaken an exhaustive search for information when determining, at the date of transition to Ind AS, whether there have been significant increases in credit risk since initial recognition, as permitted by Ind AS 101.

Estimates

The estimates at April 1, 2016 and at March 31, 2017 are consistent with those made for the same dates in accordance with Indian GAAP (after adjustments to reflect any differences in accounting policies) apart from Impairment of financial assets based on expected credit loss model where application of Indian GAAP did not require estimation.

The estimates used by the Company to present these amounts in accordance with Ind AS reflect conditions at April 1, 2016 (i.e. the date of transition to Ind-AS) and as of March 31, 2017.

The classification of financial assets to be measured at amortised cost or fair value through other comprehensive income is made on the basis of the facts and circumstances that existed on the date of transition to Ind AS.

The Group has carried the carrying amount of non-controlling interests recognised under Previous GAAP as at the date of transition to Ind AS and will apply the requirements of Ind AS 110, 'Consolidated Financial Statements' applicable to non-controlling interests prospectively from the date of transition to Ind AS.

Effect of the Transition to Ind AS

Reconciliations of the Company's balance sheets prepared under Indian GAAP and Ind AS as of April 1, 2016 and March 31, 2017 are also presented in Note 3.1. Reconciliations of the Company's income statements for the year ended March 31, 2017 prepared in accordance with Indian GAAP and Ind AS in Note3. 2.

Previous GAAP figures have been reclassified/regrouped wherever necessary to conform with financial statements prepared under Ind AS.

BALANCE SHEET

3.1 Effect of Ind AS adoption on the balance sheet as at March 31, 2017 and April 1, 2016

(Amount in ₹)

	As at March 31, 2017			As at March 31, 2016		
Particulars	**Previous GAAP**	**Effect of transition to Ind AS**	**As per Ind AS balance sheet**	**Previous GAAP**	**Effect of transition to Ind AS**	**As per Ind AS**
ASSETS						
NON-CURRENT ASSETS						
Property, plant and equipment	670,539,207	-	670,539,207	599,878,560	(2,526,995)	602,405,555
Capital work-in-progress	23,405,888	-	23,405,888	210,850,054	-	210,850,054
Intangible assets	94,850,727	-	94,850,727	104,669,321	2,526,995	102,142,326
Financial assets						
Investments	1,234,621,596	(18,592)	1,234,603,004	1,063,921,421	(237,506)	1,063,683,915
Deferred tax assets (net)	13,297,291	-	13,297,291	12,655,399	-	12,655,399
Other non-current assets	-	-	-	266,426	-	266,426
TOTAL NON-CURRENT ASSETS	**2,036,714,709**		**2,036,696,117**	**1,992,241,181**		**1,992,003,675**
CURRENT ASSETS						
Inventories	315,441,390	-	315,441,390	339,405,568	-	339,405,568
Financial assets						
Trade receivables	667,418,812	-	667,418,812	650,841,640	-	650,841,640
Cash and cash equivalents	131,461,420	(31,226,602)	100,234,818	154,180,435	(27,699,991)	126,480,444
Other financial assets	382,626,479	2,846,629	385,473,108	201,752,420	2,634,811	204,387,231
Other current assets	135,030,801	28,337,302	163,368,103	167,490,234	25,022,509	192,512,743
TOTAL CURRENT ASSETS	**1,631,978,902**		**1,631,936,231**	**1,513,670,297**		**1,513,627,626**
TOTAL ASSETS	**3,668,693,611**		**3,668,632,348**	**3,505,911,478**		**3,505,631,301**
EQUITY AND LIABILITIES						
EQUITY						
Equity share capital	376,065,839	-	376,065,839	376,065,839	-	376,065,839
Other equity	712,305,899	(61,263)	712,244,636	695,375,684	(280,177)	695,095,507
Money Received against share warrants						-
MINORITY INTEREST	535,148,400	-	535,148,400	507,722,150	-	507,722,150
LIABILITIES						
NON-CURRENT LIABILITIES						
Financial liabilities						
Other financial liabilties	515,414,215	-	515,414,215	751,155,345	-	751,155,345
Provisions	14,960,500	-	14,960,500	12,685,671	-	12,685,671
TOTAL NON-CURRENT LIABILITIES	**2,153,894,853**		**2,153,833,590**	**2,343,004,689**		**2,342,724,512**
CURRENT LIABILITIES						
Financial liabilities						
Trade payables	102,188,424	-	102,188,424	171,730,642	-	171,730,642
Other financial liabilities	812,375,990	-	812,375,990	529,138,247	-	529,138,247
Other current liabilities	600,234,344	-	600,234,344	450,962,421	-	450,962,421
Provisions	-		-	11,075,479	-	11,075,479
TOTAL CURRENT LIABILITIES	**1,514,798,758**		**1,514,798,758**	**1,162,906,789**		**1,162,906,789**
TOTAL EQUITY AND LIABILITIES	**3,668,693,611**		**3,668,632,348**	**3,505,911,478**		**3,505,631,301**

STATEMENT OF PROFIT AND LOSS

3.2 Effect of Ind AS adoption on the statement of profit and loss for the year ended March 31, 2017

(Amount in ₹)

		As at March 31, 2017	
Particulars	**Previous GAAP**	**Effect of transition to Ind AS**	**As per Ind AS balance sheet**
Sales	1,363,682,642	-	1,363,682,642
Other operating revenue	3,157,640	-	3,157,640
Revenue from operations	1,366,840,282	-	1,366,840,282
Other income	9,284,277	-	9,284,277
Total Income	**1,376,124,559**		**1,376,124,559**
Changes in inventories of finished goods, work-in-progress and traded goods	23,964,178	-	23,964,178
Employee benefits expense	208,903,448	(3,158,492)	205,744,956
Finance costs	163,494,572	-	163,494,572
Depreciation and amortisation expense	129,914,714	-	129,914,714
Other expenses	814,633,322	(41,664)	814,591,658
Total Expenses	**1,340,910,234**		**1,337,710,078**
Profit before exceptional items and tax	**35,214,325**		**38,414,481**
Exceptional items	-		-
Profit before tax	**35,214,325**		**38,414,481**
Tax expense			
Deferred tax	(641,892)	-	(641,892)
Total tax expense	**(641,892)**		**(641,892)**
Profit for the year (A)	**35,856,217**		**39,056,373**
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Acturial gains/losses of defined benefit plans	-		(3,158,492)
Other comprehensive income for the year (net of tax) (B)	**-**		**(3,158,492)**
Total comprehensive income for the year (A+B)	**35,856,217**		**35,897,881**

3.3 Adjustments to Statement of Cash flows

There were no material differences between the Statement of Cash Flows presented under Ind AS and the Previous GAAP.

Notes to the reconciliation

1. Fair valuation of investments in mutual funds: Under the Ind AS, the Investments in mutual funds have been accounted at fair value through Statement of Profit and Loss instead of accounting at lower of cost and fair value under IGAAP.
2. Actuarial gain/loss on defined benefit plans: The Remeasurement cost arising primarily due to change in actuarial assumptions has been recognized in Other Comprehensive Income (OCI) under Ind AS instead of Statement of Profit and Loss under previous GAAP. However, this has no impact on total comprehensive income and total equity
3. Under Previous GAAP, deferred taxes were recognised for the tax effect of timing differences between accounting profit and taxable profit for the year using the income statement approach. Under Ind AS, deferred taxes are recognised using the balance sheet for future tax consequences of temporary differences between the carrying value of assets and liabilities and their respective tax bases. The above difference, together with the consequential tax impact of the other Ind AS transitional adjustments lead to temporary differences. Deferred tax adjustments are recognised in correlation to the underlying transaction either in retained earnings or through other comprehensive income.
4. Under Indian GAAP, the Company has not presented other comprehensive income (OCI) separately. Hence, it has reconciled Indian GAAP profit or loss to profit or loss as per Ind AS. Further, Indian GAAP profit or loss is reconciled to total comprehensive income as per Ind AS.

4. Property, plant and equipment

(Amount in ₹)

Description of Assets	Land	Building	Plant & Equipment	Computers & Peripherals	Vehicle	Furnitures & Fixtures	Office Equipments	Total
Gross Block								
Balance as at 1st April, 2016 (Deemed Cost)	**57,825,219**	**176,255,435**	**1,068,622,684**	**387,360,329**	**29,443,298**	**414,208,461**	**120,446,414**	**2,254,161,840**
Additions	-	-	1,710,881	1,243,991	-	94,796,320	93,334,576	191,085,768
Disposal	-	-	952,500	-	-	-	-	952,500
Balance as at 31st March, 2017	**57,825,219**	**176,255,435**	**1,069,381,065**	**388,604,320**	**29,443,298**	**509,004,781**	**213,780,990**	**2,444,295,108**
Additions	-	-	26,623,764	1,621,339	8,431,433	461,737	910,609	38,048,882
Disposal	-	-	-	-	-	-	-	-
Balance as at 31st March, 2018	**57,825,219**	**176,255,435**	**1,096,004,829**	**390,225,659**	**37,874,731**	**509,466,518**	**214,691,599**	**2,482,343,990**
Accumulated Depreciation								
Balance as at 1st April, 2016	**-**	**70,210,111**	**766,807,964**	**383,213,443**	**27,714,277**	**286,447,741**	**117,362,749**	**1,651,756,285**
Additions	-	6,061,240	73,814,784	1,974,540	613,774	38,813,343	1,345,435	122,623,114
Disposal	-	-	623,500	-	-	-	-	623,500
Balance as at 31st March, 2017	**-**	**76,271,351**	**839,999,248**	**385,187,983**	**28,328,051**	**325,261,084**	**118,708,184**	**1,773,755,901**
Additions	-	5,714,786	60,098,187	1,397,734	1,840,439	51,028,288	42,354,506	162,433,938
Disposal	-	-	-	-	-	-	-	-
Balance as at 31st March, 2018	**-**	**81,986,137**	**900,097,435**	**386,585,717**	**30,168,490**	**376,289,372**	**161,062,690**	**1,936,189,841**
Net Block								
Balance as at 1st April, 2016	**57,825,219**	**106,045,324**	**301,814,720**	**4,146,886**	**1,729,021**	**127,760,720**	**3,083,665**	**602,405,555**
Balance as at 31st March, 2017	**57,825,219**	**99,984,084**	**229,381,817**	**3,416,337**	**1,115,247**	**183,743,697**	**95,072,806**	**670,539,207**
Balance as at 31st March, 2018	**57,825,219**	**94,269,298**	**195,907,394**	**3,639,942**	**7,706,241**	**133,177,146**	**53,628,909**	**546,154,149**

NOTES TO FINANCIAL STATEMENT

5. INTANGIBLE ASSETS

(Amount in ₹)

Description of Assets	Radio Licences Fees	Total
Gross Block		
Balance as at 1st April, 2016 (Deemed Cost)	109,453,903	109,453,903
Additions	-	-
Disposal	-	-
Balance as at 31st March, 2017	**109,453,903**	**109,453,903**
Additions	-	-
Disposal	-	-
Balance as at 31st March, 2018	**109,453,903**	**109,453,903**
Accumulated Depreciation		
Balance as at 1st April, 2016	7,311,577	7,311,577
Additions	7,291,599	7,291,599
Disposal	-	-
Balance as at 31st March, 2017	**14,603,176**	**14,603,176**
Additions	7,311,577	7,311,577
Disposal	-	-
Balance as at 31st March, 2018	**21,914,753**	**21,914,753**
Net Block		
Balance as at 1st April, 2016	102,142,326	102,142,326
Balance as at 31st March, 2017	94,850,727	94,850,727
Balance as at 31st March, 2018	87,539,150	87,539,150

6. NON-CURRENT INVESTMENTS

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Equity instruments Fair value through profit and loss			
Quoted			
5,000 (31st March, 2017: 5,000 and 1st April, 2016: 5,000) fully paid up equity shares of Rs 100/- each in Mukta Arts Limited	321,250	501,250	294,000
Investment in Mutual Funds	15,112,938	5,942,654	5,230,815
Investment in Equity instruments(Unquoted) (at cost)			
485,000 (31st March, 2017: 485,000 and 1st April, 2016: 485,000) fully paid up equity shares of Rs 1/- each in B.A.G. Business Ventures Limited	485,000	485,000	485,000

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Investment in optionally fully convertible debentures (OFCDs) (unquoted) (at cost)			
296,006 (31st March, 2017: 296,006 and 1st April, 2016: 296,006) fully paid up Optionally Fully Convertible Debenture of Rs 100/- each in B.A.G. Business Venture Private Limited	29,600,600	29,600,600	29,600,600
508,616 (31st March, 2017: 255,512 and 1st April, 2016: 255,512) fully paid up Optionally Fully Convertible Debenture of Rs 100/- each in Approach Films and Television Limited	50,861,600	25,551,200	25,551,200
1,793,590 (31st March, 2017: 1,495,419 and 1st April, 2016: 1,495,419) fully paid up Optionally Fully Convertible Debenture of Rs 100/- each in B.A.G Convergence Private Limited	179,359,000	149,541,900	149,541,900
4,273,893 (31st March, 2017: 3,156,315 and 1st April, 2016: 1,456,315) fully paid up Optionally Fully Convertible Debenture of Rs 100/- each in B.A.G Live Entertainment Limited	427,389,300	315,631,500	145,631,500
6,292,150 (31st March, 2017: 6,292,150 and 1st April, 2016: 6,292,150) fully paid up Optionally Fully Convertible Debenture of Rs 100/- each in Oscar Software Private Limited	629,215,000	629,215,000	629,215,000
2,532,194(31st March, 2017: 781,339 and 1st April, 2016: 781,339) fully paid up Optionally Fully Convertible Debenture of Rs 100/- each in Skyline Tele Media Services Limited	253,219,400	78,133,900	78,133,900
Total	**1,585,564,088**	**1,234,603,004**	**1,063,683,915**

7. DEFERRED TAX BALANCES **(Amount in ₹)**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Asset:			
Deferred tax assets (net)	28,038,987	13,297,291	12,655,399
Total	**28,038,987**	**13,297,291**	**12,655,399**

8. INVENTORIES
(At lower of cost and net realisable value) **(Amount in ₹)**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Raw Materials	1,242,126	741,550	866,000
Work in Progress	9,922,930	10,423,506	15,769,176
Finished Goods	330,630,684	304,276,334	322,770,392
Total	**341,795,740**	**315,441,390**	**339,405,568**

9. TRADE RECEIVABLES

(Unsecured, Considered good, unless stated otherwise) **(Amount in ₹)**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Considered good	563,707,719	667,418,812	650,841,640
Considered doubtful	-	-	-
Less: Allowance for bad and doubtful debts	-	-	-
Total	**563,707,719**	**667,418,812**	**650,841,640**

10. CASH AND CASH EQUIVALENTS

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Cash in hand	1,269,346	1,263,478	645,075
Cheques , Draft in hand	6,466,776	15,716,776	19,359,241
Balance with Banks			
-In current accounts	29,793,287	59,902,926	43,964,216
- Term deposits with original maturity of less than three months	47,373,345	23,351,638	62,511,912
Total	**84,902,754**	**100,234,818**	**126,480,444**

11. OTHER FINANCIAL ASSETS

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Loans and advances to employees	9,003,680	7,761,140	5,631,999
Advance to Other	143,031,717	377,711,968	198,755,232
Total	**152,035,397**	**385,473,108**	**204,387,231**

12. OTHER CURRENT ASSETS

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Balances with government authorities	58,541,612	48,761,471	83,199,970
Earnest Money & Security Deposits	37,744,575	59,363,140	50,498,092
Prepaid Expenses	31,565,936	55,243,492	58,814,681
Total	**127,852,123**	**163,368,103**	**192,512,743**

13. EQUITY SHARE CAPITAL

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
(a) Authorised Share Capital			
275,000,000 (31st March, 2017: 275,000,000 and 1st April, 2016: 275,000,000) equity shares of Rs. 2/- each	550,000,000	550,000,000	550,000,000
Total	**550,000,000**	**550,000,000**	**550,000,000**
(b) Issued, Subscribed and Fully Paid Share Capital			
188,118,090 (31st March, 2017: 188,118,090 and 1st April, 2016: 188,118,090) equity shares of Rs. 2/- each	376,236,180	376,236,180	376,236,180
Calls unpaid (170,341 Equity Shares @ Rs. 1/- each)	170,341	170,341	170,341
Total	**376,065,839**	**376,065,839**	**376,065,839**

Details of share holding in excess of 5% of share capital:

Name of Shareholders	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
	No. of Shares	No. of Shares	No. of Shares
Anurradha Prasad	21,479,190	21,479,190	21,479,190
ARVR Communications Private Limited	38,194,868	38,194,868	38,194,868
High Growth Distributors Private Limited	13,078,000	13,078,000	13,078,000
Sameer Gehlaut	20,250,900	20,250,900	20,250,900
Skyline Tele Media Services Limited	13,650,000	13,650,000	13,650,000

Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the March 2018:

Issued , Subscribed and fully paid up share capital:-

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	Number of shares held	Amount in ₹	Number of shares held	Amount in ₹	Number of shares held	Amount in ₹
Equity share with Voting Rights						
Equity shares outstanding at the beginning of the year	188,118,090	376,236,180	188,118,090	376,236,180	188,118,090	376,236,180
Add: Issue of Equity Shares during the year	-	-	-	-	-	-
Equity shares outstanding at the end of the year	188,118,090	376,236,180	188,118,090	376,236,180	188,118,090	376,236,180

Rights, preferences and restrictions attached to shares Equity shares

The Company has one class of equity shares having a par value of Rs 2 per share. Each shareholder is eligible for one vote per share held. 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 in case of 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.

The company has not allotted any bonus shares or bought back any shares during the current year or for a period of five years immediately preceding the balance sheet date.

14. OTHER EQUITY

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
(a) Capital Reserves	77,754,054	77,754,054	77,754,054
(b) General Reserves	37,927,284	37,927,284	37,927,284
(c) Securities Premium Reserves	3,672,658,535	3,672,658,535	3,672,658,535
(d) Retained Earnings	(3,101,872,848)	(3,076,095,237)	(3,093,244,366)
Total	**686,467,025**	**712,244,636**	**695,095,507**

14.1 Capital Reserves

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Balance at beginning of year	77,754,054	77,754,054	
Add: Transferred from retained earnings	-	-	
Balance at the end of Year	**77,754,054**	**77,754,054**	**77,754,054**

14.2 General Reserves

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Balance at beginning of year	37,927,284	37,927,284	
Add: Transferred from retained earnings	-	-	
Balance at the end of Year	**37,927,284**	**37,927,284**	**37,927,284**

14.3 Securities Premium Reserves

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Balance at beginning of year	3,673,339,899	3,673,339,899	
Add : Premium on Shares Issued during the year	-	-	
	3,673,339,899	3,673,339,899	
Less: Calls Unpaid (170341 Equity Shares @ Rs.4/-)	681,364	681,364	
Balance at the end of Year	**3,672,658,535**	**3,672,658,535**	**3,672,658,535**

14.4 Retained Earnings

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Opening Balance	(3,076,095,237)	(3,093,244,366)	
Add: Profit / (Loss) for the year	(21,630,063)	10,769,066	
Add: Adjustment of tax relating to earlier periods	40,584	8,677,497	
Other comprehensive income for the year (net of tax)	(4,188,132)	(2,297,434)	
Balance at the end of Year	**(3,101,872,848)**	**(3,076,095,237)**	**(3,093,244,366)**

Equity share capital and other equity are considered for the purpose of Company's capital management.

The Company manages its capital so as to safeguard its ability to continue as a going concern and to optimise returns to shareholders. The capital structure of the Company is based on management's judgement of its strategic and day-to-day needs with a focus on total equity so as to maintain investor, creditors and market confidence.

The management and the board of directors monitors the return on capital as well as the level of dividends to shareholders. The Company may take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

15. OTHER FINANCIAL LIABILITIES (Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Non-current Financial Liabilities			
Vehicle Loans			
- From Bank	5,845,448	532,162	790,652
Term loans			
- From Bank	137,375,746	133,569,555	352,927,414
Deposits	445,000	150,000	165,000
Others Loan & advances	97,564,932	97,564,932	97,564,932
Finance lease obligation	37,330,556	28,076,992	44,186,773
Unsecured Loans			
Optionally fully convertible debentures	250,000,000	250,000,000	250,000,000
Other borrowings (from entities other than Banks)	5,520,574	5,520,574	5,520,574
Total	**534,082,256**	**515,414,215**	**751,155,345**
Current financial Liabilities			
Loans repayable on demand	879,927,467	812,375,990	523,797,904
Other loans and advances	10,640,017	-	5,340,343
Total	**890,567,484**	**812,375,990**	**529,138,247**

16. PROVISIONS (Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Provision for Employee Benefits			
- Provision for Gratuity	15,503,950	11,828,998	9,643,308
- Provision for Leave encashment	4,554,186	3,131,502	3,042,363
Total	**20,058,136**	**14,960,500**	**12,685,671**

17. TRADE PAYABLES (Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Trade payables	159,408,606	102,188,424	171,730,642
Total	**159,408,606**	**102,188,424**	**171,730,642**

Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	-	-	-
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-	-
(iv) The amount of interest due and payable for the year	-	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

18. OTHER CURRENT LIABILITIES

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Current maturities of long term debt	90,754,615	249,367,458	266,439,294
Other payables			
Statutory remittances	4,648,840	8,640,869	5,671,078
Other Liability	144,676,897	281,680,553	84,421,093
Employee Cost	24,645,429	18,106,005	18,475,243
Advances from customers	37,220,577	40,839,459	74,355,713
Security deposits received	1,600,000	1,600,000	1,600,000
Total	**303,546,358**	**600,234,344**	**450,962,421**

19. REVENUE FROM OPERATIONS

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017
Revenue from Operations		
Audio-Video Productions	97,119,865	104,741,489
Advertisement sales	1,220,686,748	1,258,941,153
	1,317,806,613	**1,363,682,642**
Other Operating Revenues		
Income from Equipment Hiring	-	652,640
Income from Rent	5,361,751	2,505,000
	5,361,751	**3,157,640**
Total	**1,323,168,364**	**1,366,840,282**

20. OTHER INCOME

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017
Interest Income	7,027,663	8,160,635
Other Non-Operating Income(net of expenses directly attributable to such income)		
Profit on Sale of Fixed Assests	34,000	144,400
Profit on Sale of Investment	-	323,385
Miscellaneous income	538,070	398,934
Foreign Exchange Fluctualtion	43,493	-
Sundry balance written back	802,369	256,923
Total	**8,445,595**	**9,284,277**

21. CHANGES IN INVENTORIES OF FINISHED GOODS (INCLUDING STOCK-IN-TRADE) AND WORK-IN-PROGRES

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017
Opening inventories		
Raw Materials	741,550	866,000
Work in Progress	10,423,506	15,769,176
Finished Goods	304,276,334	322,770,392
Closing inventories		
Raw Materials	(1,242,126)	(741,550)
Work in Progress	(9,922,930)	(10,423,506)
Finished Goods	(330,630,684)	(304,276,334)
Total	**(26,354,350)**	**23,964,178**

22. EMPLOYEE BENEFITS EXPENSE

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017
Salaries , Wages and Bonus to employees	242,637,603	195,941,519
Contribution to Provident and other funds	8,396,626	6,539,575
Staff Welfare Expenses	5,828,007	3,263,862
Total	**256,862,236**	**205,744,956**

23. FINANCE COSTS

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017
A. Interest expense on		
Borrowing	130,983,217	151,542,249
Other	6,593,859	6,467,737
B. Other borrowing cost		
Bank Charges	449,098	279,955
Processing Fees	441,000	5,204,631
	138,467,174	**163,494,572**

24. DEPRECIATION AND AMORTISATION EXPENSE

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017
Depreciation of property, plant and equipment pertaining to continuing operations	169,745,515	129,914,714
Total	**169,745,515**	**129,914,714**

25. OTHER EXPENSES **(Amount in ₹)**

Particulars	As at March 31, 2018	As at March 31, 2017
Other Expenses		
Power and fuel	38,075,028	34,953,347
Rent	10,297,920	7,606,276
Repairs to Building	38,190	72,971
Repairs to Machinery	8,347,250	8,122,529
Insurance	3,877,764	3,150,079
Rates and Taxes, Excluding Taxes on Income	7,396,869	5,812,856
Loss on foreign currency transaction	188,886	8,877,186
Loss on sale of assets	-	66,201
Payment to auditors	1,177,559	1,293,688
Professional Charges Artist, Directors, Technicians	31,294,814	30,536,858
Corporate Social Responsibilty Expenditure	1,900,000	1,630,500
Travellings & conveyance	24,233,321	24,544,589
Royalty	40,848,569	102,546,787
License & Other Operational Fees	23,472,576	26,914,507
Carriage Charges	337,217,583	345,774,325
Advertisement , Publicity & Content	156,470,953	113,714,437
Miscellaneous Expenses	132,108,872	98,974,522
	816,946,154	**814,591,658**

Payment to Auditor

Particulars	As at March 31, 2018	As at March 31, 2017
- As Auditor	550,000	550,000
- For Taxation Matters	225,000	315,000
- For Management Services	100,000	100,000
- For Reimbursement of Expenses	302,559	328,688
Total	**1,177,559**	**1,293,688**

26. SEGMENT REPORTING

The Group has determined following reporting segments based on the information reviewed by the Group's Chief Operating Decision Maker ('CODM').

The above business segments have been identified considering :

a) the nature of products and services

b) the differing risks and returns

c) the internal organisation and management structure, and

d) the internal financial reporting systems.

The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Management Committee as explained in the Director's Report section.

(Amount in ₹)

Particulars	Year ended March 31 , 2018	Year ended March 31 , 2017
Segment Revenue		
a) Audio -Visual Production	159,340,020	137,538,429
b) Leasing	5,361,750	2,505,000
c) FM Radio	105,528,463	100,748,535
d) Television Broadcasting	1,052,938,130	1,126,048,318
Total	**1,323,168,363**	**1,366,840,282**
Less: Inter Segment Revenue	-	-
Net Sales/Income from Operations	**1,323,168,363**	**1,366,840,282**
Segment Results		
a) Audio -Visual Production	61,966,111	52,155,524
b) Leasing	(46,420,038)	(31,971,474)
c) F.M.Radio	35,236,324	33,927,483
d) Television Broadcasting	358,192,354	315,337,539
Total	**408,974,751**	**369,449,072**
Less:		
I) Interest	138,467,174	163,494,572
II) Other Un-allocable Expenditure Net off unallocable income	294,560,347	167,540,019
Total Profit Before Tax	**(24,052,770)**	**38,414,481**
Tax expense		
Deferred tax charge/(credit)	(14,741,696)	(641,892)
Profit For the Year	**9,311,074**	**39,056,373**
Less: Non Controlling Interest	12,318,989	28,287,307
Profit for the Year	**(21,630,063)**	**10,769,066**
Segment assets		
a) Audio -Visual Production	444,533,173	693,784,260
b) Leasing	162,110,799	213,564,183
c) F.M.Radio	240,815,960	231,744,551
d) Television Broadcasting	773,830,029	1,043,957,649
Total	**1,621,289,961**	**2,183,050,643**
Unallocable assets	4,011,703,541	3,798,614,038
TOTAL ASSETS	**5,632,993,502**	**5,981,664,681**
Segment liabilities		
a) Audio -Visual Production	59,564,903	224,696,813
b) Leasing	-	-
c) F.M.Radio	12,041,248	36,631,847
d) Television Broadcasting	818,430,767	660,327,671
Total	**890,036,918**	**921,656,331**
Unallocable liabilities	476,180,829	480,861,421
TOTAL LIABILITIES	**1,366,217,747**	**1,402,517,752**
Other Information		
Depreciation / Amortisation (allocable)	157,469,185	122,057,655
Depreciation / Amortisation (unallocable)	12,276,330	7,857,059

27. Related Parties disclosures as per Accounting Standard (AS-18) are as follows

Related parties with whom transactions have taken place during the year/previous year and the nature of related party relationship:

Name of the subsidiary	Proportion of Interest
News24 Broadcast India Limited	53.82%
E24 Glamour Limited	69.23%
Skyline Radio Network Limited	71.05%
BAG Network Limited	100.00%
E24 Entertainment Limited (Fellow Subsidiary)	69.23%

i) Other related parties with whom Group had transactions during the year;

Name of related party	Nature of relationship
Anurradha Prasad	Chairperson cum Managing Director
Skyline Tele Media Services Limited	Promoter Company/ Enterprises over which key management personnel or their relatives have significant influence
B.A.G Live Entertainment Limited	
ARVR Communications Pvt. Ltd.	Promoter Company

ii) Disclosure of transactions between the Group and Related Parties;

Particulars	Chairperson cum Managing Director		Promoter		Enterprises over which key management personnel or their relatives have significant influence	
	Year Ended March, 31		Year Ended March, 31		Year Ended March, 31	
	2018	2017	2018	2017	2018	2017
Salary	13,000,000	10,000,000	-	-	-	-
Income from Television Programming	-	-	-	-	82,880,250	104,741,489
Income from Ad Sale	-	-	-	-	69,965,450	38,615,400
Uplinking Recurring Charges	-	-	-	-	19,800,003	22,684,511
Advertisement Expenses	-	-	-	-	139,853,359	139,714,351
Expense Reimbursed	-	-	-	-	790,739	3,016,392
Rent Received	-	-	-	-	720,000	-

As the liabilities for defined benefit plans have provided on actuarial basis for the Group as a whole, the amount pertaining to Key Management Personnel have not included.

28. Employee Benefits as per Accounting Standard 15 (revised) 'Employees Benefits', the disclosures of employee benefits are given below

Defined Contribution Plans :

Contribution to Defined Contribution Plan recognized as expense for the year is as under:

Employer's Contribution to Provident Fund:	Rs. 6,626,766 (Previous Year Rs. 5,623,960)
Employer's Contribution to ESI:	Rs. 1,158,788 (Previous Year Rs. 718,159)

Defined Benefit Plans:

Gratuity is payable to all eligible employees of the Group on retirement/exit, death or permanent disablement in terms of the provisions of the Payment of Gratuity Act, 1972.

The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for leave encashment is recognized in the same manner as gratuity.

a. Change in present value of obligation

(Amount in ₹)

Particulars	**Gratuity**		**Leave Encashment**	
	March 31, 2018	**March 31, 2017**	**March 31, 2018**	**March 31, 2017**
Present value of obligation as at the beginning of the period	11,828,998	9,643,310	31,31,502	3,042,363
Current Service Cost	2,733,544	2,118,241	9,16,695	502,474
Interest Cost	887,175	771,465	2,34,863	243,389
Expected Return on Plan Assets	-	-	-	-
Actuarial (gain)/loss	(471,517)	179,205	2,71,126	(656,724)
Past Service Cost	861,866	-	-	-
Curtailment and settlement	-	-	-	-
Cost/(credit)Benefits Paid	(336,116)	(883,223)	-	-
Present value of obligation as at the end of the period	**15,503,950**	**11,828,998**	**45,54,186**	**31,31,502**

b. Expense recognized in the statement of profit and loss

(Amount in ₹)

Particulars	**Gratuity**		**Leave Encashment**	
	March 31, 2018	**March 31, 2017**	**March 31, 2018**	**March 31, 2017**
Current service cost	2,733,544	2,118,241	916,695	502,474
Past service cost	861,866	-	-	-
Interest cost	887,175	771,465	234,863	243,389
Expected Return on Plan Assets	-	-	-	-
Curtailment cost / (Credit)	-	-	-	-
Settlement cost / (credit)	-	-	-	-
Net actuarial (gain)/ loss recognized in the period	(471,517)	179,205	271,126	(656,724)
Expenses recognized in the statement of profit & losses	**4,011,068**	**3,068,911**	**14,22,684**	**89,139**

c. Actuarial gain / loss recognized

(Amount in ₹)

Particulars	Gratuity		Leave Encashment	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Actuarial gain/(loss) for the period- obligation	4,71,517	(179,205)	(2,71,126)	656,724
Actuarial (gain)/loss for the period - plan assets	-	-	-	-
Total (gain)/loss for the period	(4,71,517)	179,205	2,71,126	(656,724)
Actuarial (gain) / loss recognized in the period	(4,71,517)	179,205	2,71,126	(656,724)
Unrecognized actuarial (gains) losses at the end of period	-	-	-	-

d. The amounts to be recognized in balance sheet and related analysis

(Amount in ₹)

Particulars	Gratuity		Leave Encashment	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Present value of obligation as at the end of the period	1,55,03,950	11,828,998	45,54,186	31,31,502
Fair value of plan assets as at the end of the period	-	-	-	-
Funded status / Difference	(1,55,03,950)	(11,828,998)	(45,54,186)	(31,31,502)
Excess of actual over estimated	-	-	-	-
Unrecognized actuarial (gains)/losses	-	-	-	-
Net asset/(liability) recognized in balance sheet	(1,55,03,950)	(11,828,998)	(45,54,186)	(31,31,502)

e. Actuarial Assumptions

i) Economic Assumptions

The principal assumptions are the discount rate & salary growth rate. The discount rate is generally based upon the market yields available on Government bonds at the accounting date with a term that matches that of the liabilities & the salary growth rate takes account of inflation, seniority, promotion and other relevant factors on long term basis. Valuation assumptions are as follows which have been agreed by the company:

Particulars	Gratuity		Leave Encashment	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Discount Rate (%)	7.70	7.50	7.70	7.50
Future salary increase	5.50	5.50	5.50	5.50
Expected Rate of Return on Plan Assets	0.00	0.00	0.00	0.00

ii) Demographic Assumption

(Amount in ₹)

Particulars		Gratuity		Leave Encashment	
		March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
i)	Retirement Age (Years)	60	60	60	60
ii)	Mortality Table	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)
iii)	Ages				
	Up to 30 Years	3.00	3.00	3.00	3.00
	From 31 to 44 years	2.00	2.00	2.00	2.00
	Above 44 years	1.00	1.00	1.00	1.00

iii) **Sensitivity Analysis of the defined benefit obligation**

(Amount in ₹)

Particulars		**Gratuity**	**Leave Encashment**
		March 31, 2018	**March 31, 2018**
a)	**Impact of the change in discount rate**		
	Present Value of Obligation at the end of the period	1,55,03,950	45,54,186
	Impact due to increase of 0.50%	(9,19,799)	(2,72,212)
	Impact due to decrease of 0.50 %	10,02,710	2,96,449
b)	**Impact of the change in salary increase**		
	Present Value of Obligation at the end of the period	1,55,03,950	45,54,186
	Impact due to increase of 0.50%	10,19,509	3,01,406
	Impact due to decrease of 0.50 %	(9,42,431)	(2,78,918)

29. Earnings Per Share

(Amount in ₹)

Particulars	**For the year ended**	
	March 31, 2018	**March 31, 2017**
Profit for the year	(14,704,242)	44,575,378
Weighted Average number of equity shares used as denominator for calculating Basic EPS	188,118,090	188,118,090
Basic Earnings per share	(0.08)	0.24
Weighted Average number of equity shares used as denominator for calculating Diluted EPS	232,674,583	222,874,583
Diluted Earnings per share	(0.08)	0.20
Face Value per equity share	2.00	2.00

30. Fair values

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

Particulars	**Carrying value**			**Fair value**		
	March 31, 2018	**March 31, 2017**	**April 1, 2016**	**March 31, 2018**	**March 31, 2017**	**April 1, 2016**
Financial assets						
(Non Current & Current)						
Quoted investment	500,000	500,000	500,000	321,250	501,250	294,000
Investment in mutual funds and other investment	1,585,042,095	1,234,121,595	1,063,421,420	1,585,242,838	1,234,101,754	1,063,389,915

a. Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities:

Quantitative disclosures fair value measurement hierarchy for assets

	Fair Value Measurement using			
Particulars	**Total**	**Quoted Price in active markets (Level 1)**	**Significant Observable inputs(Level 2)**	**Significant Unobservable inputs(Level 3)**
As at 31st March, 2018				
Asset measured at fair value: Investments measured at:				
Fair Value through Profit or Loss	-	321,250	-	-
As at 31st March, 2017				
Asset measured at fair value: Investments measured at:				
Fair Value through Profit or Loss	-	501,250	-	-
As at 1st April, 2016				
Asset measured at fair value: Investments measured at:				
Fair Value through Profit or Loss	-	294,000	-	-

Calculation of Fair Values

The fair values of the financial assets and liabilities are defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Methods and assumptions used to estimate the fair values are consistent with those used for the year ended 31st March, 2017.

Financial assets and liabilities measured at fair value as at Balance Sheet date:

1) The fair values of investment in quoted investment in equity shares is based on the current bid price of respective investment as at the Balance Sheet date.

2) The fair values of investments in mutual fund units is based on the net asset value ('NAV') as stated by the issuers of these mutual fund units in the published statements as at Balance Sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors.

Other financial assets and liabilities

- Cash and cash equivalents, trade receivables, investments in term deposits, other financial assets (except derivative financial instruments), trade payables, and other financial liabilities (except derivative financial instruments) have fair values that approximate to their carrying amounts due to their short-term nature.
- Loans have fair values that approximate to their carrying amounts as it is based on the net present value of the anticipated future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities.

31. Capital management

The Company's capital management objectives are:

- to ensure the company's ability to continue as a going concern
- to provide an adequate return to shareholders by pricing products and services commensurately with the level of risk.

The Company monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented on the face of the statement of financial position.

Financial Risk Management objectives

The Company's activities expose it to a variety of financial risks viz. credit risk, liquidity risk and market risk. In order to manage the aforementioned risks, the Company operates a risk management policy and a program that performs close monitoring of and responding to each risk factors.

Credit risk management

Credit risk arises when a counterparty defaults on its contractual obligations to pay resulting in financial loss to the Company. The Company deals with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The Company uses publicly available financial information and its own trading records to rate its major customers. The Company's exposure and credit ratings of its counterparties are regularly monitored and the aggregate value of transactions concluded is spread amongst counterparties.

Liquidity risk management

The responsibility for liquidity risk management rests with the Board of directors, which has an appropriate liquidity risk management framework for the management of the Company's short-, medium- and longterm funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities by regularly monitoring forecast and actual cash flows.

Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk such as equity price risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. The Company is exposed to equity price risks arising from equity investments. Equity investments are held for strategic rather than trading purposes. The Company does not actively trade these investments.

32. Previous year's figures have been regrouped/reclassified to be comparable with currents year's classification/disclosures.

For and on behalf of Board of Directors

For Kumar Khare & Co.
Firm Registration Number: 006740C
Chartered Accountants

Anurradha Prasad	**Sudhir Shukla**	**Ajay Jain**	**Rajeev Parashar**	**Alok Khare**
Chairperson cum Managing Director	Director	CFO	Company Secretary	Partner
DIN : 00010716	DIN : 01567595			Membership No.: 075236

Place : Noida
Date : May 28, 2018

Additional information as required under schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary/ Associate /Joint Ventures

	As at March 31, 2018		As at March 31, 2018	
	Net Asset, i.e. total assets minus total liabilities		Share in Profit or (Loss)	
Name of the entity	As % of consolidated net assets	Amount (in Lakh)	As a % of consolidated Profit & Loss	Amount (in Lakh)
Parent Company				
B.A.G Films and Media Limited	62.97	26,160.78	(195.59)	(288.40)
Subsidiaries				
E24 Glamour Limited	25.13	10,435.49	(60.73)	(89.55)
News24 Broadcast India Limited	9.75	4,053.85	162.68	239.88
Skyline Radio Network Limited	0.76	315.64	(5.53)	(8.15)
Foreign Subsidiaries				
E24 Entertainment Limited (Fellow Subsidiary)	1.40	583.25	(0.83)	(1.23)
BAG Network Limited	(0.01)	(3.89)	-	-
Total	**100**	**41,545.12**	**100**	**(147.45)**
Minority Interest		**(5,462.21)**		**(110.73)**
Adjustment due to consolidation		(25,342.43)		-
Consolidated Net Asset/Profit after tax		10,740.48		(258.18)

The information in respect of these entities are extracted from the financial summary considered in the consolidated financial statements.

For and on behalf of Board of Directors

For Kumar Khare & Co.
Firm Registration Number: 006740C
Chartered Accountants

Anurradha Prasad
Chairperson cum Managing Director
DIN : 00010716

Sudhir Shukla
Director
DIN : 01567595

Ajay Jain
CFO

Rajeev Parashar
Company Secretary

Alok Khare
Partner
Membership No.: 075236

Place : Noida
Date : May 28, 2018

Form AOC-I

(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/ associate companies/joint ventures

Amount (in Lakh)

Name of Subsidiary	News24 Broadcast India Limited		E24 Glamour Limited		Skyline Radio Network Limited		E24 Entertainment Limited (Fellow Subsidiary)	
	As on March 31		As on March 31		As on March 31		As on December 31	
	2018	2017	2018	2017	2018	2017	2017	2016
Share Capital	3536.43	3536.43	2696.89	2696.89	2901.41	2901.41	595.04	595.04
Reserve & Surplus	517.96	278.08	7737.86	7827.41	(2585.77)	(2577.62)	(11.79)	(10.56)
Total Assets	11642.83	9677.88	16,982.79	15,601.56	2703.08	2532.00	589.95	589.95
Total Liabilities	7588.45	5863.37	6548.04	5,077.26	2387.44	1215.26	6.70	5.47
Investment	4709.66	2301.32	14146.90	10841.00	-	-	-	-
Turnover	8747.64	9001.30	2403.94	2914.79	1055.28	1007.49	-	-
Profit/(Loss) before taxation	229.17	480.00	(88.62)	153.18	21.38	18.60	(1.23)	(1.49)
Provision for taxation	(10.71)	(10.17)	0.93	(2.79)	29.53	42.25	-	-
Profit/(Loss) after taxation	239.88	490.17	(89.55)	155.96	(8.15)	(23.65)	(1.23)	(1.49)
Proposed Dividend	-	-	-	-	-	-	-	-
% of shareholding	53.82	53.82	69.23	69.23	71.05	71.05	69.23	69.23

The following Subsidiary is yet to commence operation:

1. BAG Network Limited

For and on behalf of Board of Directors

Anurradha Prasad
Chairperson cum Managing Director
DIN : 00010716

Sudhir Shukla
Director
DIN : 01567595

Ajay Jain
CFO

Rajeev Parashar
Company Secretary

Place : Noida
Date : May 28, 2018

BAG

B.A.G. FILMS AND MEDIA LIMITED

(CIN: L74899DL1993PLC051841)
Reg. Off: 352, Aggarwal Plaza, Plot No.8, Kondli, New Delhi-110096
Corporate Off: FC-23, Film City, Sector-16A, Noida-201301, (U.P.)
Tel: 91 120 3911 444, Fax No. 91 120 3911 401
Web: www.bagfilms.com, mail: info@bagnetwork.in

REMINDER 1

Subject: A. Updation of PAN Card and Bank Details; and
B. Intimation for dematerialization of Shares

Dear Member,

As per our records, you are an equity shareholder of the Company holding shares in physical form. We would like to draw your kind attention to the circulars issued by the Securities and Exchange Board of India (SEBI) requiring **your immediate attention / action** as under.

A. UPDATION OF PAN & BANK DETAILS

The SEBI vide its circular No. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated April 20, 2018 has mandated that companies shall update the PAN and Bank Details of the shareholders in its record to credit the dividend directly in their bank accounts.

You are therefore, requested to submit the following documents immediately upon receipt of this letter to enable us to update the records:

1. Enclosed format duly filled in and signed by the Shareholder(s).
2. Self-attested copy of PAN Card of the Shareholder(s).
3. Cancelled Cheque with name (if name is not printed, bank attested copy of the first page of pass book showing name of account holder) of the first holder.
4. Address proof (self-attested copy of Aadhaar-card / Electricity bill / Telephone bill / Passport) of the first holder.

B. DEMATERIALISATION OF SHARES

The SEBI vide its circular No. SEBI/LAD-NRO/GN/2018/24 dated June 8, 2018 has mandated that w.e.f. December 5, 2018 all transfer of shares shall be permitted only in demat form except in case of transmission or transposition of Shares. In view of the same, you are requested to kindly convert your physical shares in to Demat form for transferring the shares on or after 05.12.2018.

You are requested to send the details under Annexure A above within 21 days from the date of this letter to the office of the Registrar & Transfer Agent of the Company as mentioned below.

Registrar & Transfer Agent
Alankit Assignments Limited
Alankit Heights, 3E/7, Jhandewalan Extension
New Delhi – 110055
Email : rta@alankit.com;
Telephones: +91 - 11 - 23541234, 42541234

In case if you have already taken the necessary action in terms of the said circulars of SEBI, you may kindly ignore this communication.

Thanking you,
Yours faithfully,
for **B.A.G. Films and Media Limited**

Sd/-
Rajeev Parashar
Company Secretary

BAG

Annexure-A

Updation of shareholders information as mandated by SEBI

To,
Alankit Assignments Limited
The Registrar Transfer Agent (RTA)
Unit: B.A.G. Films and Media Limited
Alankit Heights, 3E/7 Jhandewalan Extension,
New Delhi – 110055,India Email: rta@alankit.com
Telephone: +91-11-23541234, 42541234

I/We request you to record the following information against my Folio No.:

Name of Shareholder (s)	
Folio No.	
PAN (Enclose self-attested copy of PAN card/s of all holders)	
Email ID/Mobile:	
Bank Account No. (Enclose name printed original cancelled cheque /self attested copy of passbook with details of account holder printed):	
Name of Bank/Branch:	
Bank A/c Type (Saving/Current/ NRE/NRO) :	
Account Number (as appearing in cheque) : #	
IFSC No. (11 Digit) :	
MICR No. (9 digit) (as per appearing in cheque) :	
Name of Shareholder (s)	Signature of Shareholder (s)
I.	
II.	
III.	

#A blank cancelled cheque with name of the first holder is enclosed to enable verification of bank details.

(Note: all enclosures are mandatory)

I/We hereby declare that the particulars given above are correct and complete.

B.A.G. FILMS AND MEDIA LIMITED
(CIN: L74899DL1993PLC051841)
Reg. Off: 352, Aggarwal Plaza, Plot No.8, Kondli, New Delhi-110096
Corporate Off: FC-23, Film City, Sector-16A, Noida-201301, (U.P.)
Tel: 91 120 3911 444, Fax No. 91 120 3911 401
Web: www.bagfilms.com, E-mail: info@bagnetwork.in

ATTENDANCE SLIP

I/WE HEREBY RECORD MY/OUR PRESENCE AT THE TWENTY FIFTH ANNUAL GENERAL MEETING OF B.A.G. FILMS AND MEDIA LIMITED TO BE HELD ON TUESDAY, SEPTEMBER 25, 2018 AT 4.00 P.M. AT M P C U SHAH AUDITORIUM, SHREE DELHI GUJARATI SAMAJ MARG, CIVIL LINES, DELHI-110054.

....	....	....
Member's Folio/DP ID-Client-ID	Member's/ Proxy's name in Block Letters	Member's/Proxy's Signature

Note:

1. Please complete the Folio/ DP ID-Client ID No. and name, sign this attendance Slip and hand it over at the Attendance Verification Counter at the entrance of the meeting hall.
2. Electronic copy of the Annual Report for 2017-2018 and Notice of the 25th Annual General Meeting (AGM) alongwith Attendance Slip and Proxy Form is being sent to all the members whose email 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 the Annual Report for 2017-2018 and the Notice of the AGM alongwith Attendance Slip and Proxy form is sent in the permitted mode(s) to all members whose email is not registered or have requested for a hard copy.

B.A.G. FILMS AND MEDIA LIMITED

(CIN: L74899DL1993PLC051841)
Reg. Off: 352, Aggarwal Plaza, Plot No.8, Kondli, New Delhi-110096
Corporate Off: FC-23, Film City, Sector-16A, Noida-201301, (U.P.)
Tel: 91 120 3911 444, Fax No. 91 120 3911 401
Web: www.bagfilms.com, E-mail: info@bagnetwork.in

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 Member(s)

Registered Address:

E-mail Id:

Folio No. / Client Id:

DP ID:

I/ We being the member(s) of ……………...................……. Shares of the above named Company hereby appoint:

(1) Name:……………..............................………...........Address…………...................…………………………………………………

E-mail id………………………………...............Signature…………………………………or failing him;

(2) Name:……………..............................………...........Address…………...................…………………………………………………

E-mail id………………………………...............Signature…………………………………or failing him;

(3) Name:……………..............................………...........Address…………...................…………………………………………………

E-mail id………………………………...............Signature………………………………….

as my/ our proxy to attend and vote (either on poll or through e-voting) for me/ us and on my/our behalf at the 25th Annual General Meeting of the Members of the Company to be held on Tuesday, September 25, 2018 at 4.00 p.m. at M P C U Shah Auditorium, Shree Delhi Gujarati Samaj Marg, Civil Lines, Delhi-110054 and at any adjournment thereof in respect of such resolutions as are indicated below:

Item Nos.	Brief Particular of Resolution	Type of Resolution	Optional*	
			For	Against
1.	To receive, consider and adopt the Audited Financial Statements (including Consolidated Financial Statements) of the Company for the financial year ended March 31, 2018 and the Reports of the Directors and Auditors thereon.	Ordinary		
2.	To appoint a Director in place of Ms. Anuradha Prasad Shukla (DIN: 00010716) who retires by rotation and being eligible, offers herself for re-appointment.	Ordinary		
3.	To re-appoint Ms. Urmila Gupta (DIN:00637110) as an Independent Director of the Company for second term.	Special		
4.	Consent of Members for giving loans/guarantees or providing securities and/or meeting investments.	Special		

Signed this ………………day of ………………….2018

Affix Revenue Stamp

Signature of shareholder ……………………………….. Signature of proxy hoder(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, not less than 48 hours before the commencement of the Meeting.
2) For the resolutions, explanatory statements and Notes, please refer to the Notice of 25th Annual General Meeting.
3) *It is optional to put 'X' in the appropriate column against the Resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all resolution, your proxy will be entitled to vote in the manner as he / she thinks appropriate.
4) Please complete all details including details of member(s) in the above box before submission. Blank / incomplete proxies shall be considered as invalid.

Printed by: Print Media: 9873000211, 011-29541681

B.A.G. FILMS AND MEDIA LIMITED

Corporate Office: FC-23, Sector-16A,
Film City, Noida - 201 301 (U.P.)