



**SAHARA ONE MEDIA AND ENTERTAINMENT LIMITED**

**CIN: L67120MH1981PLC024947**

REGISTERED OFFICE: Sahara India Point, CTS 40 – 44, S.V. Road, Goregaon (West), Mumbai – 400 104.

Tel: 022 4293 1818. Fax: 022 4293 1870.

E-mail: [investors@sahara-one.com](mailto:investors@sahara-one.com) Website: [www.sahara-one.com](http://www.sahara-one.com)

**Date: 28<sup>th</sup> September, 2017**

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

**Sub: Annual Report of Sahara One Media and Entertainment Limited for the Financial Year 2016-17**

Dear Sir / Madam,

In terms of Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached Annual Report of Sahara One Media and Entertainment Limited for the Financial Year 2016-17.

You are requested to take the same on your records and oblige.

Thanking you,

Yours Faithfully,

**For Sahara One Media and Entertainment Limited**

*Sukumar*

**Sukhmendra Kumar  
(Company Secretary)**

Encl: as above.







SAHARA ONE MEDIA AND ENTERTAINMENT LIMITED



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**ONE**®

**FILMY**





## **ANNUAL REPORT 2016-2017**

### **BOARD OF DIRECTORS**

Shri Om Prakash Srivastava  
(Director)

Shri Ranvir Singh Rathore  
Independent Director

Shri Brijendra Sahay  
Independent Director

Shri Jagdish Narain Roy  
Independent Director

Smt Rana Zia  
(Whole Time Director)

### **REGISTERED OFFICE**

Sahara India Point, CTS 40-44,  
S.V Road, Goregaon (West),  
Mumbai-400 104.

### **HEAD FINANCE**

Shri Sanjay Garg

### **CHIEF FINANCIAL OFFICER**

Shri Prakash Chandra Tripathy

### **COMPANY SECRETARY**

Shri Sukhmendra Kumar

### **STATUTORY AUDITORS**

M/s D.S. Shukla & Company  
Chartered Accountants, Mumbai

### **BANKERS**

The ICICI Bank Limited  
IDBI Bank Limited  
Punjab National Bank  
ING Vysya Bank

### **REGISTRAR & SHARE TRANSFER AGENT**

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

### **BRANCH/DIVISION /UNITS**

Sahara India Bhawan  
1, Kapoorthala Complex,  
Lucknow-226024

Sahara India Complex,  
C-2, C-3 & C-4, SectorXI  
Noida, U.P-201301



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E-mail: investors@sahara-one.com Website: www.sahara-one.com

### NOTICE

Notice is hereby given that the 36th Annual General Meeting of the Members of Sahara One Media and Entertainment Limited will be held on Thursday, the 28th day of September 2017 at 2:30 P.M. at the Registered Office of the Company at Sahara India Point, CTS 40-44, S.V. Road, Goregaon (W), Mumbai-400 104 to transact the following business:-

#### Ordinary Business:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended 31st March, 2017, Directors Report and Auditors Report thereon.
2. To appoint a Director in place of Shri O.P. Srivastava, who retires by rotation and being eligible, offer himself for re-appointment.

"RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013, the approval of the members of the Company be and is hereby accorded to re-appoint Shri O.P. Srivastava (DIN: 00144000) as Director of the Company with immediate effect and who shall be liable to retire by rotation."

3. To consider and if thought fit, to pass with or without modification the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of section 139 and other applicable provisions of the Companies Act, 2013, and the Rules made thereunder, appointment of the Statutory Auditors, M/s. D. S. Shukla & Co., Chartered Accountants, (Firm Registration No. 000773C), be and is hereby ratified as Statutory Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the 37th Annual General Meeting of the Company subject to ratification by shareholders at every Annual General Meeting, at a remuneration to be fixed by the Board of Directors of the Company."

Place : Lucknow  
Date : 11th August 2017

By order of the Board of Directors  
For Sahara One Media and Entertainment Ltd

Registered Office :  
Sahara India Point,  
CTS 40-44, S.V. Road,  
Goregaon (W), Mumbai- 400 104

Sukhmendra Kumar  
(Company Secretary)





#### Notes-

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE ON POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. IN ORDER TO BE EFFECTIVE, PROXIES MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE ANNUAL GENERAL MEETING.
2. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, members would be entitled to inspect the proxies lodged, at any time during the business hours of the Company, provided not less than three (3) days written notice is given to the Company.
3. To avoid fraudulent transactions, the identity/signature of the members holding shares in electronic/demat form is verified with the specimen signatures furnished by NSDL/CDSL and that of members holding shares in physical form is verified as per the records of the Share Transfer Agent of the Company (i.e. Link Intime India Pvt. Ltd). Members are requested to keep the same updated.
4. Corporate Members are requested to send to the Registered Office of the Company, a duly Certified Copy of the Board resolution under Section 113 of the Companies Act, 2013 authorizing their representative to attend and vote at the Annual General Meeting.
5. Members are requested to bring the admission slip along with their copies of Annual Report.
6. Members who hold shares in Dematerialized form are requested to bring their Client ID and DP ID numbers for easy identification of attendance at the meeting.
7. The introduction of Section 72 of the Companies Act, 2013 provides for nomination by the Shareholders of the Company. The members are requested to avail of this facility by submitting the prescribed Form No. SH-13 duly filled in at the Registered Office of the Company or with the Registrar and Share Transfer Agent of the Company:- M/s Link Intime India Private Limited as C 101-247 Park, L.B.S. Marg, Vikhroli (West), Mumbai – 400 083.
8. Members are requested to notify the change in their addresses at the Company's Registered Office or at the office of the Registrar and Share Transfer Agent with their Ledger Folio No. (s).
9. Shareholders are requested to notify multiple folios standing in their names for consolidation.
10. Members are requested to avoid being accompanied by non-members and/or children.
11. The Register of Members and the Share Transfer Book will remain closed from 14th September 2017 to 28th September 2017 (both days inclusive).
12. Shareholders seeking any information with regard to Accounts are requested to write to the Company at an early date to enable the management to keep the detailed information ready.
13. Voting through electronic means:
  - i) Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, a member may exercise his right to vote by electronic means (e-voting) in respect of the resolutions contained in this notice.
  - ii) The Company is providing e-voting facility to its members to enable them to cast their votes electronically. The Company has engaged the services of Central Depository Services (India) Limited (CDSL) as the Authorised Agency to provide e-voting facilities.
  - iii) The Board of Directors has appointed M/s Amarendra Rai & Associates Practicing Company Secretaries, B-200, Sector - 50, Basement, Noida - 201301, UP as the Scrutinizer, for conducting the e-voting process in a fair and transparent manner.





- iv) Members are requested to carefully read the instructions for e-voting before casting their vote.
- v) The e-voting facility will be available during the following voting period after which the portal will be blocked and shall not be available for e-voting :

Commencement of e-voting	From 09:00 A.M. (IST) on September 24, 2017
End of e-voting	Upto 05:00 P.M. (IST) on September 27, 2017

- vi) The cut-off date (i.e. the record date) for the purpose of e-voting is September 21, 2017.

**The procedure and instructions for e-voting are as under:**

- a) During the voting period, the shareholders can visit the e-Voting website [www.evotingindia.com](http://www.evotingindia.com) and select the relevant EVSN / Company for voting.
- b) You can login to the e-Voting system using their user-id (i.e. demat account number), PAN and Date of Birth (DOB) or Bank account number mentioned for the said demat account or folio.
- c) After logging in, you will have to mandatory change their password. This password can be used by you for all future voting on resolutions of companies in which you are eligible to vote. Physical shareholders will have to login with the DOB and Bank details for every voting.
- d) You have to then select the EVSN for which you desire to vote.
- e) You can then cast your vote on the resolutions available for voting.
- f) You can also view the resolution details on the [www.evotingindia.com](http://www.evotingindia.com).
- g) Once you cast the vote, the system will not allow modification of the same.
- h) During the voting period, you can login any number of times till you have voted on all the resolutions. However, once you have voted on a resolution you would not be able to vote for the same resolution but, only view the voting.
- i) Members holding multiple folios / demat accounts shall choose the voting process separately for each of the folios / demat accounts.
- j) In case of any query pertaining to e-voting, please contact CDSL Help Desk Number-1800 200-5533 or can email on [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- k) The voting rights of the Members shall be in proportion to the paid-up value of their shares in the equity capital of the Company as on the cut-off date (i.e. the record date), being Thursday, September 21, 2017.
- l) The Scrutinizer shall, after the conclusion of voting at the AGM, first count the votes cast at the meeting and, thereafter, unblock the votes cast through remote e-voting and also count the votes received by post through Ballot Forms, in the presence of at least two witnesses not in the employment of the Company and shall make, not later than two days from the conclusion of the AGM, a Consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- m) The Scrutinizer's decision on the validity of the vote shall be final and binding.
- n) The Results on resolutions shall be declared on or after the AGM of the Company and the resolutions will be deemed to be passed on the AGM date subject to receipt of the requisite number of votes in favour of the resolutions.
- o) The result declared along with the Scrutinizer's report shall be placed on the website of the Company [http:// www.sahara-one.com/](http://www.sahara-one.com/) and on CDSL website <https://www.evotingindia.com> within 2 (two) days of passing of the resolutions at the AGM and communicated to the Stock Exchanges where the Company shares are listed.

ADDITIONAL INFORMATION ON DIRECTORS RECOMMENDED FOR APPOINTMENT AND RE-APPOINTMENT AS REQUIRED UNDER REGULATION 36(3) OF SEBI (LISTING OBLIGATION AND DISCLOSURE REQUIREMENT) REGULATIONS, 2015 AND AS PER SECTION 118(10) OF THE COMPANIES ACT, 2013 READ WITH SECRETARIAL STANDARDS FOR GENERAL MEETING (SS-2).





Shri O.P Srivastava

Shri O.P. Srivastava is a Director of the Company since 10th March, 2000. He is a Graduate in Law. He has been associated with the Sahara Group of Companies since its Inception. He has an illustrious career in Sahara India with successful track record of building vibrant organization and successful project implementation. With his sheer hard work and determination, he has attained a respectable position in the organization from a modest background. He has made significant contributions in the growth of this Company.

Name of the Director	Shri O.P. Srivastava
DIN	00144000
Age(in Years)	62
Remuneration Sought to be Paid	Shri O.P. Srivastava will receive remuneration by way of sitting fee and reimbursement of expenses for attending the Board / Committee meetings, as provided under the provisions of Companies Act, 2013.
Terms and Condition for Appointment(s)	Shri O.P. Srivastava is eligible to be re-appointed as Director liable to retire by rotation, as per the provisions of the Companies Act, 2013 and Articles of Association of the Company, subject to the approval of the members of the Company in this AGM.
Remuneration last drawn from the Company	NIL
Date of first appointment on the Board of Directors of the Company	10.03.2000
Shareholding in the Company (as on the date of AGM Notice)	10,00,000 Equity Shares
Relationship with other Directors, Managers and other Key Managerial Personnel(s) of the Company	Nil
Number of Board meetings attended during the financial year 2016-17	5
List of Directorships held in other Companies, as on March 31, 2017	<ul style="list-style-type: none"> <li>• Sahara India Power Corporation Limited</li> <li>• Sahara Hospitality Limited</li> <li>• Sahara India Life Insurance Company Limited</li> <li>• Sahara India Financial Corporation Limited</li> <li>• Sahara India Medical Institute Limited</li> <li>• Eric City Homes Development Private Limited</li> <li>• SAIN Processing and Weaving Mills Private Limited</li> <li>• Sahara Asset Management Company Private Limited</li> <li>• Sahara Welfare Foundation</li> </ul>
Membership/ Chairmanship of Committees of Board of Directors of other companies, as on March 31, 2017****	<ul style="list-style-type: none"> <li>• Sahara India Financial Corporation Limited</li> <li>• Sahara India Life Insurance Company Limited</li> <li>• Sahara India Medical Institute Limited</li> <li>• Sahara Hospitality Limited</li> </ul>

\*\*\*\*Only includes membership / Chairmanship of Audit Committee and Stakeholders' Relationship Committee of other Public Limited Companies.

**By order of the Board of Directors**  
For Sahara One Media and Entertainment Limited

**Sukhmendra Kumar**  
(Company Secretary)





## DIRECTORS' REPORT

### To the Members,

Your Directors are submitting the Thirty Sixth Board Report of the Company together with the Audited Statement of Accounts for the year ended 31st March 2017.

### FINANCIAL / OPERATIONAL RESULTS

FOR THE YEAR ENDED	Year ended 31.03.2017 (Rs.in million)	Year ended 31.03.2016 (Rs.in million)
Total Income	31.013	50.865
Total expenses	53.800	347.253
Profit Before tax	-22.787	-296.38
Provision for taxation (Current, Deferred, earlier year tax and others)	-	-
Prior Period income/ (expenses)	0.096	0.187
Surplus after tax and extraordinary items for the Year	-22.883	-296.575
Surplus carried to the Balance Sheet	-	-

### THE YEAR UNDER REVIEW:

During the year under review, the Company has incurred Net Loss of Rs 22.883 million as against loss of Rs. 296.575 million during last fiscal 2015-2016.

### DIVIDEND

With a view to conserve resources with the Company, the Board of Directors has decided not to recommend any dividend for the financial year 2016-2017.

### CAPITAL ISSUE

Company has not made any issue of Shares during the reporting period; hence the Equity Capital of the Company stands the same at Rs. 21,52,50,000/-.

### DIRECTORS:

Shri O. P. Srivastava, Director of the Company is retiring by rotation and is eligible for re-appointment in accordance with the provisions of Section 152 of the Companies Act, 2013 and Articles of Association. Hence the Board recommends name of Shri O. P. Srivastava for re-appointment as Director of the Company in the ensuing Annual General Meeting, who will be liable to retire by rotation.

### INDEPENDENT DIRECTORS:

Shri R.S Rathore, Shri J.N Roy and Shri Brijendra Sahay, the Independent Directors of the Company have submitted the Declaration of Independence, as required pursuant to Section 149 (7) of the Companies Act, 2013, stating that they meet the criteria of Independence as provided in Sub -Section 149(6) and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company arranged familiarisation programmes for the Independent Directors. Independent Directors have already been informed about their duties, rights, responsibilities and Code of Conduct including various recent changes of the Companies Act, 2013 in the Board Meeting of the Company. The details of familiarisation program for Independent Directors are available on the website of the Company at [www.sahara-one.com](http://www.sahara-one.com).





#### **AUDIT COMMITTEE:**

The Board of Directors of the Company constituted a committee of Directors (in Compliance with Regulations 18 of the SEBI Listing Obligation and Disclosure Requirement Regulations) known as Audit Committee in its meeting held on 30th January 2001 and further re-constituted the same on 29th June 2002, 29th July 2006, 29th April 2008, 30th June 2009, 2nd August 2011 and 8th February 2012. Shri R. S. Rathore is continuing as Chairman of the Audit Committee since 10th March 2008. At present the Company has four Directors as members of Audit Committee viz. Shri R. S. Rathore, Shri O.P. Srivastava, Shri Brijendra Sahay and Shri J. N. Roy and Company Secretary acts as Secretary to the Committee. Out of four committee members, three are Independent Directors and one is Promoter Director. The Chairman of the Audit Committee is an independent Director which is in Compliance with the Regulations 18 of the Listing Obligation and Disclosure Requirement Regulations as well as Section 177 of the Companies Act, 2013.

#### **NOMINATION AND REMUNERATION COMMITTEE:**

The Board of Directors of the Company constituted a committee of Directors known as Remuneration Committee in its meeting held on 26th August, 2009 (pursuant to the requirement of Schedule XIII of Companies Act, 1956) to deal with matters related to managerial remuneration of Company as may be required from time to time. The Committee was re-named as "Nomination and Remuneration Committee" pursuant to Section 178 of the Companies Act, 2013 by the Board at its meeting held on 11th August, 2014.

The Committee consists of following members at present:

Shri R. S. Rathore	Chairman
Shri O.P. Srivastava	Member
Shri Brijendra Sahay	Member
Shri J. N. Roy	Member

#### **STAKEHOLDERS RELATIONSHIP COMMITTEE:**

The Board of Directors of Company had constituted Share Transfer Committee on 10th March, 2000 which was later renamed as Shareholders and Investors Grievances Committee which was further renamed as Stakeholders Relationship Committee as pursuant to Section 178 of the Companies Act, 2013 and was further re-constituted on 3rd April, 2001, 30th January, 2002, 29th July, 2006, 23rd October, 2008, 21st March 2009, 24th March 2010 and 8th November 2012.

Following are the members of the committee at present:

Shri O.P. Srivastava	Chairman
Shri Brijendra Sahay	Member
Shri J. N. Roy	Member

Shri Sukhmendra Kumar, Company Secretary acts as Secretary / Convener of the committee.

During the period under review, the Company has not received any complaint from the Shareholders/Investors. No Meetings of Stakeholders Relationship Committee of the Company were held during the financial year 2016-2017.

The Stakeholders Relationship Committee Meetings are held whenever required in case the grievances of investors stand unresolved by the Registrar and Share Transfer Agent of Company M/s Link Intime India Pvt. Ltd.

#### **CORPORATE GOVERNANCE**

The Company has complied with the Corporate Governance Requirements, as stipulated under the various regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013. A report on Corporate Governance along with Certificate on its Compliance forms a part of the Annual Report.





#### **VIGIL MECHANISM / WHISTLE BLOWER POLICY:**

The details of the vigil mechanism are mentioned in the Corporate Governance Report and also available at [www.sahara-one.com](http://www.sahara-one.com)

#### **CORPORATE SOCIAL RESPONSIBILITY:**

As required under Companies Act, 2013, Corporate Social Responsibility Committee has been formed and constituted. However no amount has been transferred in view of loss incurred by the Company during the Financial Year 2016-17.

#### **NOMINATION AND REMUNERATION POLICY**

The Company has adopted a Nomination & Remuneration Policy for determining qualifications, positive attributes and independence of a Director and criteria for Directors appointment and remuneration. The features of this policy are as follows:

1. The Company, while constituting the Board shall draw members from diverse fields such as finance, law, management, technical, marketing, manufacturing or other disciplines related to the Company's business. There shall be no discrimination on the basis of gender, while determining the Board Composition.
2. A Director shall be a person of integrity, who possesses relevant expertise and experience. He shall uphold ethical standards of integrity and probity and act objectively and constructively. He shall exercise his responsibilities in a bona-fide manner in the interest of the Company, devote sufficient time and attention to his professional obligations for informed and balance decision making, and assist the Company in implementing the best corporate governance practices.
3. An Independent Director should meet the requirements of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, concerning independence of Directors. The Companies shall also obtain certification of independence from the Independent Director in accordance with the Companies Act, 2013.
4. The objective of policy is to have a compensation framework that will reward and retain talent.
5. The remuneration will be such as to ensure that the correlation of remuneration to performance is clear and meet appropriate performance benchmarks.
6. Remuneration to Key Managerial Personnel, Senior Management and other employees will involve a balance between fixed and variable pay reflecting short and long term performance objectives of the employees in line with the working of the Company and its goals.
7. The above will take into consideration industry performance, customer performance and overall economic environment.

#### **EXTRACT OF ANNUAL RETURN:**

The information required under Section 134 of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the extracts of Annual Return of the Company in prescribed format is annexed herewith marked as Annexure-1 to this Report

#### **PERSONNEL:**

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 Are Provided In The Prescribed Format And Annexed Herewith Marked As Annexure-2 To This Report.





## **RELATED PARTY TRANSACTIONS**

All Related Party Transactions that were entered into during the financial year were on an arm's length basis, in the ordinary course of business and were in compliance with the applicable provisions of the Act and the Listing Regulations (erstwhile Listing Agreement entered into with the Stock Exchanges). There were no materially significant Related Party Transactions made by the Company during the year that would have required Shareholder approval under the Listing Regulations.

All Related Party Transactions are placed before the Audit Committee for approval. A statement of all Related Party Transactions is placed before the Audit Committee for its review on a quarterly basis, specifying the nature, value and terms and conditions of the transactions.

The Company has adopted a Related Party Transactions Policy. The Policy, as approved by the Board, is uploaded on the Company's website.

Details of the transactions with Related Parties are provided in the accompanying financial statements. There were no transactions during the year which would require to be reported in Form AOC.2.

## **KEY MANAGERIAL PERSONNEL**

As required under Section 2(51) and Section 203 of the Companies Act, 2013 read with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company has noted that Mrs Rana Zia, Whole Time Director, Mr Prakash Chandra Tripathy as Chief Financial Officer, Mr Sanjay Garg as Head Finance and Mr Sukhmendra Kumar are the Key Managerial Personnel of the Company.

## **PARTICULARS OF LOANS, INVESTMENTS, GUARANTEES AND SECURITY PROVIDED**

Details of loans, guarantees, investments and security provided pursuant to the provisions of Section 186 of the Companies Act, 2013, are provided in notes forming part of the financial statements.

## **BOARD EVALUATION:**

Pursuant to the provisions of the Companies Act, 2013 and Regulation of the Listing Agreement, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of its committees. The performance of individual directors was evaluated on parameters such as level of engagement and contribution, independence of judgement, safeguarding the interest of the Company and its minority shareholders, time devoted etc.

## **ADEQUACY OF INTERNAL FINANCIAL CONTROL**

Your Company Internal Financial Control System are Commensurate with the nature, size and complexity of the Business and Operations. They are routinely tested and certified by Internal Auditors. Significant Audit Observation and the Follow up actions are reported to the Audit Committee.

## **STATUTORY AUDITORS:**

M/s D. S. Shukla & Co., Chartered Accountants, Mumbai, were appointed as the Statutory Auditors of the Company for a period of five years since end of the Annual General Meeting of the Company held on 26th September, 2014, subject to ratification by Shareholders at each Annual General Meeting to be held hereafter.

In view of this, the matter is being placed before the members to consider the ratification of appointment of M/s D. S. Shukla & Co., as Statutory Auditors of the Company as per recommendation of the Board of Directors of the Company.

## **AUDITORS' REPORT:**

M/s D. S. Shukla & Co., Statutory Auditors, submitted their Audit Report for the Financial Year 2016-2017, The auditor has qualified the following points, the reply of management to which is as under:





1. Amount of Rupees 70,06,72,166/- is outstanding as recoverable from debtors and continuing beyond stipulated period of recovery. The management have represented that these debtors amount are fully recoverable and no provision is necessary. However, in absence of any convincing evidence, we are of the opinion that this amount should be considered as doubtful and requires appropriate provisioning.

#### **Our Reply**

The Company has extended credit from time to time as per the market practice and regular follow up is being done to recover the same and the management is confident to recover the same. Hence no provision made by the management.

2. Amount of Rupees 13,68,89,361/- is outstanding which comprises of advances towards purchase/production of films. The management has explained that such advances have been given in the normal course of business and are fully recoverable. However, in our opinion amount is doubtful of recovery as these are outstanding/ remained unadjusted for long period of time.

#### **Our Reply**

For Amount of Rupees 13,68,89,361/- which comprises of advances towards purchase/production of films given to Rising Star Enterprises a demand notice has been issued for the same on 28th Sep, 2016 and regular follow up of the same is being done by the Management officials and Company is confident of recovering the same amount with interest, hence no provisioning required.

3. Amount of Rupees 69,40,27,883/- deposited by company in Sahara -SEBI refund account in the matter of dispute in respect of repayment of Optionally Fully Convertible Debentures (OFCDs) by two group companies, namely M/s Sahara India Real Corporation Limited & Sahara Housing Investment Corporation Limited. The management is confident that company will get back this amount with interest. However, in absence of any convincing evidence we are unable to ascertain whether this amount is fully recoverable or not and its further impact, if any, that may arise in case if this amount is subsequently determined to be doubtful of recovery.

#### **Our Reply**

Pursuant to the order of Hon'ble Supreme Court of India Rupees 69,40,27,883/- has been transferred to Sahara-SEBI Refund account, though the Company is not related in any way with the dispute. The matter is subjudice in Supreme Court and Management is fully confident that amount is fully recoverable hence no provisioning required. As the Company is not in any way involved in litigations the management is fully confident that amount transferred by order of Hon'ble Supreme Court of India will be refunded back once the final order is being passed by Hon'ble Supreme Court of India.

### **DETAILS OF BOARD MEETINGS**

During the financial year under review, Five meetings of the Board of Directors were held, details of which have been provided in the Corporate Governance Report.

### **SECRETARIAL AUDITORS:**

Pursuant to the provisions of Section 204 of the Companies Act, 2013, the Board has appointed M/s C.P Shukla & Co., Company Secretaries, Lucknow, a firm of Company Secretaries in Practice, to conduct Secretarial Audit of the Company for the financial year 2016-17. The Secretarial Audit Report for the financial year ended March 31, 2017 is annexed herewith marked as Annexure 3 to this Report.

### **PUBLIC DEPOSITS:**

The Company has not accepted any public deposit during the year under review.

### **POLICY ON SEXUAL HARASSMENT OF WOMEN AT WORKPLACE**

The Company has in place, Policy on Prevention, Prohibition and Redressal of Sexual Harrasement for women at workplace in accordance with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Complain Committee (ICC) has been in place to redress complaints received regarding Sexual Harrasement. The policy has set guidelines on the redressal and enquiry process that is to be followed by the complainants and ICC, while dealing with issues related to Sexual Harassment at workplace.





### **PARTICULARS REQUIRED UNDER COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF THE BOARD OF DIRECTORS), RULES, 1988:**

Information required to be provided under Section 134(3) of the Companies Act, 2013 read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules 1988 in relation to Conservation of energy and technology absorption are currently not applicable to the Company. Particulars of foreign currency earnings and outgo during the year are given as hereunder:

Foreign Currency Earnings (Accrual Basis)	- Rs. 38,78,254
Foreign Currency Expenditures (Accrual Basis)	- Rs. Nil

### **CORPORATE GOVERNANCE:**

Corporate Governance Guidelines as specified in the Listing Agreement with Stock Exchanges is applicable to the Company from the Financial Year 2001-02. The Company has complied with the Guidelines of

Corporate Governance and as required by Schedule V (C) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 a separate report on the Corporate Governance is forming part of this Annual Report. A Certificate by Practicing Company Secretary on the Compliance with the guidelines of the Listing Agreement on the Corporate Governance is forming part of this Annual Report.

### **DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to Section 134(3) (c) of the Companies Act, 2013, the Directors, based on the representation received from the operating management, confirm that:-

- in the preparation of the Annual Accounts, the applicable accounting standards had been followed alongwith proper explanation relating to material departures, if any, and there is no material departure from following the accounting Standards.
- they have, in selection of accounting policies, consulted the Statutory Auditors and have applied them consistently and made judgment and estimates that are reasonable and prudent, so as to give true and fair view of the state of affairs of the Company as at the end of the Financial Year and of the Profit or Loss of the Company for that period.
- they have taken proper and sufficient care to the best of their knowledge and ability, for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and preventing and detecting fraud and other irregularities.
- they have prepared the Annual Accounts on a Going Concern basis, and
- they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- They had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### **GENERAL**

There have been no material changes and commitments, which can affect the financial position of the Company between the end of the financial year and the date of this Report.

Statutory Auditors of the Company have not reported any incident related to fraud during the financial year 2016-17 to the Audit Committee or Board of Directors under Section 143(12) of the Companies Act 2013.

### **ACKNOWLEDGEMENTS:**

Your Directors acknowledge with thanks the support and co-operation extended by the Investors, Bankers, Business Associates and employees at all levels for their valuable patronage.

For and on behalf of the Board of Directors of

**Sahara One Media and Entertainment Limited**

**O. P. Srivastava**  
(Director)  
DIN-00144000

**Rana Zia**  
(Whole Time Director)  
DIN-07083262

Place : Lucknow

Date : 11th August 2017





### Annexure-1

Form No. MGT-9

#### EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31st March, 2017

[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:

CIN:	L67120MH1981PLC024947
Registration Date:	06.08.1981
Name of the Company:	SAHARA ONE MEDIA AND ENTERTAINMENT LIMITED
Category/ Sub-Category of the Company:	Company Limited by shares / Indian Non- Government Company
Address of the registered office and contact details:	Sahara India Point, CTS 40 - 44, S.V. Road, Goregaon (West), Mumbai - 400 104. Maharashtra, India. Telephone (with STD Code) : 022-42931818 Fax Number : 022-42931870 Email Address : investors@sahara-one.com Website: www.sahara-one.com
Whether listed company:	YES
Name, Address and Contact details of Registrar and Transfer Agent, if any:	Link Intime India Private Limited C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai - 400 083. Maharashtra. Telephone : 022-49186000 Fax Number : 022-49186060 Email Address : accounts@linkintime.co.in

#### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

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

S.No	Name and Description of main products/services	NIC Code of the Product/Services	% to total turnover of the Company
1.	Motion Picture, Video Tape and Television Programme Production	591	100%

#### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

No Subsidiary Companies / No Holding Companies

S.No	Name and address of the Company	CIN/GLN	Holding/Subsidiary/Associate	% of Shares Held	Applicable Section





#### IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of total Equity:

##### i) Category Wise Shareholding:

Categories of Shareholders	No. of Shares held at the beginning of the year				No. of the shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoter</b>									
<b>1. Indian</b>									
a) Individual	8375000	0	8375000	38.908	8375000	0	8375000	38.908	0%
b) Central Govt.	0	0	0	0.000	0	0	0	0%	0%
c) State Govt(s)	0	0	0	0.000	0	0	0	0%	0%
d) Bodies Corporate	7766702	0	7766702	36.082	7766702	0	7766702	36.082	0%
e) Banks/FIs	0	0	0	0.000	0	0	0	0%	0%
f) Any other(s)	0	0	0	0.000	0	0	0	0%	0%
Sub Total(A)(1)	16141702	0	16141702	74.990	16141702	0	16141702	74.990	0%
<b>2. Foreign</b>									
a) NRIs Individual	0	0	0	0.000	0	0	0	0%	0%
b) Other Individuals	0	0	0	0.000	0	0	0	0%	0%
c) Bodies Corporate	0	0	0	0.000	0	0	0	0%	0%
d) Banks/FI	0	0	0	0.000	0	0	0	0%	0%
e) Any other(s)	0	0	0	0.000	0	0	0	0%	0%
Sub Total(A)(2)	0	0	0	0.000	0	0	0	0%	0%
Total Shares of Promoters(A)= (A)(1)+(A)(2)	16141702	0	16141702	74.990	16141702	0	16141702	74.990	0%
<b>B. Public shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds/ UTI	0	0	0	0.000	0	0	0	0%	0%
b) Banks/FI	0	0	0	0.000	0	0	0	0%	0%
c) Central Govt.	0	0	0	0.000	0	0	0	0%	0%
d) State Govt.	0	0	0	0.000	0	0	0	0%	0%
e) Venture Capital Funds	0	0	0	0.000	0	0	0	0%	0%
f) Insurance Companies	0	0	0	0.000	0	0	0	0%	0%
g) FII	0	0	0	0.000	0	0	0	0%	0%
h) Foreign Venture Capital Funds	0	0	0	0.000	0	0	0	0%	0%
I) Any Other	0	0	0	0.000	0	0	0	0%	0%
Sub-Total (B)(1)	0	0	0	0.000	0	0	0	0%	0%
<b>2. Non-Institutions</b>									
<b>a) Bodies Corporate</b>	-	-	-	-	-	-	-	-	-
i) Indian	5192480	2000	5194480	24.132	5164541	2000	5166541	23.993%	0.138%
ii) Overseas	0	0	0	0.000	0	0	0	0%	0%
<b>b) Individuals</b>									
i) Individuals shareholders holding nominal share capital up to Rs 2 lakh	148925	37307	186232	0.865	175602	0	175602	0.816%	6.057%
ii) Individual shareholders holding nominal share capital in excess of Rs. 2 lakh	0	0	0	0%	27795	0	27795	0.129%	0.129%
c) Other (specify)	-	-	-	-	-	-	-	-	-





Hindu Undivided Family	86		86	0.000	86		86	0.000	0%
Clearing Members	484		484	0.002	672	0	672	0.003	-27.976
NRI (Repat)	830	0	830	0.004	1818	0	1818	0.008	54.345
NRI (Non Repat)	0	0	0	0.000	10	0	10	0.000	0%
Sub-Total (B)(2)	5343991	39307	5383298	25.010	5343991	39307	5383298	25.010	0%
Total Public Shareholding (B)= (B)(1)+(B)(2)	5343991	39307	5383298	25.010	5343991	39307	5383298	25.010	0%
C. Shares held by Custodians for GDRs & ADRs	0	0	0	0.000	0	0	0	0%	0%
Grand Total (A)+(B)+(C)	21485693	39307	21525000	100.000	21485693	39307	21525000	100.000	0%

### ii) Shareholding of Promoters:

Sl No.	Categories of Shareholders	No. of Shares held at the beginning of the year			No. of the shares held at the end of the year			% 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.	Shri Subrata Roy Sahara	5200000	24.16	0.00	5200000	24.16	0.00	0%
2.	Smt Swapna Roy	350000	1.63	0.00	350000	1.63	0.00	0%
3.	Shri O.P. Srivastava	1000000	4.65	0.00	1000000	4.65	0.00	0%
4.	Shri J.B. Roy	1000000	4.65	0.00	1000000	4.65	0.00	0.00
5.	Shri Ishtiaque Ahmad	825000	3.83	0.00	825000	3.83	0.00	0%
6.	Sahara India Financial Corporation Limited	3076912	14.29	0.00	3076912	14.29	0.00	0%
7.	Sahara Prime City Limited	3261790	15.15	0.00	3261790	15.15	0.00	0%
8.	Sahara India Commercial Corporation Limited (For SIMC)	825000	3.83	0.00	825000	3.83	0.00	0%
9.	Sahara India Commercial Corporation Limited	413500	1.92	0.00	413500	1.92	0.00	0%
10.	Sain Processing and Weaving Mills Private Limited	189500	0.88	0.00	189500	0.88	0.00	0%
	Total	16141702	74.99	0.00	16141702	74.99	0.00	0%

### iii) Change in Promoter's Shareholding: NO CHANGES

#### 1. Shri Subrata Roy Sahara

Sl No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1	At the Beginning of the Year	5200000	24.16	5200000	24.16
2	Date wise increase/decrease in promoters Shareholding during the Year Reason for increase/decrease	No Change during the year			
3	At the end of the Year	5200000	24.16	5200000	24.16



## 2. Smt Swapna Roy

SI No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1	At the Beginning of the Year	350000	1.63	350000	1.63
2	Date wise increase/decrease in promoters Shareholding during the Year Reason for increase/decrease	No Change during the year			
3	At the end of the Year	350000	1.63	350000	1.63

## 3. Shri O.P. Srivastava

SI No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1	At the Beginning of the Year	1000000	4.65	1000000	4.65
2	Date wise increase/decrease in promoters Shareholding during the Year Reason for increase/decrease	No Change during the year			
3	At the end of the Year	1000000	4.65	1000000	4.65

## 4. Shri J.B. Roy

SI No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1	At the Beginning of the Year	1000000	4.65	1000000	4.65
2	Date wise increase/decrease in promoters Shareholding during the Year Reason for increase/decrease	No Change during the year			
3	At the end of the Year	1000000	4.65	1000000	4.65

## 5. Shri Ishtiaque Ahmad

SI No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1	At the Beginning of the Year	825000	3.83	825000	3.83
2	Date wise increase/decrease in promoters Shareholding during the Year Reason for increase/decrease	No Change during the year			
3	At the end of the Year	825000	3.83	825000	3.83



#### 6. Sahara India Financial Corporation Limited

SI No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1	At the Beginning of the Year	3076912	14.29	3076912	14.29
2	Date wise increase/decrease in promoters Shareholding during the Year Reason for increase/decrease	No Change during the year			
3	At the end of the Year	3076912	14.29	3076912	14.29

#### 7. Sahara Prime City Limited

SI No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1	At the Beginning of the Year	3261790	15.15	3261790	15.15
2	Date wise increase/decrease in promoters Shareholding during the Year Reason for increase/decrease	No Change during the year			
3	At the end of the Year	3261790	15.15	3261790	15.15

#### 8. Sahara India Commercial Corporation Limited (For SIMC)

SI No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1	At the Beginning of the Year	825000	3.83	825000	3.83
2	Date wise increase/decrease in promoters Shareholding during the Year Reason for increase/decrease	No Change during the year			
3	At the end of the Year	825000	3.83	825000	3.83

#### 9. Sahara India Commercial Corporation Limited

SI No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1	At the Beginning of the Year	413500	1.92	413500	1.92
2	Date wise increase/decrease in promoters Shareholding during the Year Reason for increase/decrease	No Change during the year			
3	At the end of the Year	413500	1.92	413500	1.92



### 10. Sain Processing and Weaving Mills Private Limited

SI No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1	At the Beginning of the Year	189500	0.88	189500	0.88
2	Date wise increase/decrease in promoters Shareholding during the Year Reason for increase/decrease	No Change during the year			
3	At the end of the Year	189500	0.88	189500	0.88

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

#### 1. BENNETT, COLEMAN AND COMPANY LIMITED

SI No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1	At the Beginning of the Year	10,99,722	5.109	10,99,722	5.109
2	Date wise increase/decrease in promoters Shareholding during the Year Reason for increase/decrease	No Change during the year			
3	At the end of the Year	10,99,722	5.109	10,99,722	5.109

#### 2. MGK INFRASTRUCTURE PVT LTD

SI No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
	At the Beginning of the Year	1,066,487	4.955%	1,066,487	4.955%
2	Date wise increase/decrease in promoters Shareholding during the Year Reason for increase/decrease	No Change during the year			
3	At the end of the Year	1,066,487	4.955%	1,066,487	4.955%

#### 3. BLUE CRYSTAL INFRASTRUCTURE PRIVATE LIMITED

SI No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1	At the Beginning of the Year	1,066,486	4.955%	1,066,486	4.955%
2	Date wise increase/decrease in promoters Shareholding during the Year Reason for increase/decrease	No Change during the year			
3	At the end of the Year	1,066,486	4.955%	1,066,486	4.955%



#### 4. NSC INFRASTRUCTURE PRIVATE LIMITED

SI No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1	At the Beginning of the Year	1,066,486	4.955%	1,066,486	4.955%
2	Date wise increase/decrease in promoters Shareholding during the Year Reason for increase/decrease	No Change during the year			
3	At the end of the Year	1,066,486	4.955%	1,066,486	4.955%

#### 5. GANDEVI COMMERCE PRIVATE LIMITED

SI No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1	At the Beginning of the Year	271527	1.261%	271527	1.261%
2	Date wise increase/decrease in promoters Shareholding during the Year Reason for increase/decrease	No Change during the year			
3	At the end of the Year	271527	1.261%	271527	1.261%

#### 6. HIMACHAL FUTURISTIC COMMUNICATIONS LIMITED

SI No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1	At the Beginning of the Year	250,950	1.166%	250,950	1.166%
2	Date wise increase/decrease in promoters Shareholding during the Year Reason for increase/decrease	No Change during the year			
3	At the end of the Year	250,950	1.166%	250,950	1.166%

#### 7. MENTOR CAPITAL LIMITED

SI No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1	At the Beginning of the Year	224,986	1.045%	1,37,186	0.6373
2	Date wise increase/decrease in promoters Shareholding during the Year Reason for increase/decrease				
3	At the end of the Year	224,986	1.045%	1,37,186	0.6373



#### 8. AVANI IMPEX PRIVATE LIMITED

SI No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1	At the Beginning of the Year			88,010	0.4089
2	Date wise increase/decrease in promoters Shareholding during the Year Reason for increase/decrease				
3	At the end of the Year			88,010	0.4089

#### 9. RAMESH CHAND

SI No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1	At the Beginning of the Year	15,187	0.0706	27,795	0.01291
2	Date wise increase/decrease in promoters Shareholding during the Year Reason for increase/decrease				
3	At the end of the Year	15,187	0.0706	27,795	0.01291

#### 10. DLM CONSTRUCTION PRIVATE LIMITED

SI No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1	At the Beginning of the Year	22,200	0.103%	22200	0.103%
2	Date wise increase/decrease in promoters Shareholding during the Year Reason for increase/decrease	No Change during the year			
3	At the end of the Year	22,200	0.103%	22200	0.103%

#### v) Shareholding of Directors and Key Managerial Personnel:

SI No.	Name	Period	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1.	SHRI OM PRAKASH SRIVASTAVA (Director)	At the Beginning of the Year	1,000,000	4.646%	1000000	4.646%
		Date wise increase/decrease in promoters Shareholding during the Year Reason for increase/decrease	No Change during the year			
		At the End of the Year	1,000,000	4.646%	1000000	4.646%



## V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

NO SECURED LOANS

SI No.	Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits
	<b>Indebtedness at the beginning of the financial year</b>			
1.	Principal Amount:	-	-	-
2.	Interest due but not paid	-	-	-
3.	Interest accrued but not paid:	-	-	-
	<b>Total</b>	-	-	-
	<b>Change in Indebtedness during the financial year</b>			
1.	Addition	-	-	-
2.	Reduction	-	-	-
	<b>Net Change</b>	-	-	-
	<b>Indebtedness at the end of the financial year</b>			
1.	Principal Amount:	-	-	-
2.	Interest due but not paid	-	-	-
3.	Interest accrued but not paid:	-	-	-
	<b>Total</b>	-	-	-

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL (Rs.)

a) Remuneration to Managing Director, Whole-time Directors and/or Manager:

SI No.	Particulars of Remuneration	Name of MD/WTD/Manager / Executive Director			Total Amount
		Smt Rana Zia (Whole Time Director)			
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	8,86,731	0	0	0
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0	0	0
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961				
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission - as % of profit - others, specify...	-	-	-	-
5.	Others, please specify	-	-	-	-
	<b>Total (A)</b>	8,86,731			
	<b>Ceiling as per the Act</b>	-	-	-	-



b) Remuneration to other Directors:

Sl No.	Particulars of Remuneration	Name of Director			Total Amount (Rs.)
		Shri R.S. Rathore	Shri Brijendra Sahay	Shri J.N. Roy	
	3. Independent Directors • Fee for attending board / committee meetings • Commission • Others, please specify	2,00,000	80,000	2,00,000	4,80,000
	Total (1)				4,80,000
	4. Other Non-Executive Directors • Fee for attending board / committee meetings • Commission • Others, please specify	Shri O.P. Srivastava 2,00,000	Smt Rana Zia 1,80,000		3,80,000
	Total (2)		0	0	3,80,000
	Total (B)=(1+2)				8,60,000
	Total Managerial Remuneration				
	Overall Ceiling as per the Act				

c) Remuneration to key managerial personnel other than MD/Manager/WTD:

Sl No.	Particulars of Remuneration	CEO	Key Managerial Personnel			Total
			Shri Sanjay Garg (Head Finance)	Shri Sukhmendra Kumar (Company Secretary)	Shri Prakash Chandra Tripathy - (CFO)	
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		0	3,88,977	7,18,053	0
2.	Stock Option	0		0	0	0
3.	Sweat Equity	0		0	0	0
4.	Commission - as % of profit - others, specify...	0		0	0	0
5.	Others, (Sitting Fees)		30,000	50,000	50,000	0
	Total (A)					



**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES**

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD/NCLT/ COURT]	Appeal made, if any(give Details)
A.COMPANY					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTORS					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

For Sahara One Media and Entertainment Limited

O.P. Srivastava  
 Director  
 DIN:00144000

Rana Zia  
 Whole Time Director  
 DIN: 07083262

Place : Lucknow  
 Date : 11th August 2017



### Annexure-2

Details of remuneration under Section 197(12) of Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for the year ended March 31, 2017:

S.No	Name of the Director	Remuneration of Director/KMP for the Financial Year 2016-2017	Remuneration of Director/ KMP for the Financial Year 2015-2016	Percentage Increase in Remuneration in the Financial Year 2015-2016	Ratio of Director Remuneration to the Median Remuneration of Employees
<b>Executive Director</b>					
1.	Mrs Rana Zia	8,86,731	3,64,195	Not comparable since she was employed for the part of FY 2015-16	2.24:1
<b>Non Executive Non Independent Director</b>					
2.	Shri O.P. Srivastava	Nil	Nil	N.A	N.A
<b>Non-Executive Independent Director</b>					
3.	Shri Ranvir Singh	Nil	Nil	N.A	N.A
4.	Shri Brijendra Sahay	Nil	Nil	N.A	N.A
5.	Shri Jagdish Narain Roy	Nil	Nil	N.A	N.A
<b>Key Managerial Personnel other than Executive Directors</b>					
6	Shri Prakash Chandra Tripathi	7,18,053	85,275	Not comparable since he was employed for the part of FY 2015-16	
7	Shri Sukhmendra Kumar	3,88,977	1,45,625	Not comparable since he was employed for the part of FY 2015-16	

It is further affirmed that remuneration paid to Directors and Key Managerial Personnel was as per the Remuneration Policy of the Company

There are no employees in the Company which requires disclosure under Section 197(12) of the Act read with Rule 5(2)&(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.



## ANNEXURE-3 TO DIRECTOR'S REPORT

### FORM NO. MR.3

Secretarial Audit Report For The Financial Year Ended On 31st March, 2017

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

To,  
The Members,  
**Sahara One Media and Entertainment Limited,**  
Sahara India Point, CTS 40-44, S.V. Road,  
Goregaon (West),  
Mumbai- 400104.

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practice by Sahara One Media and Entertainment Limited (hereinafter called "the Company") Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit,

I hereby report that in Our opinion the Company has, during the audit period ended on 31st March, 2017, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

- I. The Companies Act, 2013 (the Act) and the Rules made there under;
- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- IV. Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company :-
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (Not applicable to the Company during the Audit period);
  - d. The Securities and Exchange Board Of India (Employees Stock Option Scheme And Employees Stock Purchase Scheme) Guidelines, 1999/ Securities and Exchange board of India ( Share Based Employee Benefits) Regulations, 2014 (effective 28th October 2014) (Not applicable to the Company during the Audit period);
  - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during the Audit period);
  - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client (Not applicable to the Company during the Audit period);





- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and (Not applicable to the Company during the Audit period);
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable to the Company during the Audit period);

I further report that based on the information provided by the Company, its officers and authorized representatives, there are no laws specifically applicable to the Company.

I further report that, the Compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this Audit since the same have been subject to review by Statutory Financial Auditor and other designated professional.

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

- i) Secretarial Standards issued by The Institute of Company Secretaries of India
- ii) The Listing Agreements entered into by the Company with the Stock Exchanges.

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

**We further report that:**

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors, Woman Director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- All decisions at Board / Committee meetings are carried out either unanimously or by the majority as recorded in the minutes of the meetings of the Board/Committee of the Board, as the case may be.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines. However there is scope for further improvement to strengthen the systems, process and reporting thereof.

I further report that as per documents produced and information provided to us, during the audit period there has not been any such activity having a major bearing on the Companies affairs in pursuance of the above referred Laws, Rules, Regulations, Guidelines etc.

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

- Public/Right/Preferential issue of shares/ debentures/ sweat equity
- Redemption/buy-back of securities
- Major decision take by the members pursuant to Section 180 of the Companies Act, 2013
- Merger/Amalgamation/Reconstruction etc.
- Foreign Technical collaborations.

**For M/S. C.P. Shukla & Co.**  
Company Secretaries

**(C.P. Shukla)**  
Membership No: FCS 3819  
C.P.No: 5138  
Place : Lucknow  
Date : 11th August 2017

This report is to be read with my letter of even date which is annexed as Annexure-A and forms an integral part of this report.



## Annexure-A

To,  
The Members,  
**Sahara One Media and Entertainment Limited,**  
Sahara India Point, CTS 40-44, S.V. Road,  
Goregaon (West),  
Mumbai- 400104.

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

1. Maintenance of Secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I 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. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. The Compliance of the provisions of corporate and other applicable standards, laws, rules and regulation is the responsibility of management. My examination was limited to the verification of procedures on random test basis.
5. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
6. Wherever required, I have obtained the Management Representation about the Compliance of laws, rules, and regulation and happening of events etc.

**For M/S. C.P. Shukla & Co.**

Company Secretaries

**(C.P. Shukla)**

Membership No. : FCS 3819

C.P.No: 5138

Place : Lucknow

Date : 11th August 2017





## CERTIFICATION ON FINANCIAL STATEMENT OF THE COMPANY

We, Rana Zia, Whole Time Director, appointed under the provisions of the Companies Act, 2013 and Prakash Chandra Tripathy, Chief Financial Officer of Sahara One Media and Entertainment Limited, certify that:

- a) We have reviewed financial statements and the cash flow statement for the year ended on 31st March, 2017 and that to the best of our knowledge and belief:
  - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies, if any, in the design or operation of internal controls, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the auditors and the audit committee significant changes in internal control over financial reporting during the year;
  - (i) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - (ii) instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

**Rana Zia**

(Whole Time Director)

DIN:07083262

**P.C. Tripathy**

(Chief Financial Officer)

Place: Mumbai

Date: 23.05.2017



## DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH COMPANY'S CODE OF CONDUCT

This is to confirm that the Company has adopted a Code of Conduct for each of its Director and Senior management personnel. The Code of Conduct is available on the Company's website [www.sahara-one.com](http://www.sahara-one.com).

In accordance with Regulation 26(3) of the SEBI Listing Obligation and Disclosure Requirement (LODR) Regulations, 2015, I hereby confirm that, all the Directors and the Senior Management Personnel of the Company have affirmed compliance to their respective Code of Conduct, as applicable to them for the year ended 31st March, 2017.

**For Sahara One Media and Entertainment Limited**

Rana Zia  
(Whole Time Director)  
DIN:07083262

Place: Mumbai  
Date: 23.05.2017





## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### AN OVERVIEW

Sahara One Media and Entertainment Limited (BSE Code: 503691) is engaged in sale of television programmes and motion pictures production and distribution. The Television business operates in three television channels namely: SAHARA ONE which is a General Entertainment Channel (GEC), FILMY which is a Hindi movie channel and FIRANGI which offers dubbed international shows and movies.

### INDUSTRY STRUCTURE, DEVELOPMENT AND FUTURE OUTLOOK:

The Media and Entertainment Industry in India is a big part of sparking this ambition, widening horizons, and helping transform lives. The more we, as industry players, can enable the growth of this industry, the more people across the country can be made aware of issues, be educated and entertained, see how other parts of the country and world are and connect with others. India remains one of the fastest growing economies in the world despite the temporary slowdown in growth due to government's decision to withdraw high denomination notes from circulation. High frequency data, such as automobile sales, cement consumption, personal loan growth and exports growth suggest that the economy is gradually recovering from the impact of demonetisation. RBI expects real GDP growth to accelerate to 7.3% in FY18 from 6.6% in FY17 (GVA basis). Sustained low inflation, falling fiscal deficit, low current account deficit, and a stable currency have created a positive environment for economic growth. Goods and Services Tax (GST) is expected to be implemented in India in FY18. This unified tax regime, coupled with the Central Government's thrust on areas, such as power, infrastructure, and affordable housing should help accelerate India's growth rate closer to 8% in the medium term.

### KEY TRENDS AND THEMES FOR GROWTH

#### DIGITISATION:

Media And Entertainment Industry

The Media and Entertainment Industry witnessed another year of all round growth, albeit slower than estimates at the start of the financial year. This was mainly due to the impact of demonetisation. According to FICCI-KPMG estimates, India's M&E industry grew at 9.1% in CY16 over the previous year, to ₹ 1,262 billion. On average, an Indian consumer spends much less time and share of his disposable income on media and entertainment consumption, compared to peers and developed countries. This provides a significant headroom for sustained growth which will be driven by rising disposable incomes and increasing avenues of entertainment. FICCI-KMPG industry report pegs the growth of Indian M&E industry over the next five years at 13.9% CAGR, to ₹ 2,419 billion.

In the year gone by, within the television segment, regional channels continued to gain traction. Print, unlike in the developed world, continued to grow, with vernacular outpacing the growth of English language publications. In the movie industry, although overall revenues declined, box office collections of blockbuster films surpassed all previous records. This was true for Bollywood as well as regional films. Video consumption on digital platforms got a boost due to

o decline in data tariffs and increased availability of content on various digital platforms.

#### Broadcasting

The subscription revenue growth for the broadcasters stood at 11 per cent in 2016, lower than last year's estimates of 16 per cent. The same was on account of the following:

- Impact of robust subscriber additions by Free Dish.
- Slow progress on digitisation process with Phase 3 and 4 deadlines revised to January and March 2017, respectively
- Challenges around non-transparency of deals between broadcaster and distributors, non-ubiquitous implementation of subscriber management systems at MSOs/LCOs and incremental addition of lower ARPU customers to the digitised base, leading to marginal ARPU growth for Pay TV operators.





The subscription revenues for broadcasters are expected to grow at a CAGR of 19.3 per cent from 2016-2021 to reach a size of INR230 billion, translating into a 30 per cent share of the total TV subscription revenues.

### Television Advertising

The Television broadcasters had a steady year in terms of advertising revenues in 2016, with the segment registering a growth of 11 per cent despite the event of demonetisation, to stand at INR201 billion, as compared

to our previous growth estimates of 16 per cent. The subscription revenue growth for broadcasters stood at 11 per cent, helped by the ongoing digitization process which results in a higher share of revenues for broadcasters and compared to Analog cable.

The television advertising industry grew by 11 per cent in 2016, and was essentially a story of two parts. Predemonetisation, the industry was expected to register a steady growth in the range of 13-14 per cent, lower than our expectation of 16 per cent as outlined in last year's report. The same was on account of slower than envisaged consumption growth across core sectors, cutback in spends by E-commerce and the industry calibrating their internal planning processes to the BARC data.

The event of demonetisation in November 2016, was a further blow to the growth rate, with Q4 of CY'16 traditionally contributing a large chunk of TV advertising revenues. With cash drying up and consumption levels declining sharply, the latter part of November and entire month of December bore the major brunt, with advertisement spends by sectors like FMCG, Real Estate and Automobiles cut by up to half of their planned levels.

The regional channels were affected more than National GECs, primarily due to a significant share of advertisements from local/regional brands, as well as national advertisers effecting a higher budget cut when it came to the regional channels. On an annualised basis (CY'16), demonetisation led to a further 200 bps decline in growth that was envisaged pre-November 2016. The impact however, is short term in nature and full recovery is expected by end of Q1 2017.

### KEY ELEMENTS FOR GROWTH

#### (i) New shows to sustain in competitive industry:

The launch of new shows across network channels and current series rights of programs has helped the channel to sustain in the competitive industry and grew its dominance. The Company aims to further enhance the market share through a planned content line up and launch of new shows.

#### (ii) Concentrate on additional revenues from digital pay platforms:

India is a fast digitising market and the consumer shift towards digital services is exhibited through the rampant expansion of digital homes. Digital homes now account for almost half of the total Pay TV homes in the Country

#### (iii) Rationalize on costs across different heads:

The Company has always believed that higher spends will not necessarily result in sustained incremental viewership. Even in the wake of competition, the network maintained its cost structures, though with increased competition our costs also moved up. Better negotiations with suppliers and stricter control on distribution spends will help in further keeping costs under check.

#### (iv) Corporate Governance:

Sahara one media and entertainment firmly believes that good governance is critical to sustaining corporate development, increasing productivity and competitiveness and creating shareholder wealth. The governance process should ensure that the available resources are utilised in a manner that meets the aspirations of all its stakeholders. Your Company's essential charter is shaped by the objectives of transparency, professionalism and accountability. The Company continuously end eavours to improve on these aspects on an ongoing basis. While the increasing emphasis on transparency and accountability, standards have been set by various governing bodies on disclosure as well as judiciousness in conduct. Our Company has always tried to go a step further in this direction.





## KEY AREAS TO BE FOCUSED ON FOR GROWTH

### Development in terms of quality and quantity:

The demand drivers clearly point toward a requirement for substantial manpower both in terms of quantity and quality. For a sector that is still evolving, the challenge to get a skilled workforce commensurate with growth is immense. Industry players are yet to fully recognize the importance of training, skill development or education in media. The students trained in a media course industry continues to hire general stream graduate students at the entry level who are expected to learn on the job. There is clearly a gap in the number of quality institutions, given India's size and the concentration of education institutions in tier-I cities. A lot of production houses in television, films, animation and news, in both print and broadcast, have in-house training schools but they lead to creation of a captive talent pool and do not benefit the industry at large.

### Content Management:

The Internet has forced M&E content creators to reengineer content-related processes. New content types require newer content management capabilities. Designing the 'next best product' can be done through implementing analytics solutions on past data. Search and browse requirements need metadata tagging and SEO.

### Distribution Channel:

The emerging digital world requires new methods of distributing content. Identifying the optimum distribution channel mix is expected to reduce a lot of operational expenditure for the media and entertainment organisation. With the advent of kindle and smart phones, 'any content on any device at any time' becomes the expectation. Providing an active role for the readers in defining their products could decide the success rate of the distribution channel.

## KEY CHALLENGES AND RISKS:

- (i) Lack of fresh talent pool. Creative profiles like actors and writers are mostly in short supply. This can impact not only costs but quality and differentiation as well, since most of the available talent pool is used across a range of productions. Few media schools imparting courses in creative writing or ideation leading to paucity of content creation in the television industry, where number of channels have grown exponentially.
- (ii) Most courses in media marketing and sales are not very popular with media schools and the industry often has to look to other sectors to hire manpower for these job roles. FMCG tends to be a key poaching ground for the media industry.
- (iii) Budget constraints which tend to limit creativity and often hamper the possibility of exploring innovative concepts or formats.

Increasing digitization across sub-sectors of M&E industry, rate increases in TV, channel packaging by MSOs, innovative strategies to monetize digital content, rapid growth of new media powered by increasing smartphone penetration. A well thought out, consistent and long term outlook on regulation is also the key to create an M&E industry that is world class in scale and plays its part in transforming India.

### Music

Music industry grew by 10% % to INR 10.8 billion in 2015 compared to INR 9.8 billion in 2014. More than 55% of the music industry revenue comes from the digital platforms with music streaming services catching the imagination of Indian consumer. The music industry is projected to grow to INR 20.6 billion by the end of 2020 at a CAGR of 13.8% from 2015-2020

### Films

The Film sector grew by 9.3% to INR 138 billion in 2015 from INR 126 billion in 2014, mainly driven by Regional and Hollywood cinema. Growth of Regional and Hollywood content points to the trend of audience appreciating the quality of the content irrespective of the language.

India is still under penetrated in terms of screens which means there is a huge scope of growth for the film industry. With the proliferation of



multiplex screens coupled with technology to conveniently book tickets the footfalls are expected to increase. Growing popularity of VOD services has opened up a new revenue stream for films. The Film sector is projected to grow to INR 227 billion by the end of 2020 at a CAGR of 10.5% for 2015-2020.

#### **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company has in place adequate Internal Control systems & procedures commensurate with the size and the nature of its business for the purchase of goods, TV programmes, films / programme rights, equipment and other assets and for the sale of goods. The Management also keeps close watch on the Internal Control system and consistently takes necessary corrective steps, wherever necessary, to further strengthen the Internal Control systems and procedures of the Company

#### **HUMAN RESOURCES**

The Company strongly believes in manpower being superior to money power and therefore, recognizes and respects the individual capacities and capabilities of its employees. The Company's Human Resource processes ensure building a competent team of motivated employees. It is the Company's first priority to enrich its employees by promoting learning and enhancing their knowledge with special emphasis on internal and external training. The proper synchronization between the goals of the individual and that of the organization is a critical aspect and is delicately managed by the HR department. The Company has stressed strongly on performance management linked to compensation. To recognize and reward good performance, the Company has been successfully practicing the concept of performance-based variable compensation. The reward and recognition system is duly followed through a performance appraisal system on an annual basis.

(SOURCES: FICCI FRAMES AND KPMG REPORT 2017)





## SEGMENT WISE OR PRODUCT WISE PERFORMANCE

The Company operating businesses are organized and managed separately according to the nature of services provided, with each segment representing a strategic business unit that serves different markets. The Company principal business is sale of television programmes and motion pictures production and distribution.

	Continuing Operations				Consolidated	
	Television		Motion Pictures		Total	
	2017 Rs.	2016 Rs.	2017 Rs.	2016 Rs.	2017 Rs.	2016 Rs.
<b>Revenue</b>						
External sales (net of service tax)	2,88,78,254	5,04,08,868	-	-	2,88,78,254	5,04,08,868
Other income	-	-	-	-	-	-
Inter-segment sales	-	-	-	-	-	-
<b>Total revenue</b>	<b>2,88,78,254</b>	<b>5,04,08,868</b>	<b>-</b>	<b>-</b>	<b>2,88,78,254</b>	<b>5,04,08,868</b>
<b>Results</b>						
Segment result	(81,56,931)	(27,85,42,374)	-	(94,000)	(81,56,931)	(27,86,36,374)
Unallocated expenses					(1,66,74,837)	(1,80,37,833)
Operating profit					(2,48,31,768)	(29,66,74,207)
Finance costs					(90,239)	(1,70,466)
Other income including finance income					21,35,467	4,56,136
Exceptional Items					-	-
Profit before tax					(2,27,86,540)	(29,63,88,537)
Income taxes					-	-
<b>Net profit</b>					<b>(2,27,86,540)</b>	<b>(29,63,88,537)</b>
Segment assets	72,53,56,741	71,77,49,105	33,04,38,147	55,83,03,151	1,05,57,94,887	1,35,63,75,354
Unallocated assets					1,72,28,32,117	1,45,13,87,980
<b>Total assets</b>					<b>2,77,86,27,005</b>	<b>2,80,77,63,334</b>
Segment liabilities	(41,91,11,520)	(36,46,30,702)	(2,50,22,877)	(20,48,474)	(44,41,34,397)	(44,70,02,275)
Unallocated liabilities					(3,86,17,251)	(4,20,02,903)
<b>Total liabilities</b>					<b>(48,27,51,648)</b>	<b>(48,90,05,178)</b>
<b>Other segment information</b>						
<b>Capital expenditures :</b>						
Tangible assets					45,000	(11,23,867)
Depreciation	-	44,576	-	-	6,44,135	12,32,788
Other non-cash expenses	-	-	-	-	76,01,819	82,29,331

Geographical Segments - The Company operates in one geographical segment, i.e. India.





### COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

Corporate Governance is a set of systems 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. Good governance practices stem from the culture and mindset of the organization and the commitment to meet the aspirations of all the stakeholders. This is demonstrated in shareholder returns, high credit ratings, governance processes and an entrepreneurial, performance focused work environment.

Traditional views of Governance as a Regulatory and compliance requirement have given way to adoption of governance tailored to the specific needs of the Company. Regulation 27 has set the benchmark compliance rules for a listed Company and the baseline for governance standards. Sahara One not only adheres to the prescribed corporate practices as per Regulation 27 but is constantly striving to adopt emerging best practices worldwide. It is our endeavor to achieve higher standards and provide oversight and guidance to management in strategy implementation and risk management and fulfillment of stated goals and objectives.

Corporate Governance is the manifestation of personal benefits and values, which configures the organizational values, benefits and actions of employees of the Company. Company is committed to be open and transparent as much as possible with respect to its internal financial reporting, control systems and decision making processes.

Corporate Governance is an integral part of the philosophy of the Company in its pursuit of excellence, growth and value creation. In addition to complying with the statutory requirements, effective governance systems and practices towards improving transparency, disclosures, internal control and promotion of ethics at work place have been institutionalized. The Company recognizes that good governance is a continuing exercise and reiterates its commitment to pursue highest standards of Corporate Governance in the overall interest of all its stakeholders.

### BOARD OF DIRECTORS:

The Board of the Company is broad -based consisting of Five Directors out of which three are independent Directors, which is in line with the requirements of the Code of Corporate Governance.

Category of Directors	No. of directors
Promoter Directors	1
Executive Director	1
Independent Directors	3
<b>Total</b>	<b>5</b>

The Board of Directors of the Company comprise of the following: -

Shri O. P. Srivastava	Promoter Non-Executive Director
Shri R. S. Rathore	Independent Non-Executive Director, Ex-Chairman, Central Board of Direct Taxes & Special Secretary, Ministry of Finance and Ex-Chairman of Bank of Rajasthan Ltd. (Now ICICI Bank)
Shri Brijendra Sahay	Independent, Non-Executive Director, Former Chief Secretary to the Government of U.P.
Shri J. N. Roy	Independent, Non-Executive Director, Former Commissioner of Security, Ministry of Civil Aviation, Government of India.
Smt Rana Zia	Whole Time Director



#### BOARD MEETINGS & ANNUAL GENERAL MEETING:

During the F.Y. 2016-2017, Meetings of the Board of Directors of the Company were held five times on 24.05.2016, 13.08.2016, 12.11.2016, 02.02.2017 and 25.03.2017. The gaps between the Board meetings were well within the maximum time gap of 120 days as prescribed in Regulation 27 of SEBI (Listing Obligation and Disclosure Regulations), 2015.

Details of the attendance of the Directors at the Board meetings and Annual General Meeting and also details of Directorship and membership of Committee (s) in other Companies as on 31.03.2017 are as under:

Directors	Attendance (Total 5 Board Meetings)	Attendance (35th AGM held on 29.09.2016)	Directorship in other Companies	Number of membership in other Companies Committee(s)	Number of Chairmanship in other Companies Committee(s)
Shri O. P. Srivastava DIN:00144000	5	-	10	5	2
Shri R. S. Rathore DIN:00265568	5	Yes	1	1	1
Shri Brijendra Sahay DIN:00017600	2	-	2	3	2
Shri J. N. Roy DIN:02132227	5	Yes	1	1	1
Smt Rana Zia DIN:07083262	5	Yes	9	10	

Note:

The Directorships shown above are the directorships of the Indian Companies including subsidiaries of Public Companies and Private Companies but do not include the Directorship on the Board of Section 8 Companies, Private Limited Companies and foreign Companies. Memberships of Committees in other Companies are of Audit Committee and Stakeholder and Relationship Committee.

All the Board meetings were called with advance notice to the Directors and wherever required notices were sent to Stock exchanges where the Company's securities are listed. Agenda papers and all back up papers prepared by Company Secretary were circulated to the Board members well in advance. Finance head, Chief Financial Officer are invited to the Board meeting.

The Board of Directors has adopted a Code of Conduct for members of the Board of Directors and senior management of the Company. The Code has been posted on the Company's website [www.sahara-one.com](http://www.sahara-one.com).

#### AUDIT COMMITTEE:

The Board of Directors of the Company constituted a committee of Directors known as Audit Committee in its meeting held on 30th January 2001 and further reconstituted on 29th June 2002, 29th July 2006, 29th April 2008, 30th June, 2009, 2nd August, 2011 and 8th February 2012. The Committee's composition is in accordance with the requirements of Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. All members of the Audit Committee are financially literate and possess financial/accounting expertise. At present, Company have four Directors as members of Audit Committee, out of which 1 Director is promoter non-executive director and rest three are independent non-executive directors and Company Secretary acts as Secretary to the Committee. Shri R. S. Rathore, Independent Director is the Chairman of Audit Committee. At present, the following members constitute the audit Committee of Company:

Shri R. S. Rathore	Chairman
Shri O.P Srivastava	Member
Shri Brijendra Sahay	Member
Shri J.N. Roy	Member





During the F.Y. 2016-2017, meetings of the Audit Committee members of the Company were held five times on 24.05.2016, 13.08.2016, 12.11.2016, 02.02.2017 and 25.03.2017. Details of the attendance of the Committee members in the Audit Committee meetings of Company during F.Y. 2016-17 are as under:

DIRECTORS	CATEGORY	ATTENDANCE (TOTAL 5 MEETINGS)
Shri R. S. Rathore, Chairman (DIN: 00265568)	Independent Non-Executive Director	05
Shri O.P. Srivastava (DIN : 00144000)	Promoter Non-Executive Director	05
Shri Brijendra Sahay (DIN : 00017600)	Independent Non-Executive Director	02
Shri J. N. Roy (DIN : 02132227)	Independent Non-Executive Director	05

The primary responsibility of the Audit Committee is to monitor and provide effective supervision of the management's financial reporting process and to review the quality and reliability of the information used by the Board. The Audit Committee also focuses on the adequacy and appropriateness of the internal controls of the Company. The role and power of the Audit Committee are as per Section 177 of the Companies Act, 2013 and as prescribed in the Schedule II and Regulation 18 of the SEBI (LODR) Regulations, 2015. Audit Committee meetings are held periodically. Statutory Auditors, Chief Executive Officer, Chief Financial Officer, Head - Finance normally attend the Audit Committee Meetings

#### **NOMINATION AND REMUNERATION COMMITTEE:**

The Board of Directors of the Company constituted a committee of Directors known as Remuneration Committee in its meeting held on 26th August, 2009 (pursuant to the requirement of Schedule XIII of Companies Act, 1956) to deal with matters related to managerial remuneration of Company as may be required from time to time. The Board has a Nomination and Remuneration Committee that reviews, recommends and approves the matters connected with fixation and periodic revision of the remuneration payable to the Directors, key managerial personnel and senior management. The terms of reference for the Nomination and Remuneration Committee of the Board inter-alia include:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board of directors a policy relating to the remuneration of the Directors, key managerial personnel and senior management;
- Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors;
- Devising a policy on diversity of Board of Directors;
- 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 of Directors their appointment and removal.
- To decide on the term of appointment of the Independent Directors, on the basis of the report of performance evaluation of independent directors.

The Committee is consisting of following members at present:

Shri R. S. Rathore	Chairman
Shri O.P. Srivastava	Member
Shri Brijendra Sahay	Member
Shri J. N. Roy	Member

The Remuneration Committee was renamed as Nomination and Remuneration Committee by the Board of Directors at their meeting held on 11th August, 2014.

No Meetings of Nomination and Remuneration Committee of the Company were held during the financial year 2016-2017.





### STAKEHOLDERS' RELATIONSHIP COMMITTEE:

The Board of Directors of Company had constituted Share Transfer Committee on 10th March, 2000 which was later renamed as Shareholders and Investors Grievances Committee and further renamed as Stakeholders' Relationship Committee and was further re-constituted on 3rd April, 2001, 30th January, 2002, 29th July, 2006, 23rd October, 2008, 21st March 2009, 24th March 2010 and 8th November 2012. The Stakeholders' Relationship Committee ensures that there is timely and satisfactory redressal of all investor queries and complaints. The Committee approves, oversees and reviews all matters connected with share transfers, rematerialisation, transposition of securities, redresses shareholders' grievances like transfer of shares, non-receipt of balance sheet, non-receipt of declared dividend etc. The Committee also oversees the performance of the Registrar and Share Transfer Agent and recommends measures for overall improvement in the quality of service to investors Following are the members of the committee at present:

Shri O.P. Srivastava	Chairman
Shri Brijendra Sahay	Member
Shri J. N. Roy	Member

Shri Sukhmendra Kumar, Company Secretary acts as Secretary / Convener of the committee.

During the period under review, the Company has not received any complaint from the Shareholders /Investors. No Meetings of Stakeholders' Relationship Committee of the Company were held during the financial year 2016-2017.

The Stakeholders' Relationship Committee Meetings are held whenever required in case the grievances of investors stand unresolved by the Registrar and Share Transfer Agent of Company M/s Link Intime India Pvt. Ltd.

### INDEPENDENT DIRECTORS' MEETING

During the year, a separate meeting of the independent Directors was held on February 2nd, 2017 inter-alia to evaluate the performance of Non-Independent Directors and the Board of Directors as a whole, performance of the Co-Chairpersons of the Company and of the quality, content and timelines of flow of information between the Management and the Board.

### GENERAL BODY MEETINGS

The details of date, time & venue of the last three Annual General Meetings of the Company are as given below:-

AGM	Date & Time	Venue	Special Resolution(s)
33rd AGM	26th September 2014 at 2:30 P.M.	Sahara India Point, CTS 40 - 44, S.V. Road, Goregaon (West), Mumbai 400 104.	Nil
34th AGM	28th September, 2015 at 3:00 P.M.	Sahara India Point, CTS 40 - 44, S.V. Road, Goregaon (West), Mumbai 400 104.	Nil
35TH AGM	29th September, 2016 at 3:00 P.M.	Sahara India Point, CTS 40 - 44, S.V. Road, Goregaon (West), Mumbai 400 104.	Adoption of New Set of Articles of Association of Company inter alia pursuant to the Companies Act, 2013

### DISCLOSURES:

The Company is making adequate disclosure to the shareholders through the Annual Report. Further there is no materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, the Directors or the management, their subsidiaries or relatives etc that may have potential conflict with the interests of Company at large.

There is no non-compliance by the Company, penalties imposed on the Company by Stock Exchange or Securities and Exchange Board of India (SEBI) or any other statutory authority, on any matter related to capital markets, during the last three years.





In compliance with requirements of Section 177 (9) of the Companies Act, 2013, every listed Company shall establish a Vigil Mechanism / Whistle Blower Policy for Directors and employees of Company to report genuine concerns and grievances and to provide for adequate safeguards against victimization of the Directors and Employees of the Company who avail of the Vigil Mechanism. Offences of serious nature may be brought to the attention of the Chairman of the Audit Committee of the Company who shall after hearing the concerned person, award appropriate punishment to the offender and suitable relief to the person(s) who avail of the Vigil Mechanism.

**MEANS OF COMMUNICATION:**

Disclosure of the financial performance is at core of good governance. This includes consistent, comparable, relevant and reliable information on financial performance of the Company. Towards this end, the Company is providing Annual Report on the working of the Company to each of its shareholders. Further the quarterly / half Yearly Financial Results of the Company are forwarded to Bombay Stock Exchange where the Securities of the Company are listed and published in widely circulated newspapers.

In compliance with Regulation 46 of the SEBI (LODR) Regulations, 2015, the Company has furnished relevant details of its business, financial information, shareholding pattern, compliance with corporate governance, contact information of the designated officials of the Company who are responsible for assisting and handling investor grievances, details of agreements entered into with the media companies and/or their associates, statement of shareholders' grievances, etc. and the contents of the said website are updated on regular basis.

Further, in view of circular of SEBI, the Company has started the system of processing of investor complaints in a centralized web based complaints redressal system 'SCORES'.

Management Discussion and Analysis Report forms part of this Annual Report. The relevant information is also available at Company's website [www.sahara-one.com](http://www.sahara-one.com). Investors can also lodge their complaints with the Company at [investors@sahara-one.com](mailto:investors@sahara-one.com).

**NAME, DESIGNATION AND ADDRESS OF COMPLIANCE OFFICER:**

Shri Sukhmendra Kumar  
Company Secretary & Compliance Officer  
Sahara One Media and Entertainment Limited  
Sahara India Point, CTS 40 - 44,  
S.V. Road, Goregaon (West),  
Mumbai - 400 104.  
E-mail ID- [investors@sahara-one.com](mailto:investors@sahara-one.com)  
Contact No.- 02242931818

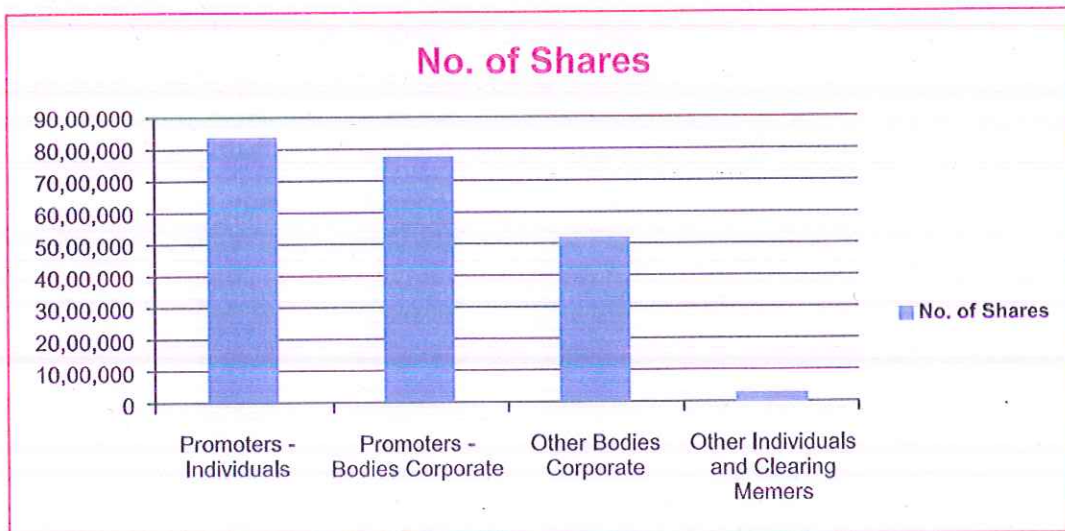


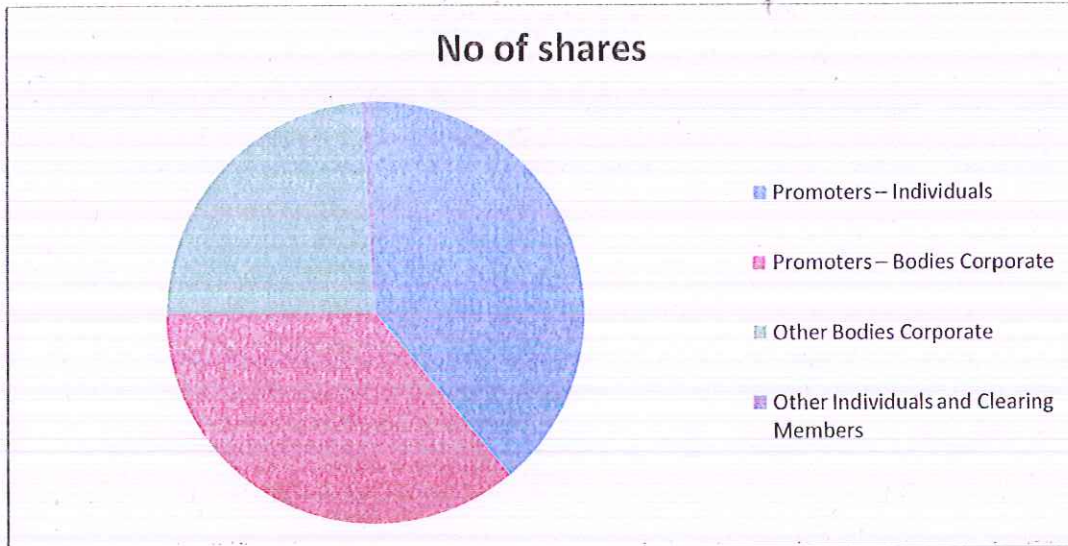
**DISTRIBUTION OF SHAREHOLDING:**

As on 31.03.2017 the shareholding pattern of the Company is as detailed below:

No. of Equity Shares	Shareholders		Shares	
	Number	% of Holders	Number	% of Holders
1-500	1759	94.7227	92683	0.4306
501-1000	37	1.9925	28997	0.1347
1001-2000	19	1.0232	28283	0.1314
2001-3000	4	0.2154	9855	0.0458
3001-4000	4	0.2154	14480	0.0673
4001-5000	2	0.1077	9069	0.0421
5001-10000	10	0.5385	72563	0.3371
10001-*****	22	1.1847	21269070	98.8110
<b>Total:</b>	<b>1857</b>	<b>100.0000</b>	<b>21525000</b>	<b>100.0000</b>

Category	No. of Shares
Promoters - Individuals	83,75,000
Promoters - Bodies Corporate	77,66,702
Other Bodies Corporate	51,64,541
Other Individuals and Clearing Members	2,18,757
<b>Total:</b>	<b>2,15,25,000</b>





#### SHARE PRICE MOVEMENT OF COMPANY AND SENSEX MOVEMENT OF BSE:

Movement in company's share prices during the year 2016-2017 on BSE and SENSEX movement of BSE for the same period was as under:

Month	Sahara One Share Price			BSE SENSEX		
	High (Rs.)	Low (Rs.)	Average (Rs.)	High (Rs.)	Low (Rs.)	Average (Rs.)
April-2016	70.4	58.7	64.55	26,100.54	24,523.2	25,311.87
May-2016	69	53.15	61.075	26,837.2	25,057.93	25,947.57
June-2016	56.15	40.65	48.4	27,105.41	25,911.33	26,508.37
July-2016	58	40.55	49.275	28,240.2	27,034.14	27,637.17
August-2016	77.15	53.15	65.15	28,532.25	27,627.97	28,080.11
September-2016	77.1	57.3	67.2	29,077.28	27,716.78	28,397.03
October-2016	83.5	71.3	77.4	28,477.65	27,488.3	27,982.98
November-2016	89.9	80.75	85.325	28,029.8	25,717.93	26,873.87
December-2016	91.95	81	86.475	26,803.76	25,753.74	26,278.75
January-2017	92	69.5	80.75	27,980.39	26,447.06	27,213.73
February-2017	85	58.9	71.95	29,065.31	27,590.1	28,327.71
March-2017	75.5	65.1	70.3	29,824.62	28,716.21	29,270.42





**CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

To the Members,

**Sahara One Media and Entertainment Limited**

Sahara India Point, CTS 40-44, S.V. Road,

Goregaon (West),

Mumbai- 400104.

1. We have examined the compliance of conditions of Corporate Governance for the year ended on March 31, 2017, as stipulated in:
  - Regulation 23(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations) for the period from April 1, 2016 to March 31, 2017 and
  - Regulations 17 to 27 (excluding regulation 23 (4)) and clauses (b) to (i) of regulation 46 (2) and paragraphs C, D and E of Schedule V of the SEBI Listing Regulations for the period from April 1, 2016 to March 31, 2017.
2. The Compliance of conditions of Corporate Governance is the responsibility of the Company's Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. In our opinion and to the best of our information and according to our examination of the relevant records and the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulation 17 to 27 and clauses (b) to (i) of regulation 46(2) and paragraphs C, D and E of Schedule V of the SEBI Listing Regulations for the respective period of applicability as specified under paragraph 1 above, during the year ended March 31, 2017.
4. We 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.

**For C.P. Shukla & Co.**

**(C.P. Shukla)**

Membership No. : FCS3819

C.P. No. : 5138

Place : Lucknow

Date : 11th August 2017



## GENERAL SHAREHOLDERS INFORMATION

Date	28th September, 2017
Time	2:30 P.M.
Venue	Sahara One Media and Entertainment Limited, Sahara India Point, CTS 40 - 44, S. V. Road, Goregaon (West), Mumbai - 400 104.
Date of Book closure	14th September 2016 to 28th September 2016 (both days inclusive).
Last date of receipt of proxy forms	26th September, 2016 by 2:30 P.M.
Financial Calendar	1st April, 2016 to 31st March, 2017
Last Annual General Meeting	29th September, 2016
Registrar and Share Transfer Agents	M/s. Link Intime - C 101- 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai – 400083.
Share Transfer System	Shares received for physical transfer on dematerialization or rematerialization requests are generally registered and returned within a period of 15 days from the date of receipt of complete and validly executed documents. The Shareholders / Investors Grievances Committee meet at adequate intervals to approve the Share transfer and dematerialization requests.
Dematerialisation of shares and liquidity	Equity Shares of the Company can be traded in dematerialized forms. To facilitate the trading in dematerialized form, the Company has entered into agreements with both the depositories viz. National Securities Depositories Limited (NSDL) and Central Depository Services (India) Limited (CDSL). As of date approximately 99.82% of the Equity Shares of the Company are dematerialized form.
Listing on Stock Exchanges	The Bombay Stock Exchange (BSE)
BSE Stock Code	503691
ISIN No.	INE479B01016
Addresses for correspondence	Sahara One Media and Entertainment Limited, Sahara India Point, CTS 40 - 44, S. V. Road, Goregaon (West), Mumbai - 400 104.





## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SAHARA ONE MEDIA AND ENTERTAINMENT LIMITED

We have audited the accompanying financial statements of SAHARA ONE MEDIA AND ENTERTAINMENT LIMITED ("the Company"), which comprise the Balance Sheet as at 31 March, 2017, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

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

### Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

### Basis for Qualified Opinion

1. An Amount of Rupees 70,06,72,166/- is outstanding as recoverable from debtors and continuing beyond stipulated period of recovery. The management, based on internal assessments and evaluations, have represented that these debtors amount are fully recoverable and no provision is necessary as at balance sheet date. However, in absence of any convincing evidence, we are of the opinion that this amount should be considered as doubtful and requires appropriate provisioning.
2. Amount of Rupees 13,68,89,361/- is outstanding which comprises of advances towards purchase/production of films. The management has explained that such advances have been given in the normal course of business and are fully recoverable. However, in our opinion amount is doubtful of recovery as these are outstanding/remained unadjusted for long period of time. Further, balance confirmations from these parties have also not been provided to us.





3. Reference is invited to Note 30 to the financial statements regarding deposit of Rupees. 69,40,27,883/- to Sahara-SEBI Refund account in the matter of dispute in respect of repayment of Optionally Fully Convertible Debentures (OFCDs) by two group companies, namely M/s Sahara India Real Corporation Limited & Sahara Housing Investment Corporation Limited, the Hon'ble Supreme Court of India vide its order dated 21-11-2013 had directed that Sahara Group of Companies shall not part with movable and immovable properties and accordingly Security and Exchange Board of India (SEBI) has seized the company's Fixed Deposit and Non Current Investment. Subsequent to this, Hon'ble Supreme Court vide its order dated 4th June, 2014 has directed to defreeze the Fixed Deposit account of the company subject to condition that total proceeds would be transferred to special account opened by the SEBI. However, we are unable to ascertain whether this amount is fully recoverable or not and its further impact, if any, that may arise in case if this amount is subsequently determined to be doubtful of recovery.

#### Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matters described in paragraphs 1 to 3 of the Basis for Qualified Opinion paragraph, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March, 2017, and its profit and its cash flows for the year ended on that date.

#### Emphasis of Matter

1. The company has prepared financial statements on a going concern basis, notwithstanding the fact that the major customer of the company has terminated the program purchase agreement which was main source of income of the Company, the company does not have sufficient fund to pay its creditors and statutory dues, and revenue from operation has reached to negligible level. These events cast significant doubt on the ability of the Company to continue as a going concern. The appropriateness of the said basis is inter alia dependent on the Company's ability to make new customers, infuse requisite funds for meeting its obligations and resuming normal operations. Our opinion is not qualified in respect of this matter.
2. The Gratuity Trust in which company was making gratuity contribution was dissolved and Trust has refunded the amount pertains to the company but company has neither created any recognized gratuity fund Trust nor made any other arrangement to deposit this amount to any other recognized Gratuity Fund Trust. Our opinion is not qualified in respect of this matter.

#### 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 the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, subject to the effects of the matters described in paragraphs 1 to 3 of the Basis for Qualified Opinion paragraph, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e. On the basis of the written representations received from the directors as on 31 March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2017 from being appointed as a director in terms of Section 164(2) of the Act.





- f. With respect to the adequacy of internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in 'Annexure-B'; and
- 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 financial statements- Refer note 27 to the financial statement.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
  - iv. The company has provided requisite disclosure in its financial statement as to holding as well as dealing in Specified Bank Notes during the period from 08 November, 2016 to 30 December, 2016 and these are in accordance with the books of accounts maintained by the company. Refer to note 33 to the financial statement.

**For D. S. Shukla & Co.**  
Chartered Accountants  
(Firm's Registration No. 000773C)  
Mumbai, 23 May 2017

**(A.K.Dwivedi)**  
Partner  
Membership No. 078297  
Mumbai, 23 May 2017



## ANNEXURE 'A' TO AUDITORS' REPORT

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31 March 2017, we report that:

- i (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - (b) Fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.
  - (c) According to the information and explanations given to us and on the basis of our examination of records of the company, the title deeds of immovable properties are held in the name of the company
- (ii) The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on such verification.
- (iii) According to the information and explanations given to us, the Company has granted short term unsecured loan to one company covered in the register maintained under section 189 of the Companies Act, 2013.
  - a) Terms and conditions of the grant of such loans are not prejudicial to the interest of the company.
  - b) Schedule of repayment of principal and payment of interest has been stipulated.
  - c) There is no overdue amount.
- (iv) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 186 of the Act, with respect to the loans, investments, guarantees, and securities, wherever applicable.
- (v) The Company has not accepted any deposits from the public.
- (vi) To the best of our knowledge and as explained, the Central Government has not prescribed maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013 for the products of the Company.
- (vii) (a) Undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, wealth-tax, service tax, customs duty Cess and other statutory dues, wherever applicable, have generally been regularly deposited with the appropriate authorities, except the cases given below, though there has been delay in a few cases. The provisions relating to excise duty are not applicable to the Company.

According to information given to us the following undisputed statutory dues payable in respect of income tax which were in arrear as at 31st March 2017 for a period of more than six months from the date they became payable:

Name of the Statute	Nature of Dues	Amount (Rs.)
Income tax Department	Tax deducted at source	901,528

- (b) According to the records of the Company, the dues outstanding of income-tax, customs duty, and cess on account of any dispute, are as follows:

Name of the Statute	Nature of Dues	Amount (Rs.)	Period to which the amount relates	Forum where dispute is pending
Income tax Act, 1961	Income tax	65,98,511	1999-2000, 2010-2011 and 2012-13	Commissioner of Income-tax (Appeals)
Income tax Act, 1961	Income tax	33,95,03,515	FY 2002-2003, 2004-05 to 2009-2010, 2011-12 and 2013-14	Income Tax Appellate Tribunal
Income tax Act, 1961	Tax deducted at source	6,12,54,854	2006-2007, 2008-09 to 2010-2011	High Court
Income-tax Act, 1961	Tax Deducted at Source	5,94,32,390	2011-12	Income tax Appellate Tribunal
Income tax Act, 1961	Income tax	1,30,25,366	2000-2001	High Court
Customs Act, 1962	Customs Duty	4,45,000	2008-2009	Custom Appellate Authority





- (viii) The Company does not have any loan or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, paragraph 3(viii) of the Order is not applicable.
- (ix) The company did not raise any money by way of initial public offer or further public offer (including debt instruments) and terms loans during the year. Accordingly, paragraph 3(ix) of the Order is not applicable.
- (x) According to information and explanations given to us by the management, no fraud by the Company or on the company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to information and explanations given 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 of the Act.
- (xii) In our opinion and According to information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to information and explanations given to us and based on our examination of the records of the Company, transactions with related parties are in compliance with section 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to information and explanations given to us and based on our examination of the records of the Company, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to 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 him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The company is not required to be registered under Section 45-IA of the Reserve Bank of India Act 1934.

For **D. S. Shukla & Co.**  
Chartered Accountants  
(Firm Registration No. 000773C)

**(A. K. Dwivedi)**  
Partner  
Membership No. 078297  
Mumbai, 23 May 2017

## ANNEXURE 'B' TO AUDITORS' REPORT

### Report on Internal Financial Control 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 Sahara One Media And Entertainment Limited ("the Company"), as of 31st March 2017 in conjunction of our audit of the financial statement of the company for the year ended on that date.

#### Management's Responsibility for Internal Financial Controls

The company's management is responsible for establishing and maintaining internal financial control based on the internal control over financial reporting criteria established by the company considering the essential components of the internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for insuring the orderly and efficient conduct of business, including adherence to the Company's policies, the safeguards of its assets, the prevention and detection of fraud and errors, the accuracy and completeness of 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 Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('the Guidance Note') and the Standard on Auditing issued by ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the internal financial controls over financial reporting were 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 control 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 evaluating the design and operating effectiveness of internal control based on assessed risk. The procedures selected depend on the auditors' judgement, including the assessment of the risk of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's 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 financial statement 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:

- a) Pertains to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- b) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and the receipts and expenditures of the company are being made only in accordance with the authorization of the management and directors of the company; and
- c) 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 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 internal 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 of degree of compliance with the policies or procedures may deteriorate.

### Opinion

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

For **D. S. Shukla & Co.**  
Chartered Accountants  
(Firm Registration No. 000773C)

(**A. K. Dwivedi**)  
Partner  
Membership No. 078297  
Mumbai, 23 May 2017



### Balance sheet as at 31 March 2017

	Notes	31 March 2017 Rs.	31 March 2016 Rs.
<b>Equity and liabilities</b>			
Shareholders' funds			
Share capital	3	215,250,000	215,250,000
Reserves and surplus	4	2,080,625,357	2,103,508,157
		<b>2,295,875,357</b>	<b>2,318,758,157</b>
Current liabilities			
Trade payables	5	447,050,699	454,087,024
Other current liabilities	6	18,539,460	19,828,702
Short-term provisions	7	17,161,489	15,089,452
		<b>482,751,648</b>	<b>489,005,178</b>
<b>TOTAL</b>		<b>2,778,627,005</b>	<b>2,807,763,335</b>
<b>Assets</b>			
Non-current assets			
Fixed assets - tangible assets	8	3,272,258	3,871,393
Non-current investments	9	197,585,300	197,120,300
Long-term loans and advances	10	515,824,124	519,476,646
		<b>716,681,682</b>	<b>720,468,339</b>
Current assets			
Current investments	11	22,254,707	22,254,707
Inventories	12	9,612,903	40,944,816
Trade receivables	13	717,566,634	733,595,980
Cash and bank balances	14	276,927,807	9,581,295
Short-term loans and advances	10	1,035,583,272	1,280,918,198
		<b>2,061,945,323</b>	<b>2,087,294,996</b>
<b>TOTAL</b>		<b>2,778,627,005</b>	<b>2,807,763,335</b>
Summary of significant accounting policies	2.1		

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

As per our report of even date

For and on behalf of the Board of Directors of Sahara One Media and Entertainment Limited

For D.S. Shukla & Co.  
Firm Registration No. 000773C  
Chartered Accountants

O. P. Srivastava  
Director  
DIN- 00144000

Rana Zia  
Whole Time Director  
DIN - 07083262

A.K. Dwivedi  
Partner  
Membership No.78297  
Mumbai: May 23, 2017

P. C. Tripathy  
Chief Financial Officer

Sukhmendra Kumar  
Company Secretary



## Statement of profit and loss for the year ended 31 March 2017

	Notes	31 March 2017 Rs.	31 March 2016 Rs.
<b>Revenue</b>			
Revenue from operations (gross)	15	28,878,254	50,408,868
Other income	16	2,135,467	456,136
<b>Total</b>		<b>31,013,721</b>	<b>50,865,004</b>
<b>Expenses</b>			
(Increase)/ decrease in inventories	17	31,331,913	321,347,924
Employee benefits expense	18	3,287,451	7,685,643
Other expenses	19	18,446,523	16,816,720
Depreciation	8	644,135	1,232,788
Finance costs	20	90,239	170,466
<b>Total</b>		<b>53,800,261</b>	<b>347,253,541</b>
Profit/(loss) before tax		(22,786,540)	(296,388,537)
Tax expenses			
Current tax		-	-
Deferred tax		-	-
Total tax expense		-	-
Profit/(loss) for the year		(22,786,540)	(296,388,537)
Prior period items		96,260	187,035
Net profit/(loss) for the year		(22,882,800)	(296,575,572)
Earnings per equity share [nominal value of share Rs. 10 (31 March 2016: Rs. 10)]			
Basic and Diluted	21	(1.06)	(13.78)
Summary of significant accounting policies	2.1		

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

As per our report of even date

For and on behalf of the Board of Directors of Sahara One Media and Entertainment Limited

For **D.S. Shukla & Co.**  
Firm Registration No. 000773C  
Chartered Accountants

**O. P. Srivastava**  
Director  
DIN- 00144000

**Rana Zia**  
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Partner  
Membership No.78297  
Mumbai: May 23, 2017

**P. C. Tripathy**  
Chief Financial Officer

**Sukhmendra Kumar**  
Company Secretary



### Cash flow statement for the year ended March 31, 2017

	31 March 2017 Rs.	31 March 2016 Rs.
<b>Cash flow from operating activities</b>		
<b>Net profit before tax</b>	(22,882,800)	(296,575,572)
Non-cash adjustment to reconcile profit before tax to net cash flows		
Depreciation	644,135	1,232,788
Provision for doubtful debts	2,624,064	4,341,328
Provision for doubtful advances	3,079,208	3,220,503
Bad debts / advances written off	1,898,547	667,500
Credit balances written back	(2,034,494)	
Interest expenses	-	170,466
Interest income	(100,973)	-
Dividend income	-	(456,136)
<b>Operating profit before working capital changes</b>	<b>(16,772,313)</b>	<b>(287,399,123)</b>
Movements in working capital :		
Increase/ (decrease) in trade payables	(7,036,325)	(14,983,141)
Increase / (decrease) in short-term provisions	4,106,531	-
Increase/ (decrease) in other current liabilities	(1,289,242)	(1,148,357)
Decrease / (increase) in long-term loans and advances	3,855,022	7,067,386
Decrease / (increase) in trade receivables	13,405,282	(32,197,338)
Decrease / (increase) in inventories	31,331,913	321,347,924
Decrease / (increase) in short-term loans and advances	240,357,171	182,260,283
<b>Cash generated from / (used in) operations</b>	<b>267,958,039</b>	<b>174,947,634</b>
Direct taxes paid (net of refunds)	(202,500)	(417,780)
<b>Net cash flow from/ (used in) operating activities (A)</b>	<b>267,755,539</b>	<b>174,529,854</b>
<b>Cash flows from investing activities</b>		
Purchase of fixed assets	(45,000)	-
Loss of fixed assets	-	154,368
Purchase of current investments	-	(456,136)
Proceeds from sale of current investments	-	7,000,000
Purchase of non-current investment	(465,000)	(186,000,000)
Dividend received	-	456,136
<b>Net cash flow from/ (used in) investing activities (B)</b>	<b>(510,000)</b>	<b>(178,845,632)</b>
<b>Cash flows from financing activities</b>		
Interest Income	100,973	-
Interest paid	-	(170,466)
<b>Net cash flow from/ (used in) in financing activities (C)</b>	<b>100,973</b>	<b>(170,466)</b>
Net increase in cash and cash equivalents (A + B + C)	267,346,512	(4,486,244)
Cash and cash equivalents at the beginning of the year	9,518,417	14,004,661
<b>Cash and cash equivalents at the end of the year</b>	<b>276,864,929</b>	<b>9,518,417</b>
<b>Components of cash and cash equivalents</b>		
Cash on hand	243,868	72,575
With banks -		
on current account	275,621,061	8,445,842
on deposit account	1,000,000	1,000,000
<b>Total cash and cash equivalents</b>	<b>276,864,929</b>	<b>9,518,417</b>
Summary of significant accounting policies	2.1	

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

As per our report of even date

For and on behalf of the Board of Directors of Sahara One Media and Entertainment Limited

For **D.S. Shukla & Co.**  
Firm Registration No. 000773C  
Chartered Accountants

**O. P. Srivastava**  
Director  
DIN- 00144000

**Rana Zia**  
Whole Time Director  
DIN - 07083262

**A.K. Dwivedi**  
Partner  
Membership No.78297  
Mumbai: May 23, 2017

**P. C. Tripathy**  
Chief Financial Officer

**Sukhmendra Kumar**  
Company Secretary





## Notes to financial statements for the year ended 31 March 2017

### 1. Corporate information

Sahara One Media And Entertainment Limited is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The company is a television content provider and also produces and distributes films.

### 2. Basis of preparation

The financial statements of the company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards notified under the relevant provisions of the Companies Act, 2013. The financial statement has been prepared on an accrual basis and under the historical cost convention.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

### 2.1 Summary of significant accounting policies

#### (a) Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

#### (b) Tangible fixed assets

Fixed assets are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

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

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

#### (c) Depreciation on tangible fixed assets

Depreciation on fixed assets is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management, or those prescribed under the Schedule II to the Companies Act, 2013, whichever is higher. The company has used the following rates to provide depreciation on its fixed assets.

Fixed assets	Estimated Life
Buildings	50 years
Office equipment	15 Years
Computers	3 Years
Shooting Equipment	13 Years
Furniture and Fittings	10 Years
Vehicles	8 Years

#### (d) Leases:

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.



**(e) Borrowing costs**

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

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 capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

**(f) Impairment of assets**

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. 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 risks specific to the asset.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

**(g) Investments**

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

**(h) Inventories**

Inventories comprise television programmes and films held for sale. Inventories are valued at lower of cost or net realisable value.

Cost of Satellite rights of motion picture films, television programmes and events are amortised over a period of four years based on their pattern of utilisation.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

**(i) Revenue recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

i. Sale of Rights

Revenue is recognised on the basis of invoices raised as per terms of sale agreements /deeds. The company collects service tax and value added tax (VAT) on behalf of the government and, therefore, these are not economic benefits flowing to the company. Hence, they are excluded from revenue.

Revenue from sale of satellite/television broadcasting rights, music and home video rights in respect of films and programmes are recognized in accordance with the contract/arrangement upon delivery of content to the customers.

ii. Interest

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.





iii. Dividend

Revenue is recognized when the shareholders' right to receive payment is established by the balance sheet date.

**(j) Foreign currency transactions**

i. Initial recognition

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

ii. Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

iii. Exchange differences

Exchange differences arising on the settlement of monetary items or on reporting such monetary items of the company at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

**(k) Retirement and other employee benefits**

Retirement benefit in the form of provident fund is a defined contribution scheme. The contributions to the provident fund are charged to the statement of profit and loss for the year when the contributions are due. The Company has no obligation, other than the contribution payable to the Trust set up by Sahara Group.

Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation projected unit credit (PUC) method made at the end of each financial year. Actuarial gains and losses for both defined benefit plans are recognized in full in the period in which they occur in the statement of profit and loss.

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit and is provided on the basis of estimates. 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. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

**(l) Income taxes**

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the company operates. 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 recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date. Deferred income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.



Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

At each reporting date, the company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each reporting date. The company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

#### **(m) Segmental Reporting Policies**

##### Identification of segments

The company's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the company operate.

##### Allocation of common costs

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

##### Unallocated items

Unallocated items include general corporate income and expense items which are not allocated to any business segment.

##### Segment accounting policies

The company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the company as a whole.

#### **(n) Earnings Per Share**

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 (consolidation of shares) 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) 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. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

#### **(p) 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.

**(q) Cash and Cash equivalents**

Cash and cash equivalents in the cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

**3. Share capital**

	31 March 2017 Rs.	31 March 2016 Rs.
<b>Authorized shares</b>		
35,000,000 (31 March 2016: 35,000,000) equity shares of Rs. 10 each	350,000,000	350,000,000
<b>Issued, subscribed and fully paid-up shares</b>		
21,525,000 (31 March 2016: 21,525,000) equity shares of Rs. 10 each	215,250,000	215,250,000
<b>Total issued, subscribed and fully paid-up share capital</b>	<b>215,250,000</b>	<b>215,250,000</b>

**(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period**

**Equity shares**

	31 March 2017		31 March 2016	
	No.	Amount	No.	Amount
At the beginning of the period	21,525,000	215,250,000	21,525,000	215,250,000
Issued during the period	-	-	-	-
<b>Outstanding at the end of the period</b>	<b>21,525,000</b>	<b>215,250,000</b>	<b>21,525,000</b>	<b>215,250,000</b>

**(b) Terms/ rights attached to equity shares**

The Company has only one class of equity shares having par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share.

During the year ended 31 March 2017, the amount of per share dividend recognized as distributions to equity shareholders was Nil (31 March 2016: Nil).

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**(c) Details of shareholders holding more than 5% shares in the company**

Name of the shareholder	31 March 2017		31 March 2016	
	No.	% holding in the class	No.	% holding in the class
Equity shares of Rs.10 each fully paid				
Shri Subrata Roy Sahara	5,200,000	24.16	5,200,000	24.16
Sahara India Financial Corporation Limited	3,076,912	14.29	3,076,912	14.29
Sahara Prime City Limited	3,261,790	15.15	3,261,790	15.15
Bennett Coleman & Co. Limited	1,100,000	5.11	1,100,000	5.11

As per records of the company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.



#### 4. Reserves and surplus

	31 March 2017 Rs.	31 March 2016 Rs.
<b>Securities premium account</b>		
Balance as per the last financial statements	2,084,850,000	2,084,850,000
<b>Closing Balance</b>	<b>2,084,850,000</b>	<b>2,084,850,000</b>
<b>Surplus/ (deficit) in the statement of profit and loss</b>		
Balance as per the last financial statements	18,658,157	315,233,729
Profit/(loss) for the year	(22,882,800)	(296,575,572)
<b>Net surplus in the statement of profit and loss</b>	<b>(4,224,643)</b>	<b>18,658,157</b>
<b>Total reserves and surplus</b>	<b>2,080,625,357</b>	<b>2,103,508,157</b>

#### 5. Trade payables

	31 March 2017 Rs.	31 March 2016 Rs.
Trade payables (including acceptances) (refer note 30 for details of dues to micro and small enterprises)	447,050,699	454,087,024
	<b>447,050,699</b>	<b>454,087,024</b>

#### 6. Other current liabilities

	31 March 2017 Rs.	31 March 2016 Rs.
Other liabilities		
Advance from customers	3,066,088	3,066,088
Others		
TDS payable	991,160	1,874,699
Expenses payable	14,482,212	14,887,915
	<b>18,539,460</b>	<b>19,828,702</b>

#### 7. Provisions

	31 March 2017 Rs.	31 March 2016 Rs.
Provision for employee benefits		
Provision for gratuity	864,565	703,391
Provision for leave benefits	221,420	3,205,849
Provision for gratuity of transferred employees	3,616,064	-
Provision for leave benefits of transferred employees	1,279,228	-
	<b>5,981,277</b>	<b>3,909,240</b>
Other provisions		
Provision for taxation (net of advance tax of Rs. 49,619,788 (31 March 2016: Rs. 49,619,788))	11,180,212	11,180,212
	<b>11,180,212</b>	<b>11,180,212</b>
	<b>17,161,489</b>	<b>15,089,452</b>



### 8. Tangible assets

	Buildings	Office equipment	Shooting equipment	Computers	Furniture and fixtures	Vehicles	Total
Cost or valuation							
At 1 April 2015	2,087,780	771,710	630,500	4,892,500	1,642,023	10,418,025	20,442,538
Additions	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	1,123,867	1,123,867
At 31 March 2016	2,087,780	771,710	630,500	4,892,500	1,642,023	9,294,158	19,318,671
Additions	-	45,000	-	-	-	-	45,000
Disposals	-	-	-	-	-	-	-
At 31 March 2017	2,087,780	816,710	630,500	4,892,500	1,642,023	9,294,158	19,363,671
Depreciation							
At 1 April 2015	409,022	332,194	557,488	4,647,875	1,415,710	7,821,700	15,183,989
Charge for the year	41,303	62,406	41,487	-	141,323	946,269	1,232,788
Disposals	-	-	-	-	-	969,499	969,499
At 31 March 2016	450,325	394,600	598,975	4,647,875	1,557,033	7,798,470	15,447,278
Charge for the year	41,190	63,597	-	-	1,739	537,609	644,135
Disposals	-	-	-	-	-	-	-
At 31 March 2017	491,515	458,197	598,975	4,647,875	1,558,772	8,336,079	16,091,413
<b>Net Block</b>							
At 31 March 2016	1,637,455	377,110	31,525	244,625	84,990	1,495,688	3,871,393
At 31 March 2017	1,596,265	358,513	31,525	244,625	83,251	958,079	3,272,258

### 9. Non-current investments

	31 March 2017 Rs.	31 March 2016 Rs.
Trade investments (valued at cost unless stated otherwise)		
Unquoted equity instruments		
1,108,280 (31 March 2016: 1,108,280) shares of Rs. 10 each fully paid - up in Sahara India Life Insurance Company Limited	11,082,800	11,082,800
3,750 (31 March 2016: 3,750) shares of Rs. 10 each fully paid-up in Sahara Care Limited	37,500	37,500
6,000,000 (31 March 2016: 6,000,000) shares of Rs. 10 each fully paid-up in Sahara Sanchar Limited	186,465,000	186,000,000
	<b>197,585,300</b>	<b>197,120,300</b>
Aggregate amount of quoted investments (Market value: Nil (31 March 2016: Nil))	-	-
Aggregate amount of unquoted investments	197,585,300	197,120,300

As per order of Hon'ble Supreme Court of India dated 21-11-2013, SEBI has attached/frozen the above Non current investments of Rs 11,120,300. (refer note 28 for details)



## 10. Loans and advances

	31 March 2017 Rs.	Non-current 31 March 2016 Rs.	31 March 2017 Rs.	Current 31 March 2016 Rs.
<b>Security deposit</b>				
Unsecured, considered good	8,000	508,000	1,450,000	950,000
<b>Advances to related parties (note 25)</b>				
Unsecured, considered good	-		7,177,477	1,138,591
Amount transferred to sahara-sebi account*	-		694,027,883	694,027,883
	-	-	<b>701,205,360</b>	<b>695,166,474</b>
<b>Advances recoverable in cash or kind</b>				
Unsecured considered good	-	-	329,967,698	582,002,440
Doubtful	-	-	78,019,469	74,940,261
	-	-	<b>407,987,167</b>	<b>656,942,701</b>
Provision for doubtful advances	-	-	(78,019,469)	(74,940,261)
	-	-	<b>329,967,698</b>	<b>582,002,440</b>
<b>Other loans and advances</b>				
Advance income-tax (net of provision for taxation of Rs. 150,398,972 (31 March 2016: Rs. 150,398,972))	131,230,649	131,028,149	-	-
Prepaid expenses	-	-	129,817	122,510
Loans to employees	-	-	-	-
Advance to employees	-	-	2,830,397	2,676,774
Balances with statutory / government authorities	384,585,475	387,940,497	-	-
	<b>515,816,124</b>	<b>518,968,646</b>	<b>2,960,214</b>	<b>2,799,284</b>
	<b>515,824,124</b>	<b>519,476,646</b>	<b>1,035,583,272</b>	<b>1,280,918,198</b>

\*Hon'ble Supreme Court vide its order dated 4th June, 2014 has directed to defreeze the Fixed Deposit account of the company subject to condition that total proceeds would be transferred to special account opened by the SEBI. Accordingly, the company has transferred an amount of Rs 694,027,883 to Sahara-SEBI Refund account. (refer note 28 for details)

### Loans and advances due to related parties

Aamby Valley Ltd.	8,032	8,032
Sahara Global Mastercraft Ltd.	2,400	2,400
Sahara Hospitality Ltd.	3,400	3,400
Sahara India	55,273	1,036,969
Sahara India Commercial Corporation Ltd.	6,600,973	-
Sahara India Financial Corp. Ltd	487,119	-
Sahara India Mass Communication	-	67,510
Sahara India Tourism Development Corporation Ltd.	20,280	20,280



### 11. Current investments

	31 March 2017 Rs.	31 March 2016 Rs.
Current investments (valued at lower of cost and fair value, unless stated otherwise)		
Quoted mutual funds		
21,895.06 (31 March 2016: 21,895.06) mutual fund units of Rs. 1,000 each fully paid-up of Sahara liquid fund	22,254,707	22,254,707
	<b>22,254,707</b>	<b>22,254,707</b>
Aggregate amount of quoted investments (Market value: Rs 25,234,441 (31 March 2016: Rs 23,784,543 ))	22,254,707	22,254,707

### 12. Inventories (valued at lower of cost and net realisable value)

	31 March 2017 Rs.	31 March 2016 Rs.
Inventories		
- Films rights	4,558,755	6,340,668
- Television programmes	5,054,148	34,604,148
	<b>9,612,903</b>	<b>40,944,816</b>

### 13. Trade receivables (unsecured)

	31 March 2017 Rs.	31 March 2016 Rs.
Outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, considered good <sup>A</sup>	732,466,634	696,487,342
Doubtful	60,502,222	57,878,158
	<b>792,968,856</b>	<b>754,365,500</b>
Amount received under dispute <sup>*</sup>	(14,900,000)	-
Provision for doubtful receivables	(60,502,222)	(57,878,158)
	<b>717,566,634</b>	<b>696,487,342</b>
Other receivables		
Unsecured, considered good	-	37,108,638
	-	37,108,638
	<b>717,566,634</b>	<b>733,595,980</b>

\*The Company has booked a revenue of Rs 50 Lakhs (Previous year Rs 2.50 Crores) on account of sale of movie rights to Café 9 Media Hub Pvt Ltd vide agreement dated 11.01.2016. Since the terms and conditions of agreement has not been complied with by Café 9 Media Hub Pvt Ltd, the matter had been under legal dispute. Accordingly an amount of Rs 1.49 Crs transferred by Café 9 Media Hub Pvt Ltd voluntarily through online mode to our bank account, has been shown as "amount received under the dispute".

<sup>A</sup>The Company has booked a revenue of Rs 2.00 Crores (Previous year Rs Nil) on account syndication sale to Filidian Impex India Pvt Ltd vide agreement dated 27.01.2015. Trade receivable includes an amount of Rs 13,795,000 outstanding from Filidian Impex India Pvt Ltd. Since the terms and conditions of agreement has not been complied with by Filidian Impex India Pvt Ltd, the matter had been under legal dispute.



**14. Cash and bank balances**

	31 March 2017 Rs.	31 March 2016 Rs.
Cash and cash equivalents		
Balance with banks		
- On current accounts	275,621,061	8,445,842
- Deposits with original maturity of less than three months	1,000,000	1,000,000
Cash on hand	243,868	72,575
	<b>276,864,929</b>	<b>9,518,417</b>
Other bank balances		
Deposits with original maturity for more than 3 months but less than 12 months	62,878	62,878
	<b>62,878</b>	<b>62,878</b>
	<b>276,927,807</b>	<b>9,581,295</b>

**15. Revenue from operations (gross)**

	31 March 2017 Rs.	31 March 2016 Rs.
Television revenue	28,878,254	50,408,868
	<b>28,878,254</b>	<b>50,408,868</b>

**16. Other income**

	31 March 2017 Rs.	31 March 2016 Rs.
Dividend income on Current investments	-	456,136
Interest income on loan	100,973	-
Credit balances written back	2,034,494	-
	<b>2,135,467</b>	<b>456,136</b>

**17. (Increase)/ decrease in inventories**

	31 March 2017 Rs.	31 March 2016 Rs.	(Increase) / decrease Rs.
Inventories at the end of the year			
Films	4,558,755	6,340,668	1,781,913
Television programmes	5,054,148	34,604,148	29,550,000
	<b>9,612,903</b>	<b>40,944,816</b>	<b>31,331,913</b>
Inventories at the beginning of the year			
Films	6,340,668	268,066,897	261,726,229
Television programmes	34,604,148	94,225,843	59,621,695
	<b>40,944,816</b>	<b>362,292,740</b>	<b>321,347,924</b>

**18. Employee benefits expense**

	31 March 2017 Rs.	31 March 2016 Rs.
Salaries, wages and bonus	3,111,902	7,512,003
Contribution to provident and other funds	94,321	123,316
Staff welfare expenses	81,228	50,324
	<b>3,287,451</b>	<b>7,685,643</b>



### 19. Other expenses

	31 March 2017 Rs.	31 March 2016 Rs.
Power and fuel	46,020	258,507
Rent	2,475,997	2,303,174
Rates and taxes	622,377	311,756
Insurance	190,891	149,048
Repairs and maintenance - others	450,224	396,483
Advertising and sales promotion	264,750	94,000
Travelling and conveyance	955,011	753,502
Communication costs	977,971	1,168,281
Legal and professional fees	2,615,333	1,013,284
Directors' sitting fees	700,000	670,000
Payment to auditor (Refer details below)	535,687	751,200
Provision for doubtful advances	3,079,208	3,220,503
Provision for doubtful debts	2,624,064	4,341,328
Bad debts / advances written off	1,898,547	667,500
Bank charges	5,806	811
Miscellaneous expenses	1,004,637	717,343
	<b>18,446,523</b>	<b>16,816,720</b>

#### Payment to auditor

	31 March 2017 Rs.	31 March 2016 Rs.
As auditor:		
Audit fee	200,000	450,000
Limited Review	300,000	300,000
Auditors expenses	35,687	1,200
	<b>535,687</b>	<b>751,200</b>

### 20. Finance costs

	31 March 2017 Rs.	31 March 2016 Rs.
Interest		
- others	90,239	170,466
	<b>90,239</b>	<b>170,466</b>

### 21. Earnings per share (EPS)

The following reflects the profit and share data used in the basic and diluted EPS computations:

	31 March 2017 Rs.	31 March 2016 Rs.
Net profit/ (loss) for calculation of basic & diluted EPS	(22,882,800)	(296,575,572)
Weighted average number of equity shares in calculating basic & diluted EPS [nominal value of share Rs. 10 (31 March 2016: Rs. 10)]	21,525,000	21,525,000
Earnings per share (basic & diluted)	(1.06)	(13.78)

## 22. Gratuity and other post-employment benefit plans:

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service.

The following tables summarize the components of net benefit expense recognized in the statement of profit and loss and amounts recognized in the balance sheet for the respective plans. The liability is not funded.

### Statement of profit and loss

Net employee benefit expense recognized in the employee cost

	Gratuity	
	31 March 2017 Rs.	31 March 2016 Rs.
Current service cost	35,622	34,873
Interest cost on benefit obligation	58,798	98,950
Expected return on plan assets	-	(2,078)
Net actuarial (gain) / loss recognised in the year	66,754	(1,140,008)
Expenses recognised in statement of profit and loss*	161,174	(1,008,263)
Actual return on plan assets	-	-

\*There is no requirement of recognising expenses during the year, as excess provision towards gratuity of Rs.6,50,437/- was already made in previous year which has been written back during the year.

### Benefit asset/ liability

	Gratuity	
	31 March 2017 Unfunded Rs.	31 March 2016 Unfunded Rs.
Defined benefit obligation	864,565	703,391
Fair value of plan assets	-	-
Net asset/(liability) recognised in balance sheet**	(864,565)	(703,391)

\*\*The above liability pertains to continuing employees and also liability of Rs. 36,16,064/- pertaining to transferred employees has been shown in note 7 under caption "provision for gratuity of transferred employees".

Changes in the present value of the defined benefit obligation are as follows:

	Gratuity	
	31 March 2017 Unfunded Rs.	31 March 2016 Unfunded Rs.
Opening defined benefit obligation	703,391	1,763,592
Interest cost	58,798	98,950
Current service cost	35,622	34,873
Benefits paid	-	(51,938)
Actuarial Losses/(Gains) on defined benefit obligation	66,754	(1,142,086)
Closing defined benefit obligation	864,565	703,391



Changes in the fair value of plan assets are as follows:

	Gratuity	
	31 March 2017 Rs.	31 March 2016 Rs.
Opening fair value of plan assets	-	51,938
Expected return on plan assets	-	2,078
Contributions by employer	-	-
Benefits paid	-	(51,938)
Actuarial Gain on plan assets	-	(2,078)
Closing fair value of plan assets	-	-

The company expects to contribute Rs 654,080 to gratuity in the next year.

The principal assumptions used in determining gratuity obligations for the company's plans are shown below:

	Gratuity	
	31 March 2017	31 March 2016
Discount rate per annum compound (per annum)	7.50%	8.00%
Salary growth rate (per annum)	6.00%	6.00%
Expected rate of return on assets (per annum)	0.00%	8.00%

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Amounts for the current and previous four periods are as follows:

	31 Mar 2017 Rs.	31 Mar 2016 Rs.	31 Mar 2015 Rs.	31 Mar 2014 Rs.	31 Mar 2013 Rs.
Defined benefit obligation	864,565	703,391	1,763,592	5,530,905	4,423,355
Plan assets	-	-	51,938	4,604,724	3,818,998
Surplus / (deficit)	(864,565)	(703,391)	(1,711,654)	(926,181)	(604,357)
Experience adjustments on plan liabilities	14,698	50,372	47,728	(283,854)	149,337
Experience adjustments on plan assets	-	(2,078)	186,340	(32,994)	(15,437)

### 23. Leases

Operating lease: company as lessee

The Company has entered into operating cancellable lease agreements for its office premises/ Godown for a period of 3-5 years. There are no clauses relating to renewal / escalation. There are no subleases. The lease rental charged during the year is as follows:

	31 March 2017 Rs.	31 March 2016 Rs.
Lease payments recognized in statement of profit and loss account for the year	2,475,997	2,303,174
	2,475,997	2,303,174

#### 24. Segmental Information:

##### Business Segments:

The Company operating businesses are organized and managed separately according to the nature of services provided, with each segment representing a strategic business unit that serves different markets. The Company principal business is sale of television programmes and motion pictures production and distribution.

	Continuing Operations				Consolidated	
	Television Motion		Pictures		Total	
	2017	2016	2017	2016	2017	2016
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
<b>Revenue</b>						
External sales (net of service tax)	2,88,78,254	5,04,08,868	-	-	2,88,78,254	5,04,08,868
Other income	-	-	-	-	-	-
Inter-segment sales	-	-	-	-	-	-
<b>Total revenue</b>	<b>2,88,78,254</b>	<b>5,04,08,868</b>	<b>-</b>	<b>-</b>	<b>2,88,78,254</b>	<b>5,04,08,868</b>
<b>Results</b>						
Segment result	(81,56,931)	(27,85,42,374)	-	(94,000)	(81,56,931)	(27,86,36,374)
Unallocated expenses					(1,66,74,837)	(1,80,37,833)
Operating profit					(2,48,31,768)	(29,66,74,207)
Finance costs					(90,239)	(1,70,466)
Other income including finance income					21,35,467	4,56,136
Exceptional Items					-	-
Profit before tax					(2,27,86,540)	(29,63,88,537)
Income taxes					-	-
<b>Net profit</b>					<b>(2,27,86,540)</b>	<b>(29,63,88,537)</b>
Segment assets	72,53,56,741	71,77,49,105	33,04,38,147	55,83,03,151	1,05,57,94,887	1,35,63,75,354
Unallocated assets					1,72,28,32,117	1,45,13,87,980
<b>Total assets</b>					<b>2,77,86,27,005</b>	<b>2,80,77,63,334</b>
Segment liabilities	(41,91,11,520)	(36,46,30,702)	(2,50,22,877)	(20,48,474)	(44,41,34,397)	(44,70,02,275)
Unallocated liabilities					(3,86,17,251)	(4,20,02,903)
<b>Total liabilities</b>					<b>(48,27,51,648)</b>	<b>(48,90,05,178)</b>
<b>Other segment information</b>						
Capital expenditures :						
Tangible assets					45,000	(11,23,867)
Depreciation	-	44,576	-	-	6,44,135	12,32,788
Other non-cash expenses	-	-	-	-	76,01,819	82,29,331

Geographical Segments - The Company operates in one geographical segment, i.e. India.



## 25. Related party disclosures

Related parties with whom transactions have taken place during the year

Related parties where control exists irrespective of whether transactions have occurred or not :- Major shareholders having control over the company	Shri Subrata Roy Sahara Shri Joy Broto Roy Smt. Swapna Roy
Enterprises owned or significantly influenced by major shareholders, key management personnel or their relatives	Sahara Global Mastercraft Ltd. Sahara Hospitality Ltd. Sahara India Commercial Corporation Ltd. Aamby Valley Ltd. Sahara India Mass Communication, partnership firm Sahara India Tourism Development Corporation Ltd. Sahara India, partnership firm Sahara Infrastructure & Housing Ltd. Sahara Prime City Limited Sahara Sanchar Ltd. Sahara India Financial Corporation Limited
Key Management Personnel	Smt. Rana Zia, Wholetime Director (From 14.11.2015) Shri P C Tripathy, Chief Finance Officer (From 14.02.2016) Shri Sukhmendra Kumar, Company Secretary (From 14.11.2015)

### Related party transactions

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

#### A. Transaction during the year

		31 March 2017	31 March 2016
Sahara India Commercial Corporation Ltd.	Interest received	100,973	-
Sahara Infrastructure & Housing Ltd.	Other expenses	157,118	-
Sahara India Commercial Corporation Ltd.	Loan given	6,500,000	-

#### B. Loans and advances

	31 March 2017	31 March 2016
Aamby Valley Ltd.	8,032	8,032
Sahara Hospitality Ltd.	3,400	3,400
Sahara Global Mastercraft Ltd.	2,400	2,400
Sahara India Tourism Development Corporation Ltd.	20,280	20,280
Sahara India Commercial Corporation Ltd.	6,600,973	-
Sahara India	55,273	102,603
Sahara India Mass Communication	-	67,510
Sahara India Financial Corp. Ltd	487,119	-

#### C. Trade payables

	31 March 2017	31 March 2016
Sahara Prime City Limited	281,523	281,523
Sahara Infrastructure & Housing Ltd.	1,957,567	1,825,445
Sahara Sanchar Ltd.	44,112	44,112
Sahara India Mass Communication	357,179	424,689





#### D. Advances given for purchase of shares

	31 March 2017	31 March 2016
Sahara India Commercial Corporation Ltd.	-	185,000,000

#### E. Remuneration to key managerial personnel

	31 March 2017 Rs.	31 March 2016 Rs.
Shri Nitin Raghuvanshi (from 01.11.2014 to 31.05.2015)	-	633,440
Shri Sanjay Garg (till 14.11.2015)	-	2,378,997
Shri P. C. Tripathy (from 14.02.2016)	774,323	85,275

The remuneration to the key managerial personnel does not include the provisions made for gratuity and leave benefits, as they are determined on an actuarial basis for the Company as a whole.

#### 26. Capital and other commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for, are Rs. Nil (31 March 2016: Rs. Nil)

#### 27. Contingent liabilities

##### D. Advances given for purchase of shares

	31 March 2017 Rs.	31 March 2016 Rs.
a) Income Tax in respect of Assessment Years 2000-01 to 2013-14 in respect of which the Company has gone on appeal. Based on judicial pronouncements, the Company's claim is likely to be accepted by the appellate authorities.	479,460,294	493,460,294
b) Custom case pending at appellate authorities in respect of financial year 2008-09.	445,000	445,000

The Company is contesting the demands and the management, including its tax advisors, believe that its position will likely be upheld in the appellate process. No tax expense has been accrued in the financial statements for the tax demand raised. The management believes that the ultimate outcome of this proceeding will not have a material adverse effect on the company's financial position and results of operations.

28. In the matter of dispute in respect of repayment of Optionally Fully Convertible Debentures (OFCDs) by two group companies, namely Sahara India Real Estate Corporation Limited. & Sahara Housing Investment Corporation Limited, the Hon'ble Supreme Court of India vide its order dated 21-11-2013 had directed that Sahara Group of Companies shall not part with movable and immovable properties and accordingly Security and Exchange Board of India (SEBI) has seized the company's Fixed Deposit and Non Current Investment. Subsequent to this, Hon'ble Supreme Court vide its order dated 4th June, 2014 has directed to defreeze the Fixed Deposit account of the company subject to condition that total proceeds would be transferred to special account opened by the SEBI. Accordingly, the company has transferred an amount of Rs 694,027,883 to Sahara-SEBI Refund account. However, the company's management strongly believes that the money deposited is recoverable and will be received back alongwith interest, as the amount in Sahara - SEBI Refund Account is in the shape of Fixed Deposit. However, the Company has not accrued any interest on this amount.

#### 29. Unhedged foreign currency exposure

Particulars of unhedged foreign currency exposure as at the reporting date

Particulars	Amount
Advance from customers	USD 41,203 (31 March 2016: USD 41,203)
	Rs 2,578,929 (31 March 2016:Rs Rs 2,578,929)

#### 30. Details of dues to micro and small enterprises as defined under the Micro, Small and Medium Enterprises (MSMED) Act, 2006

As per the information available with the Company, no amounts are due to Micro, Small and Medium Enterprises as per MSMED Act, 2006 as at 31 March 2017. (31 March 2016: Nil)





**31. Expenditure in foreign currency (accrual basis) - Nil**

**32. Earnings in foreign currency (accrual basis)**

	31 March 2017	31 March 2016
	Rs.	Rs.
Revenue from operations - sale of content	38,78,254	36,618
	38,78,254	36,618

33. During the year, the Company had specified Bank Notes (SBNs) or other denomination notes as defined in the MCA notification, G.S.R. 308 (E), dated March 31, 2017. The details of SBNs held and transacted during the period from November 8, 2016 to December 30, 2016, the denomination-wise SBNs and other notes as per the notification as follows:

Particulars	SBNs Rs.	Other denomination notes Rs.	Total Rs.
Closing cash in hand as on Nov 8, 2016	11,000	131,267	142,267
Add: Permitted receipts (Cash withdrawn from bank account)	Nil	250,000	250,000
Less: Permitted payments	Nil	54,898	54,898
Less: Amount deposited in banks	11,000	Nil	11,000
Closing cash in hand as on Dec 30, 2016	Nil	326,369	326,369

**33. Previous year's figures have been regrouped where necessary to conform to this year's classification.**

For and on behalf of the Board of Directors of Sahara One Media and Entertainment Limited

**For D.S. Shukla & Co.**  
Firm Registration No. 000773C  
Chartered Accountants

**O. P. Srivastava**  
Director  
DIN- 00144000

**Rana Zia**  
Whole Time Director  
DIN - 07083262

**A.K. Dwivedi**  
Partner  
Membership No.78297  
Mumbai: May 23, 2017

**P. C. Tripathy**  
Chief Financial Officer

**Sukhmendra Kumar**  
Company Secretary

## Side Perporation (Front)



### Form No. SH-13 Nomination Form

[Pursuant to Section 72 of the Companies Act, 2013 and Rule 19(1) of the Companies (Share Capital and Debentures) Rules 2014]

To  
**Sahara One Media And Entertainment Limited**  
Sahara India Point, CTS 40-44, S.V. Road,  
Goregaon (W), Mumbai-400 104.

I/We \_\_\_\_\_ the holder(s) of the securities particulars of which are given hereunder wish to make nomination and do hereby nominate the following persons in whom shall vest, all the rights in respect of such securities in the event of my/our death.

(1) Particulars of the Securities (in respect of which nomination is being made)

Nature of securities	Folio No.	No. of securities	Certificate No.	Distinctive No.

(2) PARTICULARS OF NOMINEE/S-

- (a) Name:
- (b) Date of Birth:
- (c) Father's/Mother's/Spouse's name:
- (d) Occupation:
- (e) Nationality
- (f) Address:
- (g) E-mail id:
- (h) Relationship with the security holder:

(3) IN CASE NOMINEE IS A MINOR--

- (a) Date of birth:
- (b) Date of attaining majority
- (c) Name of guardian:
- (d) Address of guardian:

Name of the Security Holder(s) Signature

- 1.
- 2.
- 3.

Name of witness Signature of Witness with date

Address of witness: \_\_\_\_\_

\_\_\_\_\_

Place:

Date: \_\_\_ / \_\_\_ / \_\_\_



## Side Perporation (Back)



### INSTRUCTIONS:

1. The Nomination can be made by individuals only, applying / holding Shares on their own behalf, singly or jointly. Non-individuals including society, trust, body corporate, partnership firm, Karta of Hindu Undivided Family, Holder of power of attorney cannot nominate. If the Shares are held jointly, all joint holders will sign the nomination form. If there are more than one joint holders, more sheets can be added for signatures of holders of Shares and witnesses.
2. A minor can be nominated by a holder of Shares and in that event, the name and address of the guardian shall be given by the holder.
3. The nominee shall not be a trust, society, body corporate, partnership firm, Karta of Hindu Undivided Family or Power of Attorney holder. A non-resident Indian can be a nominee on repatriable basis.
4. Nomination stands rescinded upon transfer of Shares.
5. Transfer of Shares in favour of a Nominee shall be a valid discharge by a Company against the legal heir.
6. The Nomination Form shall be filed in duplicate with the Share Transfer Agent or at the Registered Office of the Company.

# Side Perporation



## SAHARA ONE MEDIA AND ENTERTAINMENT LIMITED

CIN: L67120MH1981PLC024947

REGISTERED OFFICE Sahara India Point, CTS 40 - 44, S.V. Road,  
Goregaon (West), Mumbai - 400 104. Tel: 022 4293 1818. Fax: 022 4293 1870.  
E-mail: investors@sahara-one.com Website: www.sahara-one.com.

### Proxy form

[Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the member (s): \_\_\_\_\_

Registered address: \_\_\_\_\_

E-mail Id: \_\_\_\_\_

Folio No/ Client Id: \_\_\_\_\_ DP ID: \_\_\_\_\_

I/We, being the member(s) holding \_\_\_\_\_ shares of the above named Company, hereby appoint

1) Name: \_\_\_\_\_ E-mail Id: \_\_\_\_\_

Address: \_\_\_\_\_

Signature: \_\_\_\_\_ or failing him

2) Name: \_\_\_\_\_ E-mail Id: \_\_\_\_\_

Address: \_\_\_\_\_

Signature: \_\_\_\_\_ or failing him

3) Name: \_\_\_\_\_ E-mail Id: \_\_\_\_\_

Address: \_\_\_\_\_

Signature: \_\_\_\_\_ or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the ..... Annual general meeting of the Company, to be held on the ..... day of ..... At ..... a.m./p.m. at ..... (place) and at any adjournment thereof in respect of such resolutions as are indicated below:

S.NO	RESOLUTIONS	FOR	AGAINST

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 20 \_\_\_\_\_

Signature of shareholder \_\_\_\_\_

Signature of Proxy holder(s) \_\_\_\_\_

Affix  
Revenue  
Stamp

Note: 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.



Side Perporation



**SAHARA ONE MEDIA AND ENTERTAINMENT LIMITED**

CIN: L67120MH1981PLC024947

REGISTERED OFFICE Sahara India Point, CTS 40 - 44, S.V. Road,  
Goregaon (West), Mumbai – 400 104. Tel: 022 4293 1818. Fax: 022 4293 1870.  
E-mail: investors@sahara-one.com Website: www.sahara-one.com.

**ATTENDANCE SLIP**

I hereby record my presence at the Thirty Sixth Annual General Meeting of SAHARA ONE MEDIA AND ENTERTAINMENT LIMITED held on Thursday 28th September, 2017 at 2.30 P.M. at the Registered Office of the Company at Sahara India Point, CTS 40-44, S.V. Road, Goregaon (W), Mumbai-400 104.

Folio No. \_\_\_\_\_ DP ID No.\* \_\_\_\_\_ Client ID No.\* \_\_\_\_\_

(\*Applicable for members holding Shares in electronic form)

Name \_\_\_\_\_

(IN BLOCK CAPITAL)

Address \_\_\_\_\_

Signature of Shareholder/Proxy: \_\_\_\_\_

Name of Shareholder: \_\_\_\_\_

NOTE: Please fill this attendance slip and hand over at the entrance of the hall / meeting venue.

## Side Perporation



**SAHARA  
INDIA PARIWAR**

**SAHARA ONE MEDIA AND ENTERTAINMENT LIMITED**

CIN: L67120MH1981PLC024947

REGISTERED OFFICE Sahara India Point, CTS 40 - 44, S.V. Road,  
Goregaon (West), Mumbai – 400 104. Tel: 022 4293 1818. Fax: 022 4293 1870.

E-mail: investors@sahara-one.com Website: www.sahara-one.com.

[Pursuant to section 109(5) of the Companies Act, 2013 and rule 21(1)(c) of the  
Companies (Management and Administration) Rules, 2014]

Name of the Company	Sahara One Media And Entertainment Limited CIN : L67120MH1981PLC024947
Registered office	Sahara India Point, CTS 40-44, S.V. Road, Goregaon (West), Mumbai - 400 104..

### BALLOT PAPER

Sr. No.	Particulars	Details
1.	Name of the First named Shareholder (In block letters)	
2.	Postal address	
3.	Registered folio No. / * Client ID No. (*Applicable to investors holding shares in dematerialized form)	
4.	Class of Share	Equity

I hereby exercise my vote in respect of Ordinary / Special Resolutions enumerated below by recording my assent or dissent to the said resolutions in the following manner:

No.	Item No.	No. of shares held by me	I assent to the resolution (?)	I dissent from the resolution (?)
	<b>Ordinary Business:</b>			
1.	Adoption of the Audited Financial Statements of the Company for the financial year ended 31st March, 2017 and the Reports of the Board of Directors and Auditors thereon.			
2.	Appoint a director in place of Shri O. P. Srivastava, who retires by rotation and being eligible, offers himself for re-appointment.			
3.	To ratify appointment of Statutory Auditors' M/s D.S Shukla & Co., Chartered Accountants, Mumbai of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the 37th Annual General Meeting of the Company subject to ratification by members at every Annual General Meeting, at a remuneration to be fixed by the Board of Directors of the Company.			
	Place: Sahara India Point, CTS 40-44, S.V. Road, Goregaon (West), Mumbai 400104 Date:	Signature of the shareholder(s) / Proxy Holder		