NEXT MEDIAWORKS LIMITED

September 12, 2017

The Listing Department
The National Stock Exchange of India Ltd.
Exchange Plaza, 5th floor,
Plot No. C/1, 'G' Block,
Bandra-Kurla Complex, Bandra (East),
Mumbai-400051.

The General Manager
The Corporate Relationship Department
Bombay Stock Exchange Limited
1st floor, Rotunda Building,
Dalal Street,
Mumbai-400001.

Dear Sir,

Subject: Annual Report for the year 2016-17 along with Notice of AGM.

Pursuant to Regulation 34(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 please find attached the 36th Annual Report of the Company for the Financial year 2016-17 along with Notice of the 36th Annual General Meeting ("AGM").

As informed earlier vide our letter dated 29th August 2017, the 36th AGM was adjourned for want of minimum quorum which could not assemble on account of heavy rains. The said AGM was then adjourned to Monday, 11th day of September, 2017.

Kindly take the same on your record and acknowledge the receipt.

Thanking you,

Yours faithfully,
For **NEXT MEDIAWORKS LIMITED**

NEXT MEDIAWORKS LIMITED MUMBAI

MANDAR GODBOLE
COMPANY SECRETARY
Encl: a/a

"Unit I-17, 18 and 19, 10th Floor,
The Everest Building, 156, D J Dadajee Road,
Tardeo, Mumbai- 400 034"
+91 22 67527016
www.nextmediaworks.com
CIN : L22100MH1981PLC024052

NEXT MEDIAWORKS LIMITED



NEXT MEDIAWORKS LIMITED
ANNUAL REPORT 2016-2017

Corporate Information

Board of Directors
Tarique Ansari
Chairman & Managing Director

Adille Sumariwalla
Independent Director

I. Venkat
Independent Director

Dilip Cherian
Independent Director

Rajbir Singh Bhandal
Independent Director

Monisha Shah
Independent Director

Chief Financial Officer
Ismail Dabhoya

Company Secretary and Compliance officer
Mandar Godbole

Auditors
M/s. Haribhakti & Co. LLP

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

Bankers
Bank of Baroda
RBL Bank Limited

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

36th Annual General Meeting
on Tuesday, 29th August, 2017
at 3.00 p.m. at
Nehru Centre Conference,
Hall of Harmony, Dr. Annie Besant Road,
Worli, Mumbai-400018

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MESSAGE FROM THE CHAIRMAN



"This has been a pivotal year in our radio business. New competition and a choppy economy have led to some challenges in the business but we have continued to invest in people and our core strengths of differentiation and audience super engagement while delivering extraordinary returns on marketing investments to our advertisers."

Dear Shareholders,

It gives me great pleasure in welcoming you all to the 36th Annual General Meeting of our Company. As we come to the close of another financial year, it's time to take stock of what we have achieved and then look at the roadmap we have drawn for the future.

YEAR GONE BY:

Economy overview:

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

Industry Overview

Facing headwinds from an adverse economic environment, the FM radio industry had some significant developments in 2016-17. New licenses issued under the Phase III policy came to market as operating stations, increasing both competition for the listener and an increased supply of advertising inventory. This has led to most existing players in the FM radio industry seeing an increase in costs and a flattening of advertising revenue in the short term.

However, despite the short term challenges, there is broad consensus that the radio industry is poised to grow at a rapid clip in the years to come. The FICCI report on the media industry reflects an expectation that the industry will grow at a CAGR of 16% over the next 5 years, second only to the growth in digital advertising.

Projected advertising revenue

Overall industry size (INR billion) (For calendar years)	2016	2017P	2018P	2019P	2020P	2021P	CAGR (2016-20121P)
TV	201.2	225.4	256.9	298.0	342.7	349.1	14.4%
Print	201.3	215.0	233.3	254.9	276.2	296.0	8%
Radio	**22.7**	**26.4**	**30.7**	**35.9**	**41.5**	**47.8**	**16.1%**
Digital advertising	76.9	101.5	134.0	174.3	226.5	294.5	30.8%
OOH	26.1	29.0	32.5	36.4	40.8	45.7	11.8%

[Source: KPMG India – FICCI Report 2017]

Operational Overview

As you all are aware, your Company operates through its subsidiary viz. Next Radio Limited (NRL) which operates as private FM radio broadcaster under the brand "Radio One" in top 7 cities of the country viz. (i) Delhi, (ii) Mumbai, (iii) Chennai, (iv) Kolkata, (v) Bengaluru, (vi) Pune, and (vii) Ahmedabad.

The Financial year 2016-17 was marked not only by challenges in the larger economy but also by increased competition in the space. This led to a dramatic increase in advertising inventory, a drop in effective rates and a resultant slowing of revenue growth. The war for talent and the need to compete for the listener and advertiser has led to an increase in operating costs. You therefore see sluggish growth in revenue and a decrease in our EBIDTA for the year from the previous period.

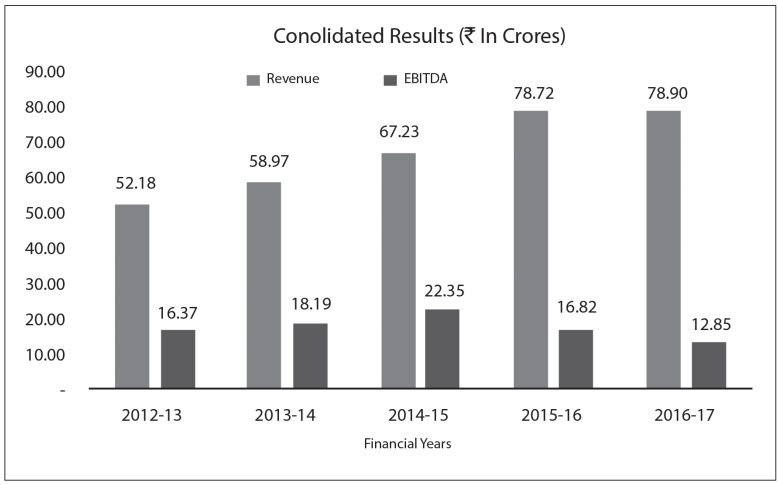
Challenging times call for a renewed focus. Next Radio Limited has a strategy of content differentiation and audience super-engagement and it is because of this approach that we stand out in the market. In order to further strengthen our

MESSAGE FROM THE CHAIRMAN

differentiation we converted our Bengaluru station from a Bollywood play to an International station. This also creates the only International network across the three most significant markets in the country: Mumbai, Delhi and Bengaluru. In addition, during the year we have invested in people and new talent to address new competition in our cities and to sustain our position of being differentiated in each city where we operate.

We expect that the challenges in the economy and the industry will settle over the coming fiscal, and we are ensuring that we are well prepared to reap the benefits of growth as the winds of change and good fortune turn to our advantage.

Financial Overview



- During the year under review, on a standalone basis, Company's revenues increased by 73.23% and stood at ₹112.24 lacs. The Company posted a loss of ₹ 274.36 lacs.
- Despite various operational challenges, the revenue of Next Radio Limited remained stable during the financial year 2016-17 at ₹ 8,012.24 Lacs. While Next Radio Limited did manage to maintain stability in its top line, the EBIDTA dipped by 19.31% and stood at ₹ 1,557.61 Lacs.
- On a consolidated basis, your Company's revenues remained stable and stood at ₹ 7,889.82 lacs while posting a loss of ₹ 814.60 lacs.

GOING FORWARD:

This has been a pivotal year for the FM radio industry. Demonetization, intense competition and a choppy economy did pose some challenges to our business but we have continued to invest in people and our core strengths of content differentiation and audience super engagement while delivering extraordinary returns on marketing investments to our advertisers. The coming year will be one of slow consolidation as the economy rises and marketers start investing in advertising. However, I am extremely excited about the opportunities post the recovery, and as a measure of that excitement, the promoters have enhanced our investment in the company through a preferential allotment of shares in this fiscal. The future is bright and we are excited to be a part of this journey.

ACKNOWLEDGEMENT:

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

Thank you,

Tarique Ansari
Chairman & Managing Director

MANAGEMENT DISCUSSION AND ANALYSIS

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

A. MEDIA INDUSTRY STRUCTURE AND DEVELOPMENTS:

1. General Business Environment:

As per FICCI-KPMG – Indian Media and Entertainment Industry Report 2017, the Indian media and entertainment industry in 2016 was able to sustain a healthy growth on the back of strong economic fundamentals and steady growth in domestic consumption, coupled with growing contribution of rural markets across key segments. The industry grew by an estimated 14.6% in 2016-17 with revenues standing at 22.67 billion and having a steady CAGR (2012-2016) of 14.54%.

The major highlight of the year 2016-17 has been the evolution of FTA channels post expansion of rural measurement in the television segment, coupled with the impact of the 4G rollout and the resulting price wars. Both these factors have resulted in media consumption penetrating deeper into India, resulting in a realignment of strategy by media companies and advertisers alike. Compared to 2016, the industry is projected to grow at a faster pace of 14 % over the period of 2017-21, with advertising revenues expected to increase at a CAGR of 15.3 %. The year 2017 is likely to witness a marginally slower rate of 13.1 % as the economy recovers from the lingering effects of demonetization and initial uncertainties arising from the implementation of the Goods and Services Tax.[Source: KPMG India – FICCI Report 2017]

Advertising Revenue size:

Overall industry size (INR billion) (For calendar years)	2012	2013	2014	2015	2016	Growth in 2016 over 2015
TV	124.8	135.9	154.9	181.3	201.2	11%
Print	149.6	162.6	176.4	189.3	201.3	6.3%
Radio	**12.7**	**14.6**	**17.2**	**19.8**	**22.7**	**14.6%**
Digital advertising	21.7	30.1	43.5	60.1	76.9	28%
OOH	18.2	19.3	22.0	24.4	26.1	7%

2. FM Radio Industry – Present & Future Outlook

The year 2016-17

The year 2016-17 witnessed two significant events that impacted the FM radio industry significantly, (a) demonetization and (b) operationalization of new stations acquired during the first stageof auctions under Phase-III policy.

While the first half of the year 2016-17 saw increase in the marketing spends of several sectors, the last five months of the year were impacted by the government's move on demonetization which marred the marketing spends across the country. The FM radio industry, like all other industries, also suffered as business sentiment reduced in the months post the demonetization. The consumer and realty sectors,

Management Discussion & Analysis

which act as a major source of advertising revenue, got badly hit by the demonetization move which resulted in a serious dip in their businesses. This further led to such sectors pulling back their advertising spends which affected the top line of most of the FM radio broadcasters. Since most of the FM radio broadcasters earn their revenues only through advertising, the second half of the year proved more than challenging to the FM radio industry to increase its top line.

During the year 2016-17, most of the stations that were acquired during the first batch of auctions under Phase-III policy were operationalized. However, delay in rolling out of stations allotted in the first batch of the Phase-III auctions coupled with a somewhat dry response to the second batch of the Phase-III auctions also had a bearing on the overall growth of the industry in FY 2016-17. The year 2016-17 also witnessed intense competition with many new players entering the market. The advertising rates witnessed a dip as radio inventory was offered at low rates with an aim to gain entry in a crowded market.

Despite the impact of demonetization and aggressive competition, the industry grew by 14.6% in 2016-17 with revenues standing at 22.67 billion and having a steady CAGR (2012-2016) of 14.54%. However it is pertinent to note that a major chunk of this growth is attributable to the new stations that were acquired during the first stage auctions under Phase-III and got operationalized during FY 2016-17. A like-for-like growth for existing station has been negative.

Phase III policy of Radio Business:

The year 2016-17 saw conclusion of the second batch of auctions under Phase III, another step towards expansion of private radio industry in India. While the first batch attracted many bidders and was generally considered as successful, the second batch failed to evoke a similar response. The second batch offered 266 channels in 92 cities comprising of 227 channels in 69 new cities and 39 unsold channels from the first batch in 23 cities. Of the 266 channels, only 66 channels in 48 cities were sold during the auction for a cumulative bid price of ₹ 2 billion as against the aggregate reserve price of ₹ 1.89 billion. Phase III policy auctions, if completed successfully, is expected to boost the FM radio industry in a big way, especially in smaller towns. The expansion of the FM radio industry will not only take it to a new level but will also generate employment, penetration of services is likely to increase as national advertisers would bank on low ad rates.

Future Outlook:

Projected advertising revenue

Overall industry size (INR billion) (For calendar years)	2016	2017P	2018P	2019P	2020P	2021P	CAGR (2016-20121P)
TV	201.2	225.4	256.9	298	342.7	349.1	14.4%
Print	201.3	215	233.3	254.9	276.2	296	8%
Radio	**22.7**	**26.4**	**30.7**	**35.9**	**41.5**	**47.8**	**16.1%**
Digital advertising	76.9	101.5	134	174.3	226.5	294.5	30.8%
OOH	26.1	29	32.5	36.4	40.8	45.7	11.8%

[Source: KPMG India – FICCI Report 2017]

The industry is looking forward to some critical factors such as: increase in listener base, positive economic growth, wider penetration in tier II and tier III cities and better pricing for the remaining Phase III auctions, which will play a major role in taking the industry to another level. With increase in the number of channels offered under Phase III, the industry players have an opportunity to tap larger market by penetrating

Management Discussion & Analysis

their reach in the tier II and tier III cities. Further, as a result of deeper market penetration, it is expected that there will be a significant increase in the advertising spends. One of the highlights of the Phase III policy which allows broadcast in multiple frequencies with differentiated content to markets having vast diversities will have a positive impact on the industry's reach. With factors such as operationalization of new channels, impact of demonetisation and increase in the ad rates by the operators as demand increases, the industry is expected to grow at 16.3% in 2017-18.

3. Discussion On Operational & Financial Performance:

A. Operational Review:

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

NRL has policy of content differentiation and audience engagement and it is because of this policy that "Radio One" stands out in the market. During the FY 2016-17, NRL changed its format in the city of Bangalore from regional and Bollywood to "International" and the response has been encouraging. NRL has the only International network in the three largest cities in the country – Mumbai, Delhi and Bengaluru.

B. Financial Performance of the Company in FY 2016-17:

During the year under review, on a standalone basis, revenues of the Company increased by 42.27% and stood at ₹ 112.24 lacs. The Company posted loss of ₹ 274.36 lacs as against Rs. 11,963.80 lacs in the previous year. On a consolidated basis, your Company's revenues were stable and stood at ₹ 7,889.82 lacs. The Company posted loss of ₹ 814.60 lacs as against loss of ₹ 9,560.12 lacs in the previous year.

During the previous year, the Company had made provision of ₹ 11,709.54 lacs on account of diminution in the value of its investments in its subsidiary viz. Next Radio Limited ("NRL") as a result of the Scheme of Capital Reduction of NRL being approved by the Hon'ble High Court at Bombay. On a consolidated basis, your Company's revenue were stable and stood at ₹ 7,899.82 lacs. The Company posted loss of ₹ 814.60 lacs as against loss of ₹ 9,560.12 lacs in the previous year. The reduction in loss on a standalone and consolidated basis, as compared to previous year, is on account of the aforementioned one-time provision made by the Company in the previous year.

C. Financial Performance of Next Radio Limited (Company's Subsidiary) in FY 2016-17:

The financial year 2016-17 witnessed intense competition in the private FM radio industry with many new stations, which were acquired during the first stage of Phase III auctions, getting operationalized. The advertising rates witnessed a dip as radio inventory was offered at low rates with an aim to gain entry in a crowded market. This posed a great challenge to NRL which still managed to maintain stability in its top line. Additionally, the last two quarters were affected by the government's move on demonetization with majority of the sectors, FMCG, realty to name a few, pulling back their advertising spends.

Despite few challenges, NRL's revenues from operations remained stable during the financial year 2016-17 and stood at ₹ 7,631.13 Lacs. However, NRL's EBIDTA was ₹ 1,557.61 Lacs which dipped by 19.31% as compared to the previous year.

Management Discussion & Analysis

Group Financial Performance for the FY 2016-17:

This Group performance is in context of the performance of Next Mediaworks Limited (consolidated with Next Radio Ltd and other subsidiaries). Next Radio Limited is the substantive part of the group financial performance. Through this note, we are providing shareholders the details on the performance of the financial year ended March 31, 2017.

(₹ In Lakhs)

Particulars	Next Mediaworks Limited		Next Radio Ltd		Group Consolidated
	2016-17	2015-16	2016-17	2015-16	2016-17
Operating Revenue	84.32	54.86	7,801.13	7,618.23	7,801.13
Other Income	27.92	9.93	211.11	350.09	88.69
Operating Costs	237.47	206.52	6,454.63	6,037.97	6,603.72
EBITDA	(125.24)	(141.73)	1,557.61	1930.35	1,286.09
Finance Charges (Net)	147.63	106.62	946.32	652.81	948.12
Depreciation	1.50	5.91	1,151.08	1,347.69	1,152.58
Profit/(Loss) before exceptional items	(274.36)	(254.26)	(539.79)	(70.15)	(814.60)
Extra-ordinary item*	-	11,709.54	-	-	-
Prior period items	-	-	-	-	-
Profit/(Loss) before tax	(274.36)	(11,963.80)	(539.79)	(70.15)	(814.60)
Deferred Tax#	-	-	-	3,745.41	-
Profit/(Loss) after tax	(274.36)	(11,963.80)	(539.79)	(3,815.56)	(814.60)

**The Board of Directors of the subsidiary company Next Radio Limited had on June 18, 2015 approved a proposal for reduction of capital of the Company by cancelling approximately 68 shares out of 100 shares held as on date against the accumulated losses. Pursuant to approval for the same from the Hon'ble High Court at Bombay on April 1, 2016, the Company has provided for ₹ 11,709.54 Lakhs for provision for diminution in value of investment in Next Radio Limited. This has been disclosed as an extra-ordinary item in the financial statement of the Company. The Company has also recognized the provision for diminution in value of investment. On account of this the Goodwill recognized on consolidation amounting to ₹ 5489.67 lakhs has been written off fully and the same has been disclosed as extraordinary item in the consolidated financial statement.*

 # Next Radio Limited has unabsorbed carried forward losses and depreciation. As a matter of prudence, no deferred tax assets have been recognized and the Company has written off the deferred tax assets previously recognized.

D. Financial Cost Analysis:

Particulars	2016-17		2015-16	
	(in ₹ lakhs)	(% to Net Sales)	(in ₹ lakhs)	(% to Net Sales)
Radio License Fees	1,399	17.9	1,394	18.3
Employee Costs	2,551	32.7	2,164	28.4
Operating Expenses	1,448	18.6	1,295	17.0
General & Administration Expenses	1,057	13.6	1,186	15.6
Interest & Finance Charges	946	12.1	653	8.6
Depreciation	1,151	14.8	1,348	17.7

The Interest & Finance Charges have increased in FY 2016-17 as a result of debt availed by Next Radio Limited from bank to fund the migration fees paid to Ministry of Information and Broadcasting (MIB) for migrating its existing licenses from Phase II to Phase III.

Management Discussion & Analysis

4. OPPORTUNITIES & RISKS:

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

RISKS:

1. The FM radio broadcasting industry has, over a period of time, become competitive and the competition has further intensified with the completion of two stages of Phase-III auctions. Also, most of the FM radio broadcasters have migrated their existing licenses into Phase-III. The Phase-III policy allows multiple frequencies in the same city as well as networking across all cities by the FM radio broadcaster. This is likely to increase competition in the FM radio industry since the new entrants will look to establish themselves in the cities in which we operate. To combat the likely competition being faced from the new entrants, the existing FM radio broadcasters may resort to aggressive marketing to sustain their market share. This may further have an impact on the advertising rates in the cities that we operate in.

2. Apart from the competition within the industry, we also face competition from other segments of the media industry including television channels, magazines, newspapers, internet and other emerging technologies.

3. We are heavily dependent on advertisements as the main source of our revenue, especially as our FM radio stations are 'free to air', and therefore we do not derive any subscription revenue from our listeners. Any reduction in ad-spend by our customers or a reduction in our effective advertising rates, including as a response to the reduction in such rates by our competitors, or the loss of advertising customers or our inability to attract new advertising customers, could have a material adverse effect on our business, results of operations and financial condition.

4. Our business is substantially dependent on Government policies. There is often uncertainty concerning the impact of measures introduced by the Government on the business.

5. Our subsidiary viz. NRL is required to pay annual license fees to MIB and annual rental charges to other regulatory bodies such as Prasar Bharati and Broadcast Engineering Consultants India Limited. During FY 2015-16, MIB asked the incumbent Phase-II broadcasters to pay their "annual license fees" based on the One Time Entry Fee (OTEF) paid by new bidders in Phase-3, even though they had only migrated to Phase-3. This provision has caused a deep erosion of profits of many radio companies. This methodology has been challenged by all major players (including NRL) by filing a writ petition against MIB in the Hon'ble Delhi High Court and the matter is sub-judice. NRL has been paying the revised license fees to MIB under protest.

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

Management Discussion & Analysis

The outcome of the aforementioned matters will have an impact on NRL's profitability in the future.

6. The primary content of our radio stations is the music and sound recordings that we broadcast. We broadcast sound recordings that are in repertoire of PPL pursuant to the Compulsory License Order and Compulsory License issued by the Registrar of Copyrights. Further sound recordings played on our radio stations are also sourced from third party music providers and is regulated in terms of respective license agreements entered into with such third parties.

   If we fail to comply with terms and conditions of the Compulsory License issued by the Registrar of Copyrights it may be cancelled or any alteration to or termination of our current licensing agreements with third parties could have an adverse effect on our business, financial condition and results of operations.

   Risks Assessment Framework:

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

E. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

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

F. HUMAN RESOURCES:

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

Maintaining Global Standards on the employment front and keeping pace with the ever developing technology in the field, the company has taken several initiatives to make its workforce more efficient, well organized, professional and skilled. These steps include building high performing teams, encouraging innovations, inducting leadership at all levels, readying its people for higher roles, increasing the scope for the search of young talent and improving the hiring process to raise the talent bar. As on March 31, 2017, the employee strength of Next Radio Limited (material subsidiary of your Company) was 161.

Cautionary Statement

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

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

DIRECTORS' REPORT

TO THE MEMBERS,

Your Directors have pleasure in presenting their 36th Annual Report together with the Audited Accounts of the Company for the year ended 31st March 2017.

1. FINANCIAL PERFORMANCE:

(₹ In Lakhs)

Particulars	Standalone		Consolidated	
	2016-17	2015-16	2016-17	2015-16
Income	**112.24**	64.79	**7,889.82**	7,871.69
Profit/(Loss) before Finance Cost & Exceptional Items	**(126.73)**	(147.65)	**133.53**	328.02
Finance Cost	**147.63**	106.62	**948.12**	653.05
Profit/(Loss) after Finance Cost but before Extra-Ordinary Items	**(274.36)**	(254.26)	**(814.60)**	(325.04)
Extra-Ordinary Items	**-**	11,709.54	**-**	5,489.67
Profit/(Loss) before Tax	**(274.36)**	(11,963.80)	**(814.61)**	(5,814.71)
Tax Expense	**-**	-	**-**	3,745.41
Profit/(Loss) after Tax	**(274.36)**	(11,963.80)	**(814.61)**	(9,560.14)

During the year under review, on a standalone basis, revenues of the Company increased by 73.23% and stood at ₹ 112.24 lacs. The Company posted loss of ₹ 274.36 lacs as against ₹ 11,963.80 lacs in the previous year. On a consolidated basis, your Company's revenues were stable and stood at Rs. 7,889.82 lacs. The Company posted loss of ₹ 814.61 lacs as against loss of ₹ 9,560.14 lacs in the previous year.

During the previous year, the Company had made provision of ₹ 11,709.54 lacs on account of diminution in the value of its investments in its subsidiary viz. Next Radio Limited ("NRL") as a result of the Scheme of Capital Reduction of NRL being approved by the Hon'ble High Court at Bombay. The reduction in loss on a standalone and consolidated basis, as compared to previous year, is on account of the aforementioned one-time provision made by the Company in the previous year.

2. DIVIDEND:

In view of the loss incurred by the Company during the year under review, your Directors do not recommend any dividend for the financial year ended 31st March 2017.

3. FINANCE:

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

4. CHANGE IN THE REGISTERED OFFICE:

During the year under review, the Company changed it's Registered Office from "156, D. J. Dadajee Road Behind Everest Building, Tardeo, Mumbai – 400 034" to its owned premises situated at "Office Nos. I-17, I-18 and I-19, 10th Floor, The Tardeo Everest Premises Co-operative Society Limited, 156, D. J. Dadajee Road, Tardeo, Mumbai – 400 034". The said change in the Registered Office was approved by the Board of Directors at its meeting held on 2nd February 2017.

Director's Report

5. SHARE CAPITAL:

During the year under review, the Company made an allotment of 1,557,632 (Fifteen Lacs Fifty Seven Thousand Six Hundred and Thirty Two) equity shares of ₹ 10/- each at a price of ₹ 22.47 (Rupees Twenty Two and Paise Forty Seven Only) each [incl. premium of ₹ 12.47 (Rupees Twelve and Paise Forty Seven Only)] aggregating to ₹ 34,999,991.04 (Rupees Three Crores Forty Nine Lacs Ninety Nine Thousand Nine Hundred and Ninety One and Paise Four Only) on preferential basis to Ferari Investments and Trading Company Private Limited (Promoter Group entity). The said preferential issue was approved by the shareholders at the Extra Ordinary General Meeting of the Company held on 17th March 2017.

Subsequent to the aforesaid allotment, the issued and paid-up share capital of the Company stands increased from ₹ 653,352,760/- (Rupees Sixty Five Crores Thirty Three Lacs Fifty Two Thousand Seven Hundred and Sixty Only) divided into 65,335,276 (Six Crores Fifty Three Lacs Thirty Five Thousand Two Hundred and Seventy Six) equity shares of ₹ 10/- (Rupees Ten Only) each to ₹ 668,929,080/- (Rupees Sixty Six Crores Eighty Nine Lacs Twenty Nine Thousand and Eighty Only) divided into 66,892,908 (Six Crores Sixty Eight Lacs Ninety Two Thousand Nine Hundred and Eight) equity shares of ₹ 10/- (Rupees Ten Only) each.

6. DEPOSITORY SYSTEM:

The Company's equity shares are compulsorily tradable in electronic form. As of 31st March 2017, 99.99% of the Company's total paid-up capital representing 66,891,019 equity shares is in dematerialized form. In view of the benefits offered by the depository system, members holding shares in physical mode are advised to avail the demat facility.

7. PUBLIC DEPOSITS:

Your Company did not invite or accept deposits from public during the year under review.

8. SUBSIDIARY COMPANIES:

Syngience Broadcast Ahmedabad Limited ("SBAL") was incorporated as a subsidiary of Next Radio Limited on 10th April, 2017. SBAL is the step-down subsidiary of the Company.

A statement containing salient features of the financial statement and related information of the subsidiaries in the prescribed format AOC-1 is provided in the consolidated financial statements and hence not repeated here for the sake of brevity.

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

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

9. CONSOLIDATED FINANCIAL STATEMENTS:

Your Directors have pleasure in attaching the Consolidated Financial Statements pursuant to the provisions of the Listing Agreement entered into with the Stock Exchanges and prepared in accordance with the Accounting Standards prescribed by the Institute of Chartered Accountants of India in this regard and forms part of the Annual Report.

Director's Report

10. AUDITED FINANCIAL STATEMENTS OF THE COMPANY'S SUBSIDIARIES:

The audited financial statements, the Auditors Report thereon and the Board's Report for the year ended 31st March 2017 for the Company's subsidiary i.e. Next Radio Limited is annexed to this Report. Further a summary of the financial position of all the subsidiaries is also provided in the report.

11. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

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

12. RELATED PARTY TRANSACTIONS:

All related party transactions that were entered into during the financial year were in compliance with the requirement of the Companies Act, 2013 and the Rules framed thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. All Related Party Transactions are placed before the Audit Committee and also the Board, as the case may be, for approval. A statement giving details of all related party transactions is placed before the Audit Committee and the Board of Directors for their approval / noting on a quarterly basis.

During the year under review, the contracts or arrangements with related parties referred to in section 188 of Companies Act, 2013 have been on arms' length and in ordinary course of business and were not material in nature. Accordingly, the particulars of the transactions as prescribed in Form AOC - 2 of the rules prescribed under Chapter IX relating to Accounts of Companies under the Companies Act, 2013 are not required to be disclosed as they are not applicable.

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

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

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

14. DIRECTORS & KEY MANAGERIAL PERSONNEL:

(a) Directors:

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

(i) Mr. Adille Sumariwalla

(ii) Mr. Venkat Idupuganti

(iii) Mr. Dilip Cherian

(iv) Ms. Monisha Shah

(v) Mr. Rajbir Singh Bhandal

The Independent Directors of your Company have given the certificate of independence to your Company stating that they meet the criteria of independence as mentioned under Section 149(6) of the Companies Act, 2013.

Director's Report

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

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

(b) Key Managerial Personnel:

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

(i) Mr. Tarique Ansari – Chairman & Managing Director

(ii) Mr. Ismail Dabhoya – Chief Financial Officer

(iii) Mr. Mandar Godbole – Company Secretary & Compliance Officer

15. BOARD & COMMITTEE MEETINGS:

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

(a) Five (5) Board Meetings were held, details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

(b) Four (4) Audit Committee Meetings were held, details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

(c) Three (3) Risk Management Committee Meetings were held, details of which are given in the Corporate Governance Report.

(d) Three (3) Stakeholder Relationship Committee Meetings were held, details of which are given in the Corporate Governance Report.

(e) One (1) Nomination & Remuneration Committee Meeting was held, details of which are given in the Corporate Governance Report.

(f) One (1) Share Allotment Committee Meeting was held, details of which are given in the Corporate Governance Report.

16. BOARD EVALUATION:

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit Committee and the Nomination & Remuneration Committee. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

Director's Report

17. FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS:

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

18. REMUNERATION POLICY:

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

19. DIRECTORS' RESPONSIBILITY STATEMENT:

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

(a) in the preparation of the annual accounts for the financial year ended 31st March, 2017, the applicable accounting standards and Schedule III of the Companies Act, 2013, have been followed and there are no material departures from the same;

(b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of your Company as at 31st March, 2017 and of the profit and loss of the Company for the financial year ended 31st March, 2017;

(c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(d) the annual accounts have been prepared on a 'going concern' basis;

(e) proper internal financial controls laid down by the Directors were followed by the Company and that such internal financial controls are adequate and were operating effectively; and

(f) proper systems to ensure compliance with the provisions of all applicable laws were in place and that such systems were adequate and operating effectively.

20. STATUTORY AUDITORS:

M/s. Haribhakti & Co. LLP, Chartered Accountants have been the Company's Statutory Auditors for a period of more than ten years. In terms of their last re-appointment made at the 35th Annual General Meeting ("AGM") held on 5th August 2016, they are holding office up to the conclusion of the 36th AGM and hence, would retire at the conclusion of the forthcoming 36th AGM.

As per sub-section (2) of Section 139 of the Companies Act, 2013 ('the Act'), a listed company shall not appoint or re-appoint an audit firm as auditor for more than two terms of five consecutive years. Further, as per order dated 30th June 2016 issued by the Ministry of Corporate Affairs, a listed company is required to comply with the provisions of sub-section (2) of Section 139 of the Act within a period which shall not be later than the date

of the first annual general meeting of the company held after three years from the date of commencement of the Act.

Accordingly, M/s. Walker Chandiok & Co. LLP, (Regn. No.: 001076N) Chartered Accountants are proposed to be appointed as Statutory Auditors of the Company for a period of 1 year, commencing from the conclusion of 36th AGM till the conclusion of the 37th AGM, subject to ratification by members at the ensuing AGM.

The said appointment has been approved by the Board of Directors at Board Meeting held on 4th May, 2017.

M/s. Walker Chandiok & Co. LLP, (Regn. No.: 001076N) Chartered Accountants, have consented to the said appointment and confirmed that their appointment, if made, would be within the limits specified under Section 141(3)(g) of the Act. They have further confirmed that they are not disqualified to be appointed as statutory auditors in terms of the provisions of the proviso to Section 139(1), Section 141(2) and Section 141(3) of the Act and the provisions of the Companies (Audit and Auditors) Rules, 2014.

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

The Auditors' Report on the Standalone and Consolidated Annual Accounts do not contain any qualification. Members' attention is drawn to "Emphasis of Matter" stated in the Auditor's Report dated 4th May 2017 on the Standalone Financial Statements and in the Audit Report dated 4th May 2017 on the Consolidated Financial statements for the financial year ended 31st March 2017.

The Directors would like to state that the said matters are for the attention of members only and have been explained in detail in the relevant notes to accounts as stated therein and hence require no further clarification.

22. SECRETARIAL AUDIT:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed M/s. A. Y. Sathe & Co., Company Secretaries to undertake the Secretarial Audit of the Company for the financial year ended 31st March 2017. The Report of the Secretarial Audit is annexed herewith as **Annexure 'A'.**

With reference to the observation made by the Secretarial Audit Report dated 4th May 2017 regarding deficiency in the shareholding pattern filed with the Stock Exchange for the quarter ended 31st March, 2017, we wish to state that the Company had filed corporate action forms with NSDL and CDSL for credit of 1,557,632 equity shares issued on preferential basis to Ferari Investments and Trading Company Private Limited (Promoter Co.). Since credit of the shares was pending as on 31st March 2017, the same were not included in the shareholding pattern filed by the Company for the quarter ended 31st March 2017.

23. INTERNAL FINANCIAL CONTROL SYSTEM:

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

The Company has a proper and adequate internal financial control system which ensures that all assets are safeguarded and protected and that the transactions are authorised, recorded and reported correctly. The Company's internal financial control system also comprises of compliances with the Company's policies and Standard Operating Procedures (SOPs), which is further reviewed by M/s T. R. Chadha & Co., LLP, the Internal Auditors. The Internal Auditors independently evaluate the adequacy of internal controls.

Director's Report

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

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

- All operations are executed through Standard Operating Procedures (SOPs) in all functional activities for which key manuals have been put in place. The manuals are updated and validated periodically.
- All legal and statutory compliances are ensured on a monthly basis for all locations in India through a fully automated tool. Non-compliance, if any, is seriously taken by the management and corrective actions are taken immediately.
- Approval of all transactions is ensured through a pre-approved delegation of authority schedule. The schedule is reviewed periodically by the management and compliance of the same is regularly checked and monitored by the auditors.
- The Company follows a robust internal audit process wherein audits are conducted on a regular basis throughout the year by the Internal Auditors as per agreed audit plan.
- The audit reports of the Internal Auditors are submitted to the Audit Committee and the Board for review and necessary action.
- The Company has a comprehensive risk management framework.
- The Company has a robust mechanism of building budgets at an integrated cross- functional level. The budgets are reviewed on a monthly basis so as to analyze the performance and take corrective action, wherever required.
- The Company has in place a well-defined Whistle Blower Policy / Vigil Mechanism.
- The Company has a system of Internal Business Reviews. All departmental heads discuss their business issues and future plans in monthly review meetings. They review their achievements in quarterly review meetings.
- Compliance of the secretarial functions is ensured by way of secretarial audit.

25. EXTRACT OF ANNUAL RETURN:

Pursuant to sub-section 3(a) of section 134 and sub-section (3) of section 92 of the Companies Act, 2013, read with Rule 12 of the Companies (Management and Administration) Rules, 2014 the extract of the annual return as on 31st March, 2017 forms part of this report as **Annexure 'B'.**

26. EMPLOYEE STOCK OPTION PLAN:

During the year, 66,660 options were exercised by one (1) employee pursuant to the Company's Employee Stock Option Scheme 2012 after the same were vested. The applicable disclosures as stipulated under the SEBI Regulations as on 31st March 2017 with regard to Employees Stock Option Plan are provided in **Annexure 'C'** to this report.

Director's Report

27. SEXUAL HARRASMENT POLICY:

During the year under review the Company has not received any complaint from the employees related to sexual harassment. The Company has in place sexual harassment policy which is available on the Company's website.

28. RISK MANAGEMENT:

The Company has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. These are periodically discussed at the meetings of the Company.

30. VIGIL MECHANISM:

Your Company is committed to highest standards of ethical, moral and legal business conduct. Accordingly, the Board of Directors has formulated a Whistle Blower Policy which is in compliance with the provisions of Section 177 (10) of the Companies Act, 2013 and Regulation 22 of the Listing Regulation. The policy provides for a framework and process whereby concerns can be raised by its employees against any kind of discrimination, harassment, victimization or any other unfair practice being adopted against them.

31. ENERGY CONVERSATION, TECHNOLOGY ABSORBTION AND FOREIGN EXCHANGE EARNING AND OUTGO:

A. Conversation of Energy: NIL

B. Technology Absorption: NIL

C. Foreign Exchange Earning: NIL

D. Foreign Exchange Outgo: NIL

For **Next Mediaworks Limited**
Sd/-
Tarique Ansari
Chairman & Managing Director
(DIN: 00101820)

Place: Mumbai
Date: 4th May 2017

ANNEXURE 'A'

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2017

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

To,

The Members,

Next Mediaworks Limited

Office Nos. I-17, I-18 and I-19,

10th Floor, The Everest Building,

156, D J Dadajee Road, Tardeo, Mumbai 400034

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

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

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

(i) The Companies Act, 2013 (the Act) and the Companies Act, 1956 (to the extent applicable) and the rules made thereunder;

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

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

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

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

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

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

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

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

2015.

(e) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999) which is now The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 & The Securities and Exchange Board of India Securities and Exchange Board of India (Share Based Employee Benefits) (Amendment) Regulations, 2015.

(f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not Applicable to the Company during the Audit Period);**

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

(h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not Applicable to the Company during the Audit Period);** and

(i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(Not Applicable to the Company during the Audit Period);**

(vi) As informed to me; **there are no other specifically applicable laws to the Company.**

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India

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

I) Companies Act, 2013:

a) The company has filed Form MGT-14, CHG-1, AOC-4 XBRL and MGT 7 with Registrar of Companies Maharashtra at Mumbai, beyond the prescribed time by paying relevant additional filing fees.

II) SEBI (Listing Obligation and Disclosure Requirements), 2015:

a) The shareholding pattern filed with the Stock Exchange for the quarter ended 31st March, 2017 doesn't include 1,557,632 equity shares allotted on 27th March, 2017. To this extent the disclosure is deficient.

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

I further report that -

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

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

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

I further report that there are adequate systems and processes in the Company commensurate with the size

and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period following instances took place:

(i) The Company has issued and allotted 1,557,632 equity shares of Rs. 10/- each at a price of Rs. 22.47/- per share including premium of Rs. 12.47/- per share, to Ferari Investments and Trading Company Private Limited on preferential basis, pursuant to the provisions of section 42, 62 of the Companies Act, 2013 and rules made thereunder and SEBI Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.

I further report that

During the audit period there were no instances of:

(i) Public/ Right/ debentures/ sweat equity, etc;

(ii) Redemption/ buy-back of securities;

(iii) Foreign technical collaborations.

For **A. Y. Sathe & Co.**
Company Secretaries
sd/-
CS Ajit Sathe
(Proprietor)
FCS No.2899
COP No. 738

Date: 4th May, 2017
Place: Mumbai

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

'ANNEXURE - I'

To,
The Members,
Next Mediaworks Limited
Office I-17, 18, 19, 10th Floor
156, D.J Dadajee Road
The Everest Buliding
Tardeo, Mumbai-400034

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

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

For **A. Y. Sathe & Co.**
Company Secretaries
sd/-
CS Ajit Sathe
(Proprietor)
FCS No.2899
COP No. 738

Date: 4th May, 2017
Place: Mumbai

ANNEXURE - B

EXTRACT OF ANNUAL RETURN
(As on the financial year ended 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 & OTHER DETAILS:

CIN	:	L22100MH1981PLC024052
Registration Date	:	13th March 1981
Name of the Company	:	Next Mediaworks Limited
Category / Sub-category of the Company	:	Public Company/Limited by shares
Address of the Registered Office and contact details	:	Office I-17, 18, 19, 10th Floor, 156, D.J Dadajee Road, The Everest Building , Tardeo, Mumbai-400034
Whether listed company Yes/No	:	Yes
Name, Address and Contact details of Registrar & Transfer Agent, if any.	:	M/s. Link Intime India Private Limited, C 101, 247, LBS Marg, Vikhroli West, Mumbai - 400083 Telephone: 022–25963838/ Facsimile: 022-49186060 e-mail : ashwini.nemlekar@linkintime.co.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

Sr. No.	Name and description of main services	NIC Code of the service	% to total turnover of the Company
1.	Publishing & Broadcasting	18111 & 60100	NIL

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sr. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Next Radio Limited Office I-17, 18, 19, 10th Floor 156, D.J. Dadajee Road, The Everest Building, Tardeo, Mumbai – 400034.	U32201MH1999PLC122233	Subsidiary	51.40%	2(87)ii
2	One Audio Limited 156, D.J. Dadajee Road, Behind Everest Building, Tardeo, Mumbai – 400034.	U92130MH1999PLC122230	Subsidiary	99.99%	2(87)ii
4	Next Outdoor Limited 156, D.J. Dadajee Road, Behind Everest Building, Tardeo, Mumbai – 400034.	U22219MH1985PLC037498	Subsidiary	99.98%	2(87)ii
5	Digital One Private Limited 156, D.J. Dadajee Road, Behind Everest Building, Tardeo, Mumbai – 400034.	U92131MH1999PTC122232	Subsidiary	99.99%	2(87)ii

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity):

(i) Category-wise Shareholding

Category of shareholders		No. of shares held at the beginning of the year (as at 01.04.2016)				No. of shares held at the end of the year (as at 31.03.2017)				% change during the year
		Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
A.	**Promoters**									
(1)	**Indian**									
(a)	Individual / HUF	21965024	-	21965024	33.62	21965024	-	21965024	32.83	(0.78)
(b)	Central Govt.	-	-	-	-	-	-	-	-	-
(c)	State Govt.(s)	-	-	-	-	-	-	-	-	-
(d)	Bodies Corporate	-	-	-	-	-	-	-	-	-
(e)	Banks/FI	-	-	-	-	-	-	-	-	-
(f)	Any Other	17873828		17873828	27.36	19431460		19431460	29.05	1.69
Sub-total (A) (1)		**39838852**	**-**	**39838852**	**60.98**	**41396484**	**-**	**41396484**	**61.88**	**(0.89)**
(2)	**Foreign**									
(a)	NRI – Individuals	-	-	-	-	-	-	-	-	
(b)	Other – Individuals	-	-	-	-	-	-	-	-	
(c)	Bodies Corporate	-	-	-	-	-	-	-	-	
(d)	Banks/FIs	-	-	-	-	-	-	-	-	
(e)	Any Other	-	-	-		-	-	-		
Sub-total (A) (2)		**39838852**	**-**	**39838852**	**60.98**	**41396484**	**-**	**41396484**	**61.88**	**(0.89)**
Total shareholding of Promoters (A) = (A) (1) + (A) (2)		**39838852**	**-**	**39838852**	**60.98**	**41396484**	**-**	**41396484**	**61.88**	**(0.89)**
B.	**Public Shareholding**									
1.	**Institutions**									
(a)	Mutual Funds	-	-	-	-	-	-	-	-	
(b)	Banks/FIs	-	-	-	-	-	-	-	-	
(c)	Central Govt.	-	-	-	-	-	-	-	-	
(d)	State Govt.(s)	-	-	-	-	-	-	-	-	
(e)	Venture Capital Funds	-	-	-	-	-	-	-	-	
(f)	Insurance Companies	-	-	-	-	-	-	-	-	
(g)	FIIs									
(h)	Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	
(i)	Others	-	-	-	-	-	-	-	-	
Sub-total (B)(1)		-	-	-	-	-	-	-	-	

Category of shareholders		No. of shares held at the beginning of the year (as at 01.04.2016)				No. of shares held at the end of the year (as at 31.03.2017)				% change during the year
		Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
2.	**Non-Institutions**									
(a)	Bodies Corporate									
(i)	Indian	-	-	-	-	-	-	-	-	
(ii)	Overseas	-	-	-	-	-	-	-	-	-
(b)	Individuals									
(i)	Individual shareholders holding nominal share capital upto ₹ 1 lakh	7778673	1964	7780637	11.91	7412938	1889	7414827	11.35	(0.56)
(ii)	Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	6087777	-	6087777	9.32	7490022	-	7490022	11.46	2.15
(c)	Others	11628010		11628010	17.79	10591575		10591575	16.21	(1.58)
	Clearing Member	353305		353305	0.54	354795		354795	0.54	-
	Foreign Nationals									
	Non-Resident Indians (Non-Repat)	119948		119948	0.79	91945		91945	0.14	(0.65)
	Non-Resident Indians (Repat)	514710		514710	0.18	457259		457259	0.70	0.52
	Foreign Portfolio Investor (Corporate)	1822664		1822664	2.79	1822664		1822664	2.79	-
	Other Directors	-	-	-	-	-	-	-	-	-
	Overseas Bodies Corporate	8194686	-	8194686	12.54	7290370	-	7290370	11.16	(1.38)
	Hindu Undivided Family	621697	-	621697	0.95	573542		573542	0.88	(0.07)
	Trusts	1000		1000	0.00	1000		1000	0.00	
	Sub-total (B)(2)	**25494460**	**1964**	**25494460**	**39.02**	**25494535**	**1889**	**25496424**	**39.02**	
	Total public shareholding (B) = (B)(1) + (B)(2)	**25494460**	**1964**	**25494460**	**39.02**	**25494535**	**1889**	**25496424**	**39.02**	
C.	**Shares held by custodian for GDRs & ADRs**		-	-	-	-				
	Grand Total (A+B+C)	**65333312**	**1964**	**65335276**	**100**	**66891019**	**1889**	**66892908**	**100**	

(ii) Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year (as at 01.04.2016)			Shareholding at the end of the year (as at 31.03.2017)			% 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.	Tarique Ansari	4,337,298	6.64	6.64	4,337,298	6.48	100	
2.	Rukya Ansari	4,615,075	7.06	5.08	4,615,075	6.89	71.98	
3.	Tehzeeb Ansari	4,337,298	6.64	6.64	4,337,298	6.48	100	
4.	Khalid Ansari	4,338,055	6.64	-	4,338,055	6.48	-	
5.	Sharique Ansari	4,337,298	6.64	6.64	4,337,298	6.48	100	
6.	Meridian Holding & Leasing Company Private Limited	7,469,856	11.43	-	7,469,856	11.16	-	
7.	Ferrari Investment and Trading Company Private Limited	9,659,226	14.78	-	11216858	16.17	-	1.39
8.	Inquilab Offset Printers Limited	744,746	1.14	-	744,746	1.11	-	

(iii) Change in Promoters' Shareholding

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year (as at 01.04.2016)		Cumulative shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	Mr. Tarique Ansari	4,337,298	6.64	4,337,298	6.48
2.	Mrs. Rukya Ansari	4,615,075	7.06	4,615,075	6.89
3.	Tehzeeb Ansari	4,337,298	6.64	4,337,298	6.48
4.	Khalid Ansari	4,338,055	6.64	4,338,055	6.48
5.	Sharique Ansari	4,337,298	6.64	4,337,298	6.48
6.	Meridian Holding & Leasing Company Private Limited	7,469,856	11.43	7,469,856	11.16
7.	Ferrari Investment and Trading Company Private Limited	9,659,226	14.78	11,216,858	16.77
8.	Inquilab Offset Printers Limited	744,746	1.14	744,746	1.11

(iv) Shareholding Pattern of top ten shareholders (other than Directors, Promoters and holders of GDRs and ADRs)

Sr. No.	Name of the Shareholder	Shareholding at the beginning of the year		Change in Shareholding (No of Shares)		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	Increase	Decrease	No. of shares	% of total shares of the company
1.	Bennett, Coleman and Company Limited	3,649,391	5.59	-	-	3649391	5.45
2.	Crosseas Comtrade Private Limited	1,760,000	2.70	-	1750000	10000	0.01
3.	Acacia Partners, LP	907,065	1.39	-	-	907065	1.36
4.	Prabhudas Lilladher Financial Services Private Limited	618,750	0.95			336991	0.50
5.	Acacia Institutional Partners, LP	473,893	0.73			473,893	1.36
6.	Pankajkumar Maganlal Babariya	400,000	0.61				
7.	Rahul Khanna	371,127	0.57			325000	0.49
8.	Acacia Banyan Partners	368,800	0.56			368,800	0.55
9.	Chhaganbhai M Patel	300,000	0.46				
10.	Ravikumar Ramkishore Sanwalka	265,000	0.41			219500	0.33

(v) Shareholding of Directors and Key Management Personnel

Sr. No.	Name of the Shareholder	Shareholding at the beginning of the year as on 01.04.2016		Cumulative Shareholding during the year				Shareholding at the end of the year as on 31.03.2017	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	Date of Change	Reason of Change	No. of shares	% of total shares of the company
1.	Mr. Tarique Ansari	4,337,298	6.638	-	-	-	-	4,337,298	6.484
2.	Mr. Adille Sumariwalla	5,875	0.009	-	-	-	-	5,875	0.009
3.	Mr. Ismail Dabhoya*	61,660	0.094	1,23,055	0.19	6-3-2017	Sale & Allotment of shares under ESOP	-	-
	Total :	**44,04,833**	**6.741**	**1,23,055**	**0.19**	**-**	**-**	**4,343,173**	**6.493**

*66,660 equity shares have been allotted to Mr. Ismail Dabhoya upon his exercise of options granted to him under the Company's Employee Stock Option Scheme 2008.

VI. INDEBTEDNESS:

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

(₹ in lacs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
(i) Principal Amount	-	1,041.26	-	1,041.26
(ii) Interest due but not paid	-	197.02	-	197.02
(iii) Interest accrued but not due	-	-	-	-
Total (i) + (ii) + (iii)	**-**	**1,238.28**	**-**	**1,238.28**
Change in indebtedness during the financial year				
Addition	-		-	
Reduction	-	75.95	-	75.95
Net Change				
Indebtedness at the end of the financial year				
(i) Principal Amount	-	834.11	-	834.11
(ii) Interest due but not paid	-	328.11	-	328.11
(iii) Interest accrued but not due	-	-	-	-
Total (i) + (ii) + (iii)	**-**	**1,162.32**	**-**	**1,162.32**

VII. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

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

(₹ in lacs)

Sr. No.	Particulars of Remuneration	Name of Managing Director / Whole-time Director/Manager Mr. Tarique Ansari Managing Director
1.	Gross Salary	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	2,960,192
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961.	2,542,200
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961.	-
2.	Stock Option	-
3.	Sweat Equity	-
4.	Commission	-
	- As % to profit	-
	- Others, specify	-
5.	Others:-	-
	Provident Fund	355,223
	Gratuity	142,385
	Total (A)	**6,000,000**
	Ceiling as per the Act	**6,000,000**

B. Remuneration to other directors: No remuneration has been paid to any other director except sitting fees, details of which are included in the Corporate Governance Report.

C. Remuneration to Key Managerial Personnel other than MD / WTD / Manager:

(₹ in lacs)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel	
		Mr. Ismail Dabhoya Chief Financial Officer	Mr. Mandar Godbole Company Secretary
1.	Gross Salary		
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	52,94,853	10,12,291
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961.	1,574,200	165,113
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961.	-	-
2.	Stock Option	1,169,883	-
3.	Sweat Equity		-
4.	Commission		-
	- As % to profit		-
	- Others, specify		-
5.	Others:-	-	-
	Performance Bonus	6,75,000	192,500
	Provident Fund	236,250	42,900
	Gratuity	94,697	17,196
	Total	**9,044,883**	**1,430,000**

PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of penalties / punishment / compounding fees imposed	Authority [RD/NCLT/ Court	Appeal made, if any
A. Company					
Penalty	NONE				
Punishment					
Compounding					
B. Directors					
Penalty	NONE				
Punishment					
Compounding					
C. Others Officers in default					
Penalty	NONE				
Punishment					
Compounding					

ANNEXURE 'C'
TO THE DIRECTOR'S REPORT

EMPLOYEE STOCK OPTIONS SCHEME

Sr. No.	Description	Details
(a)	Total Options granted	200,000
(b)	Pricing formula	Exercise price for the above options is NIL.
(c)	Options vested	66,660
(d)	Options exercised	66,660
(e)	Total number of shares arising as result of exercise of options	66,660
(f)	Options lapsed during the year	NIL
(g)	Variation of terms of the options	NIL
(h)	Money realized by exercise of options	NIL
(i)	Total number of options in force	66,680
(j)	Employee-wise details of options granted:	
	(i) Senior Managerial Personnel	200,000
	(ii) Any other employees to whom options granted amount to 5% or more of the total options granted during the year	NIL
	(iii) Employees to whom options equal to or exceeding 1% of the issued capital have been granted during the year.	NIL
(k)	Diluted earnings per share (EPS) pursuant to issue of shares on exercise of options during the year and options outstanding as on 31.03.2016 calculated in accordance with Accounting Standard 20 'Earning per share'.	
(l)	Where the company has calculated the employee compensation cost using the intrinsic value of the stock options, the difference between the compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options, shall be disclosed. The impact of this difference on profits and EPS of the company.	Not Applicable
(m)	Weighted average exercise prices weighted average fair value of options disclosed separately for options whose exercise price equals to market price exceeds or is less than the market price of the stock.	1. Weighted average exercise price: ₹ Nil per share for all the options. 2. Weighted average fair value of all the options is ₹ 15.75 per option.
(n)	Description of the method and significant assumptions used during the year to estimate the fair value of the options.	Weighted Average closing price of last six Months.

CORPORATE GOVERNANCE

The Directors present the Company's report on Corporate Governance for the year ended 31st March 2017.

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE :

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

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

2. BOARD OF DIRECTORS :

(a) Composition of the Board:

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

As on 31st March 2017 the Board comprises of a Chairman and Managing Director (Executive) and 5 (five) Non-Executive Independent Directors including a woman Director. All the members of the Board are persons with considerable experience and expertise in industry, finance, management and law.

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

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

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

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

(b) Meetings of the Board:

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

During the year under review the Board met five (5) times on May 13, 2016, August 05, 2016, November 04, 2016, February 02, 2017 and February 15, 2017.

The Company Secretary prepares a detailed agenda and the explanatory notes, in consultation with the Chairman & Managing Director and circulates the same in advance to the Directors. The Directors are also

Corporate Governance

provided with all the material information including minimum information as required under Part A of schedule II of sub regulation 7 of Regulation 17 of SEBI LODR Regulations. Every Director has the right to suggest inclusion of items in the agenda.

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

(c) Directors' Attendance Record and Directorships held:

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

Name of the Director	Nature of Directorship	No. of Board Meetings attended		Attendance at last AGM
		Held	Attended	
Mr. Tarique Ansari	Promoter, Executive & Non Independent	5	5	Yes
Mr. Dilip Cherian	Non - Executive & Independent	5	4	No
Mr. Adille Sumariwalla	Non - Executive & Independent	5	5	Yes
Mr. I. Venkat	Non - Executive & Independent	5	5	No
Mr. Raj Singh Bhandal	Non - Executive & Independent	5	4	No
Ms. Monisha Shah	Non - Executive & Independent	5	5	No

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

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

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

Memberships include Chairmanships. Only memberships of Audit Committee, Remuneration Committee and Shareholders'/ Investors' Grievance Committee are considered.

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

Corporate Governance

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

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

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

3. BOARD COMMITTEES :

In compliance with the requirements of the Companies Act, 2013, Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the applicable laws, the Company has the following committees in place: (i) Audit Committee (ii) Stakeholders Relationship Committee (iii) Nomination & Remuneration Committee (iv) Review Committee of Independent Directors (v) Risk Management Committee.

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

A. Audit Committee :

Composition:

The Audit Committee consists of three (3) members, of which two (2) are Non-Executive Independent Directors and one (1) Whole-time Director viz. namely: (1) Mr. Adille Sumariwalla, Non-Executive Independent Director (Chairman), (2) Mr. I. Venkat, Non-Executive Independent Director (Member) and (3) Mr. Tarique Ansari, Whole time Director (Member).

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

The Company Secretary acts as Secretary to the Committee.

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

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

Terms of reference:

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

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

(b) Recommending to the Board the appointment, re-appointment and removal of statutory auditors, cost auditors, branch auditors and fixation of their remuneration.

(c) Approving the payments to statutory auditors for any other services rendered by them.

Corporate Governance

(d) Reviewing with management the annual financial statements and auditor's report before submission to the Board for approval, focusing primarily on:

- Matters required to be included in the Director's Responsibility for inclusion of the same in the Board Report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013;
- Any changes in accounting policies and practices and reasons for the same;
- Major accounting entries involving estimates based on exercise of judgments by management;
- Qualifications in draft audit report;
- Significant adjustments made in the financial statements arising out of audit;
- The going concern assumption;
- Compliance with accounting standards;
- Compliance with listing and legal requirements concerning financial statements;
- All related party transactions i.e., transactions of the Company of material nature, with promoters or the management, their subsidiaries or relatives etc.

(e) Reviewing with the management, internal financial controls and risk management system.

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

(g) Reviewing with the management the quarterly and half yearly financial results before submission to the Board.

(h) Reviewing the adequacy of internal audit functions, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.

(i) Scrutinizing the inter-corporate loans & investments.

(j) Discussion with Internal Auditors and the Statutory Auditors on any significant findings and follow up thereon.

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

(l) Approval or any subsequent modification of transactions of the Company with related parties.

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

(n) Review and monitor the auditor's independence and performance, and effectiveness of audit processes.

(o) To review the functioning of the Whistle Blower Policy and Vigil mechanism.

(p) Valuation of undertaking or assets of the Company where ever it is necessary.

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

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

(s) All such other functions as may be specified from time to time.

Corporate Governance

Meetings:

During the year under review, four (4) Audit Committee meetings were held on May 13, 2016, August 05, 2016, November 04, 2016 and February 02, 2017. The gap between two consecutive meetings is less than 120 days.

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

Name of the Member	No. of meetings attended
Mr. Adille Sumariwalla (Chairman)	5
Mr. I. Venkat (Member)	5
Mr. Tarique Ansari (Member)	5

Mr. Adille Sumariwalla - Chairman of the Audit Committee was present at the previous Annual General Meeting held on 5th August 2016.

B. Stakeholders' Relationship Committee :

Composition:

The Stakeholders' Relationship Committee comprises of two (2) members of which one is Non-Executive Independent Director and the other the Managing Director viz.: (1) Mr. Adille Sumariwalla, Non-Executive Independent Director (Chairman) and (2) Mr. Tarique Ansari, Managing Director (Member).

The Company Secretary acts as Secretary to the Committee.

Terms of reference:

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

Meetings:

During the year under review, three (3) Stakeholders' Committee meetings were held on August 05, 2016, November 04, 2016 and February 02, 2017. The gap between two consecutive meetings is less then 120 days.

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

Name of the Member	No. of meetings attended
Mr. Adille Sumariwalla (Chairman)	3
Mr. Tarique Ansari (Member)	3

Details of Investor Complaints:

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

Name, Designation and Address of Compliance Officer:

Mr. Mandar Godbole

Company Secretary & Manager – Legal

Next Mediaworks Limited
Office I-17, 18, 19, 10th Floor,
The Everest Building,
Tardeo, Mumbai-400 034.
Contact: +91 22 67527016
Email: mandar.godbole@nextmediaworks.com

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C. Nomination and Remuneration Committee:

Composition:

The Nomination and Remuneration Committee comprises of three (3) Non-Executive Independent Directors viz.: (1) Mr. Dilip Cherian (Chairman), (2) Mr. Adille Sumariwalla (Member) and (3) Mr. Rajbir Singh Bhandal. (Member)

The Company Secretary acts as Secretary to the Committee.

Terms of reference:

The role of the Nomination and Remuneration Committee is:

a. To identify persons who are qualified to become directors or who can be appointed in the senior management.

b. To formulate criteria for evaluation of the performance of the Independent Directors and the Board and decide whether to extend or continue the term of appointment of independent directors, on the basis of performance evaluation.

c. To devise a policy on Board diversity.

d. To recommend the appointment/ removal of directors or senior management personnel.

e. To carry out evaluation of every director's performance.

f. To formulate criteria for determining qualifications, positive attributes and independence of a director.

g. To recommend to the Board, policy relating to remuneration for the directors, key managerial personnel and other senior employees and to review the policy at regular intervals

Meetings:

During the year under review 2017, one (1) meeting of the Nomination and Remuneration Committee was held on 13th May 2016. The said meeting was attended by all the members.

Nomination & Remuneration Policy

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

Policy for selection and Appointment of Directors and their Remuneration

Criteria for selection of Non-executive Directors

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

Corporate Governance

i. Qualification, expertise and experience of the Directors in their respective fields;
ii. Personal, Professional or business standing;
iii. Diversity of the Board.

- In case of re-appointment of Non-executive Directors, the Board shall take into consideration the performance evaluation of the Director and his engagement level.

Remuneration

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

Remuneration for the CEO, CFO & Executive Chairman / Director

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

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

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

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

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

Remuneration Policy for the Senior Management Employees

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

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

Details of Remuneration paid to the Executive Director during the year ended 31st March 2017:

Particulars	Amount (₹)
Salary	29,60,192
Perquisites	30,39,808
Commission	-
Performance-linked incentive	-
Total	**60,00,000**

Corporate Governance

Service Contract, Severance Fees & Notice Period:

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

Sitting Fees to Non-Executive Independent Directors:

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

Details of sitting fees paid for attending Board and Committee Meetings during the year ended 31st March 2017 are given below:

(Amount in ₹)

Name of the Director	Sitting Fees		Total
	Board Meetings	Committee Meetings	
Mr. Adille Sumariwalla	50,000	50,000	100,000
Mr. I. Venkat	50,000	50,000	1,00,000
Mr. Dilip Cherian	40,000	-	40,000
Ms. Monisha Shah	50,000	-	30,000
Mr. Raj Singh Bhandal	40,000	-	40,000

D. Risk Management Committee:

Composition:

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

The Company Secretary acts as Secretary to the Committee.

Terms of reference:

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

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

- Oversight of risk management performed by the executive management.
- Reviewing the policy and framework in line with legal requirements and SEBI guidelines.
- Reviewing risks and evaluate treatment including initiating mitigation actions.
- Defining framework for identification, assessment, monitoring, mitigation and reporting of risks.
- Within its overall scope as aforesaid, the Committee shall review risks trends, exposure, potential impact analysis and mitigation plan

Meeting:

During the year under review 2017, three (3) Risk Management Committee meetings were held on August 05,2016, November 04, 2016 and February 02, 2017.The gap between two consecutive meetings is less than 120 days.

Corporate Governance

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

Name of the Member	No. of meetings attended
Mr. I. Venkat (Chairman)	3
Ms. Monisha Shah	3
Mr. Ismail Dabhoya	3

4. COMPANY POLICIES :

The Company has the following policies in place which can be viewed on the Company's website viz. www.nextmediaworks.com

(a) Policy on Related Party Transactions: Pursuant to Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(b) Policy on Material Subsidiaries: Pursuant to Regulation 16 (c) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(c) Whistle Blower Policy: Pursuant to Regulation 4 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(d) Nomination & Remuneration Policy: Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(e) Policy on Preservation of Documents: Pursuant to Regulation 9 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(f) Policy for determining materiality of any event or information for the purpose of dissemination of the same to the stock exchanges: Pursuant to Regulation 30(4)(ii) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

5. PERFORMANCE EVALUATION OF THE BOARD

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

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence.

6. MEETING OF THE INDEPENDENT DIRECTORS:

During the year under review, the Independent Directors met on 27th March 2017, inter alia, to discuss:

(a) Evaluation of the performance of the Board of Directors as a Whole;

(b) Evaluation of the performance of the Chairman of the Company, taking into account the views of the Non-executive Directors.

(c) Evaluation of the quality, content and timelines of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors were present at the meeting.

Corporate Governance

7. OTHER INFORMATION:

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

(b) Code of Conduct :

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

(c) General Body Meetings :

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

The Annual General Meetings ("AGM") of the Company for the financial years 2013-14 and 2014-15 were held at Hall of Culture & Hall of Harmony respectively, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai - 400 018, and for the financial year 2015-16 at Sunville Banquets, 9, Dr. Annie Besant Road, Middle of Worli Flyover, Near Poonam Chambers, Worli, Mumbai - 400 018 as detailed below :

AGM	Financial Year	Date of AGM
33rd	2013-14	8th August 2014
34th	2014-15	6th August 2015
35th	2015-16	5th August 2016

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

33rd AGM held on 8th August 2014 at 4:00 p.m. at Hall of Culture, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai – 400 018.	(i)	Special Resolution was passed for the re-appointment of Mr. Tarique Ansari as the Managing Director of the Company.
	(ii)	Special Resolution was passed for issue of shares to the Promoters group Companies Viz. Ferari Investment & Trading Company Private Limited and Meridian Holding & Leasing Company Private Limited on preferential basis.
34th AGM held on 6th August 2015 at 4:00 p.m. at Hall of Harmony, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai – 400 018.	(i)	Special Resolution for revision in the remuneration payable to Mr. Tarique Ansari – Chairman & Managing Director for the period 1st April 2014 to 30th June 2016.
	(ii)	Special Resolution for re-appointment of Mr. Tarique Ansari as the Chairman & Managing Director of the Company for further period of 3 years effective from 1st July 2016.
35th AGM held on 5th August 2016 at 4.00 p.m. at Sunville Banquet, 9 Dr.Annie Beasant Road, Middle of Worli Flyover, Near Poonam Chambers, Worli, Mumbai 400018	(i)	Special Resolution for Adoption of new set of Articles of Association pursuant to Section 14 and other applicable provisions of Companies Act 2013.
	(ii)	Special Resolution for Maintenance of Register of Members at a place other than the Registered office of the Company i.e. Link Intime India Private Limited, Registrar and Share Transfer Agent of the Company
	(iii)	Special Resolution to increase the authorized share capital of the Company from ₹ 70 crores to ₹ 80 Crores.

Corporate Governance

8. OTHER DISCLOSURES:

(a) During the year under review, the Company has entered into related party transaction, which was in the normal course of business for which necessary approvals are taken and disclosures are made, the Company has not entered into any materially significant related party transactions i.e., transactions of material nature, with its Promoters, Directors or the Management, their subsidiaries or relatives etc. that may have potential conflict with the interest of the Company at large. However, the Company has annexed to the financial statements a list of all related parties as per Section 188 of the Companies Act, 2013 and Accounting Standard 18 and the transactions entered into with them and pursuant to and Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015. The Company has in place Policy on Related Party Transactions. This Policy can be viewed on the Company's website viz. www.nextmediaworks.com in the "Investors" Section.

(b) A qualified practicing Company Secretary conducts Share Capital Reconciliation Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) along with shares held in physical form and the total issued and listed capital. The Share Capital Reconciliation Audit Report confirms that the total issued/paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

(c) The Chairman and Managing Director and the Chief Financial Officer have certified to the Board in accordance with the requirements of Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 pertaining to CEO / CFO Certification for the period ended 31st March 2017.

(d) The Companies risk management framework is being reviewed and revised to minimize risk and strengthen risk assessment.

(e) During the last three years, there were no strictures or penalties imposed either by Securities and Exchange Board of India or the Stock Exchange or any regulatory authority for non-compliance of any matter related to the capital market.

(f) No personnel have been denied access to the Chairman or members of the Audit Committee. Your Company is committed to highest standards of ethical, moral and legal business conduct. Accordingly, the Board of Directors has formulated a Whistle Blower Policy which is in compliance with the provisions of Section 177 (10) of the Companies Act, 2013 and Regulation 4 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The policy provides for a framework and process whereby concerns can be raised by its employees against any kind of discrimination, harassment, victimization or any other unfair practice being adopted against them. This Policy can be viewed on the Company's website viz. www.nextmediaworks.com in the "Investors" Section.

(g) To the extent possible, the Company has complied with the mandatory requirements of Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(h) The Company has complied with all applicable Accounting Standards issued by Institute of Chartered Accountants of India in preparation of its financial statements pursuant to the amended Schedule III of Companies Act, 2013.

(i) The Company has not complied with the discretionary requirements as mentioned in Part E of Schedule II.

Corporate Governance

9. MEANS OF COMMUNICATION :

a. Financial Results: As required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Quarterly and Half-Yearly results of the Company are published within forty five days from the end of the respective quarter and the annual audited results are announced as and when approved by the Board. The financial results are published usually in the Free Press Journal and Navshakti and also posted on the Company's website viz. www.nextmediaworks.com.

b. News Releases, Presentations etc.: Official news releases, detailed presentations made to media, analysts, institutional investors etc. if any, are displayed on the Company's website viz. www.nextmediaworks.com. Official announcements are sent to the Stock Exchanges.

c. Website: The Company's corporate website www.nextmediaworks.com provides information about the Company's business. It also contains a separate dedicated Section 'Investor Relations' where shareholders information is available. The Annual Report of the Company is also available on the website in a user friendly and downloadable format.

d. Annual Report: Annual Report containing, inter alia, Audited Annual Accounts, Consolidated Financial Statements, Directors' Report, Auditors' Report and other important information is circulated to members and others entitled thereto. The Management Discussion and Analysis (MD&A) Report forms part of the Annual Report.

e. There were no presentations made to the institutional investors or to the analysts.

10. MANDATORY REQUIREMENT :

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

11. NON-MANDATORY REQUIREMENTS :

Subsidiary Monitoring Framework:

All Subsidiaries of the Company are Board managed with their Boards having the rights and obligations to manage such Companies in the best interest of their stakeholders. As a majority shareholder, the Company has nominated its representatives on the Boards of subsidiary Companies and monitors the performance of such companies, inter alia, by means of taking Consolidated Accounts and including all items of the subsidiaries as required under the provision of the Companies Act 2013.

Corporate Governance

12. GENERAL SHAREHOLDER INFORMATION:

Annual General Meeting	29th August 2017.
Financial Year	1st April 2016 to 31st March 2017
Time & Venue	3:00 p.m. at Hall of Harmony, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai – 400 018.
Date of Book Closure	24th August 2017 to 29th August 2017 (both days inclusive)
Dividend Payment	No Dividend
Listing on Stock Exchanges	1. Bombay Stock Exchange Limited 1st floor, Rotunda Building, Dalal Street, Mumbai – 400 001.
	2. National Stock Exchange of India Limited Exchange Plaza, 5th floor, Plot No. C/1, 'G' Block, Bandra – Kurla Complex, Bandra (East), Mumbai – 400 051. The Company has paid the annual listing fees to both the aforementioned stock exchanges.
Stock Code	BSE: 532416 NSE: NEXT MEDIA EQ
Registered office of Company	Office I-17, 18, 19, 10th Floor, The Everest Building, 156, D.J Dadajee Road, Tardeo, Mumbai-400 034 Tel: +91-22-67527016 Email: cs@nextmediaworks.com Web site: www.nextmediaworks.com

Financial Calendar (tentative and subject to change) (AT THE END OF THE YEAR)

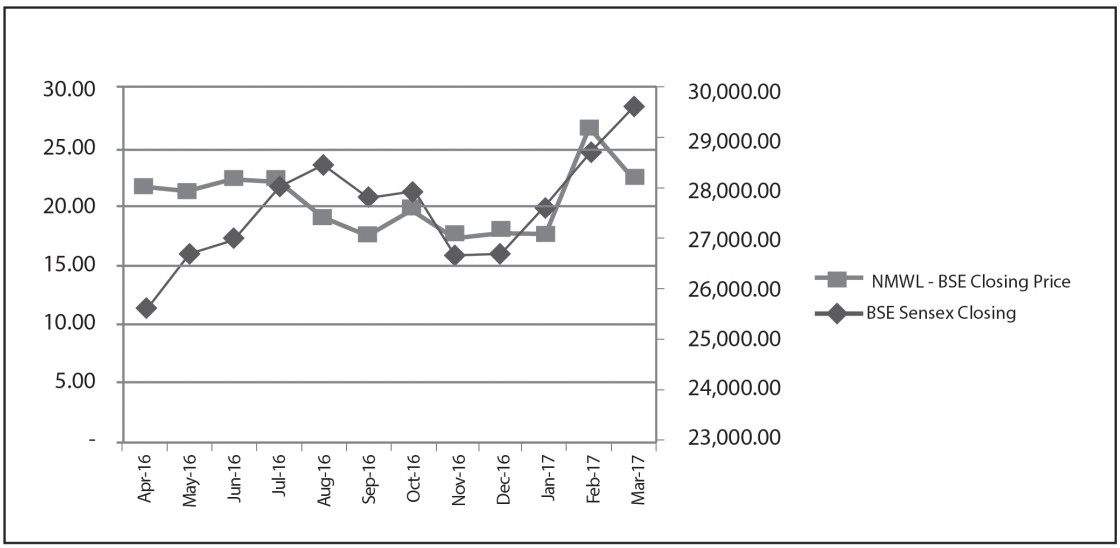
Particulars	Date
Financial unaudited results for 1st Qtr. ended 30th June 2017	29th August 2017
Financial unaudited results for 2nd Qtr. ended 30th September 2017	30th October 2017
Financial unaudited results for 3rd Qtr. ended 31st December 2017	30th January 2018
Financial audited results for the year ended 31st March 2018	30th April 2018

Corporate Governance

Market Price Data - NSE & BSE:

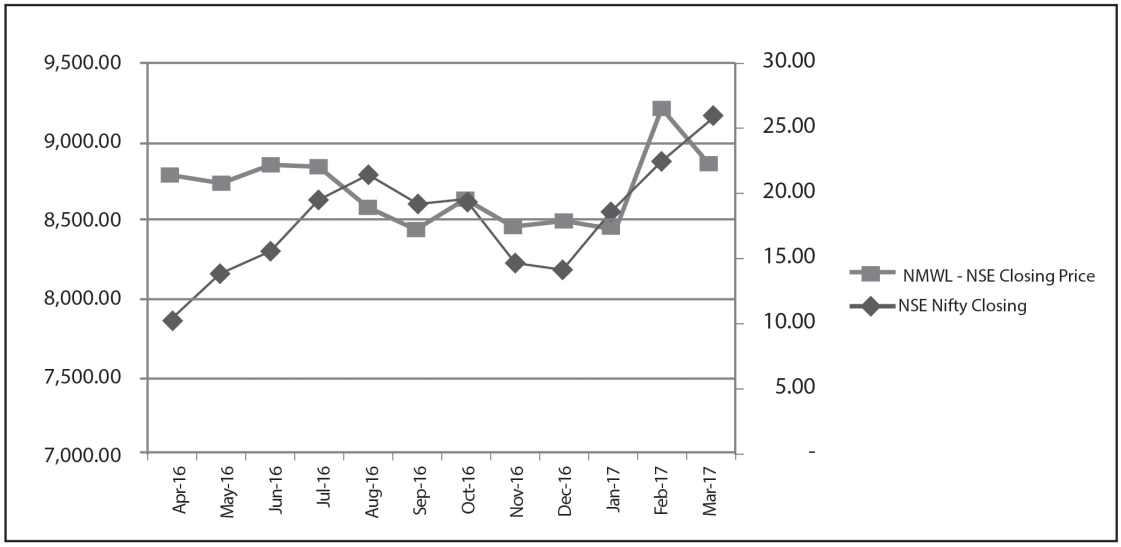
MONTH	BSE (High)	BSE (Low)	NSE (High)	NSE (Low)
April 2016	25.60	16.00	25.75	15.90
May 2016	29.50	20.60	28.00	19.25
June 2016	24.30	18.60	24.35	18.65
July 2016	23.95	21.10	24.25	20.50
August 2016	22.30	18.15	22.40	18.05
September 2016	19.85	16.10	19.85	16.20
October 2016	21.00	17.00	21.00	17.15
November 2016	20.35	15.00	19.95	15.10
December 2016	19.05	16.50	19.25	16.15
January 2017	20.90	17.10	19.75	16.80
February 2017	29.10	17.30	29.20	17.05
March 2017	27.50	21.05	26.10	23.85

Performance in comparison to BSE SENSEX:



Corporate Governance

Performance in comparison to NSE NIFTY:



13. SHAREHOLDER'S INFORMATION:

Registrar and Share Transfer Agent	Link Intime India Private Limited C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai – 400 083, Maharashtra Tel: +91-22-2596 3838, Fax: +91-22-2594 6969 Email: ashwini.nemlekar@linkintime.co.in
Share Transfer System	The Board has delegated the authority for approving transfer, transmission, etc. of the Company's securities to the Stakeholder relationship Committee. The Company obtains from a Company Secretary in practice, half yearly certificate of compliance with the share transfer formalities as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and files a copy of the certificate with the Stock Exchanges.

The Distribution of Shareholding as on 31st March 2017

No. of Equity	No. of Shareholders	% of Total Shareholders	No. of Shares	% to total Shares
1-500	3,769	21.34	109,977	0.16
501-1000	4,239	24.00	406,667	0.61
1001-2000	2,947	16.68	529,719	0.79
2001-3000	1,365	7.73	376,121	0.57
3001-4000	602	3.41	229,473	0.34
4001-5000	1,356	7.68	670,416	1.00
5001-10000	1,647	9.32	1,411,732	2.11
10001 and above	1,738	9.84	63,158,803	94.42
TOTAL	**17,663**	**100.00**	**66,892,908**	**100.00**

Corporate Governance

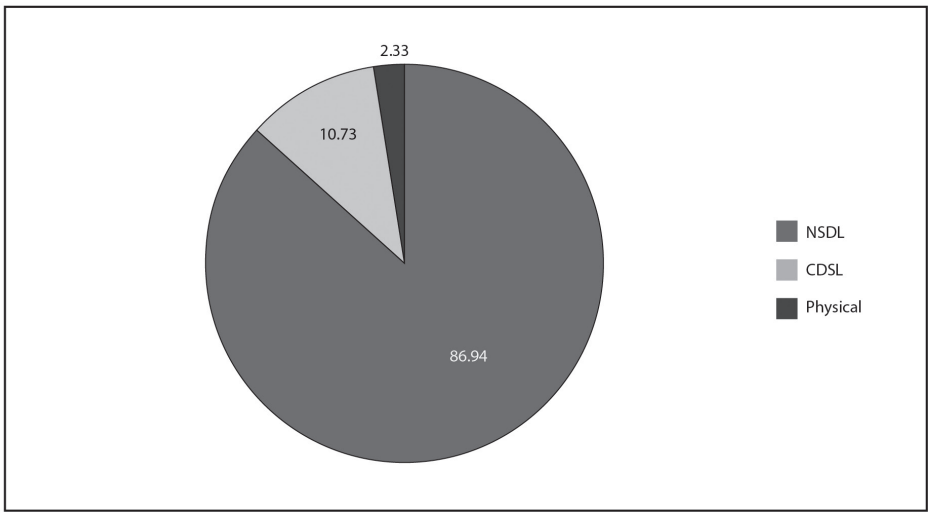
Category of Shareholders as on 31st March 2017:

Category	No. of Shareholders	No of Shares Held	Voting Strength (%)
Promoters & Promoter Group	8	41,396,484	61.88
Foreign Portfolio Investors (Corporate)	4	1,822,664	2.72
Other Bodies Corporate	282	7,290,370	10.90
Non-Resident Indians	76	549,204	0.82
Clearing Members	98	354,795	0.53
Public	17,195	15,479,391	23.15
TOTAL	**17,663**	**66,892,908**	**100.00**

14. Dematerialisation of shares

As on 31st March 2017, 99.99% of the total equity capital is held in dematerialised form with NSDL and CDSL. As per SEBI guidelines, the trading in equity shares of the Company is permitted only in dematerialized form.

Particulars	No. of Shares	% of Total Capital Issued
NSDL	58157424	86.94
CDSL	7175962	10.73
Physical	1559522	2.33
Total	**66892908**	**100.00**



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

We, Tarique Ansari – Chairman & Managing Director and Ismail Dabhoya - Chief Financial Officer hereby certify for the financial year ended 31st March 2017 that: -

(a) We have reviewed financial statements and the cash flow statement for the year and that to the best of ourknowledge and belief:

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

  (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

(b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.

(c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

(d) We have indicated to the auditors and the Audit committee

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

  (ii) that there are no significant changes in accounting policies during the year; and

  (iii) that there are no instances of significant fraud of which we have become aware.

Tarique Ansari
Chairman & Managing Director
(DIN: 00101820)

Ismail Dabhoya
Chief Financial Officer

Date: 4th May 2017

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

To
The Members of
NEXT MEDIAWORKS LIMITED

DECLARATION

I, Tarique Ansari, Chairman & Managing Director of Next Mediaworks Limited hereby declare that all the members of the Board of Directors and the senior management personnel have affirmed compliance with the Code of Conduct of the Company for the year ended 31st March, 2017.

For Next Mediaworks Limited

sd/-

Tarique Ansari
Chairman & Managing Director

Place : Mumbai
Date : 4th May 2017

PRACTICING COMPANY SECRETARY'S CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of Next Mediaworks Limited

We have examined the compliance of conditions of Corporate Governance by Next Mediaworks Limited ("the Company") (CIN : L22100MH1981PLC024052), for the financial year ended 31st March, 2017, as stipulated in Schedule V(E) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to a review of procedures and implementations thereof, adopted by the Company for ensuring the compliances with the conditions of the Corporate Governance as stipulated in the said Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the management, we certify that the Company has complied with the conditions of the Corporate Governance as stipulated in chapter IV of the above mentioned Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

For A Y Sathe & Co.
Company Secretaries

CS Ajit Sathe
FCS: 2899 CP: 738

Mumbai, 4th May 2017

INDEPENDENT AUDITORS' REPORT

To the Members of Next Mediaworks Limited

Report on the Standalone Financial Statements

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

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone 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 of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls and ensuring their operating effectiveness and the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these standalone 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 standalone financial statements are free from material misstatement.

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true

Independent Auditors' Report

and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2017, its loss and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

(1) As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in "Annexure 1", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

(2) As required by Section 143(3) of the Act, we report that:

a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

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

d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014;

e. On the basis of written representations received from the directors as on March 31, 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act;

f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, we give our separate Report in "Annexure 2";

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

(i) The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 22A on Contingent Liabilities to the standalone financial statements;

(ii) The Company did not have any long-term contracts including derivative contracts. Hence, the question of any material foreseeable losses does not arise;

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

(iv) The Company did not have any holdings or dealings in Specified Bank Notes during the period from November 08, 2016 to December 30, 2016 - Refer Note 14 to the financial statements.

For **Haribhakti & Co. LLP**
Chartered Accountants
ICAI Firm Registration No.103523W / W100048

Sumant Sakhardande
Partner
Membership No.: 034828

Mumbai: May 04, 2017

ANNEXURE TO AUDITORS' REPORT

ANNEXURE TO INDEPENDENT AUDITORS' REPORT

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of Next Mediaworks Limited on the standalone financial statements for the year ended March 31, 2017]

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

(b) During the year, the fixed assets of the Company have been physically verified by the management and as informed, no material discrepancies were noticed on such verification. In our opinion, the frequency of verification is reasonable having regard to the size of the Company and the nature of its assets.

(c) The title deeds of immovable properties recorded as fixed assets in the books of account of the Company are held in the name of the Company.

(ii) The Company does not hold any inventory and hence this clause is not applicable to the Company.

(iii) As informed, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act. Accordingly, paragraph 3 (iii)(a), 3 (iii)(b) and 3 (iii)(c) of the Order are not applicable to the Company.

(iv) Based on information and explanation given to us in respect of loans, investments, guarantees and securities, the Company has complied with the provisions of Section 185 and 186 of the Act.

(v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the provisions of Sections 73 to 76 of the Act and the rules framed there under.

(vi) The Central Government has not prescribed the maintenance of cost records for any of the products of the Company under sub-section (1) of Section 148 of the Act and the rules framed there under.

(vii) (a) The Company is generally regular in depositing with appropriate authorities, undisputed statutory dues including provident fund, employees' state insurance, income tax, service tax, cess and any other material statutory dues applicable to it, however, there have been delay in payment of service tax in few cases.

According to the information and explanations given to us, undisputed dues in respect of provident fund, employees' state insurance, income tax, service tax, cess and any other material statutory dues applicable to it, which were outstanding, at the year-end for a period of more than six months from the date they became payable are as follows:

Name of the statute	Nature of the dues	Amount ₹	Period to which the amount relates	Due Date	Date of Payment
Central Board of Excise and Customs	Service Tax	₹ 0.60 Lakhs	FY 2016-17	Various	20-04-2017

ANNEXURE TO AUDITORS' REPORT

(b) According to the information and explanation given to us, the dues outstanding with respect to, income tax and service tax on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount ₹	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	₹ 152.65 lakhs (net of payment made of ₹ 40.47 lakhs)	AY 2009-10	High Court

(viii) According to the information and explanations given to us, the Company has not taken any loans or borrowings from financial institution(s), bank(s), government(s) and has not issued any debenture.

(ix) The Company has neither raised money by way of public issue offer nor has obtained any term loans. Therefore, paragraph 3(ix) of the Order is not applicable to the Company.

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

(xi) According to the information and explanations given to us, managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Therefore, paragraph 3(xii) of the Order is not applicable to the Company.

(xiii) According to the information and explanation given to us, all transactions entered into by the Company with the related parties are in compliance with Sections 177 and 188 of Act, where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.

(xiv) The Company has made preferential allotment of shares during the year under review and in our opinion and according to the information and explanations given to us, the requirement of Section 42 of the Act have been complied with and the amount raised have been used for the purposes for which the funds were raised.

(xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him during the year.

(xvi) According to the information and explanation given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For **Haribhakti & Co. LLP**
Chartered Accountants
ICAI Firm Registration No.103523W / W100048

Sumant Sakhardande
Partner
Membership No.: 034828

Mumbai: May 04, 2017

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of Next Mediaworks Limited on the standalone financial statements for the year ended March 31, 2017]

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

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

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

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

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

Independent Auditors' Report

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

For **Haribhakti & Co. LLP**
Chartered Accountants
ICAI Firm Registration No.103523W / W100048

Sumant Sakhardande
Partner
Membership No.: 034828

Mumbai: May 04, 2017

BALANCE SHEET

as at 31st March, 2017

Particulars	Refer Note No.	As at 31st Mar, 2017	As at 31st Mar, 2016
		₹ in lakhs	₹ in lakhs
Equity and Liabilities			
Shareholders' funds			
Share capital	4	**6,678.97**	6,516.54
Reserves and surplus	5	**(3,787.01)**	(3,708.89)
		2,891.96	2,807.65
Non-current liabilities			
Long-term borrowings	6	**834.11**	1,041.26
Other Long term liabilities	7	**328.21**	197.01
Long-term provisions	9	**3.87**	5.00
		1,166.19	1,243.28
Current liabilities			
Trade payables	8		
-a) Dues to Micro and Small Enterprises		**-**	-
-b) Other than dues to Micro and Small Enterprises		**0.59**	2.48
Other current liabilities	10	**30.10**	50.05
Short-term provisions	9	**0.28**	0.52
		30.97	53.05
Total		**4,089.12**	4,103.98
Assets			
Non-current assets			
Fixed assets	11		
Property, Plant & Equipment		**22.37**	23.87
		22.37	23.87
Non-current investments	12	**3,893.33**	3,893.33
Long-term loans and advances	15	**125.47**	118.12
Current assets			
Trade receivables	13	**11.92**	17.02
Cash and Cash Equivalent	14	**0.55**	23.35
Short-term loans and advances	15	**35.48**	28.29
		47.95	68.66
Total		**4,089.12**	4,103.98
Summary of significant accounting policies	3		
The Notes are an integral part of financial statements			

As per our report of even date attached
For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Regn No. 103523W/W100048

Sumant Sakhardande
(Partner)
Membership No.: 034828

Place: Mumbai
Date: 4th May, 2017

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

Tarique Ansari
Chairman & Managing Director
(DIN: 00101820)

Adille Sumariwalla
Director
(DIN: 00045855)

Mandar Godbole
Company Secretary

Ismail Dabhoya
Chief Financial Officer

STATEMENT OF PROFIT AND LOSS

for the year ended 31st March, 2017

Particulars	Refer Note No.	Year Ended 31st Mar, 2017	Year Ended 31st Mar, 2016
		₹ in lakhs	₹ in lakhs
Revenue			
Services charges received (Refer Note No. 25)		**84.32**	54.86
Other income	16	**27.92**	9.93
Total Revenue		**112.24**	64.79
Expenses			
Radio license fees			
Employee Benefits Expenses	17	**130.33**	102.15
Finance cost	18	**147.63**	106.62
Depreciation & Amortization	11	**1.50**	5.91
Other Expenses	19	**107.14**	104.37
		386.60	319.05
Profit / (Loss) before tax & extra ordinary item		**(274.36)**	(254.26)
Extra ordinary item	24		
(a) Provision for diminution in value of investment		**-**	(11,709.54)
(b) write back of provision for diminution in the value of long-term investment in subsidiary		**11,709.54**	-
(c) write off of Investment in lieu of reduction of share capital by a subsidiary company		**(11,709.54)**	-
Profit / (Loss) before tax		**(274.36)**	(11,963.80)
Tax expense:			
Less: Current tax		**-**	-
Deferred tax		**-**	-
Profit / (Loss) for the year		**(274.36)**	(11,963.80)
Earnings per equity share:			
Basic & Diluted before extra ordinary item (Face value of Rs. 10 each (PY ₹ 10 each)	20	**(0.42)**	(0.39)
Basic & Diluted after extra ordinary item (Face value of Rs. 10 each (PY ₹ 10 each)		**(0.42)**	(18.39)
Summary of significant accounting policies	3		
The Notes are an integral part of financial statements			

As per our report of even date attached
For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Regn No. 103523W/W100048

Sumant Sakhardande
(Partner)
Membership No.: 034828

Place: Mumbai
Date: 4th May, 2017

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

Tarique Ansari
Chairman & Managing Director
(DIN: 00101820)

Adille Sumariwalla
Director
(DIN: 00045855)

Mandar Godbole
Company Secretary

Ismail Dabhoya
Chief Financial Officer

CASH FLOW STATEMENT

	Particulars		Year ended 31st Mar, 2017	Year ended 31st Mar, 2016
			₹ in lakhs	₹ in lakhs
A.	**Net Cashflow from operating Activities**			
	Net Profit / (Loss) before tax		**(274.36)**	(11963.80)
	Sundry Balance w/off		**2.50**	4.81
	Depreciation		**1.50**	5.91
	Provision for Diminution in Value of Investment		**-**	11,709.54
	Employee Stock Option		**9.64**	22.82
	Sundry Balance w/back		**(23.42)**	(9.93)
	Interest & finance cost		**147.63**	106.56
	Rent Equilisation Reserve		**0.34**	0.51
	Operational Profit before Working Capital		**(136.17)**	(123.58)
	Adjustments for changes in Working Capital			
	Trade Receivables		**5.10**	17.02
	Loans & Advances		**(7.19)**	(43.74)
	Liabilities & provisions		**(3.60)**	(740.66)
	Sub-Total		**(5.70)**	(767.38)
	Cash generated from operations		**(141.86)**	(890.96)
	Tax		**(7.36)**	(11.20)
	Net Cash Flow from Operating Activities	**(A)**	**(149.22)**	**(902.16)**
B.	**Cash Flow from Investing Activities**			
	Purchase of Fixed Assets		**0.00**	(10.91)
	Net Cash Flow from Investing Activities	**(B)**	**0.00**	**(10.91)**
C.	**Cash Flow from financing Activities**			
	Proceed of capital from Issue of share on preferential basis		**155.76**	-
	Proceed of premium from Issue of share on preferential basis		**199.24**	-
	Long Term & Other borrowings		**-**	-
	Unseacured loan received		**(207.15)**	958.95
	Interest Paid		**(16.43)**	(23.97)
	Net Cash Flow from Financing Activities	**(C)**	**126.42**	**934.98**
	Net Increase/decrease in Cash & Cash Equivalents	**(A+B+C)**	**(22.80)**	21.92
	Cash & Cash Equivalents at the beginning of the year		**23.35**	1.44
	Cash & Cash Equivalents at the end of the year		**0.55**	**23.35**
	Cash and Cash Equivalent at the year end constitutes			
	Balance with Banks-In Current Accounts		**0.55**	-
	Cheques in hand			23.35
			0.55	**23.35**

The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard (AS-3) on Cash Flow Statement.

As per our report of even date attached
For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Regn No. 103523W/W100048

Sumant Sakhardande
(Partner)
Membership No.: 034828

Place: Mumbai
Date: 4th May, 2017

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

Tarique Ansari
Chairman & Managing Director
(DIN: 00101820)

Adille Sumariwalla
Director
(DIN: 00045855)

Mandar Godbole
Company Secretary

Ismail Dabhoya
Chief Financial Officer

NOTES TO FINANCIAL STATEMENTS

for the year ended on 31st March, 2017

1. Corporate Information

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

The Company stock is listed on National Stock Exchange ("NSE") and Bombay Stock Exchange ("BSE").

The Company was incorporated for several multimedia activities; including but not limited to; the business as broadcasters, marketers of television programs, television films and television software, to carry on the business of a Advertising agents, to provide on-line and/or interactive information, online music and news for business and general use, to deal in internet commerce and all internet related activity, the main business being that of printing and publishing.

Pursuant to the Scheme of Arrangement with Jagran Prakashan Limited ("JPL") the entire print and publishing business of the Company, along with all the related licences, trade marks, logos etc transferred in the name of JPL and accordingly the name "MiD DAY" and its Logo were transferred to JPL in order to avoid any disruption in the use of the name "MiD DAY" and its Logo. The Company's name was thus changed to "Next Mediaworks Ltd".

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 standard specified u/s 133 of Companies Act, 2013 read with Rule 7 of the Companies(Accounts) Rules, 2014 and the relevant provision of the Companies Act, 2013. The financial statements have been prepared on an accrual basis and under historical cost convention. The accounting policies have been consistently applied by the Company and are consistent with those used in previous year.

3. Summary of significant accounting policies

a) Use of estimates

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

b) Property, Plant and Equipment (PPE)

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

Subsequent expenditure related to an item of PPE 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 for existing PPE, 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 disposal of PPE are measured as the difference between the net disposal proceeds and the carrying amount of the fixed asset and are recognized in the statement of profit and loss when the asset is disposed.

Notes to financial statements

c) Intangible assets

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

d) Depreciation

Depreciation on PPE is provided 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 of the Companies Act, 2013, whichever is higher. Depreciation on additions during the year is provided on a pro-rata basis from the date of addition.

Leasehold improvements are depreciated over the lease periods.

One time entry fees paid for FM Broadcasting Phase - III to Ministry of Information and Broadcasting are amortised over a period of legal life of license.

e) Impairment

At each Balance Sheet date the carrying amount of the assets is tested for impairment. If there is any indication of impairment, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Statement of Profit and Loss. If at the Balance Sheet date there is an indication that the previously assessed impairment loss no longer exist, the recoverable amount is reassessed and the assets is reflected at the recoverable amount.

f) Leases

Finance leases, which effectively transfer to the Company substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the inception of the lease term at the lower of fair value of the leased property and present value of minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability.

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

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 of 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 costs. However provision for diminution in value is made to recognize a decline, other than temporary decline, in the value on investments.

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

h) Revenue recognition

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

Notes to financial statements

Interest

Interest Income is recognized on a time proportion basis, taking into account the amount outstanding and the applicable interest rate.

i) Foreign currency translation

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 transaction.

Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date.

The exchange differences arising on the settlement of the monetary items or on reporting such items at rates different from those at which they were initially recorded in previous financial statements are recognized in the Statement of Profit & Loss.

j) Retirement and other employee benefits

Short term employee benefits payable wholly within twelve months of rendering services such as salaries, wages, etc. are recognized in the period in which the employee renders the related service.

Defined Contribution Plan: The Company's contribution to the state governed employees' provident fund scheme is a defined contribution plan. The contribution paid / payable under the scheme is recognized during the period in which the employee renders the related service.

Defined Benefit Plan: The Company's gratuity fund managed through the gratuity trust is Company's defined benefit plan. The present value of obligations under such defined benefit plans is determined based on actuarial valuation using the projected unit credit method.

Long Term Employee Benefits: The obligation of long term employee benefits such as long term compensated absences is recognized in the same manner as in the case of defined benefit plans.

k) Income Taxes

Tax expense comprises of current and deferred tax. Current tax is determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income Tax Act, 1961.

Deferred tax is recognized, subject to the consideration of prudence, on timing differences, being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

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

l) Earnings Per Share

Basic earning per share are calculated by dividing the net profit or loss for the period attributable to the equity shareholders (after deducting preference dividends and attributable expenses) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity share outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share spilt and reverse share spilt (consolidation of shares) that have 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.

Notes to financial statements

m) Provisions

A provision is recognized when the Company has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the obligation. 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.

n) Contingent liabilities, contingent assets

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

Contingent assets are neither recognized nor disclosed.

o) Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less, that are readily convertible to known amount of cash and which are subject to an insihnificant risk of changes in value.

4. Share Capital

a. Authorized and issued and paid-up capital

	As at 31st Mar, 2017		As at 31st Mar, 2016	
	Number of Shares	Amount (₹) in lakhs	Number of Shares	Amount (₹) in lakhs
Authorized Capital				
Equity Shares of ₹ 10/- each	80,000,000	8,000.00	70,000,000	7,000.00
	80,000,000	**8,000.00**	**70,000,000**	**7,000.00**
Issued, Subscribed & Paid up Capital				
Equity Shares of ₹ 10/- Each fully paid	64,998,756	6,499.88	58,298,776	5,829.88
Less : Shares outstanding under ESOP Scheme *	1,03,180	10.32	1,69,840	16.98
	6,67,89,728	**6,678.97**	**6,51,65,436**	**6,516.54**

* ESOP Trust (Mid-Day Exports Pvt Ltd) is holding in total in current year 144,096 shares (PY 2,10,756 shares) including in current year 40,916 shares (PY 40,916 shares) held from earlier ESOP Scheme which is part of share Capital reflected in balance sheet.

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

	As at 31st Mar, 2017		As at 31st Mar, 2016	
	Number of Shares	Amount (₹) in lakhs	Number of Shares	Amount (₹) in lakhs
Shares outstanding at the beginning of the year	65,165,436	6,516.54	64,998,756	6,499.88
Add: Shares issued during the year	1,624,292	162.43	166,680	16.67
Less: Shares bought back during the year	-	-	-	-
Shares outstanding at the end of year	**66,789,728**	**6,678.97**	**65,165,436**	**6,516.54**

* On 28/03/2017, the company has made preferential allotment of 15,57,632 equity shares of face value ₹ 10/- each to Ferari Investment & Trading Co. Pvt. Ltd. (a promoter group company) at a price of ₹ 22.47/- each

Notes to financial statements

c. Terms / rights attached to equity shares

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

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

	As at 31st Mar, 2017		As at 31st Mar, 2016	
Equity Shares	**Number of Shares**	**% of Holding**	**Number of Shares**	**% of Holding**
Mr. Khalid Ansari	4,338,055	6.49%	4,338,055	6.64%
Mr. Tarique Ansari	4,337,298	6.48%	4,337,298	6.64%
Mrs. Rukya Ansari	4,615,075	6.90%	4,615,075	7.06%
Mr. Sharique Ansari	4,337,298	6.48%	4,337,298	6.64%
Ms. Tehzeb Ansari	4,337,298	6.48%	4,337,298	6.64%
Bennett, Coleman and Company Ltd.	3,649,391	5.46%	3,649,391	5.59%
Ferari Investments & Trading Company Pvt. Ltd.	11,216,858	16.77%	9,659,226	14.78%
Meridian Holding and Leasing Co. P. Ltd.	7,469,856	11.17%	7,469,856	11.43%
Total	**44,301,129**	**66.23%**	**42,743,497**	**65.42%**

e. There are no equity shares issued as bonus shares, or for consideration other than cash during the period five years immediately preceding the reporting date except for ESOP.

Details of shares issued under ESOP scheme

Particulars	**2016-17**	**2015-16**	**2014-15**	**2013-14**	**2012-13**
Shares issued under ESOP	66,660	1,66,680	99,990	99,990	NIL

f. Employee stock option scheme

for details of employee stock option, plan scheme refer note no. 31.

5. Reserves & Surplus

Particulars	**As at 31st Mar, 2017 Amount (₹) in lakhs**	**As at 31st Mar, 2016 Amount (₹) in lakhs**
Securities Premium		
Opening Balance	**8,399.29**	8,393.09
Add: Share Premium credited on share issue	**200.41**	6.20
Less: Premium utilized for preferential allotment*	**0.95**	-
	8,598.75	**8,399.29**
Employee Stock Option Outstanding	**319.31**	332.16
Less: Deferred Employee Compensation Cost	**(310.01)**	(319.66)
	9.30	12.51
Surplus		
Opening Balance	**(12120.69)**	(156.89)
Add: Net Profit/ (Loss) for the year	**(274.36)**	(11963.80)
Closing Balance	**(12395.06)**	**(12120.69)**
Total Reserves & Surplus	**(3787.01)**	**(3708.89)**

* Out of ₹ 0.95 Lakhs ₹ 0.60 Lakhs paid for certification to statutory auditors

Notes to financial statements

6. Long Term Borrowings

Particulars	Non – Current Portion	
	As at 31st Mar, 2017	As at 31st Mar, 2016
	Amount (₹) in lakhs	Amount (₹) in lakhs
Unsecured Borrowings		
Inter Corporate Loans		
- From Related Parties (Refer Note 25)	**834.11**	1,041.26
	834.11	**1,041.26**

Unsecured loans from related parties are payable at end of tenure of loan i.e. 8 years

7. Other long-term Liablity

Particulars	As at 31st Mar, 2017	As at 31st Mar, 2016
	Amount (₹) in lakhs	Amount (₹) in lakhs
Interest Accrued but not due from Related parties (Refer Note No. 25)	**328.21**	197.01
	328.21	**197.01**

8. Trade Payables

Particulars	As at 31st Mar, 2017	As at 31st Mar, 2016
	Amount (₹) in lakhs	Amount (₹) in lakhs
Trade Payables		
- a) Dues to Micro and Small Enterprises (Refer Note No. 23)	**-**	-
- b) Other than dues to Micro and Small Enterprises	**0.59**	2.48
	0.59	**2.48**

9. Provisions

Particulars	Long Term		Short Term	
	As at 31st Mar, 2017	As at 31st Mar, 2016	As at 31st Mar, 2017	As at 31st Mar, 2016
	Amount (₹) in lakhs	Amount (₹) in lakhs	Amount (₹) in lakhs	Amount (₹) in lakhs
Provision for Employee Benefits				
Gratuity (funded)	**-**	-	**-**	-
Leave Encashment (Unfunded)	**3.87**	5.00	**0.28**	0.52
	3.87	**5.00**	**0.28**	**0.52**

Notes to financial statements

10. Other Current Liabilities

	As at 31st Mar, 2017	As at 31st Mar, 2016
	Amount (₹) in lakhs	Amount (₹) in lakhs
Other Liabilities		
Statutory Dues Payable	**9.67**	9.71
Other Current Liabilities	**12.16**	31.14
Salary payable	**7.42**	8.53
Book overdraft	**-**	0.16
Rent Equalisation Reserve	**0.85**	0.51
	30.10	**50.05**

11. Fixed Assets

Amount (₹) in lakhs

Particulars	Gross Block				Depreciation				Net Block
	As at 1st Apr, 2016	Additions	Deductions	As at 31st Mar, 2017	As at 1st Apr, 2016	For the period	Deductions	As at 31st Mar, 2017	As at 31st Mar, 2017
Property, Plant and Equipment									
Office Premises	46.16	0.00	-	46.16	22.29	1.50	-	23.79	22.37
Office Equipments	0.61	-	-	0.61	0.61	-	-	0.61	-
Total Tangible Assets	**46.77**	**0.00**	**-**	**46.77**	**22.90**	**1.50**	**-**	**24.40**	**22.37**
Intangible Assets:									
Softwares	28.30	-	-	28.30	28.30	-	-	28.30	-
Total Intangible Assets	**28.30**	**-**	**-**	**28.30**	**28.30**	**-**	**-**	**28.30**	**-**
Total	**75.07**	**0.00**	**-**	**75.07**	**51.20**	**1.50**	**-**	**52.70**	**22.37**

Amount (₹) in lakhs

Particulars	Gross Block				Depreciation				Net Block
	As at 1st Apr, 2015	Additions	Deductions	As at 31st Mar, 2016	As at 1st Apr, 2015	For the period	Deductions	As at 31st Mar, 2016	As at 31st Mar, 2016
Property, Plant and Equipment									
Office Premises	35.25	10.91	-	46.16	16.38	5.91	-	22.29	23.87
Office Equipments	0.61	-	-	0.61	0.61	-	-	0.61	-
Total Tangible Assets	**35.86**	**10.91**	**-**	**46.77**	**16.99**	**5.91**	**-**	**22.90**	**23.87**
Intangible Assets:									
Softwares	28.30	-	-	28.30	28.30	-	-	28.30	-
Total Intangible Assets	**28.30**	**-**	**-**	**28.30**	**28.30**	**-**	**-**	**28.30**	**-**
Total	**64.16**	**10.91**	**-**	**75.07**	**45.29**	**5.91**	**-**	**51.20**	**23.87**

Notes to financial statements

12. Non Current Investment

Particulars		As at 31st Mar, 2017		As at 31st Mar, 2016		
	Number of Shares	% of holding	Amount (₹) in lakhs	Number of Shares	% of holding	Amount (₹) in lakhs
Trade Investments (Unquoted)						
Investments in Subsidiaries						
Next Outdoor Limited (Equity Shares of ₹ 10/- Each (PY Rs. 10/- Each))	3,494,200	100.00%	349.42	3,494,200	100.00%	349.42
Digital One Pvt Limited (Equity Shares of ₹ 10/- Each (PY Rs. 10/- Each))	10,000	100.00%	1.00	10,000	100.00%	1.00
One Audio Limited (Equity Shares of ₹ 10/- Each (PY Rs. 10/- Each))	50,000	100.00%	5.00	50,000	100.00%	5.00
Next Radio Limited (Equity Shares of ₹ 10/- Each (PY Rs. 10/- Each)) (Refer Note No. 24)	38,933,165	51.40%	3,893.32	122,200,770	76.73%	15,602.86
Other Investments						
Awami Co-op Bank Limited (Equity Shares of ₹ 10/- Each (PY Rs. 10/- Each))	250	0.01%	0.03	250	0.01%	0.03
Dombivli Nagari Sahakari Bank (Equity Shares of ₹ 50/- Each (PY Rs. 50/- Each))	20	0.01%	0.01	20	0.01%	0.01
Less: Provision for diminution in value of Investment (Refer note no. 24)			355.45			12,064.99
			3,893.33			**3,893.33**
Aggregate amount of Unquoted Investment (at cost)			**4,248.77**			**15,958.31**
Aggregate amount of impairment in value of investments			**355.45**			**12,064.99**

13. Trade Receivable

Particulars		As at 31st Mar, 2017	As at 31st Mar, 2016
		Amount (₹) in lakhs	Amount (₹) in lakhs
Trade receivables outstanding for period exceeding six months from the date they are due for payment			
Unsecured Considered good		-	-
Unsecured Considered doubtful		-	-
Less: Provision for doubful debts		-	-
	A	-	-
Trade receivables outstanding for period less than six months from the date they are due for payment			
Unsecured Considered good		**11.92**	17.02
		11.92	17.02
Less: Provision for doubful debts		-	-
	B	**11.92**	17.02
Total (A+B) (Refer Note No. 25)		**11.92**	**17.02**

14. Cash and Cash Equivalent

Particulars	Current	
	As at 31st Mar, 2017	As at 31st Mar, 2016
	Amount (₹) in lakhs	Amount (₹) in lakhs
Cash & Cash Equivalents		
Balances with Banks-In Current Accounts	**0.55**	-
Cheques in hand	-	23.35
Cash in hand	-	-
	0.55	**23.35**

Notes to financial statements

During the year, the company did not had specified bank notes as defined in the MCA notification G.S.R. 308 (E) dated 30th March, 2017. The details of SBNs held and transacted during the period from 8th November, 2016 to 30th December 2016, the denomination of SBNs & Other notes as per the notification are as follows:

(₹) in lakhs

Particular	SBNs	Other denomination notes	Amount (₹)
Closing Cash as on 8th December, 2016	-	0.00	0.00
(+) Permitted Reciepts	NIL	NIL	NIL
(-) Permitted Payments	NIL	NIL	NIL
(-) Amount deposited in banks	NIL	NIL	NIL
Closing Cash as on 30th December, 2016	-	0.00	0.00

Specified Bank Notes is defined as Bank Notes of denominations of the existing series of the value of five hundred rupees and one thousand rupees.

The disclosures with respects to 'Permitted Receipts', 'Permitted Payments', 'Amount Deposited in Banks' and 'Closing Cash in Hand as on 30.12.2016' is understood to be applicable in case of SBNs only.

15. Loans & Advances

Particulars	Long Term		Short Term	
	As at 31st Mar, 2017	As at 31st Mar, 2016	As at 31st Mar, 2017	As at 31st Mar, 2016
	Amount (₹) in lakhs	Amount (₹) in lakhs	Amount (₹) in lakhs	Amount (₹) in lakhs
Unsecured Considered Good				
Sundry Deposit	**-**	-	**5.35**	4.00
Loans to Related Party (Refer Note No. 25)	**-**	-	**203.10**	203.10
Less: Provision against Loans (Refer Note No. 25)	**-**	-	**(203.10)**	(201.73)
Tax Deducted at Source / Advance Income Tax	**125.47**	118.12	**-**	0.00
Other Taxes Receivable	**-**	-	**4.26**	0.72
Prepaid Expenses	-	-	**9.79**	9.80
Gratuity Fund			**16.08**	12.40
	125.47	**118.12**	**35.48**	**28.29**

16. Other Income

Particulars	Year Ended 31st Mar, 2017	Year Ended 31st Mar, 2016
	Amount (₹) in lakhs	Amount (₹) in lakhs
Other Income		
Creditors / Liabilities Written Back	23.42	9.93
Rental Income (Refer Note No. 25)	4.50	-
	27.92	**9.93**

Notes to financial statements

17. Employee Benefit Expenses

Particulars	Year Ended 31st Mar, 2017	Year Ended 31st Mar, 2016
	Amount (₹) in lakhs	Amount (₹) in lakhs
Employee Benefit Expenses		
Salary & Wages	**114.35**	72.95
Contribution to PF and other funds	**6.33**	6.20
Staff Welfare expenses & Other Employee expenses	**-**	0.17
Employee Compensation (ESOP) Expenses	**9.65**	22.83
	130.33	**102.15**

18. Finance Cost

Particulars	Year Ended 31st Mar, 2017	Year Ended 31st Mar, 2016
	Amount (₹) in lakhs	Amount (₹) in lakhs
Interest Charges		
On Loans from Others	**1.78**	0.37
On Loans from Related Parties (Refer Note No. 25)	**145.84**	106.19
Other Borrowing Costs		
Bank Charges & Commission	**0.01**	0.06
	147.63	**106.62**

19. Other Expenses

Particulars	Year Ended 31st Mar, 2017	Year Ended 31st Mar, 2016
	Amount (₹) in lakhs	Amount (₹) in lakhs
Electricity charges	**0.51**	0.05
Rent	**25.94**	23.68
Repairs & Maintainance - Others	**1.14**	1.26
Insurance	**1.00**	0.91
Rates and Taxes	**9.75**	12.36
Telephone charges	**1.31**	2.96
Travelling & Conveyance	**3.25**	3.92
Auditors' remuneration :-		
- Statutory Audit	**1.00**	1.00
- Tax Audit	**-**	-
- Others	**0.45**	0.57

Notes to financial statements

Particulars	Year Ended 31st Mar, 2017	Year Ended 31st Mar, 2016
	Amount (₹) in lakhs	Amount (₹) in lakhs
Directors' sitting fees	**2.99**	2.80
Business Promotion	**(0.21)**	9.53
Sundry Balances Written off	**2.50**	4.81
Hire Charges	**3.11**	3.04
Membership & Subscription fees	**3.52**	2.96
Legal & Professional Charges	**41.54**	29.43
Printing and stationery	**8.38**	5.09
Miscellaneous Expenses	**0.98**	-
	107.14	**104.37**

20. Earnings per Share (EPS)

	March 31, 2017	March 31, 2016
Net loss for the year attributable to equity shareholders before extra ordinary item (₹ in lakhs)	**(274.36)**	(254.26)
Net loss for the year attributable to equity shareholders after extra ordinary item (₹ in lakhs)	**(274.36)**	(11963.80)
Calculation of weighted average number of equity shares		
Number of shares at the beginning of the year	**65,165,436**	64,998,756
Weighted average number of Shares issued during the year	**29,671**	71,974
Weighted average number of equity shares at the end of the year	**65,195,107**	**65,070,730**
Basic and diluted earnings (in ₹) per share before extra ordinary item	**(0.42)**	**(0.39)**
Basic and diluted earnings (in ₹) per share after extra ordinary item	**(0.42)**	**(18.39)**

21 Segment Reporting

The Company has only one segment namely providing management consultancy in India hence no separate disclosure of segment wise information has been made.

22.(A) Contingent Liabilities

a. Corporate guarantee issued to banks for Company's Subsidiary for term loan of ₹ 6,480.00 lakhs (Previous Year ₹ 11,193.00 lakhs) and Cash Credit limit of ₹ 1,300.00 lakhs.(Previous Year ₹ 1,000.00 lakhs)

b. In respect of Income Tax demand under dispute (net of advances) ₹ 193.11 lakhs (Previous Year ₹ 265.64 lakhs)

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

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

Notes to financial statements

24. The Board of Directors of the subsidiary company Next Radio Limited has on June 18, 2015 approved a proposal for reduction of capital of the company by cancelling approximately 68 shares out of 100 shares held as on date against the accumulated losses. Pursuant to approval for the same from the Hon'ble High Court on April 1, 2016, the company had provided for ₹ 11,709.54 Lakhs for provision for diminution in value of investment in Next Radio Limited on 31st March, 2016. During the year the company has written back the same provision and written off its investment in Next Radio Limited.

25. Related party disclosures

Names of related parties and related party relationship

a.	Subsidiary Companies	-	Next Radio Limited
			One Audio Limited
			Digital One Private Limited
			Next Outdoor Limited
b.	Under control of Management	-	Next Publishing Services Private Limited
			Mid-Day Exports Pvt Ltd
			Inquilab Offset Printers Ltd
			Ferari Investments and Trading Co Pvt Ltd
			Meridian Holding & Leasing Co Pvt Ltd
c.	Key Managerial Personnel	-	Mr. Tarique Ansari, Managing Director

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

Nature of Transactions	Subsidiary Company	Under control of Management	Key Managerial Personnel
Service charges received			
Next Radio Limited	84.32		
	(54.86)		
Rental Income			
Next Radio Limited	4.50		
	-		
Interest Expenses			
Next Radio Limited	145.84		
	(106.01)		
Ferari Investments and Trading Co Pvt Ltd		-	
		(0.18)	
Managerial Remuneration-Mr Tarique Ansari			60.00
			(60.00)
Printing expenses			
Inquilab Offset Printers Ltd.		1.43	
		(2.50)	
Receipt of Unsecured Loan during the year			
Next Radio Ltd.	299.62		
	(967.07)		
Repayment of Unsecured Loan During the year			
Next Radio Ltd.	500.77		
	(8.10)		
Ferari Investments and Trading Co Pvt Ltd		6.00	
		-	

Notes to financial statements

Nature of Transactions	Subsidiary Company	Under control of Management	Key Managerial Personnel
Unsecured Loan payable at end of year			
Next Radio Ltd.	834.11		
	(1035.27)		
Ferari Investments and Trading Co Pvt Ltd		-	
		(6.00)	
Interest Payable			
Next Radio Ltd.	328.21		
	(196.90)		
Ferari Investments and Trading Co Pvt Ltd		-	
		(0.12)	
Interest Receivable			
Meridian Holding & Leasing Co Pvt Ltd		-	
		(0.59)	
Proceeds from Issue of shares			
Ferari Investments and Trading Co Pvt Ltd		350.00	
		-	
Trade Payable			
Inquilab Offset Printers Pvt Ltd		0.43	
		(0.13)	
Loans receivable - Refer Note 1			
One Audio	201.73		
	(201.73)		
Next Outdoor	1.32		
	(1.32)		
Investment - Refer Note 2			
Next Radio Limited	3,893.32		
	(3893.32)		
One Audio Limited	5.00		
	(5.00)		
Digital One Private Limited	1.00		
	(1.00)		
Next Outdoor Limited	349.42		
	(349.42)		
Receivables at the end of the year			
Next Radio Limited	11.92		
	(17.02)		

Note 1 - The company has provided the provision against the loans receivable from the subsidiaries company
Note 2 - Except for Investment in Next Radio Limited, the company has provided for diminution in value of investment in other subsidiaries

26. Employee Benefits

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

a. Defined Contribution Plans

Provident Fund

The Company has recognized ₹ 6.33 lakhs (PY ₹ 6.15 lakhs) in Statement of Profit & Loss towards employer's contribution to provident fund.

Notes to financial statements

b. Defined Benefit Plans

i. Contribution to Gratuity Fund (Funded Scheme)

ii. Leave Encashment (Non-funded Scheme)

In accordance with the Accounting Standards (AS 15) (Revised 2005), actuarial valuation was performed in respect of the aforesaid defined benefit plans based on the following assumptions:

	Mar-17	Mar-16
Discount Rate	**– 7.12% pa**	– 7.81% pa
Rate of Increase in compensation levels (pa)	**– 6.00% pa**	– 6.00% pa
Attrition Rate	**– 1.00% pa**	– 1.00% pa

a. Change in the Present Value obligation

	Year Ended 31st Mar, 2017 (₹) in lakhs	**Year Ended 31st Mar, 2016 (₹) in lakhs**
Present Value of Defined Benefit Obligation as at beginning of the Period	**45.75**	60.86
Interest Cost	**3.57**	4.86
Current Service Cost	**2.15**	2.62
Benefits Paid	**-**	-
Actuarial (gain) / Loss on Obligation	**(1.22)**	(22.59)
Present Value of Defined Benefit Obligation as at end of the period	**50.25**	45.75

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

Present Value of Plan Assets as at beginning of the period	**58.15**	55.94
Expected Return on Plan Assets	**4.54**	4.46
Actuarial gain/(loss)on Plan Assets	**3.65**	(2.26)
Contributions	**-**	-
Benefits Paid	**-**	-
Fair Value of Plan Assets as at end of the period *	**66.34**	58.15

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

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

Present Value of Funded Obligation as at end of the period	**50.25**	45.75
Fair Value of Plan Assets as at end of the period	**66.34**	58.15
Funded Asset recognised in the Balance Sheet	**16.08**	12.40
Included in provision (Schedule)	**-**	-
Present Value of Unfunded Obligation as at end of the period	**-**	-
Unrecognised Actuarial gains / (losses)	**-**	-
Unfunded Liability recognised in the Balance Sheet	**-**	-
Included in provision (Schedule)	**-**	-

Notes to financial statements

d. Amount Recognized in the Balance Sheet

Present Value of Defined Benefit Obligation as at the end of the period	**50.25**	45.75
Fair Value of Plan Assets As at the end of the period	**66.34**	58.15
Liability / (Net Asset) recognized in the Balance Sheet	**(16.08)**	(12.40)

e. Expenses Recognized in the Statement of Profit & Loss

	Year Ended 31st Mar, 2017 (₹) in lakhs	Year Ended 31st Mar, 2016 (₹) in lakhs
Current Service Cost	**2.15**	2.62
Past Service Cost	**-**	-
Interest Cost	**3.57**	4.86
Expected Return on Plan Assets	**(4.54)**	(4.46)
Actuarial (gain) / loss	**(4.86)**	(20.33)
Settlement Cost / (Credit)	**-**	-
Net Actuarial (gain) / Loss recognised in the Period	**-**	-
Total Expenses recognised in the Statement of Profit and Loss	**(3.68)**	(17.32)

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

The company has provided an amount of ₹ 0.83 lakhs (PY ₹ 0.83 lakhs) on account of leave encashment payable to the employees.

f. Other Disclosure

Experience Adjustments of last three years	Year Ended 31st Mar, 2017 (₹) in lakhs	Year Ended 31st Mar, 2016 (₹) in lakhs	Year Ended 31st Mar, 2015 (₹) in lakhs
(Present Value Of Benefit Obligation as at the End of the Period)	**(50.25)**	(45.75)	(60.86)
Fair Value Of Plan Assets as at End of the period	**66.34**	58.15	55.94
Funded Status (Deficit)/Surplus	**16.08**	12.40	(4.92)
Experience Adjustment On Benefit Obligation (Gains)/Losses	**(2.26)**	(22.82)	(2.91)
Experience Adjustments On Plan Assets (Losses)/Gains	**3.65**	(2.26)	6.03

27 Managerial Remuneration

During the period July 2013 to March 2014, the company has paid remuneration to Managing Director which is in excess of the limit specified in section 197 of the Companies Act, 2013. Pursual to non-approval of such higher remuneration from Central Government the company has recovered ₹ 23.35 Lakhs from Managing Director towards such higher remuneration paid in the FY 2015-16.

28 Expenditure in Foreign Currency

During the year, there are no transactions in foreign currency.

Expenditure in Foreign Currency

During the year, there are no earnings in foreign currency.

29 Leases

Pursuant to Accounting Standard (AS-19) - Leases, the following information is given

In case of assets taken on operating lease

The lease rent and amenities charges recognized in the Statement of Profit and Loss during the year ended March 31, 2017 is ₹ 25.94 Lakhs (previous year: ₹ 23.68 Lakhs)

Obligation of the Company towards future lease payments

Particulars	As at 31st Mar, 2017	As at 31st Mar, 2016
	Amount (₹) in lakhs	Amount (₹) in lakhs
Past Service Cost	-	-
Interest Cost	**3.57**	4.86
Expected Return on Plan Assets	**(4.54)**	(4.46)
Actuarial (gain) / loss	**(4.86)**	(20.33)
Settlement Cost / (Credit)	-	-
Net Actuarial (gain) / Loss recognised in the Period	-	-
Total Expenses recognised in the Statement of Profit and Loss	**(3.68)**	(17.32)

30 Disclosure required under section 186(4) of the Companies Act, 2013

Loans, Guranteess given or Investment made during the Financial Year 2016-17

Particulars	(₹) in lakhs
Loans given	203.05
Guarantee given	7,780.00
Investment made	4,248.74

Name of the entity	Ralation	Amount (₹) in lakhs	Particulars of loans, gurantee given or Investment made	Purpose
Next Radio Limited	Subsidiary	7,780.00	Guarantee	Business Purpose
One Audio Limited	Subsidiary	201.73	Loans given	Business Purpose
Next Outdoor Limited	Subsidiary	1.32	Loans given	Business Purpose
Next Radio Limited	Subsidiary	3,893.32	Investment	Business Purpose
Next Outdoor Limited	Subsidiary	349.42	Investment	Business Purpose
Digital One Pvt Limited	Subsidiary	1.00	Investment	Business Purpose
One Audio Limited	Subsidiary	5.00	Investment	Business Purpose

Notes to financial statements

31 EMPLOYEE STOCK OPTION PLANS

1. For the financial year March 31, 2017 following schemes were in operation:

Particulars	During the year ended	
	As at March 31, 2017	As at March 31, 2016
	Option in No. (FY 2016-17)	Option in No. (FY 2015-16)
Option outstanding at the beginning of the year	133,340	300,020
Granted during the year	-	-
Vested during the year	66,660	166,680
Exercised during the year	66,660	166,680
Lapsed during the year	NIL	NIL
Option outstanding at the end of the year	66,680	133,340
Option available for grant as at March 31,	66,680	133,340

2. Details of options granted to Senior Managerial Personal as at March 31, 2017

Name of Employee	Mr. Ismail Dabhoya
Option Granted	-
Option vested	66,660
Option Lapsed	NIL
Option Exercised	66,660
Balance	66,680

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

12 months from the grant date-33.33%

24 months from the grant date-33.33%

36 months from grant date -33.33%

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

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Regn No. 103523W/W100048

Sumant Sakhardande
(Partner)
Membership No.: 034828

Place: Mumbai
Date: 4th May, 2017

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

Tarique Ansari
Chairman & Managing Director
(DIN: 00101820)

Adille Sumariwalla
Director
(DIN: 00045855)

Mandar Godbole
Company Secretary

Ismail Dabhoya
Chief Financial Officer

INDEPENDENT AUDITORS' REPORT

On Consolidated Financial Statements of Next Mediaworks Limited

To The Members of Next Mediaworks Limited

We have audited the accompanying consolidated financial statements of Next Mediaworks Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), comprising of the Consolidated Balance Sheet as at March 31, 2017, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these Consolidated Financial Statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group 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. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Holding Company, as aforesaid.

Auditors' Responsibility

Our responsibility is to express an opinion on these Consolidated Financial Statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, 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 Consolidated Financial Statements are free from material misstatement.

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

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their report referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

INDEPENDENT AUDITORS' REPORT On Consolidated Financial Statements

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, the aforesaid Consolidated Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2017, their consolidated loss and their consolidated cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to Note 32 to the Statement with regard to Managerial remuneration paid to Managing Director by one of the subsidiary Company for the period from May 07, 2015 to March 31, 2016 which is subject to approval of Central Government.

Our report is not modified in respect of this matter.

Other Matter

We did not audit the financial statements three subsidiaries, whose financial statements reflects total assets of ₹ 14.49 lakhs and net assets of ₹ (238.27) lakhs as at March 31, 2017, total revenues of ₹ Nil and net cash outflows amounting to ₹ 0.01 lakhs for the year ended on that date, as considered in the Consolidated Financial Statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

Our opinion on the Consolidated Financial Statements and our report on the Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the management.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, we report, to the extent applicable, that:

a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements;

b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept by the Company so far as it appears from our examination of those books and the reports of the other auditors;

c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements;

d. In our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014;

e. On the basis of written representations received from the directors of the Holding Company as on March 31, 2017 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, none of the directors of the Group companies, is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act;

f. With respect to the adequacy of the internal financial controls over financial reporting of the Group, and the operating effectiveness of such controls, we give our separate Report in the "Annexure".

INDEPENDENT AUDITORS' REPORT On Consolidated Financial Statements

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

(i) The Consolidated Financial Statements disclose the impact of pending litigations on the consolidated financial position of the Group – Refer Note XX to the Consolidated Financial Statements;

(ii) The Group does not have any long-term contracts including derivative contracts. Hence, the question of any material foreseeable losses does not arise;

(iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies.

(iv) The Holding Company and its subsidiary companies have provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from November 08, 2016 to December 30, 2016. Based on audit procedures performed by us and based on the reports of other auditors, we report that the disclosures are in accordance with the books of account maintained by the Holding Company and its subsidiary companies (Refer Note 19 to the consolidated financial statements).

For **Haribhakti & Co. LLP**
Chartered Accountants
ICAI Firm Reg No. 103523W

Sumant Sakhardande
Partner
Membership No. 034828

Mumbai: May 04, 2017

ANNEXURE TO INDEPENDENT AUDITORS' REPORT

[Referred to under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of Next Mediaworks Limited on the consolidated financial statements for the year ended March, 31, 2017]

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

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2017, we have audited the internal financial controls over financial reporting of the Group, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable

INDEPENDENT AUDITORS' REPORT On Consolidated Financial Statements

detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to three subsidiary companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

For **Haribhakti & Co. LLP**
Chartered Accountants
ICAI Firm Reg No. 103523W

Sumant Sakhardande
Partner
Membership No. 034828

Mumbai: May 04, 2017

CONSOLIDATED BALANCE SHEET

as at 31st Mar, 2017

Particulars	Refer Note No.	As at 31st Mar, 2017	As at 31st Mar, 2016
		₹ in lakhs	₹ in lakhs
Equity And Liabilities			
Shareholders' funds			
Share capital	4	**6,678.97**	6,516.54
Reserves and surplus	5	**(4,078.87)**	(2,817.17)
		2,600.10	3,699.37
Preference Shares in Subsidiary Company	6	**-**	2,500.00
Minority Interest	7	**3,409.46**	261.54
Non-current liabilities			
Long-term borrowings	8	**5,078.62**	6,524.62
Other Long term liabilities	9	**1,900.00**	1,900.00
Long-term provisions	10	**77.34**	40.73
		7,055.96	8,465.35
Current liabilities			
Short-term borrowings	11	**248.29**	218.51
Trade payables: Due to	12		
-a) Dues to Micro and Small Enterprises		**-**	-
-b) Other than dues to Micro and Small Enterprises		**380.78**	142.47
Other current liabilities	13	**2,329.45**	1,815.69
Short-term provisions	10	**93.10**	83.78
		3,051.62	2,260.44
		16,117.14	17,186.71
Assets			
Non-current assets			
Fixed assets	14		
Property, Plant & Equipment		**587.26**	572.86
Intangible assets		**11,985.77**	12,894.39
Capital Work In Progress		**-**	-
		12,573.03	13,467.25
Non-current investments	15	**0.51**	0.54
Deferred tax assets (net)	16	**-**	-
Long-term loans and advances	17	**894.85**	1092.14
Other non-current assets	18	**4.50**	4.50
Current assets			
Trade receivables	19	**2,024.41**	1,918.93
Cash and Cash Equivalent	20	**201.11**	266.62
Short-term loans and advances	17	**414.87**	419.82
Other current assets	21	**3.86**	16.91
		2,644.25	3,059.50
		16,117.14	17,186.71
Summary of significant accounting policies			
The Notes are an integral part of financial statements	3		

As per our report of even date attached
For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Regn No.: 103523W/W100048

Sumant Sakhardande
(Partner)
Membership No.: 034828

Place: Mumbai
Date: 4th May, 2017

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

Tarique Ansari
Chairman & Managing Director
(DIN: 00101820)

Adille Sumariwalla
Director
(DIN: 00045855)

Mandar Godbole
Company Secretary

Ismail Dabhoya
Chief Financial Officer

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

for the year ended 31st Mar, 2017

Particulars	Refer Note No.	Year Ended 31st Mar, 2017	Year Ended 31st Mar, 2016
		₹ in lakhs	₹ in lakhs
Revenue from Operations			
Advertisement Income		**7,631.13**	7,618.23
Outsourcing Revenue		**170.00**	-
Other income	22	**88.69**	253.46
Total Revenue		**7,889.82**	7,871.69
Expenses			
Radio license fees		**1,398.71**	1,393.56
Employee Benefits Expenses	23	**2,680.93**	2,265.65
Operating expenses	24	**1,443.73**	1,295.12
Finance cost	25	**948.12**	653.06
Depreciation & Amortization	14	**1,152.58**	1,353.60
Other Expenses	26	**1,080.35**	1,235.75
		8,704.42	8,196.74
Profit / (Loss) before exceptional and extraordinary items and tax		**(814.60)**	(325.04)
Extra ordinary items	33	**-**	5,489.67
Prior Period Items		**-**	
Profit / (Loss) before tax		**(814.60)**	(5,814.71)
Tax expense:			
Deferred tax for the current period	16	**-**	20.10
Deferred Tax on Carried forward loss reversed		**-**	3,725.31
Profit (Loss) for the year		**(814.60)**	(9,560.12)
Less: Share of Profit / (Loss) of Minority Shareholders		**(259.68)**	(1,050.85)
Profit (Loss) for the period after Minority Interest		**(554.92)**	(8,509.27)
Earnings per equity share:	27	**0.02**	(0.29)
Basic & Diluted before extra ordinary item (Face value ₹ 10 each (PY ₹ 10 each))		**(0.85)**	(4.64)
Basic & Diluted after extra ordinary item (Face value ₹ 10 each (PY ₹ 10 each))		**(0.85)**	(13.08)
Summary of significant accounting policies	3		
The Notes are an integral part of financial statements			

As per our report of even date attached
For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Regn No.: 103523W/W100048

Sumant Sakhardande
(Partner)
Membership No.: 034828

Place: Mumbai
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(DIN: 00045855)

Mandar Godbole
Company Secretary

Ismail Dabhoya
Chief Financial Officer

CONSOLIDATED CASH FLOW STATEMENT

	Particulars	Year Ended 31st Mar, 2017	Year Ended 31st Mar, 2016
		₹ in lakhs	₹ in lakhs
A.	**Net Cashflow from operating Activities**		
	Net Loss before tax and extraordinary item	**(814.60)**	(325.05)
	Depreciation and amortization	**1,152.58**	1,353.60
	Employee Stock Option	**9.65**	22.83
	Liabilities/Creditors written back	**(29.05)**	(40.62)
	Interest expenses	**1,041.06**	647.80
	Interest Income	**(140.19)**	(206.22)
	Interest on Income tax refund	**(28.94)**	-
	Sundry Balances W/off	**40.88**	9.85
	Rent Equilisation Reserve	**6.02**	2.33
	Income from Investment	**(0.07)**	(1.43)
	Sundry Balance w/back	**(23.42)**	-
	Provision for Doubtful Debt	**230.50**	152.48
	Operational Profit before Working Capital	**1,444.42**	1,615.57
	Adjustments for changes in Working Capital		
	Sundry Debtors	**(100.37)**	(385.25)
	Loans & Advances	**(155.18)**	(1,316.34)
	Non Current assets	**109.44**	(26.72)
	Current Liabilities	**504.34**	1,518.96
	Sub-Total	**358.23**	(209.35)
	Cash generated from operations	**1,802.65**	1,406.22
	Direct Taxes Paid	**(137.61)**	(122.04)
	Sub-Total	**(137.61)**	(122.04)
	Net Cash Flow from Operating Activities	**1,665.04**	1,284.18
B.	**Cash Flow from Investing Activities**		
	Purchase fixed Assets (including capital advance)	**(128.09)**	(14,002.32)
	Sale of Fixed Assets	**-**	1,304.36
	Interest Received	**30.75**	99.45
	Income on Investments	**0.07**	1.43
	Net Cash Flow from Investing Activities	**(97.27)**	(12,597.07)

Consolidated Cash Flow Statement

	Particulars	Year Ended 31st Mar, 2017	Year Ended 31st Mar, 2016
C.	**Cash Flow from financing Activities**		
	Proceeds of capital from Issue of share on preferential basis	**155.76**	2,500.00
	Proceeds of premium from Issue of share on preferential basis	**194.24**	-
	Proceeds from Borrowings	**24.34**	7,442.61
	Unsecured loan receievd	**-**	959.04
	Repayment of Long term and Other Borrowings	**(1,120.00)**	(617.05)
	Interest Paid	**(887.60)**	(565.20)
	Net Cash Flow from Financing Activities	**(1,633.26)**	9,719.40
	Net Increase/decrease in Cash & Cash Equivalents	**(65.50)**	(1,593.50)
	Cash & Cash Equivalents at the beginning of the year	**266.62**	1,860.12
	Cash & Cash Equivalents at the end of the year	**201.11**	266.62
	Cash and Cash Equivalent at the year end constitutes		
	Balances with Scheduled Bank		
	In Current Accounts	**148.39**	184.10
	In Fixed Deposit Accounts (Note 2)	**50.57**	57.11
	Cheques in hand	**-**	23.35
	Cash in hand	**2.15**	2.06
	Net Cash Flow from Financing Activities	**201.11**	266.62

1 The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard (AS-3) on Cash Flow Statement.

2 Fixed deposit of ₹ 50.58 Lacs (previous year ₹ 57.11 Lacs) placed with a bank against which bank has given a guarantee which is renewed on a quarterly basis

As per our report of even date attached
For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Regn No.: 103523W/W100048

Sumant Sakhardande
(Partner)
Membership No.: 034828

Place: Mumbai
Date: 4th May, 2017

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

Tarique Ansari
Chairman & Managing Director
(DIN: 00101820)

Adille Sumariwalla
Director
(DIN: 00045855)

Mandar Godbole
Company Secretary

Ismail Dabhoya
Chief Financial Officer

NOTES TO FINANCIAL STATEMENTS

for the year ended on 31st March, 2017

1. Corporate Information

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

The Company is listed on National Stock Exchange ("NSE") and Bombay Stock Exchange ("BSE").

The Company was incorporated for several multimedia activities; including but not limited to; the business as broadcasters, marketers of television programs, television films and television software, to carry on the business of a Advertising agents, to provide on-line and/or interactive information, online music and news for business and general use, to deal in internet commerce and all internet related activity, the main business being that of printing and publishing.

Pursuant to the Scheme of Arrangement with Jagran Prakashan Limited ("JPL") the entire print and publishing business of the Company, along with all the related licences, trade marks, logos etc transferred in the name of JPL and accordingly the name "MiD DAY" and its Logo were transferred to JPL in order to avoid any disruption in the use of the name "MiD DAY" and its Logo. The Company's name was thus changed to "Next Mediaworks Ltd".

2.A.Basis of preparation

a) The consolidated financial statement relates to Next Mediaworks Limited, (`the holding Company') and its Subsidiaries (together referred to as `NMW Group') has been prepared to comply in all material respects with the accounting standard specified u/s 133 of the Companies Act 2013,read with Rule 7 of the Companies (Accounts) Rules 2014 and the relevant provisions of the Companies Act 2013.

b) The Consolidated financials statements have been prepared under historical cost convention on an accrual basis.

B. Principle of Consolidation

a) The Subsidiaries considered in the consolidated financials statements are

Name of the subsidiary	Country of Incorporation	Ownership Interest / Voting power	Financial Year ends on
Next Radio Limited	India	51.40%	31-Mar-17
One Audio Limited	India	100%	31-Mar-17
Digital One Limited	India	100%	31-Mar-17
Next Outdoor Limited	India	100%	31-Mar-17

b) The consolidated financials statements have been prepared on following basis

- The consolidated financial statement has been prepared in accordance with the Accounting Standard 21, "Consolidated Financial Statement" issued by The Institute of Chartered Accountants of India.
- The financial statements of NMW Group have been consolidated on a line-by-line basis by adding together the book values of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions resulting in un-realized profits or losses.
- The consolidated financial statement has been prepared by using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as those of the Holding Company's independent financial statements unless stated otherwise.

Notes to financial statements

- The difference between the cost to the Company of its investments in the subsidiary and its portion of equity of subsidiary at the date it became subsidiary is recognized in the financial statement as Goodwill or Capital Reserve, as the case may be. This is based upon determination of pre-acquisition profits/losses and of net worth as on the date of acquisition determined by the management on the basis of certain estimates which have been relied upon by the auditors.
- Minority Interest in the consolidated financial statement is identified and recognized after taking into consideration :
  (i) The Minority share of movement in equity since the date parent-subsidiary relationship came into existence.
  (ii) The Profit / Loss attribute to the minority is adjusted against income of the group in order to arrive at the net income attribute to the Company.
- As per requirement of AS-28 "Impairment of Assets" issued by ICAI, the management is of the opinion that there is no impairment of goodwill (on consolidation) except as provided in the financial statement.

3. Summary of significant accounting policies

a) Use of estimates

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

b) Property, Plant and Equipment (PPE)

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

Subsequent expenditure related to an item of PPE 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 for existing PPE, 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 disposal of PPE are measured as the difference between the net disposal proceeds and the carrying amount of the fixed asset and are recognized in the statement of profit and loss when the asset is disposed.

c) Intangible assets

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

Intangible assets ie computer software's are amortized over a period of five years.

The One Time Entry Fees' paid by the Subsidiary Company to acquire FM broadcasting license has been classified as an intangible asset. The benefit of this will be derived over a period of 15 years, and hence it is being amortized accordingly.

Notes to financial statements

d) Depreciation

Depreciation on PPE is provided 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 of the Companies Act, 2013, whichever is higher. Depreciation on additions during the year is provided on a pro-rata basis from the date of addition.

Leasehold improvements are amortised over the lease periods.

The One Time Entry Fees' paid by the Subsidiary Company to acquire FM broadcasting license has been classified as an intangible asset. The benefit of this will be derived over a period of 15 years, and hence it is being amortized accordingly.

e) Impairment

At each Balance Sheet date the carrying amount of the assets is tested for impairment. If there is any indication of impairment, the group estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Statement of Profit and Loss. If at the Balance Sheet date there is an indication that the previously assessed impairment loss no longer exist, the recoverable amount is reassessed and the assets is reflected at the recoverable amount.

f) Leases

Finance leases, which effectively transfer to the Company substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the inception of the lease term at the lower of fair value of the leased property and present value of minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability.

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

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 of 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 costs. However provision for diminution in value is made to recognize a decline, other than temporary decline, in the value on investments.

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

h) Revenue recognition

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

Notes to financial statements

Radio FM Broadcasting

Revenue from radio broadcasting is recognized on accrual basis and net of service tax.

Interest

Interest Income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate.

Others

As per Industry practice, Income / expenditure of a reciprocal nature not involving any monetary transaction has not been considered.

i) Foreign currency translation

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 transaction.

Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date.

The exchange differences arising on the settlement of the monetary items or on reporting such items at rates different from those at which they were initially recorded in previous financial statements are recognized in the Statement of Profit & Loss.

j) Retirement and other employee benefits

Short term employee benefits payable wholly within twelve months of rendering services such as salaries, wages, etc. are recognized in the period in which the employee renders the related service.

Defined Contribution Plan: The Company's contribution to the state governed employees' provident fund scheme is a defined contribution plan. The contribution paid / payable under the scheme is recognized during the period in which the employee renders the related service.

Defined Benefit Plan: The Company's gratuity fund managed through the gratuity trust is Company's defined benefit plan. The present value of obligations under such defined benefit plans is determined based on actuarial valuation using the projected unit credit method.

Long Term Employee Benefits: The obligation of long term employee benefits such as long term compensated absences is recognized in the same manner as in the case of defined benefit plans.

k) Income Taxes

Tax expense comprises of current and deferred tax. Current tax is determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income Tax Act, 1961.

Deferred tax is recognized, subject to the consideration of prudence, on timing differences, being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

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

Notes to financial statements

l) Earnings Per Share

Basic earning per share are calculated by dividing the net profit or loss for the period attributable to the equity shareholders (after deducting preference dividends and attributable expenses) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity share outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share spilt and reverse share spilt (consolidation of shares) that have 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.

m) Provisions

A provision is recognized when the Company has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the obligation. 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.

n) Contingent liabilities, contingent assets

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

Contingent assets are neither recognized nor disclosed.

o) Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

4. Share Capital

a. Authorized and issued and paid-up capital

Particulars	As at 31st Mar, 2017		As at 31st Mar, 2016	
	Number of Shares	Amount (₹ in lakhs)	Number of Shares	Amount (₹ in lakhs)
Authorized Capital				
Equity Shares of ₹ 10/- each	80,000,000	**8,000.00**	70,000,000	7,000.00
	80,000,000	**8,000.00**	**70,000,000**	**7,000.00**
Issued, Subscribed & Paid up Capital				
Equity Shares of ₹ 10/- each	66,892,908	**6,689.29**	65,335,276	6,533.53
Less : Shares outstanding under ESOP Scheme	103,180	**10.32**	169,840	16.98
	66,789,728	**6,678.97**	**65,165,436**	**6,516.54**

* ESOP Trust (Mid-Day Exports Pvt Ltd) is holding in total in current year 144,096 shares (PY 2,10,756 shares) including in current year 40,916 shares (PY 40,916 shares) held from earlier ESOP Scheme which is part of share Capital reflected in balance sheet.

Notes to financial statements

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

Particulars	As at 31st Mar, 2017		As at 31st Mar, 2016	
	Number of Shares	Amount (₹ in lakhs)	Number of Shares	Amount (₹ in lakhs)
Shares outstanding at the beginning of the year	65,165,436	**6,516.54**	64,998,756	6,499.88
Add: Shares issued during the year*	1,624,292	**162.43**	166,680	16.67
Less: Shares bought back during the year	-	-	-	-
Shares outstanding at the end of year	**66,789,728**	**6,678.97**	**65,165,436**	**6,516.54**

* On 28/03/2017, the company has made preferential allotment of 15,57,632 equity shares of face value ₹ 10/- each to Ferari Investment & Trading Co. Pvt. Ltd. (a promoter group company) at a price of ₹ 22.47/- each

c. Terms / rights attached to equity shares

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

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

	As at 31st Mar, 2017		As at 31st Mar, 2016	
	Number of Shares	% of Holding	Number of Shares	% of Holding
Equity Shares				
Mr. Khalid Ansari	4,338,055	6.49%	4,338,055	6.64%
Mr. Tarique Ansari	4,337,298	6.48%	4,337,298	6.64%
Mrs. Rukya Ansari	4,615,075	6.90%	4,615,075	7.06%
Mr. Sharique Ansari	4,337,298	6.48%	4,337,298	6.64%
Ms. Tehzeb Ansari	4,337,298	6.48%	4,337,298	6.64%
Bennett, Coleman and Company Ltd.	3,649,391	5.46%	3,649,391	5.59%
Ferari Investments & Trading Company Pvt. Ltd.	11,216,858	16.77%	9,659,226	14.78%
Meridian Holding and Leasing Co. P. Ltd.	7,469,856	11.17%	7,469,856	11.43%
Total	**44,301,129**	**66.23%**	**42,743,497**	**65.42%**

e. There are no equity shares issued as bonus shares, or for consideration other than cash during the period five years immediately preceding the reporting date except for ESOP.

Details of shares issued under ESOP scheme

Particulars	2016-17	2015-16	2014-15	2013-14	2012-13
Shares issued under ESOP	66,660	1,66,680	99,990	99,990	NIL

f. Employee stock option scheme

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

Notes to financial statements

5. Reserves & Surplus

Particulars	As at 31st Mar, 2017 Amount (₹) in lakhs	As at 31st Mar, 2016 Amount (₹) in lakhs
Securities Premium		
Opening Balance	**9,306.88**	9,300.68
Add: Share Premium credited on share issue	**200.41**	6.20
Less: Transferred to Minority Interest	**907.59**	-
Less: Premium utilized for Preferential Allotment*	**0.95**	-
	8,598.77	**9,306.88**
Employee Stock Option Outstanding	**319.31**	332.17
Less: Deferred Employee Compensation Cost	**(310.01)**	(319.66)
	9.30	**12.51**
Surplus		
Opening Balance	**(12,136.56)**	(3,627.29)
Add: Net Profit/(Loss) for the year	**(554.92)**	(8,509.27)
Add: Adjustment on account of consolidation	**4.54**	-
	(12,686.94)	**(12,136.56)**
	(4,078.87)	**(2,817.17)**

* Out of 0.95 lakhs ₹ 0.60 lakhs paid for certification to statutory auditors

6. Preference Shares in Subsidiary Company

0.001 % Compulsory Convertible Preference Shares (issued on September 18, 2015)

Particulars	2016-17		2015-16	
	Number of shares	Amount (₹ in lakhs)	Number of shares	Amount (₹ in lakhs)
Shares outstanding at the beginning of the year	**25,000,000**	**2,500.00**	-	-
Add: Shares issued during the year	**-**	**-**	25,000,000	2,500.00
Less: Shares converted during the year (Refer Note 1)	**25,000,000**	**2,500.00**	-	-
Shares outstanding at the end of year	**-**	**-**	**-**	**-**
	-	**-**	**25,000,000**	**2,500.00**

Terms of conversion / redemption of 0.001% convertible cumulative preference shares

a Preference shares are convertible into equity shares at par

b Cumulative outstanding preference dividend as on March 31, 2017 is ₹ NIL (as on March 31, 2016 ₹ 0.01 Lakhs)

Note 1 On 13th May, 2016, the 0.001% cumulative compulsory convertible preference shares issued to Mr Rakesh Jhunjhunwala has been converted into equity shares of face value of ₹ 10/- each.

Notes to financial statements

7. Minority Interest

Particulars	As on 1st April 2016	Additions during the year	Deductions during the year	As at 31st Mar, 2017
	Amount (₹ in lakhs)	Amount (₹ in lakhs)	Amount (₹ in lakhs)	Amount (₹ in lakhs)
Contribution to Share Capital	7,845.04	2,500.00	-	**10,345.04**
Share of Retained Profits	(7,583.48)	(259.68)	-	**(7,843.16)**
Securities Premium Account	-	907.59	-	**907.59**
	261.54	**3,147.91**	**-**	**3,409.46**

8. Long Term Borrowings

Particulars	Non – Current Portion	
	As at 31st Mar, 2017	As at 31st Mar, 2016
	Amount (₹ in lakhs)	Amount (₹ in lakhs)
Secured Borrowings		
Term Loans (From Banks/FI's)	**5,040.00**	6,480.00
Unsecured Borrowings		
From Others	**38.62**	44.62
	5,078.62	**6,524.62**

a. - First exclusive charge on the company's fixed assets both present and future.
- First exclusive charge on current assets both present and future.
- First exclusive charge by way of Equitable Mortgage on office property of the holding company.

b The interest rate is fixed at 9.9% w.e.f. 28th Febrruary 2017 (Previously 11%) on term loan obtain from bank.

c Term Loan from bank is repayable in first 4 quaterly installment of ₹ 2 crore each and balance 20 quarterly installment of ₹ 3.60 crore each starting from 18th December, 2016.

d Current maturities of Long term borrowings have been reported as Other Current Liabilities

e On 28th February, 2017, the company has converted the above INR outstanding loan into equivalent amount of USD Loan. The principal amount and the interest payable calculated at fixed INR rate on the outstanding balance of the loan has been completely hedged by a back to back cross currency swap of equal amount payable in INR. As a result there are no financial implications of forex fluctuations and interest rate fluctuations on the said loan and interest payable thereon.

f Unsecured loan from related parties are payable at the end of tenure i.e. 8 years.

Notes to financial statements

9. Other Long term liabilities

Particulars	As at 31st Mar, 2017	As at 31st Mar, 2016
	Amount (₹ in lakhs)	Amount (₹ in lakhs)
Security deposit	**1,900.00**	1,900.00
	1,900.00	**1,900.00**

10. Provisions

Particulars	Long Term		Short Term	
	As at 31st Mar, 2017	As at 31st Mar, 2016	As at 31st Mar, 2017	As at 31st Mar, 2016
	Amount (₹ in lakhs)	Amount (₹ in lakhs)	Amount (₹ in lakhs)	Amount (₹ in lakhs)
Provision for Employee Benefits				
Gratuity (funded)	**47.54**	13.07	**45.51**	41.65
Leave Encashment (Unfunded)	**29.80**	27.16	**3.20**	3.28
Other Provisions				
Other Provisions	**-**	0.50	**0.28**	-
Provision for other expenses	**-**	-	**44.11**	38.85
	77.34	**40.73**	**93.10**	**83.78**

11. Short Term Borrowings

Particulars	As at 31st Mar, 2017	As at 31st Mar, 2016
	Amount (₹ in lakhs)	Amount (₹ in lakhs)
Secured Borrowings		
Cash Credit Facility (From Banks)	**248.29**	218.51
	248.29	**218.51**

- First exclusive charge on the company's fixed assets both present and future.
- First exclusive charge on current assets both present and future.
- First exclusive charge by way of Equitable Mortgage on office property of the holding company.
- The interest rate is fixed at 12% w.e.f. 1st January 2017 (Previously 12.75%) on cash credit facility obtain from bank.

12. Trade Payables

Particulars	As at 31st Mar, 2017	As at 31st Mar, 2016
	Amount (₹ in lakhs)	Amount (₹ in lakhs)
Trade payables		
-a) Dues to Micro and Small Enterprises	**-**	-
-b) Other than dues to Micro and Small Enterprises	**380.78**	142.47
	380.78	**142.47**

Notes to financial statements

13. Other Current Liabilities

Particulars	As at 31st Mar, 2017	As at 31st Mar, 2016
	Amount (₹ in lakhs)	Amount (₹ in lakhs)
Other Liabilities		
Current Maturities of Long term Debt	**1,440.00**	1,120.13
Advance Received from customers	**4.43**	13.09
Interest Accrued and not due	**22.26**	-
Statutory Dues Payable	**72.85**	30.35
Other Liabilities	**614.14**	483.35
Book Overdraft	**-**	0.16
Rent Equalisation Reserve	**8.36**	-
Interest Accrued but not due to Related party	**-**	0.12
Salary Payable	**167.41**	168.49
	2,329.45	**1,815.69**

14. Fixed Assets

Amount (₹) in lakhs

Particulars	Gross Block				Depreciation			Net Block
	As at 1st Apr, 2016	Additions	Deductions	As at 31st Mar, 2017	As at 1st Apr, 2016	For the year	As at 31st Mar, 2017	As at 31st Mar, 2017
Property, Plant and Equipment								
Building	84.23	134.19	-	218.42	60.37	17.60	77.97	140.45
Studio equipment	459.74	38.22	-	497.96	403.18	9.16	412.34	85.62
Transmitter	715.51	8.61	-	724.12	442.08	55.29	497.37	226.75
Furniture and fixtures	647.49	15.98	-	663.48	535.79	72.56	608.35	55.13
Office Equipments	59.42	4.46	-	63.89	56.57	1.30	57.87	6.02
Computers	383.89	24.47	-	408.36	350.56	24.08	374.64	33.72
Air-conditioners	102.65	15.15	-	117.80	99.27	3.63	102.89	14.90
Audio-visual equipments	2.74	-	-	2.74	2.64	0.02	2.66	0.08
Vehilces	7.73	-	-	7.73	1.50	1.29	2.79	4.94
Common Transmission Infrastructure (Refer note below)	521.85	-	-	521.85	460.46	41.74	502.20	19.65
Total Tangible Assets	**2,985.25**	**241.08**	**-**	**3,226.34**	**2,412.41**	**226.67**	**2,639.07**	**587.26**
Intangible Assets:								
One Time Entry Fees	13,815.18	-	-	13,815.18	923.54	920.29	1,843.83	11,971.35
Computer software	120.94	17.29	-	138.23	118.19	5.62	123.81	14.42
Goodwill on Consolidation (Refer note 33-b)	5,489.67	-	-	5,489.67	5,489.67	-	5,489.67	-
Total Intangible Assets	**19,425.79**	**17.29**	**-**	**19,443.08**	**6,531.40**	**925.91**	**7,457.31**	**11,985.77**
Total	**22,411.04**	**258.37**	**-**	**22,669.42**	**8,943.80**	**1,152.58**	**10,096.38**	**12,573.03**

Common Transmission Infrastructure (CTI) is co-owned by the company along with other Radio FM players in each city. Depreciation on CTI is charged on straight line method over balance period of License (as per Phase II) for respective location.

Notes to financial statements

14. Fixed Assets

Amount (₹) in lakhs

Particulars	Gross Block				Depreciation				Net Block
	As at 1st Apr, 2015	Additions	Deductions	As at 31st Mar, 2016	As at 1st Apr, 2015	For the Year	Deductions	As at 31st Mar, 2016	As at 31st Mar, 2016
Property, Plant and Equipment									
Building	73.32	10.91	-	84.23	54.38	5.98	-	60.37	23.86
Studio equipment	451.63	8.11	-	459.74	393.80	9.38	-	403.18	56.56
Transmitter	709.64	5.88	-	715.51	386.92	55.16	-	442.08	273.43
Furniture and fixtures	641.26	6.23	-	647.49	420.00	115.79	-	535.79	111.70
Office Equipments	58.32	1.10	-	59.42	48.67	7.89	-	56.57	2.86
Computers	357.37	26.52	-	383.89	336.11	14.44	-	350.56	33.34
Air-conditioners	102.65	-	-	102.65	93.70	5.57	-	99.27	3.38
Audio-visual equipments	2.63	0.12	-	2.74	2.63	0.01	-	2.64	0.11
Vehilces	7.73	-	-	7.73	0.21	1.29	-	1.50	6.23
Common Transmission Infrastructure (Refer note below)	429.29	92.55	-	521.85	258.81	201.65	-	460.46	61.39
Total Tangible Assets	**2,833.83**	**151.43**	**-**	**2,985.25**	**1,995.23**	**417.18**	**-**	**2,412.41**	**572.86**
Intangible Assets:									
One Time Entry Fees	9,732.54	13,815.18	9,732.54	13,815.18	8,428.18	923.54	8,428.18	923.54	12,891.65
Computer software	120.94	-	-	120.94	105.30	12.89	-	118.19	2.75
Goodwill on Consolidation (Refer note 33-b)	5,489.67	-	-	5,489.67	-	5,489.67	-	5,489.67	-
Total Intangible Assets	**15,343.15**	**13,815.18**	**9,732.54**	**19,425.79**	**8,533.48**	**6,426.10**	**8,428.18**	**6,531.40**	**12,894.39**
Total	**18,176.97**	**13,966.61**	**9,732.54**	**22,411.04**	**10,528.70**	**6,843.27**	**8,428.18**	**8,943.80**	**13,467.25**

* Common Transmission Infrastructure (CTI) is co-owned by the company along with other radio FM players in each city.

Depreciation on CTI is charged on straight line method over balance period of license (as per Phase II) of respective location.

15. Non Current Investments

Particulars	As at 31st Mar, 2017	As at 31st Mar, 2016
	Amount (₹ in lakhs)	Amount (₹ in lakhs)
Non-Trade Investments		
Investments in Equity Shares		
DNS Bank Shares (Equity Shares of ₹ 50/- each) (PY ₹ 50 /- each)	0.51	0.51
Awami Co-op Bank Limited (Equity Shares of ₹ 10/- Each) (PY ₹ 10 /- each)	0.03	0.03
Less: Provision against Investment	(0.03)	-
	0.51	**0.54**
Aggregate amount of Unquoted Investment (at cost)	**0.54**	**0.54**
Aggregate amount of impairment in value of investments	**0.03**	**-**

16. Deferred Tax Assets

The company & its subsidiaries have unabsorbed carried forward losses and depreciation. As a matter of prudence, no deferred tax assets have been recognised as on Balance Sheet date.

Notes to financial statements

17. Loans & Advances

Particulars	Long Term		Short Term	
	As at 31st Mar, 2017	As at 31st Mar, 2016	As at 31st Mar, 2017	As at 31st Mar, 2016
	Amount (₹ in lakhs)	Amount (₹ in lakhs)	Amount (₹ in lakhs)	Amount (₹ in lakhs)
Unsecured considered good				
Trade Deposits	**386.96**	403.53	**36.93**	-
Capital Advances	**-**	133.27	**3.00**	-
Loans to Others	**-**	-	**203.10**	203.10
Less: Provision against Loans			**(203.10)**	(201.73)
Gratuity fund	**-**	-	**16.08**	12.40
Staff Loans & Advances	**-**	-	**0.25**	0.80
Advances to Creditors			**50.34**	99.15
Other Taxes Receivable	**-**	-	**39.06**	10.12
Tax Deducted at Source	**507.89**	555.34	**-**	-
Prepaid Expenses	**-**	-	**263.86**	290.44
Advance received in cash or in kind	**-**	-	**-**	-
Sundry Deposit	**-**	-	**5.35**	5.53
	894.85	**1092.14**	**414.87**	**419.83**

18. Other Non Current Assets

Particulars	As at 31st Mar, 2017	As at 31st Mar, 2016
	Amount (₹ in lakhs)	Amount (₹ in lakhs)
Balance with Banks In Deposit Accounts	**4.50**	4.50
	4.50	**4.50**

19. Trade Receivables

Particulars	As at 31st Mar, 2017	As at 31st Mar, 2016
	Amount (₹ in lakhs)	Amount (₹ in lakhs)
Trade receivables outstanding for period exceeding six months from the date they are due for payment		
Unsecured Considered good	**421.61**	183.05
Unsecured Considered doubtful	**335.41**	158.00
	757.02	**341.06**
Less: Provision for doubful debts	**335.41**	158.00
(A)	**421.61**	**183.05**

Notes to financial statements

Particulars	As at 31st Mar, 2017	As at 31st Mar, 2016
	Amount (₹ in lakhs)	Amount (₹ in lakhs)
Trade receivables outstanding for period less than six months from the date they are due for payment		
Unsecured Considered good	**1,602.80**	1,735.88
Unsecured Considered doubtful	**105.10**	81.21
	1,707.89	**1,817.09**
Less: Provision for doubful debts	**105.10**	81.21
(B)	**1,602.80**	1,735.88
Total	**2,024.41**	**1,918.93**

20. Cash and Cash equivalents

	Current	
	As at 31st Mar, 2017	As at 31st Mar, 2016
	Amount (₹ in lakhs)	Amount (₹ in lakhs)
Cash & Cash Equivalents		
Balances with Scheduled Bank		
In Current Accounts	**148.39**	184.10
In Fixed Deposit Accounts *	**50.58**	57.11
Cheques in hand	**-**	23.35
Cash in hand	**2.15**	2.06
	201.11	**266.62**

Non Current portion of Cash & bank balance has been reported as other non- current assets.

* Fixed deposit of ₹ 50.58 Lakhs (previous year ₹ 57.11 Lakhs) placed with a bank against which bank has given a guarantee which is renewed on a quarterly basis.

During the year, The company had specified bank notes as defined in the MCA notification G.S.R. 308 (E) dated 30th March, 2017

The details of SBNs held and transacted during the period from 8th November, 2016 to 30th December 2016, the denomination of SBNs & Other notes as per the notification are as follows:

Particulars	SBNs	Other demonination notes	Amount (₹ in lakhs)
	Amount (₹ in lakhs)	Amount (₹ in lakhs)	
Closing Cash as on 8th November, 2016	**1.68**	**2.52**	4.20
(+) Permitted Reciepts	**-**	**-**	-
(-) Permitted Payments	**-**	**-**	-
(-) Amount deposited in banks	**1.68**	**-**	**1.68**
Closing Cash as on 30th December, 2016	**-**	**2.76**	**2.76**

Notes to financial statements

Specified Bank Notes is defined as Bank Notes of denominations of the existing series of the value of five hundred rupees and one thousand rupees.

The disclosures with respects to 'Permitted Receipts', 'Permitted Payments', 'Amount Deposited in Banks' and 'Closing Cash in Hand as on 30.12.2016 is understood to be applicable in case of SBNs only.

21. Other Current Assets

Particulars	As at 31st Mar, 2017	As at 31st Mar, 2016
	Amount (₹ in lakhs)	Amount (₹ in lakhs)
Other Current Assets		
Interest Accrued but not due	**3.86**	16.91
	3.86	**16.91**

22. Other Income

Particulars	Year Ended 31st Mar, 2017	Year Ended 31st Mar, 2016
	Amount (₹ in lakhs)	Amount (₹ in lakhs)
Interest Income	**(5.65)**	99.66
Interest Income on Income tax refund	**28.93**	-
Creditors / Liabilities Written Back	**52.47**	152.36
Dividend Income	**0.07**	1.44
Rental Income	**12.87**	**-**
	88.69	**253.46**

23. Employee Benefit Expenses

Particulars	Year Ended 31st Mar, 2017	Year Ended 31st Mar, 2016
	Amount (₹ in lakhs)	Amount (₹ in lakhs)
Salary & Wages	**2,450.00**	2,045.88
Contribution to PF and other funds	**73.52**	59.58
Staff Welfare expenses & Other Employee cost	**147.76**	137.36
Employee Compensation (ESOP) Expense	**9.65**	22.83
	2,680.93	**2,265.65**

24. Operating Expenses

Particulars	Year Ended 31st Mar, 2017	Year Ended 31st Mar, 2016
	Amount (₹ in lakhs)	Amount (₹ in lakhs)
Royalty	**184.11**	209.48
Radio programme creation and studio hire	**187.42**	117.75
Repairs & Maintainance - Equipment	**196.54**	160.45
Repairs & Maintainance - Others	**78.24**	85.63
Electricity charges	**251.42**	219.85
Rent	**546.00**	501.96
	1,443.73	**1,295.12**

Notes to financial statements

25. Finance Cost

Particulars	Year Ended 31st Mar, 2017	Year Ended 31st Mar, 2016
	Amount (₹ in lakhs)	Amount (₹ in lakhs)
Interest Charges		
On Loans from Banks	**893.42**	541.24
On Loans from Others	**17.80**	1.30
Bank Charges & Commission	**36.90**	110.52
	948.12	**653.06**

26. Other Expenses

Particulars	Year Ended 31st Mar, 2017	Year Ended 31st Mar, 2016
	Amount (₹ in lakhs)	Amount (₹ in lakhs)
Electricity charges	**0.51**	-
Rent	**25.94**	23.68
Repairs & Maintainance - Others	**1.14**	1.26
Insurance	**16.08**	5.20
Rates & Taxes	**10.11**	87.46
Telephone charges	**56.79**	48.75
Travelling	**43.10**	45.34
Conveyance	**43.90**	42.87
Auditors remuneration :-		
- Statutory Audit	**6.43**	6.43
- Tax Audit	**1.00**	0.75
- Others	**4.35**	1.70
Directors sitting fees	**3.34**	3.20
Business Promotion	**37.74**	41.96
Corporate social responsibility expenses (Refer Note no. 37)	**9.04**	6.77
Discounts & Credits	**177.64**	173.90
Advertisement Expenses	**148.35**	179.55
Balances Written Off	**40.88**	9.85
Hire Charges	**3.11**	3.04
Membership & Subscription	**3.52**	2.96
Legal & Professional Charges	**156.93**	349.36
Printing and stationery	**21.66**	17.45
Bad Debts Written Off	**29.20**	162.70
Add: Provision made during the year for doubtful debts	**230.50**	152.48
Provision made in earlier years for bad debts	**(29.20)**	(162.70)
	230.50	152.48
Miscellaneous Expenses	**38.30**	31.75
	1,080.35	**1,235.75**

Notes to financial statements

27. Earnings per Share (EPS)

	March 31, 2017	March 31, 2016
Net loss for the year attributable to equity shareholders before extra ordinary item (₹ in lakhs)	**(554.92)**	(3,019.60)
Net loss for the year attributable to equity shareholders after extra ordinary item (₹ in lakhs)	**(554.92)**	(8509.27)
Calculation of weighted average number of equity shares		
Number of shares at the beginning of the year	**65,165,436**	64,998,756
Weighted average number of Shares issued during the year	**29,671**	71,974
Weighted average number of equity shares at the end of the year	**65,195,107**	65,070,730
Basic and diluted earnings (in ₹) beore extra ordinary item per share	**(0.85)**	**(4.64)**
Basic and diluted earnings (in ₹) after extra ordinary item per share	**(0.85)**	**(13.08)**

28.(A) Contingent Liabilities

a. In respect of guarantees issued by the Company's bankers for company's subsidiary to government ₹ 1384.13 lakhs (Previous Year ₹ 1390.66 lakhs).

b Corporate guarantee issued to banks for Company's Subsidiary for term loan of ₹ 6,480.00 lakhs (Previous Year ₹ 11,193.00 lakhs) and Cash Credit limit of ₹ 1,300.00 lakhs.(Previous Year ₹1,000.00 lakhs)

c In respect of Income Tax demand under dispute (net of advances) ₹ 461.85 lakhs (Previous Year ₹ 1097.63 lakhs)

d In respect of cumulative outstanding preference dividend as on 31st March,2017 is ₹ NIL (Previous year ₹ 0.01 Lakh)

28.(B) Estimated amount of contracts remaining to be executed on capital account is ₹ NIL (Previous Year ₹ NIL)

29. Disclosure pertaining to Micro, Small and Medium Enterprises

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

30. Segment Reporting

The Group has only one segment i.e. FM Radio Broadcasting within India. Consequently segment reporting is not applicable.The Company primarily caters to the domestic market and hence there are no reportable geographical segment.

31. Related party disclosures

Names of related parties and related party relationship

a. Associate Company - Next Publishing Services Private Limited
Mid-Day Exports Pvt Ltd
Inquilab Offset Printers Ltd
Ferari Investments and Trading Co Pvt Ltd
Meridian Holding & Leasing Co Pvt Ltd

b. Key Managerial Personnel - Mr. Tarique Ansari, Managing Director
(Next Mediaworks Limited)
Mr. Vineet Singh Hukmani, Managing Director
(Next Radio Limited)

Notes to financial statements

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

Nature of Transactions	Under control of Management	Key Managerial Personnel
Interest Expenses		
Ferari Investments and Trading Co Pvt Ltd	- (0.18)	
Managerial Remuneration		
Mr Tarique Ansari		60.00 (60.00)
Mr Vineet Singh Hukmani		225.40 (196.00)
Printing expenses		
Inquilab Offset Printers Ltd	1.43 (2.50)	
Proceeds from Issue of shares		
Ferari Investments and Trading Co Pvt Ltd	350.00 -	
Repayment of Unsecured Loan During the year		
Ferari Investments and Trading Co Pvt Ltd	6.00 -	
Meridian Holding & Leasing Co Pvt Ltd	0.13 -	
Unsecured Loan payable at end of year		
Ferari Investments and Trading Co Pvt Ltd	- (6.00)	
Inquilab offset printers Pvt Ltd	37.44 (37.44)	
Meridian Holding & Leasing Co Pvt Ltd	- (0.13)	
Interest Payable		
Ferari Investments and Trading Co Pvt Ltd	- (0.12)	
Interest Receivable		
Meridian Holding & Leasing Co Pvt Ltd	- (0.59)	
Trade Payable		
Inquilab offset printers Pvt Ltd	0.43 (3.91)	
Rent Expense		-
Inquilab offset printers Pvt Ltd	16.80 (16.80)	

32 Managerial Remuneration

1 During the period July 2013 to March 2014, the company has paid remuneration to Managing Director which is in excess of the limit specified in section 197 of the Companies Act, 2013. Pursual to non-approval of such higher remuneration from Central Government the company has recovered ₹ 23.35 Lakhs from Managing Director towards such higher remuneration paid in the FY 2015-16.

Notes to financial statements

2 For FY 15-16, the Subsidiary Company Next Radio Limited has paid remuneration to Managing Director which is in excess of the limit specified in section 197 of the Companies Act, 2013. The company had filed an application u/s 196 & schedule (V) (I) (e) of the Companies Act, 2013 with Central Government for obtaining its approval. The Central Government has rejected the same application vide their later dated April 8, 2016 to the company. Subsequently, the Company has filed an appeal and response from the Central Government is awaited.

33. (a) The Board of Directors of the subsidiary Company Next Radio Limited has on June 18, 2015 approved a proposal for reduction of capital of the company by cancelling approximately 68 shares out of 100 shares held as on date against the accumulated losses. Pursuant to approval for the same from the Hon'ble High Court on April 1, 2016, the company had provided for ₹ 11,709.54 Lakhs for provision for diminution in value of investment in Next Radio Limited on 31st March, 2016. During the year the company has written back the same provision and written off its investment in Next Radio Limited.

33. (b) The Board of Directors of Subsidiary Company Next Radio Ltd had approved the capital reduction scheme in orevious year, pursuant to that the Next Mediaworks Ltd has recognized the provision for diminution in value of investment. On account of this the Goodwill recognized on consolidation amounting to ₹ 5,489.67 Lakhs was written off fully and the same has been disclosed as extraordinary item in the consolidated financial statement of previous year.

34. Disclosure required under section 186(4) of the Companies Act, 2013

Loans, Guranteess given or Investment made during the as on March 31, 2017

Particulars	(₹ in lakhs)
Loans given	203.05
Guarantee given	7,780.00
Investment made	4,248.74

Name of the entity	Particulars of loans, gurantee given or Investment made	Amount (₹ in lakhs)	Ralation	Purpose
Next Radio Limited	Subsidiary	7,780.00	Guarantee	Business Purpose
One Audio Limited	Subsidiary	201.73	Loans given	Business Purpose
Next Outdoor Limited	Subsidiary	1.32	Loans given	Business Purpose
Next Radio Limited	Subsidiary	3,893.32	Investment	Business Purpose
Next Outdoor Limited	Subsidiary	349.42	Investment	Business Purpose
Digital One Pvt Limited	Subsidiary	1.00	Investment	Business Purpose
One Audio Limited	Subsidiary	5.00	Investment	Business Purpose

35. EMPLOYEE STOCK OPTION PLANS

1. For the financial year March 31, 2017 following schemes were in operation:

Particulars	During the year ended	
	As at March 31, 2017 Option in No. (FY 2016-17)	As at March 31, 2016 Option in No. (FY 2015-16)
Option outstanding at the beginning of the year	**133,340**	300,020
Granted during the year	**-**	-
Vested during the year	**66,660**	166,680
Exercised during the year	**66,660**	166,680
Lapsed during the year	**NIL**	NIL
Option outstanding at the end of the year	**66,680**	133,340
Option available for grant as at March 31,	**66,680**	133,340

Notes to financial statements

2. Details of options granted to Senior Managerial Personal as at March 31, 2017

Name of Employee	Mr. Ismail Dabhoya
Option Granted	-
Option vested	66,660
Option Lapsed	NIL
Option Exercised	66,660
Balance	66,680
Option available for grant as at March 31,	66,680

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

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

36 Additional Information on Consolidated Financial Statement

Name of the entity in the	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss	
	As % of consolidated net assets	Amount (₹ in lakhs)	As % of consolidated profit or loss	Amount (₹ in lakhs)
1	2	3	4	5
Parent - Next Mediaworks Limited	111.22%	2,891.96	49.44%	(274.36)
Indian Subsidiaries				
1 - Next Radio Limited	270.63%	7,036.54	97.27%	(539.79)
2 - One Audio Limited	-8.79%	(228.66)	0.03%	(0.18)
3 - Digital one Private Limited	-0.01%	(0.39)	0.02%	(0.09)
4 - Next Outdoor Limited	-0.35%	(9.22)	0.03%	(0.18)
SUB-TOTAL	**372.69%**	**9,690.23**	**146.80%**	**(814.60)**
Goodwill on consolidation written-off				
Adjustments on consolidation	-141.56%	(3,680.67)		
Minority interested in all subsidiaries (Investment as per equity method)				
Indian Subsidiaries				
1 - Next Radio Limited	131.13%	3,409.46	46.80%	(259.68)
TOTAL	**100.00%**	**2,600.10**	**100.00%**	**(554.92)**

37 Corporate social responsibility

(₹ in lakhs)

Corporate social responsibility	2016-17	2015-16
A. Gross amount required to be spent by company during the year	**9.04**	6.77
B. Amount spent during the year	**9.04**	6.77
C. Related party transaction in relation to corporate social responsibility expenses	**NIL**	NIL
D. Provision made during the year	**NIL**	NIL

No.	CSR Activities	In Cash	Yet to be paid in cash	Total
1	Construction / Acquisition of any assets	-	-	-
2	On purpose other than (1) above	9.04	-	9.04

38 Leases

Pursuant to Accounting Standard (AS-19) - Leases, the following information is given

In case of assets taken on operating lease

The lease rent charges recognized in the Statement of Profit and Loss during the year ended March 31, 2017 is ₹ 546.00 Lacs (previous year: ₹ 501.96 Lacs)

Obligation of the Company towards future lease payments

Particulars	As at 31st Mar, 2017	As at 31st Mar, 2016
	Amount (₹ in lakhs)	Amount (₹ in lakhs)
Not later than one year	**105.39**	123.49
Later than one year but not later than five years	**96.61**	129.86
Later than five years	**-**	-

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

As per our report of even date attached
For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Regn No.: 103523W/W100048

Sumant Sakhardande
(Partner)
Membership No.: 034828

Place: Mumbai
Date: 4th May, 2017

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

Tarique Ansari
Chairman & Managing Director
(DIN: 00101820)

Adille Sumariwalla
Director
(DIN: 00045855)

Mandar Godbole
Company Secretary

Ismail Dabhoya
Chief Financial Officer

FORM AOC-I

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

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in ₹)

(₹ in lakhs)

1. Sl. No	**1**	**2**	**3**	**4**
2. Name of the subsidiary	Next Radio Limited	One Audio Limited	Digital one Private Limited	Next Outdoor Limited
3. Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Not Applicable	Not Applicable	Not Applicable	Not Applicable
4. Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Not Applicable	Not Applicable	Not Applicable	Not Applicable
5. Share capital	7,574.03	5.00	1.00	349.50
6. Reserves & surplus	(537.49)	(233.67)	(1.39)	(358.72)
7. Total assets	17,081.11	12.49	1.81	0.19
8. Total Liabilities	10,044.56	241.15	2.20	0.54
9. Investments	0.50	-	-	-
10. Turnover	7,801.13	-	-	-
11. Profit before taxation	-539.79	(0.17)	(0.09)	(0.18)
12. Provision for taxation	-	-	-	-
13. Profit after taxation	-539.79	(0.17)	(0.09)	(0.18)
14. Proposed Dividend	-	-	-	-
15. % of shareholding	51.40%	100%	100%	100%
Notes: The following information shall be furnished at the end of the statement:				

1. Names of subsidiaries which are yet to commence operations-Not Applicable
2. Names of subsidiaries which have been liquidated or sold during the year.-Not Applicable

Part "B": Associates and Joint Ventures

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

DIRECTOR'S REPORT

Your Directors have pleasure in presenting their 17th Annual Report together with the Audited Accounts of the Company for the year ended 31st March 2017.

1. FINANCIAL PERFORMANCE

(₹ in lakhs)

Particulars	Standalone	
	2016-17	2015-16
Revenue From Operations	**7801.13**	7618.23
Earnings before Interest, Tax, Depreciation & Amortization	**1557.61**	1930.36
Profit Before Tax	**(539.79)**	(70.15)
Less : Provision for Taxation	**-**	3745.41
Net Profit/ (Loss) after taxes	**(539.79)**	(3815.56)

During the year under review, the Company earned revenues of ₹ 7,801.13 lakhs as against ₹ 7,618.23 lakhs in the previous year. The revenues from operations increased by 2.4% and stood at ₹ 7,801.13 lakhs (Previous Year: ₹ 7,618.23 lakhs). The Company registered loss (after tax) of ₹ 539.79 lakhs against the loss of ₹ 3,815.56 lakhs for the previous year.

2. OPERATIONAL HIGHLIGHTS:

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

The Company has policy of content differentiation and it is because of this approach that "Radio One" stands out in the market. The Company continued with this approach and changed its format in the city of Bangalore from regional and Bollywood to "International" and the response has been encouraging.

During the year, the Company earned revenues of ₹ 7,631.13 Lacs as against 7,618.23 Lacs during the previous year. While the first half of the year 2016-17 saw increase in the marketing spends of several sectors, the last five months of the year were impacted by the government's move on demonetization which marred the marketing spends across the country. The FM radio industry, like all other industries, also suffered as business sentiment reduced in the months post the demonetization. The consumer and realty sectors, which act as a major source of advertising revenue, got badly hit by the demonetization move which resulted in a serious dip in their businesses. This further led to such sectors pulling back their advertising spends. Since most of the FM radio broadcasters earn their revenues only through advertising, the second half of the year proved more than challenging to the FM radio industry to increase its top line. The financial year 2016-17 witnessed intense competition in the private FM radio industry with many new stations, which were acquired during the first stage of Phase III auctions, getting operationalized. The advertising rates witnessed a dip as radio inventory was offered at low rates with an aim to gain entry in a crowded market. This posed a great challenge to NRL which still managed to maintain stability in its top line. Despite the challenges, NRL's revenues from operations remained stable during the financial year 2016-17. However, NRL's EBIDTA was ₹ 1,557.61 Lacs which dipped by 19.31% as compared to the previous year.

Director's Report

3. DIVIDEND:

The Board of Directors do not recommend any dividend for the financial year ended 31st March 2017.

4. FINANCE:

During the year under review, your Company did not raise any capital from the capital markets either by way of issue of equity shares /ADR/GDR / or any debt by way of debentures. The Company continued to get financial assistance from its lenders within the overall facilities to meet the working capital requirements.

5. CHANGE IN THE REGISTERED OFFICE:

During the year under review, the Company changed the Registered Office from "156, D. J. Dadajee Road Behind Everest Building, Tardeo, Mumbai – 400 034" to leased premises owned by its holding company viz. Next Mediaworks Limited situated at "Office Nos. I-17, I-18 and I-19, 10th Floor, The Tardeo Everest Premises Co-operative Society Limited, 156, D. J. Dadajee Road, Tardeo, Mumbai – 400 034". The said change in the Registered Office was approved by the Board of Directors at its meeting held on 2nd February 2017.

6. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

Particulars of loans, Guarantee given and investments made during the year are provided in Notes of the Audited Financial Statements as required under Section 186 of the Companies Act, 2013.

7. DEPOSITORY SYSTEM:

The Company has provided to its shareholders, the facility to hold their respective shareholdings in dematerialized form. As of 31st March 2017, 99.99 % of the Company's total paid-up capital representing 7,57,40,285 equity shares is in dematerialized form. In view of the benefits offered by the depository system, members holding shares in physical mode are advised to avail the demat facility.

8. PUBLIC DEPOSITS:

Your Company did not invite or accept deposits from public during the year under review.

9. SUBSIDIARY COMPANIES:

The Company has incorporated Syngience Broadcast Ahmedabad Limited ("SBAL") as a subsidiary on 10th April, 2017.

10. DIRECTORS:

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

(1) Mr. Adille Sumariwalla

(2) Mr. Dilip Cherian

(3) Ms. Monisha Shah

During the year under review, Ms. Myleeta Aga, resigned as Director of the Company with effect from July 31, 2016. In view of vacancy caused by resignation of Ms. Myleeta Aga, The Board of Directors had, at its meeting held on 2nd February 2017, appointed Ms. Monisha Shah as Non-Executive Director of the Company, subject to the approval of the Ministry of Information & Broadcasting ("MIB"). The Company has also made an application to MIB for seeking its approval for the said appointment. Ms. Monisha holds office upto the next Annual General meeting. The Company has received notice along with the requisite deposit under section 160 of

Director's Report

Companies Act, 2013 from the member of signifying its intention to propose the candidature of Ms. Monisha Shah as the Director of the company in the forthcoming Annual General Meeting.

The Independent Directors of your Company have given the certificate of independence to your Company stating that they meet the criteria of independence as mentioned under Section 149(6) of the Companies Act, 2013.

In accordance with Section 152 and other applicable provisions of Companies Act, 2013, Mr. Vineet Singh Hukmani (DIN 02514684) - Managing Director & CEO, retires by rotation and being eligible offers himself for reappointment at the ensuing Annual General Meeting. The Board commends his re-appointment for your approval.

Note: The office of Mr. Vineet Singh Hukmani as the Managing Director of the Company expires on May 06, 2020 as approved by the shareholders at the Extra-Ordinary General Meeting held on April 29, 2015. Further, the re-appointment of Mr. Vineet Singh Hukmani as the Managing Director of the Company for a further period of 5 years effective May 07, 2015 has already been approved by the shareholders. The aforementioned re-appointment is being commended for shareholders' approval for complying with the provisions of Section 152 of the Companies Act, 2013 and shall not be construed as a break in his current tenure.

11. KEY MANAGERIAL PERSONNEL

The Key Managerial Personnel (KMP) in the Company as per Section 2(51) and 203 of the Companies Act, 2013 are as follows:

(a) Mr. Vineet Singh Hukmani – Managing Director

b) Mr. Ismail Dabhoya – Chief Financial Officer

c) Ms. Deepal Khandelwal – Company Secretary

12. BOARD & COMMITTEE MEETINGS:

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

(a) Four (4) Board Meetings were held. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

(b) Four (4) Audit Committee Meetings were held. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

(c) One (1) Nomination and Remuneration Committee Meetings were held. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

(d) Two (2) Investment Committee Meetings were held.

(e) One (1) Corporate Social Responsibility Meeting were held.

13. BOARD EVALUATION:

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit Committee and the Nomination & Remuneration.

14. REMUNERATION POLICY:

Your Company has in place Nomination & Remuneration policy for selection and appointment of Directors, Senior Management and their remuneration.

Director's Report

15. SEXUAL HARRASEMENT POLICY:

During the year, the Company had received 1 complaint from its women employee. The complaint was resolved by following the procedures laid down in the Company's Sexual Harrasment Policy. Currently there are no outstanding complaints.

16. DIRECTORS' RESPONSIBILITY STATEMENT:

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

(a) in the preparation of the annual accounts for the financial year ended 31st March, 2017, the applicable accounting standards and Schedule III of the Companies Act, 2013, have been followed and there are no material departures from the same;

(b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of your Company as at 31st March, 2017 and of the profit and loss of the Company for the financial year ended 31st March, 2017;

(c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(d) the annual accounts have been prepared on a 'going concern' basis;

(e) proper internal financial controls laid down by the Directors were followed by the Company and that such internal financial controls are adequate and were operating effectively; and

(f) proper systems to ensure compliance with the provisions of all applicable laws were in place and that such systems were adequate and operating effectively.

17. RELATED PARTY TRANSACTIONS:

All related party transactions that were entered into during the financial year were in compliance with the requirement of the Companies Act, 2013 and the Rules framed thereunder . All Related Party Transactions are placed before the Audit Committee and also the Board, as the case may be, for approval. A statement giving details of all related party transactions is placed before the Audit Committee and the Board of Directors for their approval/ noting on a quarterly basis. As per applicable provisions of Companies Act, 2013, the details of contracts and arrangements with related parties in Form AOC 2 is annexed herewith as **Annexure E.**

18. AUDITORS:

M/s. Haribhakti & Co. LLP, Chartered Accountants have been the Company's Statutory Auditors for a period of more than ten years. In terms of their last re-appointment made at the 16th Annual General Meeting ("AGM") held on 5th August 2016, they are holding office up to the conclusion of the 17th AGM and hence, would retire at the conclusion of the forthcoming 17th AGM.

As per sub-section (2) of Section 139 of the Companies Act, 2013 ('the Act'), a company shall not appoint or re-appoint an audit firm as auditor for more than two terms of five consecutive years. Further, as per order dated 30th June 2016 issued by the Ministry of Corporate Affairs, a listed company is required to comply with the provisions of sub-section (2) of Section 139 of the Act within a period which shall not be later than the date of the first annual general meeting of the company held after three years from the date of commencement of the Act.

Accordingly, M/s. Walker Chandiok & Co. LLP, Chartered Accountants are proposed to be appointed as auditors for a period of 1 year, commencing from the conclusion of 17th AGM till the conclusion of the 18th AGM, subject to ratification by members.

The said appointment has been approved by the Board of Directors at its meeting held on 4th May, 2017.

M/s. Walker Chandiok & Co. LLP, Chartered Accountants, have consented to the said appointment and confirmed that their appointment, if made, would be within the limits specified under Section 141(3)(g) of the Act. They have further confirmed that they are not disqualified to be appointed as statutory auditors in terms of the provisions of the proviso to Section 139(1), Section 141(2) and Section 141(3) of the Act and the provisions of the Companies (Audit and Auditors) Rules, 2014.

19. SECRETARIAL AUDIT:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed M/s. V. Joglekar & Associates, a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company for the financial year ended 31st March 2017. The Report of the Secretarial Audit Report is annexed herewith as **Annexure A.**

20. COST AUDIT:

Pursuant to Section 148 of the Companies Act, 2013 and the Companies (Cost Records and Audit) Rules, 2014, the Board of Directors had appointed Mr. Ritesh Talathi as the Cost Auditor for audit of cost accounting records of the Company for the year ended 31st March 2016. The report of the Cost Auditor was taken on record by the Board of Directors (the "Board") at its meeting held on 8th June 2017. The said report has been filed with the Registrar of Companies. The Board, in its meeting held on 4th May 2017, has on the recommendation of the Audit Committee approved the re-appointment of Mr. Ritesh Talathi as the Cost Auditor of the Company for the financial year ended 31st March 2018.

21. INTERNAL FINANCIAL CONTROL SYSTEM:

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

The Company has a proper and adequate internal financial control system which ensures that all assets are safeguarded and protected and that the transactions are authorised, recorded and reported correctly. The Company's internal financial control system also comprises of compliances with the Company's policies and Standard Operating Procedures (SOPs), which is further reviewed by M/s. T. R. Chadda & Co. the Internal Auditors. The Internal Auditors independently evaluate the adequacy of internal controls.

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

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

- ✓ All operations are executed through Standard Operating Procedures (SOPs) in all functional activities for which key manuals have been put in place. The manuals are updated and validated periodically.

- ✓ All legal and statutory compliances are ensured on a monthly basis for all locations in India through a fully automated tool called "enforce". Non-compliance, if any, is seriously taken by the management and corrective actions are taken immediately. Any amendment is regularly updated by internal as well as external agencies in the system.
- ✓ Approval of all transactions is ensured through a preapproved Delegation of Authority (DOA) Schedule which is in-built into the SAP system. DOA is reviewed periodically by the management and compliance of DOA is regularly checked and monitored by the auditors.
- ✓ The Company follows a robust internal audit process wherein Management/ Strategic/ Proprietary audits are conducted on a regular basis throughout the year by the Internal Auditors as per agreed audit plan. Fixed Asset verification of assets in India is done on an annual basis including AS-28 testing at all locations.
- ✓ The audit reports of the Internal Auditors are submitted to the Audit Committee and the Board for review and necessary action.
- ✓ The Company has a comprehensive risk management framework.
- ✓ The Company has a robust mechanism of building budgets at an integrated cross- functional level. The budgets are reviewed on a monthly basis so as to analyze the performance and take corrective action, wherever required.
- ✓ The Company has in place a well-defined Whistle Blower Policy/ Vigil Mechanism.
- ✓ The Company has a system of Internal Business Reviews. All departmental heads discuss their business issues and future plans in monthly review meetings. They review their achievements in quarterly review meetings. Specialized issues like investments, property, FOREX are discussed in their respective Internal Committee meetings.
- ✓ Compliance of the secretarial functions is ensured by way of secretarial audit.
- ✓ Compliance relating to cost records of the company is ensured by way of cost audit.

23. EXTRACT OF ANNUAL RETURN:

Pursuant to sub-section 3(a) of section 134 and sub-section (3) of section 92 of the Companies Act, 2013, read with Rule 12 of the Companies (Management and Administration) Rules, 2014 the extract of the annual return as on 31st March, 2017 forms part of this report as **Annexure B.**

24. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013:

Pursuant to Section 134(3)(g) of the Companies Act, 2013 particulars of loans, guarantees or investments under Section 186 of the Act as at end of the Financial Year 2016-17 are attached as **Annexure D** which forms part of this report.

25. ENERGY CONVERSATION, TECHNOLOGY ABSORBTION AND FOREIGN EXCHANGE EARNING AND OUTGO:

A. Conversation of Energy: NIL
B. Technology Absorption: NIL
C. Foreign Exchange Earning: NIL
D. Foreign Exchange Outgo: NIL

26. CORPORATE SOCIAL RESPONSIBILITY

As per Section 135 of the Companies Act, 2013 every company having net worth of ₹ 500 crore or more, or turnover of ₹ 1000 crore or more, or a net profit of ₹ 5 crore or more during any financial year shall constitute a Corporate Social Responsibility Committee of the Board consisting of 3 or more directors, out of which at least 1 director shall be Independent.

During the year the Company has contributed an amount of ₹ 9.04 lacs as a part of CSR activities details of which are provided in **Annexure C** to the Report.

27. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY:

During the year under review, there were no material changes or commitments affecting the financial position of the Company.

For Next Radio Limited
sd/-
Vineet Singh Hukmani
Managing Director
(DIN: 02514684)

ANNEXURE 'A'
TO THE DIRECTORS' REPORT

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2017

FORM NO. MR-3

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Next Radio Limited
CIN U32201MH1999PLC122233
Office I-17, 18, 19, 10th Floor, The Everest Building
156 D.J. Dadajee Road, Tardeo, Mumbai 400034

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Next Radio Limited (CIN U32201MH1999PLC122233) (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31,2017 ("Audit Period"), complied with the statutory

provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

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

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

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

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

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

a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; - Not Applicable during the Audit Period

b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; - Not Applicable during the Audit Period

c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; Not Applicable during the Audit Period

d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; Not Applicable during the Audit Period

e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; Not Applicable during the Audit Period

f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; Not Applicable during the Audit Period

g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and Not Applicable during the Audit Period

h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; Not Applicable during the Audit Period

(vi) The other laws applicable to the Company as per the representations made by the company :

a) The Factories Act, 1948

b) The Payment of Wages Act, 1936

c) The Minimum Wages Act, 1948

d) Employees Provident Fund And Misc. Provisions Act, 1952

e) Employers State Insurance Act,1948

f) The Payment of Bonus Act, 1965

g) The Environment (Protection) Act, 1986

h) Electricity Act 2003

i) Indian Stamp Act,1999

j) Income Tax Act 1961 and Indirect Tax Law

k) Negotiable Instrument Act 1881

l) Maternity Benefits Act 1961

m) Payment of Gratuity Act,1972

n) The Apprentices Act 1961

o) Service tax

p) Vat Act

q) Water (Prevention & Control of Pollution) Act 1974 and rules thereunder

r) Air (Prevention & Control of Pollution) Act 1981 and rules thereunder

s) Indian Copyright Act, 1957

t) Telecom Regulatory Authority of India Act, 1997

u) Information Technology (Intermediaries guidelines) Rules, 2011

v) Code of Advertising Practice for the Advertising Standards Council of India ,

w) Policy Guidelines for expansion of FM Radio Broadcasting services through private agencies (Phase-III)

x) The Insolvency and Bankruptcy Code, 2016

y) The Goods and Services Tax Act, 2016

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

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

(ii) The Listing Agreements entered into by the Company with Stock Exchange(s): **Not Applicable during the Audit Period**

During the period under review and subject to explanations submitted to us and representations made by the Management, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observation:

1. The Company had paid remuneration of ₹ 1.96 Crores to Mr. Vineet Singh Hukmani – Managing Director & CEO for the financial year 2015-16. The appointment has been proposed for the period of 5 years from May 7, 2015 to May 6 , 2020. Since the said remuneration was in excess of the limits specified in the Companies Act, 2013, the Company had made an application to the Ministry of Corporate Affairs ("MCA") for payment of the said remuneration. The MCA has, vide its letter dated 8th April 2016, rejected the Company's application. The Company has now preferred an appeal with the MCA by filing another application. MCA vide its letters dated November 17, 2016 and March 18, 2017 requested to furnish documents in clarification to the application made by the Company. The Company has submitted information in response to MCA Letters on December 07, 2016 and April 07, 2017 respectively. The Company awaits revert from MCA in this regard.

We further report that

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

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

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

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

We further report that during the audit period there were no major events which has bearing on the Company Affairs in pursuance of the above referred laws, rules, regulations, guidelines etc.

For V Joglekar & Asssociates

sd/-
Vidya Joglekar
Practising Company Secretary
Membership No. FCS7401
Certificate of Practice No.5172
Date: May 04, 2017
Place: Mumbai

ANNEXURE 'A' TO THE DIRECTORS' REPORT

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2017
FORM NO. MR-3

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

The Members,
Next Radio Limited
CIN U32201MH1999PLC122233
Office I-17, 18, 19, 10th Floor, The Everest Building
156 D.J. Dadajee Road, Tardeo, Mumbai 400034

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

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

For V Joglekar & Asssociates
sd/-
Vidya Joglekar
Practising Company Secretary
Membership No. FCS7401
Certificate of Practice No.5172

ANNEXURE 'B' TO THE DIRECTORS' REPORT

EXTRACT OF ANNUAL RETURN

(As on the financial year ended 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 & OTHER DETAILS:

CIN	:	U32201MH1999PLC122233
Registration Date	:	14th October 1999
Name of the Company	:	Next Radio Limited
Category / Sub-category of the Company	:	Public Company/Limited by shares
Address of the Registered Office and contact details	:	Office I-17, 18 and 19, 10th Floor, 156, DJ Dadajee Road, The Everest Building Tardeo, Mumbai-400 034
Whether listed company Yes/No	:	No
Name, Address and Contact details of Registrar & Transfer Agent, if any.	:	M/s. Datamatics Financial Services Limited, Plot No B-5, Part B Cross Lane, MIDC, Andheri (East), Mumbai 400 093. Telephone: 91-22-66712001 e-mail : shares@dfssl.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

Sr. No.	Name and description of main services	NIC Code of the service	% to total turnover of the Company
1.	Broadcasting	60100	95.24

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sr. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Next Mediaworks Limited Office I-17, 18 and 19, 10th Floor156, D.J. Dadajee Road, The Everest Building, Tardeo, Mumbai – 400034.	L22100MH1981PLC024052	Holding	51.40	2(87)ii
2	Syngience Broadcast Ahmedabad Limited Office Nos. I-17, I-18 & I-19, 10th Floor, Tardeo Everest Co-operative Society Limited, 156, D J Dadajee Road, Tardeo, Mumbai – 400034.	U93090MH2017PLC293674	Subsidiary	99.99	2(87)ii

The Company does not have any associate companies.

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity):

(i) Category-wise Shareholding

Category of shareholders		No. of shares held at the beginning of the year (as at 01.04.2016)				No. of shares held at the end of the year (as at 31.03.2017)				% change during the year
		Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
A.	**Promoters**									
(1)	**Indian**									
(a)	Individual / HUF	-	-	-	-	-	-	-	-	-
(b)	Central Govt.	-	-	-	-	-	-	-	-	-
(c)	State Govt.(s)	-	-	-	-	-	-	-	-	-
(d)	Bodies Corporate	100502992	25027778	125530770	78.82	46595072	-	46595072	61.52	(18.30)
(e)	Banks/FI	-	-	-	-	-	-	-	-	-
(f)	Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A) (1)		**100502992**	**25027778**	**125530770**	**78.82**	**46595072**	**-**	**46595072**	**61.52**	**(18.30)**
(2)	**Foreign**									
(a)	NRI – Individuals	-	-	-	-	-	-	-	-	-
(b)	Other – Individuals	-	-	-	-	-	-	-	-	-
(c)	Bodies Corporate	-	-	-	-	-	-	-	-	-
(d)	Banks/FIs	-	-	-	-	-	-	-	-	-
(e)	Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A) (2)		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
al shareholding of Promoters (A) = (A) (1) + (A) (2)		**100502992**	**25027778**	**125530770**	**78.82**	**46595072**	**-**	**46595072**	**61.52**	**18.30**
B.	**Public Shareholding**									
1.	**Institutions**									
(a)	Mutual Funds	-	-	-	-	-	-	-	-	-
(b)	Banks/FIs	2775000	-	2775000	1.74	884095	-	884095	1.17	(0.57)
(c)	Central Govt.	-	-	-	-	-	-	-	-	-
(d)	State Govt.(s)	-	-	-	-	-	-	-	-	-
(e)	Venture Capital Funds	-	-	-	-	-	-	-	-	-
(f)	Insurance Companies	-	-	-	-	-	-	-	-	-
(g)	FIIs	-	-	-	-	-	-	-	-	-
(h)	Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
(i)	Others	-	-	-	-	-	-	-	-	-
	Sub-total (B)(1)	**2775000**	**-**	**2775000**	**1.74**	**884095**	**-**	**884095**	**1.17**	**(0.57)**
2.	**Non-Institutions**									
(a)	Bodies Corporate	-	-	-	-	-	-	-	-	-
(i)	Indian	-	-	-	-	-	-	-	-	-
(ii)	Overseas	24287982	-	24287982	15.25	-	-	-	-	(15.25)
(b)	Individuals	-	-	-	-	-	-	-	-	-
(i)	Individual shareholders holding nominal share capital upto ₹ 1 lakh	-	5	5	0	-	2	2	0	-

Category of shareholders		No. of shares held at the beginning of the year (as at 01.04.2016)				No. of shares held at the end of the year (as at 31.03.2017)				% change during the year
		Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
(ii)	Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	-	-	-	-	26136104	-	26136104	34.51	34.51
(c)	Others	-	-	-	-	-	-	-	-	-
	Clearing Member	-	-	-	-	-	-	-	-	-
	Foreign Nationals	-	-	-	-	-	-	-	-	-
	Non-Resident Indians (Non-Repat)	-	-	-	-	-	-	-	-	-
	Non-Resident Indians (Repat)	-	-	-	-	-	-	-	-	-
	Foreign Portfolio Investor (Corporate)	-	-	-	-	-	-	-	-	-
	Other Directors	6670000		6670000	4.19	2125014		2125014	2.81	(1.38)
	Overseas Bodies Corporate									
	Trusts									
	Sub-total (B)(2)	**30957982**	**5**	**30957987**	**19.44**	**28261118**	**2**	**28261120**	**37.32**	**17.88**
	Total public shareholding (B) = (B)(1) + (B)(2)	**33732982**	**5**	**33732987**	**21.88**	**29145213**	**2**	**29145215**	**38.49**	**16.61**
C.	**Shares held by custodian for GDRs & ADRs**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	Grand Total (A+B+C)	**134235974**	**25027783**	**159263757**	**100**	**75740285**	**2**	**75740287**	**100**	**-**

(ii) Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year (as at 01.04.2016)			Shareholding at the end of the year (as at 31.03.2017)			% 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.	Next Mediaworks Limited	122200770	76.73	39.10	38932286	51.40	58.36	(25.33)
2.	Ferrari Investment and Trading Company Private Limited	3330000	2.09	-	7662786	10.12	-	-

(iii) Change in Promoters' Shareholding

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year (as at 01.04.2016)		Cumulative shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	Next Mediaworks Limited	122200770	76.73	38932286	51.40
2.	Ferrari Investment and Trading Company Private Limited	3330000	2.09	7662786	10.12

(iv) Shareholding Pattern of top ten shareholders (other than Directors, Promoters and holders of GDRs and ADRs)

Sr. No.	Name of the Shareholder	Shareholding at the beginning of the year		Change in Shareholding (No of Shares)		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	Increase	Decrease	No. of shares	% of total shares of the company
1	Mr. Rakesh Jhunjhunwala	-	-	25000000	-	2,50,00,000	33.01
2	Axis Bank Limited	2775000	1.74	-	1890905	8,84,095	1.17
3	BBC Worldwide Holding B V	24287982	15.25	-	24287982	-	-
4	Mr. Salim Govani	-	-	378701	-	378701	0.50
5	Mr. Kishore Dalal	-	-	252467	-	252467	0.33
6	Ms. Mamta Mangaldas	-	-	252468	-	252468	0.33
7	Mr. Sunil Dalal	-	-	252468	-	252468	0.33

(v) Shareholding of Directors and Key Management Personnel

Sr. No.	Name of the Shareholder	Shareholding at the beginning of the year as on 31.03.2016		Cumulative Shareholding during the year				Shareholding at the end of the year as on 31.03.2017	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	Date of Change	Reason of Change	No. of shares	% of total shares of the company
1	Vineet Singh Hukmani	6670000	5.00	-	-	April 01, 2016	The change in share-holding is due to Reduction of share capital	2125014	2.81
	Total :	**6670000**	**5.00**	**-**	**-**	**-**	**-**	**2125014**	**2.81**

V. INDEBTEDNESS:

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

(₹ in lacs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
(i) Principal Amount	7,818.64	-	-	7,818.64
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	-	-	-	-
Total (i) + (ii) + (iii)	**7,818.64**	**-**	**-**	**7,818.64**
Change in indebtedness during the financial year				
Addition		-	-	
Reduction	1,068.09	-	-	1,068.09
Net Change				
Indebtedness at the end of the financial year				
(i) Principal Amount	6,728.29	-	-	6,728.29
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	22.26	-	-	22.26
Total (i) + (ii) + (iii)	**6,750.55**	**-**	**-**	**6,750.55**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

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

(₹ in lacs)

Sr. No.	Particulars of Remuneration	Name of Managing Director / Whole-time Director/Manager Mr. Vineet Singh Hukmani Managing Director
1.	Gross Salary	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	1,94,39,757
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961.	15,64,200
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961.	-
2.	Stock Option	-
3.	Sweat Equity	-
4.	Commission	-
	- As % to profit	-
	- Others, specify	-
5.	Others	-
	Performance-linked Incentive	12,65,000
	Gratuity	2,71,044
	Total (A)	**2,25,40,000**
	Ceiling as per the Act	**2,40,00,000**

The Company has made an application to the Central Government for payment of remuneration of ₹ 1.96 crores to Mr. Vineet Singh Hukmani for the financial year 2015-16 and the same is pending with the Central Government.

B. Remuneration to other directors: No remuneration has been paid to any other director except sitting fees.

C. Remuneration to Key Managerial Personnel other than MD / WTD / Manager:

(₹ in lacs)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel	
		Mr. Ismail Dabhoya Chief Financial Officer	Ms. Deepal Khandelwal Company Secretary
1.	Gross Salary		
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	-	5,36,064
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961.	-	46,200
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961.	-	-
2.	Stock Option	-	-
3.	Sweat Equity	-	-
4.	Commission	-	-
	- As % to profit	-	-
	- Others, specify	-	-
5.	Others	-	
	Performance Bonus	-	50,000
	Gratuity	-	7,937
	Provident Fund	-	19,800
	Total	**-**	**6,60,000**

PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of penalties / punishment / compounding fees imposed	Authority [RD/NCLT/ Court	Appeal made, if any
A. Company					
Penalty	NONE				
Punishment					
Compounding					
B. Directors					
Penalty	NONE				
Punishment					
Compounding					
C. Others Officers in default					
Penalty	NONE				
Punishment					
Compounding					

ANNEXURE 'C' TO THE DIRECTORS' REPORT

CORPORATE SOCIAL RESPONSIBILITY

Computation of Net Profit for CSR contribution as per Section 198

(₹ in lakhs)

	Particulars	2013-14	2014-15	2015-16
	Net profit after tax*	**253.88**	**673.96**	**(3815.56)**
Less :	**Credits Disallowed**			
	Profit on sale of immovable property	0	0	0
Add :	**Expenses Disallowed**			
	Income Tax	231.97	266.01	3745.41
	Adjusted Net Profit/(Loss) for CSR Purpose	485.85	939.97	(70.15)
	Average Profit of past three years		338.34	452
	2% of above		**6.77**	**9.04**

Sr. No.	CSR project activity identified	Sector in which the project is covered (Clause no. of Schedule VII to the Companies Act, 2013)	Projects or programs 1) Local area or other 2) Specify the state and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs 1) Direct Expenditure on projects or programs 2) Overhead*	Cumulative Expenditure upto the reporting period	Amount spent: Direct or through implementing agency *
1	Education and employment enhancing vocational skills for under privileged students	Clause No.ii	---	Three lakhs	Three lakhs	Three lakhs	Riverside Education Foundation
2	Education and employment enhancing vocational skills for under privileged students	Clause No.ii	--	Three lakhs	Three lakhs	Three lakhs	Akanksha Foundation
3	Education and employment enhancing vocational skills for under privileged students	Clause No.ii	-	Three lakhs Four Thousand	Three lakhs Four Thousand	Three lakhs Four Thousand	Project Nanhi Kali

ANNEXURE 'D' TO THE DIRECTORS' REPORT

Particulars of loans, guarantees, securities or investments under Section 186 of the Companies Act, 2013:

During the financial year ended 31st March 2017, the Company has created charge on its assets in the following manner:

Sr. No.	Nature of transaction (loans given/investments made/guarantees given/ security provided)	Purpose for which loans / guarantees / security is proposed to be utilised by the recipient	As at 31.03.2017	As at 31.03.2016	Maximum outstanding during the year
1.	Additional Cash Credit facility availed from RBL Bank Limited	Working Capital purposes	13,00,00,000	10,00,00,000	12,91,24,917.28

ANNEXURE 'E' TO THE DIRECTORS' REPORT

FORM AOC 2

(Pursuant to Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-Section (1) of Section 188 of the Companies Act, 2013 including certain arms' length transactions under third proviso thereto:

A. DETAILS OF CONTRACTS/ARRANGEMENTS NOT ON ARMS' LENGTH BASIS:

Not Applicable

B. DETAILS OF MATERIAL CONTRACTS/ARRANGEMENTS AT ARMS' LENGTH BASIS:

Name of contracts/ arrangements/ transactions	Name of the related party and nature of relationship	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts/arrangements/ transactions including the value, if any.
Leave and License Agreement	Next Mediaworks Limited	60 months	The Company has entered into leave and license agreement for occupying the premises owned by Next Mediaworks Limited

INDEPENDENT AUDITORS' REPORT

To the Members of Next Radio Limited

Report on the Financial Statements

We have audited the accompanying financial statements of **Next Radio Limited ("the Company")**, which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended and a summary of 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 of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls and ensuring their operating effectiveness and 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.

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

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

Opinion

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

Emphasis of Matter

We draw attention to Note No. 37 to the financial statement with regard to Managerial remuneration paid to Managing Director of the Company for the period from May 07, 2015 to March 31, 2016 which is subject to approval of Central Government.

Independent Auditors' Report

Our report is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

(1) As required by the Companies (Auditors' 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 "Annexure 1", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

(2) As required by Section 143(3) of the Act, we report that:

a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

c. The Balance Sheet, 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 written representations received from the directors as on March 31, 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act;

f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, we give our separate Report in "Annexure 2";

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 26 on Contingent Liabilities to the financial statements;

(ii) The Company does not have any long-term contracts including derivative contracts. Hence, the question of any material foreseeable losses does not arise;

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

(iv) The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from November 08, 2016 to December 30, 2016. Based on audit procedures and relying on the management representation, we report that the disclosures are in accordance with the books of account maintained by the Company and as produced to us by the Management - Refer Note 16 to the financial statements.

For Haribhakti & Co. LLP

Chartered Accountants
ICAI Firm Registration No.103523W / W100048

Sumant Sakhardande
Partner
Membership No.034828

Place : Mumbai
Date : May 04, 2017

ANNEXURE TO INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of Next Radio Limited on the financial statements for the year ended March 31, 2017]

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

(b) During the year, fixed assets have been physically verified by the management as per the regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and nature of its assets. As informed, no material discrepancies were notices on such verification.

(c) There are no immovable properties held by the Company.

(ii) The Company does not hold any inventory and hence this clause is not applicable to the Company.

(iii) The Company has granted unsecured loan to a company covered in the register maintained under Section 189 of the Act.

(a) According to the information and explanations given to us and based on the audit procedures conducted by us, we are of the opinion that, the terms and conditions of the aforesaid loan granted by the Company are not prejudicial to the interest of the Company.

(b) The schedule of repayment of principal and payment of interest in respect of such loan has been stipulated and the repayment of loan and interest is not due in current year as per the stipulations.

(c) In respect of the aforesaid loan, there is no overdue amount of loan granted to a company listed in the register maintained under Section 189 of the Act.

(iv) Based on information and explanation given to us in respect of loans, investments, guarantees and securities, the Company has complied with the provisions of Section 185 and 186 of the Act.

(v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the provisions of Sections 73 to 76 of the Act and the rules framed there under.

(vi) The Central Government has not prescribed the maintenance of cost records for any of the products of the Company under sub-section (1) of Section 148 of the Act and the rules framed there under.

(vii) (a) The Company generally regular in depositing with appropriate authorities, undisputed statutory dues including provident fund, employees' state insurance, income tax, service tax, cess and any other material statutory dues applicable to it, however, there have been slight delay in few cases.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, service tax, cess and any other material statutory dues applicable to it, were outstanding, at the year end, for a period of more than six months from the date they became payable.

(b) According to the information and explanation given to us, the dues outstanding with respect to, income tax and service tax on account of any dispute, are as follows:

Name of the statute	Nature of the dues	Amount	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	₹18.18 lakhs (net of payment made of ₹ 3.21 lakhs)	AY 2014-15	CIT (Appeals)
Income Tax Act, 1961	Income Tax	₹ 65.91 lakhs	AY 2012-13	CIT (Appeals)
Income Tax Act, 1961	Income Tax	₹ 181.44 lakhs	AY 2011-12	CIT (Appeals)

Annexure to Auditors' Report

(viii) According to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to banks.

(ix) The Company has neither raised money by way of public issue offer nor has obtained any term loans during the year. Therefore, paragraph 3(ix) of the Order is not applicable to the Company.

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

(xi) According to the information and explanations given to us, managerial remuneration for current year has been paid in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act. However, remuneration paid to Managing Director of the Company for the period from May 07, 2015 to March 31, 2016 was in excess of limits prescribed in Section 197 by ₹ 112 lakhs. The Company had made an application with the Central Government for approval of such excess amount which is pending disposal.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Therefore, paragraph 3(xii) of the Order is not applicable to the Company.

(xiii) According to the information and explanation given to us, all transactions entered into by the Company with the related parties are in compliance with Sections 177 and 188 of Act, where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.

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

(xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him during the year.

(xvi) According to the information and explanation given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For Haribhakti & Co. LLP

Chartered Accountants
ICAI Firm Registration No.103523W / W100048

Sumant Sakhardande
Partner
Membership No.034828

Place : Mumbai
Date : May 04, 2017

BALANCE SHEET

as at 31st March, 2017

Particulars	Refer Note No.	As at 31st March, 2017 ₹ in lakhs	As at 31st March, 2016 ₹ in lakhs
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	4	**7,574.03**	18,426.38
Reserves and surplus	5	**(537.49)**	(10,850.04)
		7,036.54	7,576.34
Share application money pending allotment		**-**	-
Non-current liabilities			
Long-term borrowings	6	**5,040.00**	6,480.00
Other Long term liabilities	7	**1,900.00**	1,900.00
Long-term provisions	8	**73.48**	35.23
		7,013.48	8,415.23
Current liabilities			
Short-term borrowings	9	**248.29**	218.51
Trade payables	10		
-a) Dues to Micro and Small Enterprises		**-**	-
-b) Other than dues to Micro and Small Enterprises		**392.11**	159.49
Other current liabilities	11	**2,297.86**	1,762.48
Short-term provisions	8	**92.82**	83.26
		3,031.08	2,223.74
Total		**17,081.10**	**18,215.31**
ASSETS			
Non-current assets			
Fixed assets	12		
Property, Plant and Equipment		**564.90**	548.98
Intangible assets		**11,985.77**	12,894.40
		12,550.67	13,443.38
Non-current investments	13	**0.50**	0.50
Deferred tax assets (net)	14	**-**	-
Long-term loans and advances	18	**1,589.76**	1,983.90
Other non-current assets	15	**332.71**	223.27
Current assets			
Trade receivables	16	**2,024.41**	1,918.93
Cash and Cash Equivalent	17	**199.77**	242.46
Short-term loans and advances	18	**379.40**	385.90
Other current assets	19	**3.88**	16.97
		2,607.46	**2,564.26**
Total		**17,081.10**	**18,215.31**
Summary of significant accounting policies	3		
The Notes are an integral part of financial statements			

As per our report of even date attached
For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Regn No. 103523W/W100048

Sumant Sakhardande
(Partner)
Membership No.: 034828

Place: Mumbai
Date: 4th May, 2017

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

Vineet Singh Hukmani
Managing Director
(DIN: 02514684)

Dilip Cherian
Director
(DIN: 00322763)

Ismail Dabhoya
Chief Financial Officer

Adille Sumariwalla
Director
(DIN: 00045855)

Deepal Khandelwal
Company Secretary

STATEMENT OF PROFIT AND LOSS

for the year ended 31st March, 2017

Particulars	Refer Note No.	Year Ended 31st Mar, 2017	Year Ended 31st Mar, 2016
		₹ in lakhs	₹ in lakhs
REVENUE FROM OPERATIONS			
Advertisement Revenue		**7,631.13**	7,618.23
Outsourcing Revenue		**170.00**	-
Other income	20	**211.11**	350.09
Total Revenue		**8,012.24**	**7,968.32**
EXPENSES			
Radio license fees		**1,398.71**	1,393.56
Employee Benefits Expenses	21	**2,550.59**	2,163.50
Operating expenses	22	**1,448.23**	1,295.12
Finance cost	23	**946.32**	652.81
Depreciation & Amortization	12	**1,151.08**	1,347.69
Other Expenses	24	**1,057.09**	1,185.79
		8,552.03	**8,038.47**
Profit / (Loss) before tax		**(539.79)**	**(70.15)**
Tax expense:			
Current tax		**-**	-
Deferred tax for the current period	14	**-**	20.10
Deferred Tax on Carried forward loss reversed		**-**	3,725.31
Profit / (Loss) before tax		**(539.79)**	**(3,815.56)**
Earnings per equity share:	25		
Basic & Diluted-(Face Value ₹ 10) (PY ₹ 10 each)		**(0.65)**	(2.59)
Summary of significant accounting policies	3		
The Notes are an integral part of financial statements			

As per our report of even date attached
For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Regn No. 103523W/W100048

Sumant Sakhardande
(Partner)
Membership No.: 034828

Place: Mumbai
Date: 4th May, 2017

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

Vineet Singh Hukmani
Managing Director
(DIN: 02514684)

Dilip Cherian
Director
(DIN: 00322763)

Adille Sumariwalla
Director
(DIN: 00045855)

Ismail Dabhoya
Chief Financial Officer

Deepal Khandelwal
Company Secretary

CASH FLOW STATEMENT

	Particulars		Year Ended 31st Mar, 2017	Year Ended 31st Mar, 2016
			₹ in lakhs	₹ in lakhs
A.	**Net Cashflow from operating Activities**			
	Net Profit / (Loss) before tax		**(539.78)**	(70.15)
	Depreciation		**1,151.08**	1,347.69
	Interest & finance cost		**893.42**	541.23
	Interest on Income Tax Refund		**(28.94)**	-
	Income from Investment		**(0.07)**	(1.43)
	Interest Income		**(140.19)**	(206.22)
	Rent Equalisation Reserve		**5.69**	1.82
	Sundry Balances W/off		**38.38**	5.04
	Liabilities/Creditors written back		**(29.05)**	(30.69)
	Provision for Doubtful Debt		**230.50**	152.48
	Operational Profit before Working Capital		**1,638.92**	**1,739.77**
	Adjustments for changes in Working Capital			
	Sundry Debtors		**(105.48)**	(385.25)
	Loans & Advances		**53.87**	(1,316.34)
	Liabilities & provisions		**507.28**	2,009.53
	Non current assets		**109.44**	249.72
	Sub-Total		**587.59**	**557.66**
	Cash generated from operations		**2,146.16**	**2,297.43**
	Income Tax		**(130.25)**	(110.84)
	Sub-Total		**(130.25)**	**(110.84)**
	Net Cash Flow from Operating Activities	**(A)**	**2,015.91**	**2,186.59**
B.	**Cash Flow from Investing Activities**			
	Purchase of fixed Assets (including capital advance)		**(128.09)**	(13,991.41)
	Sale of Fixed Assets		**-**	1,304.36
	Interest Received		**30.74**	99.45
	Income on Investments		**0.07**	1.43
	Net Cash Flow from Investing Activities	**(B)**	**(97.28)**	**(12,586.18)**

Cash Flow Statement

	Particulars		Year Ended 31st Mar, 2017	Year Ended 31st Mar, 2016
			₹ in lakhs	₹ in lakhs
C.	**Cash Flow from financing Activities**			
	Issue of Securities		-	2,500.00
	Proceeds from borrowings		**29.63**	7,442.61
	Repayment of Long Term & Other borrowings -Net		**(1,120.00)**	(617.05)
	Interest & finance cost		**(870.96)**	(541.23)
	Net Cash Flow from Financing Activities	**(C)**	**(1,961.33)**	**8,784.33**
	Net Increase/decrease in Cash & Cash Equivalents	**(A+B+C)**	**(42.71)**	(1,615.25)
	Cash & Cash Equivalents at the beginning of the year		**242.46**	1,857.72
	Cash & Cash Equivalents at the end of the year		**199.77**	**242.46**
	Cash and Cash Equivalent at the year end constitutes			
	Balance with Banks-In Current Accounts		**147.05**	**183.30**
	In Deposit Accounts		**50.58**	**57.11**
	Cash in hand		**2.14**	**2.05**
			199.77	**242.46**

1 The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard (AS-3) on Cash Flow Statement.

2 Fixed deposit of ₹ 50.58 Lacs (previous year ₹ 57.11 Lacs) placed with a bank against which bank has given a guarantee. which is renewed on a quarterly basis.

As per our report of even date attached
For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Regn No. 103523W/W100048

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

Sumant Sakhardande
(Partner)
Membership No.: 034828

Vineet Singh Hukmani
Managing Director
(DIN: 02514684)

Dilip Cherian
Director
(DIN: 00322763)

Adille Sumariwalla
Director
(DIN: 00045855)

Ismail Dabhoya
Chief Financial Officer

Deepal Khandelwal
Company Secretary

Place: Mumbai
Date: 4th May, 2017

NOTES TO FINANCIAL STATEMENTS

for the year ended on 31st March, 2017

1. Corporate Information

Next Radio Limited ('the Company') is a public Company domiciled in India and incorporated under the provisions of Companies Act, 1956. Next Radio Limited was among the first private players to venture into private FM broadcasting and presently has established "Radio One" as the premium FM Brand in top 7 cities of the country being Delhi, Mumbai, Chennai, Kolkata, Bangalore, Pune, and Ahmedabad.

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 with all material respects with the accounting standard specified u/s 133 of the Companies Act 2013,read with Rule 7 of the Companies (Accounts) Rules 2014 and the relevant provisions of the Companies Act 2013. The financial statements have been prepared on an accrual basis and under historical cost convention. The accounting policies have been consistently applied by the Company and are consistent with those used in previous year.

3. Summary of significant accounting policies

a) Use of estimates

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

b) Property, Plant and Equipment (PPE)

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

Subsequent expenditure related to an item of PPE 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 for existing PPE, 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 disposal of PPE are measured as the difference between the net disposal proceeds and the carrying amount of the PPE and are recognized in the statement of profit and loss when the asset is disposed.

c) Intangible assets

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

`The One Time Entry Fees' paid by the Company to acquire FM broadcasting license has been classified as an intangible asset. The benefit of this will be derived over a period of 15 years, and hence it is being amortized accordingly.

Notes to financial statements

d) Depreciation and amortization

Depreciation on PPE is provided 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 of the Companies Act, 2013, whichever is higher. Depreciation on additions during the year is provided on a pro-rata basis from the date of addition.

Leasehold improvements are depreciated over the lease periods.

One time entry fees paid for FM Broadcasting Phase - III to Ministry of Information and Broadcasting are amortised over a period of legal life of license.

e) Impairment

At each Balance Sheet date the carrying amount of the assets is tested for impairment. If there is any indication of impairment, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Statement of Profit and Loss. If at the Balance Sheet date there is an indication that the previously assessed impairment loss no longer exist, the recoverable amount is reassessed and the assets is reflected at the recoverable amount.

f) Leases

Finance leases, which effectively transfer to the Company substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the inception of the lease term at the lower of fair value of the leased property and present value of minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability.

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

g) 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.

Radio FM Broadcasting

Revenue from radio broadcasting is recognized on accrual basis and net of Service tax.

Dividend Income

Dividend income is recognized when the right to receive payment is established.

Interest

Interest Income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate.

Others

As per Industry practice, Income / expenditure of a reciprocal nature not involving any monetary transaction has not been considered.

Notes to financial statements

h) Foreign currency translation

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 transaction.

Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date.

The exchange differences arising on the settlement of the monetary items or on reporting such items at rates different from those at which they were initially recorded in previous financial statements are recognized in the Statement of Profit & Loss.

i) Retirement and other employee benefits

Short term employee benefits payable wholly within twelve months of rendering services such as salaries, wages, etc. are recognized in the period in which the employee renders the related service.

Defined Contribution Plan: The Company's contribution to the state governed employees' provident fund scheme is a defined contribution plan. The contribution paid / payable under the scheme is recognized during the period in which the employee renders the related service.

Defined Benefit Plan: The Company's gratuity fund managed through the gratuity trust is Company's defined benefit plan. The present value of obligations under such defined benefit plans is determined based on actuarial valuation using the projected unit credit method.

Long Term Employee Benefits: The obligation of long term employee benefits such as long term compensated absences is recognized in the same manner as in the case of defined benefit plans.

j) Investment

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments.

Long-term investments are stated at cost. Provision for diminution in the value of long term investments is made when the decline is other than temporary in nature.

Current investments are stated at lower of cost and market value determined on an individual investment basis.

k) Income Taxes

Tax expense comprises of current and deferred tax. Current tax is determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income Tax Act, 1961.

Deferred tax is recognized, subject to the consideration of prudence, on timing differences, being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

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

l) Earnings Per Share

Basic earning per share are calculated by dividing the net profit or loss for the period attributable to the equity shareholders (after deducting preference dividends and attributable expenses) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity share outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share spilt and reverse share spilt (consolidation of shares) that have changed the number of equity shares

Notes to financial statements

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.

m) Provisions

A provision is recognized when the Company has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the obligation. 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.

m) Contingent liabilities, contingent assets

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

Contingent assets are neither recognized nor disclosed.

o) Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term highly liquid investments with an original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

4. Share Capital

a. Authorized and issued and paid-up capital

Particulars	As at 31st Mar, 2017		As at 31st Mar, 2016	
	Number of Shares	Amount (₹ in lakhs)	Number of Shares	Amount (₹ in lakhs)
Authorized Capital				
Equity Shares of ₹ 10/- each	188,930,000	18,893.00	188,930,000	18,893.00
Preference Shares of ₹ 10/- Each	25,770,000	2,577.00	25,770,000	2,577.00
	214,700,000	**21,470.00**	**214,700,000**	**21,470.00**
Issued, Subscribed & Paid up Capital				
Equity Shares of ₹ 10/- each fully paid	75,740,287	7,574.03	159,263,757	15,926.38
11.50% Optionally Convertible Cumulative Preference Shares of ₹ 10/- Each fully paid	-	-	-	-
0.001% Compulsorily Convertible Preference Shares of ₹ 10/- Each	-	-	25,000,000	2,500.00
	75,740,287	**7,574.03**	**184,263,757**	**18,426.38**

Notes to financial statements

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

Equity Shares

Particulars	2016-17		2015-16	
	Number of Shares	Amount (₹ in lakhs)	Number of Shares	Amount (₹ in lakhs)
Shares outstanding at the beginning of the year	159,263,757	**15,926.38**	133,493,757	13,349.38
Add: Shares converted during the year (Note 1 below)	25,000,000	**2,500.00**	25,770,000	2,577.00
Less: Reduction in share capital (Note 29)	108,523,470	**10,852.35**	-	-
Shares outstanding at the end of year	**75,740,287**	**7,574.03**	**159,263,757**	**15,926.38**

11.5 % Optionally Convertible Cumulative Preference Shares

Particulars	2016-17		2015-16	
	Number of Shares	Amount (₹ in lakhs)	Number of Shares	Amount (₹ in lakhs)
Shares outstanding at the beginning of the year			25,770,000	2,577.00
Add: Shares issued during the year	-	-	-	-
Less: Shares converted during the year (Note 2 below)	-	-	25,770,000	2,577.00
Shares outstanding at the end of year	-	-	-	-

0.001 % Compulsory Convertible Preference Shares (issued on September 18, 2015)

Particulars	2016-17		2015-16	
	Number of Shares	Amount (₹ in lakhs)	Number of Shares	Amount (₹ in lakhs)
Shares outstanding at the beginning of the year	25,000,000	**2,500.00**	-	-
Add: Shares issued during the year	-	-	25,000,000	2,500.00
Less: Shares converted during the year (Note 1 below)	25,000,000	**2,500.00**	-	-
Shares outstanding at the end of year	-	-	25,000,000	2,500.00

Terms of conversion / redemption of 0.001% convertible cumulative preference shares

a Preference shares are convertible into equity shares at par

b Cumulative outstanding preference dividend as on March 31, 2017 is ₹ NIL (as on March 31, 2016 ₹ 0.01 Lacs)

Note

1. On 13th May, 2016, the 0.001% cumulative compulsory convertible preference shares issued to Mr Rakesh Jhunjhunwala has been converted into equity shares of face value of Rs 10/- each.
2. On 18th June, 2015, the 11.5 % cumulative convertible preference shares issued to Next Mediaworks Ltd got converted into equity shares of face value of Rs 10/- each.

Notes to financial statements

c. Terms / rights attached to equity shares

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

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

Particulars	As at 31st Mar, 2017		As at 31st Mar, 2016	
	Number of Shares	% of Holding	Number of Shares	% of Holding
Equity Shares				
Next Mediaworks Limited (the holding Company)	38,932,286	51.40%	122,200,770	76.73%

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

Particulars	As at 31st Mar, 2017		As at 31st Mar, 2016	
	Number of Shares	% of Holding	Number of Shares	% of Holding
Equity Shares				
Next Mediaworks Limited	38,932,286	51.40%	122,200,770	76.73%
Rakesh Jhunjhunwala	25,000,000	33.01%	-	-
BBC Worldwide holding B.V.	-	-	24,287,982	15.25%
Ferari Investment and Trading Co. Pvt. Ltd.	7,662,786	10.12%	-	-
Total	**71,595,072**	**94.53%**	**146,488,752**	**91.98%**
0.001% Preference Shares				
Rakesh Jhunjhunwala	-	-	25,000,000	100.00%
Total	**-**	**-**	**25,000,000**	**100.00%**

f. There are no equity shares issued as bonus shares, or for consideration other than cash during the period of five years immediately preceding the reporting date.

Notes to financial statements

5. Reserves & Surplus

Particulars	As at 31st Mar, 2017 Amount (₹ in lakhs)	As at 31st Mar, 2016 Amount (₹ in lakhs)
Securities Premium		
Opening Balance	**3,837.81**	3,837.81
Less: Adjustment on account of Capital Reduction (Refer note 29)	**3,837.81**	-
Closing Balance	**-**	**3,837.81**
Surplus		
Opening Balance	**(14,687.85)**	(10,872.29)
Add: Net Profit / (loss) for the year	**(539.79)**	(3,815.56)
Add: Adjustment on account of Capital Reduction (Refer Note no. 29)	**14,690.15**	-
Closing Balance	**(537.49)**	**(14,687.85)**
Total Reserves & Surplus	**(537.49)**	**(10,850.04)**

6. Long Term Borrowings

Particulars	Non – Current Portion	
	As at 31st Mar, 2017 Amount (₹ in lakhs)	As at 31st Mar, 2016 Amount (₹ in lakhs)
Secured Borrowings		
Term Loans (From Banks)	**5,040.00**	6,480.00
	5,040.00	**6,480.00**

a - First exclusive charge on the company's fixed assets both present and future.

- First exclusive charge on current assets both present and future.

- First exclusive charge by way of Euitable Mortgage on office property of the holding company.

b The interest rate is fixed at 9.9% w.e.f. 28th Febrruary 2017 (Previously 11%) on term loan obtain from bank.

c Term Loan from bank is repayable in first 4 quaterly installment of ₹ 2 crore each and balance 20 quarterly installment of ₹ 3.60 crore each starting from 18th December, 2016.

d Current maturities of Long term borrowings have been reported as Other Current Liabilities

e On 28th February, 2017, the company has converted the above INR outstanding loan into equivalent amount of USD Loan. The principal amount and the interest payable calculated at fixed INR rate on the outstanding balance of the loan has been completely hedged by a back to back cross currency swap of equal amount payable in INR. As a result there are no financial implications of forex fluctuations and interest rate fluctuations on the said loan and interest payable thereon.

Notes to financial statements

7. Other Long Term liabilities

Particulars	Non – Current Portion	
	As at 31st Mar, 2017 Amount (₹ in lakhs)	As at 31st Mar, 2016 Amount (₹ in lakhs)
Security deposit	**1,900.00**	1,900.00
	1,900.00	**1,900.00**

8. Provisions

Particulars	Long Term		Short Term	
	As at 31st Mar, 2017 Amount (₹ in lakhs)	As at 31st Mar, 2016 Amount (₹ in lakhs)	As at 31st Mar, 2017 Amount (₹ in lakhs)	As at 31st Mar, 2016 Amount (₹ in lakhs)
Provision for Employee Benefits				
Leave Encashment (Unfunded)	**25.94**	22.17	**3.20**	2.76
Gratuity Payable(Funded)	**47.54**	13.06	**45.51**	41.65
Provision for other expenses	-	-	**44.11**	38.85
	73.48	**35.23**	**92.82**	**83.26**

9. Short Term Borrowings

Particulars	As at 31st Mar, 2017 Amount (₹ in lakhs)	As at 31st Mar, 2016 Amount (₹ in lakhs)
Secured Borrowings		
Cash Credit Facility (From Banks)	**248.29**	218.51
	248.29	**218.51**

- First exclusive charge on the company's fixed assets both present and future.
- First exclusive charge on current assets both present and future.
- First exclusive charge by way of Equitable Mortgage on office property of the holding company.
- The interest rate is fixed at 12% w.e.f. 1st January 2017 (Previously 12.75%) on cash credit facility obtain from bank.

10. Trade Payables

Particulars	As at 31st Mar, 2017 Amount (₹ in lakhs)	As at 31st Mar, 2016 Amount (₹ in lakhs)
Trade Payables		
-a) Dues to Micro and Small Enterprises (Refer Note No. 27)	-	-
-b) Other than dues to Micro and Small Enterprises	**392.10**	**159.49**
	392.10	**159.49**

Notes to financial statements

11. Other Current Liabilities

Particulars	As at 31st Mar, 2017 Amount (₹ in lakhs)	As at 31st Mar, 2016 Amount (₹ in lakhs)
Other Current Liabilities		
Current Maturities of Long term debt	**1,440.00**	1,120.13
Advance Received from customers	**4.43**	13.09
Interest Accrued but not due	**22.26**	-
Taxes Payable	**63.18**	20.64
Salary & Reimbursement	**159.99**	159.95
Other Current Liabilities	**600.49**	446.85
Rent Equalisation Reserve	**7.51**	1.82
	2,297.86	**1,762.48**

11. Fixed Assets

Amount (₹) in lakhs

Particulars	Gross Block				Depreciation				Net Block
	As at 1st Apr, 2016	Additions during the year	Deductions during the year	As at 31st Mar, 2017	As at 1st Apr, 2016	For the year	Deductions during the year	As at 31st Mar, 2017	As at 31st Mar, 2017
Tangible Assest:									
Building (Leasehold Improvement)	38.07	134.19	-	172.26	38.07	16.10	54.17	118.09	0.07
Studio equipment	459.74	38.22	-	497.96	403.18	9.16	412.34	85.62	57.83
Transmitter	715.51	8.61	-	724.12	442.08	55.29	497.37	226.75	322.73
Furniture and fixtures	647.49	15.98	-	663.48	535.79	72.56	608.35	55.13	221.24
Office Equipments	58.81	4.46	-	63.28	55.96	1.30	57.26	6.02	
Computers	383.89	24.47	-	408.36	350.56	24.08	374.64	33.72	
Air-conditioners	102.65	15.15	-	117.80	99.27	3.63	102.89	14.90	9.65
Audio-visual equipments	2.74	-	-	2.74	2.64	0.02	2.66	0.08	21.25
Vehilces	7.73	-	-	7.73	1.50	1.29	2.79	4.94	8.95
Common Transmission Infrastructure	521.85	-	-	521.85	460.46	41.74	502.20	19.65	0.01
(Refer note below)	-	7.73	-	7.73	-	0.21	-	0.20	7.52
Common Transmission Infrastructure (Refer note below)	429.29	-	-	429.29	195.87	62.94	-	258.81	170.48
Total Tangible Assets	**2,938.48**	**241.08**	**-**	**3,179.56**	**2,389.50**	**225.17**	**-**	**2,614.67**	**564.90**
Intangible Assets:									
One Time Entry Fees	13,815.18	-	-	13,815.18	923.54	920.29	-	1,843.83	11,971.35
Computer software	92.63	17.29	-	109.92	89.89	5.62	-	95.51	14.42
Total Intangible Assets	**13,907.81**	**17.29**	**-**	**13,925.10**	**1,013.43**	**925.91**	**-**	**1,939.33**	**11,985.77**
Total	**16,846.29**	**258.37**	**-**	**17,104.67**	**3,402.93**	**1,151.08**	**-**	**4,554.00**	**12,550.67**

* Common Transmission Infrastructure (CTI) is co-owned by the company along with other radio FM players in each city. Depreciation on CTI is charged on straight line method over balance period of license(as per Phase II) of respective location.

Notes to financial statements

11. Fixed Assets

Amount (₹) in lakhs

Particulars	Gross Block				Depreciation				Net Block
	As at 1st Apr, 2015	Additions during the year	Deductions during the year	As at 31st Mar, 2016	As at 1st Apr, 2015	For the year	Deductions during the year	As at 31st Mar, 2016	As at 31st Mar, 2016
Tangible Assest:									
Building (Leasehold Improvement)	38.07	-	-	38.07	38.00	0.07	-	38.07	-
Studio equipment	451.63	8.11	-	459.74	393.80	9.38	-	403.18	56.56
Transmitter	709.64	5.88	-	715.51	386.91	55.16	-	442.08	273.43
Furniture and fixtures	641.26	6.23	-	647.49	420.00	115.79	-	535.79	111.70
Office Equipments	57.71	1.10	-	58.81	48.07	7.89	-	55.96	2.86
Computers	357.37	26.52	-	383.89	336.12	14.44	-	350.56	33.34
Air-conditioners	102.65	-	-	102.65	93.69	5.57	-	99.27	3.38
Audio-visual equipments	2.63	0.12	-	2.74	2.62	0.01	-	2.64	0.11
Vehilces	7.73	-	-	7.73	0.20	1.29	-	1.50	6.23
Common Transmission Infrastructure	429.29	92.55	-	521.85	258.81	201.65	-	460.46	61.39
(Refer note below)		-							
Total Tangible Assets	**2,797.95**	**140.52**	**-**	**2,938.48**	**1,978.21**	**411.26**	**-**	**2,389.50**	**548.98**
Intangible Assets:									
One Time Entry Fees	9,732.54	13,815.18	9,732.54	13,815.18	8,428.18	923.54	8,428.18	923.54	12,891.65
Computer software	92.63	-	-	92.63	77.00	12.89	-	89.89	2.75
Total Intangible Assets	**9,825.17**	**13,815.18**	**9,732.54**	**13,907.81**	**8,505.18**	**936.43**	**8,428.18**	**1,013.43**	**12,894.40**
Total	**12,623.12**	**13,955.70**	**9,732.54**	**16,846.29**	**10,483.39**	**1,347.69**	**8,428.18**	**3,402.93**	**13,443.38**

* Common Transmission Infrastructure (CTI) is co-owned by the company along with other radio FM players in each city. Depreciation on CTI is charged on straight line method over balance period of license (as per Phase II) of respective location.

13. Non Current Assets

Particulars	As at 31st Mar, 2017		As at 31st Mar, 2016	
	Number of Shares	Amount (₹ in lakhs)	Number of Shares	Amount (₹ in lakhs)
Unquoted shares-				
Investments in Dombivli Nagarik Sahakari Bank (Equity Shares of ₹ 50/- Fully Paid each) (PY ₹ 50/- Fully Paid each)	1,000	0.50	1,000	0.50
		0.50		**0.50**
Aggregate amount of unquoted equity shares		**0.50**		**0.50**

14. Deferred Tax Assets (net)

The company has unabsorbed carried forward losses and depreciation. As a matter of prudence, no deferred tax assets have been recognised as on Balance Sheet date.

Notes to financial statements

15. Other non Current Assets

Particulars	As at 31st Mar, 2017 Amount (₹ in lakhs)	As at 31st Mar, 2016 Amount (₹ in lakhs)
Balance with Banks In Deposit Accounts	**4.50**	4.50
Interest Accrued but not due from Related parties	**328.21**	218.77
Total	**332.71**	**223.27**

16. Trade Receivables

Particulars	As at 31st Mar, 2017 Amount (₹ in lakhs)	As at 31st Mar, 2016 Amount (₹ in lakhs)
Trade receivables outstanding for period exceeding six months from the date they are due for payment		
Unsecured Considered good	**421.61**	183.05
Unsecured Considered doubtful	**335.41**	158.00
	757.02	**341.05**
Less: Provision for doubful debts	**335.41**	158.00
(A)	**421.61**	**183.05**
Trade receivables outstanding for period less than six months from the date they are due for payment		
Unsecured Considered good	**1,602.80**	1,735.88
Unsecured Considered doubtful	**105.10**	81.21
	1,707.89	1,817.09
Less: Provision for doubful debts	**105.10**	81.21
(B)	**1,602.80**	1,735.88
Total (A+B)	**2,024.41**	**1,918.93**

16. Cash and Cash Equivalent

Particulars	Current	
	As at 31st Mar, 2017 Amount (₹ in lakhs)	As at 31st Mar, 2016 Amount (₹ in lakhs)
Cash & Cash Equivalents		
Balances with banks		
- In Current Account	**147.05**	183.30
- In Deposit Accounts *	**32.48**	57.11
Cash in Hand	**2.14**	2.05
Other bank balances		
Deposit Account - (Under lien with bank)	**-**	-
Margin Money	**18.10**	-
	199.77	**242.46**

* Fixed deposit of ₹ 50.58 Lacs (previous year ₹ 57.11 Lacs) placed with a bank against which bank has given a guarantee.

Notes to financial statements

During the year, The company had specified bank notes as defined in the MCA notification G.S.R. 308 (E) dated 30th March, 2017

The details of SBNs held and transacted during the period from 8th November, 2016 to 30th December 2016, the denomination of SBNs & Other notes as per the notification are as follows:

Particulars	SBNs	Other demonination notes	Amount (₹ in lakhs)
	Amount (₹ in lakhs)	Amount (₹ in lakhs)	
Closing Cash as on 8th November, 2016	**1.68**	**2.52**	4.20
(+) Permitted Reciepts	**-**	**-**	-
(-) Permitted Payments	**-**	**-**	-
(-) Amount deposited in banks	**1.68**	**-**	1.68
Closing Cash as on 30th December, 2016	**-**	**2.76**	**2.76**

Specified Bank Notes is defined as Bank Notes of denominations of the existing series of the value of five hundred rupees and one thousand rupees.

The disclosures with respects to 'Permitted Receipts', 'Permitted Payments', 'Amount Deposited in Banks' and 'Closing Cash in Hand as on 30.12.2016 is understood to be applicable in case of SBNs only.

18. Loans & Advances

Particulars	Long Term		Short Term	
	As at 31st Mar, 2017 Amount (₹ in lakhs)	As at 31st Mar, 2016 Amount (₹ in lakhs)	As at 31st Mar, 2017 Amount (₹ in lakhs)	As at 31st Mar, 2016 Amount (₹ in lakhs)
Unsecured considered good				
Trade Deposits	**386.96**	403.53	**36.93**	1.53
Capital Advances	**-**	133.27	**3.00**	-
Advances to Creditors	**-**	-	**50.34**	99.16
Staff Loans & Advances	**-**	-	**0.26**	0.81
Tax Deducted at Source	**368.69**	411.13	**-**	-
Service Tax Cenvat Receivable			**34.81**	-
Prepaid Expenses	**-**	-	**254.06**	280.64
Loans to Related Parties	**834.11**	1,035.97	**-**	3.75
	1,589.76	**1,983.90**	**379.40**	**385.90**

19. Other Current Assets

Particulars	As at 31st Mar, 2017 Amount (₹ in lakhs)	As at 31st Mar, 2016 Amount (₹ in lakhs)
Other Current Assets		
Interest Accrued but not due	**3.88**	16.97
	3.88	**16.97**

Notes to financial statements

20. Other Income

Particulars	Year Ended 31st Mar, 2017 Amount (₹ in lakhs)	Year Ended 31st Mar, 2016 Amount (₹ in lakhs)
Other Income		
Interest Income	**140.19**	206.23
Dividend Income	**0.07**	1.43
Interest on Income Tax Refund	**28.94**	-
Rental Income	**12.86**	-
Creditors / Liabilities Written Back	**29.05**	142.43
	211.11	**350.09**

21. Employee Benefits Expenses

Particulars	Year Ended 31st Mar, 2017 Amount (₹ in lakhs)	Year Ended 31st Mar, 2016 Amount (₹ in lakhs)
Salary & Wages	**2,335.66**	1,972.93
Contribution to PF and other funds	**67.17**	53.38
Staff Welfare expenses & Other Employee expenses	**147.76**	137.19
	2,550.59	**2,163.50**

22. Operating Expenses

Particulars	Year Ended 31st Mar, 2017 Amount (₹ in lakhs)	Year Ended 31st Mar, 2016 Amount (₹ in lakhs)
Royalty	**184.11**	209.47
Radio programme creation and studio hire	**187.42**	117.75
Repairs & Maintainance - Equipment	**196.55**	160.46
Repairs & Maintainance - Others	**78.24**	85.63
Electricity charges	**251.41**	219.85
Rent	**550.50**	501.96
	1,448.23	**1,295.12**

23. Finance Cost

Particulars	Year Ended 31st Mar, 2015 Amount (₹ in lakhs)	Year Ended 31st Mar, 2014 Amount (₹ in lakhs)
Interest Charges		
On Loans from Banks	**893.42**	541.23
Other Interest	**16.02**	1.30
Bank Charges & Commission	**36.88**	110.28
	946.32	**652.81**

Notes to financial statements

24. Other Expenses

Particulars	Year Ended 31st Mar, 2017 Amount (₹ in lakhs)	Year Ended 31st Mar, 2016 Amount (₹ in lakhs)
Insurance	**15.09**	4.30
Rates and Taxes	**0.35**	75.10
Telephone charges	**55.47**	45.79
Travelling	**39.86**	41.43
Conveyance	**43.90**	42.87
Auditors remuneration :-		
- Statutory Audit	**5.00**	5.00
- Tax Audit	**1.00**	0.75
- Others	**3.90**	1.13
Sundry Balance w/off	**38.38**	5.04
Corporate social responsibility expenses (Refer Note No. 36)	**9.04**	6.77
Discounts & Other Incentives	**177.63**	173.89
Advertisement Expenses	**148.35**	179.55
Legal & Professional Charges	**199.70**	374.79
Printing and stationery	**13.28**	12.36
Directors sitting fees	**0.35**	0.40
Business Promotion	**37.96**	32.44
Bad Debts Written Off	**29.20**	162.70
Add: Provision made during the year for doubtful debts	**230.50**	152.48
Less: Provision made in earlier years for bad debts	**29.20**	162.70
	230.50	152.48
Miscellaneous Expenses	**37.33**	31.70
	1,057.09	**1,185.79**

25. Earnings per Share (EPS)

	March 31, 2017	March 31, 2016
Net Loss as per Statement of Profit & Loss (₹ in lakhs)	**(539.79)**	(3815.56)
Less: Dividend on Preference Shares (₹ in lakhs)(including DDT)	**0.00**	0.03
Net loss for the year attributable to equity shareholders (₹ in lakhs)	**(539.79)**	(3815.59)
Calculation of weighted average number of equity shares		
Number of shares at the beginning of the year	**159,263,757**	133,493,757
Weighted average number of shares reduced on account of capital reduction	**97,819,785**	-
Weighted average number of Shares issued during the year	**22,054,795**	13,800,328
Weighted average number of equity shares at the end of the year	**83,498,766**	**147,294,085**
Basic and diluted earnings (in ₹) per share	**(0.65)**	**(2.59)**

Notes to financial statements

26. Contingent Liabilities

a. In respect of guarantees issued by the Company's bankers ₹ 1384.13 lakhs (Previous Year ₹ 1390.66 lakhs).

b In respect of cumulative outstanding preference dividend as on 31st March,2017 is ₹ NIL (Previous year ₹ 0.01 Lakh)

c In respect of Income Tax demand under dispute ₹ 268.74 lakhs (Previous Year ₹ 831.99 lakhs)

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

27. Disclosure pertaining to Micro, Small and Medium Enterprises

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

28. Segment Reporting

The Company is operating in one Segment i.e. FM Radio Broadcasting within India. Consequently segment reporting is not applicable.The Company primarily caters to the domestic market and hence there are no reportable geographical segment.

29. Capital Reduction

The Hon'ble High Court at Bombay has, vide its Order dated 1st April 2016, approved the Scheme of Capital Reduction of the Company, wherein the company has set-off its accumulated losses of ₹ 10852.35 Lacs against its equity paid up capital and ₹ 3837.81 Lacs against Securities Premium. Pursuant to the sanction of the said Scheme. The equity paid-up share capital of the company after such reduction has reduced from ₹ 15926.38 Lacs divided into 15,92,63,757 equity shares of ₹ 10/- each fully paid-up to ₹ 5074.03 Lacs divided into 5,07,40,287 equity shares of ₹ 10/- each fully paid-up. The said Reduction order has been filed with Registrar of Company (ROC) on 6th May, 2016.

30. In the opinion of the Board of Directors, all assets other than fixed assets have a value on realization in the ordinary course of business at least equal to the amounts stated in balance sheet.

31. Related party disclosures

Names of related parties and related party relationship

a.	Holding Company	-	Next Mediaworks Limited
b.	Fellow Subsidiaries	-	One Audio Limited
			Digital One Private Limited
			Next Outdoor Limited
c.	Under control of Management	-	Next Publishing Services Private Limited
			Mid-Day Exports Pvt. Ltd.
			Inquilab Offset Printers Ltd.
			Ferari Investments and Trading Co. Pvt. Ltd.
			Meridian Holding & Leasing Co. Pvt. Ltd.
			MC Media Limited
d.	Key Managerial Personnel	-	Mr. Vineet Singh Hukmani, Managing Director
e.	Person having significant control	-	Mr. Rakesh Jhunjhunwala

Notes to financial statements

Related party transactions

Nature of Transactions	Holding Company	Fellow Subsidiaries	Under control of Management	Key Managerial Personnel / Person having significant control
Interest Expenses:				
Meridian Holding & Leasing Co Pvt Ltd			**-** -	
Management fees expenses				
Next Mediaworks Limited	**84.32** (54.86)			
Expenses incurred on their behalf				
One Audio Limited		**0.17** (0.54)		
Digital One Private Limited		**0.09** (0.18)		
Next Outdoor Limited		**0.17** (0.26)		
Managerial Remuneration- **Mr. Vineet Singh Hukmani**				**225.40** (196.00)
Rent Expense				
Next Mediaworks Limited	**4.50** -			
Inquilab Offset Printers Ltd			**16.80** (16.80)	
Interest Earned				
Next Mediaworks Limited	**145.84** (106.01)			
Unsecured Loan repaid during the year				
Meridian Holding & Leasing Co Pvt Ltd			**0.13** -	
Next Mediaworks Limited	**500.77** (8.10)			
Unsecured Loan payable at end of year				
Meridian Holding & Leasing Co Pvt Ltd			**-** (0.13)	
Unsecured Loan given During the year			-	
Next Mediaworks Limited	**299.62** (967.07)		 -	
Unsecured Loan receivable at end of year			-	
Next Mediaworks Limited	**834.11** (1,035.27)		 -	

Notes to financial statements

Nature of Transactions	Holding Company	Fellow Subsidiaries	Under control of Management	Key Managerial Personnel / Person having significant control
Trade Payable				
Next Mediaworks Ltd	**11.92** (17.02)			
Inquilab Offset Printer Ltd			**-** (3.78)	
Receivable against expenses paid on their behalf - Note 1				
One Audio Limited		**-** (1.96)		
Digital One Private Limited		**-** (0.81)		
Next Outdoor Limited		**-** (1.69)		
Conversion of Equity shares from Preference shares				
Mr. Rakesh Jhunjhunwala				**2,500.00** -
Interest Receivable				
Next Mediaworks Ltd	**328.21** (196.90)			

Note -1 During the year the company has written off these receivables from fellow subsidiaries

32.Disclosure required under section 186(4) of the Companies Act, 2013

Loans, Guranteess given or Investment made during the Financial Year 2016-17 **(₹ in lakhs)**

Particulars	Amount
Loans given	834.11
Guarantee given	NIL
Investment made	NIL

Name of the entity	Ralation	Amount (₹ in lakhs)	Particulars of loans, gurantee given or Investment made	Purpose
Next Mediaworks Limited	Holding company	834.11	Loan given	Working capital

33. Employee Benefits

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

a. Defined Contribution Plans

Provident Fund

The Company has recognized ₹ 67.17 lakhs (Previous Year ₹ 53.38 Lakhs) in Statement Profit & Loss towards employer's contribution to provident fund.

Notes to financial statements

b. Defined Benefit Plans

i. Contribution to Gratuity Fund (Funded Scheme)

ii. Leave Encashment (Non-funded Scheme)

In accordance with the Accounting Standards (AS 15) (Revised 2005), actuarial valuation was performed in respect of the aforesaid defined benefit plans based on the following assumptions:

	31-03-2017	31-03-2016
Discount Rate	**– 7.39% pa**	– 8.04% pa
Rate of Increase in compensation levels (pa)	**– 6.00% pa**	– 6.00% pa
Attrition Rate	**– 4.00% pa**	– 4.00% pa

a. Change in the Present Value obligation

	Year Ended 31st Mar, 2017 Amount (₹ in lakhs)	Year Ended 31st Mar, 2016 Amount (₹ in lakhs)
Present Value of Defined Benefit Obligation as at beginning of the Period	**102.49**	80.40
Interest Cost	**8.24**	6.38
Current Service Cost	**16.73**	14.71
Benefits Paid from the fund	**(10.63)**	(9.83)
Actuarial (gain) / Loss on Obligation	**18.31**	10.83
Present Value of Defined Benefit Obligation as at end of the period	**135.15**	102.49

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

Present Value of Plan Assets as at beginning of the period	**47.78**	41.14
Expected Return on Plan Assets	**3.84**	3.27
Actuarial gain/(loss)on Plan Assets	**1.10**	(1.80)
Contributions	**-**	15.00
Benefits Paid	**(10.63)**	(9.83)
Fair Value of Plan Assets as at end of the period *	**42.10**	47.78

* The company has invseted in HDFC GROUP Unit Linked Plan - Option B through trust "Radio Midday West India Limited Employees Gratuity Trust

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

Present Value of Funded Obligation as at end of the period	**(135.15)**	(102.49)
Fair Value of Plan Assets as at end of the period	**42.10**	47.78
Funded Asset/(Liablity) recognised in the Balance Sheet	**(93.06)**	(54.71)
Included in provision (Schedule)	**-**	-
Present Value of Unfunded Obligation as at end of the period	**-**	-
Unrecognised Actuarial gains / (losses)	**-**	-
Unfunded Liability recognised in the Balance Sheet	**-**	-
Included in provision (Schedule)	**-**	-

Notes to financial statements

d. Amount Recognized in the Balance Sheet

	Year Ended 31st Mar, 2017 Amount (₹ in lakhs)	Year Ended 31st Mar, 2016 Amount (₹ in lakhs)
Present Value of Defined Benefit Obligation as at the end of the period	**(135.15)**	(102.49)
Fair Value of Plan Assets As at the end of the period	**42.10**	47.78
Net Asset/(Liability) recognized in the Balance Sheet	**(93.06)**	(54.71)

e. Expenses Recognized in the Profit & Loss Statement

Current Service Cost	**16.73**	14.71
Past Service Cost	**-**	-
Interest Cost	**8.24**	6.38
Expected Return on Plan Assets	**(3.84)**	(3.27)
Curtailment Cost / (Credit)	**-**	-
Settlement Cost / (Credit)	**-**	-
Net Actuarial gain / (Loss) recognised in the Period	**17.21**	12.63
Total Expenses recognised in the Statement of Profit and Loss	**38.35**	30.46

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

The expected contribution for next year is ₹ 45.51 Lakhs (Previous Year ₹ 41.64 Lakhs)

The company has based on Actuarial Valuations provided an amount of ₹ 9.08 lakhs (Previous Year 6.74 Lakhs) as expenses on account of leave encashment payable to the employees.

f. Other Disclosure

Experience Adjustments of last three years	Year Ended 31st March, 2017 (₹ in lakhs)	Year Ended 31st March, 2016 (₹ in lakhs)	Year Ended 31st March, 2015 (₹ in lakhs)	Year Ended 31st March, 2014 (₹ in lakhs)	Year Ended 31st March, 2013 (₹ in lakhs)
(Present Value Of Benefit Obligation as at the End of the Period)	**(135.15)**	**(102.49)**	**(80.40)**	**(39.03)**	**(33.68)**
Fair Value Of Plan Assets as at End of the period	**42.10**	**47.78**	**41.14**	**30.46**	**31.28**
Funded Status (Deficit)/Surplus	**(93.06)**	**(54.71)**	**(39.25)**	**(8.57)**	**(2.40)**
Experience Adjustment On Benefit Obligation (Gains)/Losses	**10.63**	**10.83**	**18.92**	**2.52**	**(1.03)**
Experience Adjustments On Plan Assets (Losses)/Gains	**1.10**	**(1.80)**	**2.49**	**(1.29)**	**(0.05)**

34. Leases

Pursuant to Accounting Standard (AS-19) - Leases, the following information is given

In case of assets taken on operating lease

The lease rent charges recognized in the Statement of Profit and Loss during the year ended March 31, 2017 is ₹ 550.50 Lacs (previous year: ₹ 501.96 Lacs)

Notes to financial statements

Obligation of the Company towards future lease payments

	As at March 31, 2017 Amount (₹ in lakhs)	As at March 31, 2016 Amount (₹ in lakhs)
Not later than one year	**79.47**	115.13
Later than one year but not later than five years	**60.18**	129.86
Later than five years	**-**	-

35. Foreign Currency Earnings & Expenditure

Expenditure in Foreign Currency

Particulars	Current year (₹ in lakhs)	Previous year (₹ in lakhs)
Capital Expenditure	**-**	-
Others	**9.59**	34.76

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

36. Corporate social responsibility

Corporate social responsibility	Current year (₹ in lakhs)	Previous year (₹ in lakhs)
A. Gross amount required to be spent by company during the year	**9.04**	6.77
B. Amount spent during the year	**9.04**	6.77
C. Related party transaction in relation to corporate social responsibility expenses	**NIL**	NIL
D. Provision made during the year	**NIL**	NIL

No.	CSR Activities	In Cash	Yet to be paid in cash	Total
1	Construction / Acquisition of any assets	-	-	-
2	On purpose other than (1) above	9.04	-	9.04

37 Managerial Remuneration

For FY 15-16, the company has paid remuneration to Managing Director which is in excess of the limit specified in section 197 of the Companies Act, 2013. The company had filed an application u/s 196 & schedule (V) (I) (e) of the Companies Act, 2013 with Central Government for obtaining its approval. The Central Government has rejected the same application vide their later dated April 8, 2016 to the company. Subsequently, the Company has represented again before Central Government and the response is awaited.

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

As per our report of even date attached
For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Regn No. 103523W/W100048

Sumant Sakhardande
(Partner)
Membership No.: 034828

Place: Mumbai
Date: 4th May, 2017

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

Vineet Singh Hukmani
Managing Director
(DIN: 02514684)

Dilip Cherian
Director
(DIN: 00322763)

Ismail Dabhoya
Chief Financial Officer

Adille Sumariwalla
Director
(DIN: 00045855)

Deepal Khandelwal
Company Secretary

NOTICE

NOTICE is hereby given that the **36th ANNUAL GENERAL MEETING** of **NEXT MEDIAWORKS LIMITED** will be held on Tuesday, 29th August 2017 at 3 p.m. at Nehru Centre Conference, Hall of Harmony, Dr. Annie Besant Road, Worli, Mumbai-400018 to transact the following business:

ORDINARY BUSINESS

1. To consider and adopt the Audited Standalone and Consolidated Financial Statements of the Company for the financial year ended 31st March 2017 and the Reports of the Board of Directors and the Auditors thereon.

2. To appoint a Director in place of Mr. Tarique Ansari (DIN: 00101820), who retires by rotation and being eligible, offers himself for re-appointment.

3. **Appointment of Statutory Auditors:**

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

   "RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, as may be applicable and pursuant to the recommendations of the Audit Committee, M/s. Walker Chandiok & Co. LLP, Chartered Accountants (Firm Registration No. 001076N/N500013), be appointed as statutory auditors of the Company, in place of retiring auditors M/s. Haribhakti & Co. LLP, Chartered Accountants (Firm Registration No. 103523W), to hold office from the conclusion of this 36th Annual General Meeting (AGM) until the conclusion of the 37th AGM, subject to ratification as applicable, at such remuneration as may be decided by the Board of Directors of the Company."

   RESOLVED FURTHER THAT the Board of Directors of the Company (including its Committee thereof), be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this Resolution."

By Order of the Board of Directors
For Next Mediaworks Limited

Sd/-
Mandar Godbole
Company Secretary &
Manager – Legal

Registered Office:
Office Nos. I-17, I-18 & I-19,
10th Floor, The Tardeo Everest Co-operative Society Limited,
156, D J Dadajee Road,
Tardeo, Mumbai – 400034.

Dated: 4th May 2017

NOTES:

1. The Register of Members and the Share Transfer books of the Company will remain closed from 24th August 2017 to 29th August 2017 (both days inclusive) for the purpose of the 36th Annual general Meeting ("AGM") of the Company.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT PROXY/ PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF. SUCH A PROXY/ PROXIES NEED NOT BE A MEMBER(S) OF THE COMPANY.**

   THE INSTRUMENT OF PROXY IN ORDER TO BE EFFECTIVE, SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY, DULY COMPLETED AND SIGNED, NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING i.e. BY 3:00 P.M. ON SUNDAY, 27TH AUGUST 2017.
3. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. Corporate Members intending to send their authorized representatives to attend the AGM, pursuant to Section 113 of the Companies Act, 2013, are requested to send to the Company, a certified true copy of the relevant board resolution together with the respective specimen signature(s) of those representative(s) authorized under the said resolution to attend and vote on their behalf at the AGM.
4. Members, Proxies and Authorized Representatives are requested to bring to the AGM, the attendance slips enclosed herewith duly completed and signed mentioning therein details of their DP ID and Client ID/Folio No.
5. In case of joint holders attending the AGM, the joint holder who is higher in the order of names will be entitled to vote at the AGM.
6. The Company or its Registrars cannot act on any request received directly from the Members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the Members. Members holding shares in physical form and desirous of either registering bank particulars or changing bank particulars already registered against their respective folios for payment of dividend are requested to write to the Company.
7. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
8. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company.
9. Details pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015 in respect of the Director seeking re-appointment at the 36th AGM, forms integral part of the Notice. The Director has furnished the requisite declaration for his re-appointment.
10. Electronic copy of the Annual Report for the year 2017 is being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copy of the Annual Report for the financial year 2017 is being sent in the permitted mode.

Notice

11. Electronic copy of the Notice of the 36th AGM of the Company inter alia indicating the process and manner of e-Voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copy of the Notice of the 36th AGM of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.

12. Members may note that the Notice of the 36th Annual General Meeting and the Annual Report for the financial year 2016-17 will also be available on the Company's website www.nextmediaworks.com for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office in Mumbai for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: cs@nextmediaworks.com.

13. Voting through electronic means

I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as substituted by the Companies (Management and Administration) Amendment Rules, 2015 ('Amended Rules 2015') and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the 36th AGM by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).

II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.

III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

IV. **The remote e-voting period commences on Saturday, 26th August 2017 (9:00 am) and ends on Monday, 28th August 2017 (5:00 pm). During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Tuesday, 21st August 2017, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.**

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

A. **In case a Member receives an email from NSDL** [for members whose email IDs are registered with the Company/Depository Participants(s)]:

(i) Open email and open PDF file viz; **"**NMW remote e-voting.pdf**"** with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.

NOTE: Shareholders already registered with NSDL for e-voting will not receive the PDF file "NMW remote e-voting.pdf".

Notice

(ii) Launch internet browser by typing the URL: https://www.evoting.nsdl.com.

(iii) Click on Shareholder – Login.

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

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

(vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.

(vii) Select "REVEN" of Next Mediaworks Limited.

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

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

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

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

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

B. **In a Member receives physical copy of the Notice of AGM** [for members whose email IDs are not registered with the Company/ Depository Participants(s) or requesting physical copy] :

(i) Initial password is provided as below/at the bottom of the Attendance Slip for the AGM :

REVEN **(Remote e-voting Event Number)**	**USER ID**	**PASSWORD/PIN**

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

VI. In case of any queries, you may refer to the Frequently Asked Questions (FAQs) and e voting user manual for Members available in the 'Downloads' section of www.evoting.nsdl.com.

VII. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.

NOTE: Shareholders who have forgotten the User Details/Password can use "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com.

In case Shareholders are holding shares in demat mode, USER-ID is the combination of (DPID+ClientID).

In case Shareholders are holding shares in physical mode, USER-ID is the combination of (Even No+Folio No).

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

Notice

IX. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 21st August 2017.

X. Any person, who acquires shares of the Company and becomes member of the Company after dispatch of the Notice of AGM and holding shares as of the cut-off date i.e. Monday, 21st August 2017, may obtain the login ID and password by sending a request at evoting@nsdl.co.in. However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on www.evoting.nsdl. com.

XI. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.

XII. The Board has, at its meeting held on 4th May 2017, appointed Mr. Ajit Sathe, Practicing Company Secretary (Membership No. F2899) of M/s A. Y. Sathe & Co., as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.

XIII. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of ballot paper for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

XIV. The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

XV. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company www.nextmediaworks.comand on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited and NSE Limited.

14. All documents referred to in the accompanying Notice shall be open for inspection at the Registered Office of the Company during normal business hours (9.00 am to 5.00 pm) on all working days except Saturdays, up to and including the date of the Annual General Meeting of the Company.

15. This Notice has been updated with the instructions for voting through electronic means as per the latest amended rules.

Notice

16. Details of director seeking reappointment in Annual General Meeting pursuant to the Listing Agreement is as given below:

Name of Director	**Mr. Tarique Ansari**
Date of Birth	11th June 1961
Date of Appointment	1st July 2004
Qualifications	Bachelor of Business Administration from Notre Dame, USA.
Directorships held in other Companies (Indian companies)	1. Inquilab Offset Printers Ltd.
	2. Next Outdoor Ltd.
	3. Meridian Holding and Leasing Company Pvt. Ltd.
	4. Mid Day Exports Pvt. Ltd.
	5. Ferari Investments and Trading Company Pvt. Ltd.
	6. Outdoor Network Pvt. Ltd.
	7. Next Publishing Services Pvt. Ltd.
	8. One Audio Ltd.
	9. One By Two Media Pvt. Ltd.
Memberships/Chairmanships of Committees of other public companies.	NIL
Shareholding (No. of shares)	4,337,298

By Order of the Board of Directors
For Next Mediaworks Limited

Sd/-
Mandar Godbole
Company Secretary &
Manager – Legal

Registered Office:
Office Nos. I-17, I-18 & I-19,
10th Floor, The Tardeo Everest Co-operative Society Limited,
156, D J Dadajee Road,
Tardeo, Mumbai – 400034.

Dated: 4th May 2017

Notice

EXPLANATORY STATEMENT:

This explanatory statement for Item Nos. 2 and 3 is provided for reference though strictly not required as per Section 102 of the Act.

Item No. 2:

The shareholders have, at the 34th Annual General Meeting of the Company held on 6th August 2015, re-appointed Mr. Tarique Ansari as the Chairman & Managing Director of the Company for a further period of 3 years effective 1st July 2016 till 30th June 2019. The resolution for re-appointment of Mr. Ansari as mentioned in Item No. 2 of this Notice is being commended for shareholders' approval for complying with the provisions of Section 152 of the Companies Act, 2013 and shall not be construed as a break in his current tenure, which is upto 30th June 2019.

Except Mr. Tarique Ansari, none of the Directors and Key Managerial Personnel of the Company and their relatives are in any way concerned or interested, financially or otherwise in the special resolution set out under Item No. 2 of the Notice.

The Board recommends the resolution set forth in item No. 2 of the notice for approval of the members.

Item No. 3:

M/s. Haribhakti & Co. LLP, Chartered Accountants have been the Company's Statutory Auditors for a period of more than ten years. In terms of their last re-appointment made at the 35th Annual General Meeting ("AGM") held on 5th August 2016, they are holding office up to the conclusion of the 36th AGM and hence, would retire at the conclusion of the forthcoming 36th AGM.

The said appointment has been approved by the Board of Directors at Board Meeting held on 4th May, 2017.

As per sub-section (2) of Section 139 of the Companies Act, 2013 ('the Act'), a listed company shall not appoint or re-appoint an audit firm as auditor for more than two terms of five consecutive years. Further, as per order dated 30th June 2016 issued by the Ministry of Corporate Affairs, a listed company is required to comply with the provisions of sub-section (2) of Section 139 of the Act within a period which shall not be later than the date of the first annual general meeting of the company held after three years from the date of commencement of the Act.

Accordingly, M/s. Walker Chandiok & Co. LLP, Chartered Accountants are proposed to be appointed as auditors for a period of 1 (one) year, commencing from the conclusion of 36th AGM till the conclusion of the 37th AGM, subject to ratification by members every year, as may be applicable.

M/s. Walker Chandiok & Co. LLP, Chartered Accountants, have consented to the said appointment and confirmed that their appointment, if made, would be within the limits specified under Section 141(3)(g) of the Act. They have further confirmed that they are not disqualified to be appointed as statutory auditors in terms of the provisions of the proviso to Section 139(1), Section 141(2) and Section 141(3) of the Act and the provisions of the Companies (Audit and Auditors) Rules, 2014.

None of the Directors/Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise in the resolution set out at item No. 3 of the notice.

The Board recommends the resolution set forth in item No. 3 of the notice for approval of the members.

By Order of the Board of Directors
For Next Mediaworks Limited

Sd/-
Mandar Godbole
Company Secretary &
Manager – Legal

Registered Office:
Office Nos. I-17, I-18 & I-19,
10th Floor, The Tardeo Everest Co-operative Society Limited,
156, D J Dadajee Road,
Tardeo, Mumbai – 400034.

Dated: 4th May 2017

Next Mediaworks Limited

CIN: L22100MH1981PLC024052

Regd. Office: Office Nos. I-17, I-18 & I-19, 10th Floor, The Tardeo Everest Co-operative Society Limited, 156, D. J. Dadajee Road, Tardeo, Mumbai- 400034.
Tel: 022-67527038, Fax: 022-67015701 Website: www.nextmediaworks.com
Email: cs@nextmediaworks.com

THIRTY SIXTH ANNUAL GENERAL MEETING

Form No. MGT-11

PROXY FORM

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

Name of the Member (s): _____

Registered Address: _____

E-mail Id: _____

Folio No/Client Id: _____

DP ID: _____

I/We, being the member(s) of _____shares of the above company, hereby appoint

1. Name: _____Address:_____

Email Id: _____Signature: _____

2. Name: _____Address:_____

Email Id: _____Signature: _____

3. Name: _____Address:_____

Email Id: _____Signature: _____

As my/ our proxy to attend and vote (on poll) for me/ our behalf at the 36th Annual General Meeting of the Company, to be held on Tuesday, 29th August 2017 at 3 p.m. at Nehru Centre Conference, Hall of Harmony, Dr. Annie Besant Road, Worli, Mumbai-400018 and at any adjournment thereof in respect of such resolution as are indicated below:

Sr, No	Resolution	Optional*	
Ordinary Resolution		**For**	**Against**
1.	Adoption of Standalone and Consolidated financial statement of the Company for the year ended March 31, 2017.		
2.	To appoint Director in place of Mr. Tarique Ansari (DIN: 00101820), who retires by rotation and being eligible, offers himself for re-appointment.		
3.	Appointment of M/s Walker Chandiok & Co. LLP, Chartered Accountants as Statutory Auditors of the Company in place of M/s Haribhakti & Co. LLP., Chartered Accountants.		

Signed this _____day of_____2017.

_____ _____

Signature of the Shareholder Signature of the proxy holder(s)

Note:

1. This form of proxy in order to be effective should be duly completed and deposited at the registered office of the Company addressed to the Company Secretary, not later than 48 hours before the commencement of the meeting

2. A person can act as a proxy on behalf of the Members upto and not exceeding fifty and holding in the aggregate not more than ten percent of the total paid-up Share Capital of the Company. Further, a member holding ten percent of the total paid-up Share Capital of the Company carrying voting rights, may appoint a single person as proxy and such person shall not act as proxy for any other person or Member.

*It is optional to put a (tick symbol) in the appropriate column against the Resolution indicated in the box. If you leave the "For or Against" column blank against any or all resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.

Next Mediaworks Limited

Registered Office: Office Nos. I-17, I-18 & I-19, 10th Floor, The Tardeo Everest Co-operative Society Limited,
156, D. J. Dadajee Road, Tardeo, Mumbai- 400034.
Tel No: 022-67527038, Fax: 022-67015701
CIN:L22100MH1981PLC024052
Website: www.nextmediaworks.com E-mail id: cs@nextmediaworks.com

THIRTY SIXTH ANNUAL GENERAL MEETING

ATTENDANCE SLIP

I hereby record my presence at the THIRTY SIXTH ANNUAL GENERAL MEETING of the Company being held at 3 P.M. on Tuesday, 29th August 2017, at Nehru Centre Conference, Hall of Harmony, Dr. Annie Besant Road, Worli, Mumbai-400018.

Regd. Folio/DPID & Client ID	
Name and address of the shareholder	
Joint Holders	
No. of shares held	

_____

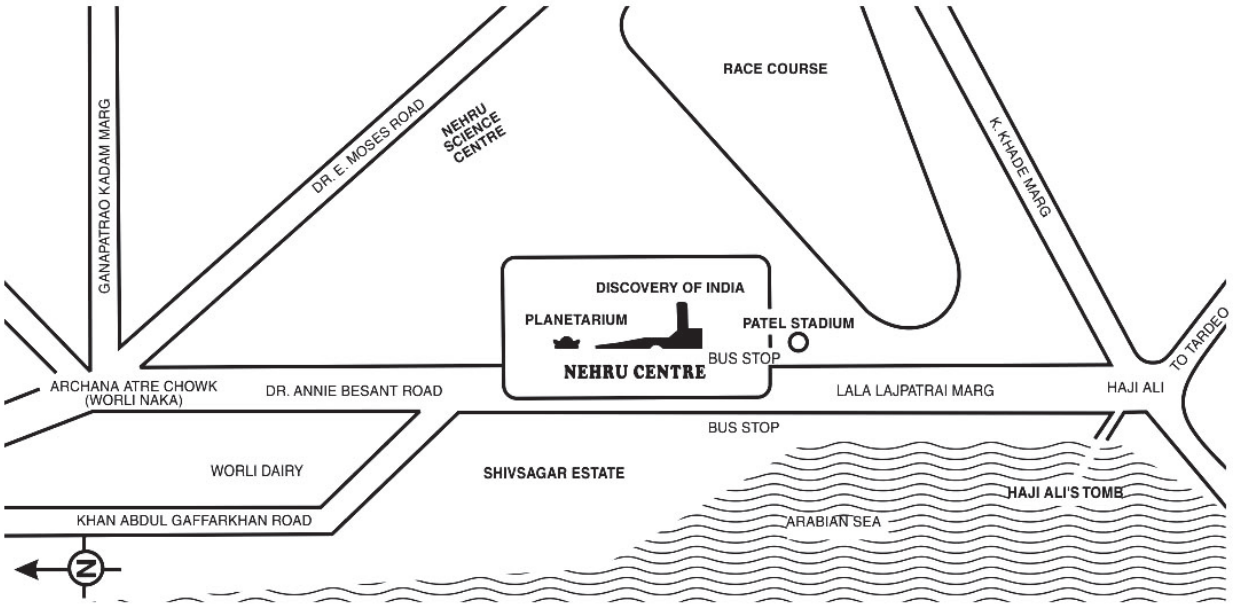
Signature of the Shareholder or proxy

Note:

1. Sign this attendance slip and hand it over at the attendance verification counter at the entrance of meeting hall.
2. Electronic copy of the Annual Report for the year ended 31st March, 2017 and Notice of Annual General Meeting (AGM) along with attendance slip and proxy form is being sent to all members whose e-mail address is registered with the Company/ Depository Participant unless any member has requested for a hard copy of the same. Members receiving electronic copy and attending the AGM can print copy of this attendance slip.
3. Physical copy of Annual Report for the year ended 31st March, 2017 and notice of the AGM along with the attendance slip and proxy form is sent in the permitted mode(s) to all members whose e-mail is not registered or have requested for a hard copy.

E-Voting Information

EVEN (Electronic Voting Event Number)	User ID	Password



Location Map of Nehru Centre

Book Post / Courier

NEXT MEDIAWORKS LIMITED

Office Nos. I-17, I-18 & I-19, 10th Floor, The Tardeo Everest Co.op. Society Ltd. ,
156 D. J. Dadajee Road, Tardeo, Mumbai - 400034
www.nextmediaworks.com

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