106.4 FM RADIO DHAMAL™

13th Annual Report 2017-18

SKYLINE RADIO NETWORK LIMITED

BOARD'S REPORT

To,
The Members of,
Skyline Radio Network Limited

The Directors have pleasure in presenting the 13th Annual Report on business and operations of the Company together with Audited Financial Statements for the financial year ended on March 31, 2018.

FINANCIAL RESULTS

The Company's financial performances for the year under review along with previous year's figures are given hereunder:

(Rupees in Lakhs)

Particulars	2017-18	2016-17
Total Income	1061.06	1013.29
Profit before Depreciation & Financial Charges	208.45	268.33
Financial Charges	14.95	44.27
Cash Profit	193.50	224.06
Depreciation	172.11	207.52
Profit before Tax	21.39	16.54
Provision for Tax	29.53	42.25
Profit/Loss after Tax	(8.14)	(25.71)
Proposed Dividend	Nil	Nil

FINANCIAL PERFORMANCE

During the period under review, revenue from operations of the Company has increased by 4.74% from Rs.1,007.49 Lakhs to Rs. 1055.28 Lakhs. During the year, net loss after tax of the Company was decreased by approximately 68.32% from Rs. 25.71 Lakhs to Rs. 8.14 Lakhs.

DIVIDEND

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

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCTION AND PROTECTION FUND

The provisions of Section 125(2) of the Companies Act, 2013 (herein after referred as "the Act") do not apply as there was no dividend declared and paid.

DEPOSITS

During the year under review, the Company has not accepted any deposit from public under the Act read with Companies (Acceptance of Deposits) Rules, 2014.

OPERATIONS AND STATE OF COMPANY'S AFFAIRS

Your Company operates its FM Radio station on frequency 106.4 in the name of **Dhamaal24** "Har Khushi hai Jahan", in 10 cities viz. Hissar, Karnal, Patiala, Ranchi, Muzaffarpur, Dhule, Jalgaon, Ahemednagar, Simla and Jabalpur.

Dhamaal24 is the voice of the regions and its many shows like Dil Ke Mareez Hazir Ho, Zindagi Live, Zara Hat Ke Zara Bachke, Omkar, Yad Kiya Dil Ne, Aamne-Saamne, Good Morning, AGOG, Bollywood Reporter, Bollywood Flash Back and Back to Back are household names with a slice of life and approach to the infotainment & entertainment programms. Various programming are purposely aligned for maximum listenership. Our content entices regional listeners.

It was a year where radio performed exceptionally well. The Company has successfully migrated its radio station from Phase II to Phase-III in year 2015 and got licenses to operate it for further 15 (fifteen) years from Ministry of Information and Broadcasting of Government of India (MIB).

CHANGE IN THE NATURE OF BUSINESS, IF ANY

There were no material changes and commitments affecting the financial position of the Company during the year.

DIRECTORS

There are six Directors on the Board of Directors of the Company viz. Ms. Anurradha Prasad (DIN- 00010716), Dr. Anuradha Mishra (DIN- 01725234), Mr. Sudhir Shukla (DIN: 01567595), Ms. Urmila Gupta (DIN:00637110) Mr. Anil Kapoor (DIN:05113976) and Mr. Sarad Kumar Dahiya (DIN- 02675515).

The Independent director Dr. Anuradha Mishra and Ms. Urmila Gupta have submitted their declaration of Independence, as required pursuant to section 149 (7) of the Act, confirming that they meet the criteria of independence as provided in sub section (6).

Appointments/ Resignations from the Board of Directors

During the financial year under review, Mr. Sudhir Shukla (DIN: 01567595), Ms. Urmila Gupta (DIN:00637110) and Mr. Anil Kapoor (DIN:05113976) were appointed as additional director on 09.08.2017 and appointed as Director of the Company at its 12th Annual General Meeting held on 26.09.2017 respectively.

Appointments/ Resignations of the Key Managerial Personnel

During the financial year under review, Mr. Vinay Kumar Srivastava, Chief Financial Officer and Mr. Ajay Mishra, Secretary of the Company are the Key Managerial Personnel as per the provisions of the Act. There was no change in Key Managerial Personnel of the Company.

Directors Retiring by Rotation

In accordance with the provisions of the Act and in terms of Articles of Association of the Company, Mr. Sudhir Shukla (DIN: 02675515) retires by rotation and is eligible for re-appointment.

Meetings

During the year seven Board Meetings dated 29.05.2017, 09.08.2017, 28.08.2017, 13.11.2017, 08.02.2018 17.02.2018 and 31.03.2018 were convened. The intervening gap between the Meetings was within the time limit prescribed under the Act read with the rules made thereunder.

Composition of Committees of the Board of Directors

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

At present there are following two Committees

1. Audit Committee
2. Nomination and Remuneration Committee

In addition, the Board also constitutes specific committees, from time to time, depending on the business exigencies, and simultaneously dissolves such Committees, that are no longer required. The terms of reference of the Committees are reviewed and modified by the Board from time to time. Meetings of each Committee are convened by the respective Committee Chairman. Minutes of the Committee meetings are approved by the respective Committee and thereafter placed before the Board.

AUDIT COMMITTEE

The Company has constituted an Audit Committee of Directors in accordance with the requirements of Section 177 of the Act and Rules framed thereunder.

i) Terms of reference

The broad terms of reference are as under:

1. Overseeing financial reporting process and disclosure of financial information, to ensure that the financial statements are correct, sufficient and credible;
2. Recommending appointment, reappointment, terms of appointment and removal of the statutory and internal auditors, if any, of remuneration, fixation of audit fees and approval for payment of any other services;
3. Reviewing with the management, the periodical financial statements including subsidiaries / associates, if any, before submission to the Board for approval;
4. Reviewing with the management and the statutory auditors, the adequacy of internal control systems and recommending improvements to the management;
5. Reviewing the findings of any internal investigations by auditors into matters where there is suspected fraud or irregularity or failure of internal control systems of a material nature and reporting the matter to the Board;
6. Discussion with statutory auditors before the audit commences, about the nature and scope of audit, as well as post-audit discussions to ascertain any area of concern;
7. Reviewing and monitoring auditor's independence and performance and effectiveness of audit process;
8. Scrutiny of Inter-corporate loans and advances;
9. Approval or any subsequent modification of transactions of the company with related parties;
10. Valuation of undertakings or assets of the company, wherever it is necessary; and
11. Such other functions as may be delegated by the Board from time to time.

The meetings of Audit Committee are also attended by Chief Financial Officer and Statutory Auditors of the Company. Mr. Ajay Mishra, Company Secretary acts as the Secretary to the Committee. The minutes of each Audit Committee meeting are placed and discussed in the meeting of the Board.

(ii) Composition of the Committee:-

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

NOMINATION AND REMUNERATION COMMITTEE

The Company has constituted a Nomination and Remuneration Committee of Directors in compliance with provisions of Section 178 of the Act. All the matters relating to finalization of remuneration to executive directors are being taken in the meeting of said Committee for their consideration and approval.

(i) Terms of Reference

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

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;

- Formulation of criteria for evaluation of Independent Directors and the Board;
- Devising a policy on Board diversity;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

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

(ii) Composition of the Committee

Committee comprises of Executive and Non-executive Directors. The Chairperson of the Committee is Dr. Anuradha Mishra, a Non-executive Independent Director and other members of the Committee are Mr. Sudhir Shukla, Non-Executive Director, Mr. Anil Kapoor, Non-Executive Director and Ms. Urmila Gupta, Non-Executive Independent Director. Mr. Ajay Mishra, Company Secretary acts as the Secretary of the Committee.

(iii) Nomination and Remuneration Policy

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

The Company's Policy relating to appointment of Directors, payment of Managerial remuneration, Directors' qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Act is furnished in **Annexure I** and forms part of this Report.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134 of the Act, the Directors confirmed that:-

a) in the preparation of the annual financial statements for the year ended March 31, 2018, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at the end of financial year and of profit and the loss of the Company for that period;

c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) they have prepared the annual accounts on a 'going concern' basis.

e) the internal financial controls to be followed by the Company were laid down and such internal financial controls are adequate and operating effectively; and

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

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in **Form MGT- 9** is annexed herewith as **Annexure II.**

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

During the year, the Company does not have any Subsidiary, Joint venture or Associate Company.

INTERNAL FINANCIAL CONTROLS

The Board has adopted policies and procedure for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of fraud, error reporting mechanism, the accuracy and completeness of the accounting records and the timely preparation of reliable financial disclosures.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Act forms part of the *Notes to the Financial Statements* provided in this Annual Report.

AUDITORS AND AUDITORS' REPORT

Statutory Auditors

M/s. Kumar Khare & Co., Chartered Accountants (ICAI Firm Registration No 006740C), Chartered Accountants, were appointed as Statutory Auditors of the Company at the 12th Annual General Meeting held on September 26, 2017 for a term of five consecutive years. As per the provisions of Section 139 of the Companies Act, 2013, the appointment of Auditors is required to be ratified by Members at every Annual General Meeting.

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

Qualification in Auditors reports

All observations made in the Independent Auditors' Report are self explanatory and suitably addressed in the Notes forming part of the Financial Statements and do not call for any further comments. The Company is in the regime of unqualified financial statements.

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

Material Events Occurred between the end of Financial Year to which the Financial Statements Relate and the Date of the Report

No material events have occurred between the end of Financial Year 2017-18 and the date of this Report which have effect over the financial position of the Company.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

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

During the year, your Company has not incurred any expenditure in foreign currency and has not earned in foreign currency.

DISCLOSURE IN TERMS OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) Act, 2013

In terms of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has an internal complaints committee in place, which entertains the complaints made by any aggrieved women.

During the financial year under review, there have been no cases reported in this regard.

PERSONNEL

There is no employee whose particulars are required to be disclosed under Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended.

SECRETARIAL AUDIT

During the period under review the Company is not covered under the criteria of applicability of Secretarial Audit pursuant to the provision of section 204 of the Companies Act, 2013.

SIGNIFICANT AND MATERIAL ORDERS

There were no significant or material orders passed by the Regulators / Courts / Tribunals which would impact the going concern status of the Company and its future operations.

RELATED PARTY TRANSACTIONS

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

The particulars of every contract and arrangement entered into by the Company with related parties referred to in sub section (1) of section 188 of the Act including certain arm's length transactions under third proviso thereto are disclosed in **Form No. AOC 2** in **Annexure III** and form part of this Report.

SHARES CAPITAL

The Company has one class of shares-equity share of par value of Rs.10 each. The authorized share capital is Rs. 320,000,000 divided in to 32,000,000 equity shares of Rs. 10 each. The issued subscribed and paid up Equity Share Capital stood at Rs. 290,141,000/- divided in to 29,014,100 equity shares of Rs. 10 each as at March 31, 2018 which is same as at March 31, 2017.

During the year under review, the Company has issued and allotted 869,556 numbers of Optionally Fully Convertible Debentures (OFCDs) on preferential basis of face value of Rs.100/- each to non-promoters.

CORPORATE SOCIAL RESPONSIBILITY POLICY

The Company believes in voluntary commitment Corporate Social Responsibility initiatives, through the said provisions are not applicable. However, once the said provisions are applicable, the Company shall report the same in the coming years and shall submit the relevant report on such applicability.

ACKNOWLEDGEMENTS

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

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

For and on behalf of the Board of Directors
Skyline Radio Network Limited

Anurradha Prasad
Chairperson
DIN: 00010716

Date : May 28, 2018
Place : Noida

Annexure-I

"NOMINATION AND REMUNERATION POLICY OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES"

[Skyline Radio Network Limited]

INTRODUCTION

Section 178 of the Companies Act, 2013 read with the Companies (Meeting of Board and its Powers) Rules, 2014 as amended require the Nomination and Remuneration Committee of the Board of Directors of every listed entity, among other classes of companies, to

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

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

COMPANY PHILOSHPHY

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

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

GUIDING PRINCIPLES

In the formulation of this Policy, the Nomination and Remuneration Committee has also endeavored to ensure the guiding principles as prescribed u/s 178(4) of the Companies Act, 2013 and rules made thereunder, summarized hereunder:

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

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

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

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

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

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

NOMINATION OF THE DIRECTORS

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

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

General Criteria

- The background and qualifications of the Directors, breadth of experience, knowledge and abilities to assist the Board in fulfilling its responsibilities.
- Diversity reflecting gender, ethnic background, country of citizenship and professional experience.
- Diverse professional and personal backgrounds.
- conflict of interest which would violate any applicable law or regulation or interfere with the performance of the responsibilities of a director.
- Commitment of the nominee to understanding the Company and its industry, embracing the organisation's values to help shape its vision, mission and strategic direction including oversight of risk management and internal control.
- Commitment of the nominee to spending the time necessary to function effectively as a Director, including attending and participating in meetings of the Board and its Committees.

Specific Criteria

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

REMUNERATION OF THE DIRECTORS

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

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

Appointment and Remuneration of Managing Director and Whole-time Director

The terms and conditions of appointment and remuneration payable to a Managing Director and Whole-time Director(s) shall be recommended by the Nomination and Remuneration Committee to the Board for its approval which shall be subject to approval by shareholders at the next general meeting of the Company and by the Central Government in case such appointment is at variance to the conditions specified in Schedule V to the Companies Act, 2013.

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

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

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

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

Remuneration of Independent Directors

Independent Directors may receive remuneration by way of

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

Independent Directors shall not be entitled to any stock options.

Based on the recommendation of the Nomination and Remuneration Committee, the Board may decide the sitting fee payable to independent directors. However, the Company is not paying any sitting fee to any Independent Director.

Remuneration to Directors in other Capacity

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

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

(b) in the opinion of the Nomination and Remuneration Committee, the director possesses the requisite qualification for the practice of the profession.

EVALUATION OF THE DIRECTORS

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

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

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

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

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

(ii) the Whole-time Director;

(iii) the Chief Financial Officer;

(iv) the Company Secretary; and

(v) such other officer as may be prescribed.

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

Apart from the directors, the remuneration of

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

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

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

Decisions on Annual Increments of the Senior Personnel shall be decided by the Human Resources Department.

REMUNERATION OF THE EMPLOYEES

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

The Company considers it essential to incentivize the workforce to ensure adequate and reasonable compensation to the staff.

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

GENERAL

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

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

Annexure II

Form No. MGT-9
EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31.03.2018
[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

CIN:	**U92132DL2005PLC142230**
Registration Date:	**31.10.2005**
Name of the Company:	**SKYLINE RADIO NETWORK LIMITED**
Category / Sub-Category of the Company:	**Public Company/Limited by Shares/India Non Government Company**
Address of the Registered office and contact details:	**A-60, Basement, Near Malviya Nagar Market, Malviya Nagar, New Delhi-110017, Tel 91 120 3911 444, Fax: 91 120 3911 401**
Whether listed company Yes / No:	**No**
Name, Address and Contact details of Registrar and Transfer Agent, if any:	**Alankit Assignments Limited, 1E/13, Alankit Heights, Jhandewala Ext., New Delhi- 110055. Phn: 011-42541234 , Fax: 011-23552001**

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the Company
1	Radio Broadcasting	6010	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares Held	Applicable Section
1	B.A.G. Films and Media Limited Address: 352, Aggarwal Plaza, Plot No. 8, Kondli, New Delhi-110 096	L74899DL1993PLC051841	Holding Company	71.05	2(46)

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

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change During the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	0	0	0	0.00	0	0	0	0.00	0.00
b) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
c) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corporate	7317150	18496950	25814100	88.97	7317150	18496950	25814100	88.97	0.00
e) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
f) Any Other	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (A)(1)	**7317150**	**18496950**	**25814100**	**88.97**	**7317150**	**18496950**	**25814100**	**88.97**	**0.00**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change During the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(2) Foreign									
a) NRIs - Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b) Other-Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
d) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any Other	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (A) (2)	**0**	**0**	**0**	**0.00**	**0**	**0**	**0**	**0.00**	**0.00**
Total Shareholding of Promoter (A) =(A)(1)+(A)(2)	**7317150**	**18496950**	**25814100**	**88.97**	**7317150**	**18496950**	**25814100**	**88.97**	**0.00**
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
b) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
c) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g) FIIs	0	0	0	0.00	0	0	0	0.00	0.00
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i) Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (B)(1)	**0**	**0**	**0**	**0.00**	**0**	**0**	**0**	**0.00**	**0.00**
2. Non-Institutions									
a) Bodies Corporate									
i) Indian	2150000	700000	2850000	9.82	2150000	700000	2850000	9.82	0.00
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b) Individuals									
i) Individual shareholders holding nominal share capital up to Rs. 1 lakh	12500	0	12500	0.05	12500	0	12500	0.05	0.00
i) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	337500	0	337500	1.16	337500	0	337500	1.16	0.00
c) Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (B)(2)	**2500000**	**700000**	**3200000**	**11.03**	**2500000**	**700000**	**3200000**	**11.03**	**0.00**
Total Public Shareholding (B)=(B)(1)+(B)(2)	**2500000**	**700000**	**3200000**	**11.03**	**2500000**	**700000**	**3200000**	**11.03**	**0.00**
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0.00
Grand Total (A+B+C)	**9817150**	**19196950**	**29014100**	**100.00**	**9817150**	**19196950**	**29014100**	**100.00**	**0.00**

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Cumulative Shareholding during the year			
1		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	% change In share holding during the year
1	B.A.G. Films and Media Limited	20614100*	71.05	N.A	20614100*	71.05	N.A	0
2	ARVR Communications Private Limited	5200000	17.92	N.A	5200000	17.92	N.A	0
	Total	**25814100**	**88.97**	**N.A**	**25814100**	**88.97**	**N.A**	**0**

* Ms. Anurradha Prasad, holds 1 share as a nominee of B.A.G. Films and Media Limited

(iii) Change in Promoters' Shareholding (please specify, if there is no change) (No Changes)

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

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	For Each of the Top 10 Shareholders	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Santosh Industries Limited	1000000	3.45	1000000	3.45
2	Odyssey Corporation Limited	600000	2.07	600000	2.07
3	Bijco Holding Limited	500000	1.72	500000	1.72
4	Ashika Venture Capital Pvt. Ltd	500000	1.72	500000	1.72
5	MKJ Enterprises Limited	100000	0.34	100000	0.34
6	Vab Ventures Limited	100000	0.34	100000	0.34
7	Guiness Securities Limited	00000	0.00	50000	0.17
8	Manoj Kumar Bhagat	50000	0.17	50000	0.17
9	Piyush Kumar Bhagat	50000	0.17	50000	0.17
10	Shanti Daga	50000	0.17	50000	0.17

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

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	For Each of the Directors and KMP*	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	0	0	0	0
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0	0	0	0
	At the End of the year	0	0	0	0

* Ms. Anurradha Prasad, Director holds 1 share as a nominee of B.A.G. Films and Media Limited

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment "Refer Notes to Financial Statement form part of this Annual Report.

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

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager: (NIL) (Amount in Rs.)

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager*
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0
2.	Stock Option	0
3.	Sweat Equity	0
4.	Commission - as % of profit - others, specify…	0
5.	Others, please specify	0
	Total (A)	0
	Ceiling as per the Act	N.A.

B. Remuneration to other Directors: (Amount in Rs.)

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount
	Independent Directors	**Dr. Anuradha Mishra**	**Ms. Urmila Gupta**			
	• Fee for attending board / committee meetings • Commission • Others, please specify	0	0			0
	Total (1)	0	0			0
	4. Other Non-Executive Directors*	**Ms. Anurradha Prasad**	**Mr. Anil Kapoor**	**Mr. Sudhir Shukla**	**Mr. Sarad Kumar**	
	• Fee for attending board / committee meetings • Commission • Others, please specify	0	0	0	0	0
	Total (2)	0	0	0	0	0
	Total (B)=(1+2)	0	0	0	0	0
	Total Managerial Remuneration	0	0	0	0	0
	Overall Ceiling as per the Act		N.A.			

*. The Company is not paying any remuneration to Directors

C. Remuneration to Key Managerial Personnel other than MD/WTD/Manager (Amount in Rs.)

Sl. No.	Particulars of Remuneration	Name of the KMP other than MD/WTD/ Manager		Total Amount
		Mr. Vinay Kumar Srivastava, Chief Financial Officer*	**Mr. Ajay Mishra, Company Secretary**	
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	- - -	11,79,120 - -	11,79,120 - -
2.	Stock Option	0	0	0
3.	Sweat Equity	0	0	0
4.	Commission - as % of profit - others, specify…	0	0	0
5.	Others, please Specify	0	0	0
	Total	**-**	**11,79,120**	**11,79,120**

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: (NIL)

Annexure III

FORM NO. AOC-2

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

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

1. **Details of contracts or arrangements or transactions not at Arm's length basis :**
   There were no contracts or arrangements or transactions entered during the year ended March 31, 2018 which were not at arm's length basis.
2. **Details of material contracts or arrangements or transactions at Arm's length basis:**

Sr. No.	Name of the related party	Nature of relationship	Nature of contracts or arrangements or transaction	Duration of contracts or arrangements or transactions	Salient Terms	Amount (in Rs.)
1	B.A.G. Films and Media Limited	Holding Company	Leasing	Continuing	As per Related Party Transaction Policy	2,160,000
2	Anurradha Prasad	Director	Leasing	Continuing	As per Agreement	240,000

For and on behalf of the Board of Directors
Skyline Radio Network Limited

Anurradha Prasad
Chairperson
DIN : 00010716

Date: May 28, 2018
Place: Noida

INDEPENDENT AUDITOR'S REPORT

To the Members of Skyline Radio Network Limited, New Delhi

Report on the Ind AS Financial Statements

We have audited the accompanying financial statements of Skyline Radio Network Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2018, the Statement of Profit and Loss, the Statement of Change in Equity and the Statement of Cash Flows for the year then ended and 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 Ind AS financial statements that give a true and fair view of the state of affairs profit (including other comprehensive income), change in equity and cash flows of the Company in accordance with the accounting principles generally accepted in india, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibility

Our responsibility is to express an opinion on these Ind AS financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit of the Ind AS financial statements 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 Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS 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 estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.

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

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

Opinion

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143 (3) of the Act, we report, to the extent applicable, that:
   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

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

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

(e) On the basis of the written representations received from the directors as on 31 March 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2018, from being appointed as a director in terms of section 164(2) of the Act;

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

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

i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements;

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

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

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

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

Alok Khare
Partner
Membership No. 075236

Place: Noida
Dated: May 28, 2018

ANNEXURE A

to the independent Auditor's Report – 31 March 2018 on the Ind AS financial statements

(Referred to in our report of even date)

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

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

2. As explained to us, the inventories were physically verified by the Management at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable and no material discrepancies were noticed on physical verification.

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

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

5. According to information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of the directives issued by the Reserve Bank of India, provisions of Section 73 to 76 of the Act , any other relevant provisions of the Act and the relevant rules framed thereunder.

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

7. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues including provident fund, employees state insurance, income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Income tax, Wealth tax, Sales-tax, Service tax, Value added tax, cess and other material statutory dues were in arrears, as at 31 March 2018, for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues of Income Tax, Wealth Tax, Service Tax, Sales Tax, Customs Duty, Excise Duty and Cess on account of any dispute, which have not been deposited.

8. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to banks. The Company does not have any loans or borrowings from financial institutions or government and has not issued any debentures.

9. The Company did not raise any moneys by way of initial public offer or further public offer (including debt instruments) during the year. In our opinion and according to the information and explanations given to us, the term loans taken by the Company have been applied for the purposes for which they were raised.

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

11. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not paid any managerial remuneration during the year. Accordingly, the provisions of clause (xi) of the Order are not applicable to the Company and hence not commented upon.

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

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

14. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment and private placement of shares or fully or partly convertible debenture during the year.

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

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

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

Alok Khare
Partner
Membership No. 075236

Place: Noida
Dated: May 28, 2018

ANNEXURE B

To the Independent Auditor's Report- 31 March 2018 on the Ind AS financial statements

(Referred to in our report of even date)

Report on the Internal Financial Controls Section 143(3)(i) of the Companies Act, 2013 ('the Act')

We have audited the internal financial controls with reference to financial statements of Skyline Radio Network Limited ('the Company') as of March 31, 2018 in conjunction with our audit of the Ind AS 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 with reference to financial statements 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 (the 'Guidance Note'). 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 with reference to financial statements based on our audit. We conducted our audit in accordance with Guidance Note and the Standards on Auditing, issued by the Institute of Chartered Accountants of India (ICAI) and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of Internal Financial Controls Over Financials Reporting(IFCoFR) and the Guidance

Note on Audit of Internal Financial Control Over Financial Reporting (the "Guidance Note")issued by the ICAI . Those Standards and the Guidance Note require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with reference to financial statements

A company's internal financial control with reference to financial statements 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 with reference to financial statements 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 with reference to financial statements , 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 with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statments may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2018, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the Institute of Chartered Accountants of India.

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

Alok Khare
Partner
Membership No. 075236

Place: Noida
Dated: May 28, 2018

Skyline Radio Network Limited
BALANCE SHEET as at March 31, 2018

(Amount in ₹)

Particulars	Note No.	As at March 31,2018	As at March 31,2017	As at 1 April 2016
ASSETS				
Non-current assets				
Property, plant and equipment	4	32,464,227	41,957,203	54,313,995
Capital work-in-progress		3,312,500	3,312,500	8,975,444
Intangible assets	4	87,539,150	94,850,727	102,142,326
Other non-current assets	5	-	-	78,842
		123,315,877	**140,120,430**	**165,510,607**
Current assets				
Inventories	6	18,985,530	19,536,780	19,821,345
Financial assets				
Trade receivables	7	71,344,099	44,597,153	42,835,636
Cash and cash equivalents	8	10,711,588	2,355,431	3,693,748
Other financial assets	9	4,221,481	9,926,651	1,743,357
Other current assets	10	41,728,988	36,528,786	31,750,992
		146,991,686	**112,944,801**	**99,845,078**
Total		**270,307,563**	**253,065,231**	**265,355,685**
EQUITY AND LIABILITIES				
Equity				
Equity share capital	11	290,141,000	290,141,000	290,141,000
Other equity	12	(258,712,029)	(257,897,388)	(263,835,183)
Share Application Money Pending Allotment	13	-	99,295,850	66,275,000
		31,428,971	**131,539,462**	**92,580,817**
Non-current liabilities				
Financial liabilities				
Other financial liabilties	14	159,455,200	72,499,600	81,571,303
Provisions	15	821,312	649,933	651,576
Deferred tax liabilities (net)	16	14,378,639	11,425,488	7,200,275
		174,655,151	**84,575,021**	**89,423,154**
Current liabilities				
Financial liabilities				
Trade payables				
Total outstanding dues of micro enterprises and small enterprises	17	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	17	51,858,843	21,137,481	36,619,566
Other current liabilities	18	12,364,598	15,813,267	46,732,148
		64,223,441	**36,950,748**	**83,351,714**
Total		**270,307,563**	**253,065,231**	**265,355,685**
Basis of preparation, measurement and significant accounting policies	2			
First time adoption of Ind AS	3			

The notes referred to above form an integral part of the financial statements

As per our report of even date attached

For and on behalf of Board of Directors of Skyline Radio Network Limited

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

Anurradha Prasad
Director
DIN: 00010716

Anil Kapoor
Director
DIN:05113976

Alok Khare
Partner
Membership Number: 075236
Noida:May 28, 2018

Vinay Kumar Srivastava
CFO

Ajay Mishra
Company Secretary
Membership No.- ACS 21096

STATEMENT OF PROFIT AND LOSS
for the year ended 31st March, 2018

(Amount in ₹)

Particulars	**Note No.**	**For the year ended March 31,2018**	**For the year ended March 31,2017**
Sales	19	105,528,463	100,748,535
Other operating revenue		-	-
Revenue from operations		105,528,463	100,748,535
Other income	20	577,086	580,457
Total Income		**106,105,549**	**101,328,992**
Expenses			
Changes in inventories of finished goods, work-in-progress and traded goods	21	551,250	284,565
Employee benefits expense	22	19,869,292	16,610,495
Finance costs	23	1,495,218	4,427,433
Depreciation and amortisation expense	24	17,210,936	20,752,153
Other expenses	25	64,566,617	57,545,278
Total Expenses		**103,693,313**	**99,619,924**
Profit before tax		**2,412,236**	**1,709,068**
Tax expense			
Deferred tax		2,953,151	4,225,212
Total tax expense		**2,953,151**	**4,225,212**
Profit for the year		**(540,915)**	**(2,516,144)**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Acturial gains/losses of defined benefit plans		(273,726)	(55,588)
Other comprehensive income for the year (net of tax)		**(273,726)**	**(55,588)**
Total comprehensive income for the year		**(814,641)**	**(2,571,732)**
Nominal value per share Rs.10/- each			
Basic earnings from operations attributable to share holders		(0.03)	0.20
Diluted earnings from operations attributable to share holders		(0.03)	0.18
Basis of preparation, measurement and significant accounting policies	2		
First time adoption of Ind AS	3		

The notes referred to above form an integral part of the financial statements
As per our report of even date attached

For and on behalf of Board of Directors of Skyline Radio Network Limited

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

Anurradha Prasad
Director
DIN: 00010716

Anil Kapoor
Director
DIN:05113976

Alok Khare
Partner
Membership Number: 075236
Noida:May 28, 2018

Vinay Kumar Srivastava
CFO

Ajay Mishra
Company Secretary
Membership No.- ACS 21096

Statement of Changes in Equity

A. Equity Share Capital

Particulars	Note No.	Balance
As at 1st April, 2016		290,141,000
Changes in equity share capital during the year		-
As at 31st March, 2017		290,141,000
Changes in equity share capital during the year		-
As at 31st March, 2018	11	**290,141,000**

Particulars	Note No.	Reserves and surplus: Securities Premium Reserves	Reserves and surplus: Retained earnings	Items of Other Comprehensive Income (OCI): Remeasurements of net defined benefit plans	Total other equity
Balance as at 1 April 2016		**136,711,500**	**(400,546,683)**	**-**	**(263,835,183)**
Profit for the year		-	(2,516,144)	-	(2,516,144)
Other comprehensive income (net of tax)				(55,588)	(55,588)
Total comprehensive income for the year ended 31 March 2017		136,711,500	(403,062,827)	(55,588)	(266,406,915)
Transactions with owners in their capacity as owners					
Transfer from Retained earnings to General reserve/other adjustment		-	8,509,527	-	8,509,527
Balance as at 31 March 2017		**136,711,500**	**(394,553,300)**	**(55,588)**	**(257,897,388)**
Profit for the year		-	(540,915)	-	(540,915)
Other comprehensive income (net of tax)		-		(273,726)	(273,726)
Total comprehensive income for the year ended 31 March 2018		-	(540,915)	(273,726)	(814,641)
Transactions with owners in their capacity as owners					-
Transfer from Retained earnings to General reserve		-	-	-	-
Balance as at 31 March 2018	12	**136,711,500**	**(395,094,215)**	**(329,314)**	**(258,712,029)**

The notes referred to above form an integral part of the financial statements

As per our report of even date attached

For and on behalf of Board of Directors of Skyline Radio Network Limited

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

Anurradha Prasad
Director
DIN: 00010716

Anil Kapoor
Director
DIN:05113976

Alok Khare
Partner
Membership Number: 075236
Noida:May 28, 2018

Vinay Kumar Srivastava
CFO

Ajay Mishra
Company Secretary
Membership No.- ACS 21096

Notes

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

1. Corporate Information

Skyline Radio Network Limited was incorporated on 31st October 2005 with main objective to carry on the business of Radio Broadcasting through FM radio channels. Presently the company is running FM radio channel at frequency of 106.4 MHz under the brand name "**Dhamaal24**" "Har Khushi Hai Jahan" at 10 locations viz, Hissar, Karnal, Patiala, Shimla, Ranchi, Muzaffarpur, Jabalpur, Ahmednagar, Dhule and Jalgaon.

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

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

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

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

2. BASIS OF PREPARATION, MEASUREMENT AND SIGNIFICANT ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION AND MEASUREMENT

(a) Basis of preparation

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

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

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

The financial statements of the Company for the year ended 31st March, 2018 were approved for issue in accordance with the resolution of the Board of Directors on 28th May, 2018.

(b) Basis of measurement

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

(c) Functional and Presentation currency

These financial statements are presented in Indian rupees (INR), which is also the Company's functional currency.

2.2 KEY ACCOUNTING ESTIMATES AND JUDGEMENTS

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

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

2.3 SIGNIFICANT ACCOUNTING POLICIES

(a) Current versus non-current classification

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

Assets

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

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

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

Liabilities

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

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

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

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

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

The Company has identified twelve months as its operating cycle.

(b) Property, plant and equipment and Depreciation

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

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

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

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

Depreciation

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

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

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

(c) Impairment of non-financial assets

At each reporting date, the Company assesses whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Unit's ('CGU') fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets.

Where the carrying amount of an asset or cash generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value cost of disposal, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

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

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

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

(d) Inventories

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

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

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

(e) Cash and cash equivalents

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

(f) Borrowing costs

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

(g) Foreign Currency Transactions

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

Initial recognition

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

Conversion

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

Exchange differences

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

(h) Fair value measurement

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

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

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

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

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

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

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

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

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

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

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

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

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

(i) Financial Instruments

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

Financial assets

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

Financial assets are subsequently classified as measured at

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

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

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

Debt instruments at amortized cost

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

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows,

  and

- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

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

Debt instrument at FVTPL

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

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

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

Equity investments

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

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

Impairment of Financial Asset

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

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

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

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

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

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

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

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

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

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

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

Derecognition

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

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

Financial liabilities

Initial recognition and measurement

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

Subsequent measurement

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

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

Derecognition

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

Offsetting of financial instruments

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

(j) Provisions and Contingent Liabilities:

Provisions

A provision is recognized when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. The expense relating to a provision is presented in the statement of profit and loss.

Contingent liabilities

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

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

(k) Revenue Recognition

Advertisement revenue from sale of advertising time is recognized on the accrual basis when advertisements are telecast in accordance with contractual obligations.

(l) Expenditure:

Expenses are accounted on accrual basis.

(m) Retirement and other employee benefits

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

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

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

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

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

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

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

(n) Earning per share (EPS)

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split and reverse share split that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

(o) Segment reporting

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

(p) Operating leases

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

<u>Operating leases (where the Company is the lessee)</u>

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

<u>Operating leases (where the Company is the lessor)</u>

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

(q) Taxes

Tax expense comprises current and deferred tax.

- **Current income-tax**

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

- **Deferred tax**

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

- **Minimum alternate tax**

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

2.4 RECENT ACCOUNTING DEVELOPMENTS

(a) Standards issued but not yet effective:

IND AS 115: Revenue from Contracts with Customers

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

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

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

Step 2: Identify the performance obligation in contract

Step 3: Determine the transaction price

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

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

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

3. FIRST TIME ADOPTION OF IND AS

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

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

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

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

Estimates

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

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

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

Effect of the Transition to Ind AS

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

3.1 Effect of Ind AS adoption on the balance sheet as at March 31, 2017 and April 1, 2016 **(Amount in ₹)**

Particulars	As at March 31, 2017			As at April 1, 2016		
	Previous GAAP	Effect of transition to Ind AS	As per Ind AS balance sheet	Previous GAAP	Effect of transition to Ind AS	As per Ind AS
ASSETS						
Non-current assets						
Property, plant and equipment	41,957,203	-	41,957,203	54,313,995	-	54,313,995
Intangible assets	94,850,727	-	94,850,727	102,142,326	-	102,142,326
Capital work-in-progress	3,312,500	-	3,312,500	8,975,444	-	8,975,444
Other non-current assets	-	-	-	78,842	-	78,842
TOTAL NON-CURRENT ASSETS	**140,120,430**	**-**	**140,120,430**	**165,510,607**	**-**	**165,510,607**
Current assets						
Inventories	19,536,780	-	19,536,780	19,821,345	-	19,821,345
Financial assets						
Trade receivables	44,597,153	-	44,597,153	42,628,801	206,835	42,835,636
Cash and cash equivalents	7,435,001	(5,079,570)	2,355,431	8,489,758	(4,796,010)	3,693,748
Other financial assets	9,478,605	448,046	9,926,651	1,123,168	620,189	1,743,357
Other current assets	32,032,262	4,496,524	36,528,786	27,710,171	4,040,821	31,750,992
TOTAL CURRENT ASSETS	**113,079,801**	**(135,000)**	**112,944,801**	**99,773,243**	**71,835**	**99,845,078**
TOTAL ASSETS	**253,200,231**	**(135,000)**	**253,065,231**	**265,283,850**	**71,835**	**265,355,685**

Particulars	As at March 31, 2017			As at April 1, 2016		
	Previous GAAP	Effect of transition to Ind AS	As per Ind AS balance sheet	Previous GAAP	Effect of transition to Ind AS	As per Ind AS
EQUITY AND LIABILITIES						
Equity						
Equity share capital	290,141,000	-	290,141,000	290,141,000	-	290,141,000
Other equity	(257,762,388)	(135,000)	(257,897,388)	(263,907,018)	71,835	(263,835,183)
Share Application Money Pending Allotment	99,295,850	-	99,295,850	66,275,000	-	66,275,000
Liabilities						
Non-current liabilities						
Financial liabilities						
Other financial liabilties	72,499,600	-	72,499,600	81,571,303	-	81,571,303
Provisions	649,933	-	649,933	651,576	-	651,576
Deferred tax liabilities (net)	11,425,488	-	11,425,488	7,200,275	-	7,200,275
TOTAL NON-CURRENT LIABILITIES	**216,249,483**	**(135,000)**	**216,114,483**	**181,932,136**	**71,835**	**182,003,971**

Current liabilities						
Financial liabilities						
Trade payables	21,137,481	-	21,137,481	36,619,566	-	36,619,566
Other current liabilities	15,813,267	-	15,813,267	46,732,148	-	46,732,148
TOTAL CURRENT LIABILITIES	**36,950,748**	**-**	**36,950,748**	**83,351,714**	**-**	**83,351,715**
TOTAL EQUITY AND LIABILITIES	**253,200,231**	**(135,000)**	**253,065,230**	**265,283,850**	**71,835**	**265,355,686**

Statement of Profit and Loss

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

	As at March 31, 2017		
Particulars	**Previous GAAP**	**Effect of transition to Ind AS**	**As per Ind AS balance sheet**
Sales	100,748,535	-	100,748,535
Other operating revenue			
Revenue from operations	100,748,535	-	100,748,535
Other income	580,457	-	580,457
Total Income	**101,328,992**		**101,328,992**
Changes in inventories of finished goods, work-in-progress and traded goods	284,565	-	284,565
Employee benefits expense	16,666,083	(55,588)	16,610,495
Finance costs	4,427,433	-	4,427,433
Depreciation and amortisation expense	20,752,153	-	20,752,153
Other expenses	57,338,443	206,835	57,545,278
Total Expenses	**99,468,677**	**151,247**	**99,619,924**
Profit before exceptional items and tax	**1,860,315**	(151,247)	**1,709,068**
Exceptional items	-	-	-
Profit before tax	**1,860,315**	(151,247)	**1,709,068**
Tax expense			
Deferred tax	4,225,212	-	4,225,212
Total tax expense	**4,225,212**	**-**	**4,225,212**
Profit for the year (A)	**(2,364,897)**	**(151,247)**	**(2,516,144)**
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss Acturial gains/losses of defined benefit plans	-	(55,588)	(55,588)
Other comprehensive income for the year (net of tax) (B)	**-**	**(55,588)**	**(55,588)**
Total comprehensive income for the year (A+B)	**(2,364,897)**	**(206,835)**	**(2,571,732)**

3.3 Adjustments to Statement of Cash flows

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

Notes to the reconciliation

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

4. PROPERTY , PLANT AND EQUIPMENT (Amount in ₹)

Description of Assets	Plant & Equipment	Computers & Peripherals	Furnitures & Fixtures	Office Equipments	Total
Gross Block					
Balance as at 1st April, 2016 (Deemed Cost)	143,803,676	34,028,770	3,537,177	78,233,878	259,603,501
Additions	-	-	-	1,103,760	1,103,760
Disposal	-	-	-	-	-
Balance as at 31st March, 2017	**143,803,676**	**34,028,770**	**3,537,177**	**79,337,638**	**260,707,261**
Additions	-	-	-	406,381	406,381
Disposal	-	-	-	-	-
Balance as at 31st March, 2018	**143,803,676**	**34,028,770**	**3,537,177**	**79,744,019**	**261,113,642**
Accumulated Depreciation					
Balance as at 1st April, 2016	**93,529,708**	**32,055,864**	**3,241,200**	**76,462,734**	**205,289,506**
Additions	11,588,332	821,236	139,542	911,443	13,460,553
Disposal	-	-	-	-	-
Balance as at 31st March, 2017	**105,118,040**	**32,877,100**	**3,380,742**	**77,374,177**	**218,750,059**
Additions	8,832,837	412,080	72,607	581,834	9,899,358
Disposal	-	-	-	-	-
Balance as at 31st March, 2018	**113,950,877**	**33,289,180**	**3,453,349**	**77,956,011**	**228,649,417**
Net Block					
Balance as at 1st April, 2016	50,273,968	1,972,906	295,977	1,771,144	54,313,995
Balance as at 31st March, 2017	38,685,636	1,151,670	156,435	1,963,461	41,957,202
Balance as at 31st March, 2018	29,852,799	739,590	83,828	1,788,008	32,464,225

4. INTANGIBLE ASSETS

Description of Assets	Radio Licences Fees	Total
Gross Block		
Balance as at 1st April, 2016 (Deemed Cost)	109,453,903	109,453,903
Additions	-	-
Disposal	-	-
Balance as at 31st March, 2017	**109,453,903**	**109,453,903**
Additions	-	-
Disposal	-	-
Balance as at 31st March, 2018	**109,453,903**	**109,453,903**
Accumulated Depreciation		
Balance as at 1st April, 2016	7,311,576	7,311,576
Additions	7,291,600	7,291,600
Disposal	-	-
Balance as at 31st March, 2017	**14,603,176**	**14,603,176**
Additions	7,311,577	7,311,577
Disposal	-	-
Balance as at 31st March, 2018	**21,914,753**	**21,914,753**
Net Block		
Balance as at 1st April, 2016	102,142,327	102,142,327
Balance as at 31st March, 2017	94,850,727	94,850,727
Balance as at 31st March, 2018	87,539,150	87,539,150

5. OTHER NON-CURRENT ASSETS

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Preliminary Expenses			
Opening Balance	-	78,842	157,674
Add: Incurred during the year	-	-	-
	-	78,842	157,674
Less: Written off during the year	-	78,842	78,832
	-	**-**	**78,842**

6. INVENTORIES

(At lower of cost and net realisable value)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Finished goods	18,985,530	19,536,780	19,821,345
Total	**18,985,530**	**19,536,780**	**19,821,345**

7. **TRADE RECEIVABLES**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Considered good	71,344,099	44,597,153	42,835,636
Considered doubtful	-	-	-
Less: Allowance for bad and doubtful debts	-	-	-
Total	**71,344,099**	**44,597,153**	**42,835,636**

8. **CASH AND CASH EQUIVALENTS**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Cash in hand	2,367	72,894	3,297
Balance with bank			
-In current accounts	10,682,992	2,256,308	3,541,833
- Term deposits with original maturity of less than three months	26,229	26,229	148,618
Total	**10,711,588**	**2,355,431**	**3,693,748**

9. **OTHER FINANCIAL ASSETS**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Short term loans and advances			
Loans and advances to employees	886,728	546,136	793,189
Advance to Other	3,334,753	9,380,515	950,168
Total	**4,221,481**	**9,926,651**	**1,743,357**

10. **OTHER CURRENT ASSETS**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Balances with government authorities	5,547,422	4,045,463	6,995,587
Security Deposits	22,948,974	22,643,111	16,907,153
Prepaid Expenses	13,232,592	9,840,212	7,848,252
Total	**41,728,988**	**36,528,786**	**31,750,992**

11. **SHARE CAPITAL**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
(a) Authorised Share Capital			
32,000,000 (31st March, 2017: 32,000,000 and 1st April, 2016: 32,000,000)equity shares of Rs.10/- each	320,000,000	320,000,000	320,000,000
	320,000,000	**320,000,000**	**320,000,000**
(b) Issued, Subscribed and Fully Paid Share Capital			
29,014,100 (31st March, 2017: 29,014,100 and 1st April, 2016: 29,014,100)equity shares of Rs.10/- each	290,141,000	290,141,000	290,141,000
Total	**290,141,000**	**290,141,000**	**290,141,000**

Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the March 2018 Issued , Subscribed and fully paid up share capital:-

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	Number of shares held	Amount	Number of shares held	Amount	Number of shares held	Amount
Equity share with Voting Rights						
Equity shares outstanding at the beginning of the year	29,014,100	290,141,000	29,014,100	290,141,000	29,014,100	290,141,000
Add: Issue of Equity Shares during the year	-	-	-	-	-	-
Equity shares outstanding at the end of the year	29,014,100	290,141,000	29,014,100	290,141,000	29,014,100	290,141,000

-Details of shares held by each shareholder holding more than 5% share capital :

Name of shareholders	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
	No. of Shares	No. of Shares	No. of Shares
B.A.G. Films & Media Limited	20,614,099	20,614,099	20,614,099
ARVR Communication Private Limited	5,200,000	5,200,000	5,200,000

Rights, preferences and restrictions attached to shares

Equity shares

The Company has one class of equity shares having a par value of Rs 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed , if any, by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

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

12. OTHER EQUITY

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Reserves and Surplus			
Securities Premium Reserves	136,711,500	136,711,500	136,711,500
Retained Earnings	(395,423,529)	(394,608,888)	(400,546,683)
Total	**(258,712,029)**	**(257,897,388)**	**(263,835,183)**

Securities Premium Reserves

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Balance at beginning of year	136,711,500	136,711,500	
Add : Premium on Shares Issued during the year	-	-	
Balance at the end of Year	**136,711,500**	**136,711,500**	**136,711,500**

Retained Earnings

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Opening Balance	(394,608,888)	(400,546,683)	
Add: Profit / (Loss) for the year	(540,915)	(2,516,144)	
Add: Adjustment of tax relating to earlier periods	-	8,509,527	
Other comprehensive income for the year (net of tax)	(273,726)	(55,588)	
Balance at the end of Year	**(395,423,529)**	**(394,608,888)**	**(400,546,683)**

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

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

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

13. SHARE APPLICATION MONEY PENDING ALLOTMENT

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Share application money pending allotment	-	99,295,850	66,275,000
Total	**-**	**99,295,850**	**66,275,000**

14. OTHER FINANCIAL LIABILITIES

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Term Loans - From Bank	-	-	9,071,703
Optionally fully convertible Debentures	159,455,200	72,499,600	72,499,600
Total	**159,455,200**	**72,499,600**	**81,571,303**

15. PROVISIONS

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Provision for Employee benefits			
- Provision for Gratuity	696,865	562,180	563,127
- Provision for Leave encashment	124,447	87,753	88,449
Total	**821,312**	**649,933**	**651,576**

16. DEFERRED TAX BALANCES

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Liabilities:			
Deferred tax liabilities (net)	14,378,639	11,425,488	7,200,275
Total	**14,378,639**	**11,425,488**	**7,200,275**

17. TRADE PAYABLES

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Trade payables	51,858,843	21,137,481	36,619,566
Total	**51,858,843**	**21,137,481**	**36,619,566**

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

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

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

Terms and conditions of the above financial liabilities:

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

18. OTHER CURRENT LIABILITIES

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Current maturities of long term debt	-	8,518,955	23,176,472
Other payables			
Statutory remittances	188,351	318,902	103,766
Other Liabilities	10,021,001	5,297,806	21,534,152
Employee Cost	2,155,246	1,677,604	1,917,758
Total	**12,364,598**	**15,813,267**	**46,732,148**

19. REVENUE FROM OPERATIONS

Particulars	As at March 31, 2018	As at March 31, 2017
Revenue from Operations		
Advertisement sales revenue	105,528,463	100,748,535
Total	**105,528,463**	**100,748,535**

20. OTHER INCOME

Particulars	As at March 31, 2018	As at March 31, 2017
Interest income		
Deposits	489,847	276,913
Other Interest	-	145,269
Other non-operating income (net of expenses directly attributable to such income)		
Miscellaneous income	53,239	13,875
Profit on sale of assets	34,000	144,400
Total	**577,086**	**580,457**

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

Particulars	As at March 31, 2018	As at March 31, 2017
Opening inventories		
Finished Goods	19,536,780	19,821,345
Closing inventories		
Finished Goods	18,985,530	19,536,780
Total	**551,250**	**284,565**

22. EMPLOYEE BENEFITS EXPENSE

Particulars	As at March 31, 2018	As at March 31, 2017
Salaries , Wages and Bonus to employees	18,970,948	15,795,236
Contribution to Provident and other funds	712,190	654,003
Staff welfare expenses	186,154	161,256
Total	**19,869,292**	**16,610,495**

23. FINANCE COSTS

Particulars	As at March 31, 2018	As at March 31, 2017
Interest expense on		
Borrowing	1,290,219	4,385,886
Other borrowing costs		
Bank Charges	204,999	41,547
Total	**1,495,218**	**4,427,433**

24. DEPRECIATION AND AMORTISATION EXPENSE

Particulars	As at March 31, 2018	As at March 31, 2017
Depreciation of property, plant and equipment pertaining to continuing operations	17,210,936	20,752,153
Total	**17,210,936**	**20,752,153**

25. OTHER EXPENSES

Particulars	As at March 31, 2018	As at March 31, 2017
Power and fuel	15,780,507	14,913,573
Rent	3,447,476	1,365,418
Repairs to buildings	38,190	72,971
Repairs to machinery	554,129	596,669
Insurance	35,308	2,754
Rates and taxes , excluding, taxes on income	1,389,894	1,045,940
Payment to auditors		
- As Auditor	100,000	100,000
- For Taxation Matters	50,000	50,000
- For Management Services	25,000	25,000
- For Reimbursement of Expenses	15,237	42,883
Programming & Promo Expenses	6,899,128	4,762,571
License & Other Operational Fees	20,817,338	24,468,976
Security Services	1,752,745	1,884,851
Office Expense	1,360,439	893,270
Conveyance	2,171,443	1,583,460
Miscellaneous Expenses	10,129,783	5,736,942
Total	**64,566,617**	**57,545,278**

26. Contingent Liabilities and Commitments **(Amount in ₹)**

Particulars	As at March 31, 2018	As at March 31 , 2017
Contingent liabilities		
a) Claims against the Company not acknowledged as debt	Nil	Nil
b) Guarantees -Bank Guarantee given	13,01,200	13,01,200
c) Other money for which the Company is contingently liable	Nil	Nil

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

28. Employee Benefits

Defined Contribution Plans :

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

Employer's Contribution to Provident Fund: Rs. 4,50,743
(Previous Year Rs. 4,42,227)

Employer's Contribution to ESI : Rs. 216,095
(Previous Year Rs. 1,58,931)

Defined Benefit Plans:

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

a. Change in present value of obligation **(Amount in ₹)**

Particulars	Gratuity		Leave Encashment	
	March31,2018	March31,2017	March31,2018	March31,2017
Present value of obligation as at the beginning of the period	**5,62,180**	**5,63,127**	**87,753**	**88,449**
Current Service Cost	1,33,284	1,05,435	30,397	19,550
Interest Cost	42,164	45,050	6,581	7,076
Expected Return on Plan Assets	--	--	--	--
Benefits paid	(1,02,347)	(57,231)	--	--
Actuarial (gain)/loss	61,584	(94,201)	(284)	(27,322)
Past Service Cost	--	--	--	--
Curtailment and settlement Cost/(credit)	--	--	--	--
Present value of obligation as at the end of the period	**6,96,865**	**5,62,180**	**1,24,447**	**87,753**

b. Expense recognized in the statement of profit and loss account **(Amount in ₹)**

Particulars	Gratuity		Leave Encashment	
	March31,2018	March31,2017	March31,2018	March31,2017
Current service cost	1,33,284	1,05,435	30,397	19,550
Past service cost	--	--	--	--
Interest cost	42,164	45,050	6,581	7,076
Expected return on plan assets	--	--	--	--
Curtailment cost / (Credit)	--	--	--	--
Settlement cost / (credit)	--	--	--	--
Net actuarial (gain)/ loss recognized in the period	61,584	(94,201)	(284)	(27,322)
Expenses recognized in the statement of profit & losses	2,37,032	56,284	36,694	(696)

c. Actuarial gain/loss recognized **(Amount in ₹)**

Particulars	Gratuity		Leave Encashment	
	March31,2018	March31,2017	March31,2018	March31,2017
Actuarial gain/(loss) for the period – obligation	(61,584)	94,201	284	27,322
Actuarial gain/(loss) for the period - plan assets		--	--	--
Total (gain)/loss for the period	61,584	(94,201)	(284)	(27,322)
Actuarial (gain)/loss recognized in the period	61,584	(94,201)	(284)	(27,322)
Unrecognized actuarial (gains) losses at the end of period	--	--	--	--

d. The amounts to be recognized in balance sheet and related analysis **(Amount in ₹)**

Particulars	Gratuity		Leave Encashment	
	March31,2018	March31,2017	March31,2018	March31,2017
Present value of obligation as at the end of the period	6,96,865	5,62,180	1,24,447	87,753
Fair value of plan assets as at the end of the period	--	--	--	--
Funded status / Difference	(6,96,865)	(5,62,180)	(1,24,447)	(87,753)
Excess of actual over estimated	--	--	--	--
Unrecognized actuarial (gains)/losses	--	--	--	--
Net asset/(liability) recognized in balance sheet	(6,96,865)	(5,62,180)	(1,24,447)	(87,753)

e. Actuarial Assumptions

i) **Economic Assumptions**

The principal assumptions are the discount rate & salary growth rate. The discount rate is generally based upon the market yields available on Government bonds at the accounting date with a term that matches that of the liabilities & the salary growth rate takes account of inflation, seniority, promotion and other relevant factors on long term basis. Valuation assumptions are as follows which have been agreed by the company:

Particulars	Gratuity		Leave Encashment	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Discount Rate (%)	7.70	7.50	7.70	7.50
Expected Rate of increase in Compensation Levels (%)	5.50	5.50	5.50	5.50
Expected Rate of Return on Plan Assets	0.00	0.00	0.00	0.00
Expected Average remaining working lives of employees (years)	23.04	24.92	23.04	24.92

ii) **Demographic Assumption** **(Amount in ₹)**

Particulars	Gratuity		Leave Encashment	
	March31,2018	March31,2017	March31,2018	March31,2017
i) Retirement Age (Years)	**60**	60	**60**	**60**
ii) Mortality Table	**IALM(2006-08)**	**IALM(2006-08)**	**IALM(2006-08)**	**IALM(2006-08)**
iii) Ages				
Up to 30 Years	**3.00**	3.00	**3.00**	**3.00**
From 31 to 44 years	**2.00**	2.00	**2.00**	**2.00**
Above 44 years	**1.00**	**1.00**	**1.00**	**1.00**

Short term employee benefits

All employee benefits payable wholly within twelve months of rendering the services are classified as short-term employees benefits. Benefits such as salaries , wages and bonus, etc., are recognized in the statement of Profit and Loss in the period in which the employee renders the related service.

Actuarial gains and losses are recognized in the Statement of Profit and Loss.

Termination benefits

Termination benefits are recognised as an expense when, as a result of a past event, the Company has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Sensitivity Analysis of the defined benefit obligation.

		Gratuity	Leave Encashment
a)	**Impact of the change in discount rate**		
	Present Value of Obligation at the end of the period	**6,96,865**	**1,24,447**
	Impact due to increase of 0.50%	(44,454)	(8,447)
	Impact due to decrease of 0.50 %	48,892	9,318
b)	**Impact of the change in salary increase**		
	Present Value of Obligation at the end of the period	**6,96,865**	**1,24,447**
	Impact due to increase of 0.50%	49,713	9,478
	Impact due to decrease of 0.50 %	(45,545)	(8,656)

29. Related Party Transactions:

Name of related parties and description of relationship

Name	Relationship
B.A.G. Films and Media Limited	Holding Company
Anurradha Prasad	Key Managerial Personnel
E24 Glamour Limited	Enterprises over which KMP are able to exercise significant influence
News24 Broadcast India Limited	Enterprises over which KMP are able to exercise significant influence
Skyline Tele Media Services Limited	Enterprises over which KMP are able to exercise significant influence

Details of Transactions with related party during the year **(Amount in ₹)**

Particulars	Holding Company		Key Managerial Personnel (KMP)		Enterprises over which KMP are able to exercise significant influence	
	For Year Ended March 31,		For Year Ended March 31,		For Year Ended March 31,	
	2018	2017	2018	2017	2018	2017
Office Rent	21,60,000		240,000	240,000	--	--
Expenses Reimbursed	66,65,789	60,94,714	--	--	--	--
Income from Ad Sales	--	1,525,500	--	--	--	5,556,750
Advertisement Expenses	--	--	--	--	--	3,655,000

Terms and conditions of transactions with related parties

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

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

30. Earnings Per Share **(Amount in ₹)**

S.No.	Particulars	For the year ended	
		2017-18	**2016-17**
1	Profit for the year	(814,641)	(2,571,732)
2	Short provision for tax of earlier years	--	8,509,527
3	Net Profit /(Loss) attributable to Equity Shareholders	(814,641)	5,937,795
4	Weighted Average number of equity shares used as denominator for calculating Basic EPS	29,014,100	29,014,100
6	Basic Earnings per share	(0.03)	0.20
7	Weighted Average number of equity shares used as denominator for calculating Diluted EPS	30,608,652	33,710,930
8	Diluted Earnings per share	(0.03)	0.18
9	Face Value per equity share	10.00	10.00

31. Capital management

The Company's capital management objectives are:

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

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

Financial Risk Management objectives

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

Credit risk management

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

Liquidity risk management

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

Market Risk

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

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

For Kumar Khare & Co.
Chartered Accountants
Firm registration no. 006740C

Alok Khare
Partner
Membership No. 075236

Place : Noida
Date : May 28, 2018

For and on behalf of the Board of Directors

Anurradha Prasad
(Director)
DIN : 00010716

Anil Kapoor
(Director)
DIN:05113976

Vinay Kumar Srivastava
CFO

Ajay Mishra
(Company Secretary)
Membership No.- ACS 21096

CASH FLOW STATEMENT
For the Year ended March 31, 2018

Particulars	For the Year ended March 31, 2018		For the Year ended March 31, 2017	
	Amount in ₹	Amount in ₹	Amount in ₹	Amount in ₹
A. CASH FLOW FROM OPERATING ACTIVITIES		2,138,510		1,653,480
Adjustments for:				
Depreciation and amortisation	17,210,936		20,752,153	
Finance costs	1,495,218		4,427,433	
Other non-current assets	-		78,842	
Adjustment relating to earlier year	-		8,509,527	
		18,706,154		33,767,955
Operating profit / (loss) before working capital changes				
Movements in working capital:				
Adjustments for (increase) / decrease in operating assets:				
(Increase) / Decrease in inventories	551,250		284,565	
(Increase) / Decrease in trade receivables	(26,746,949)		(1,761,515)	
(Increase) / Decrease in other finacial assets	5,705,170		(8,183,294)	
(Increase) / Decrease in other current assets	(5,200,202)		(4,777,794)	
Adjustments for increase / (decrease) in operating liabilities:				
Increase / (Decrease) in trade payables	30,721,362		(15,482,085)	
Increase / (Decrease) in Other current liabilities	(3,448,668)		(30,918,882)	
Increase / (Decrease) in provisions	171,379		(1,643)	
Cash generated from operations		1,753,342		(60,840,648)
Net cash flow from / (used in) operating activities (A)		**22,598,006**		**(25,419,213)**
B. CASH FLOW FROM INVESTING ACTIVITIES				
Payment for Purchase of Property, plant and Equipment (PP&E),	(406,381)		(1,103,760)	
"Proceeds from Property, plant and Equipment (PP&E), Investment properties and capital work in progress"	0		5,662,942	
Net cash flow from / (used in) investing activities (B)		**(406,381)**		**4,559,182**
C. CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from issue of share warrants	(99,295,850)		33,020,850	
Repayment of other financial liabilities	86,955,600		(9,071,703)	
Interest paid (finance cost)	(1,495,218)		(4,427,433)	
Net cash flow from / (used in) financing activities (C)		**(13,835,468)**		**19,521,714**
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		**8,356,157**		**(1,338,317)**
Cash and cash equivalents at the beginning of the year		2,355,431		3,693,748
Cash and cash equivalents at the end of the year		10,711,588		2,355,431
Reconciliation of Cash and cash equivalents with the Balance Sheet:				
Cash and cash equivalents as per Balance Sheet		10,711,588		2,355,431
Less: Bank balances not considered as Cash and cash equivalents		-		-
Net Cash and cash equivalents		**10,711,588**		**2,355,431**
Add: Current investments considered as part of Cash and cash equivalents		-		-
Cash and cash equivalents at the end of the year		**10,711,588**		**2,355,431**

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

As per our report of even date attached

For and on behalf of Board of Directors of **Skyline Radio Network Limited**

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

Anurradha Prasad
Director
DIN: 00010716

Anil Kapoor
Director
DIN:05113976

Alok Khare
Partner
Membership Number: 075236
Noida:May 28, 2018

Vinay Kumar Srivastava
CFO

Ajay Mishra
Company Secretary
Membership No.- ACS 21096

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