RP - Sanjiv Goenka Group
Growing Legacies

saregama
soul of India

May 25, 2017

The Manager, Listing Department, National Stock Exchange of India Ltd., 'Exchange Plaza', C-1, Block G, Bandra- Kurla Complex, Bandra (East), MUMBAI - 400 051	The Listing Department BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, MUMBAI - 400 001	The Calcutta Stock Exchange Limited, 7, Lyons Range, KOLKATA - 700 001
Symbol : SAREGAMA EQ	Scrip Code : 532163	Scrip Code: 017177

Dear Sirs,

We enclose for your record a copy of the audited financial results (standalone and consolidated) of the Company for the quarter / year ended 31st March, 2017, which have been approved by the Board of Directors of the Company at its meeting held today. We also submit herewith copies of the Auditors' Reports along with relevant annexures.

We would also like to inform you that the Board of Directors at its meeting held today recommended payment of dividend of Re. 1.50 on every paid up equity share of Rs.10/- each for the financial year ended 31st March, 2017.

Further, we also enclose a copy of the extract of the aforesaid Audited Financial Results being sent for publication in the newspapers.

The dates of Annual General Meeting and closure of the Register of Members and Share Transfer Books are being intimated to you separately.

This is for your information and record.

Please acknowledge receipt.

Thanking you.

Yours faithfully,
For **SAREGAMA INDIA LIMITED**

G. B. Aayeer
Director

Saregama India Limited
Registered Office: 33, Jessore Road, Dum Dum, Kolkata - 700 028
web: www.saregama.com, Email id: co.sec@saregama.com, Phone no: 033-2551-2984
CIN:L22213WB1946PLC014346
Statement of Audited Financial Results for the Quarter and Year Ended 31st March, 2017

(Rs in Lakhs)

Particulars	Standalone					Consolidated	
	Quarter Ended 31st March, 2017 (Unaudited)	Quarter Ended 31st December 2016 (Unaudited)	Quarter Ended 31st March, 2016 (Unaudited)	**Year Ended 31st March, 2017 (Audited)**	Year Ended 31st March, 2016 (Audited)	**Year Ended 31st March, 2017 (Audited)**	Year Ended 31st March, 2016 (Audited)
1. Income from Operations							
(a) (i) Net Sales(net of excise duty)	**2,040**	1,784	1,996	**7,325**	8,802	**8,062**	9,280
(ii) Licence Fees	**3,727**	3,635	3,318	**13,469**	12,664	**13,766**	12,870
(b) Other Operating Income	**3**	4	7	**22**	18	**22**	18
Total Income from Operations (net)	**5,770**	5,423	5,321	**20,816**	21,484	**21,850**	22,168
2. Expenses :							
(a) Cost of Material Consumed/Contract Manufacturing Charges	**226**	146	95	**545**	238	**649**	352
(b) Changes in Inventories of Finished Goods and Work-in-progress	**(800)**	14	35	**(892)**	383	**(893)**	383
(c) Cost of Production of Television Serials and Portal	**2,128**	1,478	1,475	**6,325**	6,767	**6,325**	6767
(d) Employee Benefits expense	**1,098**	957	881	**3,844**	4,036	**4,887**	4927
(e) Depreciation and amortisation expense	**15**	106	36	**393**	526	**429**	544
(f) Advertisement and Sales Promotion	**507**	910	600	**2,348**	1,732	**2,591**	1853
(g) Royalty	**724**	467	259	**2,036**	1,698	**2,036**	1698
(h) Provision for Doubtful Debts / Advances	**470**	268	158	**1,559**	1,385	**208**	112
(i) Other expenses	**1,246**	946	1,479	**4,181**	3,736	**5,009**	4631
Total Expenses	**5,614**	5,292	5,018	**20,339**	20,501	**21,241**	21,267
3. Profit from Operations before other Income, Finance Costs and Exceptional Items (1-2)	**156**	131	303	**477**	983	**609**	901
4. Other Income	**652**	99	496	**1,156**	992	**876**	1,217
5. Profit from Ordinary activities before Finance Costs and Exceptional Items (3+4)	**808**	230	799	**1,633**	1,975	**1,485**	2,118
6. Finance Costs	**7**	8	4	**27**	36	**30**	48
7. Profit from Ordinary activities after Finance Costs but before Exceptional Items (5-6)	**801**	222	795	**1,606**	1,939	**1,455**	2,070
8. Exceptional Items (Refer Note: 3 and 4)	-	-	960	-	960	-	1,159
9. Profit/ (Loss) from Ordinary activities before tax(7-8)	**801**	222	(165)	**1,606**	979	**1,455**	911
10. Tax Expense							
(a) Current Tax (Refer Note: 7)	**400**	110	159	**808**	527	**808**	527
(c) Deferred Tax charge/(credit)	**31**	2	(228)	**27**	(303)	**27**	(303)
11. Net Profit /(Loss) from Ordinary activities after Tax(9-10)	**370**	110	(96)	**771**	755	**620**	687
12. Extraordinary Items (net of tax expense)	-	-	-	-	-	-	-
13. Net Profit /(Loss) for the period (11-12)	**370**	110	(96)	**771**	755	**620**	687
14. Minority Interest	-	-	-	-	-	**24**	3
15. Net Profit /(Loss) after taxes and minority interest (13-14)	**370**	110	(96)	**771**	755	**596**	684
16. Paid-up Equity Share Capital (Face Value of Rs.10/- each)	**1,740**	1,740	1,740	**1,740**	1,740	**1,740**	1,740
17. Reserves excluding Revaluation Reserves as per Balance Sheet of previous accounting year		-	-	**15,105**	14,334	**13,511**	12,653
18 Earnings Per Share (EPS)-Face Value Rs 10/- each							
(a) Basic and Diluted EPS (Rs.) before Extraordinary items for the period	**2.13**	0.63	(0.55)	**4.43**	4.34	**3.43**	3.93
(b) Basic and Diluted EPS (Rs.) after Extraordinary items for the period	**2.13**	0.63	(0.55)	**4.43**	4.33	**3.43**	3.92

Audited Segment wise Revenue, Results,Assets, Liabilities and Capital Employed for the Quarter and Year Ended 31st March, 2017

(Rs in Lakhs)

Particulars	Standalone					Consolidated	
	Quarter Ended 31st March, 2017 (Unaudited)	Quarter Ended 31st December 2016 (Unaudited)	Quarter Ended 31st March, 2016 (Unaudited)	Year Ended 31st March, 2017 (Audited)	Year Ended 31st March, 2016 (Audited)	Year Ended 31st March, 2017 (Audited)	Year Ended 31st March, 2016 (Audited)
Segment Revenue							
(a) Music	**3,948**	3,842	3,472	**14,124**	13,010	**14,419**	13,217
(b) Television Serials	**1,822**	1,581	1,849	**6,692**	8,474	**6,692**	8,474
(c) Publication						**739**	333
(d) Marketing Support Services		-		-	-	-	144
Total Segment Revenue	**5,770**	5,423	5,321	**20,816**	21,484	**21,850**	22,168
Less: Inter Segment Revenue	-	-	-	-	-	-	-
Net Sales and Licence Fees/Income From Operations	**5,770**	5,423	5,321	**20,816**	21,484	**21,850**	22,168
Segment Results							
Profit before tax and Interest Expense for each Segment							
(a) Music	**1,314**	1,118	219	**4,167**	@ 3666	**3,970**	# 3752
(b) Television Serials	**318**	58	319	**787**	963	**787**	963
(c) Publication	-	-	-	-	-	**(1,157)**	(918)
(d) Marketing Support Services	-	-	-	-	-	-	(4)
Total	**1,632**	1,176	538	**4,954**	4,629	**3,600**	3,793
Less:							
i) Interest Expense	**7**	1	3	**15**	29	**19**	41
ii) Other Unallocable Expenditure	**1,357**	1,052	1,068	**4,370**	4,265	**3,118**	3,227
iii) Other Unallocable Income	**533**	99	368	**1,037**	644	**992**	386
Total Profit/(Loss) Before Tax	**801**	222	(165)	**1,606**	979	**1,455**	911
Segment Assets							
(a) Music	**24,383**	12,357	11,921	**24,383**	11,921	**24,219**	11,626
(b) Television Serials	**3,370**	2,810	2,640	**3,370**	2,640	**3,370**	2,640
(c) Publication	-	-	-	-	-	**521**	471
(d) Marketing Support Services		-	-	-	-	-	10
(e) Unallocated	**12,594**	13,050	12,765	**12,594**	12,765	**11,685**	11,958
Total	**40,347**	28,217	27,326	**40,347**	27,326	**39,795**	26,705
Segment Liabilities							
(a) Music	**7,602**	7,236	6,737	**7,602**	6,737	**7,691**	6,941
(b) Television Serials	**409**	520	277	**409**	277	**409**	277
(c) Publication	-	-	-	-	-	**420**	338
(d) Marketing Support Services		-	-	-	-	-	9
(e) Unallocated	**893**	978	1,230	**893**	1,230	**1,427**	1,739
Total	**8,904**	8,734	8,244	**8,904**	8,244	**9,947**	9,303
Capital Employed							
(Segment Assets-Segment Liabilities)							
(a) Music	**16,781**	5,121	5,184	**16,781**	5,184	**16,528**	4,685
(b) Television Serials	**2,961**	2,290	2,363	**2,961**	2,363	**2,961**	2,363
(c) Publication	-	-	-	-	-	**101**	133
(d) Marketing Support Services	-	-	-	-	-	-	1
(e) Unallocated	**11,701**	12,072	11,535	**11,701**	11,535	**10,258**	10,219
Total	**31,443**	19,483	19,082	**31,443**	19,082	**29,848**	17,401

@ Refer Note 3(i)

 # Refer Note 4(iii)

NOTES:

(Rs in Lakhs)

		Standalone		Consolidated	
1	**Statement of Assets and Liabilities**				
	Particulars	**As at 31st March, 2017 (Audited)**	As at 31st March, 2016 (Audited)	**As at 31st March, 2017 (Audited)**	As at 31st March, 2016 (Audited)
	A EQUITY AND LIABILITIES				
	Shareholders' Funds :				
	(a) Share capital	**1,740**	1,740	**1,740**	1,740
	(b) Reserves and Surplus	**29,703**	17,342	**28,108**	15,661
	Sub-total-Shareholders' funds	**31,443**	19,082	**29,848**	17,401
	Minority Interest	**-**	-	**238**	214
	Non current liabilities				
	(a) Long-term Provisions	**190**	131	**221**	163
	Sub-total-Non-current liabilities	**190**	131	**221**	163
	Current Liabilities				
	(a) Short-term Borrowings	**-**	-	**296**	362
	(b) Trade Payables	**3,706**	2,884	**3,840**	3,019
	(c) Other current Liabilities	**1,698**	2,495	**2,022**	2,800
	(d) Short-term Provisions	**3,310**	2,734	**3,330**	2,746
	Sub-total-Current liabilities	**8,714**	8,113	**9,488**	8,927
	TOTAL-EQUITY AND LIABILITIES	**40,347**	27,326	**39,795**	26,705
	B ASSETS				
	Non current Assets				
	(a) Fixed Assets	**19,757**	8,396	**19,854**	8,467
	(b) Non-current Investments	**4,811**	4,802	**3,972**	3,972
	(c) Deferred Tax Assets (net)	**1,034**	1,062	**1,034**	1,062
	(d) Long-term Loans and Advances	**657**	520	**722**	653
	(e) Other Non Current Assets	**3**	2	**3**	2
	Sub-total-Non-current assets	**26,262**	14,782	**25,585**	14,156
	Current Assets				
	(a) Inventories	**989**	97	**1,034**	127
	(b) Trade Receivables	**5,559**	4,915	**5,227**	4,605
	(c) Cash and Bank Balances	**1,565**	2,377	**1,902**	2,596
	(d) Short-term Loans and Advances	**5,966**	5,138	**6,041**	5,204
	(e) Other current Assets	**6**	17	**6**	17
	Sub-total-Current assets	**14,085**	12,544	**14,210**	12,549
	TOTAL-ASSETS	**40,347**	27,326	**39,795**	26,705

2	Out of the 53,38,628 equity shares of Rs. 10/- each for cash at a premium of Rs. 35/- (issue price - Rs. 45/-) pursuant to the Rights Issue in 2005, allotment of 5,290 equity shares (relating to cases under litigation / pending clearance from concerned authorities) were in abeyance till 31st March, 2017.
3	Exceptional items for the year ended 31st March,2016 represent (i) payments Rs 955 Lakhs to certain workmen at DumDum Factory under Voluntary Retirement Scheme 2016. (ii) write back of provision for diminution in carrying amount of long term investment in a subsidiary Rs 41Lakhs and (iii) provision for diminution in carrying amount of long term investments in a subsidiary Rs 46 Lakhs.
4	Exceptional items for the year ended 31st March,2016 at consolidation level represent (i) provision for impairment loss on goodwill arising on consolidation Rs 203 Lakhs, (ii) capital reserve arising on consolidation Rs 1 Lakhs, (iii) payments Rs 955 Lakhs to certain workmen at DumDum Factory under Early Voluntary Retirement Scheme 2016 dated 16th February,2016.
5	During the year 2016-17, the Hon'ble High Court at Calcutta vide its order dated 19th September, 2016 has directed that Saregama Regency Optimedia Private Limited (SROPL), the jointly controlled entity, be wounded up.
6	The Company has adopted the intrinsic value method in keeping with the applicable regulatory pronouncements for accounting the stock options granted by the Company during the financial year 2013-14 and 2016-17,which had no material impact on the financial results of the Company. Had the fair value method been used in keeping with the said pronouncements, net profit for the quarter ended 31st March, 2017 would have been lower by about Rs 3.44 Lakhs without any significant impact on basic and diluted earning per share.
7	Current tax is after adjustment of MAT Credit Entitlement and include Excess provision of earlier years written back , wherever applicable
8	The Board of Directors of the Company have recommended a dividend of 15% for the year 31st March,2017 subject to approval of Members of the Company.
9	The figures of the quarter ended 31st March, 2017 are the balancing figures between the audited figures in respect of the full financial year ended 31st March, 2017 and the unaudited year to-date figures up to the third quarter ended 31st December, 2016.
10	Previous period's figures have been regrouped / rearranged wherever necessary to conform to current period's classification.
11	The above results were reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 25th May, 2017.

On behalf of the Board

G.B.Aayeer
Director

Kolkata,
25th May, 2017

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF SAREGAMA INDIA LIMITED

Report on the Standalone Financial Statements

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

Management's Responsibility for the Standalone Financial Statements

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

Auditors' Responsibility

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

4. We have taken into account the provisions of the Act and the Rules made thereunder including the accounting standards and matters which are required to be included in the audit report.

5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

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

Emphasis of Matter

9. (a) We draw your attention to Note 36.1 to the financial statements relating to :

   (i) remuneration paid to the Managing Director of the Company for the financial year 2015-16 in excess of the limits specified in the Section 197 read with Schedule V of the Act. The Company has subsequently made an application and received Order dated October 5, 2016 from the Central Government for an amount of Rs. 179.94 Lakhs as against the amount paid / provided of Rs. 489.92 Lakhs and excess remuneration of Rs.179.10 Lakhs and Rs.130.88 Lakhs have been disclosed as receivable from the Managing Director and written back respectively in the financial statements for the financial year 2016-17.

   (ii) remuneration paid/provided for the financial year 2014-15 in excess of the limit set out in the Order dated October 5, 2016 from the Central Government by Rs.78.98 Lakhs. According to the Board of Directors of the Company, the aforesaid Order would not be applicable for the financial year 2014-15 as the total remuneration was within the provisions of the Act, for which the Company has sought clarification from the Central Government and the response to which is awaited.

   Our opinion is not qualified in respect of above matters.

   (b) We draw your attention to Note 36.2 to the financial statements regarding remuneration paid /payable to Managing Director aggregating Rs. 332.88 Lakhs for the year ended March 31, 2017 in excess of the limits specified in the Order dated October 5, 2016 issued by the Central Government.
   The Company has made application to the Central Government seeking its clarification / approval on the application of the Notification dated September 12, 2016 issued by the Ministry of Corporate Affairs in place of the aforesaid Order and the response to which is awaited.

   Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

10. As required by 'the Companies (Auditor's Report) Order, 2016', issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure B, a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

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

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

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

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

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

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure A.

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

i. The Company has disclosed the impact, if any, of pending litigations as at March 31, 2017 on its financial position in its standalone financial statements – Refer Note 29 to the financial statements;

ii. The Company did not have any derivative contracts as at March 31, 2017. The Company has other long-term contracts as at March 31, 2017 for which there were no material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2017.

iv. The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management – Refer Note 15.1 to the financial statements.

For Price Waterhouse
Firm Registration Number: 301112E
Chartered Accountants

Pinaki Chowdhury
Partner
Membership Number 057572

Kolkata
May 25, 2017

Annexure A to Independent Auditors' Report

Referred to in paragraph 11(f) of the Independent Auditors' Report of even date to the members of Saregama India Limited on the standalone financial statements for the year ended March 31, 2017

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

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

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Annexure A to Independent Auditors' Report

Referred to in paragraph 11(f) of the Independent Auditors' Report of even date to the members of Saregama India Limited on the standalone financial statements for the year ended March 31, 2017

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

For Price Waterhouse
Firm Registration Number: 301112E
Chartered Accountants

Pinaki Chowdhury
Partner
Membership Number 057572

Kolkata
May 25, 2017

Annexure B to Independent Auditors' Report
Referred to in paragraph 10 of the Independent Auditors' Report of even date to the members of Saregama India Limited on the standalone financial statements as of and for the year ended March 31, 2017.

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

(b) The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.

(c) The title deeds of immovable properties, as disclosed in Note 8 on fixed assets to the financial statements, are held in the name of the Company.

ii. The physical verification of inventory (excluding stocks with third parties) have been conducted at reasonable intervals by the Management during the year. In respect of inventory lying with third parties, these have substantially been confirmed by them. The discrepancies noticed on physical verification of inventory as compared to book records were not material.

iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.

iv. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of the loans and investments made, and guarantees and security provided by it, as applicable.

v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.

vi. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company.

vii. (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 generally regular in depositing undisputed statutory dues in respect of income tax, sales tax, value added tax and service tax, though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including provident fund, employees' state insurance, duty of customs, duty of excise, cess and other material statutory dues, as applicable, with the appropriate authorities.

Annexure B to Independent Auditors' Report
Referred to in paragraph 10 of the Independent Auditors' Report of even date to the members of Saregama India Limited on the standalone financial statements as of and for the year ended March 31, 2017.

(b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of service-tax and duty of customs which have not been deposited on account of any dispute. The particulars of dues of income tax, sales tax, duty of excise and value added tax as at March 31, 2017 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (Rs. Lakhs)	Period to which the amount relates	Forum where the dispute is pending
Central Excise Act, 1944	Excise Duty	88.08	1996-97 to 1998-99	Customs, Excise & Service Tax Appellate Tribunal
Central Sales Tax Act, 1956	Sales Tax	25.34	2005-06 2006-07 2012-13	Joint Commissioner
Central Sales Tax Act,1956	Sales Tax	9.60	1990-91 2009-10	Deputy Commissioner
Central Sales Tax Act, 1956	Sales Tax	178.52	1999-00 2006-07	Additional Commissioner
Central Sales Tax Act, 1956	Sales Tax	2.43	1998-99 2008-09	Assistant Commissioner of Commercial / sales taxes
West Bengal Sales Tax Act, 1994	Sales Tax	97.78	1989-90 1994-95 2000-01	Deputy Commissioner
Maharashtra Value Added Tax, 2002	Value Added Tax	196.82	2009-10 2011-12	Deputy Commissioner
Delhi Sales Tax Act, 1975	Sales Tax	1.55	1991-92	Deputy Commissioner of Commercial Taxes
Tamil Nadu General Sales Tax Act, 1959	Sales Tax	6.75	1986-87 to 1991-92	Tamil Nadu Taxation Special Tribunal
Andhra Pradesh General Sales Tax Act, 1957	Sales Tax	3.28	2004-05	Deputy Commissioner
Kerala General Sales Tax Act, 1963	Sales Tax	0.35	2002-03	Deputy Commissioner of Commercial Taxes
Uttar Pradesh Trade Tax Act, 1948	Sales Tax	2.01	2005-06 2006-07	Joint Commissioner
Income Tax Act,1961	Income tax	889.22	2006-07 2007-08 2008-09 2010-11 2012-13	Commissioner of Income Tax (Appeals)

viii. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institution or bank or Government or dues to debenture holders, as applicable, as at the balance sheet date.

Annexure B to Independent Auditors' Report
Referred to in paragraph 10 of the Independent Auditors' Report of even date to the members of Saregama India Limited on the standalone financial statements as of and for the year ended March 31, 2017.

ix. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.

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

xi. Except for matter referred to in paragraph 9 (b) of the Audit Report, the managerial remuneration paid/provided by the Company is in accordance with the requisite approvals as mandated by the provisions of Section 197 read with Schedule V to the Act. Further, as stated in the Note 36.2 to the Financial Statements, the Company has made application to the Central Government seeking its clarification / approval on amount of managerial remuneration paid/provided for the financial year 2016-17 for Rs. 332.88 Lakhs, in excess of limits specified in the Order dated October 5, 2016 to the Company by the Central Government; response to which is awaited.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.

xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of related party transactions have been disclosed in the financial statements as required under Accounting Standard (AS) 18, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.

xv. The Company has not entered into any non cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.

xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For Price Waterhouse
Firm Registration Number: 301112E
Chartered Accountants

Pinaki Chowdhury
Partner
Membership Number 057572

Kolkata
May 25, 2017

Price Waterhouse
Chartered Accountants

INDEPENDENT AUDITORS' REPORT

To the Members of Saregama India Limited

Report on the Consolidated Financial Statements

1. We have audited the accompanying consolidated financial statements of Saregama India Limited ("hereinafter referred to as the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its jointly controlled entity; (refer Note 29 to the attached consolidated financial statements), comprising of the consolidated Balance Sheet as at March 31, 2017, the consolidated Statement of Profit and Loss, the consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information prepared based on the relevant records (hereinafter referred to as "the Consolidated Financial Statements").

Management's Responsibility for the Consolidated Financial Statements

2. The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its jointly controlled entity in accordance with accounting principles generally accepted in India including the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014. The Holding Company's Board of Directors is also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of Consolidated Financial Statements. The respective Board of Directors of the companies included in the Group and of its jointly controlled entity are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its jointly controlled entity respectively and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgements 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which has been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act and the Rules made thereunder including the accounting standards and matters which are required to be included in the audit report.

4. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

INDEPENDENT AUDITORS' REPORT
To the Members of Saregama India Limited
Report on the Consolidated Financial Statements

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

6. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph 9 of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

7. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the consolidated state of affairs of the Group and jointly controlled entity as at March 31, 2017, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Emphasis of Matter

8. (a) We draw your attention to Note 35.1 to the consolidated financial statements relating to :

(i) remuneration paid to the Managing Director of the Holding Company for the financial year 2015-16 in excess of the limits specified in the Section 197 read with Schedule V of the Act. The Holding Company has subsequently made an application and received Order dated October 5, 2016 from the Central Government for an amount of Rs. 179.94 Lakhs as against the amount paid / provided of Rs. 489.92 Lakhs and excess remuneration of Rs. 179.10 Lakhs and Rs. 130.88 Lakhs have been disclosed as receivable from the Managing Director and written back respectively in the financial statements for the financial year 2016-17.

(ii) remuneration paid/provided for the financial year 2014-15 in excess of the limit set out in the Order dated October 5, 2016 from the Central Government by Rs. 78.98 Lakhs. According to the Board of Directors of the Holding Company, the aforesaid Order would not be applicable for the financial year 2014-15 as the total remuneration was within the provisions of the Act, for which the Holding Company has sought clarification from the Central Government and the response to which is awaited.

Our opinion is not qualified in respect of above matters.

(b) We also draw your attention to Note 35.2 to the consolidated financial statements regarding remuneration paid / payable to Managing Director aggregating Rs. 332.88 Lakhs for the year ended March 31, 2017 in excess of the limits specified in the Order dated October 5, 2016 issued by the Central Government.

The Holding Company has made application to the Central Government seeking its clarification / approval on the application of the Notification dated September 12, 2016 issued by the Ministry of Corporate Affairs in place of the aforesaid Order and the response to which is awaited.

Our opinion is not qualified in respect of this matter.

Other Matter

9. We did not audit the financial statements/financial information of four subsidiaries and one jointly controlled entity whose financial statements/ financial information reflect total assets of Rs. 3136.19 Lakhs and net assets of Rs. (2172.89) Lakhs as at March 31, 2017, total revenue of Rs. 1835.87 Lakhs, net loss of Rs. 1262.72 Lakhs and net cash flows amounting to Rs. 159.21 Lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements/ financial information have been audited by other auditors whose reports have been furnished to us by the Management, and our opinion on the consolidated financial statements in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and jointly controlled entity and our report in terms of sub-section (3) of Section 143 of the Act insofar as it relates to the aforesaid subsidiaries and jointly controlled entity, is based solely on the reports of the other auditors.

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

Report on Other Legal and Regulatory Requirements

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

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

(b) In our opinion, proper books of account as required by law maintained by the Holding Company, its subsidiaries included in the Group and jointly controlled entity, incorporated in India including relevant records relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and records of the Holding Company and the reports of the other auditors.

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained by the Holding Company, its subsidiaries included in the Group and jointly controlled entity incorporated in India including relevant records relating to the preparation of the consolidated financial statements.

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

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

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company, its subsidiary companies and jointly controlled entity incorporated in India and the operating effectiveness of such controls, refer to our separate Report in Annexure A.

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

i. The consolidated financial statements disclose the impact, if any, of pending litigations as at March 31, 2017 on the consolidated financial position of the Group and jointly controlled entity – Refer Note 31 to the consolidated financial statements.

ii. The Group and its jointly controlled entity did not have any derivative contracts as at March 31, 2017. The Group and its jointly controlled entity has other long-term contracts as at March 31, 2017 for which there were no material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, its subsidiary companies and jointly controlled entity incorporated in India during the year ended March 31, 2017.

iv. The Group has provided requisite disclosures in the consolidated financial statements as to holdings as well as dealings in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Holding Company and its subsidiary companies included in the Group, incorporated in India and as produced to us by the Management – Refer Note 16.1 to the consolidated financial statements.

For Price Waterhouse
Firm Registration Number: 301112E
Chartered Accountants

Pinaki Chowdhury
Partner
Membership Number 057572

Kolkata
May 25, 2017

Annexure A to Independent Auditors' Report

Referred to in paragraph 10(f) of the Independent Auditors' Report of even date to the members of Saregama India Limited on the consolidated financial statements for the year ended March 31, 2017

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

1. In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2017, we have audited the internal financial controls over financial reporting of Saregama India Limited (hereinafter referred to as "the Holding Company") and its subsidiary companies and jointly controlled entity, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

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

Price Waterhouse

Chartered Accountants

Annexure A to Independent Auditors' Report

Referred to in paragraph 10(f) of the Independent Auditors' Report of even date to the members of Saregama India Limited on the consolidated financial statements for the year ended March 31, 2017

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

Other Matters

9. Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to two subsidiary companies and one jointly controlled entity, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India. Our opinion is not qualified in respect of this matter.

For Price Waterhouse
Firm Registration Number: 301112E
Chartered Accountants

Pinaki Chowdhury
Partner
Membership Number 057572

Kolkata
May 25, 2017

Saregama India Limited
Registered Office: 33, Jessore Road, Dum Dum, Kolkata - 700 028
web: www.saregama.com, Email id: co.sec@saregama.com, Phone no: 033-2551-2984
CIN:L22213WB1946PLC014346
Extract of Financial Results for the Quarter and Year Ended 31st March, 2017

(Rs in Lakhs)

Sr No	Particulars	Standalone				Consolidated	
		Quarter Ended 31st March, 2017 (Unaudited)	Quarter Ended 31st March, 2016 (Unaudited)	**Year Ended 31st March, 2017 (Audited)**	Year Ended 31st March, 2016 (Audited)	**Year Ended 31st March, 2017 (Audited)**	Year Ended 31st March, 2016 (Audited)
1	Total Income from Operations	**5770**	5321	**20816**	21484	**21850**	22168
2	Net Profit/(Loss) for the period (before Tax, Exceptional and/or Extraordinary items)	**801**	795	**1606**	1939	**1455**	2070
3	Net Profit/(Loss) for the period before tax (after Exceptional and/or Extraordinary items)	**801**	(165)	**1606**	979	**1455**	911
4	Net Profit/(Loss) for the period after tax (after Exceptional and/or Extraordinary items)	**370**	(96)	**771**	755	**596**	684
5	Total Comprehensive Income for the period [Comprising Profit / (Loss) for the period (after tax) and other Comprehensive Income (after tax)] (Refer Note 1)	**-**	-	-	-	-	-
6	Equity Share Capital	**1740**	1740	**1740**	1740	**1740**	1740
7	Reserves (excluding Revaluation Reserves) as shown in the Audited Balance Sheet of the previous year			**15105**	14334	**13511**	12653
8	Earnings Per Share (EPS) - Face Value Rs 10/- each						
	(a) Basic and Diluted EPS (Rs.) before Extraordinary items for the period	**2.13**	(0.55)	**4.43**	4.34	**3.42**	3.93
	(b) Basic and Diluted EPS (Rs.) after Extraordinary items for the period	**2.13**	(0.55)	**4.43**	4.33	**3.42**	3.92

Note

1 Ind AS is not applicable to the company.

2 The above is an extract of the detailed format of Financial Results for the quarter and year ended on 31st March, 2017 filed with Stock Exchanges under Regulation 33 of the SEBI (Listing and other Disclosure Requirements) Regulations, 2015. The full format of Financial Results for the quarter and year ended on 31st March, 2017 are available on stock exchange websites (www.nseindia.com, www.bseindia.com and www.cse-india.com) and on the Company's website (www.saregama.com).

Kolkata,
25th May, 2017

On behalf of the Board
G. B. Aayeer
Director

RP - Sanjiv Goenka Group
Growing Legacies

sa re ga ma
soul of India

May 25, 2017

The Manager, Listing Department, National Stock Exchange of India Ltd., 'Exchange Plaza', C-1, Block G, Bandra- Kurla Complex, Bandra (East), MUMBAI - 400 051	The Listing Department BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, MUMBAI - 400 001	The Calcutta Stock Exchange Limited, 7, Lyons Range, KOLKATA - 700 001
Symbol : SAREGAMA EQ	Scrip Code : 532163	Scrip Code: 017177

Dear Sirs,

Sub: Declaration pursuant to Regulation 33(3)(d) of the Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

I, Ghanashyam Bhagwan Aayeer, Director & CFO of Saregama India Limited (CIN L22213WB1946PLC014346) having its Registered Office at 33, Jessore Road, Dum Dum, Kolkata – 700028 hereby declare that, the Statutory Auditors of the Company, Messrs Price Waterhouse (Firm Registration Number: 301112E) have issued an Audit Report with unmodified opinion on Annual Financial Results of the Company (Standalone & Consolidated) for the year ended on 31st March, 2017.

This Declaration is given in compliance to Regulation 33(3)(d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended by SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2016, vide notification No. SEBI/LAD-NRO/GN/2016-17/001 dated May 25, 2016 and Circular No. CIR/CFD/CMD/56/2016 dated May 27, 2016.

Kindly take this declaration on your records.

Thanking you.

Yours faithfully,
For **SAREGAMA INDIA LIMITED**

G. B. Aayeer
Director & CFO

INVESTORS

Annual Update FY`17

Cautionary Statement

Statement in this "Management Discussion and Analysis" describing the company's objectives, projections, estimates, expectations or predictions may be " forward looking statements" within the meaning of applicable securities law and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the company's operations include demand supply conditions, finished goods prices, availability and prices of raw materials, changes in the government regulations, tax regimes, economic development within India and the countries within which the company conducts business and other factors such as litigations and labor negotiations.

For enquiries mail us at investors_relation@rpg.in

RP - Sanjiv Goenka Group

saregama soul of India

FINANCIAL SUMMARY

Particulars Rs. L	Q4 FY`17	Q4 FY`16	% Change	Standalone FY' 17	Standalone FY'16	% Change	Consolidated FY' 17	Consolidated FY'16
Revenues								
Digital & Publishing Income	3727	3318	13%	13469	12664	7%	13766	12870
Physical Sales & Others	221	154	44%	655	346	90%	1392	824
TV Software	1822	1849	-2%	6692	8474	-21%	6692	8474
Total	5770	5321	8%	20816	21484	-3%	21850	22168
PBT	801	-165	585%	1606	979	64%	1455	911

- Revenue from Music business grew both from the Digital (7%) and physical (90%)
- TV software business saw a revenue de-growth on account of proactive steps (closing down of all non profitable Hindi shows) and environmental conditions (demonetisation)

MAJOR COSTS

Particulars Rs. L	Q4 FY`17	Q4 FY`16	% change	FY`17	FY' 16	% change
Marketing	507	600	-16%	2348	1732	36%
Royalty	724	259	180%	2036	1698	20%
Salary cost	1098	881	25%	3844	4036	-5%

- Marketing spends went up this year, on account of establishing new product category of music cards
- In line with the growth in revenues and its mix, the royalty expenses have gone up by 180% each in Q4'FY17 as compared with Q4'FY16 and on a full year basis, the such increase is 20% as compared with FY'16.
- The Salary cost for the year decreased by 5% against FY'16 as the Company continue to focus on rightsizing its talent in line with the changing business requirements.

RP - Sanjiv Goenka Group

saregama soul of India

Strategic Way Forward

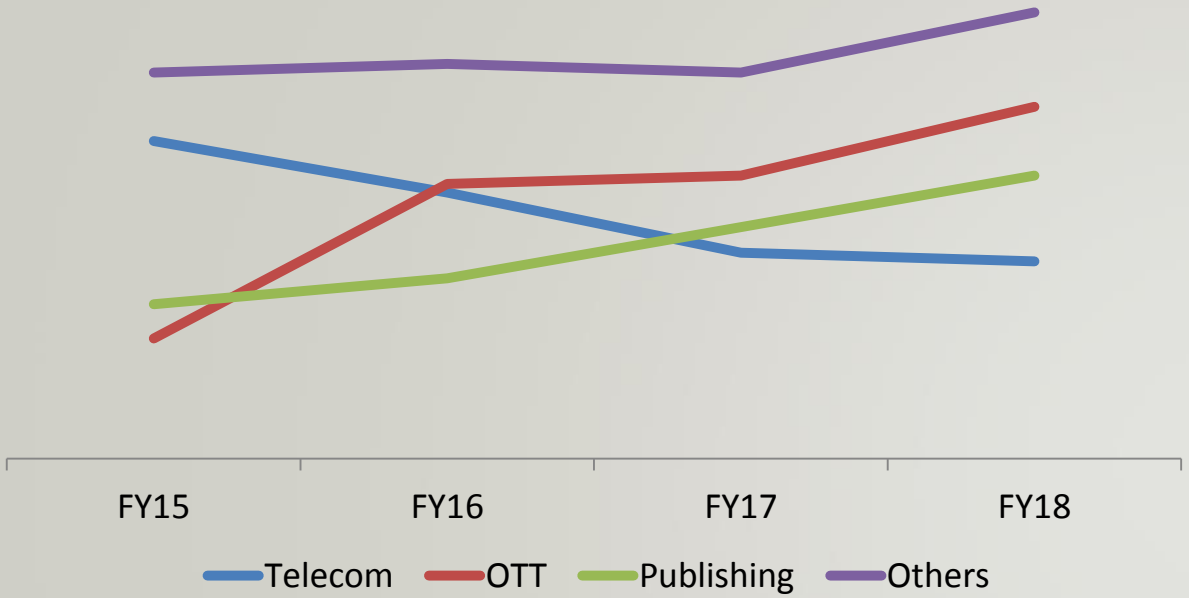
Strategic Direction

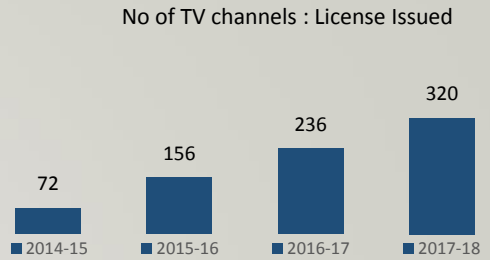
Remain a pure play content company capitalising on the data boom globally, with focus on:

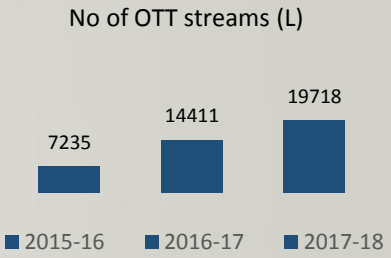
- Higher monetisation of existing IP
  (1.2L owned songs & 3000 hours of Tamil serials)
  - through greater presence on all 3rd party digital and TV platforms
  - launch of Saregama branded physical products with embedded music
- Building of new IP
  - through new film music acquisition across Hindi, Tamil and Marathi languages
  - TV programs in Tamil language
  - Low budget thematic films targeted at youth with primary exploitation on digital platforms

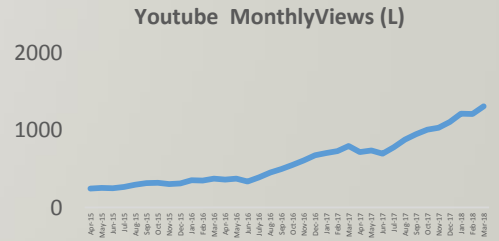
MUSIC MONETISATION

DIGITAL: B2B









- Capitalizing on the data explosion, with growth in OTT and Youtube revenues
- Publishing a big focus area, with results coming in
- Expect revenue from music societies to go up in medium term
- Telecom revenues dropping primarily on account of industry de-growth in WAP…our share is steady

FINANCIAL SUMMARY

Particulars Rs. L	Q4 FY`17	Q4 FY`16	% Change	Standalone FY' 17	Standalone FY'16	% Change	Consolidated FY' 17	Consolidated FY'16
Revenues								
Digital & Publishing Income	3727	3318	13%	13469	12664	7%	13766	12870
Physical Sales & Others	221	154	44%	655	346	90%	1392	824
TV Software	1822	1849	-2%	6692	8474	-21%	6692	8474
Total	5770	5321	8%	20816	21484	-3%	21850	22168
PBT	801	-165	585%	1606	979	64%	1455	911

- Revenue from Music business grew both from the Digital (7%) and physical (90%)
- TV software business saw a revenue de-growth on account of proactive steps (closing down of all non profitable Hindi shows) and environmental conditions (demonetisation)

MUSIC MONETISATION

Physical: B2C

- Primary target market for our catalogue music is 40+ age group…research has confirmed their need for a non-techie convenient way to consume music. Saregama is launching a range of physical products to satisfy this unmet demand
- Expect it to contribute 40% growth to Music vertical revenue this year
- Music Cards: 24 SKUs @ Rs 600 (India) / $15 (USA/ Canada). Replacement of CDs. In-car consumption very high.
- Over 2000 brick-n-mortar retailers and e-commerce partners
- Steady growth in Sales

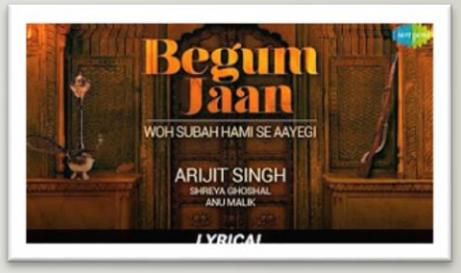
MUSIC MONETISATION

Physical: B2C

- Carvaan is our next product. With 5000 embedded songs and bluetooth / USB connectivity, Carvaan becomes the digital audio player of home. It's being positioned as a gifting product
- Launch Pricing: Rs 5990
- Retail through 5000 electronic retail outlets through distributor model; and e-commerce outlets directly
- Follow-up products also in pipeline

New IP
MUSIC

- The Company has returned back to acquisition of new Hindi and Tamil film music. The strategy is to start slow, vet assumptions and start building up the slate over time.
- Over the last 6 mos, we bought music rights of Kahaani 2, Indu Sarkar, Motta Shiva Ketta Shiva,
- Focus on creating fresh content for Classical and devotional music continues. We are also working with other producers to recreate our Catalogue tracks into new recordings along with Videos



New IP
Tamil Serials

- Producing content for Sun TV for last 10 years. Broadcast 3-4 serials on Sun TV at any given time. IP stays with Saregama. Revenue through advertising slot sales
- Market 3rd party serials also, for a revenue share

Ongoing own Programmes

Chandralekha
712 Episodes
Mon – Sat 2pm
TRP (Fem 15+ABC) 7.45

Valli
1211 Episodes
Mon – Sat 3pm
TRP(Fem 15+ABC) 8

Bhairavi
256 Episodes
Sunday 10pm
TRP (Fem 15+ABC) 3

- Data explosion resulting in growing demand for ‘exclusive’ content from all OTT players and TV channels
- Thematic films with tightly controlled budgets; targeted at 18-35 yrs segment; story and not the starcast being the hero
- Launched under sub-brand Yoodlee Films
- International audience also considered while selecting stories
- Risk hedging by keeping upfront talent cost low, and offering profit sharing
- Movies in all languages

- Use of Saregama’s music for marketing the film
- Limited theatre release in top 8 cities. Tie-up with PVR Pictures
- Focus on volume to further hedge the risk. 12 films in an year. Slate of 50 films in 4 years
- IP stays with Saregama in perpetuity
- Revenue Model: Theatre tickets, OTT platform licensing, TV channel licensing
- 1st Film release : Aug’17

RP - Sanjiv Goenka Group

sa re ga ma soul of India

Publication Biz

Open Magazine

- Publication Biz in 100% subsidiary.
- Sustained Circulation and Ad Revenues
- Association of premium brands (Audi, Omega, Volkswagen, Toyota, Honda ,Samsung, Airtel, IBM, HP, TAJ, ITC, Skoda, etc.)

RP - Sanjiv Goenka Group

Outlook

Music Business

Digital Business

- OTT , YouTube, Telecom steady.
- New players : Idea, Google Play, Jio – Growth Drivers.

Publishing

- Local Broadcasters and Advertisers major contributors . Steady growth
- Tier 2 & 3 cities : Big Public Performance & Radio opportunity
- Restructuring of IPRS. Collections expected to increase substantially

Retail Initiative

- Prestigious product Caravaan roll out Q1 17-18
- Apps : “Saregama Classical” and “Saregama Shakti” ready to tap into expected subscription boom
- Music Cards : width & depth of distribution & foray into US market.

TV , Films & Publication Businesses

Television Business

- South TV : Leadership thru own & marketing programmes.
- The National TV GEC : all programs profitable

Films (Yoodlee)

- Release of 12 films in a year starting from August 2017
- All round monetisation- Domestic & International

Publication Business

- Achieve break even through subscription and ad revenues.

Thank you