

HUM KISI SE KUM NAHIN

BUILDING IP FOR TOMORROW

SAREGAMA INDIA LIMITED

MUSIC | FILMS | WEB SERIES | TV SERIALS | RETAIL

ANNUAL REPORT 2021-22

CORPORATE INFORMATION

BOARD OF DIRECTORS

Dr. Sanjiv Goenka
(DIN: 00074796)
Chairman (Non-Executive)

Mrs. Preeti Goenka
(DIN: 05199069)
Non-Executive Director

Mrs. Avarna Jain
(DIN: 02106305)
Vice Chairperson and
Non-Executive Director

Mr. Vikram Mehra
(DIN: 03556680)
Managing Director

Mr. Santanu Bhattacharya
(DIN: 01794958)
Non-Executive Independent Director

Mr. Arindam Sarkar
(DIN: 06938957)
Non-Executive Independent Director

Mr. Noshir Naval Framjee
(DIN: 01646640)
Non-Executive Independent Director

Mr. Umang Kanoria
(DIN: 00081108)
Non-Executive Independent Director

Mrs. Suhana Murshed
(DIN: 08572394)
Non-Executive Independent Director

Registered Office

Kolkata 33, Jessore Road, Dum Dum,
Kolkata - 700028, West Bengal.
Phone: (033) 2551 2984, 4773
e-mail: co.sec@saregama.com
CIN : L22213WB1946PLC014346
Website : www.saregama.com

Head Office - Mumbai

2nd Floor, Spencer Building, 30, Forjett Street,
Grant Road (W), Mumbai - 400 036
Phone: (022) 6688 6200

Regional Offices

Delhi

A-62, 1st Floor, FIEE Complex, Okhla Industrial Area,
Phase - II, New Delhi - 110 020
Phone: (011) 4051 9759

Chennai

Door No. 2, 3, 4 & 5, 3rd Floor, Kasi Arcade, No. 116,
Thyagaraya Road, T. Nagar, Chennai - 600 017
Phone: 044 - 28151669 / 70 / 72 / 75

Chief Financial Officer - Mr. Pankaj Mahesh Chaturvedi
(w.e.f. 11th April, 2022)

Mr. Vineet Garg (upto 10th April, 2022)

Company Secretary - Mrs. Kamana Goenka
(upto 10th June, 2022)

Bankers

Punjab National Bank (erstwhile United Bank of India) State
Bank of India
ICICI Bank Limited

Statutory Auditor

M/s BSR and Co. LLP, Chartered Accountants
(ICAI Firm Registration Number - 101248W/W-100022)

Internal Auditor

M/s Ernst and Young LLP

Secretarial Auditor

M/s MR & Associates

Cost Auditor

M/s Shome and Banerjee

Legal Advisor

M/s Khaitan & Co

Registrars and Share Transfer Agent

MCS Share Transfer Agent Ltd

TABLE OF CONTENTS



BUSINESS OVERVIEW

Vice-Chairperson Communique _____	2
Managing Director's Perspective _____	3
Overview _____	4
Key Performance Indicators _____	16
Management Discussion and Analysis _____	18
Environment, Social and Governance _____	24

STATUTORY REPORTS

Board's Report _____	28
Business Responsibility Report _____	48
Report on Corporate Governance _____	53

FINANCIAL STATEMENTS

Independent Auditors' Report on Standalone Financial Statements _____	73
Standalone Financial Statements _____	82
Independent Auditors' Report on Consolidated Financial Statements _____	146
Consolidated Financial Statements _____	153
Statement under Section 129(3) of the Companies Act, 2013 in Form AOC-1 _____	215
Notice of Annual General Meeting _____	216





VICE-CHAIRPERSON COMMUNIQUE

Dear Shareholders,

The underlying health and resilience of our business is reflected in the diversified revenue growth that we delivered in FY22, while our core business continues to flourish, new growth vectors are constantly emerging. We look forward to driving value for our shareholders and are well-positioned to capitalize on the robust trends taking place in the entertainment industry.

With increasing market presence, your Company records all time high revenue and PAT. Revenue from Operation rose by over 31% at Rs.580.6 crores from the last financial year, while net profit surged by over 35% to reach Rs.152.6 crores.

The music segment witnessed robust growth on the back of the Company's strategy of continuing to monetize the music catalogue combined with forward looking approach of investing in new content along with expansion in other segments of the business. The company has successfully moved ahead in the direction of expansion by raising equity capital of Rs.750 crores through QIP (Qualified Institutional Placement) and is committed to deploy these funds towards investment in music assets. The Company performed well in the retail segment with sale of Carvaan bouncing back after being hit by COVID. The Films and TV segment has started gaining size and visibility with web series being added to the repertoire, and the company extending its leadership in Digital and regional films and Tamil TV serials.

Embedding ESG parameters in business activities is reflected in the core values of Saregama. The Company strongly believes that incorporating sustainability and ESG factors into overall business strategy will help in creating long-term value for all the stakeholders.

In a bid to reward our shareholders, an interim dividend of Rs.57.84 crores (Rs.30 per Equity Share on the face value of Rs.10 each) was declared on 19th Jan'22 and paid during the quarter ended 31st Mar'22.

I want to thank all stakeholders for their continued support in achieving our targets for the year gone by. We believe we are at the cusp of an exciting journey, which is expected to create value for all of us.

Yours sincerely,

Avarna Jain
Vice Chairperson



MD's PERSPECTIVE

Dear Shareholders,

The year FY21-22 has been another path breaking year for the financial and operational performance of the Company. Recording highest topline and bottomline means setting new benchmarks for ourselves and I am happy to report that the Company is well poised to beat its own records.

It is heartening to note that Company's music licencing revenue continues to grow by 20% over the last 4 years. This is primarily on account of increased investment in new music and growing popularity of retro catalogue. Over the years the Company has rebuilt its music business brick by brick. The initiatives include digitising its entire music catalogue, developing rich meta data behind every song, building data analytics strength that helps to decide what content to pick, decentralised decision taking structure, using technology tools to track IP infringement etc. With a big focus on regional content, Company has started buying new content aggressively. This has already started bearing fruits, with many of the new albums and songs becoming superhits.

With Carvaan, the Company not only got a big revenue spinner, but also became the only music label to have direct-to-consumer business. Carvaan has also helped repopularise the retro catalogue, which in turn helps the music licencing business.

Your Company has clocked revenue of over Rs.100 crores in the Films and TV segment for the very first time. The business stands strong on the back of a permanent shift towards watching content on video OTT platforms and growing demand for regional language content. Considering this, Yoodlee targets to launch over 60 films and web series episodes over the next 3 to 4 years.

Our journey in the coming years promises to be both exciting as well as rewarding. Rapidly increasing data consumption, conducive eco system with affordable smart phones, easy access to internet are all going to be drivers of content consumption. As per the IFPI Global Music Report of 2022, the global recorded music market grew by 18.5% in 2021 - a marked increase on the prior year's growth rate (+7.2%). Remarkably, Streaming (audio and video) accounted for 65% of recorded music revenues, up from a 61.9% share in 2020. This momentum is expected to continue globally and even more emphatically in India where the consumer behaviour is starting to mirror the global trends.

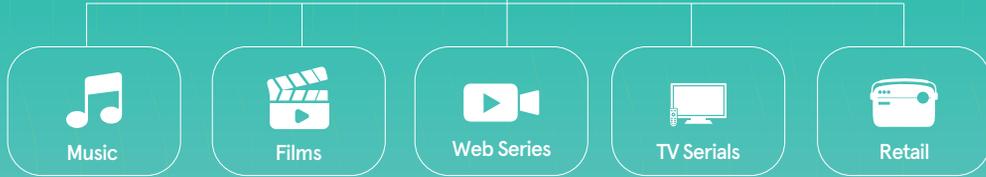
I thank all our business partners, investors, employees and most importantly the consumers for their strong support and patronage to the company, its products and services and the confidence bestowed in the future business operations. Looking forward to the ever strengthening partnership in the years to come.

Yours sincerely,

Vikram Mehra
Managing Director

WE ARE INDIA'S ONLY ENTERTAINMENT ENTITY

with diversified businesses spanning



Music

India's Largest Music IP

142k+
Songs

Retail Business

Distribution network

20k+
Retailers

Films & Web Series

Content IP rights of

64 | **1**
Films | Web Series

Television Serials

Content IP rights of

6k+
Hours of Television Serials



COMPANY STRATEGY

To be a **PURE PLAY CONTENT COMPANY**, capitalising on the global content consumption boom driven by ever increasing digitisation

MONETISATION OF EXISTING IP

- Through licensing to EVERY 3rd party digital (music, video, social) and TV platform.
- Carvaan transitioning from being a Product with only one-time margin to a Platform with upfront margin and recurring advertising and subscription revenue.
- Strengthening of copyright societies.

BUILDING OF NEW IP

- Cementing leadership position with New film and non-film music acquisition across Hindi, Tamil, Telugu, Bhojpuri, Punjabi, Gujarati, Malayalam, Bengali and other regional languages.
- Producing Theatrical Films in only Regional languages and Web Series in all languages. Revenue secured through pre-licensing to Digital platforms and TV channels. Scale allowing lower cost of production.

IP CREATION

OVER NEXT 3-5 YEARS

30-35%

Share of the New Music at pan India level

60

New Films and Web series episodes

1200-1500

Hours of new TV serials content

BUSINESS OVERVIEW

MUSIC SEGMENT

Saregama is India's oldest music label with the largest library of intellectual property rights (142k+) related to songs, film dialogues, background scores in its bouquet. To put things in perspective, a new music label acquiring music of 200 films per year (typical movie has 5 songs) will take 100 years to build a library of this size.

This library includes music from the likes of Lata Mangeshkar, Kishore Kumar, Asha Bhonsle, RD Burman, Naushad, Mohd. Rafi, Jagjit Singh, MS Subbalakshmi, Pt. Ravi Shankar, Ustad Bismillah Khan, Ilaiyaraaja, Gulzar, Sahir Ludhianvi etc.

The recent additions have been from Arijit Singh, Badshah, Shreya Ghoshal, Sid Sriram, DSP, Thaman, Jubin Nautiyal Kanika Kapoor etc.

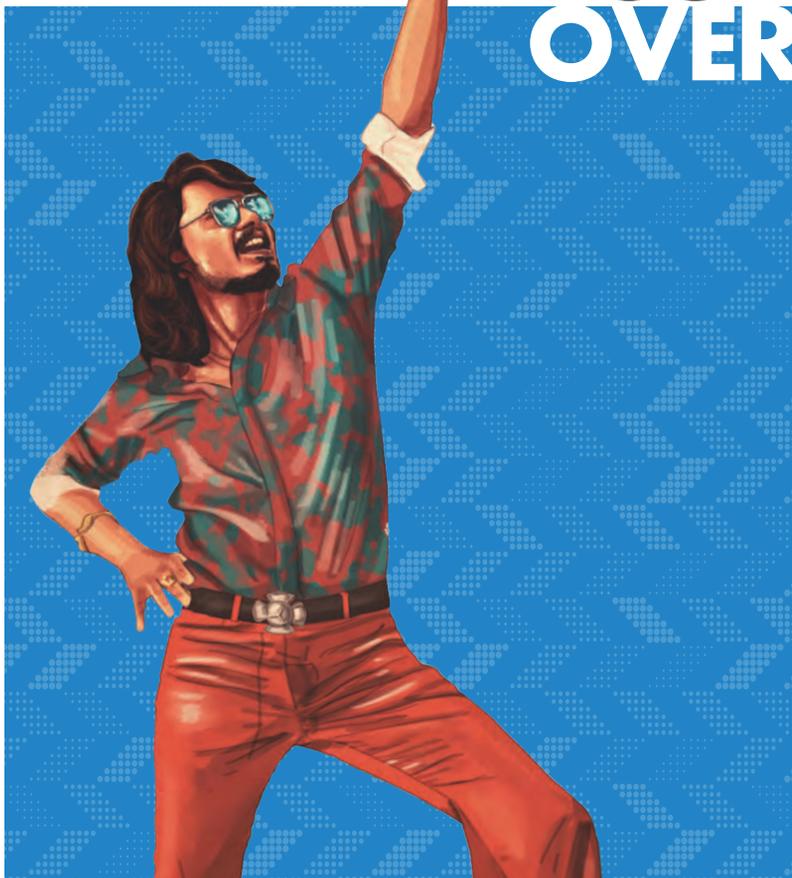
Unlike some of the international labels, Saregama owns both the Master IP (actual song) and Publishing IP (lyrics, composition) across all media for global territory. All adaptations of these songs need Saregama's approval. Each of these songs is fully digitized with rich meta data behind it, making the song selection process easier for the end user.

Both the Quality and Quantity of Saregama owned songs ensure that every music and video platform (digital and TV) trying to target 1/6th of humanity, gets into a licensing partnership with Saregama

IT'S NOT JUST MUSIC, IT'S INDIA'S CULTURAL HERITAGE



BUSINESS OVERVIEW



FAST GROWING LICENSING REVENUE...

Growth in Licensing Revenue (INR Lakhs)



* One time income of INR 967 Lakhs (FY22) and INR 1,547 Lakhs (FY21) are excluded

...ON ACCOUNT OF

1. Investment in new Music
2. Growing Popularity of Catalogue Music
3. Riding the wave of increasing Regional content consumption



TRANSFORMATION OF MUSIC BUSINESS



Predictable Recurring Revenue



Minimal Recession Risk



Increasing value of Catalogue



Less hit-driven than in the past



Limited, if any, Seasonality



Fall in piracy



Music Distribution done by the biggest & best capitalised global tech companies

BUSINESS OVERVIEW

MUSIC SEGMENT

The company has started enhancing its catalogue of Music Intellectual Properties through new film music acquisitions across Hindi, Tamil and Telugu films and non-film songs across Hindi, Punjabi, Bhojpuri, Gujarati, Bengali, Malayalam and other Indian languages.

The selection process is both data driven and intuitive in nature with high focus on Monetisation and Return on Investment. It takes into consideration the last 3 years track record of the singer, music composer, lyricist, actors, production house and the popularity of the music genre. This is combined with a music listening session by the content and marketing teams. The company also continuously re-interprets existing

songs through new age artistes targeting the younger age group.

The Company has acquired music rights of Karan Johar's next directorial film Rocky Rani Ki Prem Kahani starring Ranveer Singh and Alia Bhatt; Ajay Devgan's Maidaan; RSVP's film Pippa; Megastar Chiranjeevi's film Godfather. Company recently released music of Sanjay Leela Bhansali's Gangubai Kathiawadi, Dulquer Salmaan's Kurup and Mahesh Babu's Sarkaru Vaari Paata. All these albums are superhits.

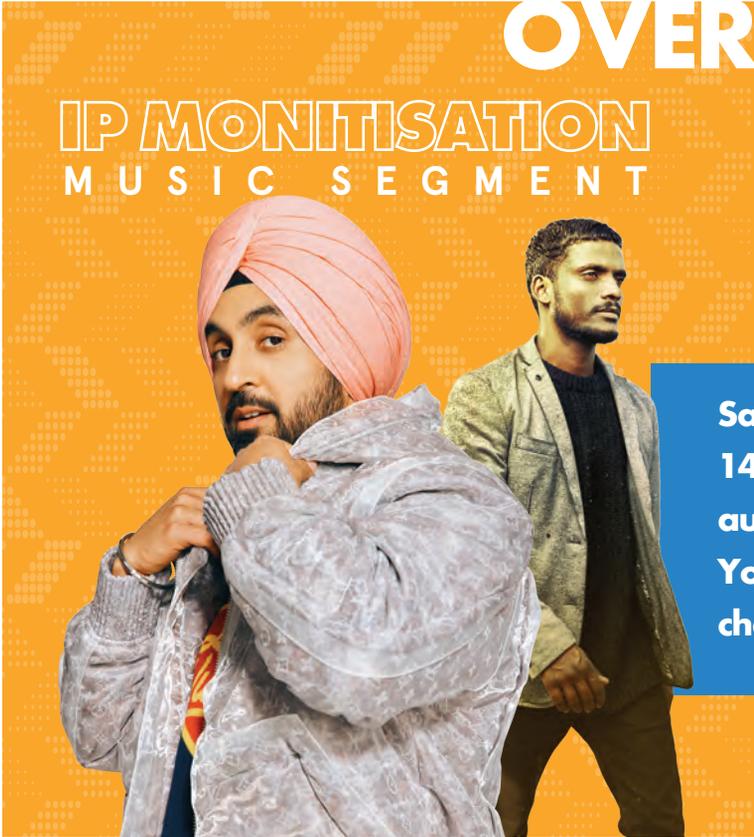
Company acquired over 1500+ song catalogue from Mango Music. It comprises songs of over 280 Telugu films released over the last two decades including superhits like RX100 and Ninnu Kori.

IP CREATION



BUSINESS OVERVIEW

IP MONITISATION MUSIC SEGMENT



The company’s evergreen catalogue remains the preferred choice for music streaming platforms, TV channels, web series, brand advertisements etc. With Covid giving wings to digital adoption, we expect this trend to accelerate further.

Saregama’s music IP got used 140Bn times in FY22 across audio OTT platforms, Youtube, radio stations, TV channels, Social Media etc.

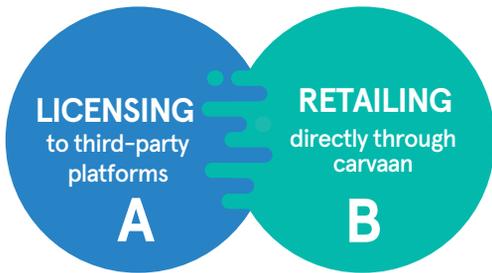


Saregama licenses its music to various OTT platforms for online streaming. This segment has seen >20% YoY growth for Saregama, and is expected to grow even faster as economies open up and life comes back to normal post pandemic

The growth is driven by both: increasing number of users (growth in smartphones) and higher usage (cheaper data).

Saregama earns every time a customer listens to Saregama owned song on any OTT app

SAREGAMA



Saregama adopts a 2-pronged approach for monetizing its music

A. Licensing to third-party platforms

A.1. Music Streaming Platforms (OTT)



BUSINESS OVERVIEW

IP MONITISATION MUSIC SEGMENT

A. Licensing to third-party platforms

A.2. BROADCASTING PLATFORMS – TV Channels, Brand Advertising

The company Licenses its music to Television Channels for use in various TV serials, reality shows, promotions, etc. and also to Production houses for use in ads running on TV, Digital including Social Media and Radio. Saregama has built a browser-based search functionality, using the song metadata, helping content creators find the best song fit for their situation.



BRANDS



A.3. VIDEO STREAMING PLATFORMS

With the rising popularity of video streaming in India, platforms like Netflix, Disney+ Hotstar, Amazon, ALT Balaji, Zee5 etc are aggressively investing in Indian content. Most of these new shows license Saregama owned music, for the global territory, thus creating a rapidly growing revenue stream for the company.

NETFLIX



prime video



Disney+ hotstar

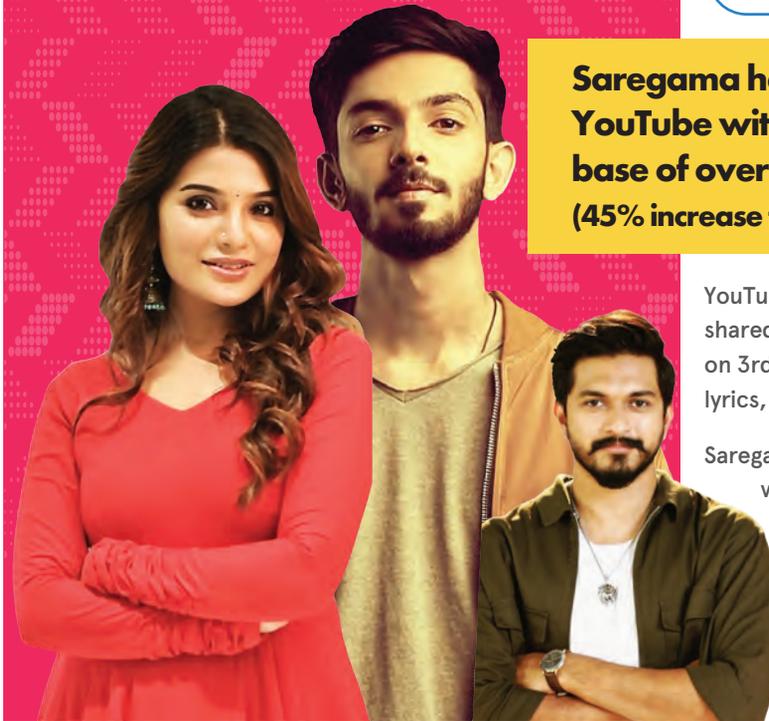


ALT BALAJI



BUSINESS OVERVIEW

IP MONITISATION MUSIC SEGMENT



A. Licensing to third-party platforms

A.4. SOCIAL MEDIA PLATFORMS

Saregama has 26 channels on YouTube with a cumulative subscriber base of over 64Mn (45% increase from FY 21 base of 44Mn)



YouTube generates advertising revenues on views which are shared with Saregama. This also applies to advertising running on 3rd party content that is using any of Saregama’s IP (song, lyrics, music composition, dialogues) within the video.

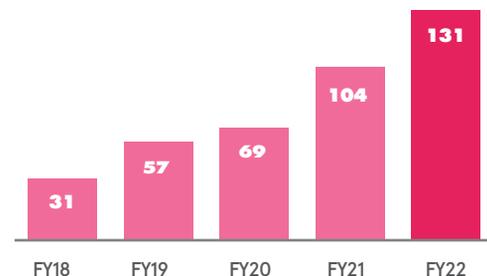
Saregama has licensing deals with Facebook and short-format video sharing apps like Instagram, Josh, Moj, ShareChat, Chingari etc. The company has a team of content experts who constantly monitor usage of its music by 3rd party videos across social media platforms and apps to catch any unauthorized usage.

A.5. SOCIETIES

Saregama also licenses its music library to a collective body called PPL for Public Performance Licensing. This society is responsible for issuing licenses for playing of music in events, shows, parties held in public places and in commercial premises like hotels, pubs, shops, malls etc. Saregama gets a share of the Revenue generated from the issue of these licenses.

With performing rights society (IPRS) getting copyright registration, a so far untapped source of revenue is getting opened up for Saregama as a Music Publisher (owner of lyrics and composition). IPRS issues publishing licenses to Music Users and collects Royalties from them, for and on behalf of its Members.

All views related to Saregama IP across its Owned Channels and User Generated Content on YouTube (in Bn p.a.)



Social Media



IPRS has been recently recognised as the fastest growing copyright society in the world

BUSINESS OVERVIEW

MUSIC SEGMENT

B. Retailing directly through Carvaan

CARVAAN: The most 'DIFFERENTIATED' and 'PREMIUM' music brand in India

THE PRODUCT

Launched in 2017, it's an audio player with inbuilt speakers and 5,000 preloaded songs, allowing customers to listen to their favourite music anytime without any ad breaks. The product also doubles up as a Bluetooth speaker and FM radio.

Targeted at the 35+ generation, who value Convenience over Control for their audio listening experience

Saregama's flagship product, Carvaan, is a perfect blend of digital technology and a retro form factor. The embedded songs are selected using data analytics, and are classified based on singers, lyricists, music composers, actors, moods etc. Carvaan is positioned as a perfect gifting option by the young to the old and by Corporates. The product has been extended to multiple variants to cater to different customer segments, including the recently launched Musicbar targeted at families looking for enriching the TV viewing experience with high end audio along with preloaded evergreen content. Kids Chhota Bheem targeted at screen wary parents of 2-10 yr old kids who look forward to giving their kids selected content comprising rhymes, stories, mantras etc. The product is retailed through 20k+ retail outlets and all leading e-commerce platforms



Brand Attributes
Convenience of Use
35+ Segment
Premium
Nostalgia

MUSIC SEGMENT

B. Retailing directly through Carvaan

PRODUCT TO PLATFORM

A key trend of the digital era is the need for constant self-improvement - it is, after all, a knowledge based economy. The next phase of growth in Carvaan comes from catering to this need, and audio podcasts are the first step in that direction.

Under the broad definition of edutainment, Carvaan will position itself as a trusted source of information and entertainment for its consumers. It offers thousands of songs along with daily updatable podcasts covering a wide variety of topics. Carvaan’s unique business model invites content creators to release their podcasts non-exclusively on the platform and offers 40% revenue sharing to them.

Carvaan as a platform talks to the affluent middle-class and middle-aged consumer. These consumers are today increasingly opting to place themselves behind paywalls and are therefore less accessible to advertisers. This is where Carvaan as a platform can offer a unique opportunity to partners and advertisers to talk to this segment and allow for fruitful monetization of the content.

Converting Carvaan to a Platform will allow us to generate recurring advertising and subscription revenue in the future



Convenience over Control

35+

Age group



Screen wary parents

2-10

Age group



High-End audio experience

30+

Age group

YOODLEE FILMS

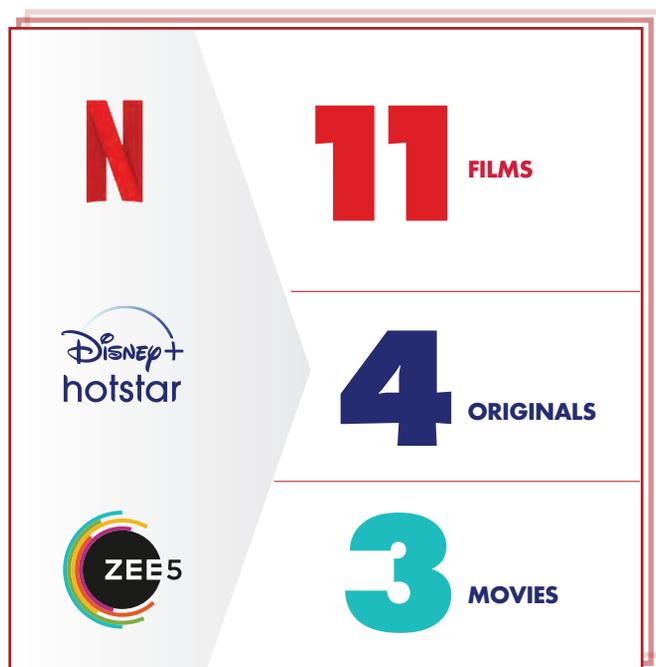
VIDEO SEGMENT

FOCUSED ON CREATING CONTENT FOR 3RD PARTY DIGITAL PLATFORMS

A man with a beard and a woman are shown behind a barbed wire fence. The man is in the center, wearing a checkered shirt and shorts, holding a small object in his hand. The woman is in the foreground on the left, looking towards the man. A spotlight is visible on the right side of the image.

THE STUDIO IS POSITIONED AS A "WRITER'S STUDIO" FOCUSED ON TELLING POWERFUL STORIES TARGETED AT YOUNGER AUDIENCES ACROSS THE WORLD WHO PRIMARILY CONSUME CONTENT ON PERSONAL DEVICES

THE VERTICAL HAS RELEASED 18 FILMS IN LAST 5 YEARS ON NETFLIX, DISNEY+ HOTSTAR & ZEE5



The greatest focus of the studio is on script selection which is a rigorous process managed by a team of script readers who evaluate every script on a pre-defined quantitative scale. A lot of care is taken to shield this team from any internal and external influences. In order to attract more writers to work with us, Saregama has signed up with multiple talent agencies, commits to a finite timeline to take decisions and offers profit sharing to authors.

On the production side, Saregama makes films with the lowest expenses along with the help of an experienced in-house creative team that has won many awards and accolades in the feature film category. The company hedges its risk by keeping upfront talent cost low by offering assured profit sharing to key artistes. This brings skin of the talent in the movie and assures excellent quality. Further, the company follows a conservative accounting policy of expensing the total cost of the film in the year of licensing.

With the next set of digital customers from coming from the smaller towns, the company want to focus more on regional cinema during the next few years. Films are being made in Malayalam, Marathi, Tamil, and Punjabi with leading talents of the region to capitalize on the increased demand for regional content from OTT players.



The company's top serial Roja has been the No.1 Tamil program for multiple months

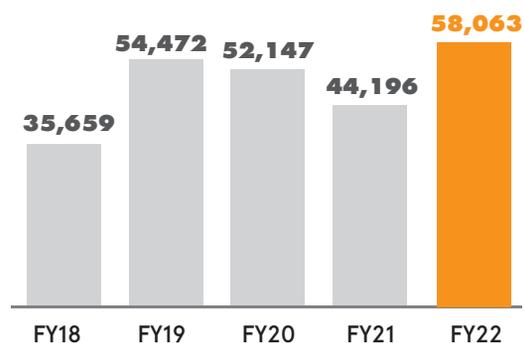
BROADCASTING VIDEO SEGMENT

TAMIL TV SERIALS

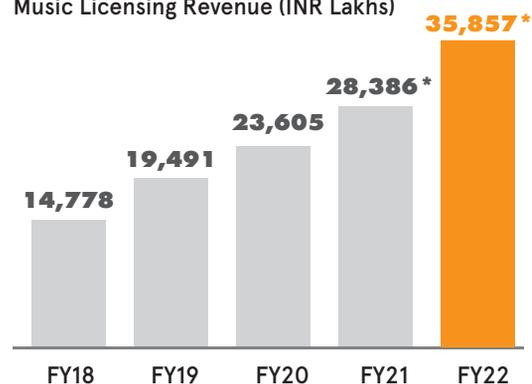
6K+ HOURS OF CONTENT FOR SUN TV

Over the last 20 years, Saregama has created over 6k hours of content for Sun TV and at any given time broadcasts 3-4 serials creating around 15-16 hours of content per week. The IP of these serials is owned by Saregama which is also monetised on other platforms like YouTube (1.5Bn views in FY21).

Revenue from Operations (Turnover) (INR Lakhs)

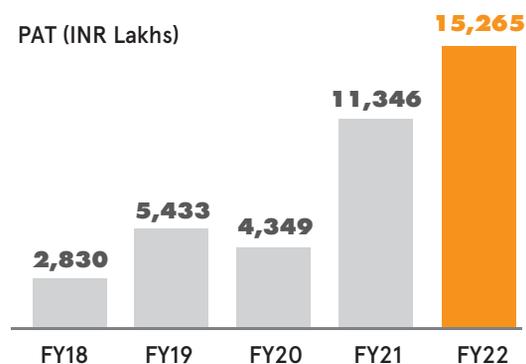


Music Licensing Revenue (INR Lakhs)

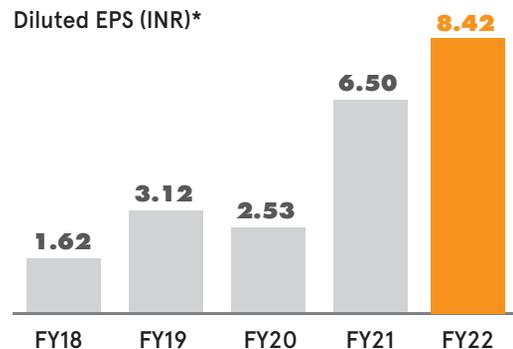


*One time income of INR 967 Lakhs (FY22) and INR 1,547 Lakhs (FY21) are excluded

PAT (INR Lakhs)

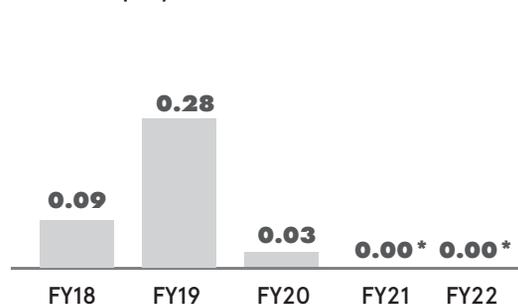


Diluted EPS (INR)*



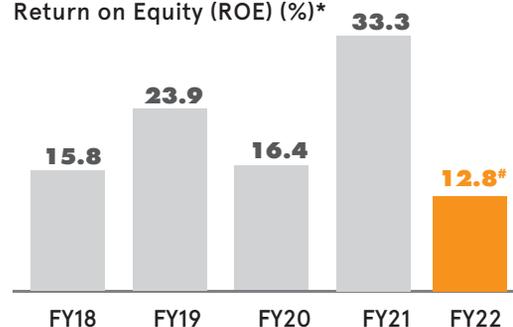
*EPS for all financial years is computed basis the revised face value of Re.1 each

Debt to Equity Ratio



* As on 31st Mar'22 and 31st Mar'21, Debt is Nil

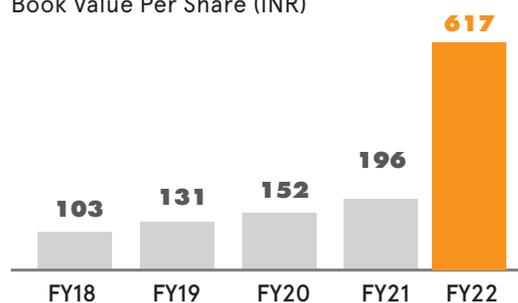
Return on Equity (ROE) (%)*



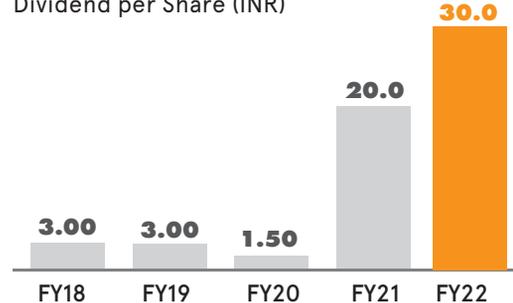
* ROE = PAT / Shareholders Equity

* Shareholders Equity = Equity share capital and free reserves
Equity includes capital raised through QIP during FY22

Book Value Per Share (INR)



Dividend per Share (INR)



MANAGEMENT TEAM



Vikram Mehra

Managing Director

Vikram has been with the company since October 2014. Before joining Saregama, he served as Chief Marketing Officer and Chief Commercial Officer at Tata Sky. He has also done stints with Star TV, Tata Motors and TCS. Vikram is a TAS (Tata Administrative Services) alumni and holds an MBA degree from IIM Lucknow and a B.Tech in Computer Science from IIT Roorkee.



Pankaj Chaturvedi

Chief Financial Officer

Pankaj is a Chartered Accountant with over 2 decades of experience in various industries including Telecom, Aviation and consumer electronics. He has handled areas such as Accounting, Planning & Strategy, Business finance, Risk Assurance and Analytics across organizations such as Go Airlines, Vodafone, Reliance Jio and Hitachi. His last assignment was with Go Airlines (India) Ltd. as Chief Financial Officer.



Rashna Pochkhanawala

Sr. Vice President, Music Licensing

Rashna has Media Sales and Licensing experience of 18 years across the Music & TV industry. In the past, she has headed branded content and large format event monetization for Times Group, Network 18, Hungama & UTV. Rashna heads both creation and monetization through Licensing for the Music segment.



Kumar Ajit

Sr. Vice President, Music Retail

Ajit is responsible for developing and evolving the strategic direction of the overall Retail Music Business vertical. His earlier experience is with companies like Tata Sky, LG and Onida. Ajit is a Post Graduate in Business Management in Marketing & Finance from ICFAI Business School, Hyderabad.



Siddharth Anand Kumar

Vice President, Films and Series

Siddharth has completed his Post-graduation from Hampshire College (MA, USA) and has been a cinematographer, editor, writer, director and producer in the Indian Film and TV industry since the last 19 years. He has also directed multiple TV series across channels, including for Saregama in the past. Siddharth has been spearheading Yoodlee from day 1.



B. R. Vijayalakshmi

Sr. Vice President, South TV

Vijayalakshmi started her career as a Director of Photography. She has the distinction of being mentioned in the Limca Book of Records as Asia's First Woman Cinematographer producing approximately 4,000 hours of TV content from 2001, in all genres and all south languages. She heads Saregama's Tamil TV serial business.

MANAGEMENT DISCUSSION AND ANALYSIS

They say every dark cloud has a silver lining. And so is the case with Covid. The onset of lockdowns meant no travel time, drastically reducing the content consumption opportunity of people. But the lockdowns also had an unexpected positive twist in that they introduced a whole new generation to the convenience and thrill of digital consumption on personal devices and connected TVs. With normalcy returning we have a larger set of consumers hooked to digital devices. Net result, the overall content consumption is far higher now, both for music and video, than it was before or during lockdowns.

With its enviable catalogue strength and aggressive new music and video content creation, Saregama is uniquely poised to take pole position in content consumption across all age groups and population strata of the Indian society.

As a pure-play content company, Saregama is both recession-proof as well as technology agnostic.

MEDIA & ENTERTAINMENT INDUSTRY

According to FICCI, the Indian M&E sector is expected to grow 17% in 2022 to reach INR 1.89 trillion and recover its 2019 levels, then grow at a CAGR of 11% to reach INR 2.32 trillion by 2024.

High smartphone penetration, growing societal comfort with digital consumption, falling piracy, advertising revenues moving from traditional media to digital and steady increase in subscription business are the big growth stimulators for the content economy. Content consumption in terms of views and streams is going up rapidly across all digital verticals including music streaming, video streaming, short format content apps etc, and with advertising and subscription monies trailing it.

Content streaming is now both accessible as well as affordable, and we're still at the tip of this iceberg.

The other contributor is the changing family dynamic wherein it's increasingly acceptable for different members of the family to watch different content on their respective devices at the same time. This means not only are more hours of content being consumed per family, but also the consumed content is more varied, creating space for both traditional and new-age story content creators. The same is true for music too, as every member of the family listen to their own kind of music.

Content creators who are well-funded with strong delivery processes and the backing of an existing IP bank will be well-positioned to take advantage of this opportunity. Being B2B players, they are also well cushioned from the vagaries of advertising revenue.

The other positive change is the slowly rising popularity of Indian content across global audiences. This is triggered by the easier availability of Indian content across all global digital streaming platforms, and an increasing willingness to watch content with subtitles. Here, it's not just the A-listers films, but smaller thematic films, regional films and Indian music that's getting appreciated.

Great news for Indian content owners/creators as it will ensure higher value for every minute of content owned/created. Though theoretically speaking, the platforms can create content themselves, but in reality, the sheer volume and quality of content will ensure that most platforms work with high-quality Content Creators.

Over the next decade, over two dozen well-funded video and audio OTT platforms will fight amongst themselves and with the existing 900 TV and 360 radio stations in India for the consumer's time and money, and the weapon of choice in this war will be Content

With its century-old experience in multiple languages Music, over twenty years of creating hit TV series, proven track record of making high-concept tight-budgeted films and in large numbers, existing relationships with leading digital platforms, TV channels and film production studios, across all Indian languages, Saregama is uniquely placed in the Content Creation ecosystem, both in audio and video.

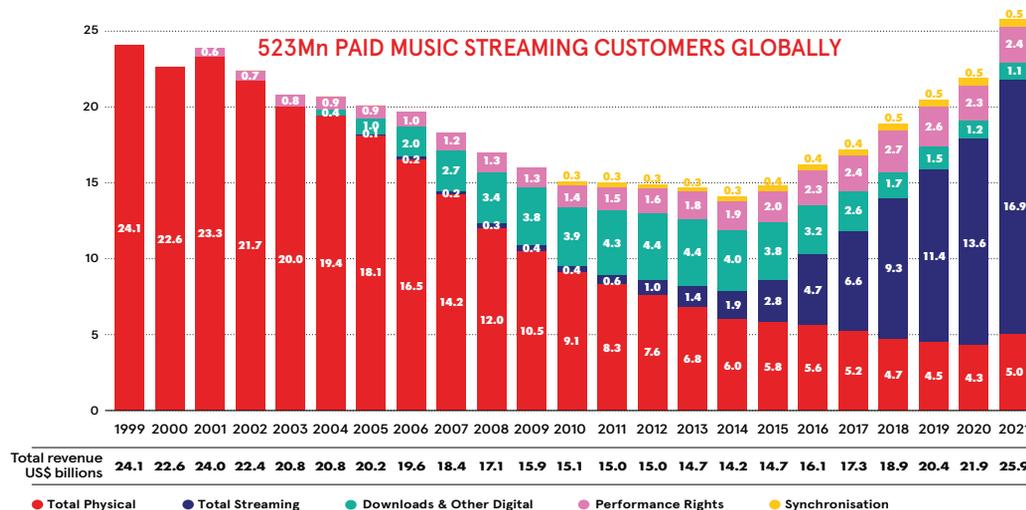
Add to this the Company's strength in product development, marketing, investments in data analytics and 20k+ strong retail network in India, and you get the most unique Content Company in India.

Saregama is pinning its growth ambitions on 3 pillars: monetizing the existing IP, creating new IP, and the direct-to-consumer retail business.

IP CONTENT MONETISATION

Music Industry has been on an upswing globally, on the back of increased digital revenues

Global recorded music industry revenues 1999-2021 (US\$ billions)



Mirroring the global trend, Indian Music Industry is also growing since 2015 on the back of increased digital revenues, performance rights and synchronization rights. The digital video business has also been growing by leaps and bounds, on the back of higher advertising spends on platforms like Youtube and faster adoption of subscription driven platforms like Netflix, Disney Hotstar etc. Another big trigger is the declining content piracy, which is the result of both carrot (millions of curated songs available free at click-of-a-button on digital platforms like JioSaavn, Spotify, Resso etc.) and stick (joint anti-piracy initiatives between Govt. and Industry).

The underlying theme of Saregama’s journey of the last few years has been to prepare itself to take advantage of the digital explosion happening globally. The Company has not only digitized its catalogue of 142,000 songs, but also painstakingly built rich meta data behind it. The Company used last 12 months of lockdown to launch an internal project called ‘Punarjanam’, wherein it identified many old songs that were lost to the annals of time, manually cleaned the source files extracted from physical tapes and then converted them to digital. 10k new songs were added to Saregama catalogue through Punarjanam. Over the last few years, it has also on-boarded all the 142k songs on every major music platform in the world. Digital has allowed us to put our music everywhere, unfettered by the constraints of the conventional brick and mortar distribution network. Catalogue distribution is no longer restricted to India and extends to every corner of the world where there are Indian music fans. The Company also used this time to build a robust data analytics tool with around 100Bn annual song usage data points. The predictive models built on the back of data analytics help sharpen our ability to pick the right song at the right price from the market. The result of these initiatives is here for everyone to see: Saregama’s Music Licensing business has been growing at >20% p.a. for the last four years.

The continuous growth of digital infrastructure has paved the way for a massive growth in audio streaming. This is coming both on account of growing customer base as well as higher usage per

customer. Currently, Saregama charges platforms on a per stream basis plus a share of advertising revenues for the advertising based free service. This revenue has been growing steadily over the last few years. The experience of DTH in India and music services in USA, Europe, China tells us that as the consumer evolves, they move from an advertising led free service to an ad-free premium paid service.

Also as the music streaming platforms evolve from driving valuation to profitability, they will start pushing for more paid subscriber base. Even if they can convert 10% of their active users to a paid service, the resultant digital revenues can propel the Indian music market towards 20% growth. This will result in a much bigger revenue opportunity for Saregama, as it contractually also gets a share of subscription revenue from the platforms.

Another equally fast-growing revenue segment for Saregama is Music Publishing, where licenses are given for our music usage (including lyrics and tune) to social media platforms, video sharing apps, general entertainment TV channels for reality shows & serials, new films (for background sync & remixes), 5-star hotels and event managers for playing music in public spaces and so on.

As more and more video content gets created to satisfy the ever-growing demand from device-savvy customers, the opportunities for Saregama to sync its music increase. Noteworthy examples are digital video platforms like Netflix, Disney+ Hotstar, MX Player who are now creating hundreds of hours of premium content for the Indian market

Simpler technology is leading to more user generated Content being created and uploaded on platforms like Youtube, Facebook, Instagram Reels, Josh, Moj, ShareChat etc. Most of this content ends up using Saregama IP (song, lyrics), thus ensuring a publishing license being taken by these platforms.

The recent months have seen a lot more players coming in the fray, thus improving Saregama’s future revenue potential.

IP CONTENT CREATION

While Saregama thrives on its legacy music catalogue, it is fully aware that it has to keep investing in new content in order to continue staying relevant even 25 years from today.

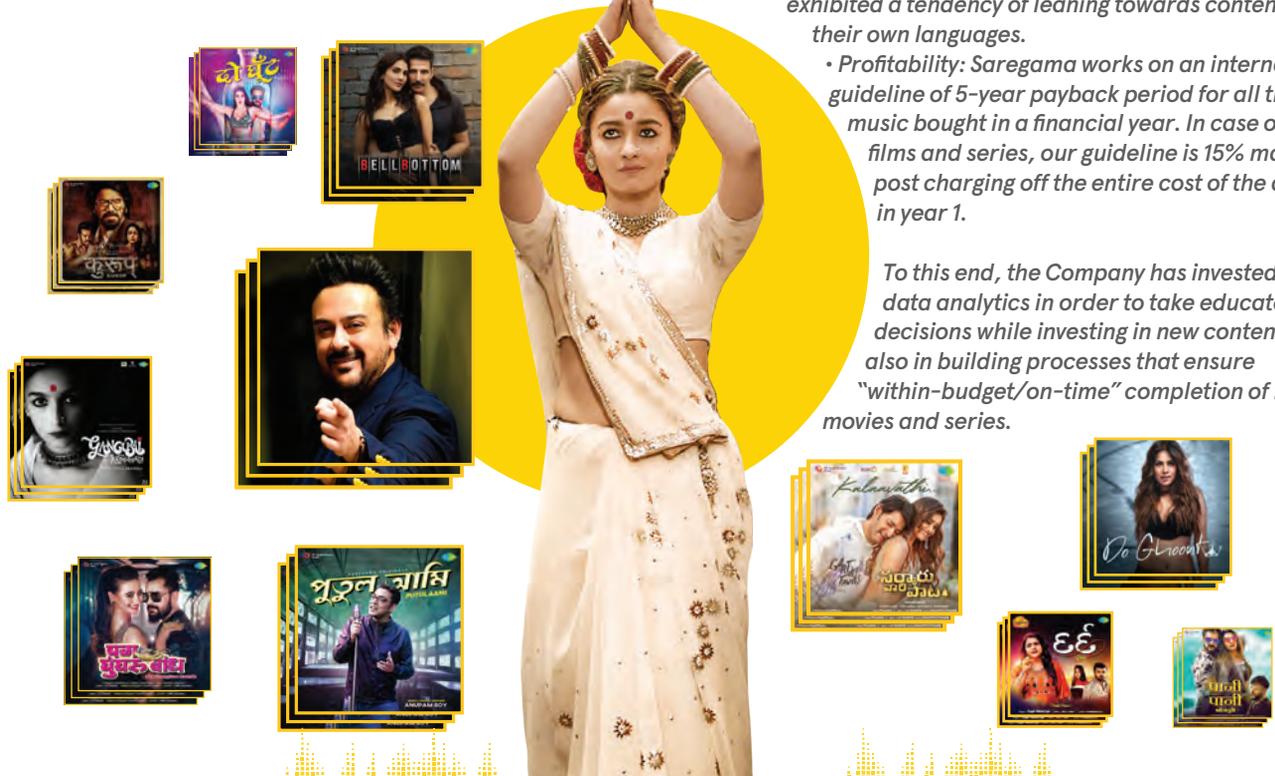
The Company decided six years back to ramp-up its investment in new music, digital films and serials in a gradual and systematic fashion.

The New IP creation strategy is built on the twin planks of:

- **Focus on Regional content** : Along with acquiring music of big Bollywood movies and creating Hindi digital series, Saregama is also focussed on creating content (music and films) in regional Indian languages. This emanates from our belief that the next wave of digital growth in India will come from the smaller cities, which have traditionally exhibited a tendency of leaning towards content in their own languages.

- **Profitability**: Saregama works on an internal guideline of 5-year payback period for all the music bought in a financial year. In case of films and series, our guideline is 15% margin post charging off the entire cost of the asset in year 1.

To this end, the Company has invested in data analytics in order to take educated decisions while investing in new content, as also in building processes that ensure "within-budget/on-time" completion of its movies and series.



NEW MUSIC

After a long break the Company once again started acquiring new film music of Hindi and Tamil films in 2017. The strategy was to build up the slate over time. With the cost of new music rising, the Company's acquisition strategy is meticulously planned, taking stock of the stature of the films, pack-track record of the associated artistes, quality of the music and optimum pricing, among other factors. This has culminated in the launch of some successful Saregama film albums last year alone - like Sanjay Leela Bhansali's Gangubai Kathiawadi, Akshay Kumar's Bell Bottom, Mahesh Babu's Sarkaru Vaari Paata, Dulquer Salman's Kurup etc.

The Company also invested heavily in non-film songs to encash on the growing popularity of independent music. It launched multiple high-profile Hindi, Tamil & Punjabi songs

under the brand 'Saregama Originals', helping to grow both OTT streams and YouTube views. One of the focus markets this year was Gujarati music, where the Company retained it's No.1 position. The other focus market was Bhojpuri, where the Company managed to reach the no.2 position in a short span. Saregama has also signed exclusive deals with various artistes Rakesh Barot & Kajal Maheriya (Gujarati), Anupam Roy (Bengali), Adnan Sami (Hindi) giving it a competitive edge in the market.

During this financial year, Saregama acquired worldwide audio & video rights of 436 new film and non-film songs, in perpetuity, with their monetization kick-starting immediately via music streaming platforms, music video licensing, social media platforms etc.

FILMS



The last few years have been favorable for the Indian film industry with the growth coming not only from domestic box-office collections but also overseas theatrical releases and an escalation in satellite rights values. Indian consumers have taken to online video viewing in big way.

This exponential growth of video consumption over digital media has encouraged the large global digital video players to launch their platforms in India. To gain a foothold in India's highly competitive OTT segment, a frenzy among the global players to partner with local content makers in order to expand their content library, is being witnessed. They are investing heavily in original content to meet the audience demands.

Capitalizing on this growing video boom, Saregama, in 2017, decided to launch into the promising business of Digital Films under the sub-brand, Yoodlee Films. Yoodlee is a fully integrated film production studio that uses innovative strategies to make films and web series in Hindi and other regional languages.

The focus is on talent discovery, methodical decision-making in story selection, transparent processes and profit-sharing with talent. The Company's rich music catalogue, coupled with our ability to partner with the best of local composers and singers, ensures high quality music becomes an integral part of these films and series.

In films, the strategy is to develop long-tail IP in regional languages. The investments in this are hedged up-front by licensing Satellite and Digital rights of the films to platforms in advance of the film's theatrical release.

Yoodlee is currently producing 2 punjabi films and 3 Malayalam films; India's first Malayalam web-series as well as an all-out action series with Sunil Shetty in Hindi

These films are selected basis the story, actor and director after analysing the returns on their earlier projects. Currently, we are developing a slate of films in Malayalam and Punjabi, triggered by the growing demand from platforms for these languages. In addition, these languages have a well-established theatrical distribution in respective states as well as internationally, and have a robust 'star' system at a fair valuation.

In web series, Yoodlee is developing and producing shows across languages for multiple platforms including Netflix, Zee5 and MX player among others. The Hindi series are typically focused around real-life, crime or action genres. Again, the power of Company's enviable song catalogue is a distinguishing factor for these series. These series are made only after obtaining a licensing order from a platform which allows us to control risks. Franchise potential with subsequent seasons of a developed show is an enticing model for greater revenues in the future.

TV SERIALS



Saregama's TV serial vertical has been producing immensely popular shows for 20 years now. Currently the Company has 3 shows including Roja which is the lead show in the highly competitive Tamil broadcasting market. Another serial, Chandralekha, has earned the rare honour of being the first Tamil serial to cross 2000 episodes.

With over 6k hours of original programming, we have created an impenetrable niche for ourselves in the Tamil market. The nature of the contracts with broadcasters allows us to retain the IP of all the shows produced, which further enhance and future-proof our library. This content is being increasingly monetized on various digital platforms.

NEW INITIATIVES



Saregama is an “artist first” company. The Company hat-tips and acknowledges the artistry of various musicians of old, that made us the force that we are today, and strongly believes that the creativity of artists to come, will help further solidify this position.

Therefore, this year, 2 new initiatives have been rolled out, with a determined resolution to create a 360-degree proposition for singers, songwriters and composers.

The first is a foray into Live Music Events. Live performances are a proven and sure-shot way for an artist to engage with fans and make new ones. As the event producer, ticketing will be the Company’s primary source of revenue. This is supplemented by sponsorships and the exploitation of video assets of the performances in various digital mediums. In addition to concerts, the vertical will develop musical theatre IP, based on the stories and songs of some of the greatest films in our catalogue, like Disco Dancer and Karz.

The potential revenues with the large Indian diaspora give great headway for further growth.

A strong events vertical will help Saregama attract and retain the top musical talent in the country.

Secondly, Saregama has rolled out an Artiste Management vertical, tasked with identifying, grooming and promoting new talent as well as representing established talent.

This vertical works symbiotically with the other revenue centres of music, film and live events ensuring that the talent it taps, can achieve their highest potential revenue and reach. It also allows the Company to bring hitherto undiscovered talent to fame, enriching the industry as a whole.

DIRECT TO CONSUMER BUSINESS

The most talked about product innovation coming from India in the recent times is Saregama Carvaan.

Carvaan is a product borne out of extensive consumer research done by the Company which resulted in the highly successful combination of convenience and nostalgia in a digital audio player.

A series of highly innovative and award-winning marketing campaigns positioned it as the most coveted and talked about gifting and music brand in the country.

The Company has built a robust consumer insight-driven product development team that constantly works on newer concepts and existing product enhancements, many of which were launched this year, including Carvaan Music Bar & Carvaan Mini Kids-Chhota Bheem. We have built our own pan-India distribution network across consumer electronic, mobile handset, gifting, car accessories, and e-commerce stores etc. for retailing Carvaan. This is essential because Carvaan being a new product category, favours from a touch-and-feel experience by the customers.

With retail networks and e-commerce deliveries opening up and increasing customer footfall in retail stores, Carvaan sales grew this year. Consistent with its strategy, the Company will continue operating this business with tight cost

controls to optimise costs & bottom line.

The genesis of Carvaan was in innovation, and evolution remains the DNA of the product.

Now, the Company plans to extend Carvaan from being just a Product offering preloaded Saregama songs to a Platform supporting 3rd party music and podcasts through streaming.

With the looming threats of new Covid strains continuing, we believe that elderly and middle-age people will be the most adversely affected by social distancing norms. Their susceptibility to infection will ensure that most of them will opt to Stay-at-Home to the maximum extent possible. This will result in higher demands for Carvaan devices.

We believe that Carvaan, the platform offering music and podcasts, can be optimally positioned as the preferred entertainment device for this age group. This will build on the gifting value of the device and also make it more of a personal entertainment device.

As the base of Carvaan grows, the platform will be utilized for building advertising and subscription revenue. It will become a highly trackable and sharply positioned way for brands to engage with 'high-disposable income' 35+ yr consumers who are generally not found on traditional media services and platforms.



CONCLUSION

Using our greatest strength of an enormous and irreplaceable catalogue of music, we are combining a talent for innovation with a deep understanding of the entertainment industry to become a future ready content IP company.

We as Saregama are confident of further strengthening our position as the partner of choice for platform businesses as well as consumers in the days to come.

ENVIRONMENTAL SOCIAL AND GOVERNANCE (ESG) OVERVIEW

COMMITMENT TO OUR ENVIRONMENTAL, SOCIAL AND GOVERNANCE ASPECTS

Over the past ten years, there has been a considerable interest in the management and disclosure of environmental, social, and governance (ESG) issues. The unprecedented global crisis and succeeding disruptions to the ecosystem has made organizations realize the value of sustainable growth. Saregama believes that incorporating sustainability and ESG factors into overall business strategy will help in creating long term value for all the stakeholders. The core values of the Company mirror the strategy to embed ESG parameters in business activities.

Being the oldest music company in India, Saregama understands the impact that it creates on society and environment due to its operations, and acknowledges its responsibility to do business in a socially responsible way. Therefore, the Company has identified the aspects of ESG that are of greatest importance to business and stakeholders:



ENVIRONMENT

Saregama is committed to minimize its impact on natural environment and conduct business in an environmentally responsible manner



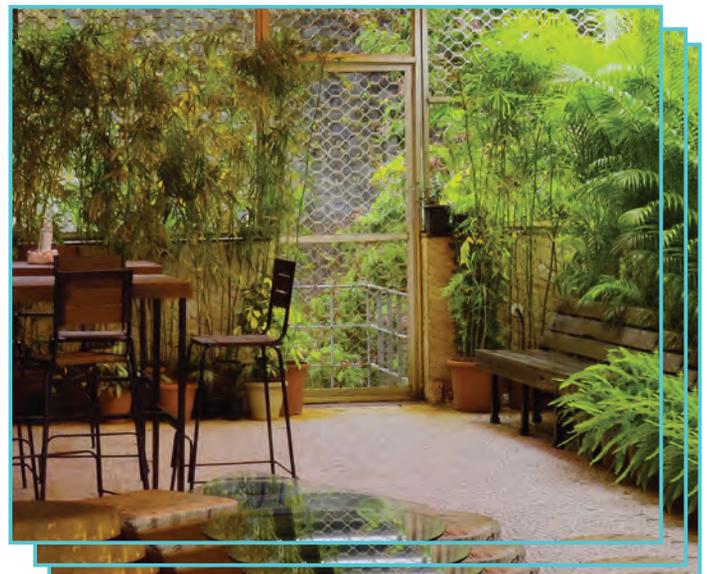
SOCIAL

Saregama is committed to building and nurturing relationship with all its stakeholders based on the principles of respect, dignity and positivity



GOVERNANCE

Saregama is committed to instil and always uphold the highest standards of corporate governance to promote ethical, professional and responsible business practices within its operations and sphere of influence



HOW ESG IS EMBEDDED IN OUR ORGANISATION



Customer Satisfaction

Innovation and Customer satisfaction have been the primary emphasis areas that affect business decisions since the company's commencement. Saregama's primary goal is to meet customer needs and to cater to those, the Company regularly updates its technologies and innovates new products.



Stakeholders

Being the oldest music brand of India, Saregama believes in upholding transparent and healthy relations with all stakeholders and to understand their concerns. The Company regularly interacts with its customers and other stakeholders to identify new ideas and incorporate their feedback in business decisions.



Code of Conduct and Policies

Saregama promotes a welcoming workplace that is inclusive of all people and has effective governance processes and risk controls. The Company has various policies in place to uphold the highest business standards and ethical practices.



Employees

Employees are the precious assets of the company; and the Company has well-defined policies and programs in place for employee welfare and wellbeing.



Identification of Local and New Talent

For continuous improvement of organisation and the community, the Company actively gives opportunities to new people to showcase their talent across music and films.



Relevant Content Creation for Different Audiences

The Company looks for opportunities to reach every Indian residing in different parts of the country and is actively launching new products in different languages to reach out to speakers of different languages.

STRENGTHS OF SAREGAMA

- India's only entertainment company with IP offerings across media channels, delivery platforms
- A large intellectual property portfolio that includes over 142k songs, 64 Movies, 1 Web Series, and 6k TV Hours
- Strong licensing connections with streaming music and video applications and platforms.
- A growing presence in all major Indian languages and an expanding IP library.
- Data analytics and technology investments for content acquisition and IP protection
- Strong financial position with track record of revenue growth, margin expansion and cash flow generation.
- Innovative and experienced leadership through Management team and Promoter group

RESPONSIBLE TOWARDS ENVIRONMENT

Globally, climate change is the greatest threat and an urgent call for business leadership. Risks associated with climate change have a massive impact on businesses, thereby making it imperative to undertake actions towards reducing negative impacts on the environment to achieve sustained future growth. Saregama focuses on ESG aspects and the way to embed sustainability across its business operations.

For preservation and conservation of environment, Saregama has taken various initiatives ensuring minimal negative environmental impact throughout its operations including increased recycling efforts.

Saregama has adopted a 3R Approach for responsible resources consumption and effective waste management.



Reduce

- Saregama is actively looking for the opportunities to reduce the waste generating at source.
- It takes consistent efforts to use each component through its life cycle before sending it for recycling.

Reuse

If any of the products is damaged during the shipping or delivery process, Saregama makes every effort to salvage or repair it rather than getting it discarded.

Recycle

The Company is actively participating in the recycling opportunities like plastic waste generated for packing is sent back for recycling.

Moreover, the Company is fully compliant with environmental regulations. Saregama monitors its power consumption patterns through Building Management Systems and analyses the trend in usage of energy for lighting and air conditioning. These trends help the Company in taking corrective actions for efficient usage of energy.

The Company is undertaking initiatives towards green buildings that are environmentally responsible and resource efficient. The Company is also promoting the use of renewable energy which helps in reducing the environmental impact.

The Company's commitment of being 'Responsible Towards Environment' is reflected in its signature product "CARVAAN" which is made up of 100% recyclable material and packed using 100% recyclable and biodegradable paper.

SOCIALLY RESPONSIBLE



RESILIENCE DURING COVID

The outbreak of COVID-19 pandemic disrupted the entire global economy, with media and entertainment industry substantially brought to a standstill. During this emotionally tough journey, Saregama organised virtual events and meetings like four mental health and stress management sessions along with yoga sessions on a quarterly basis for all its employees. Additionally, e-consultation facilities were made available with experts including dermatologist, dietician, mental wellness experts, paediatrician and physician along with health care check-up at home, and almost 75% of employees availed the services during those times.

The Company also gave flexibility to the employees for working from home during the tough COVID-19 times. Furthermore, post COVID, it has undertaken strict protocols for the employees who are working from office including proper sanitisation, regular temperature tracking etc. The Company launched vaccination drive at PAN India level for its employees and their immediate family members in order to support government vaccination drive for India and curb COVID-19 cases. In the current year, booster shot drives were organized in offices to ensure good health and COVID-19 resilience for the employees.

DIVERSITY AND INCLUSION

The Company provides employment to people from different backgrounds. The Company has various policies, guidelines, and procedures in place to promote a diverse work culture. Discrimination based on caste, religion, colour, gender, sexual orientation, age, nationality, ethnic origin, or disability is strictly prohibited. The Company has a zero-tolerance policy towards any form of discrimination which is available on the intranet of the company.

The Company takes all the measures to ensure healthy workplace environment where employees can feel safe and valued. Saregama is constantly working to promote diversity in the organisation. 73 of 282 employees are women which represents 25% of the total workforce of the company. The Company received zero human rights violations and zero POSH complaints during the reporting period.

Saregama endeavours to promote young and regional talent and strives towards maintaining diversity at all levels. The Company has policies in place for securing human rights of women and people of (LGBTQ) community also. The Company has added the LGBTQ+ as part of Insurance policy towards being more inclusive.

CREATING VALUE

Recently, Saregama entered the film industry under the name Yoodlee Films, a production company that produces films to raise awareness on various social problems. The Company endeavours to promote new talent while supporting the preferences of younger audiences. This segment offering helps the Company to achieve its goal of reaching out to the people who are more into content related to regional issues along with some enjoyable themes that can be seen individually as well as in a group. Saregama is constantly working to highlight the issues such as regionalism, bullying, racism, political disruptions, caring for elderly people. The Company has released 2 films and 1 web series in the financial year 2021-22 under the banner of -Yoodlee films.

The Company is committed to promote a diversified workforce. The Company also hires young talent with no prior experience and trains them to become well known personality. Through such efforts the Company has been able to guide two young artists who have won national recognition (Best Child Actor). The Company does shoot across different states of the nation and gives chance to new/less known artistes from different states to sing in their regional languages.

The Company has started enhancing its catalogue of Music intellectual actual properties through new music acquisitions across Hindi, Tamil, Telugu, Gujarati, Marathi, Bhojpuri, Malayalam, Bengali, Punjabi and other Indian languages that cater to different segments of the society to expand its audience and improve customer experience.

Saregama's Flagship product 'CARVAAN' which has nostalgia as its theme, is a portable music device preloaded with 5,000 retro songs to attract elderly people. Inspired with the acceptance and positive response from the audience, the Company has introduced CARVAAN's Mini version with variants like Kids, Shrimad Bhagavad Gita, Devotional songs, Classical music, and Rabindra sangeet, amongst others in various languages.

GOVERNANCE

Saregama has an Internal Code of conduct that ensures highest level of ethics, integrity, corporate governance, and regulatory compliance. Transparency and Integrity as the Company's core values aid it in upholding the highest business standards throughout the organisation. The Company's Board of Directors meet quarterly to review and ensure the Company's corporate governance procedures are of the highest calibre and that all policies, SOPs, and codes of conduct are continuously updated to comply with all relevant laws and regulations. Saregama has invested in compliance management solutions, such as SAP-ERP for accounting transparency among other business practises, to further enhance its governance framework. Starting with its supply chain, the Company has formulated a set of guidelines in order to create a positive ripple effect based on its Values - we do the right thing, the right way - through standards, policies, and programs to promote diversity and environmental progress.

In the reporting period no stakeholder complaints were reported. However, there is one pending consumer case currently under resolution.

BOARDS' REPORT

BOARDS' REPORT

Your Directors are pleased to present the Seventy-fifth Annual Report of Saregama India Limited along with the audited accounts for the year ended 31st March, 2022.

1. FINANCIAL HIGHLIGHTS

A) The performance of your Company for the year ended 31st March, 2022 is summarized below:

(Rs. In lakhs)

	Consolidated	Standalone	Consolidated	Standalone
	Year ended 31 st March, 2022	Year ended 31 st March, 2022	Year ended 31 st March, 2021	Year ended 31 st March, 2021
Total income	61,553.77	60,171.84	47,281.63	46,332.60
Profit/(Loss) from operations	20,441.24	20,199.18	15,190.64	14,544.50
Exceptional item	NIL	NIL	NIL	NIL
Provision for Contingencies	NIL	NIL	NIL	NIL
Profit before tax	20,441.24	20,199.18	15,190.64	14,544.50
Provision for Taxation				
Current tax	5,027.42	4,986.30	3,773.08	3,754.55
Deferred Tax Charged / (Credit)	149.26	171.44	71.10	88.16
Net profit (after tax and exceptional items)	15,264.56	15,041.44	11,346.46	10,701.79
Interim Dividend	5,784.28	5,784.28	3,485.60	3,485.60
Transfer to general reserve	NIL	NIL	NIL	NIL
Free Reserves	1,17,058.65	1,16,641.12	32,332.56	33,978.98

Your Board is pleased to report a profit of Rs. 15,041.44 lakhs on a standalone basis for the year 2021-22.

B) RESERVES

There is no amount proposed to be transferred to the Reserves.

C) OPERATIONS/ STATE OF COMPANY'S AFFAIRS/NATURE OF BUSINESS

The operations/ state of the company's affairs/ nature of business forms part of the Management Discussion and Analysis Report forming part of the Annual Report.

D) DIVIDEND

The Board of Directors of the Company at its Meeting held on Wednesday, 19th January, 2022 has declared an Interim Dividend @ 300 %, i.e. Rs. 30/- per equity share on the face value of Rs. 10/- per equity share, for the financial year ended 31st March, 2022. The total equity dividend for FY 2021-22 (aggregated to Rs. 5,784.28 Lakhs). The said Interim Dividend was paid on and from 14th February, 2022.

The dividend recommendation is in accordance with the Dividend Distribution Policy of the Company which is annexed and forms part of the Annual Report and the same is available on the Company's website and can be accessed at https://r.saregama.com/resources/pdf/investor/dividend_distribution_policy_SIL.pdf. There has been no change in the policy during the year. The Notice convening the ensuing Annual General Meeting ("AGM") of the Members of the Company includes an item for confirmation of the said interim dividend.

E) SUBSIDIARIES, ASSOCIATE AND JOINT VENTURES

1. Incorporation of Wholly Owned Subsidiary - Digidrive Distributors Limited

Digidrive Distributors Limited ("the Resulting Company") is a Company limited by shares, incorporated and domiciled in India. The Company is incorporated to create a specialised master distributor for retailing goods on all digital marketplaces. The Resulting Company is a wholly owned subsidiary of Saregama India Limited. The Registered Office of the Company is located in Kolkata, West Bengal, India.

Further, there is no change in the Company's subsidiary, associate and joint ventures except as mentioned above.

BOARDS' REPORT (contd.)

F) CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements of the Company and its subsidiaries have been prepared in accordance with the provisions of the Companies Act, 2013 ("the Act") read with the Companies (Accounts) Rules, 2014, applicable Accounting Standards and the SEBI (Listing Obligation and Disclosure requirements) Regulations, 2015 ("SEBI LODR Regulations") and it forms part of the Annual Report. Pursuant to Section 129 (3) of the Act, a statement containing the salient features of the financial statements of the subsidiary companies for the F.Y. 2021-22 is attached to the Financial Statements in Form AOC-1. The Company will make available the said financial statements and related detailed information of the subsidiary companies upon request by any member of the Company or its subsidiary companies.

Pursuant to the provisions of the Act, the audited financial statements of the Company, consolidated financial statements along with relevant documents and separate Audited Accounts in respect of subsidiaries, are available on the website of the Company viz. www.saregama.com.

2. SHARE CAPITAL

At the beginning of the financial year, the issued, subscribed and paid-up Equity Share Capital of the Company was Rs. 17,42,80,120 divided into 1,74,28,012 shares of Rs. 10/- each.

During the year under review, 2,000 shares were allotted to eligible employees and 80,000 shares were transferred from Saregama Welfare Trust to eligible employee of the Company on account of stock options exercised by the eligible employee under Saregama Employee Stock Option Scheme 2013.

The Company has issued and allotted 18,50,937 Equity Shares of the Face Value of Rs. 10/- each at an Issue price of Rs. 4,052/- per Equity Share including a premium of Rs. 4,042/- per Equity Share on 10th November, 2021 through Qualified Institutional Placement in accordance with the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended along with Section 42, Section 62 and other relevant provisions of the Companies Act, 2013.

Pursuant to the allotment of Equity Shares as mentioned above, the issued, subscribed and paid-up Equity Share Capital of the Company stood at Rs. 19,28,09,490 divided into 1,92,80,949 Equity Shares of Rs. 10/- each.

Furthermore, pursuant to the Special Resolution passed by the Members of the Company by way of Postal Ballot through electronic means on 31st March, 2022, the Company has sub-divided (split) its equity share of the face value of Rs. 10/- each (fully paid-up) into 10 (ten) equity shares of face value of Re. 1 /- each (fully paid-up).

At the end of the financial year, the issued, subscribed and paid-up Equity Share Capital of the Company was Rs. 19,28,09,490 divided into 19,28,09,490 shares of Re.1/- each.

3. CORPORATE GOVERNANCE

Your Company has adopted a Code of Conduct (the Code) for its Directors and Senior Management personnel, who have affirmed compliance with the Code. The adoption of the Code stems from the fiduciary responsibility that the Directors and the Senior Management have towards the stakeholders of the Company. Your Board of Directors is committed to good governance practices based on principles of integrity, fairness, transparency and accountability for creating long-term sustainable shareholder value.

The Report on Corporate Governance as applicable under the SEBI LODR Regulations forms part of the Annual Report. A certificate from M/s. MR and Associates, Practicing Company Secretary regarding the compliance of the Corporate Governance requirements as per relevant provisions of SEBI LODR Regulations forms part of the Annual report. Further, information about all elements of remuneration package etc. of individual directors forms part of the Annual Report.

4. QUALIFIED INSTITUTIONAL PLACEMENT (QIP)

In accordance with SEBI Guidelines and Members approval, the Company has issued and allotted 18,50,937 Equity Shares to Qualified Institutional Buyers (QIBs) at an issue price of Rs. 4,052/- per Equity Share (including a premium of Rs. 4,042/- per Equity Share) on 10th November, 2021.

5. SUB-DIVISION (SPLIT) OF EQUITY SHARES OF THE COMPANY

Pursuant to the Special Resolution passed by the Members of the Company by way of Postal Ballot through electronic means on 31st March, 2022, the Company has sub-divided its Equity Shares of face value of Rs.10/- each (fully paid up), into 10 (Ten) Equity Shares of face value Re.1/- each (fully paid-up), effective from 28th April, 2022. Hence, shares have now been adjusted on account of sub-division of share done by the Company.

BOARDS' REPORT (contd.)

6. ADOPTION OF NEW SET OF ARTICLES OF ASSOCIATION (AOA)

The Company has adopted the new set of Articles of Association (AOA) which is in line with the Companies Act, 2013 in substitution and supersession of the existing AOA by passing the special resolution through postal ballot on 31st March, 2022.

7. ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return as on 31st March, 2022 is available on the Company's website on <https://www.saregama.com/static/investors>.

8. DIRECTORS AND KEY MANAGERIAL PERSONNEL/ SENIOR MANAGEMENT PERSONNEL

A) Change in Directors

Mr. Vikram Mehra (DIN: 03556680) is liable to retire by rotation at the forthcoming Annual General Meeting and being eligible, offers himself for re-appointment as a Director of the Company.

B) Independent Directors Declaration

The Company has received the necessary declarations from each of Independent Directors of the Company pursuant to Section 149(7) and provisions of SEBI LODR Regulations. Each of them meets the criteria of independence laid down in section 149(6) of the Companies Act, 2013 and SEBI LODR Regulations and there has been no change in the circumstances which may affect their status as independent director during the year.

C) Board Evaluation

Pursuant to the provisions of the Act and the corporate governance requirements as prescribed by SEBI LODR Regulations, the Board of Directors ("Board") has carried out an annual evaluation of its performance, and that of its Committees and individual Directors.

The criteria for performance evaluation of the Board included aspects like Board composition and structure; effectiveness of Board processes, information and functioning etc. The criteria for performance evaluation of Committees of the Board included aspects like the composition of Committees, effectiveness of committee meetings etc. The criteria for performance evaluation of the individual Directors included aspects on contribution to the Board and Committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings etc. In addition, the Chairperson was also evaluated on the key aspects of his role. In the opinion of the Board, the Independent Directors of the Company possess relevant expertise and experience (including the proficiency).

D) Familiarisation Programme For Independent Directors

Pursuant to the requirement of Securities and Exchange Board of India vide Circular no. CIR/CFD/POLICY CELL/7/2014 dated 15th September, 2014, the Company has in place a programme for familiarisation of the Independent Directors with the Company, details of which is available on the website of the company.

(Weblink: https://r.saregama.com/resources/pdf/investor/familiarization_programme_for_independent_director.pdf)

E) Key Managerial Personnel

1. Change in Chief Financial Officer (CFO)

During the year under review,

1. In absence of Mr. Vineet Garg due to his medical leave, Mr. Deepak Jain was appointed as the Interim CFO of the Company with effect from 16th September, 2021. Further, Mr. Vineet Garg relinquished his office as CFO of the Company with effect from 10th April, 2022 due to personal reasons.
2. The Company has appointed Mr. Pankaj Mahesh Chaturvedi as the CFO with effect from 11th April, 2022 in its Board meeting held on 6th April, 2022 and Mr. Deepak Jain, acting as the Interim CFO of the Company relinquished his office with effect from 10th April, 2022.

9. POLICIES

A) Vigil Mechanism/Whistle Blower Policy

The Company has adopted a Whistle Blower Policy establishing vigil mechanism, to provide a formal mechanism to the Directors and employees to report their concerns about unethical behaviour, actual or suspected fraud or violation of

BOARDS' REPORT (contd.)

the Company's Code of Conduct or ethics policy. The Policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee. It is affirmed that no personnel of the Company have been denied access to the Audit Committee. The policy of vigil mechanism is available on the Company's website.

(Weblink: https://r.saregama.com/resources/pdf/investor/whistle_blower_policy.pdf)

B) Nomination and Remuneration Policy

The Remuneration Policy for the Directors, Key Managerial Personnel, Senior Management and other Employees pursuant to the provisions of the Act and Regulation 19 of the SEBI LODR Regulations is available on the website of the Company.

(Weblink: https://r.saregama.com/resources/pdf/investor/Nomination_and_remuneration_policy.pdf)

The salient features and objectives of the policy are as follows:

- To formulate the criteria and terms to determine qualifications, attributes and independence of Directors;
- To identify the qualification, key attributes and profile required of persons who may be appointed in Senior Management and Key Managerial positions;
- To recommend remuneration of the Directors, Key Managerial Personnel and Senior Management employees and other employees based on the Company's size of business, financial position and trends and practices prevailing in similar companies in the industry;
- To devise mechanism and carry out evaluation of the performance of Directors;
- To devise and achieve diversity on the composition of Board, an essential element to support quality of performance;
- To prepare policies or principles to retain, motivate and promote talent and create a sense of participation and ownership;
- To carry out such other functions as is mandated by Board of Directors from time to time or is enforced by any statutory notification, amendment or modification as may be applicable; and
- To perform such other functions as may be necessary or appropriate for performance of duties.

C) Corporate Social Responsibility (CSR)

The brief outline of the CSR Policy of the Company along with the Annual Report on CSR activities is set out in "Annexure A" of this report. The policy is available on the Company's website.

(Weblink: https://r.saregama.com/resources/pdf/investor/csr_policy.pdf)

D) Dividend Distribution Policy

The Company has adopted a Dividend Distribution policy in terms of Regulation 43A of SEBI LODR Regulations which is set out in "Annexure B" of this report. The policy is available on the Company's website.

(Weblink: https://r.saregama.com/resources/pdf/investor/dividend_distribution_policy_SIL.pdf)

E) Risk Management Policy

The Company has prepared a Risk Management policy to identify, evaluate the internal and external risks and opportunities in particular financial, operational, sectoral, sustainability (particularly, ESG related risks), information and cyber security risks. The policy also includes the business continuity plan and the measures to be undertaken for risk mitigation including systems and processes for internal control of identified risks.

Risk Management Policy enables the Company to proactively manage uncertainties and changes in the internal and external environment to limit negative impacts and capitalise on opportunities. The Company has laid down a comprehensive Risk Assessment and Minimisation Procedure in accordance with the requirements of the Act and the SEBI LODR Regulations, which is reviewed by the Risk Management Committee, and approved by the Board from time to time.

10. BOARD MEETINGS AND AUDIT COMMITTEE COMPOSITION

During the period under review, 8 (eight) Board Meetings were held, details of which are given in the Corporate Governance Report. The intervening gap between the meetings was within the period prescribed under the Act and Regulation 17 of SEBI LODR Regulations.

BOARDS' REPORT (contd.)

Currently, the Board has Nine (9) committees, namely, Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility ("CSR") Committee, Stakeholders' Relationship Committee, Risk Management Committee, Finance Committee, Fund Raising Committee, Sub-Committee(Share transfer Committee) and Committee of Independent Directors.

Details of the composition of the Board and its Committees and changes therein, and details of the Meetings held, attendance of the Directors at such Meetings and other relevant details are provided in the Corporate Governance Report.

Further there were no instances when the Board has not accepted the recommendations made by the Audit Committee during the year under review.

The Audit Committee comprises of following members:

Name of the Member	Position	Category of Director
Mr. Umang Kanoria	Chairman	Non-executive Independent Director
Mr. Noshir Naval Framjee	Member	Non-executive Independent Director
Mr. Santanu Bhattacharya	Member	Non-executive Independent Director

Note - Further, details relating to the Audit Committee are provided in the Corporate Governance Report forming part of the Annual report.

11. PARTICULARS OF EMPLOYEES

The information on top 10 employees and employees who were in receipt of remuneration of not less than Rs.1,02,00,000 (Rupees One Crore and two lakh only) during the year or Rs. 8,50,000 (Rupees Eight Lakh Fifty Thousand Only) per month during any part of the said year as required under Section 197 (12) of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided in the Annexure forming part of the Report. In terms of the proviso to Section 136 (1) of the Act, the Report and Accounts are being sent to the shareholders excluding the aforesaid Annexure. Any member interested in obtaining a copy of the same may write to the Company Secretary at co.sec@saregama.com.

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are annexed to the Report as "Annexure C".

12. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Particulars of the loans given, investments made, guarantees given or securities provided during the year and the purpose for which the loans / guarantees / securities are proposed to be utilized by the recipient of such loan / guarantee / security is given in Note 11.5 and 45 to the standalone financial statements.

13. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All contracts/arrangements/ transactions entered by the Company with the Related Parties during the financial year were on an Arm's length basis and were in compliance with the applicable provisions of the Act and the SEBI LODR Regulations.

Further, there were no material contracts/arrangements/ transactions entered by the Company with the Related Parties during the financial year. Therefore, the Form AOC-2 is not applicable on the Company.

14. RISK MANAGEMENT

Risk Management is the process of identification, assessment and prioritisation of risks followed by coordinated efforts to minimise, monitor and mitigate/control the probability and/or impact of unfortunate events or to maximise the realisation of opportunities.

The Company is exposed to inherent uncertainties owing to the sectors in which it operates. A key factor in determining a company's capacity to create sustainable value is the risks that the company is willing to take (at strategic and operational levels) and its ability to manage them effectively. Many risks exist in a company's operating environment and they emerge on a regular basis. The Company's Risk Management process focuses on ensuring that these risks are identified on a timely basis and addressed.

The Company is well aware of the above risks and as part of business strategy has put in a mechanism to ensure that they are mitigated by timely action. The Company has a Risk Management framework to identify, evaluate business risks and opportunities. This framework seeks to create transparency, minimize adverse impact on the business objectives and enhance the Company's competitive advantage. In the opinion of the Board, there are no such risks, which may threaten the existence of the Company.

BOARDS' REPORT (contd.)

15. INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has adequate internal financial control systems in all areas of operation. The Board of Directors has adopted policies and procedures for ensuring the orderly and efficient conduct of business, including adherence to the Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, ensuring accuracy and completeness of the accounting records and timely preparation of reliable financial information. The services of internal and external auditors are utilised from time to time, in addition to the in-house expertise and resources. The Company continuously upgrades these systems in line with the best practices in the industry.

16. AUDITORS

A) Statutory Auditors

In terms of Section 139 of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, Members of the Company in its 70th Annual General Meeting held on 28th July, 2017, approved the appointment of M/s B S R & Co. LLP, Chartered Accountants (ICAI Registration No. 101248W/W-100022), as the Statutory Auditors of the Company for an initial term of five consecutive years, i.e. from the conclusion of the 70th AGM till the conclusion of the 75th AGM of the Company to be held in the year 2022. The Statutory Auditors have confirmed they are not disqualified from continuing as Auditors of the Company.

The Board of Directors of the Company ('the Board'), on the recommendation of the Audit Committee, has approved in their Meeting held on 2nd May, 2022, re-appointment of M/s B S R & Co. LLP, Chartered Accountants, having registration No. 101248W/W-100022 as Statutory Auditors of the Company for 2nd term of five consecutive years from the conclusion of the 75th Annual General Meeting till the conclusion of the 80th Annual General Meeting to be held in the year 2027 on such remuneration as may be decided by the Board of Directors in consultation with the Statutory Auditors of the Company.

Accordingly, consent of the Members is sought for passing an Ordinary Resolution as set out under Item No. 4 of the Notice for re-appointment of M/s B S R & Co. LLP, Chartered Accountants, having registration No. 101248W/W-100022 as Statutory Auditors of the Company for 2nd term of five consecutive years from the conclusion of the 75th Annual General Meeting till the conclusion of the 80th Annual General Meeting to be held in the year 2027 on such remuneration as may be decided by the Board of Directors in consultation with the Statutory Auditors of the Company.

The Report given by M/s B S R & Co. LLP, Chartered Accountants on the financial statement of the Company for the year 2021-2022 is part of the Annual Report. The Notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation, adverse remark, or disclaimer. During the year under review, the Auditors had not reported any matter under Section 143 (12) of the Act, therefore no detail is required to be disclosed under Section 134 (3) (ca) of the Act.

B) Internal Auditors

M/s Ernst and Young have been appointed as Internal Auditors to undertake internal audit of the Company for FY 2021-22.

C) Secretarial Auditors

Pursuant to the provisions of Section 204 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, M/s M R and Associates, Practicing Company Secretaries, have been appointed as Secretarial Auditor, to undertake Secretarial Audit of the Company for the financial year 2021-22. The report of the Secretarial Auditor is annexed to this report as "Annexure D". The Secretarial Audit report does not contain any qualification/reservation/adverse remark or disclaimer.

D) Cost Auditors

Pursuant to section 148 and applicable provisions of the Act and the Companies (Cost Records and Audit) Rules, 2014, the Company is required to appoint a cost auditor for audit of cost records maintained by the Company in respect of the financial year ending 31st March, 2023. The Directors of the Company have on the recommendation of the Audit Committee, appointed M/s. Shome and Banerjee, Cost Accountants, as the Cost Auditor to audit the cost records for the financial year ending 31st March, 2023. Remuneration payable to the Cost Auditor is subject to ratification by the members of the Company. Accordingly, a resolution seeking members' ratification for the remuneration payable to M/s. Shome and Banerjee, Cost Accountants, is included in the Notice convening the Annual General Meeting, along with relevant details, including the proposed remuneration.

BOARDS' REPORT (contd.)

17. MAINTENANCE OF COST RECORDS

Pursuant to the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, as amended from time to time, the Company is required to maintain Cost Records under Rule 3 of the said Rules. Accordingly, the Company has duly maintained the Cost Records in the format prescribed under Rule 5 of the said Rules.

18. DIRECTORS' RESPONSIBILITY STATEMENT

The Board of Directors acknowledges the responsibility for ensuring compliances with the provisions of section 134(3)(c) read with section 134(5) of the Act in the preparation of the annual accounts for the year ended on 31st March, 2022 and to the best of their knowledge and ability, confirm that:

- in the preparation of the annual accounts for the financial year ended 31st March, 2022, the applicable accounting standards have been followed and there are no material departures;
- appropriate accounting policies have been selected and applied consistently and judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for the period;
- the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- the annual accounts have been prepared on a going concern basis;
- the directors had laid down proper systems of internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

19. FOREIGN EXCHANGE EARNINGS AND OUTGO

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows is given below:

Particulars	(Rs. In Lakhs)	
	Current Year	Previous Year
Foreign Exchange used	6,651.25	2,135.19
Foreign Exchange earned	17,909.74	10,183.89

20. RATIO ANALYSIS

KEY RATIOS	STANDALONE	
	March 2022	March 2021
Net Profit Margin	26%	25%
Operating Profit Margin	33%	29%
Debt to Equity Ratio	-	-
Interest Coverage Ratio	572.2	558.0
Current Ratio ¹	5.0	2.0
Debtor Turnover (Days)	69.0	75.3
Inventory Turnover (Days) ²	154.9	206.0
Return on Networth ³	12.7%	30%

Note:

- The increase is on account of unutilised amount out of fund raised through QIP which has been invested in liquid funds with Banks resulting in increase in current assets.
- Decrease in inventory turnover is on account of higher sales during the current year.

BOARDS' REPORT (contd.)

3. During the year ended 31st March, 2022, the Company has raised fresh equity amounting to Rs.74,999.97 Lakhs by allotting 18,50,937 equity shares of face value of Rs.10/- each on a Qualified Institutional Placement basis resulting in increase in Networth for the current year, hence the fall in Return on Networth.

21. EMPLOYEES STOCK OPTION

A. SAREGAMA EMPLOYEE STOCK SCHEME 2013

The Company grants share-based benefits to eligible employees with a view to attract and retain the best talent, encourage employees to align individual performances with Company objectives, and promoting increased participation by them. With a view to providing an opportunity to the employees of the Company to be a part of the growth story of Company, the Company has Saregama Employee Stock Option Scheme 2013 (ESOS 2013). The Scheme is applicable to all eligible employees and Directors of the Company and its Subsidiary Companies. The Scheme is in compliance with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended ("SEBI (SBEB) Regulations") and a certificate from Secretarial Auditors to that effect shall be placed at the Annual General Meeting.

At the Annual General Meeting held on 19th July, 2019, the ESOS 2013 scheme was amended for implementation through the Trust which will be administered under the guidance, advice and direction of the Nomination & Remuneration Committee in accordance with the provisions of the Act and SEBI (SBEB) Regulations. The Board of Directors has facilitated setting up of Saregama Welfare Trust to implement the ESOS 2013 scheme which has been formed by the Company. The Company has provided financial assistance to the Trust for the secondary acquisition of equity shares of the Company for the purpose of implementation of ESOS 2013 scheme. The terms and conditions for the financial assistance provided are in compliance with the Act read with Companies (Share Capital and Debenture) Rules, 2014 and SEBI (SBEB) Regulations. During the year ended 31st March, 2022, the Trust transferred 80,000 shares on account of stock options exercised by the eligible employee under ESOS 2013 scheme. Further, 2,000 shares on exercise of stock options were allotted to an eligible employee under the ESOS 2013 Scheme.

B. DISCLOSURE UNDER SECTION 62(1)(b) OF THE COMPANIES ACT, 2013

As per provisions of Section 62(1)(b) of the Act read with Rule 12(9) of the Companies (Share Capital and Debenture) Rules, 2014 and other applicable laws, details with respect to Stock Options as required under Regulation 14 of the SEBI (SBEB) Regulations, is available on the Company's website <https://www.saregama.com/static/investors>.

22. RIGHTS ISSUE

Out of 53,38,628 equity shares of face value Rs.10/- each issued 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 of face value Rs.10/- each (31st March, 2021 - 5,290 equity shares of face value Rs.10/- each) (relating to cases under litigation/ pending clearance from the concerned authorities) are kept in abeyance as on 31st March, 2022.

23. LOAN FROM DIRECTOR OR DIRECTOR'S RELATIVES

During the year under review, there is no loan taken from the Directors or their relatives by the Company.

24. BUSINESS RESPONSIBILITY REPORT

Regulation 34 of SEBI LODR Regulations requires top 1,000 listed entities based on market capitalization (calculated as on 31st March of every financial year), a business responsibility report describing the initiatives taken by them from an environmental, social and governance perspective, in the format as specified by the Board from time to time.

Since Saregama India Limited falls in Top 1,000 listed entities as on 31st March, 2022, Business Responsibility Report for the year ended 31st March, 2022 as stipulated under Regulation 34(3) of SEBI LODR Regulations is separately given and forms part of this Annual Report.

25. MANAGEMENT DISCUSSION AND ANALYSIS

In compliance with Regulation 34 of the SEBI LODR Regulations, a separate section on the Management Discussion and Analysis, as approved by the Board of Directors, and forms a part of the Board's Report is separately given and forms part of this Annual Report.

BOARDS' REPORT (contd.)

26. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY

1. Scheme of Arrangement

The Board of Directors of the Company ("the Board") in its meeting held on 30th March, 2022, has considered and approved the Scheme of Arrangement between the Company and Digidrive Distributors Limited ("Resulting Company") and their respective shareholders and creditors ("Scheme"), under sections 230 to 232 and other applicable provisions of the Companies Act, 2013.

The Scheme inter alia provides for the demerger, transfer and vesting of the Demerged Undertaking (as defined in the Scheme) from the Company into the Resulting Company, on a going concern basis, and in consideration thereof, the Resulting Company shall issue its equity shares to the equity shareholders of the Company in the same proportion of their existing holding in the Company and the existing share capital of the Resulting Company held by the Company will be reduced. Pursuant to the Scheme, the equity shares of the Resulting Company will be listed on BSE Limited and the National Stock Exchange of India Limited (collectively referred to as "Stock Exchanges").

The Scheme is, inter alia, subject to receipt of approvals from the statutory, regulatory and customary approvals, including approvals from the Stock Exchanges, jurisdictional National Company Law Tribunal and the shareholders and creditors (as applicable) of the companies involved in the Scheme.

The Scheme as approved by the Board is available on the website of the Company at https://r.saregama.com/resources/pdf/investor/Draft_Scheme_of_Arrangement_Annexure_2.pdf

27. COMPLIANCE WITH SECRETARIAL STANDARDS

The Company has complied with the Secretarial Standards i.e. SS-1 and SS-2, relating to "Meetings of the Board of Directors" and "General Meetings", respectively issued by the Institute of Company Secretaries of India.

28. PREVENTION OF SEXUAL HARASSMENT

The Company has complied with the provisions relating to the constitution of the Internal Complaints Committee under The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. The said Committee has been set up to redress complaints received regarding sexual harassment at the workplace.

During the year under review, the Company has not received any complaints on sexual harassment and no complaints were pending to be resolved as on 31st March, 2022.

29. GENERAL

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

- a) The Company has not accepted any deposits from the public falling within the ambit of Section 73 of the Act read with the Companies (Acceptance of Deposits) Rules, 2014.
- b) During the year under review, there were no significant or material orders passed by the Regulators or Courts or Tribunal, which would impact the going concern status of the Company and its future operation.
- c) There are no instances of fraud reported by the Auditors during the financial year ended 31st March, 2022.
- d) Since the Company is not a manufacturing company, the disclosure related to conservation of energy and technology absorption is not applicable.
- e) The Company has not issued any shares with differential voting rights as per the Companies Act, 2013.
- f) The Company has not issued any sweat equity shares under the Companies Act, 2013.
- g) There were no instances of non-exercising of voting rights in respect of shares purchased directly by employees under a scheme pursuant to Section 67(3) of the Act read with Rule 16(4) of Companies (Share Capital and Debentures) Rules, 2014.

BOARDS' REPORT (contd.)

30. ACKNOWLEDGEMENT

Your Company has been able to operate responsibly and efficiently because of the culture of professionalism, creativity, integrity, ethics, good governance and continuous improvement in all functions and areas as well as the efficient utilization of the Company's resources for sustainable and profitable growth.

Your Directors would like to express their sincere appreciation to its stakeholders, financial institutions, bankers and business associates, Government authorities, customers and vendors for their co-operation and support and looks forward to their continued support in future. Your Directors also place on record, their deep sense of appreciation for the committed services by the employees of the Company. The Directors mourn the loss of life due to COVID-19 pandemic and are deeply grateful and have immense respect for every person who risked their life and safety to fight this pandemic.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Dr. Sanjiv Goenka

Chairman and Non-Executive Director
DIN: 00074796

Vikram Mehra

Managing Director
DIN: 03556680

Date: 2nd May, 2022
Place: Kolkata

Date: 2nd May, 2022
Place: Mumbai

BOARDS' REPORT (contd.)
"ANNEXURE - A" to Directors report
Annual Report on Corporate Social Responsibility (CSR) Activities
1. Brief outline on CSR Policy of the Company:

The Company is committed to identifying and supporting programs aimed at:

Provision of access to basic healthcare services/facilities, safe drinking water & sanitation and conducting health awareness camps, empowerment of the disadvantaged sections of society through promoting inclusive education for all, as well as through livelihood generation and skill development, supporting environmental and ecological balance through energy conservation etc., undertaking livelihood generation/promotion and women empowerment projects, any other programme that falls under the Company's CSR Policy and is aimed at the empowerment of disadvantaged sections of the society - Undertaking / supporting sports activities and programmes of art and culture in various forms.

The CSR Policy is available on the website of the Company.

(Weblink: https://r.saregama.com/resources/pdf/investor/csr_policy.pdf)

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Noshir Naval Framjee	Chairman, Non-Executive Independent Director	1 (One)	1 (One)
2.	Mr. Umang Kanoria	Member, Non-Executive Independent Director	1 (One)	1 (One)
3.	Mr. Santanu Bhattacharya	Member, Non-Executive Independent Director	1 (One)	1 (One)

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company:

The composition of CSR committee, CSR Policy and CSR projects approved by the board can be viewed on the company's website at <https://www.saregama.com/static/investors>

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report):

Not Applicable

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be set-off for the financial year, if any (in Rs)
Not Applicable			

6. Average net profit of the company as per section 135(5): Rs. 10,006.50 lakhs.
7. (a) Two percent of average net profit of the company as per section 135(5): Rs. 200.14 lakhs (rounded off).

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: NIL.

(c) Amount required to be set off for the financial year, if any: NIL.

(d) Total CSR obligation for the financial year (7a+7b-7c): Rs. 200.14 lakhs (rounded off).

BOARDS' REPORT (contd.)

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount (in Rs.)	Date of transfer	Name of the Fund	Amount (in Rs.)	Date of transfer
-	200.14 lakhs	28 th April, 2022		-	

(b) Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Project duration	Amount allocated for the project (in Rs.)	Amount spent in the current financial year (in Rs.)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number
1	Setting up of an IB School in Kolkata with most modern facilities	Promoting education	Yes	West Bengal	Kolkata	Expected to be Completed by the end of financial year 2023-24	200.14 lakhs	Nil	200.14 lakhs	No	RP-Sanjiv Goenka CSR Trust	CSR00002382
Total								NIL				

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Amount spent for the project	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration number
Not Applicable									

(d) Amount spent in Administrative Overheads: Nil

(e) Amount spent on Impact Assessment, if applicable: Nil

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): Nil

(g) Excess amount for set-off, if any

Sl. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	200.14 lakhs
(ii)	Total amount spent for the Financial Year	200.14 lakhs
(iii)	Excess amount spent for the financial year [(ii)-(i)]	-
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set-off in succeeding financial years [(iii)-(iv)]	-

BOARDS' REPORT (contd.)
9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135(6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount (in Rs)	Date of transfer	
Not Applicable							

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in Rs.)	Amount spent on the project in the reporting Financial Year (in Rs.)	Cumulative amount spent at the end of reporting Financial Year (in Rs.)	Status of the project - Completed/ Ongoing
1	FY31.03.2021_1	Setting up of an IB School in Kolkata with most modern facilities	FY 2020-21	24 (in months)	137.19 lakhs	137.19 lakhs	137.19 lakhs	Ongoing

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year: Not Applicable
(asset-wise details)

- Date of creation or acquisition of the capital asset(s):
- Amount of CSR spent for creation or acquisition of capital asset:
- Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.:
- Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset):

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): Not Applicable
Noshir Naval Framjee

DIN: 01646640

Chairman CSR Committee and Independent Director

 Date: 2nd May, 2022

Place: Kolkata

Vikram Mehra

DIN: 03556680

Managing Director

 Date: 2nd May, 2022

Place: Mumbai

BOARDS' REPORT (contd.)

"ANNEXURE - B" to Directors report

POLICY FOR DIVIDEND DISTRIBUTION OF SAREGAMA INDIA LIMITED

This policy applies to the distribution of dividend by Saregama India Limited (the "Company") in accordance with the provisions of the Companies Act, 2013 ("Act") and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (Listing Regulations).

Definitions

The terms referred to in the policy will have the same meaning as defined under the Act and the Rules made thereunder, and the Listing Regulations.

Background

SEBI has, through its notification dated 8th July, 2016, released the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2016 incorporating Regulation 43 A – Dividend Distribution Policy requiring the top five hundred listed entities based on market capitalization (calculated as on 31st March of every financial year) to formulate a dividend distribution policy which shall be disclosed in their annual reports and on their websites.

This policy sets out the parameters and circumstances that will be taken into account by the Board of Directors of the Company in determining the distribution of dividend to its shareholders and/or retaining profits earned by the Company.

The Board of Directors may in extraordinary circumstances, deviate from the parameters listed in this policy.

Guidelines for Distribution of Dividend

a. The circumstances under which the shareholders may or may not expect dividend;

The Company shall comply with the relevant statutory requirements that are applicable to the Company in declaring dividend or retained earnings. Generally, the Board shall determine the dividend for a particular period after taking into consideration the financial performance of the Company, the advice of executive management, and other parameters described in this policy.

b. The financial /internal parameters that shall be considered while declaring dividend;

The Board of Directors of the Company shall consider the following financial parameters while declaring dividend or recommending dividend to shareholders:

- Capital allocation plans including:
 - Expected cash requirements of the Company towards working capital, capital expenditure in technology and Infrastructure etc.;
 - Investments required towards execution of the Company's strategy;
 - Funds required for any acquisitions that the Board of Directors may approve; and
 - Any share buy-back plans.
- Minimum cash required for contingencies or unforeseen events;
- Funds required to service any outstanding loans;
- Liquidity and return ratios; and
- Any other significant developments that require cash investments.

c. External factors that shall be considered for declaration of dividend;

The Board of Directors of the Company shall consider the following external parameters while declaring dividend or recommending dividend to shareholders:

- Any significant changes in macro-economic environment affecting India or the geographies in which the Company operates, or the business of the Company or its clients;
- Any political, tax and regulatory changes in the geographies in which the Company operates;
- Any significant change in the business or technological environment resulting in the Company making significant investments to effect the necessary changes to its business model; and
- Any changes in the competitive environment requiring significant investment.

d. Policy as to how the retained earnings shall be utilized;

The consolidated profits earned by the Company can both be retained in the business and used for various purposes as outlined in clause (b) above or it can be distributed to the shareholders.

BOARDS' REPORT (contd.)

e. Provisions in regard to various classes of shares;

The provisions contained in this policy shall apply to all classes of Shares of the Company. It may be noted that currently the Company has only one class of shares, namely, Equity Shares.

Review

This policy will be reviewed and amended as and when required by the Board.

Limitation and Amendment

In the event of any conflict between the provisions of this policy and of the Act or Listing Regulations or any other statutory enactments, rules, the provisions of such Act or Listing Regulations or statutory enactments, rules shall prevail over this policy. Any subsequent amendment / modification in the Listing Regulations, Act and/or applicable laws in this regard shall automatically apply to this policy.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Dr. Sanjiv Goenka

Chairman and Non-Executive Director
DIN: 00074796

Date: 2nd May, 2022
Place: Kolkata

Vikram Mehra

Managing Director
DIN: 03556680

Date: 2nd May, 2022
Place: Mumbai

BOARDS' REPORT (contd.)

"ANNEXURE - C" to Directors report

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014.

- i) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2021-22 and ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2021-22 are as under :

Sl. No.	Name of Director / KMP and Designation	Remuneration of Director / KMP for financial year 2021-22 (Rs. in Lakhs)	% increase in Remuneration in the Financial Year 2021-22	Ratio of remuneration of each Director / to median remuneration of employees
1.	Mr. Vikram Mehra, Managing Director *	937.83	25.72%	93.78:1
2.	Mr. Vineet Garg, Chief Financial Officer **	201.13	8.11%	N.A
3.	Mrs. Kamana Goenka, Company Secretary	16.65	9.92%	N.A

* The above remuneration does not include perquisite value of interest free loan and perquisite value of shares options exercised during the year aggregating to Rs. 2,919.15 Lakhs for the year ended 31st March, 2022 as defined under the Income-tax Act, 1961.

** Mr. Vineet Garg has relinquished his office as Chief Financial Officer of the Company w.e.f. 10th April, 2022.

Note: No other Director of the Company other than the Managing Director of the Company received any remuneration other than sitting fees during the financial year 2021-22.

- ii) In the financial year, there was no change in the median remuneration of employees.
- iii) There were 282 permanent employees on the rolls of Company as on 31st March, 2022.
- iv) Average percentage increase made in the salaries of employees other than the managerial personnel in the financial year 2021-22 was 11.96% whereas the increase in the managerial remuneration for the same financial year was 25.72%
- v) It is hereby affirmed that the remuneration paid during the Financial Year ended 31st March, 2022 is as per the Remuneration Policy of the Company.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Dr. Sanjiv Goenka
Chairman and Non-Executive Director
DIN: 00074796

Vikram Mehra
Managing Director
DIN: 03556680

Date: 2nd May, 2022
Place: Kolkata

Date: 2nd May, 2022
Place: Mumbai

BOARDS' REPORT (contd.)

**"ANNEXURE - D" to Directors report
Form No. MR - 3****SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2022

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

To,
The Members,
SAREGAMA INDIA LIMITED
33, Jessore Road, Dum Dum
Kolkata- 700028
West Bengal

1. We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **SAREGAMA INDIA LIMITED** (hereinafter called "the company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.
2. Based on our verification of the Company books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.
3. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2022 according to the provisions of:
 - i) The Companies Act, 2013 (the Act), amendments thereof and the rules made thereunder;
 - ii) The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the rules made thereunder
 - iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
 - iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
 - v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act"):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 read with Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 as applicable;
 - (e) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable regulations /guidelines/circulars as may be issued by SEBI from time to time to the extent applicable;
 - (f) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

We further report that, there were no actions/ events in pursuance of;

- (a) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 as amended by Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 as applicable;
- (b) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
- (c) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 read with Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;

BOARDS' REPORT (contd.)

vi) The Company had identified following other laws as specifically applicable to the Company namely:

- (a) Indian Copyright Act,1957 as applicable;
- (b) The Trademark Act,1999.

We further report that having regard to the compliance system prevailing in the Company, we have relied upon the representation made by the Management, for compliance with the other applicable laws.

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

- (i) Secretarial Standards as mandated and issued by the Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with National Stock Exchange of India Limited and BSE Ltd.

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

We further report that,

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

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

All decisions at Board Meetings and Committee Meetings were carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

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

We further report that due to the spread of COVID-19 pandemic, compliances had been considering the various relaxations granted, from time to time, by the Securities and Exchange Board of India and the Ministry of Corporate Affairs and other Regulatory authorities, as applicable.

We further report that during the financial year under audit:

- 1) The Nomination and Remuneration Committee of the Board of Directors at its meeting held on 26.04.2021 had approved grant of 10,000 Options to eligible employee of the Company exercisable into not more than 10,000 fully paid up equity shares of face value Rs.10 each of the Company.
- 2) The Nomination and Remuneration Committee approved the transfer of 80,000 equity shares from Saregama Welfare Trust to an eligible employees against receipt of exercise price for exercise of 80,000 options vested under Saregama Employee Stock Option Scheme 2013 in its meetings held on 14.07.2021, 03.08.2021 and 17.01.2022 respectively.

We further report that the Company had allotted 2000 equity shares to eligible employee who have exercised their stock options under the Saregama Employees Stock Option Scheme 2013 by passing circular resolution in Nomination & Remuneration Committee held on 09.09.2021.

We further report that the Company had a change in the paid-up share capital of the Company due to allotment of 18,50,937 Equity shares of the Face Value of Rs. 10/-each through a Qualified Institutional Placement (QIP) on 10th November, 2021 at an Issue price of Rs. 4,052 per Equity Share including a premium of Rs. 4,042 per Equity Share in accordance with the SEBI ICDR Regulations as amended along with Section 42, Section 62 and other relevant provisions of the Companies Act, 2013 aggregating amount upto Rs. 750 crores.

We further report that the Company consider and recommend the proposed draft Scheme of Arrangement between Saregama India Limited and Digidrive Distributors Limited ("Resulting Company") and their respective shareholders and creditors under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013.

We further report that during the audit period the Company had obtained approval of shareholders at its respective Annual General Meetings/ Extra-ordinary General Meeting/Postal Ballot held for the following matters;

- i. made variation in the remuneration paid/payable to Mr. Vikram Mehra (DIN: 03556680), Managing Director of the Company effective from 01.01.2021 to 31.12.2023

BOARDS' REPORT (contd.)

- ii. continuation of directorship of Mr. Santanu Bhattacharya (DIN: 01794958), as Non-executive Independent Director in terms of Regulation 17 (1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 who attained the age of 75 years upto his current tenure 21.12.2025.
- iii. Re-appointment of Mr. Noshir Naval Framjee (DIN: 01646640) as a Non-Executive Independent Director of the Company for a period of 5 years commencing from 12.06.2022 upto 11.06.2027.
- iv. Adoption of new set of Articles of Associations ('AOA') as per Companies Act, 2013 in place of existing AOA of the Company.
- v. Sub-Division (Split) of 1 (One) Equity Share of the face value of Rs. 10/- (fully paid-up) into 10 (ten) equity shares of face value of Re. 1 /- each (fully paid-up) and consequential alteration of capital clause of Memorandum of Association of the Company.

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

For MR & Associates
Company Secretaries
A Peer Reviewed Firm
Peer Review Certificate No.: 720/2020

Place : Kolkata
Date : 02.05.2022

[M R Goenka]
Partner
FCS No.:4515
C P No.:2551
UDIN: F004515D000267976

Note: In view of the situation emerging out of the outbreak of second wave of COVID-19 Pandemic, physical documents, records & other papers of the Company for the year ended March 31st, 2022 required by us for our examination were obtained from the Company through electronic Mode only and verified to the extent possible.

BOARDS' REPORT (contd.)

**“ANNEXURE – A” TO THE SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2022**

To,
The Members,
SAREGAMA INDIA LIMITED
33, Jessore Road, Dum Dum
Kolkata- 700028
West Bengal

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

1. Maintenance of Secretarial Records is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the Audit practices and processes as where appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial Records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations and standards is the responsibilities of the management. Our examination was limited to the verification of procedures on test basis.
6. As regard the books, papers, forms, reports and returns filed by the Company under the provisions referred to in our Secretarial Audit Report in Form MR-3 the adherence and compliance to the requirements of the said regulations is the responsibility of management. Our examination was limited to checking the execution and timeliness of the filing of various forms, reports, returns and documents that need to be filed by the Company with various authorities under the said regulations. We have not verified the correctness and coverage of the contents of such forms, reports, returns and documents.
7. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
8. We have conducted our Audit remotely, based on the records and information made available to us through electronic platform by the Company.

For MR & Associates
Company Secretaries
A Peer Reviewed Firm
Peer Review Certificate No.: 720/2020

Place : Kolkata
Date : 02.05.2022

[M R Goenka]
Partner
FCS No.:4515
C P No.:2551
UDIN: F004515D000267976

BUSINESS RESPONSIBILITY REPORT

"ANNEXURE - E" to Directors report
BUSINESS RESPONSIBILITY REPORT (BRR) FY 2021-22

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1	Corporate identification number	L22213WB1946PLC014346
2	Name of the Company	Saregama India Limited ('Saregama' or 'the Company')
3	Registered address	33, Jessore Road, Dum Dum, Kolkata-700028, West Bengal, India
4	Website	www.saregama.com
5	Email address	co.sec@saregama.com
6	Financial year reported	FY 2021-22
7	Sector(s) that the Company is engaged in	Media and Entertainment
8	Three key products/services manufactured/ provided by the Company	<ul style="list-style-type: none"> • Monetization of IP rights through licencing to every 3rd party Digital (music, video, social) and TV platform and sales of physical Products (Carvaan, Carvaan Mini, Carvaan Go, Music Cards, etc.) • Income from Films & web series and monetization of free commercial time of television serials • Publishing Business (Open Magazine)
9	Total number of locations where business activity is undertaken by the Company	(i) International: India, China, USA, UK and UAE (ii) National: Kolkata, Mumbai, Chennai and Delhi
10	Markets served by the Company	Local/ State/ National/ International

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1	Paid up capital (INR)	INR 1928.09 lakhs
2	Total turnover (INR)	INR 60,171.84 lakhs
3	Total profit after tax (INR)	INR 15,041.44 lakhs
4	Total spending on CSR as percentage of profit after tax (%)	INR 200.14 lakhs (2% of Average net profit/(Loss) of the company for last three financial years - INR 10,006.50 lakhs)
5	List of the activities in which expenditure in 4 above has been incurred	The Company has deposited an amount of Rs. 200.14 Lakhs in Unspent CSR Account for the CSR Expenditure of FY21-22 as per the provisions of section 135 of the Act towards an identified on-going project (Setting up of an IB School in Kolkata with most modern facilities) by the Board of Directors of the Company. The amount shall be spent through RP-Sanjiv Goenka CSR Trust, acting as the Implementing Agency for the identified project.

SECTION C: OTHER DETAILS

1	Does the Company have any Subsidiary Company/ Companies?	Yes
2	Do the Subsidiary Company/Companies participate in the BR Initiatives of the Parent Company? If yes, then indicate the number of such Subsidiary Company(s)	No
3	Do any other entity/entities (e.g., suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/ entities? [Less than 30%, 30-60%, More than 60%]	No

BUSINESS RESPONSIBILITY REPORT (contd.)

SECTION D: BR INFORMATION

1. Details of Director/Directors responsible for BR

a) Details of the Director/Director responsible for implementation of the BR policy/policies

1	DIN Number	03556680
2	Name	Vikram Mehra
3	Designation	Managing Director

b) Details of the BR head

1	DIN Number (if applicable)	03556680
2	Name	Vikram Mehra
3	Designation	Managing Director
4	Telephone	022- 66886200
5	e-mail id	co.sec@saregama.com

1) Principle-wise (as per NVGs) BR Policy/Policies (Reply in Y/N)

(a) Details of Compliance (Reply in Y/N)

Sr No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have policy/policies for	Y	Y	Y	Y	Y	Y	N	Y	Y
2	Has the policy been formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	NA	Y	Y
3	Does the policy conform to any national/ international standards? If yes, specify? (50 words)	Y	Y	Y	Y	Y	Y	--	Y	Y
4	Has the policy been approved by the Board? If yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	--	Y	Y
5	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	--	Y	Y
6	Indicate the link for the policy to be viewed online?	The policies are available on the Company's official website: www.saregama.com (Except P7)								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	--	Y	Y
8	Does the company have in-house structure to implement the policy/ policies	Y	Y	Y	Y	Y	Y	--	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Y	Y	Y	Y	Y	Y	--	Y	Y
10	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	Y	Y	Y	--	Y	Y

BUSINESS RESPONSIBILITY REPORT (contd.)

(b) If answer to the question at Sr. No. 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

Sr No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The company has not understood the principles	--	--	--	--	--	--	--	--	--
2	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles	--	--	--	--	--	--	✓	--	--
3	The company does not have financial or manpower resources available for the task	--	--	--	--	--	--	--	--	--
4	It is planned to be done within next 6 months	--	--	--	--	--	--	--	--	--
5	It is planned to be done within the next 1 year	--	--	--	--	--	--	--	--	--
6	Any other reason (please specify)	--	--	--	--	--	--	--	--	--

2) Governance related to BR

Indicate frequency with which the Board of Directors, Committees of the Board or CEO to assess the BR performance of the Company.	The Company's business responsibility performance is reviewed by the Board of Directors on an annual basis.
Does the Company publish BR or Sustainability Report? What is hyperlink of viewing this report? How frequently it is published?	Yes, the Business Responsibility Report has been published as part of the Annual Report of Saregama for FY 2021-22. The report is available at www.saregama.com

SECTION E Principle - Wise Performance
Ethics of The Company
Principle 1: Business should conduct and govern themselves with Ethics, Transparency and Accountability:

Saregama has a Code of Conduct for Directors and Senior Management Personnel to abide by the principles of integrity, transparency, and business ethics. The Code of Conduct has been drafted to address subjects like bribery & corruption and sets up standards for compliance to corporate governance. It is required that all the members to whom this code is applicable shall read and understand and uphold these standards in the day-to-day activities and shall comply with all the applicable laws, rules and regulations. The Company has a Whistle Blower Policy / Vigil Mechanism for its directors and employees to report their concerns including any policy violations.

The Company also has a Code of Conduct to regulate, monitor and report trading by insider as mandated by Regulation 9(1) of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

While the above-mentioned policies/codes are currently not applicable on the Group/ Joint Ventures/ Suppliers/Contractors / NGOs/ Others. Going forward the Company wants to extend the applicability of the same to its subsidiaries and joint ventures.

During the reporting year, the Company received no complaints pertaining to the violations of Whistle Blower Policy.

Contribution to Sustainability
Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.

The Company has been engaged in the business of creation and acquisition of content for music; production, marketing, distribution and sale of music; production of cinema, television content, digital retailing, aggregation, radio programming and events. As India's oldest music label, the Company understands the extent of impact its business activities have on the global community. However, the Company's business activities do not have direct significant impact on the environment. Saregama understands its duty to conduct business in a socially responsible manner and constantly strives towards resource efficiency in its day-to-day activities. The Company has a Sustainability Policy that extends to its supply chain as well.

Effective waste management strategies, such as using biodegradable alternatives for product packaging and recycling used plastic water bottles, reflect the philosophy of "reduce, reuse, recycle." Additionally, repair is preferred over scrapping if a product is harmed throughout the shipping or delivery cycle. The Company makes every effort to reduce waste generation at the point of origin and aims to use each component for the entirety of its life cycle before recycling it.

BUSINESS RESPONSIBILITY REPORT (contd.)

The Company's internationally accredited assembly factories utilize reusable and biodegradable packaging to source raw materials for factory operations. Saregama's three partner factories in India are always encouraged to engage local vendors wherever possible; and their labour force is routinely trained on the aspects of safety, technical know-how, international best practices and grievance redressal to ensure a safe and secure working environment.

The Company's Quality Assurance team routinely provides instructions for product quality requirements and clarifications. Functional supervisors are provided step by step instructions to enable them to develop their skill sets which are then further passed on to the workers. Regular training on quality, sharing of best practices between all vendors and following the principle of sustained continuous improvement are some of the steps taken to promote sustainability. The suppliers are also encouraged regularly to invest in new testing and production machinery.

Employee Well-Being

Principle 3: Business should promote well-being of all employees.

At Saregama, employee well-being continues to be a core fundamental pillar of its functioning. The Company provides following to ensure employee well-being:

- Monthly wellness sessions lead by expert doctors
- Provision of tele doctor consultation on weekly basis with specialised doctors
- Quarterly engagement activities and fitness programs like Yoga and Zumba

Saregama is committed to investing in skill and competency building of its employees and ensuring their overall progress and well-being, while driving a culture of performance excellence within the Company. The Company regularly conducts skill and behavioral training for all employees. As on 31st March 2022, the Company has an employee strength of 282 employees, comprising 73 permanent women employees. The total number of employees hired on temporary/contractual/casual basis this year stands at 407.

Saregama has a 'Prevention of Sexual Harassment at Workplace' (POSH) policy with the aim of ensuring safety and security of its women employees. No complaints were filed relating to child labour, forced labour, involuntary labour and sexual harassment during the financial year under review.

Stakeholder Engagement

Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

The Company has mapped and identified external stakeholders, including disadvantaged, vulnerable and marginalised stakeholders. These stakeholders include employees, customers, investors, regulatory bodies, suppliers, vendors, and the local community. The Company undertakes CSR initiatives - primarily focused on healthcare, education, and holistic development for the underprivileged, vulnerable and marginalized stakeholders.

Human Rights

Principle 5: Businesses should respect and promote human rights.

As a socially responsible organization, Saregama is committed to protect and safeguard human rights. The Company has a Human Rights Policy applicable to all business activities and employees of the Company.

The Company also aims to guarantee equal opportunities to all its employees and all qualified applicants for employment without any discrimination basis their race, caste, religion, colour, ancestry, marital status, sex, age, nationality and different ability status. The Company has established POSH policy with the aim of preventing any sexual harassment. The Company also extends flexible working hours for its employees. The Company has adopted a Human Rights Policy applicable to all its business activities and individuals associated with the Company.

In FY 2021-22, no complaints pertaining to violations of human rights were received.

The Company has put in place Supplier Guidelines that are aimed at promoting human rights related compliances within the Company's supply chain as well.

Environmental Protection

Principle 6: Business should respect, protect and make efforts to restore the environment.

Since Saregama does not operate a manufacturing facility, its business operations have no appreciable negative effects on the environment. The Company has adopted a Sustainability policy that outlines its commitment to doing business in a way that is both environmentally friendly and compliant with all applicable laws relating to the protection, preservation, and conservation of the

BUSINESS RESPONSIBILITY REPORT (contd.)

natural environment. In order to reduce the negative environmental consequences along the supply chain, the Company's Supplier Guidelines additionally include elements on environmental compliance and protection.

As a part of the Company's effort to reduce paper usage, save trees and conserve the environment, Saregama encourages its stakeholders to register for an electronic delivery of any communication and documentation from the Company including the Notice, Auditor's Report, Director's Report and Annual Report etc.

Responsible Advocacy

Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.

As one of the most prominent music labels of the country, Saregama is a member of various industry associations and takes active part in discussions on issues and challenges faced by the music industry. The Company aspires to positively contribute to discussions as a key member of the associations such as:

- Confederation of Indian Industry
- Phonographic Performance Limited
- Indian Music Industry
- Indian Performing Right Society Limited

Inclusive Growth

Principle 8: Businesses should support inclusive growth and equitable development

In compliance with the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended, the Company has been spending the required CSR amount by donating the same in RP- Sanjiv Goenka Group CSR Trust, as approved by the Board of Directors of the Company. The said Trust has a proposal to embark on a project for building a school and for this purpose, a plot of land measuring about 1.2 acres has been purchased near Alipore in Kolkata by the Trust.

Through the values and principles inherent within the RP – Sanjiv Goenka Group, the Company strives to positively impact the community by promoting inclusive growth in the areas of education, art, healthcare, sports, environmental sustainability and conservation etc.

Over the period of its long existence, the Company has upheld its tradition of community service and tried to reach out to the underprivileged in order to empower their lives and provide holistic development. Corporate Social Responsibility (CSR) activities and efforts are constantly being made by the Company in the core focus areas of providing quality educational support to students, improved access to healthcare services and awareness building regarding efficient use of energy resources. Thus, the Company strives to be in service of the community at large and provide services that create holistic development and operate in alignment with the Company's philosophy.

The Company's direct contribution to community development projects has been INR 200.14 lakhs in FY 2021-22.

Responsibility towards Customers

Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner

Saregama is a customer centric organization that primarily caters to the different sections of audience in media and entertainment industry. The Company has a Policy on Providing Value to Customers which reflects its commitment to engaging with and serving customers in a responsible manner. The Company's flagship product Carvaan as a platform talks to a uniquely defined set of consumers - the affluent middle-class and middle-aged. These consumers are today increasingly opting to place themselves behind paywalls and are therefore less accessible to advertisers. Information regarding Carvaan is aptly displayed on the product label, which provides a detailed clarity to the customer base.

Saregama's Social Media presence is growing by the day as it builds a deeper connect with its audience. Currently it has a following of 110K+ across Instagram, Facebook & Twitter. Company also has 26 channels on YouTube with a cumulative subscriber base of over 64 Mn. All the accounts are managed in-house, and the Company is using its existing and updated content to engage with the followers and to create curiosity and intrigue for upcoming movies/shows.

The Company seeks regular feedback from its users and share a feedback link after completion of services for further action. A toll-free number is set up along with an option to email for any complaint/ query/ feedback. Customers also have an option to avail free home demos. The Company takes prompt action to resolve all the consumer queries/complaints. Only one Consumer Complaint is pending as on the end of financial year.

REPORT ON CORPORATE GOVERNANCE

REPORT ON CORPORATE GOVERNANCE

This report on Corporate Governance is divided into the following parts:

- I. Company's philosophy on Corporate Governance
- II. Board of Directors
- III. Audit Committee
- IV. Nomination and Remuneration Committee
- V. Stakeholders Relationship Committee
- VI. Corporate Social Responsibility Committee
- VII. Finance Committee
- VIII. Committee of Independent Directors
- IX. Fund Raising Committee
- X. Risk Management Committee
- XI. General Body Meetings
- XII. Other Disclosures
- XIII. Means of Communication
- XIV. General Shareholder Information

I. Company's philosophy on Corporate Governance

Corporate Governance encompasses laws, procedures, practices and implicit rules that determine the Management's ability to make sound decisions vis-à-vis all its stakeholders - in particular, its shareholders, creditors, the State and employees. There is a global consensus on the objective of Good Corporate Governance: Maximising long-term shareholder value.

Since shareholders are residual claimants, this objective follows from a premise that in well-performing capital and financial markets, whatever maximises shareholder value must necessarily maximise corporate value and best satisfy the claims of the creditors, the employees and the State.

A company which is proactively compliant with the law and which adds value to itself through the Corporate Governance initiatives would also command a higher value in the eyes of present and prospective shareholders.

Saregama India Limited therefore believes that Corporate Governance is not an end in itself but is a catalyst in the process towards maximization of shareholder value. Therefore, shareholder value, as an objective, is woven into all aspects of Corporate Governance - the underlying philosophy, the development of roles and the creation of structures and continuous compliance with standard practices.

Corporate Governance, as a concept, has gained considerable importance of late, primarily because of the proposal to enshrine many of the accepted good governance principles into corporate law. The Companies Act, 2013 ('the Act') and the Securities & Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015, as amended, ('the SEBI LODR Regulations') have strengthened the framework of Corporate Governance for India.

Saregama India Limited is committed to good governance practices by conducting its business in a transparent manner and creating long term sustainable shareholder value.

II. Board of Directors

A. Composition of the Board of Directors as on 31st March, 2022:

The Board composition is in conformity with Regulation 17 of the SEBI LODR Regulations read with Section 149 of the Act. The Board of the Company consists of a mix of Executive as well as Non-Executive Directors with Independent women director present on its Board. The Chairman of the Board is a Non-Executive Director and more than one-half of the total number of Directors comprises of Non-Executive Independent Directors.

The Company's Board has an optimum combination of Executive and Non-Executive Directors including Women Directors. The Board of Directors of the Company comprises of:

REPORT ON CORPORATE GOVERNANCE (contd.)

- 8 Non-Executive Directors (including 5 Independent Directors)
- 1 Executive Director

None of the Directors on the Company's Board is a member of more than ten Committees and Chairman of more than five Committees [Committees being, Audit Committee and Stakeholders Relationship Committee] across all the Indian public limited companies in which he/she is a Director. All the Directors have made necessary disclosures regarding Committee positions held by them in other companies and do not hold the office of Director in more than twenty companies, including ten public companies. The maximum no. of Directorships held by all our Directors are well within the limit of 7 listed entities and none of the Directors of our Company serve as an Independent Director in more than 7 listed entities. Besides, the Managing Director of our Company does not serve as an Independent Director in any of the listed entities. All Non-Independent Directors are liable to retire by rotation. During the year under review, there is no change in the directorship of the Company.

During the year under review, 8 (Eight) Board meetings were held on 12th May, 2021; 22nd July, 2021; 16th September, 2021; 11th October, 2021; 2nd November, 2021; 19th January, 2022; 24th February, 2022 and 30th March, 2022. The maximum time-gap between any two Board meetings did not exceed 120 days. The names and categories of Directors, the number of Directorships and Committee positions held by them in other companies, and also their shareholdings in the Company as on 31st March, 2022 are given below along with the name of other listed entities in which the Director is a director:

Sl. No.	Name of the Directors	Category of Director	No. of Directorships in other Public Limited companies incorporated in India ¹	No of other Committee Membership(s) / Chairmanship(s) held ²		No. of Equity Shares held (including convertible instruments)	Directorship in other listed entity (Category of Directorship)
				As Chairperson	As Member ³		
1.	Dr. Sanjiv Goenka	Chairman (Non-Executive)	8	3	5	Nil	1. CESC Limited [Chairman (Non-Executive)] 2. RPSG Ventures Limited (formerly known as CESC Ventures Ltd.) [Chairman (Non-Executive)] 3. PCBL Limited (formerly known as Phillips Carbon Black Ltd) [Chairman (Non-Executive)] 4. Spencer's Retail Ltd. [Chairman (Non-Executive)] 5. Firstsource Solutions Ltd. [Chairman (Non-Executive)]
2.	Mrs. Preeti Goenka	Non-Executive	1	Nil	Nil	Nil	PCBL Limited (formerly known as Phillips Carbon Black Ltd. (Non-Executive)
3.	Mrs. Avarna Jain	Non-Executive	2	Nil	Nil	Nil	Nil
4.	Mr. Umang Kanoria	Non-Executive Independent	5	2	4	Nil	1. STEL Holdings Limited (Non-Executive - Independent) 2. Kanco Tea & Industries Limited (Chairman & Non-Executive Director) 3. Kanco Enterprises Limited - (Chairman & Managing Director)

REPORT ON CORPORATE GOVERNANCE (contd.)

Sl. No.	Name of the Directors	Category of Director	No. of Directorships in other Public Limited companies incorporated in India ¹	No of other Committee Membership(s) / Chairmanship(s) held ²		No. of Equity Shares held (including convertible instruments)	Directorship in other listed entity (Category of Directorship)
				As Chairperson	As Member ³		
5.	Mr. Santanu Bhattacharya	Non-Executive Independent	3	Nil	1	Nil	Nil
6.	Mr. Arindam Sarkar	Non-Executive Independent	1	Nil	Nil	Nil	Albert David Ltd. - (Non-Executive Independent)
7.	Mr. Noshir Naval Framjee	Non-Executive Independent	3	1	3	Nil	Nil
8.	Mr. Vikram Mehra	Managing Director	1	Nil	Nil	27,20,000 Equity Shares	Nil
9.	Ms. Suhana Murshed	Non-Executive Independent	3	Nil	2	Nil	1. Kanoria Chemicals & Industries Limited (Non-Executive Independent) 2. XPRO India Limited (Non-Executive Independent) 3. STEL Holdings Limited (Non-Executive Independent)

¹ Excluding Saregama India Limited and private limited companies (but includes subsidiaries of public companies), foreign companies and companies under Section 8 of the Act.

² Pursuant to Regulation 26(1)(b) of the SEBI LODR Regulations, only two committees viz, Audit and Stakeholders Relationship Committees, have been considered for this purpose.

³ No. of other Committee Membership(s) held as Member includes Chairperson mentioned in previous column.

Directors namely Dr. Sanjiv Goenka, Mrs. Preeti Goenka and Mrs. Avarna Jain are related to each other under the Act read with the Rules made thereunder. Further, Mrs. Preeti Goenka is the wife of Dr. Sanjiv Goenka and Mrs. Avarna Jain is the daughter of Dr. Sanjiv Goenka. No other Directors are related to each other except as mentioned above.

B. Skills / expertise/ competencies of the Board of Directors:

In terms of requirement of SEBI LODR Regulations, following is the list of core skills /competencies identified by the Board of Directors as required in the context of the Company's business and that the said skills are available within the Board Members:

Name of Director	Areas of skills/expertise		
	Media Business	Strategy and Planning	Governance
Dr. Sanjiv Goenka	√	√	√
Mrs. Preeti Goenka	√	√	√
Mrs. Avarna Jain	√	√	√
Mr. Vikram Mehra	√	√	√
Mr. Santanu Bhattacharya	√	√	√
Mr. Umang Kanoria	-	√	√
Mr. Noshir Framjee	-	√	√
Mr. Arindam Sarkar	-	√	√
Ms. Suhana Murshed	-	√	√

REPORT ON CORPORATE GOVERNANCE (contd.)

C. Attendance of Directors at the Board Meetings during the period 1st April, 2021 to 31st March, 2022 and at the last Annual General Meeting ('AGM').

Sl. No.	Name of Directors	Number of Meetings attended out of eight Board Meetings held during the year	Attendance at the last AGM held on 16 th August, 2021
1.	Dr. Sanjiv Goenka	7	Yes
2.	Mrs. Preeti Goenka	7	Yes
3.	Mrs. Avarna Jain	7	Yes
4.	Mr. Umang Kanoria	6	Yes
5.	Mr. Santanu Bhattacharya	8	Yes
6.	Mr. Arindam Sarkar	8	Yes
7.	Mr. Noshir Naval Framjee	8	Yes
8.	Mr. Vikram Mehra	8	Yes
9.	Ms. Suhana Murshed	7	Yes

D. Code of Conduct for Directors and Senior Management:

The Board has adopted a Code of Conduct (the Code) for its Directors and Senior Management, who have affirmed compliance with the Code. A declaration to this effect signed by the Managing Director forms part of this Annual Report. The Code for Board Members and Senior Management of the Company is posted on the website of the Company and may be accessed at the link https://r.saregama.com/resources/pdf/investor/code_of_conduct_for_board_of_directors_and_senior_management.pdf

The adoption of the Code stems from the fiduciary responsibility which the Directors and the Senior Management have towards the stakeholders of the Company. The Directors and Senior Management acts as trustees in the interest of all stakeholders of the Company by balancing conflicting interest, if any, between stakeholders for optimal benefit.

E. Compliance Reports:

At each quarterly meeting of the Board of Directors for approval of financial results, the Managing Director and Chief Financial Officer place a certificate covering compliance of various provisions of law, as applicable.

F. Board Effectiveness Evaluation:

Pursuant to the applicable SEBI LODR Regulations and the Act, Board evaluation involving evaluation of the Board of Directors, its Committees and individual Directors, including the role of the Board Chairman, was conducted during the year. For details kindly refer the Directors' Report.

G. Web link of Familiarisation programme imparted to independent directors:

The Company has in place a programme for familiarization of the Independent Directors with the Company, details of which is available on the website of the Company.

https://r.saregama.com/resources/pdf/investor/familiarization_programme_for_independent_director.pdf

COMMITTEES OF THE BOARD

The Board Committees play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas / activities which concern the Company and need a closer review. The Board Committees are set up under the formal approval of the Board to carry out clearly defined roles which are considered to be performed by members of the Board, as a part of good governance practice. The Board supervises the execution of its responsibilities by the Committees and is responsible for their action. The minutes of the meetings of all Committees are placed before the Board. The Board Committees can request special invitees to join the meeting, as appropriate.

The Board has currently established the following Committees:

III. Audit Committee

The Audit Committee of the Company functions in accordance with the requirement of Section 177 of the Act and Regulation 18 of SEBI LODR Regulations as amended.

REPORT ON CORPORATE GOVERNANCE (contd.)

The composition of the Audit Committee is in compliance of Regulation 18(1) of SEBI LODR Regulations.

The Audit Committee comprises of 3 Directors and all are Independent Directors.

All members of Audit Committee are financially literate and at least one member has accounting or related financial management expertise.

The meetings of the Audit Committee are also attended by the Chief Financial Officer and, if required, by other Senior Officials of the Company as special invitees. The Company Secretary of the Company acts as the Secretary to the Audit Committee.

The minutes of each Audit Committee meeting are noted in the next meeting of the Board.

The quorum requirement of Audit Committee as per SEBI LODR Regulations is two members or one-third of its members, whichever is higher with minimum 2 Independent Directors.

During the year under review, the Audit Committee met 6 (six) times on 12th May, 2021, 22nd July, 2021, 11th October, 2021, 19th January, 2022, 24th February, 2022 and 30th March, 2022.

The gap between two Audit Committee meetings did not exceed 120 days.

(i) Terms of Reference

The broad terms of reference includes the following as is mandated in Part C of Schedule II of SEBI LODR Regulations as amended and Section 177 of the Act:

- a. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- b. Recommend to the Board, the appointment, re-appointment, terms of appointment, remuneration and, if required, replacement or removal of Statutory Auditors and fixation of Audit fees.
- c. Approval of payment to statutory auditors for any other services rendered by them.
- d. Review, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Act;
 - changes, if any, in accounting policies and practices and reasons for the same;
 - major accounting entries involving estimates based on the exercise of judgment by management;
 - significant adjustments made in the financial statements arising out of audit findings;
 - compliance with listing and other legal requirements relating to financial statements;
 - disclosure of any related party transactions;
 - modified opinion(s) in the draft audit report;
- e. Reviewing, with the management the quarterly financial statements before submission to the Board for approval.
- f. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/notice and the report submitted by the monitoring agency, monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
- g. Review and monitor the auditor's independence and performance and effectiveness of audit process.
- h. Approval or any subsequent modification of transactions of the Company with related parties.
- i. Scrutiny of inter-corporate loans and investments.
- j. Valuation of undertakings or assets of the Company, wherever it is necessary.
- k. Evaluation of internal financial controls and risk management systems.
- l. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.

REPORT ON CORPORATE GOVERNANCE (contd.)

- m. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- n. Discussion with internal auditors of any significant findings and follow up there on.
- o. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- p. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- q. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non- payment of declared dividends) and creditors.
- r. To review the functioning of the Whistle Blower mechanism.
- s. Approval of appointment of CFO after assessing the qualifications, experience & background, etc. of the candidate.
- t. Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
- u. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation, etc., on the Company and its shareholders.
- v. Review the compliance with the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended at least once in a financial year and verifying that the systems for internal control are adequate and are operating effectively.
- w. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

(ii) Composition

The composition of the Audit Committee as on 31st March, 2022 is as under:

Name of the Directors	Position	Category of Director	Meetings attended
Mr. Umang Kanoria	Chairman	Non-Executive Independent Director	4
Mr. Santanu Bhattacharya	Member	Non-Executive Independent Director	6
Mr. Noshir Naval Framjee	Member	Non-Executive Independent Director	6

IV. Nomination and Remuneration Committee

(i) Terms of Reference

The Nomination and Remuneration Committee (NRC) of the Company functions in accordance with the Act and SEBI LODR Regulations, which are reviewed from time to time. The broad terms of reference of NRC are as follows:

1. Formulate 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;
2. For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description.

For the purpose of identifying suitable candidates, the Committee may:

- i. use the services of an external agencies, if required;
 - ii. consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - iii. consider the time commitments of the candidates
3. Formulation of criteria for evaluation of performance of independent directors and the board of directors;
 4. Devising a policy on Board diversity;

REPORT ON CORPORATE GOVERNANCE (contd.)

5. Identify 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 and shall specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by NRC or by an independent external agency and review its implementation and compliance;
6. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
7. Recommend to the board, all remuneration, in whatever form, payable to senior management.

During the financial year ended 31st March, 2022, NRC met 5 (five) times on 26th April, 2021, 12th May, 2021, 14th July, 2021, 3rd August, 2021 and 17th January, 2022.

(ii) Composition

The composition of NRC as on 31st March, 2022 and attendance at its meeting is as under:

Name of the Directors	Position	Category of Director	Meetings attended
Mr. Noshir Naval Framjee	Chairman	Non-Executive Independent Director	5
Mr. Umang Kanoria	Member	Non-Executive Independent Director	5
Mr. Santanu Bhattacharya	Member	Non-Executive Independent Director	4

(iii) Performance evaluation criteria for Independent Directors:

The performance evaluation criteria for Independent Directors forms part of the Directors' report.

Remuneration Policy

The Company has adopted a Remuneration Policy for Directors, Key Managerial Personnel and other employees in accordance with the provisions of the Act and the SEBI LODR Regulations.

The details on the Remuneration Policy is available on the website of the Company.

https://r.saregama.com/resources/pdf/investor/Nomination_and_remuneration_policy.pdf

Remuneration to Directors

A. Non-Executive Directors

The Non-Executive Directors do not draw any remuneration from the Company except sitting fees in accordance with Article 93 of the Articles of Association of the Company.

Details of the Remuneration paid to Non-Executive Directors for the year ended 31st March, 2022 are as follows:

Sl. No.	Name of the Directors	Sitting Fees Paid (Rs.)
1.	Dr. Sanjiv Goenka	1,75,000
2.	Mrs. Preeti Goenka	1,40,000
3.	Mrs. Avarna Jain	1,40,000
4.	Mr. Umang Kanoria	1,95,000
5.	Mr. Santanu Bhattacharya	3,00,000
6.	Mr. Arindam Sarkar	1,65,000
7.	Mr. Noshir Naval Framjee	2,75,000
8.	Ms. Suhana Murshed	1,45,000
	Total	15,35,000

Criteria for making payments to Non-executive directors

For Non-Executive Directors, the criteria for payment shall be based on criteria viz. the considerations which led to the selection of the Director on the Board and the delivery against the same, contribution made to the Board / Committees, attendance at the Board / Committee Meetings, impact on the performance of the Board / Committees, instances of sharing best and next practices, engaging with top management team of the Company, participation in strategy Board Meetings etc.

REPORT ON CORPORATE GOVERNANCE (contd.)

Executive Directors

The remuneration paid to the Executive Directors is commensurate with industry standards and Board level positions held in similar sized companies, taking into consideration the individual responsibilities shouldered by them and is in consonance with the terms of appointment approved by the Members, at the time of their appointment.

Details of remuneration paid to Executive Director for the Financial Year 2021-2022 are given hereunder:

(Rs. in Lakhs)

Sr. No.	Particulars of Remuneration	Mr. Vikram Mehra* Managing Director
1.	Gross salary	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	885.23
	(b) Value of perquisites u/s 17(2) of Income-tax Act, 1961	12.31
	(c) Profits in lieu of salary under section 17(3) of Income-tax Act, 1961	0.00
2.	Stock Option	-
3.	Sweat Equity	-
4.	Commission - as % of profit	-
5	Others, please specify	40.29
	Total	937.83
	Service Contract	The shareholders at its Annual General Meeting held on 19 th July, 2019 approved the re-appointment of Mr. Vikram Mehra for a period of 5 years.
	Notice period	Not less than three months' notice or three months' basic salary in lieu of notice. Termination of Agreement by the Company upon giving shorter notice, by payment of basic salary in lieu of notice.

* The above remuneration does not include perquisite value of interest free loan and perquisite value of shares options exercised during the year aggregating to Rs. 2919.15 Lakhs for the year ended 31st March, 2022, as defined under the Income-tax Act, 1961.

V. Stakeholders Relationship Committee

The Stakeholders Relationship Committee functions with the objective of looking into the redressal of Stakeholders'/ Investors' grievances. The Stakeholders Relationship Committee is primarily responsible for:

- (1) Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- (2) Review of measures taken for effective exercise of voting rights by shareholders.
- (3) Review of adherence to the service standards adopted by the company in respect of various services being rendered by the Registrar & Share Transfer Agent.
- (4) Review of the various measures and initiatives taken for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

The Stakeholders Relationship Committee's composition and the terms of reference meets with the requirements of the SEBI LODR Regulations and provisions of the Act.

During the year under review, 7 (seven) Meetings of the Stakeholders Relationship Committee were held on 22nd April, 2021, 23rd June, 2021, 24th August, 2021, 28th September, 2021, 29th November, 2021, 2nd March, 2022 and 22nd March,

REPORT ON CORPORATE GOVERNANCE (contd.)

2022.

The following is the composition of the Stakeholders Relationship Committee as on 31st March, 2022:

Name of the Directors	Position	Category	Meetings attended
Dr. Sanjiv Goenka	Chairman	Non-Executive Director	7
Mr. Umang Kanoria	Member	Non-Executive Independent Director	4
Mr. Santanu Bhattacharya	Member	Non-Executive Independent Director	7

The Statement of Investors Complaints is placed before the Board of Directors on a quarterly basis as required under SEBI LODR Regulations as amended.

Mrs. Kamana Goenka, Company Secretary acts as Compliance Officer of the Company for FY 2021-22.

Status of Shareholders' Complaints (including SCORES complaints):

Complaints pending as on 1 st April, 2021	Nil
Number of complaints	
- received during the year	04
- resolved during the year	04
Complaints pending as on 31 st March, 2022	Nil

There are no complaints pending or unresolved to the satisfaction of shareholders.

"Share Transfer Sub-Committee" constituted by the Board of Directors is responsible for share transfers, transmissions and allied matters. The composition of Share Transfer Sub-Committee as on 31st March, 2022 is as under:

Name of the Directors	Position	Category
Mr. Vikram Mehra	Chairman	Managing Director
Ms. Rashna Pochkhanawala	Member	N.A.
Mr. Vineet Garg	Member	N.A.

The Share Transfer Sub-Committee met 4 times during the financial year ended 31st March, 2022.

VI. Corporate Social Responsibility (CSR) Committee

The CSR committee has been constituted in accordance with the Act to:

- Formulate and recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken by the Company in areas or subject specified in Schedule VII;
- Recommend the amount of expenditure to be incurred on the activities referred to in clause (a); and
- Monitor the CSR policy of the Company from time to time.

During the year, the CSR Committee met once on 30th March, 2022. The details of composition and attendance is as under:

Name of the Directors	Position	Category of Director	Attendance
Mr. Umang Kanoria	Member	Non-Executive Independent Director	1
Mr. Santanu Bhattacharya	Member	Non-Executive Independent Director	1
Mr. Noshir Naval Framjee	Member	Non-Executive Independent Director	1

The Company Secretary acts as Secretary to the Committee.

Independent Directors Meetings

During the year 2021-2022, the Independent Directors viz., Mr. Umang Kanoria, Mr. Santanu Bhattacharya, Mr. Arindam Sarkar, Mr. Noshir Naval Framjee and Ms. Suhana Murshed met on 30th March, 2022 in order to, inter alia, review the performance of non-independent directors including that of the Chairman taking into account the views of the executive and non-executive directors; assess the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties and other related matters. As on the date of the meeting there were 5 (five) Independent Directors and all of them attended the said meeting.

REPORT ON CORPORATE GOVERNANCE (contd.)

In the opinion of the Board, the Independent Directors fulfill the conditions specified in SEBI LODR Regulations and are independent of the management.

VII. Risk Management Committee

The Board of Directors at its meeting held on 2nd May, 2021 approved the constitution of Risk Management Committee as required under Regulation 21 of SEBI LODR Regulations for top 1,000 listed entities based on market capitalization.

The terms of reference of the Risk Management Committee (RMC) are well defined to include the matters specified for Risk Management in compliance with the provisions of the Act and Regulation 21 of the SEBI LODR Regulations as amended from time to time. The Terms of Reference of the RMC as amended up to date are given below:

1. To formulate a detailed risk management policy which shall include:
 - (a) A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
 - (b) Measures for risk mitigation including systems and processes for internal control of identified risks.
 - (c) Business continuity plan.
2. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
3. To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
4. To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
5. To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
6. The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

During the year, the Risk Management Committee met twice on 19th January, 2022 and 30th March, 2022. The details of composition and attendance is as under:

Name of the Directors	Position	Category of Director	Attendance
Mr. Vikram Mehra	Chairperson	Managing Director	2
Mr. Santanu Bhattacharya	Member	Non-Executive Independent Director	2
Mr. Noshir Naval Framjee	Member	Non-Executive Independent Director	2
Ms. Rashna Pochkhanawala	Member	NA	2
Mr. Vineet Garg	Member	NA	0

VIII. Finance Committee

The role of Finance Committee inter-alia includes the following:

- To review the operations of the Company in general;
- To review the systems followed by the Company;
- To authorize opening and closing of bank accounts;
- To authorize additions/deletions to the signatories pertaining to banking transactions;
- To delegate authority to the Company officials to represent the Company at various courts, government authorities and so on;
- To attend to any other responsibility as may be entrusted by the Board to investigate any activity within terms of reference.
- To obtain outside legal professional advice as considered necessary; and

REPORT ON CORPORATE GOVERNANCE (contd.)

- To investigate any activity within terms of reference.

During the year under review, 4 (four) Meetings of the Finance Committee were held on 12th May, 2021, 29th June, 2021, 02nd November, 2021 and 30th March, 2022.

The details of composition of Finance Committee as on 31st March, 2022 is as under:

Name of the Directors	Position	Category of Director	Meetings attended
Mr. Vikram Mehra	Chairman	Managing Director	4
Mr. Santanu Bhattacharya	Member	Non-Executive Independent Director	3
Mr. Noshir Naval Framjee	Member	Non-Executive Independent Director	4

XV. Fund Raising Committee

The Board of Directors in its meeting held on 16th September, 2021 approved the constitution of Committee namely "Fund Raising Committee" for giving effect to the fund-raising activities approved by the Board.

The role of Fund-Raising Committee shall include the following:

- Decide the date for the opening and closing of the Issue of Securities, including determining the form and manner of the Issue, including the class of investors to whom the Securities are to be issued and allotted, type of security, number of Securities to be issued/allotted, issue price, face value, discount/premium and execution of various transaction documents;
- The Issue of Securities and allotment of the aforesaid Equity Shares shall be made at such time or times as the Board may in its absolute discretion decide, subject, however to applicable guidelines, notifications, rules and regulations;
- Finalisation of the allotment of the Securities on the basis of the subscriptions received and approving the allotment of the Securities;
- To deal with over subscription/under subscription in such manner as may be permitted by the applicable regulations;
- to decide and finalize the objects of the Issue for which funds are being raised by the Company and all such additional matters in connection with or incidental thereto;
- Finalisation of any arrangement for the submission of the preliminary and final offering circulars/prospectus(es)/offer document(s), letter of offer(s), placement document(s) and any amendments and supplements thereto, with any applicable government and regulatory authorities, institutions or bodies, as may be required

The details of composition of Fund raising Committee as on 31st March, 2022 is as under:

Name of the Directors	Position	Category of Director	Meetings attended
Mr. Vikram Mehra	Chairman	Managing Director	4
Mr. Santanu Bhattacharya	Member	Non-Executive Independent Director	4
Mr. Noshir Naval Framjee	Member	Non-Executive Independent Director	4

IX. Committee of Independent Directors

The Board of Directors in its meeting held on 30th March, 2022 approved the constitution of sub-committee namely "Committee Independent Directors" for the recommendation of proposed draft Scheme of Arrangement between Saregama India Limited and Digidrive Distributors Limited ("Resulting Company") and their respective shareholders and creditors under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 ("Act") ("Scheme")

The details of composition of Committee of Independent Directors as on 31st March, 2022 is as under:

Name of the Directors	Position	Category of Director	Meetings attended
Mr. Umang Kanoria	Member	Non-Executive Independent Director	1
Mr. Arindam Sarkar	Member	Non-Executive Independent Director	1
Mrs. Suhana Murshed	Member	Non-Executive Independent Director	1
Mr. Santanu Bhattacharya	Member	Non-Executive Independent Director	1
Mr. Noshir Naval Framjee	Member	Non-Executive Independent Director	1

REPORT ON CORPORATE GOVERNANCE (contd.)

X. General Body Meetings

Location and time of the last three Annual General Meetings (AGM) held:

Date	Type	Venue	Time	Special Resolutions Passed
16 th August, 2021	74 th AGM	The AGM was held through Video Conferencing/Other Audio Visual Means	12:00 noon	Yes
11 th August, 2020	73 rd AGM	The AGM was held through Video Conferencing/Other Audio Visual Means	11.00 AM	Yes
19 th July, 2019	72 nd AGM	Mohit Moitra Mancha, 34/1, Raja Manindra Road, Paikpara, Kolkata - 700037.	10.30 AM	Yes

An Extra-Ordinary General Meeting (EGM) of the Members of the Company was held on 19th October, 2021 at 11.00 A.M. (IST) through video conferencing to approve raising of funds by issuance of securities by way of Qualified Institutional Placement (QIP), for an aggregate amount not exceeding Rs. 750 Crore.

Details of Special Resolutions passed last year through Postal Ballot:-

The Member had passed the following Resolutions as Special Resolutions by requisite majority by way of postal ballot through voting by electronic means –

- I. The adoption of new Articles of Association of the Company to make them consistent and aligned with the provisions of the Companies Act, 2013: and
- II. Sub-division (split) of 1 (one) Equity Share of the Company having a face value of Rs. 10/- each (fully paid-up) to be sub-divided into 10 (Ten) Equity Shares of face value of Re. 1/- each (fully paid-up) and consequently, alteration of Capital Clause of the Memorandum of Association of the Company resulting from the said sub-division.

Brief particulars of the postal ballot are provided below:-

The Board of Directors of the Company has, in compliance with the Rules, appointed Mr. Mohan Ram Goenka, Practicing Company Secretary, (Membership No. F4515 and CP No: 2551) as the Scrutinizer for conducting this Postal Ballot process through remote e-voting.

Dispatch of the Postal Ballot Notice dated 24th February, 2022 along with the Explanatory Statement, were completed on 1st March, 2022 through electronic mode to all those Members, whose email addresses were registered with the Company or with the Company's Registrar and Share Transfer Agent, namely, MCS Share Transfer Agent Ltd ("RTA") or with their respective Depository Participants ("Depository"), in compliance with the MCA Circulars and SEBI Circulars.

The Postal Ballot Notice was also posted on the website of the Company namely www.saregama.com .

With regard to the Postal Ballot Notice of the Company dated 24th February, 2022, E-voting commenced on Wednesday, 2nd March, 2022 at 9:00 A.M. (IST) and ended on Thursday, 31st March, 2022 at 05:00 P.M. (IST).

All the proposed Resolutions were passed with requisite majority and the Voting Results were duly intimated to the Stock Exchanges pursuant to Regulation 44(3) of the SEBI LODR Regulations as well as displayed on the Company's website at www.saregama.com .

Other Disclosures

- (i) Details of all the related party transactions during the year have been set out in the Annual Accounts. These are not having any potential conflict with the interests of the Company at large.
- (ii) During the last three years, there were no penalty or stricture imposed on the Company either by the stock exchanges or SEBI, or any other statutory authority for non-compliance of any matter related to capital markets except penalty of Rs. 3,83,500/- each, levied by BSE Ltd. (BSE) and National Stock Exchange of India Ltd. (NSE), for non-appointment of Independent Woman Director for the period from 1st April, 2020 to 4th June, 2020. In this regard, the Company had duly paid the fine to NSE and applied for waiver of fine with BSE and complied with the provisions of Regulation 17(1) of SEBI LODR Regulations w.e.f. 5th June, 2020. The BSE has approved the waiver application made by the Company.

Further, securities of the Company have not been suspended for trading at any point of time during the financial year ended 31st March, 2022.

REPORT ON CORPORATE GOVERNANCE (contd.)

- (iii) The Company has complied with all the requirements of the Listing Agreement with the Stock Exchanges as well as regulations and guidelines of SEBI except for the appointment of atleast one Independent Woman Director as per the provisions of Regulation 17(1) of SEBI LODR Regulations for the period 01st April, 2020 to 4th June, 2020.
- (iv) Out of 53,38,628 equity shares of face value Rs.10/- each issued 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 of face value Rs.10/- each (31st March, 2021 - 5,290 equity shares of face value Rs.10/- each) (relating to cases under litigation/ pending clearance from the concerned authorities) are kept in abeyance as on 31st March, 2022.
- (v) Laid down procedures for assessment and minimisation of risk are being reviewed and updated periodically by the Board of Directors.
- (vi) **Mandatory requirements of corporate governance:** The Company hereby confirms that it has complied with the corporate governance requirements specified in Regulations 17 to 27 and clause (b) to (i) and (t) of Regulation 46(2) of SEBI LODR Regulations. Further, the non-mandatory requirements are provided in point (xiii) mentioned below.
- (vii) Certificate from the Managing Director and Chief Financial Officer in terms of Part B of Schedule II pursuant to Regulation 17(8) of the SEBI LODR Regulations for the financial year ended 31st March, 2022 was placed before the Board of Directors of the Company at its meeting held on 2nd May, 2022.

The Company has established internal control systems and procedures which in certain cases are in the process of being further documented and updated.

- (viii) In compliance with the SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended, a comprehensive code of conduct for its Directors and Senior Management Officers is being placed by the Company. The Code lays down guidelines, which advises them on procedures to be followed and disclosures to be made, while dealing with shares of the Company. The Code clearly specifies, among other matters, that Directors and specified employees of the Company can trade in the shares of the Company only during 'Trading Window Open Period'. The trading window is being closed during the time of declaration of results, dividend and other events, as per the Code.
- (ix) As required under the Act and as stipulated in SEBI LODR Regulations, the Company has formulated a Whistle Blower Policy for its Directors and permanent employees. Under the Policy, instances of any irregularity, unethical practice and / or misconduct can be reported to the management for appropriate action. It is affirmed that no personnel of the Company has been denied access to the Audit Committee.
- (x) The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013 covering all employees of the Company. An Internal Complaints Committee has been set up for the purpose. There were no Complaints filed, disposed of, or pending during the financial year ended 31st March, 2022.
- (xi) The Policy for dealing with Related Party Transactions is available on the website of the Company at https://r.saregama.com/resources/pdf/investor/policy_on_dealing_with_related_parties.pdf
- (xii) The Company and its subsidiaries have not granted any Loans and advances in the nature of loans to firms/companies in which directors are interested.
- (xiii) **Discretionary Requirements:** (Regulation 27 of SEBI LODR Regulations)

Particulars	Status
a) Modified opinion(s) in audit report:	During the financial year 2021-22, there was no audit qualification in the financial statements of the Company.
b) Separate posts of Chairperson and the Managing Director or the Chief Executive Officer	The Company has appointed Dr. Sanjiv Goenka (Non-Executive -Non Independent Director) as the Chairperson of the Company and Mr. Vikram Mehra as the Managing Director of the Company who are not related to each other as per the definition of the term "relative" defined under the Companies Act, 2013.
c) Reporting of Internal Auditor	Internal Auditors of the Company make presentations to the Audit Committee on their Reports.

REPORT ON CORPORATE GOVERNANCE (contd.)

Other Items

The rest of the Non-Mandatory Requirements will be implemented by the Company as and when required and/or deemed necessary by the Board.

(xiv) Subsidiary Companies

Of the subsidiaries of the Company, the unlisted subsidiaries as on 31st March, 2022 does not come under the purview of “material subsidiary” as stipulated in SEBI LODR Regulations. The policy on material subsidiaries is available on the website of the company at https://r.saregama.com/resources/pdf/investor/material_subsidary_policy.pdf

(xv) The total fees for all services paid by Saregama India Limited and its subsidiaries, on a consolidated basis, to the statutory auditor is Rs. 95.38 Lakhs.

(xvi) The foreign exchange risk and hedging activities forms a part of the financial statements.

(xvii) The Board has accepted all the mandatory recommendations of Audit Committee.

(xviii) The Company has obtained credit rating for bank facilities from CARE ratings for the following long term and short term borrowings:

Facilities	Amount (in Rs. Crore)	Ratings
Long term bank facilities	65	CARE A+; Positive (Single A+; Outlook:Positive)
Short term bank facilities	10	Care A1+ (A One Plus)
Total	75	

XI. Means of Communication

Newspapers in which quarterly results are normally published	Financial Express (English) and Aajkaal(Bengali)
Any website, where displayed	www.saregama.com
Whether it displays official news releases, presentations made to institutional investors or to the analysts	All the vital information relating to the Company like quarterly results, annual results, official press releases, presentations, if any, made to Institutional Investors or Analysts are posted on the website of the Company at www.saregama.com and on the website of the Stock Exchanges on timely basis.
Whether Management Discussions and Analysis is a part of Annual Report or not	Yes

XIII. General Shareholder Information

AGM Date, Time and Venue	4 th August, 2022, 11:30 AM through Video Conferencing
Financial Year	April to March
Dates of book closure	Friday, 29 th July, 2022, to Thursday, 4 th August, 2022 (both days inclusive)
Interim Dividend Payment Date	Dividend @300%, i.e. Rs. 30/- per equity share on the face value of Rs.10/- per equity share for the year ended 31 st March, 2022 was declared by the Board of Directors on 19 th Januray, 2022 and paid on 14 th February, 2022
Listing on Stock Exchanges	BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001. National Stock Exchange of India Limited 'Exchange Plaza', C-1, Block G, Bandra-Kurla Complex, Bandra (East), Mumbai – 400 051

The Company has paid Listing fees for the year 2022-2023 to both the Stock Exchanges.

a) Stock Code:

BSE Limited	:	532163
National Stock Exchange of India Limited	:	SAREGAMA
ISIN Number for NSDL and CDSL	:	INE979A01025

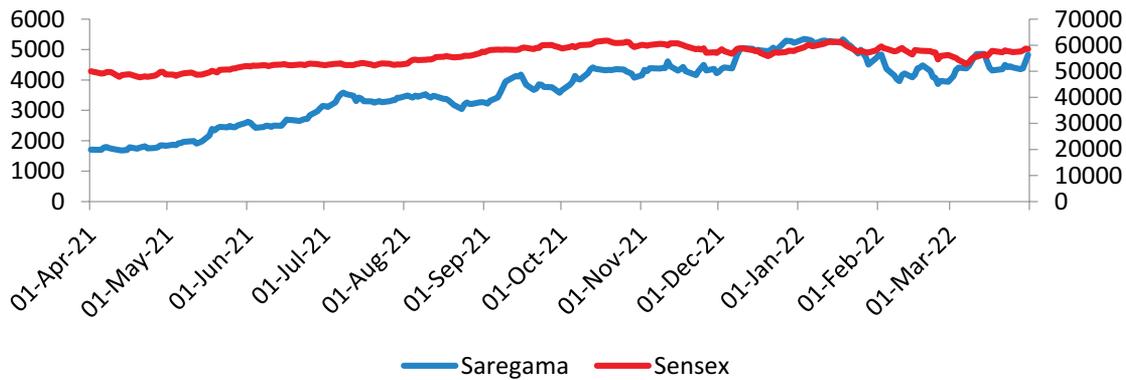
REPORT ON CORPORATE GOVERNANCE (contd.)

b) Market Price Data - As quoted in NSE and BSE and reference of Saregama in comparison with BSE Sensex:

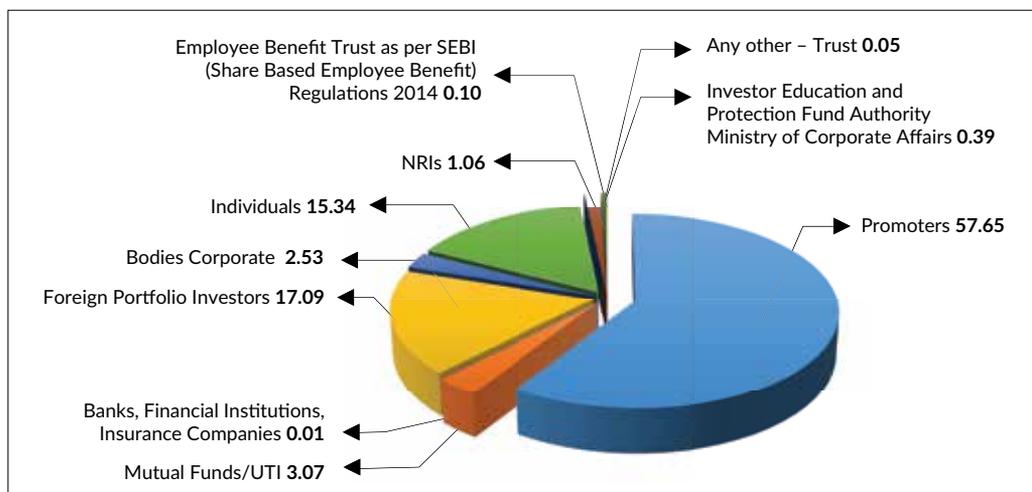
Month	Saregama Share prices with NSE		Saregama Share prices with BSE		BSE Sensex	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
April, 2021	1,949.95	1,601.20	1,920	1,619	50,375.77	47,204.50
May, 2021	2,622.95	1,802.10	2,626.85	1,810.00	52,013.22	48,028.07
June, 2021	3,209.95	2,400.00	3,200.00	2,378.80	53,126.73	51,450.58
July, 2021	3,629.00	2,974.40	3,660.00	3,050.00	53,290.81	51,802.73
August, 2021	3,597.00	2,953.00	3,579.00	2,970.00	57,625.26	52,804.08
September, 2021	4,260.00	3,150.00	4,294.00	3,180.00	60,412.32	57,263.90
October, 2021	4,500.00	3,420.00	4,493.40	3,500.00	62,245.43	58,551.14
November, 2021	4,728.30	3,885.00	4,839.70	3,968.80	61,036.56	56,382.93
December, 2021	5,490.00	4,150.00	5,487.00	4,125.00	59,203.37	55,132.68
January, 2022	5,505.85	4,497.85	5,458.95	4,475.00	61,475.15	56,409.63
February, 2022	4,910.00	3,775.00	4,915.00	3,800.00	59,618.51	54,383.20
March, 2022	4,900.00	3,900.00	4,980.00	3,905.00	58,890.92	52,260.82

c) Stock Performance of Saregama India Vs. BSE Indices :

Saregama Share Price versus BSE Sensex

d) Shareholding pattern as on 31st March, 2022:

Sl. No.	Category	No. of Equity shares held	%
1	Promoters	1,11,14,979	57.65
2	Mutual Funds/UTI	5,92,411	3.07
3	Banks, Financial Institutions, Insurance Companies	2,468	0.01
4	Foreign Portfolio Investors	32,95,924	17.09
5	Bodies Corporate	4,88,696	2.53
6	Individuals	29,58,356	15.34
7	NBFCs registered with RBI	100	0.00
8	NRIs	2,05,316	1.06
9	Employee Benefit Trust as per SEBI (Share Based Employee Benefit) Regulations 2014	20,000	0.10
10	Any other - Trust	10,510	0.05
11	Central / State Government	74	0.00
12	Investor Education and Protection Fund Authority Ministry of Corporate Affairs	75,134	0.39
	Total	1,92,80,949	100.00

REPORT ON CORPORATE GOVERNANCE (contd.)

e) Distribution of Holdings as on 31st March, 2022:

Range	Shares	Folios	Percent shares	Percent holders
1 - 500	12,92,494	44576	6.7035	98.3345
501 - 1000	2,46,004	332	1.2759	0.7324
1001 - 2000	2,43,566	168	1.2632	0.3706
2001 - 3000	1,82,111	72	0.9445	0.1588
3001 - 4000	1,01,011	29	0.5239	0.064
4001 - 5000	69,562	15	0.3608	0.0331
5001 - 10000	3,80,574	53	1.9738	0.1169
10001 - 50000	14,24,086	65	7.386	0.1434
50001 - 100000	4,74,576	7	2.4614	0.0154
100001 And Above	1,48,66,965	14	77.107	0.0309
Total	1,92,80,949	45331	100.0000	100.0000

f) Registrar and Share Transfer Agents:

MCS Share Transfer Agent Limited
 383, Lake Gardens, 1st Floor, Kolkata - 700045
 (Contacts: Mr. S. Ghosh / Mr. P. Mukherjee)
 Telephone: (033) 4072 4051 - 53
 Fax: (033) 4072 4050
 Email: mcssta@rediffmail.com

g) Share transfer system:

A Share Transfer Sub-Committee is constituted to approve the transfers and transmissions of shares and allied matters. MCS Share Transfer Agent Limited, the Registrars and Share Transfer Agents looks after the share transfers (for both physical and dematerialised shares) and redressal of investor complaints. In addition, the Company Secretary oversees the work of MCS Share Transfer Agent Limited to ensure that the queries of the investors are replied to within a reasonable period.

The Company's Registrars, MCS Share Transfer Agent Limited, have adequate infrastructure to serve the shareholders and process the share transfers. In compliance with the Listing Agreement every six months the share processing system is audited by a Practising Company Secretary and a Certificate to that effect is issued ensuring that shares are transferred within the period specified under the applicable SEBI LODR Regulations.

REPORT ON CORPORATE GOVERNANCE (contd.)

As per the recent amendments to the SEBI LODR effective from 24th January, 2022 and SEBI's Circular dated 25th January, 2022, it has been mandated that listed companies shall henceforth issue the securities in dematerialized form only while processing the service requests for (a) issue of duplicate securities certificate; (b) claim from Unclaimed Suspense Account; (c) Renewal / Exchange of securities certificate; (d) Endorsement; (e) Sub-division / Splitting of securities certificate; (f) Consolidation of securities certificates/folios; (h) Transmission, and (i) Transposition. In accordance with the said Circular, Company's RTA shall verify and process the service requests and thereafter issue a 'Letter of confirmation' in lieu of physical securities certificate(s), to the securities holder/claimant. Such 'Letter of Confirmation' shall be valid for a period of 120 days from the date of its issuance, within which the securities holder/claimant shall make a request to the Depository Participant for dematerializing the said securities.

h) Dematerialisation of shares and liquidity:

As at 31st March, 2022, a total of 1,92,08,391 Equity Shares of the Company, constituting 99.62% of the paid-up share capital, stand dematerialized.

i) Outstanding GDR / ADRs / Warrants or any Convertible Instruments, Conversion date and likely impact on Equity: None.

j) The foreign exchange risk and hedging activities forms a part of the financial statements.

k) Commodity price risk or foreign exchange risk and hedging activities:

The Company operates in International markets and therefore is exposed to foreign currency risk arising from foreign currency transactions. Foreign currency risk is the risk that the fair value of the future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company transacts business in local currency and in foreign currencies (primarily US Dollars and GBP). The Company has foreign currency trade receivables, trade payables and advances and is therefore exposed to foreign currency risk. The risk is measured through a forecast of highly probable foreign currency cash flows.

The Company's risk management policy is hedging of net foreign currency exposure at all points in time through foreign exchange forward contracts. The objective of the hedging is to eliminate the currency risk due to volatility in exchange rates.

The Company does not deal in commodities and hence the disclosure pursuant to SEBI Circular dated 15th November, 2018 is not required to be given.

l) Plant location:

None

m) Address for correspondence:

Registered Office : 33, Jessore Road, Dum Dum, Kolkata, West Bengal - 700028

Corporate Office : 30, 2nd Floor, Spencer Building, Forjett Street, Grant Road, Mumbai - 400056

Contact Person : Mr. Pankaj Mahesh Chaturvedi, Chief Financial Officer

Telephone : (033) 6688 6200 Email: co.sec@saregama.com

n) Details of utilization of funds raised through preferential allotment or qualified institutional placement as specified under Regulation 32(7A):

During the year ended 31st March, 2022, the Company has issued and allotted 18,50,937 Equity Shares of the Face Value of Rs. 10/- each at an Issue price of Rs. 4,052/- per Equity Share including a premium of Rs. 4,042/- per Equity Share aggregating to Rs. 74,999.97 Lakhs (including securities premium of Rs. 74,814.87 Lakhs) on 10th November, 2021. The Company had incurred expenses amounting to Rs.1,684.34 Lakhs towards issuance of equity shares which have been debited to securities premium account. The issue was made through eligible Qualified Institutional Placement (QIP) in terms of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (SEBI ICDR Regulations) as amended, Section 42, Section 62 and other relevant provisions of the Companies Act, 2013.

REPORT ON CORPORATE GOVERNANCE (contd.)

Pursuant to the allotment of equity shares in the QIP, the paid-up equity share capital of the Company has increased from Rs.1743.00 lakhs comprising of 1,74,30,012 equity shares to Rs. 1928.09 lakhs comprising of 1,92,80,949 equity shares.

The Company has complied with applicable provisions of the Companies Act, 2013 and SEBI ICDR Regulations in respect of Qualified Institutions Placement of equity shares during the year. The amount raised, has been used for the purposes for which the funds were raised except for unutilised funds amounting to Rs. 71,048.13 Lakhs as at 31st March, 2022 which have been invested in liquid funds.

o) Certificate from Practicing Company Secretary on Non-Disqualification of Directors

A certificate from practicing company secretary stating that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority is annexed as **"Annexure 1"**.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Dr. Sanjiv Goenka

Chairman and Non-Executive Director
DIN:00074796

Date: 2nd May, 2022
Place: Kolkata

Vikram Mehra

Managing Director
DIN: 03556680

Date: 2nd May, 2022
Place: Mumbai

Declaration by the Managing Director under Regulation 34(3) read with Para D of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

I, Vikram Mehra, Managing Director of Saregama India Limited declare that all the Members of the Board of Directors and Senior Management personnel have, for the year ended 31st March, 2022, affirmed compliance with the Code of Conduct laid down by the Board of Directors in terms of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as applicable.

Place: Mumbai
Date: 2nd May, 2022

Vikram Mehra
Managing Director
DIN - 03556680

REPORT ON CORPORATE GOVERNANCE (contd.)

PRACTICING COMPANY SECRETARY'S CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To
The Members,
Saregama India Limited
33, Jessore Road, Dum Dum,
Kolkata 700028

We have examined the compliance of conditions of Corporate Governance by Saregama India Limited ("the Company") for the year ended on 31st March, 2022, as stipulated in Schedule V and other relevant provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ["the Regulations"] as amended from time to time.

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

In our opinion and to the best of our information and according to the explanations given to us and based on the representation made by the directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Regulations') as amended.

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

For **M R & Associates**
Company Secretaries
A Peer Reviewed Firm
Peer Review Certificate No.: 720/2020

M R Goenka
Partner
C P No.: 2551
UDIN: F004515D000550610

Place: Kolkata
Date: 02.05.2022

REPORT ON CORPORATE GOVERNANCE (contd.)
“ANNEXURE – 1” to Corporate Governance Report
CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C Clause (10)(i) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members
Saregama India Limited,
 33, Jessore Road,
 Dum Dum,
 Kolkata-700028.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Saregama India Limited** having **CIN L22213WB1946PLC014346** and having registered office at 33, Jessore Road, Dum Dum, Kolkata-700028 (hereinafter referred to as ‘**the Company**’), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information, based on (i) documents available on the website of the Ministry of Corporate Affairs as on 28th April, 2022 and Stock Exchanges as on 29th April, 2022 (ii) Verification of Directors Identification Number (DIN) status at the website of the Ministry of Corporate Affairs, and (iii) disclosures provided by the Directors (as enlisted in Table A) to the Company, we hereby certify that none of the Directors on the Board of the Company (as enlisted in Table A) have been debarred or disqualified from being appointed or continuing as directors of the companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other statutory authority as on 31st March, 2022.

Table A

Sr. No.	Name of the Directors	Director Identification Number	Date of appointment in Company
1.	Sanjiv Goenka	00074796	17/08/1991
2.	Umang Kanoria	00081108	28/09/2015
3.	Noshir Naval Framjee	01646640	12/06/2017
4.	Santanu Bhattacharya	01794958	22/12/2015
5.	Avarna Jain	02106305	29/05/2018
6.	Vikram Mehra	03556680	27/10/2014
7.	Preeti Goenka	05199069	27/05/2013
8.	Arindam Sarkar	06938957	22/12/2015
9.	Suhana Murshed	08572394	23/03/2021

For Makarand M. Joshi & Co.
 Practicing Company Secretaries

Kumudini Bhalerao
 Partner
 FCS No. 6667
 CP No. 6690
 UDIN: F006667D000258215

Date: 2nd May, 2022
 Place: Mumbai

INDEPENDENT AUDITORS' REPORT ON THE STANDALONE FINANCIAL STATEMENTS

To the Members of Saregama India Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Saregama India Limited (the "Company"), which comprise the standalone balance sheet as at 31 March 2022, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

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 Companies Act, 2013 ("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 2022, and its profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Standalone Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us, is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Description of Key Audit Matter

Revenue Recognition

See note 21 to the standalone financial statements

The key audit matter	How the matter was addressed in our audit
<p>The Company derives its revenues from the sale of contractually manufactured products; licensing of music rights and income from films and television serials including free commercial time.</p> <p>The recognition of revenue from licence fees has been considered to be critical since the Company has entered into multiple complex contracts with its customers. Apart from the contractual agreements as entered, the Company recognised revenue based on the logs/ information as received from such customers.</p> <p>The complexity of these contractual terms also requires the Company to make judgements in assessing fulfillment of its obligations under the contracts to recognise the revenue in line with the accounting policy adopted.</p>	<p>In view of the significance of the matter we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence:</p> <ul style="list-style-type: none"> • We have evaluated the terms of significant contracts pertaining to revenue from licence fees to identify the performance obligations under these contracts; • We have considered the revenue recognition policies of the Company in respect of those contracts and assessed the consistent application of these policies in light of the requirements of relevant accounting standards; • We have tested the effectiveness of relevant controls over revenue from licence fees; • We have selected sample transactions and performed substantive procedures with regard to revenue from licence fees by agreeing to third party information, logs received from the customers and other relevant information; • We tested the transactions closer to the year end to check the recognition of revenue in the correct period; and • Evaluated the adequacy of the standalone financial statement disclosures required by Ind AS115

Other Information

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the standalone financial statements and our auditor's report thereon.

INDEPENDENT AUDITORS' REPORT ON THE STANDALONE FINANCIAL STATEMENTS (contd.)

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's and Board of Directors' Responsibilities for the Standalone Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified 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 judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Management and Board of Directors are 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of standalone financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

INDEPENDENT AUDITORS' REPORT ON THE STANDALONE FINANCIAL STATEMENTS (contd.)

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143 (11) 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. (A) 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 standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows 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 Ind AS specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on 31 March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 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 with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- (B) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - a) The Company has disclosed the impact of pending litigations as at 31 March 2022 on its financial position in its standalone financial statements - Refer Note 36 to the standalone financial statements.
 - b) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - c) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - d) (i) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
 - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or
 - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
 - (ii) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:
 - directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or
 - provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.

INDEPENDENT AUDITORS' REPORT ON THE STANDALONE FINANCIAL STATEMENTS *(contd.)*

- (iii) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (d) (i) and (d) (ii) contain any material mis-statement.
- e) The dividend declared or paid during the year by the Company is in compliance with Section 123 of the Act.
- (C) With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 read with Schedule V of the Act. The remuneration paid to one director is in excess of the limit laid down under Section 197 read with Schedule V of the Act, however, necessary approval with respect to the same has been obtained by the Company (refer note 34 to the standalone financial statement). The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **BSR & Co. LLP**
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

Jayanta Mukhopadhyay
Partner
Membership No.: 055757
UDIN: 22055757AIHWMT4306

Place: Kolkata
Date: 02 May 2022

ANNEXURE A TO INDEPENDENT AUDITORS' REPORT ON THE STANDALONE FINANCIAL STATEMENTS

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Saregama India Limited for the year ended 31 March 2022

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

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
(B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment, by which all property, plant and equipment are verified in a phased manner over a period of 3 years. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right-of-use assets) or intangible assets during the year except for all assets comprising 'Land' (see Note 3 in the standalone financial statements).
The aforesaid revaluation is based on the valuation performed by a Registered Valuer and the amount of net change was less than 10% in the aggregate of the net carrying value of Land as a class of Property, Plant and Equipment.
- (e) According to information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) According to the information and explanations given to us, the inventory, except stocks lying with third parties, has been physically verified by the management, at reasonable intervals, during the year. For stocks lying with third parties at the year-end, written confirmations have been obtained. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks are in agreement with the books of account of the Company.
- (iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year. The Company has made investments in companies and granted loans to companies and other parties during the year, in respect of which the requisite information is given below under respective sub-clauses. The Company has not made any investments in firms, Limited Liability Partnerships or any other parties. The Company has not granted loans, secured or unsecured to firms or Limited Liability Partnerships.
- (a) Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has provided loans to companies and other parties as below :

Particulars	Loans (Rs. in Lakhs)
Aggregate amount during the year	
- Subsidiaries	197.05
- Others	1,543.33
Balance outstanding as at balance sheet date	
- Subsidiary	102.65
- Others	2,281.90

- (b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investments made during the year and terms and conditions of the grant of loans are, prima facie, not prejudicial to the interest of the Company.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the loans given to subsidiaries are repayable on demand. As informed to us, the Company has not demanded

ANNEXURE A TO INDEPENDENT AUDITORS' REPORT ON THE STANDALONE FINANCIAL STATEMENTS (contd.)

repayment of the loan and interest during the year. Thus, there has been no default on the part of the party to whom the money has been lent. In case of interest free loans given to other parties, the repayment of principal has been stipulated, however no amount is due to be received during the year. Further, the Company has not given any advance in the nature of loan to any party during the year.

- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given. Further, the Company has not given any advances in the nature of loans to any party during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties. Further, the Company has not given any advances in the nature of loans to any party during the year.
- (f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment except for the following loans to its related parties as defined in Clause (76) of Section 2 of the Companies Act, 2013:

	All Parties (Rs. in Lakhs)	Related Parties (Rs. in Lakhs)
Aggregate of loans		
- Repayable on demand (A)	197.05	197.05
- Agreement does not specify any terms or period of repayment (B)	-	-
Total (A+B)	197.05	197.05
Percentage of loans/advances in nature of loan to the total loans	8.26%	8.26%

- (iv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not provided any guarantee or security during the year that would attract provisions of Section 185 and Section 186 of the Act. In respect of loan given to one director during the year, the Company has complied with the provisions of Section 185 of the Act. In our opinion and according to the information and explanations given to us, in respect of loan given and investments made by the Company, the provisions of Section 186 of the Act have been complied with.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable to the Company.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Act in respect of the products manufactured by the Company and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of the records with a view to determine whether they are accurate or complete. The Company is not required to maintain cost records under Section 148(1) in respect of services rendered.
- (vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into Goods And Services Tax.
According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted/accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, goods and services tax, duty of customs, cess, income tax and other statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.
According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of provident fund, employees' state insurance, goods and services tax, duty of customs, cess, income tax and other statutory dues were in arrears as at 31 March 2022 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no statutory dues relating to income tax, goods and services tax, sales tax, value added tax, duty of customs or cess or other statutory dues which have not been deposited with the appropriate authorities on account of any dispute, except as mentioned below:

Name of the Statute	Nature of the dues	Amount (Rs. in Lakhs)*	Period to which the Amount relates	Forum where the dispute is pending
Central Sales Tax Act, 1956	Sales Tax	1.62	2005-06, 2006-07	Joint Commissioner
Central Sales Tax Act, 1956	Sales Tax	0.54	1990-91	Deputy Commissioner

ANNEXURE A TO INDEPENDENT AUDITORS' REPORT ON THE STANDALONE FINANCIAL STATEMENTS (contd.)

Name of the Statute	Nature of the dues	Amount (Rs. in Lakhs)*	Period to which the Amount relates	Forum where the dispute is pending
Central Sales Tax Act, 1956	Sales Tax	68.36	1999-00	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
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
Uttar Pradesh VAT Act, 2008	Sales Tax	3.46	2013-14	Additional Commissioner, Grade II(Appeal)
Central Sales Tax Act, 1956	Sales Tax	1.40	2013-14	Additional Commissioner, Grade II(Appeal)
Customs Act, 1962	Custom	52.35	2003-04 to 2007-08, 2019-20	Commissioner of Customs
Income Tax Act, 1961	Income tax	1,561.68	2017-18	Commissioner of Income tax Appeals

* Amounts are net of Rs. 225.97 Lakhs which has been deposited under protest by the Company.

- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- (c) According to the information and explanations given to us by the management, the Company has not obtained any term loans during the year. Accordingly, clause 3(ix)(c) of the Order is not applicable to the Company.
- (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries as defined under the Act.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries (as defined under the Act).
- (x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment of equity shares or fully or partly convertible debentures during the year. The Company has made private placement of equity shares during the year in compliance with the requirement of Section 42 of the Act by way of Qualified Institutional Placement (QIP). The proceeds raised from QIP were Rs 74,999.97 lakhs. Out of the net proceeds of Rs. 73,315.63 lakhs (net of share issue expense of Rs. 1,684.34 lakhs), Rs. 2,267.50 lakhs have been utilised till 31 March 2022 for the purposes for which the funds were raised (refer note 39 of standalone financial statements). Pending utilization of the funds raised by issue of equity shares, unutilized funds aggregating to Rs. 71,048.13 lakhs as at 31 March 2022 were temporarily invested in mutual funds and bank deposits. The Company has not made any private placement of fully or partly convertible debentures during the year.

ANNEXURE A TO INDEPENDENT AUDITORS' REPORT ON THE STANDALONE FINANCIAL STATEMENTS (contd.)

- (xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, the transactions with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by applicable accounting standards.
- (xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.
- (xvi) (a) 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, clause 3(xvi)(a) of the Order is not applicable.
- (b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) According to the information and explanations provided to us, the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) has more than one CIC as part of the Group. The Group has 2 CICs as part of the Group.
- (xvii) According to the information and explanations given to us and based on our examination of the records, the Company has not incurred cash losses in the current and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) (a) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project other than ongoing projects. Accordingly, clause 3(xx)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us, in respect of ongoing projects, the Company has transferred the unspent amount to a Special Account within a period of 30 days from the end of the financial year in compliance with Section 135(6) of the said Act.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

Jayanta Mukhopadhyay
Partner

Membership No.: 055757
UDIN: 22055757AIHWMT4306

Place: Kolkata
Date: 02 May 2022

ANNEXURE B TO INDEPENDENT AUDITORS' REPORT ON THE STANDALONE FINANCIAL STATEMENTS

Annexure B to the Independent Auditors' report on the standalone financial statements of Saregama India Limited for the year ended 31 March 2022
Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

(Referred to in paragraph (2(A)(f)) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to standalone financial statements of Saregama India Limited ("the Company") as of 31 March 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls were operating effectively as at 31 March 2022, based on the internal financial controls with reference to standalone 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").

Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in 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 Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements. 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 with reference to standalone financial statements were established and maintained and whether 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 with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of such internal financial controls, 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' judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

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

Meaning of Internal Financial controls with Reference to Standalone Financial Statements

A company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to standalone financial statements include 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 standalone 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 standalone financial statements.

Inherent Limitations of Internal Financial controls with Reference to Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to standalone 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 standalone financial statements to future periods are subject to the risk that the internal financial controls with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No.: 101248W/W-100022

Jayanta Mukhopadhyay

Partner

Membership No.: 055757

UDIN: 22055757AIHWMT4306

Place: Kolkata

Date: 02 May 2022

STANDALONE BALANCE SHEET AS AT 31 MARCH 2022

(Amount in Rupees lakhs, except otherwise stated)

	Notes	As at 31 March 2022	As at 31 March 2021
ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment	3	21,397.90	20,451.77
(b) Right-of-use assets	4	125.88	109.46
(c) Investment properties	5	219.49	225.03
(d) Intangible assets	6	6,013.42	1,787.51
(e) Intangible assets under development	7	174.52	195.02
(f) Financial assets			
(i) Investments	8.1	16,393.98	10,985.30
(ii) Other financial assets	8.2	195.30	191.82
(g) Other non-current assets	9	2,915.61	1,116.92
Total non-current assets		47,436.10	35,062.83
(2) Current assets			
(a) Inventories	10	10,317.01	6,546.82
(b) Financial assets			
(i) Investments	11.1	50,570.95	2,516.38
(ii) Trade receivables	11.2	10,751.04	8,959.04
(iii) Cash and cash equivalents	11.3	14,706.45	629.56
(iv) Bank balances other than (iii) above	11.4	17,100.96	13,383.87
(v) Loans	11.5	2,384.55	1,124.77
(vi) Other financial assets	11.6	787.32	385.62
(c) Current tax assets (net)	12	2,515.85	1,889.18
(d) Other current assets	13	10,585.54	6,986.39
Total current assets		1,19,719.67	42,421.63
TOTAL ASSETS		1,67,155.77	77,484.46
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	14.1	1,928.09	1,742.80
(b) Other equity	14.2	1,35,255.27	49,211.35
Total equity		1,37,183.36	50,954.15
LIABILITIES			
(1) Non-current liabilities			
(a) Financial liabilities			
(i) Lease liabilities	4	71.25	74.64
(b) Employee benefit obligations	15	366.75	354.93
(c) Deferred tax liabilities (net)	16	5,655.01	4,922.83
Total non-current liabilities		6,093.01	5,352.40
(2) Current liabilities			
(a) Financial liabilities			
(i) Lease liabilities	4	59.06	35.58
(ii) Trade payables			
a) Total outstanding dues of micro enterprises and small enterprises	17.1	0.71	1.29
b) Total outstanding dues of creditors other than micro enterprises and small enterprises	17.1	6,163.49	5,259.59
(iii) Other financial liabilities	17.2	4,089.60	6,300.19
(b) Other current liabilities	18	4,492.69	2,336.28
(c) Provisions	19	9,003.19	7,078.51
(d) Employee benefit obligations	20	70.66	166.47
Total current liabilities		23,879.40	21,177.91
TOTAL LIABILITIES		29,972.41	26,530.31
TOTAL EQUITY AND LIABILITIES		1,67,155.77	77,484.46

The accompanying notes 1 to 45 are an integral part of these standalone financial statements

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

Jayanta Mukhopadhyay
Partner
Membership Number: 055757

Place : Kolkata
Date : 02 May 2022

For and on behalf of the Board of Directors of
Saregama India Limited
CIN : L22213WB1946PLC014346

Sanjiv Goenka
Chairman
DIN: 00074796
Place : Kolkata
Pankaj Mahesh Chaturvedi
Chief Financial Officer

Place : Mumbai
Date : 02 May 2022

Vikram Mehra
Managing Director
DIN: 03556680
Place : Mumbai

Kamana Goenka
Company Secretary
ACS: 35161

Place : Mumbai
Date : 02 May 2022

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2022

		(Amount in Rupees lakhs, except otherwise stated)		
		Notes	Year ended 31 March 2022	Year ended 31 March 2021
I	Revenue from operations	21	56,830.77	43,425.37
II	Other income	22	3,341.07	2,907.23
III	Total income (I+II)		60,171.84	46,332.60
IV	Expenses			
	Operational cost	23	14,053.03	9,181.89
	Employee benefits expense	24	6,108.40	5,688.99
	Finance costs	25	451.42	345.01
	Depreciation and amortisation expense	26	1,302.40	540.04
	Other expenses	27	18,057.41	16,032.17
	Total expenses (IV)		39,972.66	31,788.10
V	Profit before tax (III-IV)		20,199.18	14,544.50
VI	Tax Expense			
	- Current tax	28	4,986.30	3,754.55
	- Deferred tax	16	171.44	88.16
	Total tax expense (VI)		5,157.74	3,842.71
VII	Profit for the year (V-VI)		15,041.44	10,701.79
VIII	Other comprehensive income			
	Items that will not be reclassified subsequently to profit or loss:			
	(a) Remeasurements of post-employment benefit obligations		108.74	(22.58)
	(b) Changes in fair value of equity instruments designated at FVOCI		2,709.52	2,859.41
	(c) Revaluation gains relating to property, plant and equipment		959.44	-
	(d) Income tax relating to items that will not be reclassified subsequently to profit or loss	16	(562.89)	(328.28)
	Other comprehensive income for the year, net of tax (VIII)		3,214.81	2,508.55
IX	Total comprehensive income for the year (VII+VIII)		18,256.25	13,210.34
X	Earnings per equity share: [Nominal value per share Re.1/-] (Refer Note 14.1)			
	Basic (Rs.)	38	8.31	6.24
	Diluted (Rs.)	38	8.30	6.18

The accompanying notes 1 to 45 are an integral part of these standalone financial statements

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.: 101248W/W-100022
Jayanta Mukhopadhyay
Partner
Membership Number: 055757

Place : Kolkata
Date : 02 May 2022

For and on behalf of the Board of Directors of
Saregama India Limited
CIN : L22213WB1946PLC014346

Sanjiv Goenka
Chairman
DIN: 00074796
Place : Kolkata

Pankaj Mahesh Chaturvedi
Chief Financial Officer

Place : Mumbai
Date : 02 May 2022

Vikram Mehra
Managing Director
DIN: 03556680
Place : Mumbai

Kamana Goenka
Company Secretary
ACS: 35161

Place : Mumbai
Date : 02 May 2022

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2022

(Amount in Rupees lakhs, except otherwise stated)

A. Equity share capital
Description

As at 1 April 2020

Changes in equity share capital

As at 31 March 2021

Changes in equity share capital

Add: Equity shares arising on shares split from Rs.10/- to Re.1/- per share (Refer Note 14.1)

As at 31 March 2022

	Number of shares	Amount
As at 1 April 2020	1,74,26,012	1,742.60
Changes in equity share capital	2,000	0.20
As at 31 March 2021	1,74,28,012	1,742.80
Changes in equity share capital	18,52,937	185.29
Add: Equity shares arising on shares split from Rs.10/- to Re.1/- per share (Refer Note 14.1)	17,35,28,541	-
As at 31 March 2022	19,28,09,490	1,928.09

B. Other equity

	Reserve and surplus						Item of Other Comprehensive Income (OCI)		Total
	General reserve	Securities premium	Share options outstanding reserve	Treasury Shares	Saregama Welfare Trust Reserve	Retained earnings	Revaluation surplus	Equity instruments through OCI	
Balance as at 1 April 2020	693.95	9,102.14	535.43	(764.32)	-	17,138.58	10,347.90	2,582.23	39,635.91
Profit for the year	-	-	-	-	-	10,701.79	-	-	10,701.79
Other comprehensive income for the year (net of tax)	-	-	-	-	-	(16.90)	-	2,525.45	2,508.55
Total comprehensive income for the year	-	-	-	-	-	10,684.89	-	2,525.45	13,210.34
Issue of equity shares under Saregama Employee Stock Option Scheme 2013	-	4.67	-	-	-	-	-	-	4.67
Employee stock option expense (Refer Note 24)	-	-	137.71	-	-	-	-	-	137.71
Final dividend on equity shares for the financial year 2019-20	-	-	-	-	-	(261.39)	-	-	(261.39)
Interim dividend on equity shares for the financial year 2020-21	-	-	-	-	-	(3,485.60)	-	-	(3,485.60)
Effect of modification of share based payment awards {Refer Note 30(c)}	-	-	150.61	-	-	-	-	-	150.61
Adjustment on account of exercise of options	-	-	(509.90)	509.90	-	-	-	-	-
Transfer on account of exercise of options	-	-	(101.74)	-	-	101.74	-	-	-
Purchase of treasury shares by the trust during the year (net) (Refer Note 14.2)	-	-	-	(171.18)	-	-	-	-	(171.18)
Expense of Trust for the year	-	-	-	-	(11.36)	-	-	-	(11.36)
Deferred Tax on investment property	-	-	-	-	-	-	1.64	-	1.64
Balance as at 31 March 2021	693.95	9,106.81	212.11	(425.60)	(11.36)	24,178.22	10,349.54	5,107.68	49,211.35

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2022 (contd.)

(Amount in Rupees lakhs, except otherwise stated)

	Reserve and surplus						Item of Other Comprehensive Income (OCI)		Total
	General reserve	Securities premium	Share options outstanding reserve	Treasury Shares	Saregama Welfare Trust Reserve	Retained earnings	Revaluation surplus	Equity instruments through OCI	
Balance as at 1 April 2021	693.95	9,106.81	212.11	(425.60)	(11.36)	24,178.22	10,349.54	5,107.68	49,211.35
Profit for the year	-	-	-	-	-	15,041.44	-	-	15,041.44
Other comprehensive income for the year (net of tax)	-	-	-	-	-	81.37	735.93	2,397.51	3,214.81
Total comprehensive income for the year	-	-	-	-	-	15,122.81	735.93	2,397.51	18,256.25
Issue of equity shares under Saregama Employee Stock Option Scheme 2013	-	4.67	-	-	-	-	-	-	4.67
On fresh issues of shares of face value Rs.10/- each (net of expenses of Rs.1,684.34 Lakhs)	-	73,130.54	-	-	-	-	-	-	73,130.54
Employee stock option expense (Refer Note 24)	-	-	75.70	-	-	-	-	-	75.70
Interim dividend on equity shares for the financial year 2021-22	-	-	-	-	-	(5,784.28)	-	-	(5,784.28)
Adjustment on account of exercise of options	-	-	(7.52)	7.52	-	-	-	-	-
Transfer on account of exercise of options	-	-	(188.40)	-	-	188.40	-	-	-
Sale/(Purchase) of treasury shares by the trust during the year (net) (Refer Note 14.2)	-	-	-	332.96	-	-	-	-	332.96
Income/(Expense) of Trust for the year	-	-	-	-	25.93	-	-	-	25.93
Deferred Tax on investment property	-	-	-	-	-	-	2.15	-	2.15
Balance as at 31 March 2022	693.95	82,242.02	91.89	(85.12)	14.57	33,705.15	11,087.62	7,505.19	1,35,255.27

The description, nature and purpose of each reserve within other equity are as follows:

- (i) **General reserve** : Under the erstwhile Companies Act 1956, a general reserve was created through an annual transfer of net profit at a specified percentage in accordance with applicable regulations. Consequent to the introduction of the Companies Act, 2013 (the "Companies Act"), the requirement to mandatory transfer a specified percentage of net profit to general reserve has been withdrawn. The amount credited to the reserve can be utilised by the Company in accordance with the provisions of the Companies Act. There is no movement in general reserve during the current and previous year.
- (ii) **Securities premium** : This reserve represents the premium on issue of shares and can be utilised in accordance with the provisions of the Companies Act.
- (iii) **Share options outstanding reserve** : This reserve relates to stock options granted by the Company to eligible employees under Saregama Employee Stock Option Scheme 2013. This reserve is transferred to securities premium or retained earnings on exercise or cancellations of vested options.

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2022 (contd.)

(Amount in Rupees lakhs, except otherwise stated)

- (iv) **Treasury Shares** : The Company has formed Saregama Welfare Trust ("SWT") for implementation of the Schemes that are notified or may be notified from time to time by the Company under the plan, providing shared based benefits to its employees. SWT purchases shares of the Company out of funds borrowed from the Company. The Company treats SWT as its extension and shares held by SWT are treated as treasury shares.
- (v) **Saregama Welfare Trust Reserve** : The Company has formed Saregama Welfare Trust ("SWT") for implementation of the Schemes that are notified or may be notified from time to time by the Company under the plan, providing share based benefits to the employees. SWT purchases shares of the Company out of funds provided by the Company. The Company treats SWT as its extension and shares held by SWT are treated as Treasury Shares. Profit/(loss) on sale/transfer of treasury shares (net of tax) and dividend earned on the same by the SWT is recognized in SWT Reserve.
- (vi) **Retained earnings** : This reserve represents the cumulative profits of the Company and effects of remeasurement of defined benefit obligations. This reserve can be utilised in accordance with the provisions of the Companies Act.
- (vii) **Revaluation surplus** : This reserve represents surplus on revaluation of Property, plant and equipment (land) and will be transferred directly to retained earning when the asset is derecognised.
- (viii) **Equity instruments through OCI (FVOCI)** : This reserve represents the cumulative gains (net of losses) arising on the revaluation of Equity Instruments at fair value through Other Comprehensive Income (OCI), net of amounts reclassified, if any, to Retained Earnings when those instruments are disposed of.

The accompanying notes 1 to 45 are an integral part of these standalone financial statements

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

Jayanta Mukhopadhyay
Partner
Membership Number: 055757

Place : Kolkata
Date : 02 May 2022

For and on behalf of the Board of Directors of
Saregama India Limited
CIN : L22213WB1946PLC014346

Sanjiv Goenka
Chairman
DIN: 00074796
Place : Kolkata

Pankaj Mahesh Chaturvedi
Chief Financial Officer

Place : Mumbai
Date : 02 May 2022

Vikram Mehra
Managing Director
DIN: 03556680
Place : Mumbai

Kamana Goenka
Company Secretary
ACS: 35161

Place : Mumbai
Date : 02 May 2022

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (contd.)

Background

Saregama India Limited ("the Company") is a Company limited by shares, incorporated and domiciled in India. The Company is engaged in the business of manufacturing and sale of Music storage device viz. Carvaan, Music Card, Audio Compact Discs, Digital Versatile Discs and dealing with related music rights. The Company is also engaged in production and sale/telecast/broadcast of films/Tv Serials, pre-recorded programmes and dealing in film rights. Equity shares of the Company are listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE). The registered office of the Company is located in Kolkata, West Bengal, India.

The standalone financials statements were approved and authorised for issue with the resolution of the Board of Directors on 02 May 2022.

1 Significant accounting policies

The significant accounting policies applied by the Company in the preparation of its standalone financial statements are listed below. Such accounting policies have been applied consistently to all the periods presented in these standalone financial statements.

(a) Basis of preparation

(i) Compliance with Ind AS

These standalone financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the 'Act') [Companies (Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

(ii) Basis of measurement

(a) Historical cost convention

The standalone financial statements have been prepared on a historical cost basis, except for the following:

- Certain financial assets and liabilities (including derivative instruments) that is measured at fair value;
- Net Defined benefit (assets)/Liability - Fair value of plan assets less present value of defined benefit obligations; and
- Share based payments.

(b) Functional and presentation currency

Items included in the standalone financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The standalone financial statements are presented in Indian Rupee (Rs.), which is the Company's functional and presentation currency.

(iii) Current versus non-current classification

All assets and liabilities have been classified as current or non current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013 and Ind AS 1 - Presentation of financial statement based on the nature of products / service and the time between the acquisition of assets for processing / providing the services and their realisation in cash and cash equivalents. The Company has ascertained its operating cycle as 12 months for the purpose of current, non current classification of assets and liabilities.

Assets

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

- (a) it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;
- (b) it is held primarily for the purpose of being traded;
- (c) it is expected to be realised within 12 months after the reporting date; or
- (d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

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:

- (a) it is expected to be settled in the Company's normal operating cycle;
- (b) it is held primarily for the purpose of being traded;
- (c) it is due to be settled within 12 months after the reporting date; or
- (d) the Company does not have an unconditional right to defer settlement of the liability for at least 12 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.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (contd.)

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.

(b) Revenue recognition

The Company has applied Ind AS 115, Revenue from Contracts with Customers, which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised.

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services.

- Revenue from the sale of products is recognised at the point in time when control is transferred to the customer. Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.
- Revenue from Music licensing where the customer obtains a “right to use” is recognized at the time the license is made available to the customer. Revenue from licenses where the customer obtains a “right to access” is recognized over the access period.
- Revenue from the sale of television serial episodes is recognised upfront at the point in time when the episode is delivered to the customer.
- Revenue from sale of free commercial time (net of trade discount, as applicable) are recognised when the related advertisement or commercials appears before the public, i.e. on telecast.
- Revenue from theatrical distribution is recognised on exhibition of films. In case of distribution through theatres, revenue is recognised on the basis of box office reports received from various exhibitors. Contracted minimum guarantees are recognised on theatrical release.
- Revenue from Sale of films rights are recognised on assignment of such rights as per terms of the sale/licencing agreements.

The billing schedules agreed with customers include periodic payments and / or milestone based progress payments. Invoices are payable within contractually agreed credit period.

Unearned and deferred revenue (“contract liability”) is recognised when there is billings in excess of revenues.

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Use of significant judgements in revenue recognition :

- The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc. Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, price concessions and incentives.

Interest income

Interest income is accrued on a time proportion basis, by reference to the principal outstanding and the effective interest rate applicable.

Dividend income

Dividend income from investments is recognised when the shareholder’s rights to receive payment have been established.

Rental income

Rental income from investment properties and subletting of properties is recognised on a straight line basis over the term of the relevant leases.

Government Grant

The Company may receive government grants that require compliance with certain conditions related to the Company’s operating activities or are provided to the Company by way of financial assistance on the basis of certain qualifying criteria.

Accordingly, government grants by way of financial assistance on the basis of certain qualifying criteria are recognised as they become receivable.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (contd.)

(c) Property, plant and equipment - (PPE)

All items of property, plant and equipment other than freehold land are stated at historical cost i.e. cost of acquisition/ construction or at deemed cost as on the date of transition to Ind AS less accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to statement of profit and loss during the reporting period in which they are incurred.

Revaluation of Land is made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the balance sheet date. When the fair value differs materially from its carrying amount, the carrying amount is adjusted to the revalued amount. The fair value is determined based on appraisal undertaken by a professionally qualified valuer.

Depreciation method, estimated useful lives and residual values

Depreciation is calculated on a pro-rata basis using the straight-line method to allocate their cost, net of their estimated residual values, over the estimated useful lives of the asset as prescribed under Schedule II to the Companies Act, 2013. The useful lives, residual values and the method of depreciation of property, plant and equipment are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amounts.

Gains and losses on disposals are determined by comparing proceeds with carrying amount and are included in profit or loss within 'Other Income'/'Other Expenses'.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as 'Capital Advances' under other non- current assets.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1 April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

(d) Investment properties

Properties that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that the future economic benefits associated with the expenditure will flow to the Company and the cost of item can be measured reliably. All other repairs and maintenance costs are expensed when incurred.

Investment properties are depreciated using the straight-line method over their estimated useful lives of the assets as prescribed under Schedule II to the Companies Act, 2013.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its investment properties recognised as at 1 April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of investment properties.

(e) Intangible assets

Intangible assets has a finite useful life and are stated at cost less accumulated amortisation and accumulated impairment losses, if any.

(i) Music Copyrights

Outright acquisition of music copyrights wherein future economic benefits are established are capitalised. They have finite useful lives and are subsequently carried at cost less accumulated amortisation and impairment losses.

(ii) Computer Software

Software for internal use, which is primarily acquired from third-party vendors is capitalised. Subsequent costs associated with maintaining such software are recognised as expense as incurred. Cost of software includes license fees and cost of implementation/system integration services, where applicable.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 *(contd.)*

Amortisation method and year

The Company amortises intangible assets with a finite useful lives using the straight-line method over the following periods:

Music Copyrights acquired through outright purchase are amortised over a period of one to ten years from the date of release of Music. The Company reviews the expected future revenue potential at the end of each accounting period and recognises impairment loss, where required.

Softwares are amortised on a straight line basis over a period of three to five years from the date of capitalisation.

Advances paid towards the cost of intangible assets outstanding at each balance sheet date is classified as 'Capital advances' under other non- current assets.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets recognised as at 1 April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of intangible assets.

(f) **Impairment of non-financial assets**

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (cash-generating units).

(g) **Leases**

The Company as a lessee

The Company's lease asset classes primarily consist of leases for buildings and vehicles. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e.the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

The Company has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (contd.)

The Company as a lessor

At the inception of the lease the Company classifies each of its leases as either an operating lease or a finance lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. The Company recognises lease payments received under operating leases as income on a straight-line basis over the lease term. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease.

Transition to Ind AS 116

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified Ind AS 116 Leases which replaces the existing lease standard, Ind AS 17 leases, and other interpretations. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lease accounting model for lessees.

Under the erstwhile standard Ind AS 17, operating lease payments as per terms of the agreement, were recognised as an expense in the Statement of Profit and Loss on a straight line basis, except where another systematic basis was more representative of the time pattern in which economic benefits from the leased asset were consumed.

Effective 01 April 2019, the Company adopted Ind AS 116 'Leases' and applied the standard to lease contracts existing on 01 April 2019 using the modified retrospective method on the date of initial application. Consequently, the lease liabilities is recognized at the present value of lease payment discounted at the weighted average incremental borrowing rate and same amount is recognized for ROU assets.

The following is the summary of practical expedients elected on initial application:

- Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.
- Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term and low value leases on the date of initial application.
- Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.
- Applied the practical expedient to grandfather the assessment of which transactions are leases. Accordingly, Ind AS 116 is applied only to contracts that were previously identified as leases under Ind AS 17.

(h) **Inventories**

Physical inventory (caravan, music card and others): Inventories are valued at lower of cost and net realisable value. The cost is determined on weighted average basis, and includes, where applicable, appropriate share of overheads, the same is charged off on sale of goods. The costs of purchase of inventories comprise the purchase price, import duties and other taxes (other than those subsequently recoverable by the entity from the taxing authorities), and transport, handling and other costs directly attributable to the acquisition of finished goods. Provision is made for obsolete / slow moving / defective stocks, where necessary.

Music rights are stated at lower of cost / unamortised cost or net realisable value. Cost comprises acquisition / direct production cost. Music rights are amortised over a period of one to ten years from the date of release of Music.

Untelecasted television serials are valued at lower of cost and net realisable value. Cost comprises direct production cost. Cost of a television serial is fully expensed on telecast/broadcasting.

Digital Films are stated at lower of cost / unamortised cost or net realisable value. Cost comprises acquisition / direct production cost. Expenses of under production films incurred till the films are ready for release are inventorised. 10% of cost of digital films is recognised as expense in Statement of Profit and Loss on the date of theatrical release of the film, balance is charged off on licencing of digital rights.

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

(i) **Investments in subsidiaries**

Investments in subsidiaries are carried at cost less provision for impairment, if any. Investments in subsidiaries are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of investments exceeds its recoverable amount.

Transition to Ind AS

On transition to Ind AS, the Company has elected to measure its investments in all its subsidiaries at its previous GAAP carrying value and use those values as the deemed cost of such investments.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (contd.)

(j) Investments (other than investments in subsidiaries) and other financial instruments

(i) Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss); and
- those to be measured at amortised cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

In accordance with Ind AS 101, the Company had irrevocably designated its investment in equity instruments as FVOCI on the date of transition to Ind AS.

(ii) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Equity Instruments : The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Changes in the fair value of financial assets at fair value through profit or loss are recognised in 'Other Income' in the Statement of Profit and Loss.

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method.

(iii) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets which are not fair valued through profit or loss. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 32(A) details how the Company determines whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach as per Ind AS 109,'Financial Instruments', which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(iv) Derecognition of financial assets

A financial asset is derecognised only when

- the Company has transferred the rights to receive cash flows from the financial asset; or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(v) Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL.

(vi) Financial liabilities through fair value through profit or loss (FVTPL)

A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in Statement of Profit and Loss. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 *(contd.)*

(vii) Financial liabilities at amortised cost

Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in Statement of Profit and Loss.

Any gain or loss on derecognition is also recognised in Statement of Profit and Loss.

For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximates fair value due to the short maturity of these instruments.

(viii) Fair value of financial instruments

In determining the fair value of financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis and available quoted market prices. All methods of assessing fair value result in general approximation of value, and such value may never actually be realised.

(k) Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

(l) Trade receivables

Trade receivables are amounts due from customers for goods sold or services rendered in the ordinary course of business. Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

(m) Cash and cash equivalents

For the purpose of presentation in the Cash Flow Statement, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

(n) Trade payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

(o) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the Balance Sheet when the obligation specified in the contract is discharged, cancelled or expired.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

(p) Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Other borrowing costs are expensed in the period in which they are incurred, unless they are capitalised.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (contd.)

(q) Foreign currency transactions and translation

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. At the year-end, monetary assets and liabilities denominated in foreign currencies are restated at the year - end exchange rates. The exchange differences arising from settlement of foreign currency transactions and from the year-end restatement are recognised in profit and loss.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. Foreign currency non-monetary items carried in terms of historical cost are reported using the exchange rate at the date of the transactions.

(r) Employee benefits expense
(i) Short-term employee benefits

Liabilities for short-term employee benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as 'Employee Benefits Payable' within 'Other Current Liabilities' in the Balance Sheet.

(ii) Other long-term employee benefits

The liabilities for leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured annually by actuaries as the present value of expected future benefits in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

(iii) Post-employment benefits
Defined benefit plans

The liability or asset recognised in the Balance Sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in 'Employee Benefits Expense' in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in Other Comprehensive Income. These are included in 'Retained Earnings' in the Statement of Changes in Equity in the balance sheet.

Defined contribution plans

The Company has certain defined contribution plans viz. provident fund and superannuation fund. Contributions for provident fund are made at specified percentage of the covered employee's qualifying salary to a government administered fund. Contribution for superannuation fund are made yearly based on a specified percentage of each covered employee's salary to a Trust set up by the Company. Contributions under Defined Contribution Plans are recognised as expenses for the period in which the employee has rendered the service.

(iv) Share-based payments

Share-based compensation benefits are provided to employees via Saregama Employee Stock Options Scheme 2013, Stock Appreciation Rights Scheme 2014, and Stock Appreciation Rights Scheme 2018.

Employee Options

The fair value of the options granted under the Saregama Employee Stock Option Scheme 2013 is recognised as an employee benefits expense in the statement of profit and loss with a corresponding increase in equity. The fair value at grant date is determined using the Black Scholes Model which takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and risk free interest rate for the term of the option. The total amount to be expensed is determined by reference to the fair value of the options granted:

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 *(contd.)*

- Including any market performance conditions (e.g., the entity's share price);
- excluding the impact of any services and non-market performance vesting conditions (e.g. profitability, sales growth targets and remaining an employee of the entity over a specified time period); and
- including the impact of any non-vesting conditions (e.g. the requirement for employees to save or holdings shares for a specified period of time).

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in the statement of profit or loss, with a corresponding adjustment to equity.

Share appreciation rights

Liabilities for the Company's Share Appreciation Rights (SAR), granted pursuant to Company's share appreciation rights schemes, is measured initially and at the end of each reporting period until settled, at fair value of the SAR, by applying option pricing model, and is recognised as employee benefit expense over the relevant service period. The liabilities are presented as employee benefits obligations in the balance sheet.

(s) Royalty

Minimum Guarantee Royalty is recognised as expense within the license period or ten years, whichever is earlier. Royalty on sales, other than physical sales, is provided on the basis of management's best estimate of the expenditure required to settle the obligation. Other royalty payments are charged at agreed rates on related sales.

(t) Income tax

The income tax expense for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences, unused tax credits and to unused tax losses, as applicable.

The current tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the standalone financial statements. However, deferred tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, if any, only if it is probable that future taxable amounts will be available to utilise those temporary differences, tax credits and losses.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax are recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity, if any. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

(u) Provisions and contingencies

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (contd.)

A disclosure for contingent liabilities is made when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources embodying economic benefits will be required to settle or a reliable estimate of the amount cannot be made.

(v) **Dividend Distribution**

Dividends paid are recognised in the period in which the interim dividends are approved by the Board of Directors, or in respect of the final dividend when approved by shareholders.

(w) **Earnings per share**

(i) **Basic earnings per Share**

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year excluding treasury shares

(ii) **Diluted earnings per share**

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(x) **Rounding of amounts**

All amounts disclosed in the standalone financial statements and notes have been rounded off to the nearest lakhs (with two places of decimal) as per the requirement of Schedule III, unless otherwise stated.

(y) **Recent pronouncements**

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 23 March 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from 1 April 2022, as below:

Ind AS 103 – Reference to Conceptual Framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 16 – Proceeds before intended use

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The Company does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract

The amendments specify that that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 109 – Annual Improvements to Ind AS (2021)

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 106 – Annual Improvements to Ind AS (2021)

The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration. The Company does not expect the amendment to have any significant impact in its financial statements.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 *(contd.)*

2 Critical estimates and judgements

The preparation of standalone 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 and disclosures of contingent assets and liabilities at the date of these standalone 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 recognised in the period in which the estimate is revised and future periods affected.

This Note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the standalone financial statements.

The areas involving critical estimates or judgements are:

Employee benefits (estimation of defined benefit obligations) - Notes 1(r) and 29

Post-employment benefits represent obligations that will be settled in future and require assumptions to estimate benefit obligations. Post-employment benefit accounting is intended to reflect the recognition of benefit costs over the employees' approximate service period, based on the terms of the plans and the investment and funding decisions made. The accounting requires the Company to make assumptions regarding variables such as discount rate and salary growth rate. Changes in these key assumptions can have a significant impact on the defined benefit obligations.

Impairment of trade receivables – Notes 1 (j)(iii) and 32

For impairment of trade receivable, Company applies the simplified approach permitted by Ind AS 109, 'Financial Instruments', which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Estimation of expected useful lives of property, plant and equipment - Notes 1(c) and 3

Management reviews its estimate of useful lives of property, plant and equipment at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of property, plant and equipment.

Contingencies - Notes 1(u) and 36

Legal proceedings covering a range of matters are pending against the Company. Due to the uncertainty inherent in such matters, it is often difficult to predict the final outcome. The cases and claims against the Company often raise factual and legal issues that are subject to uncertainties and complexities, including the facts and circumstances of each particular case/claim, the jurisdiction and the differences in applicable law. The Company consults with legal counsel and other experts on matters related to specific litigations where considered necessary. The Company accrues a liability when it is determined that an adverse outcome is probable and the amount of the loss can be reasonably estimated. In the event an adverse outcome is possible or an estimate is not determinable, the matter is disclosed.

Valuation of deferred tax assets - Notes 1(t) and 16

Deferred income tax expense is calculated based on the differences between the carrying value of assets and liabilities for financial reporting purposes and their respective tax bases that are considered temporary in nature. Valuation of deferred tax assets is dependent on management's assessment of future recoverability of the deferred tax benefit. Expected recoverability may result from expected taxable income in the future, planned transactions or planned optimising measures. Economic conditions may change and lead to a different conclusion regarding recoverability.

Fair value measurements – Notes 1(j)(viii) and 31

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair values are measured using valuation techniques, including the discounted cash flow model, which involve various judgements and assumptions.

Estimation of uncertainties relating to the global health pandemic from COVID-19:

In view of pandemic relating to COVID – 19, the Company has considered internal and external information available up to the date of approval of these standalone financial statements and has performed analysis in assessing the recoverability of its assets including trade receivables, inventories, investments, other financial and non-financial assets, for possible impact on these standalone financial statements. The Company has also assessed the impact of this whole situation on its capital and financial resources, profitability, liquidity position, etc. On the basis of its present assessment and current indicators of future economic conditions, the Company does not anticipate any material impact on these standalone financial statements. However, the actual impact of COVID – 19 on the Company's financial statements may differ from that estimated and the Company will continue to closely monitor any material changes to future economic conditions.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (contd.)
3 Property, plant and equipment (PPE)

(Amount in Rupees lakhs, except otherwise stated)

Description	Gross carrying amount				Accumulated depreciation				Carrying amount (net)	
	Cost as at 1 April 2021	Additions/ adjustments	Deductions/ adjustments	Cost as at 31 March 2022	As at 1 April 2021	Depreciation for the year	Deductions/ adjustments	As at 31 March 2022	As at 31 March 2022	As at 31 March 2021
Land - Freehold	20,007.76	959.44	-	20,967.20	-	-	-	-	20,967.20	20,007.76
Buildings - Freehold	70.59	-	-	70.59	31.72	4.08	-	35.80	34.79	38.87
Buildings	37.71	-	-	37.71	4.00	0.80	-	4.80	32.91	33.71
Plant and equipment	3.13	-	-	3.13	3.13	-	-	3.13	-	-
Furniture and fixtures	444.86	1.07	-	445.93	274.36	45.49	-	319.85	126.08	170.50
Office equipment	829.03	175.26	-	1,004.29	628.10	139.27	-	767.37	236.92	200.93
Vehicles	5.19	-	-	5.19	5.19	-	-	5.19	-	-
Total	21,398.27	1,135.77	-	22,534.04	946.50	189.64	-	1,136.14	21,397.90	20,451.77

Description	Gross carrying amount				Accumulated depreciation				Carrying amount (net)	
	Cost as at 1 April 2020	Additions/ adjustments	Deductions/ Adjustments	Cost as at 31 March 2021	As at 1 April 2020	Depreciation for the year	Deductions/ Adjustments	As at 31 March 2021	As at 31 March 2021	
Land - Freehold	20,007.76	-	-	20,007.76	-	-	-	-	20,007.76	
Buildings - Freehold	70.59	-	-	70.59	27.66	4.06	-	31.72	38.87	
Buildings	37.71	-	-	37.71	3.20	0.80	-	4.00	33.71	
Plant and equipment	3.13	-	-	3.13	3.13	-	-	3.13	-	
Furniture and fixtures	439.87	4.99	-	444.86	223.89	50.47	-	274.36	170.50	
Office equipment	724.66	104.37	-	829.03	502.62	125.48	-	628.10	200.93	
Vehicles	9.57	-	4.38	5.19	9.57	-	4.38	5.19	-	
Total	21,293.29	109.36	4.38	21,398.27	770.07	180.81	4.38	946.50	20,451.77	

- 3.1 The Company has chosen the revaluation model for land and cost model for other items of PPE as its accounting policy [Refer Note 1(c)]. Accordingly, Company's land was revalued by registered valuer using market approach. Resultant incremental value amounting to Rs.12,599.73 Lakhs were added to the book value of related land with corresponding credit to Other Comprehensive Income and other equity. The carrying amount of land that would have been recognised had it been carried under the cost model is Rs.8,367.47 Lakhs.
- 3.2 Title deeds of the immovable properties as set out in the above table are in the name of the Company.
- 3.3 The Company has cash credit facility from banks which carry charge over certain of the above PPE (Refer Note 32(B) for details).
- 3.4 Aggregate amount of depreciation has been included under 'Depreciation and amortisation expense' in the Statement of Profit and Loss (Refer Note 26).

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (contd.)

(Amount in Rupees lakhs, except otherwise stated)

4 Company as a lessee

Following are the changes in the carrying value of right-of-use assets for the year ended 31 March 2022:

	Leasehold premises and vehicles
Balance as at 1 April 2021	109.46
Additions	61.94
Deletion	-
Depreciation	45.52
Balance as at 31 March 2022	125.88

Following are the changes in the carrying value of right-of-use assets for the year ended 31 March 2021:

	Leasehold premises and vehicles
Balance as at 1 April 2020	44.32
Additions	115.91
Deletion	-
Depreciation	50.77
Balance as at 31 March 2021	109.46

Aggregate amount of depreciation has been included under 'Depreciation and amortisation expense' in the Statement of Profit and Loss (Refer Note 26).

The following is the break-up of current and non-current lease liabilities:

	As at 31 March 2022	As at 31 March 2021
Current lease liabilities	59.06	35.58
Non-current lease liabilities	71.25	74.64
Total	130.31	110.22

The following is the movement in lease liabilities during the year ended 31 March 2022:

	Leasehold premises and vehicles
Balance as at 1 April 2021	110.22
Additions	61.94
Finance cost accrued during the year	11.19
Deletion	-
Payment of lease liabilities	53.04
Balance as at 31 March 2022	130.31

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (contd.)

(Amount in Rupees lakhs, except otherwise stated)

The following is the movement in lease liabilities during the year ended 31 March 2021:

	Leasehold premises and vehicles
Balance as at 1 April 2020	47.03
Additions	115.91
Finance cost accrued during the year	3.67
Deletion	-
Payment of lease liabilities	56.39
Balance as at 31 March 2021	110.22

The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

	As at 31 March 2022	As at 31 March 2021
Less than one year	69.42	44.85
One to five years	76.28	82.23
More than five years	-	-
Total	145.70	127.08

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

 The Company has incurred expenses relating to short term leases and leases of low value assets for certain accommodation. Terms of such lease include option for renewal on mutually agreed terms. There are no restrictions imposed by lease arrangements and there are no purchase options or sub leases or contingent rents. Operating lease rentals for the year recognised in Statement of Profit and Loss amounts to **Rs.325.05 Lakhs** (2020-21 - Rs.325.32 Lakhs).

 The total cash outflow for leases is **Rs.378.09 Lakhs** (2020-21 - Rs.381.71 Lakhs) for the year, including cash outflow for short term leases and leases of low value assets.

Company as a Lessor

 Rent income includes payments of **Rs.18.90 Lakhs** (2020-21 - Rs.18.96 Lakhs) for the year relating to agreements entered into by the Company. There are no restrictions imposed by lease arrangements and there are no contingent rents recognised as income for the period. These lease arrangements inter alia include escalation clause/option for renewal.

5 Investment properties

	As at 31 March 2022	As at 31 March 2021
Gross carrying amount		
At the beginning of the year	252.71	252.71
Additions during the year	-	-
Deletions during the year	-	-
At the end of the year	252.71	252.71
Accumulated depreciation		
At the beginning of the year	27.68	22.15
Depreciation charge during the year	5.54	5.53
At the end of the year	33.22	27.68
Carrying amount (net)	219.49	225.03

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (contd.)

(Amount in Rupees lakhs, except otherwise stated)

(i) Amounts recognised in statement of profit and loss for investment properties

	As at 31 March 2022	As at 31 March 2021
Rental income (Refer Note 22)	18.90	18.96
Profit from investment properties before depreciation	18.90	18.96
Depreciation (Refer Note 26)	5.54	5.53
Profit from investment properties	13.36	13.43

(ii) Fair value

	As at 31 March 2022	As at 31 March 2021
Investment properties	2,101.21	2,049.28

Estimation of fair value

The Company obtains independent valuations for its investment properties at least annually. The best evidence of fair value is current prices in an active market for similar properties. Where such information is not available, the Company consider information from a variety of sources including:

- ▶ current prices in an active market for properties of different nature or recent prices of similar properties in less active markets, adjusted to reflect those differences
- ▶ discounted cash flow projections based on reliable estimates of future cash flows
- ▶ capitalised income projections based upon a property's estimated net market income, and a capitalisation rate derived from an analysis of market evidence

The fair values of investment properties have been determined by external, independent property valuers, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued.

6 Intangible assets

Description	Gross carrying amount				Accumulated amortisation and impairment								Carrying amount (net)	
	Cost as at 1 April 2021	Additions/ adjustments	Deductions/ adjustments	Cost as at 31 March 2022	Amortisation as at 1 April 2021	Impairment as at 1 April 2021	Amortisation for the year	Impairment/ (Reversal) for the year	Deductions/ adjustments	Amortisation as at 31 March 2022	Impairment as at 31 March 2022	As at 31 March 2022	As at 31 March 2021	
Copyrights- Music	2,702.57	5,209.07	-	7,911.64	925.69	-	1,043.91	-	-	1,969.60	-	5,942.04	1,776.88	
Computer Software	81.26	78.54	-	159.80	70.63	-	17.79	-	-	88.42	-	71.38	10.63	
Total	2,783.83	5,287.61	-	8,071.44	996.32	-	1,061.70	-	-	2,058.02	-	6,013.42	1,787.51	

Description	Gross carrying amount				Accumulated amortisation and impairment								Carrying amount (net)	
	Cost as at 1 April 2020	Additions/ adjustments	Deductions/ adjustments	Cost as at 31 March 2021	Amortisation as at 1 April 2020	Impairment as at 1 April 2020	Amortisation for the year	Impairment/ (Reversal) for the year	Deductions / adjustments	Amortisation as at 31 March 2021	Impairment as at 31 March 2021	As at 31 March 2021	As at 31 March 2021	
Copyrights- Music	1,723.84	978.73	-	2,702.57	627.99	-	297.70	-	-	925.69	-	1,776.88	1,776.88	
Computer Software	72.98	8.28	-	81.26	65.40	-	5.23	-	-	70.63	-	10.63	10.63	
Total	1,796.82	987.01	-	2,783.83	693.39	-	302.93	-	-	996.32	-	1,787.51	1,787.51	

6.1 The amortisation expense of intangible assets have been included under 'Depreciation and amortisation expense' in the Statement of Profit and Loss (Refer Note 26).

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (contd.)

(Amount in Rupees lakhs, except otherwise stated)

7 Intangible assets under development (IAUD)

Following are the changes in the carrying value of IAUD for the year ended 31 March 2022:

	Amount
Balance as at 1 April 2021	195.02
Additions	95.70
Transfers	116.20
Balance as at 31 March 2022	174.52

Following are the changes in the carrying value of IAUD for the year ended 31 March 2021:

	Amount
Balance as at 1 April 2020	-
Additions	203.75
Transfers	8.73
Balance as at 31 March 2021	195.02

Intangible assets under development (IAUD) ageing schedule

As at 31 March 2022

	Amount in IAUD for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	40.07	134.45	-	-	174.52
Total	40.07	134.45	-	-	174.52

As at 31 March 2021

	Amount in IAUD for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	195.02	-	-	-	195.02
Total	195.02	-	-	-	195.02

There are no projects as on each reporting date where activity has been suspended. Considering the nature of IAUD, there are no projects as on the reporting date which has exceeded cost as compared to its original plan or where completion is overdue.

8 Financial assets (non-current)
8.1 Investments

	Face value of each unit as at 31 March 2022	Face value of each unit as at 31 March 2021	Number of shares as at 31 March 2022	Number of shares as at 31 March 2021	As at 31 March 2022	As at 31 March 2021
Investment in joint venture at cost (Unquoted)						
Saregama Regency Optimedia Private Limited (Joint venture) #	Rs.10	Rs.10	14,59,584	14,59,584	-	-
Investment in subsidiary at cost (Unquoted)						
a) Saregama Limited (formerly Saregama Plc.)	1 pence	1 pence	76,29,072	76,29,072	8.82	8.82
Less: Provision for impairment in the value of investment					(8.82)	(8.82)
b) RPG Global Music Ltd.	US \$ 1	US \$ 1	23,14,885	23,14,885	-	-
c) Kolkata Metro Networks Ltd.	Rs.10	Rs.10	1,70,50,000	1,70,50,000	1,554.10	1,554.10
d) Open Media Network Private Limited	Rs.10	Rs.10	7,08,27,000	7,08,27,000	6,975.14	6,975.14
Less: Provision for impairment in the value of investment					(6,975.14)	(6,975.14)
e) Saregama FZE	AED 1,000 each	AED 1,000 each	1,500	1,500	310.62	310.62
f) Digidrive Distributors Limited	Re.1	-	1,00,000	-	1.00	-

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (contd.)

(Amount in Rupees lakhs, except otherwise stated)

	Face value of each unit as at 31 March 2022	Face value of each unit as at 31 March 2021	Number of shares as at 31 March 2022	Number of shares as at 31 March 2021	As at 31 March 2022	As at 31 March 2021
Investments carried at fair value through other comprehensive income						
a) Quoted - fully paid equity shares in other companies						
CESC Limited	Re.1	Rs.10	1,54,49,880	12,59,988	11,718.73	7,478.66
PCBL Limited (formerly Phillips Carbon Black Limited)	Rs.2	Rs.2	500	500	1.14	0.95
Harrisons Malayalam Limited	Rs.10	Rs.10	100	100	0.13	0.14
CFL Capital Financial Services Limited	Rs.10	Rs.10	100	100	0.02	0.02
STEL Holdings Limited	Rs.10	Rs.10	100	100	0.11	0.08
RPSG Ventures Limited (formerly CESC Ventures Limited)	Rs.10	Rs.10	3,08,997	2,51,997	1,808.56	849.61
Spencers Retail Limited (formerly RP-SG Retail Limited)	Rs.5	Rs.5	10,50,590	8,56,790	844.15	604.89
b) Unquoted - Fully Paid Equity Shares in Other Companies						
Spencer and Company Limited	Rs.9	Rs.9	200	200	1.48	1.04
Woodlands Multispeciality Hospital Limited	Rs.10	Rs.10	2,250	2,250	12.83	5.60
Timbre Media Private Limited	Rs.10	Rs.10	2,30,000	2,30,000	141.11	179.59
Total investments					16,393.98	10,985.30
Aggregate value of unquoted investments					9,005.10	9,034.91
Aggregate carrying value of quoted investments and market value thereof					14,372.84	8,934.35
Aggregate provision for impairment in the value of investments					6,983.96	6,983.96

Under liquidation effective 19 September 2016, referred to in Note 41

Equity shares designated at fair value through other comprehensive income (FVOCI)

	Fair value as at 31 March 2022	Dividend income recognised during 2021-22	Fair value as at 31 March 2021	Dividend income recognised during 2020-21
Investment in CESC Limited	11,718.73	566.99	7,478.66	567.00
Investment in PCBL Limited (formerly Phillips Carbon Black Limited)	1.14	0.05	0.95	0.03
Investment in Harrisons Malayalam Limited	0.13	-	0.14	-
Investment in CFL Capital Financial Services Limited	0.02	-	0.02	-
Investment in STEL Holdings Limited	0.11	-	0.08	-
Investment in RPSG Ventures Limited (formerly CESC Ventures Limited)	1,808.56	-	849.61	-
Investment in Spencers Retail Limited (formerly RP-SG Retail Limited)	844.15	-	604.89	-
Investment in Spencer and Company Limited	1.48	-	1.04	-
Investment in Woodlands Multispeciality Hospital Limited	12.83	-	5.60	-
Investment in Timbre Media Private Limited	141.11	-	179.59	-
Total	14,528.26	567.04	9,120.58	567.03

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (contd.)

(Amount in Rupees lakhs, except otherwise stated)

8.2 Other financial assets

(Unsecured, considered good, unless otherwise stated)

	As at 31 March 2022	As at 31 March 2021
Security deposits		
Unsecured, considered good	194.98	191.57
Unsecured, considered doubtful	57.56	57.56
Less: Provision for doubtful deposits	(57.56)	(57.56)
	194.98	191.57
Bank Deposits with remaining maturity more than 12 months*	0.32	0.25
Total other financial assets	195.30	191.82

 * Pledged with Government authority **Rs.0.32 Lakh** (31 March 2021 - Rs.0.25 Lakhs).

9 Other non-current assets

(Unsecured, considered good, unless otherwise stated)

	As at 31 March 2022	As at 31 March 2021
Capital advances		
Unsecured, considered good	2,874.47	1,058.38
Unsecured, considered doubtful	36.38	36.38
Less: Provision for doubtful advances	(36.38)	(36.38)
	2,874.47	1,058.38
Prepaid expenses	41.14	58.54
Total other non - current assets	2,915.61	1,116.92

10 Inventories [Refer note 1(h)]

	As at 31 March 2022	As at 31 March 2021
Untelecasted television serials/digital films	143.47	249.71
Carvaan/music card and others @	2,778.55	4,163.43
Music Rights	2,496.67	-
Digital films under production	4,898.32	2,133.68
Total inventories	10,317.01	6,546.82

 @ Includes goods-in-transit worth **Rs.Nil** (31 March 2021 - Rs.141.07 Lakhs).

11 Financial assets (current)
11.1 Investments

	As at 31 March 2022	As at 31 March 2021
Investments carried at fair value through profit and loss		
Units of Mutual funds (quoted)	50,570.95	2,516.38
Total investments	50,570.95	2,516.38
Aggregate carrying value of quoted investments and market value thereof	50,570.95	2,516.38

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (contd.)

(Amount in Rupees lakhs, except otherwise stated)

11.2 Trade receivables

	As at 31 March 2022	As at 31 March 2021
Trade receivables		
Unsecured, considered good	11,408.45	9,614.72
Credit impaired	353.19	353.19
Less: Allowance for expected credit loss	(1,010.60)	(1,008.87)
Total trade receivables	10,751.04	8,959.04

	Outstanding from due date of payment as at 31 March 2022						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	6,432.18	2,062.62	132.61	149.00	27.47	304.31	9,108.19
(ii) Disputed Trade receivables - credit impaired	-	-	-	-	-	353.19	353.19
	6,432.18	2,062.62	132.61	149.00	27.47	657.50	9,461.38
Less: Allowance for expected credit loss							(1,010.60)
Trade receivables - Unbilled							2,300.26
Total							10,751.04

	Outstanding from due date of payment as at 31 March 2021						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	4,612.30	2,589.26	310.39	105.56	89.22	218.10	7,924.83
(ii) Disputed Trade receivables - credit impaired	-	-	-	-	-	353.19	353.19
	4,612.30	2,589.26	310.39	105.56	89.22	571.29	8,278.02
Less: Allowance for expected credit loss							(1,008.87)
Trade receivables - Unbilled							1,689.89
Total							8,959.04

Notes:

- No trade receivables are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade receivables are due from firms or private companies respectively in which any director is a partner, a director or a member.
- Information about the Company's exposure to credit and currency risks, and loss allowances related to trade receivables are disclosed in Note 32.
- For balances of trade receivables owing from related parties (Refer note 34).

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (contd.)

(Amount in Rupees lakhs, except otherwise stated)

11.3 Cash and cash equivalents

	As at 31 March 2022	As at 31 March 2021
Balances with banks		
- Current accounts	689.42	628.61
Deposits with maturity of less than 3 months *	13,985.78	-
Cheques on hand	31.16	-
Cash on hand	0.09	0.95
Total cash and cash equivalents	14,706.45	629.56

* Bank Deposits include **Rs.0.52 Lakhs** (31 March 2021 - Rs.Nil) pledged with bank against bank guarantees.

11.4 Other bank balances

	As at 31 March 2022	As at 31 March 2021
Earmarked balances with bank		
Deposits (with remaining maturity greater than 3 months but less than 12 months) #	17,053.22	9,878.00
Unpaid dividend accounts @	47.74	20.27
Interim dividend account **	-	3,485.60
Total other bank balances	17,100.96	13,383.87

Includes **Rs.196.41 Lakhs** deposited with Delhi Court (31 March 2021 - Rs.187.96 Lakhs).

Also includes, bank deposits **Rs.26.27 Lakhs** (31 March 2021 - Rs.25.13 Lakhs) pledged with bank against bank guarantees.

@ Earmarked for payment of unclaimed dividend

** Represents amount transferred to dividend escrow account pertaining to interim dividend declared on 23 March 2021

11.5 Loans

(Unsecured, considered good, unless otherwise stated)

	As at 31 March 2022	As at 31 March 2021
Loans to related parties (Refer Note 34)	102.65	201.33
Loan to employees *	2,281.90	923.44
Total loans	2,384.55	1,124.77

Disclosure of loans given to related parties required under section 186(4) of the Companies Act, 2013

	As at 31 March 2022	As at 31 March 2021
Opening Balance	201.33	103.18
Loans given	197.05	261.17
Repayment of principal amount	297.27	159.67
Impact of foreign exchange gain/(loss)	1.54	(3.35)
Closing Balance	102.65	201.33
Type of Borrower	Related Party (Subsidiary Companies)	Related Party (Subsidiary Companies)
Purpose	For Principal Business Activities	For Principal Business Activities
Amount of loan outstanding	102.65	201.33
Rate of interest	8.40%	9.35%
Percentage to the total loans	4.31%	17.90%

*includes loan to director (Refer Note 34)

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (contd.)

(Amount in Rupees lakhs, except otherwise stated)

11.6 Other financial assets

(Unsecured, considered good, unless otherwise stated)

	As at 31 March 2022	As at 31 March 2021
Security deposits	200.00	200.00
Interest accrued on		
Deposits with banks	583.04	185.60
Loans to related parties (Refer Note 34)	4.28	0.02
Total other financial assets	787.32	385.62

12 Current tax assets (net)

	As at 31 March 2022	As at 31 March 2021
Advance payment of Income Tax and Tax Deducted at Source [net of Provision for Taxation Rs.17,698.05 Lakhs (31 March 2021 - Rs.12,711.75 Lakhs)]	2,515.85	1,889.18
Total current tax assets (net)	2,515.85	1,889.18

13 Other current assets

(Unsecured, considered good, unless otherwise stated)

	As at 31 March 2022	As at 31 March 2021
Minimum guarantee royalty advances	270.62	624.83
Royalty advances		
Unsecured, considered good	-	8.90
Unsecured, considered doubtful	445.24	463.72
Less: Provision for doubtful advances	(445.24)	(463.72)
	-	8.90
Advance against supply of goods and services		
Unsecured, considered good	6,508.56	3,381.45
Unsecured, considered doubtful	324.97	324.98
Less: Provision for doubtful advances	(324.97)	(324.98)
	6,508.56	3,381.45
Prepaid expenses		
Unsecured, considered good	276.22	385.68
Unsecured, considered doubtful	44.06	44.06
Less: Provision for doubtful advances	(44.06)	(44.06)
	276.22	385.68
Gratuity (Refer Note 29)	30.84	-
Other receivables	51.91	61.70
Balances with government authorities	3,427.31	2,503.75
Advance payment of fringe benefit tax [net of Provision Rs.147.87 Lakhs (31 March 2021 - Rs.147.87 Lakhs)]	20.08	20.08
Total other current assets	10,585.54	6,986.39

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (contd.)

(Amount in Rupees lakhs, except otherwise stated)

14 Equity share capital and other equity
14.1 Equity share capital

	As at 31 March 2022		As at 31 March 2021	
	Number of shares	Amount	Number of shares	Amount
Authorised				
Ordinary Shares of Re.1/- each (Previous year Rs.10/- each)**	25,00,00,000	2,500.00	2,50,00,000	2,500.00
Issued				
Ordinary Shares of Re.1/- each (Previous year Rs.10/- each)**	19,28,09,490	1,928.09	1,74,28,012	1,742.80
Subscribed and fully paid up				
Ordinary Shares of Re.1/- each (Previous year Rs.10/- each)**	19,28,09,490	1,928.09	1,74,28,012	1,742.80

Reconciliation of number of ordinary shares outstanding

	As at 31 March 2022		As at 31 March 2021	
	Number of shares	Amount	Number of shares	Amount
As at the beginning of the year	1,74,28,012	1,742.80	1,74,26,012	1,742.60
Add: Issued during the year*	18,52,937	185.29	2,000	0.20
Add: Equity shares arising on shares split from Rs.10/- to Re.1/- per share**	17,35,28,541	-	-	-
As at the end of the year	19,28,09,490	1,928.09	1,74,28,012	1,742.80

* During the year, the Company has issued **2,000** equity shares (Previous Year: 2,000 equity shares) of face value of Rs.10/- each under the Employee Stock Option Scheme 2013. Further during the year, the Company has allotted **18,50,937** equity shares (Previous Year: Nil) of face value of Rs.10/- each through Qualified Institutions Placement aggregating to **Rs.74,999.97 Lakhs** (Previous Year: Nil).

** Pursuant to the Special Resolution passed by the Shareholders of the Company by way of Postal Ballot through electronic means on 31 March 2022, the Company has sub-divided its equity share of face value of Rs.10/- (Rs. Ten only) each fully paid up, into 10 (Ten) equity shares of face value Re.1/- (Rupee One only) each fully paid-up, effective from 28 April 2022. Hence, shares have now been adjusted on account of sub-division of share done by the Company.

Rights issue

Out of 53,38,628 equity shares of face value Rs.10/- each issued 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 of face value Rs.10/- each (31 March 2021 - 5,290 equity shares of face value Rs.10/- each) (relating to cases under litigation/ pending clearance from the concerned authorities) are kept in abeyance as on 31 March 2022.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (contd.)

(Amount in Rupees lakhs, except otherwise stated)

Rights, preferences and restrictions attached to shares

The Company has only one class of equity shares having a par value of Re.1/- per share (previous year Rs.10/- per share). Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting except in case of interim dividend.

In the event of liquidation of the Company, the holder of equity shares are eligible to receive remaining assets of the Company in proportion to their shareholding.

Shares held by holding company

Name of the Shareholder	As at 31 March 2022		As at 31 March 2021	
	Number of shares held	Amount	Number of shares held	Amount
Composure Services Private Limited	10,29,15,990	1,029.16	1,02,91,599	1,029.16

Details of shares held by each shareholders holding more than 5 % of the aggregate shares in the Company

Name of the Shareholder	As at 31 March 2022		As at 31 March 2021	
	Number of shares held	Holding percentage	Number of shares held	Holding percentage
Composure Services Private Limited	10,29,15,990	53.38%	1,02,91,599	59.05%

Disclosure of shareholding of promoters

Name of the Shareholder	As at 31 March 2022		As at 31 March 2021	
	Number of shares held	Holding percentage	Number of shares held	Holding percentage
Composure Services Private Limited	10,29,15,990	53.38%	1,02,91,599	59.05%
STEL Holdings Limited	1,600	0.00%	160	0.00%
Quest Capital Markets Limited (formerly BNK Capital Markets Limited)*	82,32,200	4.27%	-	-
Total	11,11,49,790	57.65%	1,02,91,759	59.05%

*Quest Capital Markets Limited (formerly BNK Capital Markets Limited) is added in the promoter group list of Saregama India Limited pursuant to the transaction between Lebnitze Real Estates Private Limited and Quest Capital Markets Limited (formerly BNK Capital Markets Limited).

Stock option schemes and stock appreciation rights

Information relating to Employee Option Plan, including details of options issued, exercised and lapsed during the financial year and options outstanding at the end of the reporting period, is set out in Note 30.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (contd.)

(Amount in Rupees lakhs, except otherwise stated)

14.2 Other equity

	As at 31 March 2022	As at 31 March 2021
General reserve	693.95	693.95
Securities premium	82,242.02	9,106.81
Share option outstanding reserve	91.89	212.11
Treasury shares	(85.12)	(425.60)
Saregama Welfare Trust Reserve	14.57	(11.36)
Retained earnings	33,705.15	24,178.22
Revaluation reserve	11,087.62	10,349.54
Equity Instrument through OCI	7,505.19	5,107.68
Total other equity	1,35,255.27	49,211.35

- (i) **General reserve** : Under the erstwhile Companies Act 1956, a general reserve was created through an annual transfer of net profit at a specified percentage in accordance with applicable regulations. Consequent to the introduction of the Companies Act, 2013 (the "Companies Act"), the requirement to mandatory transfer a specified percentage of net profit to general reserve has been withdrawn. The amount credited to the reserve can be utilised by the Company in accordance with the provisions of the Companies Act.

There is no movement in general reserve during the current and previous year.

	As at 31 March 2022	As at 31 March 2021
Balance at the beginning of the year	693.95	693.95
Balance at the end of the year	693.95	693.95

- (ii) **Securities premium** : This reserve represents the premium on issue of shares and can be utilised in accordance with the provisions of the Companies Act.

	As at 31 March 2022	As at 31 March 2021
Balance at the beginning of the year	9,106.81	9,102.14
Add: 2,000 (2020-21 - 2,000) shares of face value Rs.10/- each issued on exercise of options (Refer Note 30)	4.67	4.67
Add: On fresh issues of shares of face value Rs.10/- each (net of expenses of Rs.1,684.34 Lakhs) {Refer Note 39}	73,130.54	-
Balance at the end of the year	82,242.02	9,106.81

- (iii) **Share options outstanding reserve** : This reserve relates to stock options granted by the Company to eligible employees under Saregama Employee Stock Option Scheme 2013. This reserve is transferred to securities premium or retained earnings on exercise or cancellations of vested options.

	As at 31 March 2022	As at 31 March 2021
Balance at the beginning of the year	212.11	535.43
Employee stock option expense (Refer Note 24)	75.70	137.71
Effect of modification of share based payment awards {Refer Note 30(c)}	-	150.61
Transfer on account of exercise of options	(188.40)	(101.74)
Adjustment on account of exercise of options	(7.52)	(509.90)
Balance at the end of the year	91.89	212.11

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (contd.)

(Amount in Rupees lakhs, except otherwise stated)

- (iv) **Treasury shares** : The Company has formed Saregama Welfare Trust (SWT) for implementation of the Schemes that are notified or may be notified from time to time by the Company under the plan, providing shared based benefits to its employees. SWT purchases shares of the Company out of funds borrowed from the Company. The Company treats SWT as its extension and shares held by SWT are treated as treasury shares.

	As at 31 March 2022	As at 31 March 2021
Balance at the beginning of the year	(425.60)	(764.32)
Add: Sale/(Purchase) of treasury shares by the trust during the year (net)	332.96	(171.18)
Adjustment on account of exercise of options	7.52	509.90
Balance at the end of the year	(85.12)	(425.60)

- (v) **Saregama Welfare Trust Reserve** : The Company has formed Saregama Welfare Trust (SWT) for implementation of the Schemes that are notified or may be notified from time to time by the Company under the plan, providing share based benefits to the employees. SWT purchases shares of the Company out of funds provided by the Company. The Company treats SWT as its extension and shares held by SWT are treated as Treasury Shares. Profit/(loss) on sale/transfer of treasury shares (net of tax) and dividend earned on the same by the SWT is recognized in SWT Reserve.

	As at 31 March 2022	As at 31 March 2021
Balance at the beginning of the year	(11.36)	-
Income/(Expense) of Trust for the year	25.93	(11.36)
Balance at the end of the year	14.57	(11.36)

- (vi) **Retained earnings** : This reserve represents the cumulative profits of the Company and effects of remeasurement of defined benefit obligations. This reserve can be utilised in accordance with the provisions of the Companies Act.

	As at 31 March 2022	As at 31 March 2021
Balance at the beginning of the year	24,178.22	17,138.58
Net profit for the year	15,041.44	10,701.79
Items of other comprehensive income recognised directly in retained earnings		
- Remeasurements of post-employment benefit obligation (net of tax)	81.37	(16.90)
Dividends paid	-	(261.39)
Interim dividend declared	(5,784.28)	(3,485.60)
Transfer on account of exercise of options	188.40	101.74
Balance at the end of the year	33,705.15	24,178.22

- (vii) **Revaluation surplus** : This reserve represents surplus on revaluation of Property, plant and equipment (land) and will be transferred directly to retained earning when the asset is derecognised.

	As at 31 March 2022	As at 31 March 2021
Balance at the beginning of the year	10,349.54	10,347.90
Surplus on revaluation of land	959.44	-
Deferred tax on revaluation of land	(223.51)	-
Deferred tax on investment property	2.15	1.64
Balance at the end of the year	11,087.62	10,349.54

- (viii) **Equity instruments through OCI (FVOCI)** : This reserve represents the cumulative gains (net of losses) arising on the revaluation of Equity Instruments at fair value through Other Comprehensive Income (OCI), net of amounts reclassified, if any, to Retained Earnings when those instruments are disposed of.

	As at 31 March 2022	As at 31 March 2021
Balance at the beginning of the year	5,107.68	2,582.23
Changes in fair value of FVOCI equity instruments during the year	2,709.52	2,859.41
Deferred tax on above	(312.01)	(333.96)
Balance at the end of the year	7,505.19	5,107.68

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (contd.)

(Amount in Rupees lakhs, except otherwise stated)

15 Employee benefit obligations (non-current)

	As at 31 March 2022	As at 31 March 2021
Leave encashment obligations (Refer Note 29)	366.75	354.93
Total employee benefit obligations (non-current)	366.75	354.93

16 Deferred tax liabilities (net)

The balance comprises temporary differences attributable to:

	Balance as at 1 April 2021	Recognised to profit or loss during the year	Recognised to/ reclassified from OCI	Recognised directly to other equity	Balance as at 31 March 2022
Deferred tax liability					
Fair value changes on financial assets-equity instruments/ mutual fund	702.00	134.36	312.01	-	1,148.37
Property, plant and equipment, intangible assets and investment property	4,321.59	6.28	223.51	(2.15)	4,549.23
Minimum guarantee royalty advance	141.50	(85.71)	-	-	55.79
Provision for royalty on licence fees	142.27	76.50	-	-	218.77
Income received in advance-digital film	-	14.19	-	-	14.19
Total deferred tax liability	5,307.36	145.62	535.52	(2.15)	5,986.35
Deferred tax asset					
Allowance for expected credit loss	253.91	0.44	-	-	254.35
Expenditure allowable for tax purpose in subsequent years	101.05	2.20	(27.37)	-	75.88
Income received in advance-digital film	1.83	(1.83)	-	-	-
Lease liabilities (net)	27.74	(26.63)	-	-	1.11
Total deferred tax asset	384.53	(25.82)	(27.37)	-	331.34
Net deferred tax liability	4,922.83	171.44	562.89	(2.15)	5,655.01

	Balance as at 1 April 2020	Recognised to profit or loss during the year	Recognised to/ reclassified from OCI	Recognised directly to other equity	Balance as at 31 March 2021
Deferred tax liability					
Fair value changes on financial assets-equity instruments/ mutual fund	363.89	4.15	333.96	-	702.00
Property, plant and equipment, right-of-use assets, intangible assets and investment property	4,301.44	21.79	-	(1.64)	4,321.59
Minimum guarantee royalty advance	216.86	(75.36)	-	-	141.50
Provision for royalty on licence fees	71.53	70.74	-	-	142.27
Total deferred tax liability	4,953.72	21.32	333.96	(1.64)	5,307.36
Deferred tax asset					
Allowance for expected credit loss	265.59	(11.68)	-	-	253.91
Expenditure allowable for tax purpose in subsequent years	104.37	(9.00)	5.68	-	101.05
Income received in advance-digital film	18.62	(16.79)	-	-	1.83
Lease Liabilities	11.84	15.90	-	-	27.74
Others	45.27	(45.27)	-	-	-
Total deferred tax asset	445.69	(66.84)	5.68	-	384.53
Net deferred tax liability	4,508.03	88.16	328.28	(1.64)	4,922.83

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (contd.)

(Amount in Rupees lakhs, except otherwise stated)

17 Financial liabilities (current)

17.1 Trade Payables

	As at 31 March 2022	As at 31 March 2021
Trade Payables		
a) Total outstanding dues of micro enterprises and small enterprises (refer below)	0.71	1.29
b) Total outstanding dues of creditors other than micro enterprises and small enterprises	6,163.49	5,259.59
Total trade payables	6,164.20	5,260.88

The amount due to Micro and Small Enterprises as defined in the "The Micro, Small and Medium Enterprises Development Act, 2006" has been determined to the extent such parties have been identified on the basis of information available with the Company. The disclosures relating to Micro and Small Enterprises are as below:

Micro and Small Enterprises :

The Company has amounts due to suppliers under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED')

	As at 31 March 2022	As at 31 March 2021
(a) The Principal amount and interest due thereon remaining unpaid to suppliers under MSMED as at the end of accounting year		
Principal	0.50	0.93
Interest	0.07	0.10
(b) The amount of interest paid in terms of Section 16 of MSMED along with the amount of payment made to suppliers beyond the appointed day during the year		
Principal	17.95	2.02
Interest	0.31	1.54
(c) The amount of interest due and payable for principal paid during the year beyond the appointed day but without adding the interest specified under MSMED		
Principal	-	-
Interest	-	-
(d) The amount of interest accrued and remaining unpaid at the end of the year	0.16	0.16
(e) The amount of further interest remaining due and payable even in the succeeding year, until such date when interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as deductible expenditure under Section 23 of the MSMED [including Rs.0.36 Lakhs (31 March 2021 - Rs.1.74 Lakh being interest outstanding as at the beginning of the accounting year)]	0.21	0.36

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (contd.)

(Amount in Rupees lakhs, except otherwise stated)

Trade Payables ageing schedule:

	Outstanding for following periods from due date of payment as at 31 March 2022				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	0.71	-	-	-	0.71
Total outstanding dues of creditors other than micro enterprises and small enterprises	3,591.87	249.11	572.57	1,749.94	6,163.49
Total	3,592.58	249.11	572.57	1,749.94	6,164.20

	Outstanding for following periods from due date of payment as at 31 March 2021				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	1.29	-	-	-	1.29
Total outstanding dues of creditors other than micro enterprises and small enterprises	2,275.97	572.56	517.45	1,893.61	5,259.59
Total	2,277.26	572.56	517.45	1,893.61	5,260.88

17.2 Other financial liabilities

	As at 31 March 2022	As at 31 March 2021
Security deposit		
Security deposit from dealers and others	14.25	15.25
Security deposit from General Insurance Corporation of India on sub lease of property	18.01	18.01
Unpaid Dividends*	47.74	20.27
Others		
Dealer's incentive	231.82	59.94
Liabilities for expenses	2,867.27	1,795.93
Employee benefits payable	752.89	702.29
Interest accrued and due on deposits from dealers	5.04	50.32
Liability towards deposits received under settlement	152.58	152.58
Proposed interim dividend	-	3,485.60
Total other financial liabilities	4,089.60	6,300.19

* There are no amounts due and outstanding to be credited to the Investor Education and Protection Fund under Section 125 of the Companies Act, 2013 as at the year end.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (contd.)

(Amount in Rupees lakhs, except otherwise stated)

18 Other current liabilities

	As at 31 March 2022	As at 31 March 2021
Income received in advance	3,125.27	1,743.43
Advance from customers	826.95	255.48
Amount payable to Government authorities*	480.97	277.87
Others	59.50	59.50
Total other current liabilities	4,492.69	2,336.28

*Primarily include payables in respect of Goods and Services Tax (GST) and tax deducted at source (TDS).

19 Provisions

	As at 31 March 2022	As at 31 March 2021
Other provisions		
Provision for royalty on licence fees (Refer note 19.1)	9,003.19	7,078.51
Total provisions	9,003.19	7,078.51

19.1 Movement of Provision for Royalty on Licence Fees

	As at 31 March 2022	As at 31 March 2021
Balance at the beginning of the year	7,078.51	5,141.00
Charged/(credited) to profit or loss		
- created during the year	5,053.15	4,445.44
- discounting on provision created	(695.35)	(567.41)
- unwinding of discount on provision created	391.40	286.30
- unused amounts reversed	(483.95)	(261.41)
Amounts utilised / transferred during the year	(2,340.57)	(1,965.41)
Balance at the end of the year	9,003.19	7,078.51

20 Employee benefit obligations (current)

	As at 31 March 2022	As at 31 March 2021
Leave encashment obligations (Refer Note 29)	70.66	73.74
Gratuity (Refer Note 29)	-	92.73
Total employee benefit obligations (current)	70.66	166.47

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (contd.)

(Amount in Rupees lakhs, except otherwise stated)

21 Revenue from operations

	Year ended 31 March 2022	Year ended 31 March 2021
Sale of products	9,627.62	8,479.64
Sale of services		
Income from films and television serials	10,239.13	5,210.37
Licence fees	36,091.27	28,359.61
Other operating revenue*	872.75	1,375.75
Total revenue from operations	56,830.77	43,425.37

*Includes export incentives of Rs.Nil (Previous year Rs.915.15 Lakhs) on account of Service Exports from India Scheme.

Disaggregation of revenue from contracts with customers

In the following table, revenue from contracts with customers is disaggregated by primary geography market, major products and service lines and timing of revenue recognition. The Company believes that this disaggregation best depicts how the nature, amount, timing of our revenues and cash flows are affected by geography and other economic factors:

	Sale of Products		Licence Fees		Films/Television Serials	
	Year ended 31 March 2022	Year ended 31 March 2021	Year ended 31 March 2022	Year ended 31 March 2021	Year ended 31 March 2022	Year ended 31 March 2021
Revenue by Geography						
Domestic	9,609.35	8,370.48	19,859.05	18,881.93	8,584.08	4,622.71
International	18.27	109.16	16,232.22	9,477.68	1,655.05	587.66
	9,627.62	8,479.64	36,091.27	28,359.61	10,239.13	5,210.37
Timing of Revenue Recognition						
Products and services transferred at a point in time	9,627.62	8,479.64	5,469.48	7,439.08	10,239.13	5,210.37
Products and services transferred over time	-	-	30,621.79	20,920.53	-	-
Total Revenue from Contracts with customers	9,627.62	8,479.64	36,091.27	28,359.61	10,239.13	5,210.37

Contract Balances

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers.

	As at 31 March 2022	As at 31 March 2021
Receivables, which are included in 'trade receivables' (Refer Note 11.2)	10,751.04	8,959.04
Contract liabilities, which are included in 'income received in advance' (Refer Note 18)	3,125.27	1,743.43

The contract assets primarily relate to the Company's rights to consideration for services rendered but not billed at the reporting date. The contract assets are transferred to receivables when the rights become unconditional. This usually occurs when the Company issues an invoice to the customer.

A receivable is a right to consideration that is unconditional upon passage of time. Revenue from the sale of products is recognised at the point in time when control is transferred to the customer. Revenue from licenses where the customer obtains a "right to access" is recognized over the access period. Revenues in excess of billings is recorded as unbilled revenue and is classified as a financial asset for these cases as right to consideration is unconditional upon passage of time.

Invoicing in excess of earnings are classified as contract liability.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (contd.)

(Amount in Rupees lakhs, except otherwise stated)

Changes in contract liabilities are as follows:

	As at 31 March 2022	As at 31 March 2021
Balance at the beginning of the year	1,743.43	1,742.56
Revenue recognised that was included in the contract liabilities at the beginning of the year	(1,743.43)	(1,742.56)
Increase due to invoicing during the year, excluding amounts recognised as revenue during the year	3,125.27	1,743.43
Balance at the end of the year	3,125.27	1,743.43

The Company has entered into a few contracts where the period between the transfer of the promised goods or services to the customer and payments by the customer exceeds one year and hence, there exists a financing component included in such contracts. On evaluation of the terms of the contracts, the effects of financing have not been found to be significant and the same has been adjusted accordingly.

Reconciliation of revenue recognised with the contracted price is as follows:

	As at 31 March 2022	As at 31 March 2021
Contracted prices	56,332.16	42,915.28
Reductions towards variable consideration components	(374.14)	(865.66)
Revenue recognised*	55,958.02	42,049.62

* The above balances include revenue from sale of products and sale of services.

The reduction towards variable consideration comprises of volume discounts, incentives, etc.

Performance obligation

The following table provides information about the nature and timing of performance obligation in contracts with customers, including significant payment terms and related revenue recognition policies

Type of product	Nature and timing of satisfaction of performance obligation, including significant payment terms	Revenue recognition under Ind AS 115
Physical products	In case of sales of products, customer obtain control of the products when the goods are delivered at customer's premise.	Revenue from the sale of products is recognised at the point in time when control is transferred to the customer. Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (contd.)

(Amount in Rupees lakhs, except otherwise stated)

Type of product	Nature and timing of satisfaction of performance obligation, including significant payment terms	Revenue recognition under Ind AS 115
Music licensing	<p>The performance obligation of "right-to-use" of Music Licensing contracts gets satisfied at the time of entering into agreement/ contracts with customers.</p> <p>In case of "right-to-access" of Music Licensing contracts, the Company undertakes activities that significantly affect the Music Licenses to which the customer has rights. In these cases, the performance obligation gets complete when the Customers accesses the music licenses. Payment is made as per the terms of the Contract.</p>	Revenue from Music licensing where the customer obtains a "right to use" is recognized at the time the license is made available to the customer. Revenue from licenses where the customer obtains a "right to access" is recognized over the access period.
Sale of television serial episodes	In case of sale of TV serial episodes, customer obtain control of the TV serial episodes when the same is delivered to them and revenue is recognised at that point in time.	Revenue from the sale of television serial episodes is recognised upfront at the point in time when the software is delivered to the customer.
Sale of free commercial time	The performance obligation gets satisfied at the time when the related advertisement or commercials appears before the public, i.e. on telecast.	Revenue from sale of free commercial time (net of trade discount, as applicable) are recognised when the related advertisement or commercials appears before the public, i.e. on telecast.
Theatrical distribution of films	The performance obligation gets satisfied at the time of exhibition of films.	Revenue from theatrical distribution is recognised on exhibition of films. In case of distribution through theatres, revenue is recognised on the basis of box office reports received from various exhibitors. Contracted minimum guarantees are recognised on theatrical release.
Sale of film rights	The performance obligation gets satisfied at the time of assignment of such rights as per terms of the sale/licencing agreements. Invoices are payable within contractually agreed credit period.	Revenue from Sale of films rights are recognised on assignment of such rights as per terms of the sale/licencing agreements.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (contd.)

(Amount in Rupees lakhs, except otherwise stated)

22 Other income

	Year ended 31 March 2022	Year ended 31 March 2021
Liabilities/Provisions no longer required written back	27.43	538.13
Allowance for expected credit loss / provision for doubtful advances no longer required written back	16.76	-
Interest income under effective interest method (refer note below)	1,853.56	1,704.52
Dividend income from equity investments designated at FVOCI*	567.04	567.03
Profit on sale of investment in mutual fund	48.30	-
Fair value gain on mutual fund at FVTPL	550.34	16.51
Profit on sale of property, plant and equipment	-	0.17
Rent Income (Refer Note 5)	18.90	18.96
Net gain on foreign currency transactions	88.87	26.35
Insurance claim	164.04	-
Other non-operating income	5.83	35.56
Total other income	3,341.07	2,907.23

Note:

	Year ended 31 March 2022	Year ended 31 March 2021
Above Interest income comprises :		
- Interest income on bank balances and bank deposits	1,072.65	332.01
- Interest income on income tax refund	-	665.27
- Interest income on loan to related parties	17.68	24.26
- Unwinding of discount on financial assets	65.10	78.24
- Discounting of financial liabilities/provision	695.35	567.41
- Security deposits	2.78	-
- Other interest	-	37.33
Total interest income	1,853.56	1,704.52

* All dividends from equity investments designated at FVOCI relate to investments held at the end of the reporting year.

23. Operational cost

	Year ended 31 March 2022		Year ended 31 March 2021	
Music				
Opening Inventory	4,163.43		6,807.48	
Add: Purchase of Inventory	7,766.47		2,171.64	
Less: Closing Inventory	5,275.22	6,654.68	4,163.43	4,815.69
Films and television serials				
Opening Inventory	2,383.39		2,099.91	
Add: Cost incurred during the year	10,056.75		4,649.68	
Less: Closing Inventory	5,041.79	7,398.35	2,383.39	4,366.20
Total operational cost		14,053.03		9,181.89

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (contd.)

(Amount in Rupees lakhs, except otherwise stated)

24 Employee benefits expense

	Year ended 31 March 2022	Year ended 31 March 2021
Salaries, wages and bonus	5,533.14	5,099.51
Share based payment expense (Refer Note 30)	75.70	137.71
Contribution to provident and other funds (Refer Note 29)	323.95	306.48
Staff welfare expenses	175.61	145.29
Total employee benefits expense	6,108.40	5,688.99

25 Finance costs

	Year ended 31 March 2022	Year ended 31 March 2021
Interest expense on financial liabilities measured at amortised cost:		
- on loan and others	35.36	26.11
- unwinding of discount on financial liabilities/provision	391.40	286.30
- on lease liabilities	11.19	3.67
Other borrowing costs	13.47	28.93
Total finance costs	451.42	345.01

26 Depreciation and amortisation expense

	Year ended 31 March 2022	Year ended 31 March 2021
Depreciation on property, plant and equipment (Refer Note 3)	189.64	180.81
Depreciation on right-of-use assets (Refer Note 4)	45.52	50.77
Depreciation on investment properties (Refer Note 5)	5.54	5.53
Amortisation on Intangible asset (Refer Note 6)	1,061.70	302.93
Total depreciation and amortisation expense	1,302.40	540.04

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (contd.)

(Amount in Rupees lakhs, except otherwise stated)

27 Other expenses

	Year ended 31 March 2022	Year ended 31 March 2021
Power and Fuel	90.86	79.11
Rent (Refer Note 4)	325.05	325.32
Repairs - Buildings	93.52	106.01
- Machinery	2.21	2.65
- Others	568.19	273.76
Royalties	6,320.19	5,666.36
Recording expenses	-	-
Carriage, freight and forwarding charges	732.04	938.97
Rates and taxes	188.56	127.12
Insurance	100.55	77.12
Travel and conveyance	296.04	77.68
Advertisement and sales promotion	6,197.12	5,445.86
Printing and communication expenses	226.53	272.63
Bad debts/advances written off	-	22.82
Allowance for expected credit loss / provision for doubtful advances	-	1.93
Legal and consultancy expenses	1,844.55	1,634.22
Corporate social responsibility expenses (Refer Note 27.1)	200.14	137.19
Payment to auditors (Refer Note 37)	75.06	66.53
Miscellaneous expense	796.80	776.89
Total other expense	18,057.41	16,032.17

27.1 Corporate social responsibility expenses

	Year ended 31 March 2022	Year ended 31 March 2021
(a) Amount required to be spent by the Company during the year	200.14	137.19
(b) Amount of expenditure incurred on:		
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above	-	137.19
(c) Shortfall at the end of the year	200.14	-
(d) Total of previous years shortfall	-	-
(e) Reason for shortfall	Refer Note 1 below	Not Applicable
(f) Nature of CSR activities	In terms of CSR policy approved by the Board of Directors of the Company.	In terms of CSR policy approved by the Board of Directors of the Company.
(g) Details of related party transactions in relation to CSR expenditure as per relevant Indian Accounting Standard		
Contribution to RP-Sanjiv Goenka Group CSR Trust	-	137.19

Note 1: The Company has deposited an amount of **Rs.200.14 Lakhs** in Unspent CSR Account for FY21-22 within the time limits as prescribed under section 135 of the Act for making available to RP- Sanjiv Goenka Group CSR Trust for School Project which has been identified as Ongoing Project by the Board of Directors of the Company.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (contd.)

(Amount in Rupees lakhs, except otherwise stated)

28 Tax expenses
A. Tax expense recognised in the Statement of Profit and Loss

	Year ended 31 March 2022	Year ended 31 March 2021
Current tax		
Current tax on profits for the year	4,986.30	3,754.55
Total current tax	4,986.30	3,754.55
Deferred tax		
Decrease in deferred tax assets	25.82	66.84
Increase in deferred tax liabilities	145.62	21.32
Total deferred tax	171.44	88.16
Total tax expense	5,157.74	3,842.71

B. Amount recognised in other comprehensive income

	Year ended 31 March 2022	Year ended 31 March 2021
The tax charge arising on income and expenses recognised in Other Comprehensive Income are as follows:		
Deferred tax		
On items that will not be reclassified to profit or loss		
Remeasurements of post-employment benefit obligations	(27.37)	5.68
Changes in fair value of equity instruments designated at FVOCI	(312.01)	(333.96)
Revaluation gains relating to property, plant and equipment	(223.51)	-
Total amount recognised in other comprehensive income	(562.89)	(328.28)

C. Amount recognised directly to other equity

	Year ended 31 March 2022	Year ended 31 March 2021
Deferred tax on investment property	(2.15)	(1.64)
Total amount recognised in other equity	(2.15)	(1.64)

D. Reconciliation of tax expense

	Year ended 31 March 2022	Year ended 31 March 2021
Profit before tax	20,199.18	14,544.50
Income tax expense calculated @ 25.17% (31 March 2021 - 25.17%)	5,084.13	3,660.85
Adjustments:		
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Items not deductible for tax purposes	56.91	101.05
Other items	16.70	80.81
Tax expense	5,157.74	3,842.71

The tax rate used in the above reconciliation for the year 2021-22 and 2020-21 is the tax rate of 25.17% (22% + surcharge @ 10% and education cess @ 4%) payable on taxable profits under the Income Tax Act, 1961.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (contd.)

(Amount in Rupees lakhs, except otherwise stated)

29 Assets and liabilities relating to employee benefits

(I) Post-employment defined benefit plans:

(A) Gratuity (funded)

The Company provides for gratuity, a defined benefit retirement plan covering eligible employees. As per the plan, the Saregama India Limited Employees Group Gratuity Fund (Gratuity Fund), administered and managed by the Trustees and funded primarily with Life Insurance Corporation of India (LIC) and ICICI Prudential Life Insurance Company Limited, make payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. The Trustees are responsible for the overall governance of the plan and to act in accordance with the provisions of the trust deed and rules in the best interests of the plan participants. Each year an Asset-Liability matching study is performed in which the consequences of the strategic investment policies are analysed in terms of risk and return profiles. Investment and contribution policies are integrated within this study. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation as set out in Note 1(r)(iii) in significant accounting policies, based upon which, the Company makes contributions to the Employees' Gratuity Funds.

The following table sets forth the particulars in respect of the Gratuity Plan (funded) of the Company:

	31 March 2022	31 March 2021
(a) Reconciliation of opening and closing balances of the present value of the defined benefit obligation:		
Present value of obligation at the beginning of the year	757.15	647.34
Current service cost	96.11	92.43
Interest cost	42.19	39.34
<u>Remeasurements (gains) / losses</u>		
Actuarial (gain)/ loss arising from changes in financial assumptions	(30.52)	9.24
Actuarial (gain)/ loss arising from changes in experience adjustments	(61.08)	14.40
Benefits paid	(131.20)	(45.60)
Present value of obligation at the end of the year	672.65	757.15
(b) Reconciliation of the opening and closing balances of the fair value of plan assets:		
Fair value of plan assets at the beginning of the year	664.42	508.13
Interest Income	39.98	35.77
<u>Remeasurements gains / (losses)</u>		
Return on plan assets (excluding amount included in net interest cost)	17.14	1.06
Contributions by employer	93.00	140.00
Benefits paid	(111.05)	(20.54)
Fair value of plan assets at the end of the year	703.49	664.42
(c) Reconciliation of the present value of the defined benefit obligation and the fair value of plan assets:		
Present value of obligation at the end of the year	672.65	757.15
Fair value of plan assets at the end of the year	703.49	664.42
(Assets)/Liabilities recognised in the balance sheet	(30.84)	92.73

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (contd.)

(Amount in Rupees lakhs, except otherwise stated)

	31 March 2022	31 March 2021
(d) Actual return on plan assets	57.12	36.83
(e) Re-measurements losses/(gains) recognised in the Other Comprehensive Income		
Return on plan assets (excluding amount included in net interest cost)	(17.14)	(1.06)
Effect of changes in financial assumptions	(30.52)	9.24
Effect of changes in experience adjustments	(61.08)	14.40
Total re-measurement (gains)/losses included in Other Comprehensive Income	(108.74)	22.58
(f) Expense recognised in Statement of Profit or Loss:		
Current service cost	96.11	92.43
Net interest cost	2.21	3.57
Total expense recognised in Statement of Profit and Loss	98.32	96.00
(g) Category of plan assets:	In %	In %
(a) Fund with Life Insurance Corporation of India	68%	69%
(b) NAV based Group Balanced Fund with ICICI Prudential Life Insurance Company Limited	17%	16%
(c) NAV based Group Short Term Debt Fund with ICICI Prudential Life Insurance Company Limited	7%	7%
(d) NAV based Group Debt Fund with ICICI Prudential Life Insurance Company Limited	8%	8%
	100%	100%
(h) Maturity profile of defined benefit obligation:		
Within 1 year	159.30	294.19
1-2 year	39.52	37.64
2-5 years	191.52	156.66
Over 5 years	488.70	451.25
(i) Principal actuarial assumptions:		
Discount rate	6.70%	6.10%
Salary growth rate	10.00%	10.00%

Assumptions regarding future mortality experience are based on mortality tables of 'Indian Assured Lives Mortality (2006-2008)' published by the Institute of Actuaries of India.

The estimate of future salary increases takes into account inflation, seniority, promotion and other relevant factors, such as demand and supply in the employment market.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (contd.)

(Amount in Rupees lakhs, except otherwise stated)

(j) Sensitivity analysis	Change in Assumption	Impact on defined benefit obligation (2021-22)	Impact on defined benefit obligation (2020-21)
	Discount rate	Increase by 1%	Decrease by Rs.45.53 Lakhs
	Decrease by 1%	Increase by Rs.52.35 Lakhs	Increase by Rs.50.54 Lakhs
Salary growth rate	Increase by 1%	Increase by Rs.50.23 Lakhs	Increase by Rs.48.20 Lakhs
	Decrease by 1%	Decrease by Rs.44.67 Lakhs	Decrease by Rs.42.58 Lakhs

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied when calculating the defined benefit obligation recognised in the Balance Sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

- (k) The Company expects to contribute **Rs.100 Lakhs** (previous year - Rs.96 Lakhs) to the funded gratuity plans during the next financial year.
- (l) The weighted average duration of the defined benefit obligation as at 31 March 2022 is **8 years** (31 March 2021 – 6 years).

(II) Post-employment defined contribution plans
(A) Superannuation fund

Certain categories of employees of the Company participate in superannuation, a defined contribution plan administered by the Trust set up by the Company. The Company makes yearly contributions based on a specified percentage of each covered employee's salary. The Company has no further obligations under the plan beyond its annual contributions.

During the year, an amount of **Rs.10.16 Lakhs** (previous year- Rs.15.49 Lakhs) has been recognised as expenditure towards above defined contribution plan of the Company.

(B) Provident fund

All categories of employees of the Company receive benefits from a provident fund, a defined contribution plan. Both the employee and employer make monthly contributions to a government administered fund at specified percentage of the covered employee's qualifying salary. The Company has no further obligations under the plan beyond its monthly contributions.

During the year, an amount of **Rs.192.27 Lakhs** (previous year- Rs.178.92 Lakhs) has been recognised as expenditure towards above defined contribution plan of the Company.

(III) Leave obligations

The Company provides for accumulation of leave by certain categories of its employees. These employees can carry forward a portion of the unutilised leave balances and utilise it in future periods or receive cash (only in case of earned leave) in lieu thereof as per the Company's policy. The Company records a provision for leave obligations in the period in which the employee renders the services that increases this entitlement.

The total closing provision towards this obligation was **Rs.437.41 Lakhs** and Rs.428.67 Lakhs as at 31 March 2022 and 31 March 2021 respectively. The amount of the provision is presented as current, since the Company does not have an

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (contd.)

(Amount in Rupees lakhs, except otherwise stated)

unconditional right to defer settlement for any of these obligations. However, based on past experience, the Company does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months. The following amounts reflect leave that is not expected to be taken or paid within the next 12 months.

	31 March 2022	31 March 2021
Leave provision not expected to be settled within the next 12 months (Refer Note 15)	366.75	354.93

(IV) Risk exposure

Through its defined benefit plans, the Company is exposed to some risks, the most significant of which are detailed below:

Discount rate risk

The Company is exposed to the risk of fall in discount rate. A fall in discount rate will eventually increase the ultimate cost of providing the above benefit thereby increasing the value of the liability.

Salary growth risks

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. An increase in the salary of the plan participants will increase the plan liability.

Demographic risk

In the valuation of the liability, certain demographic (mortality and attrition rates) assumptions are made. The Company is exposed to this risk to the extent of actual experience eventually being worse compared to the assumptions thereby causing an increase in the benefit cost.

30 Share based payments
(a) Stock appreciation rights

The Nomination and Remuneration Committee of the Board of Directors has granted Stock Appreciation Rights ("SAR") to certain eligible employees pursuant to the Company's Stock Appreciation Rights Scheme 2018 (hereinafter referred to as "Scheme"). The grant price is determined as defined in the Scheme. The Scheme has different performance linked vesting schedules. The exercise period commences from the date of vesting of the Options and expires at the end of 10 years from the date of vesting. Under the Scheme, the specified eligible employees are entitled to receive cash payment, being the difference in the share price between the date of grant and the date of exercise subject to certain conditions. The Schemes are administered by Nomination and Remuneration Committee.

Details of SAR Scheme	SAR Scheme' 2018	
Grant Date	31 July 2018	
Grant Price (Rs.)	416.20	
Vesting Schedule	40% after 1 year from grant date 20% after 2 years from grant date 20% after 3 years from grant date 20% after 4 years from grant date	
	As at 31 March	
	2022 *	2021 *
Number of SAR outstanding at the beginning of the year	*	100000
Add : Granted during the year	*	-
Less : Forfeited / lapsed / cancelled during the year (*)	*	100000
Less : Exercised during the year	*	-
Number of SAR outstanding at the end of the year	*	-
Fair value of SAR at the end of the year (Rs.)	*	-
Carrying amount of liability - included in employee benefits payable (Rs. in Lakhs)	*	-

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (contd.)

(Amount in Rupees lakhs, except otherwise stated)

The fair value of SAR was determined using the Black Scholes Model using the following inputs at the grant date and at each reporting dates:	SAR Scheme' 2018	
	As at 31 March	
	2022	2021
Share price at measurement date (Rs. per share)	*	*
Exercise price (Rs. per share)	*	*
Expected time (in years)	*	*
Expected volatility (%)	*	*
Dividend yield (%)	*	*
Risk-free interest rate (%)	*	*

*The Nomination and Remuneration Committee in its meeting held on 30 June 2020 cancelled 1,00,000 Stock Appreciation rights issued to eligible employees on 31 July 2018 under the Saregama Stock Appreciation Rights Scheme 2018 ("SAR 2018").

In accordance with the aforesaid shareholders approval w.r.t. modification of employee share benefit schemes, the Nomination and Remuneration Committee has granted 1,00,000 Options to the eligible employees under the Saregama Employee Stock Option Scheme 2013 in lieu of SAR 2018 keeping all other terms and conditions of the replaced awards remain the same as the original award, being in line with the requirements of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, as amended.

The aforesaid Options would vest as per the vesting schedule approved by the Nomination and Remuneration Committee and the exercise period is 10 years from the date of vesting.

(b) Employee stock option scheme

The establishment of the Employee Stock Option Scheme 2013 (Scheme) was approved by the shareholders at the Annual General Meeting held on 26 July 2013. The Scheme is designed to provide incentives to eligible employees to deliver long term returns. Under the Scheme each Option entitles the holder thereof to apply for and be allotted one equity shares of the Company of Rs.10 each upon payment of the exercise price during the exercise period as defined in the Scheme.

The exercise period commences from the date of vesting of the Options and expires at the end of 10 years from the date of vesting. The Options have been granted at the 'market price' as defined under the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, as amended.

Information in respect of Options granted under the Scheme :

Pursuant to approved Scheme, the Compensation Committee / Nomination and Remuneration Committee of the Board of Directors has granted shares / options during 2016-17, 2020-21 and 2021-22 to certain eligible employees and outstanding as on 31 March 2022 at the following exercise price, being prevailing market price as on date of grant to respective employee:

Name of eligible employees	As at 31 March 2022		As at 31 March 2021	
	No. of options/ shares #	Exercise price per share (Rs.)	No. of options/ shares	Exercise price per share (Rs.)
Mr. Vikram Mehra, Managing Director **	18,000	416.20	90,000	416.20
Mr. Kumar Ajit, Sr. Vice President - Sales and marketing@	-	-	2,000	243.70
Ms. Rashna Pochkhanwala, Sr. Vice President - Music Licencing **	2,000	416.20	10,000	416.20
Mr. Vineet Garg, Chief Financial Officer@	10,000	1,750.40	-	-

Before giving effect of share split (Refer Note 14.1).

@ Exercise of options by the option holders shall entail issuance of equity shares by the Company on compliance / completion of related formalities on the basis of 1:1.

** The Nomination and Remuneration Committee of the Board of Directors in its meeting held on 8 May 2019, has recommended amendments to the clauses in the ESOS 2013 to effect implementation of the said scheme through Saregama Welfare Trust and the same has been approved by the shareholders in the Annual General Meeting held on 19 July 2019. Basis the above modification, ESOS 2013 is being implemented through a trust viz. Saregama Welfare Trust ("Trust") in accordance with the provisions of Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, as amended ("SEBI SBEB Regulations"). This involves secondary market acquisition of the Company's equity shares by the Trust.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (contd.)

(Amount in Rupees lakhs, except otherwise stated)

Measurement of fair value

The fair value of Employee Stock Options as on the date of grant was determined using the Black Scholes Model which takes into account the share price at the measurement date, expected price volatility of the underlying share, the expected dividend yield and risk free interest rate and carrying amount of liability included in employee benefit obligations.

The fair value of the options and the inputs used in the measurement of fair value as on the grant date are as follows:

	Vineet Garg	Vikram Mehra	Rashna Pochkhanwala	Kumar Ajit
Grant date	26-Apr-21	30-Jun-20	30-Jun-20	09-Sep-16
Fair value at grant date (Rs.)	1095.00	244.26	244.26	141.90
Share price at grant date (Rs.)	1760.25	426.80	426.80	243.70
Exercise price (Rs.)	1750.40	416.20	416.20	243.70
Expected volatility	54.56%	55.80%	55.80%	55.96%
Expected Life (expected weighted average life)	8.00	6.24	6.24	8 Years
Expected dividend	0.58%	0.58%	0.58%	1.34%
Risk free interest rate (based on Government bonds)	6.18%	5.56%	5.56%	7.00%

Expected volatility has been based on the evaluation of the historical volatility of the Company's share price, particularly over the historical period commensurate with the expected term. The Expected term of the instruments has been based on the historical experience and general option holder behaviour.

Reconciliation of outstanding share options #

	31 March 2022	31 March 2021
Number of Options Outstanding at the beginning of the year	102000	204000
Number of Options granted during the year	10000	100000
Number of Options forfeited/lapsed during the year	-	-
Number of Options vested during the year	82000	202000
Number of Options exercised during the year	82000	202000
Number of Shares arising as a result of exercise of options	2000	2000
Number of Options outstanding at the end of the year	30000	102000
Number of Options exercisable at the end of the year	-	-

Before giving effect of share split (Refer Note 14.1).

The weighted average share price of shares arising upon exercise of Options for the year ended 31 March 2022 based on the closing market price on NSE was **Rs.3,850.45** (31 March 2021 - Rs.815.35).

(c) Expense arising from share based payment transactions

Total expenses arising from share-based payment transactions recognised in Statement of Profit and Loss as part of employee benefit expense are as follows:

	Year ended 31 March 2022	Year ended 31 March 2021
Employee stock option scheme	75.70	137.71
Stock appreciation rights (SAR)	-	102.54

During the year ended 31 March 2021, the Company issued ESOP as replacement for outstanding stock appreciation rights awards. The replacement was pursuant to SEBI (Share Based Employee Benefits) Regulations, 2014, as amended. The awards were granted after necessary approvals from the Nomination and Remuneration Committee, all other terms and conditions of the replaced awards remain the same as the original award.

The replacement awards was accounted as a modification and the fair value on the date of modification of Rs.150.61 Lakhs recognized as equity with a corresponding adjustment to financial liability. The movement in the fair value of Stock Appreciation Rights till the date of its cancellation has been charged to the statement of profit and loss.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (contd.)

(Amount in Rupees lakhs, except otherwise stated)

31 Fair value measurements

(i) Financial instruments by category

	Notes	As at 31 March 2022	As at 31 March 2021
		Carrying Amount / Fair Value	Carrying Amount / Fair Value
A. Financial assets			
(a) Measured at fair value through OCI			
Investments			
Equity instruments	8.1	14,528.26	9,120.58
Sub total		14,528.26	9,120.58
(b) Measured at fair value through profit and loss			
Investments			
Units of Mutual funds (quoted)	11.1	50,570.95	2,516.38
Sub total		50,570.95	2,516.38
(c) Measured at amortised cost			
Investments			
Equity instruments	8.1	1,865.72	1,864.72
Trade receivables	11.2	10,751.04	8,959.04
Cash and cash equivalents	11.3	14,706.45	629.56
Other bank balances	11.4	17,100.96	13,383.87
Loans	11.5	2,384.55	1,124.77
Other financial assets	8.2, 11.6	982.62	577.44
Sub total		47,791.34	26,539.40
Total financial assets		1,12,890.55	38,176.36
B. Financial liabilities			
Measured at amortised cost			
Lease liabilities	4	130.31	110.22
Trade payables	17.1	6,164.20	5,260.88
Other financial liabilities	17.2	4,089.60	6,300.19
Total financial liabilities		10,384.11	11,671.29

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (contd.)

(Amount in Rupees lakhs, except otherwise stated)

(ii) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows below.

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

Level 2: Inputs other than quoted price included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

The fair value of financial instruments that are not traded in an active market is determined using market approach and valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

If one or more of the significant inputs is not based on observable market data, the fair value is determined using generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparty.

The fair value of trade receivables, cash and cash equivalents, other bank balances, loans and deposits, trade payables, borrowings, lease liabilities and other financial assets and liabilities is considered to be equal to the carrying amounts of these items due to their short-term nature. The fair values of unquoted equity instruments were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

There has been no change in the valuation methodology for Level 3 inputs during the year. The Company has classified certain financial instruments under Level 3 of the fair value hierarchy. There were no transfers between Level 1 and Level 2 during the year ended 31 March 2022 and 31 March 2021.

	Fair Value Hierarchy Level	As at 31 March 2022	As at 31 March 2021
Financial assets			
Measured at fair value through OCI			
Investments			
Equity instruments (quoted)	1	14,372.84	8,934.35
Equity instruments (un-quoted)	3	155.42	186.23
		14,528.26	9,120.58
Measured at fair value through profit and loss			
Investments			
Units of Mutual funds (quoted)	1	50,570.95	2,516.38

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (contd.)

(Amount in Rupees lakhs, except otherwise stated)

Since, some of the Company's financial assets as mentioned in above table are carried at fair value for which Level 3 inputs have been used. The following table gives information about how the fair values of these financial assets are determined (in particular, the valuation technique(s) and inputs used).

	Valuation Technique	Significant unobservable inputs	Sensitivity	
			31 March 2022	31 March 2021
Unquoted Equity Instruments	Discounted cash flow	Earning growth rate/Discounting rate	Increase in earning growth rate by 1% and lower discount rate by 1% would increase fair value by Rs.281.27 Lakhs.	Increase in earning growth rate by 1% and lower discount rate by 1% would increase fair value by Rs.96.62 Lakhs.
			Decrease in earning growth rate by 1% and higher discount rate by 1% would decrease fair value by Rs.56.72 Lakhs.	Decrease in earning growth rate by 1% and higher discount rate by 1% would decrease fair value by Rs. 69.83 Lakhs.

Level 3 fair values - Movement in the values of unquoted equity instruments

The following table shows a reconciliation from the opening balance to the closing balance for Level 3 fair values:

	FVOCI Equity Instruments
Balance at 1 April 2020	178.54
Gain / (loss) included on OCI	
- Net change in fair value (unrealised)	7.69
Balance at 31 March 2021	186.23
Balance at 1 April 2021	186.23
Gain / (loss) included on OCI	
- Net change in fair value (unrealised)	(30.81)
Balance at 31 March 2022	155.42

32 Financial risk management

The Company has a system-based approach to risk management, anchored to policies and procedures aimed at ensuring early identification, evaluation and management of key financial risks (such as market risk, credit risk and liquidity risk) that may arise as a consequence of its business operations as well as its investing and financing activities.

Accordingly, the Company's risk management framework has the objective of ensuring that such risks are managed within acceptable and approved risk parameters in a disciplined and consistent manner and in compliance with applicable regulation. It also seeks to drive accountability in this regard.

This Note explains the sources of risk which the entity is exposed to and how the entity manages the risk. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

(A) Credit risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The Company is exposed to credit risk from its operating activities (primarily Trade Receivables) and from its investing activities (primarily Deposits with Banks).

Trade receivables

Trade receivables are typically unsecured and are derived from revenue earned from customers. Customer credit risk is managed by respective segment subject to the Company's policy and procedures which involve credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Company grants credit terms in the normal course of business. The Company's customer base is large and diverse limiting the risk arising out of credit concentration. Further, credit is extended in business interest in accordance with business-specific credit policies. The Company's exposure to trade receivables on the reporting date, net of expected loss provisions, stood at **Rs.10,751.04 Lakhs** as on 31 March 2022 (31 March 2021 - Rs.8,959.04 Lakhs).

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (contd.)

(Amount in Rupees lakhs, except otherwise stated)

All overdue customer balances are evaluated taking into account the age of the dues, specific credit circumstances, the track record of the counterparty etc. On account of adoption of Ind AS 109, the Company uses expected credit loss model to assess the impairment loss.

The movement of the expected loss provision (allowance for bad and doubtful receivables) made by the Company are as under:

	Expected loss provision	
	As at 31 March 2022	As at 31 March 2021
Opening balance	1,008.87	1,055.26
Add: Provision made during the year (net)	1.73	-
Less: Utilisation for impairment/de-recognition/reversal of provision	-	(46.39)
Closing balance	1,010.60	1,008.87

Other financial assets

Credit risk from balances with banks, term deposits and investments is managed by Company's finance department. Investments in fixed deposits are held with highly rated banks. Investments of surplus are made within assigned credit limits with approved counterparties who meet the threshold requirements with respect to ratings, financial strength, credit spreads etc. Counterparty credit limits are set to minimize concentration risk and are reviewed periodically by the Board of Directors.

The Company's maximum exposure to credit risk for the components of the Balance Sheet as of 31 March 2022 and 31 March 2021 is the carrying amounts as disclosed in Note 8.1, 8.2, 11.1, 11.3, 11.4, 11.5 and 11.6.

(B) Liquidity risk

Liquidity risk refers to the risk that the Company fails to honour its financial obligations in accordance with terms of contract. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions.

Management monitors rolling forecasts of the company's liquidity position (including the undrawn credit facilities extended by banks and financial institutions) and cash and cash equivalents on the basis of expected cash flows. In addition, the Company's liquidity management policy involves projecting cash flows and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

The following table shows a maturity analysis of the anticipated cash flows including interest obligations for the Company's non-derivative financial liabilities on an undiscounted basis, which therefore does not differ significantly from their carrying value as the impact of discounting is not significant.

Non-derivative financial liabilities	As at 31 March 2022			
	Less than one year	One to five years	More than five years	Total
(i) Trade payables (Refer Note 17.1)	6,164.20	-	-	6,164.20
(ii) Lease liabilities (Refer Note 4)	69.42	76.28	-	145.70
(iii) Other financial liabilities (Refer note 17.2)	4,089.60	-	-	4,089.60
	10,323.22	76.28	-	10,399.50

Non-derivative financial liabilities	As at 31 March 2021			
	Less than one year	One to five years	More than five years	Total
(i) Trade payables (Refer Note 17.1)	5,260.88	-	-	5,260.88
(ii) Lease liabilities (Refer Note 4)	44.85	82.23	-	127.08
(iii) Other financial liabilities (Refer note 17.2)	6,300.19	-	-	6,300.19
	11,605.92	82.23	-	11,688.15

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (contd.)

(Amount in Rupees lakhs, except otherwise stated)

The Company does not have derivative financial liabilities as at the end of above mentioned reporting periods.

The Company is having cash credit facility and the same carries interest of **7.70% to 8.40% p.a.** (2020-21: 7.70% to 8.40% p.a.). The facility is unutilised as on 31 March 2022 and 31 March 2021. Cash Credit facility was secured by first pari passu charge (ranking pari passu with all consortium bankers) over the whole of the current assets of the Company including its inventories, bills receivable and book debts and all other movables, both present and future whether now lying loose or in cases wherever they may be situated and also by the second charge on the Company's movable fixed assets, both present and future ranking pari passu without any preference or priority of one over the others.

(C) Market risk

(i) Foreign currency risk

Foreign currency risk is the risk that the fair value of the future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company transacts business in local currency and in foreign currencies (primarily US Dollars and GBP). The Company has foreign currency trade receivables, trade payables and advances and is therefore exposed to foreign currency risk. The risk is measured through a forecast of highly probable foreign currency cash flows.

The Company's risk management policy is hedging of net foreign currency exposure at all points in time through foreign exchange forward contracts. The objective of the hedging is to eliminate the currency risk due to volatility in exchange rates.

(a) Foreign currency risk exposure:

The Company's exposure to foreign currency risk at the end of the reporting period expressed in INR, are as follows:

	As at 31 March 2022		As at 31 March 2021	
	Financial Assets	Financial Liabilities	Financial Assets	Financial Liabilities
USD	646.25	3.58	644.54	-
GBP	302.60	-	473.38	-
Others	155.25	2.44	47.81	-
Total	1,104.10	6.02	1,165.73	-

Net Exposure to Foreign Currency Risk (Assets - Liabilities)

	As at 31 March 2022	As at 31 March 2021
USD	642.67	644.54
GBP	302.60	473.38
Others	152.81	47.81
Total	1,098.08	1,165.73

(b) Sensitivity

The sensitivity of profit or loss due to changes in the foreign exchange rates arises mainly from foreign currency denominated financial instruments. 10 % appreciation / depreciation of the respective foreign currencies with respect to functional currency (holding all other variables constant) of the Company would result in increase / decrease in the Company's profit before tax as computed below:

	Impact on profit before tax	
	Year ended 31 March 2022	Year ended 31 March 2021
USD sensitivity		
INR/USD -Increase by 10%	64.27	64.45
INR/USD -Decrease by 10%	(64.27)	(64.45)
GBP sensitivity		
INR/GBP-Increase by 10%	30.26	47.34
INR/GBP-Decrease by 10%	(30.26)	(47.34)
Other currencies sensitivity		
INR/Others-Increase by 10%	15.28	4.78
INR/Others-Decrease by 10%	(15.28)	(4.78)

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (contd.)

(Amount in Rupees lakhs, except otherwise stated)

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to risk of changes in market interest rates relates primarily to the Company's debt interest obligation. Further the Company engages in financing activities at market linked rates, any changes in the interest rate environment may impact future rates of borrowings.

The exposure of the Company's financial assets and financial liabilities to interest rate risk is as follows:

	31 March 2022		31 March 2021	
	Floating Rate	Fixed Rate	Floating Rate	Fixed Rate
Financial assets	-	31,141.97	-	10,079.58
Financial liabilities	-	-	-	-
	-	31,141.97	-	10,079.58

Increase/ decrease of 50 basis points (holding all other variables constant) in interest rates at the balance sheet date would result in increase/decrease of **Rs.Nil** (31 March 2021 - Rs.Nil) in interest expense on financial liabilities with floating interest rate and corresponding impact on profit before tax for the year ended 31 March 2022.

The Company invests its surplus funds in fixed deposits and mutual funds. Fixed deposits are held with highly rated banks and have a short tenure and are not subject to interest rate volatility.

(iii) Securities price risk

Securities price risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market traded prices. The Company is not an active investor in equity markets; it continues to hold certain investments in equity for long term value accretion which are accordingly measured at fair value through Other Comprehensive Income. The value of investments in such equity instruments (including quoted and unquoted) as at 31 March 2022 is **Rs.14,528.26 Lakhs** (31 March 2021 - Rs.9,120.58 Lakhs). Accordingly, fair value fluctuations arising from market volatility is recognised in Other Comprehensive Income.

The Company also invests in mutual fund schemes of leading fund houses. Such investments are susceptible to market price risk that will fluctuate due to changes in market traded prices, which may impact the return and value of such investments. The value of investments in such mutual fund schemes as at 31 March 2022 is **Rs.50,570.95 Lakhs** (31 March 2021 - Rs.2,516.38 Lakhs). Accordingly, fair value fluctuations arising from market volatility is recognised in Statement of profit and loss.

33 Capital management
(a) Risk management

The Company's objectives when managing capital are to:

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Company monitors capital on the basis of net debt to equity ratio and maturity profile of overall debt portfolio of the Company.

Net debt implies total borrowings of the Company as reduced by Cash and Cash Equivalent and Equity comprises all components attributable to the owners of the Company.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (contd.)

(Amount in Rupees lakhs, except otherwise stated)

The following table summarises the capital of the Company:

	As at 31 March 2022	As at 31 March 2021
Total borrowings ⁽¹⁾	130.31	110.22
Less: Cash and cash equivalents (Refer Note 11.3)	(14,706.45)	(629.56)
Net Debt	(14,576.14)	(519.34)
Equity (Refer Note 14.1 and 14.2)	1,37,183.36	50,954.15
Net Debt to Equity Ratio	(0.11)	(0.01)

⁽¹⁾ Borrowings represents only lease liabilities

Under the terms of the borrowing facilities, the Company has complied with the financial covenants as imposed by the bank and financial institutions.

No changes were made to the objectives, policies or processes for managing capital during the years ended 31 March 2022 and 31 March 2021.

(b) Dividend on equity shares

	Year ended 31 March 2022	Year ended 31 March 2021
Dividend declared and paid during the year		
Final dividend for the year ended 31 March 2021 of Rs.Nil (31 March 2020 of Rs.1.50) per fully paid share of face value Rs.10/- each	-	261.39
Interim dividend for the year ended 31 March 2022 of Rs.30 (31 March 2021 - Rs.20) per fully paid share of face value Rs.10/- each	5,784.28	3,485.60
	5,784.28	3,746.99
Proposed dividend not recognised at the end of the reporting period		
Since year end the directors have recommended the payment of a final dividend of Rs.Nil per fully paid share (31 March 2021 - Rs.Nil).	-	-
	-	-

34 Related party disclosures

Where control exists

a) Parent entity

Name	Type	Place of incorporation	Ownership interest	
			As at 31 March 2022	As at 31 March 2021
Composure Services Private Limited (CSPL)	Holding Company	India	53.38%	59.05%

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (contd.)

(Amount in Rupees lakhs, except otherwise stated)

b) Subsidiaries

The Company has following subsidiaries and step down subsidiary companies:-

Name	Type	Place of incorporation	As at 31 March 2022	As at 31 March 2021
Saregama Limited (formerly Saregama Plc.) (SL)	Subsidiary Company	United Kingdom	76.41%	76.41%
RPG Global Music Limited (RPGG)	Wholly Owned Subsidiary Company	Mauritius	100.00%	100.00%
Kolkata Metro Networks Limited (KMNL)	Wholly Owned Subsidiary Company	India	100.00%	100.00%
Open Media Network Private Limited (OMNPL)	Wholly Owned Subsidiary Company	India	100.00%	100.00%
Saregama FZE (SFZE)	Wholly Owned Subsidiary Company	UAE	100.00%	100.00%
Saregama Inc	Wholly Owned Subsidiary Company of SL	USA	76.41%	76.41%
Digidrive Distributors Limited (DDL)	Wholly Owned Subsidiary Company w.e.f. 15 March 2022	India	100.00%	Not Applicable

c) Joint venture

Saregama Regency Optimedia Private Limited (SROPL) (under liquidation effective 19 September 2016) (Refer Note 41)

d) Key management personnel (KMP) of the Company and Holding Company

Name	Relationship
Mr.Sanjiv Goenka	Chairman and Non-Executive Director
Mr.Vikram Mehra	Managing Director
Mrs.Preeti Goenka	Non-Executive Director
Mrs.Avarna Jain	Vice-Chairman and Non-Executive Director
Mr.Umang Kanoria	Non-Executive Independent Director
Mr.Santanu Bhattacharya	Non-Executive Independent Director
Mr.Arindam Sarkar	Non-Executive Independent Director
Mr.Noshir Naval Framjee	Non-Executive Independent Director
Mrs.Kusum Dadoo	Non-Executive Independent Director appointed w.e.f. 05 June 2020 and resigned w.e.f. 04 February 2021
Mrs.Suhana Murshed	Non-Executive Independent Director appointed w.e.f. 23 March 2021
Mr.Vineet Garg	Chief Financial Officer upto 10 April 2022
Mr. Pankaj Mahesh Chaturvedi	Chief Financial Officer w.e.f. 11 April 2022
Mrs.Kamana Goenka	Company Secretary
Mr.Rajendra Dey	Director of Holding Company
Mr.Akhilanand Joshi	Director of Holding Company

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (contd.)

(Amount in Rupees lakhs, except otherwise stated)

e) Other Related Parties with whom the Company had transactions

Name	Relationship
RPSG Resources Private Limited (formerly known as Accurate Commodeal Private Limited)	Entity controlled by KMP of the Company
Saregama India Limited Employees Group Gratuity Fund (Gratuity Fund)	Post Employment Benefit Plan of the Company
Saregama India Limited Superannuation Fund (Superannuation Fund)	Post Employment Benefit Plan of the Company
Saregama Welfare Trust	Share Based Benefits Scheme of the Company

Transactions with related parties

	Year ended 31 March 2022	Year ended 31 March 2021
A Holding company- (CSPL)		
Dividend paid	5,145.80	154.37
B Subsidiary company		
SL		
Licence fees - income	445.46	621.73
Reimbursement of expense paid/payable	56.83	31.56
Provision for doubtful debts written back	-	(22.17)
OMNPL		
Purchase of services	1,196.28	1,103.89
Consultancy charges	-	96.00
KMNL		
Interest income	13.48	14.87
Reimbursement of expenses	134.99	105.32
Loans given	135.72	261.17
Loans refunded	297.27	100.00
Saregama Inc		
Licence fees-income	484.86	218.83
Reimbursement of expense paid/payable	54.51	330.69
Reimbursement of expense received/receivable	37.15	14.97
Provision for doubtful debts (written back)/created	-	(106.59)
SFZE		
Sale of goods	18.27	50.79
Licence fees - income	5.92	8.02
Interest income	4.19	9.44
Loans given	61.33	-
Loans refunded	-	63.02
Provision for doubtful debts created	22.72	-
Reimbursement of expense paid/payable	-	60.30
DDL		
Investment in equity shares	1.00	-

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (contd.)

(Amount in Rupees lakhs, except otherwise stated)

	Year ended 31 March 2022	Year ended 31 March 2021
C Entity jointly controlled by KMP of the Company		
RPSG Resources Private Limited		
Royalty expense for brand usage	600.00	425.00
Reimbursement of expenses received	200.00	200.00
D Remuneration to Key management personnel		
Mr.Vikram Mehra	937.83	642.29
Mr.Vineet Garg	201.13	182.88
Mrs.Kamana Goenka	16.65	15.06
E Loan given to Mr. Vikram Mehra	1,364.00	895.00
F Sitting fees		
Mr.Sanjiv Goenka	1.75	1.25
Mrs.Preeti Goenka	1.40	1.00
Mrs.Avarna Jain	1.40	1.00
Mr.Umang Kanoria	1.95	1.40
Mr.Santanu Bhattacharya	3.00	1.95
Mr.Arindam Sarkar	1.65	1.00
Mr.Noshir Naval Framjee	2.75	1.70
Mrs.Suhana Murshed	1.45	-
Mrs.Kusum Dadoo	-	0.60
G Post employment benefit plan of the Company		
Contribution towards Saregama India Limited Employees Group Gratuity Fund	93.00	140.00
Contribution towards Saregama India Limited Superannuation Fund	10.16	15.49
H Other Related Party		
Loans given to Saregama Welfare Trust for purchase of treasury shares	-	210.00
Loans recovered from Saregama Welfare Trust	340.48	-

Key management personnel compensation *

	Year ended 31 March 2022	Year ended 31 March 2021
Short-term employee benefits	1,103.18	786.60
Post employment benefits	44.56	37.49
Other long-term benefits	7.87	16.14

* The above compensation does not include perquisite value of interest free loan and perquisite value of shares options exercised during the year aggregating to **Rs.2,919.15 Lakhs** (31 March 2021: Rs.1,341.75 Lakhs) for the year ended 31 March 2022, as defined under the Income-tax Act,1961.

The total managerial remuneration paid/payable to Managing Director of the Company including the aforesaid perquisite value of interest free loan and perquisite value of shares options exercised during the year, as defined under the Income-tax Act, 1961, has exceeded the prescribed limits under Section 197 read with Schedule V to the Companies Act, 2013. The Company has obtained necessary approvals as required under the relevant provisions of the Companies Act, 2013.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (contd.)

(Amount in Rupees lakhs, except otherwise stated)

Balances outstanding at the year end

	As at 31 March 2022	As at 31 March 2021
A Subsidiary company		
1) Non-current investments @		
SL	8.82	8.82
RPGG	-	-
KMNL	1,554.10	1,554.10
OMNPL	6,975.14	6,975.14
SFZE	310.62	310.62
DDL	1.00	-
2) Loans		
KMNL	-	161.55
SFZE	102.65	39.78
3) Interest accrued and due		
KMNL *	-	0.00
SFZE	4.28	0.02
4) Trade receivables @		
SL	336.71	473.40
Saregama Inc	221.28	37.28
SFZE	49.98	24.69
6) Provision for diminution in the value of investments		
SL	8.82	8.82
OMNPL	6,975.14	6,975.14
7) Provision for doubtful debts		
SFZE	22.72	-
B Joint venture company		
1) Non-current investments @		
SROPL	145.97	145.97
2) Provision for diminution in the value of investments		
SROPL	145.97	145.97
C Entity jointly controlled by KMP of the Company		
RPSG Resources Private Limited		
Reimbursement of expenses receivable	236.00	177.00
D Key management personnel		
Remuneration payable		
- Mr.Vikram Mehra	157.28	125.00
- Mr.Vineet Garg	28.96	26.79
- Mrs.Kamana Goenka	1.90	1.73
Loan given to Mr. Vikram Mehra	2,259.00	895.00

@ Gross of provisions

* Amount below rounding off norms.

Terms and conditions of transactions with related parties :

- ▶ Sales to related parties are made in the ordinary course of business and on terms equivalent to those that prevail in arm's length transactions with other customers. Outstanding balances at the year-end are unsecured and will be settled in cash and cash equivalents.
- ▶ The loan given to related parties is made in the ordinary course of business and on terms at arm's length price. Outstanding balances at the year-end is unsecured and will be settled in cash and cash equivalents.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (contd.)

(Amount in Rupees lakhs, except otherwise stated)

35 Commitments

Estimated amount of contract remaining to be executed on Capital account and not provided for [net of advances of **Rs.2,874.47 Lakhs** (31 March 2021 - Rs.1,058.38 Lakhs)] as at 31 March 2022 are estimated at **Rs.2,278.00 Lakhs** (31 March 2021- 1,376.43 Lakhs).

36 Contingent liabilities in respect of -

(i) Income Tax Matter

The Company has ongoing disputes with income tax authorities in India. The disputes relate to tax treatment of certain expenses claimed as deductions, computation or eligibility of allowances. The Company has contingent liability of **Rs.2,808.68 Lakhs** as at 31 March 2022 (31 March 2021 - Rs.1,050.74 Lakhs) in respect of tax demands which are being contested by the Company based on the management evaluation and advice of tax consultants.

(ii) Indirect Tax Matter

The Company has ongoing disputes with Indian tax authorities mainly relating to treatment of characterisation and classification of certain items. The Company have demands amounting to **Rs.463.52 Lakhs** as at 31 March 2022 (31 March 2021 - Rs.463.63 Lakhs) relating to Excise duty, Custom duty, Service tax, Sales tax/VAT and Other indirect taxes from respective indirect tax authorities which are being contested by the Company based on the management evaluation and advice of tax consultants.

(iii) Copyright Matter

The Company has received legal notices of claims / lawsuits filed against it relating to infringement of copyrights in relation to the music used / other matters. Based on management evaluation and advice from legal solicitors, **Rs.20.25 Lakhs** as at 31 March 2022 (31 March 2021 - Rs.20.25 Lakhs) is considered as contingent on account of such claims / law suits.

 (iv) Other matters including claims related to property related demands **Rs.5,018.66 Lakhs** as at 31 March 2022 (31 March 2021 - Rs.4,295.04 Lakhs).

In respect of above, it is not practicable for the Company to estimate the timings of cash outflows, if any, pending resolution of the respective proceedings. The Company does not expect any reimbursements in respect of the above.

37 Amount paid / payable to auditors :

	Year ended 31 March 2022	Year ended 31 March 2021
As Auditors -		
- Audit fees for Standalone Financial Statements	31.00	26.75
- Audit fees for Consolidated Financial Statements	9.00	7.25
- Tax audit	7.50	6.50
- Limited reviews	22.50	18.00
- Others [certificates, etc.]	3.60	5.00
Fees for QIP related work	73.03	-
Reimbursement of expenses	1.46	3.03

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (contd.)

(Amount in Rupees lakhs, except otherwise stated)

38 Basic and diluted earnings per share :

	Year ended 31 March 2022	Year ended 31 March 2021
Number of equity shares at the beginning of the year	17,42,80,120	17,42,60,120
Number of equity shares at the end of the year	19,28,09,490	17,42,80,120
Weighted average number of equity shares outstanding during the year (A)	18,14,41,438	17,42,71,298
Weighted average number of equity shares held in controlled trust (B)	5,26,740	27,37,992
Weighted average number of equity shares for computing basic earnings per share [C= (A-B)]	18,09,14,699	17,15,33,306
Weighted average number of potential equity shares on account of employee stock options (D)	2,33,077	16,90,700
Weighted average number of equity shares for computing diluted earnings per share [E= (C+D)]	18,11,47,776	17,32,24,006
Nominal value of each equity share (Re.)	1	1
Profit after tax available for equity shareholders (Rs.in Lakhs) [F]	15,041.44	10,701.79
Basic earnings per share (Rs.) [F/C]	8.31	6.24
Diluted earnings per share (Rs.) [F/E]	8.30	6.18

In compliance with Indian Accounting Standard 33 - 'Earnings per share', the disclosure of earnings per share for the year ended 31 March 2022 and 31 March 2021 has been arrived at after giving effect of the sub-division of share. Also see Note 14.1.

39 Utilisation of proceeds from issue of Shares

Qualified Institutional Placement

During the year, the Company raised a sum of **Rs.74,999.97 Lakhs** by allotting 18,50,937 equity shares of face value of Rs.10/- each on a Qualified Institutional Placement basis.

	31 March 2022
Proceeds from the issue of shares during the year	74,999.97
<u>Utilisation during the year:</u>	
Issue related expenses	1,684.34
Utilised for content acquisition	2,267.50
Balance unutilised amount invested in mutual funds and fixed deposits with Banks	71,048.13

40 In order to lay specific focus on the e-commerce distribution business of the Company alongwith identified non-core assets (including investment(s) in publication business) and other activities and/ or arrangements incidental or relating thereto, the Board of the Directors of the Company at its meeting held on 30 March 2022 approved, subject to necessary approvals, Scheme of Arrangement between the Company and Digidrive Distributors Limited ("Resulting Company") and their respective shareholders and creditors under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 ("Act") ("Scheme") which inter alia provides for the demerger, transfer and vesting of the Demerged Undertaking (as defined in the Scheme) from the Company into the Resulting Company, on a going concern basis. The appointed date being 1 April 2022. Upon implementation of the Scheme, each shareholder of the Company would be entitled to fully paid shares of the respective companies in the ratio set out in the Scheme. Necessary accounting effect of the Scheme will be given in due course, upon receipt of the requisite approvals.

41 Saregama Regency Optimedia Private Limited (SROPL), a joint venture of the Company had been directed to be wound up vide Order dated 19 September 2016 by the Hon'ble High Court at Calcutta and the Official Liquidator attached to this Court has forthwith taken into his custody all the property, effects, books of accounts, other documents and actionable claims. Accordingly, the financial statements of SROPL has been prepared up to the date preceding the date of Court Order.

In view of the above, information relating to the Company's interest in the Joint Venture has not been disclosed in the current year as well as in the previous year.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (contd.)

(Amount in Rupees lakhs, except otherwise stated)

42 The Company has following un-hedged exposures in foreign currencies

	As at 31 March 2022		As at 31 March 2021	
	Foreign currency in Lakhs	Amount in Rs. Lakhs	Foreign currency in Lakhs	Amount in Rs. Lakhs
Trade Receivables	GBP 3.00	302.60	GBP 4.64	473.38
Trade Receivables	USD 8.44	646.25	USD 8.83	644.54
Trade Receivables	MYR 0.11	1.99	-	-
Trade Receivables	-	-	OMR 0.01	0.12
Trade Receivables	AED 2.46	50.48	AED 0.10	1.98
Trade Receivables	SGD 0.01	0.13	-	-
Trade Receivables	-	-	NPR 9.85	5.94
Trade Payables	USD 0.05	3.58	-	-
Trade Payables	NZD 0.05	2.44	-	-
Loan & Advances	AED 5.00	102.65	AED 2.00	39.77

43 In terms of Indian Accounting Standard (Ind AS) 108 on 'Operating Segment' notified in the Act, segment information has been presented in the Consolidated Financial Statements, prepared pursuant to Indian Accounting Standard (Ind AS) 110 on 'Consolidated Financial Statements' and Indian Accounting Standard (Ind AS) 28 on 'Investments in Associates and Joint Ventures' notified in the Act, included in the Annual Report for the year.

44 Ratios:

The following are analytical ratios for the year ended 31 March 2022 and 31 March 2021:

	Numerator	Denominator	31 March 2022	31 March 2021	Variance	Remarks
Current ratio (in times)	Current assets	Current liabilities	5.01	2.00	150.29%	Refer note I
Debt-equity ratio (in times)	Total debt (represents lease liabilities) ⁽¹⁾	Total equity	0.00	0.00	0.00%	
Debt service coverage ratio (in times)	Earnings available for debt service ⁽²⁾	Debt service ⁽³⁾	316.64	205.48	54.10%	Refer note II
Return on Equity (in %)	Profit for the year	Average total equity	15.99%	23.18%	-31.02%	Refer note III
Inventory turnover ratio (in times)	Operational cost	Average inventories	1.67	1.19	40.26%	Refer note IV
Trade receivables turnover ratio (in times)	Revenue from operations	Average trade receivables	5.77	4.34	32.72%	Refer note V
Trade payables turnover ratio (in times)	Purchases of goods, services and other expenses	Average trade payables	6.28	4.36	44.02%	Refer note VI
Net capital turnover ratio (in times)	Revenue from operations	Working capital ⁽⁴⁾	0.59	2.04	-70.99%	Refer note I
Net profit ratio (in %)	Profit for the year	Revenue from operations	26.47%	24.64%	7.40%	
Return on capital employed (in %)	Earning before interest and taxes ⁽⁵⁾	Capital employed ⁽⁶⁾	14.44%	26.59%	-45.69%	Refer note III
Return on investment - Quoted (in %)	Income generated from quoted non-current investments	Time weighted average investments	36.18%	56.49%	-35.96%	Refer note VII
Return on investment - Unquoted (in %)	Income generated from unquoted non-current investments	Time weighted average investments	-16.54%	4.31%	-484.11%	Refer note VII

⁽¹⁾ Debt represents only lease liabilities

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (contd.)

(Amount in Rupees lakhs, except otherwise stated)

⁽²⁾ Profit for the year + Depreciation and amortisation expense + Finance costs

⁽³⁾ Lease payments during the year

⁽⁴⁾ Current assets - Current liabilities

⁽⁵⁾ Profit for the year + Tax Expense + Finance costs

⁽⁶⁾ Net worth + deferred tax liabilities + Lease liabilities

I. The increase is on account of unutilised amount out of fund raised through QIP which has been invested in mutual funds and fixed deposits with Banks resulting in increase on current assets.

II. On account of increase in net profit after taxes during the year ended 31 March 2022.

III. During the year ended 31 March 2022, Company has raised fresh equity amounting to Rs.74,999.97 Lakhs by allotting 18,50,937 equity shares of face value of Rs.10/- each on a Qualified Institutional Placement basis resulting in increase in Average total equity and capital employed for the current year.

IV. Increase in inventory turnover ratio by 40.26% is in line with increase in operations of the Company during the current year.

V. Revenue growth coupled with better collection of receivables has resulted in an improvement in the ratio.

VI. Improvement in the ratio is on account of increase in operations coupled with timely payment of liabilities.

VII. Based on the marked to market valuation of the investments.

45 Disclosure of investments made in related parties required under section 186(4) of the Companies Act, 2013:

(a) The Company has invested in equity of **Rs.1 Lakh** (2020-21 Rs.Nil) during the year in its subsidiary, Digidrive Distributors Limited for its principal business activities.

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

For and on behalf of the Board of Directors of
Saregama India Limited
CIN : L22213WB1946PLC014346

Jayanta Mukhopadhyay
Partner
Membership Number: 055757

Sanjiv Goenka
Chairman
DIN: 00074796
Place : Kolkata

Vikram Mehra
Managing Director
DIN: 03556680
Place : Mumbai

Pankaj Mahesh Chaturvedi
Chief Financial Officer

Kamana Goenka
Company Secretary
ACS: 35161

Place : Kolkata
Date : 02 May 2022

Place : Mumbai
Date : 02 May 2022

Place : Mumbai
Date : 02 May 2022

STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2022

(Amount in Rupees lakhs, except otherwise stated)

	Year ended 31 March 2022		Year ended 31 March 2021	
A. Cash Flow from Operating Activities				
Profit Before Tax		20,199.18		14,544.50
Adjustments for:				
Depreciation and amortisation expense	1,302.40		540.04	
Allowance for expected credit loss / provision for doubtful advances	-		1.93	
Finance costs	451.42		345.01	
Liabilities/Provisions no longer required written back	(27.43)		(538.13)	
Allowance for expected credit loss / provision for doubtful advances no longer required written back	(16.76)		-	
Interest income	(1,853.56)		(1,704.52)	
Share based payment expense	75.70		137.71	
Bad debts/advances written off	-		22.82	
Profit on sale of Property, plant and equipment	-		(0.17)	
Profit on sale of Investment in Mutual Fund	(48.30)		-	
Fair value gain on Mutual Fund at FVTPL	(550.34)		(16.51)	
Dividend income from equity investments designated at FVOCI	(567.04)		(567.03)	
Net (gain)/loss on unrealised foreign currency transactions	(30.12)		32.15	
		(1,264.03)		(1,746.70)
Operating profit before Working Capital Changes		18,935.15		12,797.80
Adjustments for:				
Increase in Other current assets, Loans, Other non-current assets, Other financial assets	(4,866.92)		(728.16)	
Increase in Other financial liabilities, Provisions, Other current liabilities	5,768.95		3,252.11	
Increase in Trade payables	903.32		430.05	
Decrease in Employee benefit obligations	(6.09)		(4.56)	
(Increase)/Decrease in Trade receivables	(1,763.61)		2,079.04	
(Increase)/Decrease in Inventories	(3,770.19)		2,360.57	
		(3,734.54)		7,389.05
Cash generated from operations		15,200.61		20,186.85
Income taxes paid (net of refund)		(5,612.97)		(1,442.06)
Net cash generated from Operating Activities (A)		9,587.64		18,744.79
B. Cash Flow from Investing Activities				
Purchase of Property, plant and equipment and intangible assets	(7,259.53)		(2,195.91)	
Sale of Property, plant and equipment	-		0.17	
Investment in equity shares of other company (quoted)	(2,698.16)		(75.60)	
Interest received	691.40		215.30	
Investment in equity shares of subsidiary	(1.00)		-	
Loan to subsidiary companies (net)	98.68		(94.52)	
Investment in Mutual Funds	(58,810.45)		(2,499.87)	
Proceeds from sale of Investment in Mutual Funds	11,354.53		-	
Fixed deposits placed with banks (with remaining maturity more than 3 months)	(7,175.29)		(9,703.58)	
Dividend income from equity investments designated at FVOCI	567.04		567.03	
Net cash used in Investing Activities (B)		(63,232.78)		(13,786.98)

STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2022 (contd.)

(Amount in Rupees lakhs, except otherwise stated)

	Year ended 31 March 2022		Year ended 31 March 2021	
C. Cash Flow from Financing Activities				
Repayment of Short term borrowings	-		(633.22)	
Proceeds from issue of shares	185.29		0.20	
Share premium received on issue of shares	73,135.21		4.67	
Sale/(Purchase) of Investment by Saregama Welfare Trust (Treasury Shares) (net)	332.96		(171.18)	
Dividend paid	-		(261.39)	
Repayment of principal portion of lease liabilities	(41.85)		(52.72)	
Interest paid on lease liabilities	(11.19)		(3.67)	
Interest paid on others	(94.11)		(55.04)	
Interim dividend paid	(5,784.28)		(3,485.60)	
Net cash generated from/(used in) Financing Activities (C)		67,722.03		(4,657.95)
Net increase in cash and cash equivalents (A+B+C)		14,076.89		299.86
Cash and Cash Equivalents at the beginning of the year (Refer Note 11.3)		629.56		329.70
Cash and Cash Equivalents at the end of the year (Refer Note 11.3)		14,706.45		629.56

Notes:

- The above Cash Flow Statement has been prepared under the Indirect Method as set out in Ind AS - 7 "Statement of Cash Flows".
- Reconciliation of liabilities from financing activities

	Balance as at 1 April 2021	Cash flows	Non-cash changes	Balance as at 31 March 2022
Borrowings	-	-	-	-
Lease liabilities	110.22	(53.04)	73.13	130.31
Total liabilities from financing activities	110.22	(53.04)	73.13	130.31

	Balance as at 1 April 2020	Cash flows	Non-cash changes	Balance as at 31 March 2021
Borrowings	633.22	(633.22)	-	-
Lease liabilities	47.03	(56.39)	119.58	110.22
Total liabilities from financing activities	680.25	(689.61)	119.58	110.22

The accompanying notes 1 to 45 are an integral part of these standalone financial statements

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

Jayanta Mukhopadhyay
Partner
Membership Number: 055757

For and on behalf of the Board of Directors of
Saregama India Limited
CIN : L22213WB1946PLC014346

Sanjiv Goenka
Chairman
DIN: 00074796
Place : Kolkata

Vikram Mehra
Managing Director
DIN: 03556680
Place : Mumbai

Pankaj Mahesh Chaturvedi
Chief Financial Officer

Kamana Goenka
Company Secretary
ACS: 35161

Place : Kolkata
Date : 02 May 2022

Place : Mumbai
Date : 02 May 2022

Place : Mumbai
Date : 02 May 2022

INDEPENDENT AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

To the Members of Saregama India Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Saregama India Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the consolidated balance sheet as at 31 March 2022, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on separate financial statements of such subsidiaries as were audited by the other auditors, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2022, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence obtained by us along with the consideration of reports of the other auditors referred to in paragraph (a) of the "Other Matters" section below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Description of Key Audit Matter

Revenue Recognition

See note 21 to the consolidated financial statements

The key audit matter	How the matter was addressed in our audit
<p>The Group derives its revenues from the sale of contractually manufactured products; licensing of music rights and income from films and television serials including free commercial time.</p> <p>The recognition of revenue from licence fees has been considered to be critical since the Group has entered into multiple complex contracts with its customers. Apart from the contractual agreements as entered, the Group recognised revenue based on the logs/ information as received from such customers.</p> <p>The complexity of these contractual terms also requires the Group to make judgements in assessing fulfillment of its obligations under the contracts to recognise the revenue in line with the accounting policy adopted.</p>	<p>In view of the significance of the matter we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence:</p> <ul style="list-style-type: none"> • We have evaluated the terms of significant contracts pertaining to revenue from licence fees to identify the performance obligations under these contracts; • We have considered the revenue recognition policies of the Group in respect of those contracts and assessed the consistent application of these policies in light of the requirements of relevant accounting standards; • We have tested the effectiveness of relevant controls over revenue from licence fees; • We have selected sample transactions and performed substantive procedures with regard to revenue from licence fees by agreeing to third party information, logs received from the customers and other relevant information; • We tested the transactions closer to the year end to check the recognition of revenue in the correct period; and • evaluated the adequacy of the consolidated financial statement disclosures required by Ind AS115

INDEPENDENT AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS (contd.)

Other Information

The Holding Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's annual report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and based on the work done/ audit report of other auditors, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's and Board of Directors' Responsibilities for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/ loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective Management and Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company 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 accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of each company.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

INDEPENDENT AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS (contd.)

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial statements of such entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in paragraph (a) of the section titled "Other Matters" in this audit report.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

- (a) We did not audit the financial statements of six subsidiaries (including one step-down subsidiary), whose financial statements reflect total assets (before consolidation adjustments) of Rs. 4,441.48 lakhs as at 31 March 2022, total revenues (before consolidation adjustments) of Rs. 3,517.77 lakhs and net cash inflows (before consolidation adjustments) amounting to Rs.81.22 lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

Certain of these subsidiaries are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the reports of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

- (b) The financial information of one subsidiary, whose financial information reflect total assets (before consolidation adjustments) of Rs. 1 lakh as at 31 March 2022, total revenues (before consolidation adjustments) of Rs. Nil and net cash inflows (before consolidation adjustments) amounting to Rs.1 lakh for the year ended on that date, as considered in the consolidated financial

INDEPENDENT AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS (contd.)

statements, have not been audited either by us or by other auditors. This unaudited financial information 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 this subsidiary, and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiary, is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, this financial information are not material to the Group.

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 and the financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143 (11) of the Act, we report on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

In our opinion and according to the information and explanations given to us, there are no qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order, 2020 reports of the companies incorporated in India and included in the consolidated financial statements.

2. A. As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate financial statements of such subsidiaries as were audited by other auditors, as noted in the "Other Matters" paragraph, we report, to the extent applicable, that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - c) The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2022 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies, incorporated in India is disqualified as on 31 March 2022 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 with reference to financial statements of the Holding Company and its subsidiary companies incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries, as noted in the "Other Matters" paragraph:
 - a) The consolidated financial statements disclose the impact of pending litigations as at 31 March 2022 on the consolidated financial position of the Group. Refer Note 37 to the consolidated financial statements.
 - b) The Group did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31 March 2022.
 - c) There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Holding Company during the year ended 31 March 2022. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the subsidiary companies incorporated in India during the year ended 31 March 2022.

INDEPENDENT AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS (contd.)

- d) (i) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or its subsidiary companies, incorporated in India to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Holding Company or its subsidiary companies incorporated in India or
 - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (ii) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Holding Company or its subsidiary companies incorporated in India from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or its subsidiary companies incorporated in India shall:
- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Parties or
 - provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.
- (iii) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (d) (i) and (d) (ii) contain any material mis-statement.
- e) The dividend declared or paid during the year by the Holding Company incorporated in India is in compliance with Section 123 of the Act. The subsidiary companies incorporated in India have neither declared nor paid any dividend during the year.
- C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us and based on the reports of the statutory auditors of such subsidiary companies incorporated in India which were not audited by us, the remuneration paid during the current year by the Holding Company and its subsidiary companies to its directors is in accordance with the provisions of Section 197 read with Schedule V of the Act. The remuneration paid to one director of the Holding Company is in excess of the limit laid down under Section 197 read with Schedule V of the Act, however, necessary approval with respect to the same has been obtained by the Holding Company (refer note 34 to the consolidated financial statement). The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

Jayanta Mukhopadhyay
Partner
Membership No.: 055757
UDIN: 22055757AIHWOD3940

Place: Kolkata
Date: 02 May 2022

ANNEXURE A TO INDEPENDENT AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

Annexure A to the Independent Auditors' report on the consolidated financial statements of Saregama India Limited for the year ended 31 March 2022

Report on the internal financial controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

(Referred to in paragraph (2A(f)) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31 March 2022, we have audited the internal financial controls with reference to consolidated financial statements of Saregama India Limited (hereinafter referred to as "the Holding Company") and such companies incorporated in India under the Act which are its subsidiary companies, as of that date.

In our opinion, the Holding Company and such companies incorporated in India which are its subsidiary companies, have, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at 31 March 2022, based on the internal financial controls with reference to consolidated financial statements criteria established by such companies considering the essential components of such internal controls 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").

Management's Responsibility for Internal Financial Controls

The respective company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the criteria established by the respective company considering the essential components of internal control stated in 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 the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. 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 with reference to consolidated financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of the internal controls based on the assessed risk.

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.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the relevant subsidiary companies 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 internal financial controls with reference to consolidated financial statements.

Meaning of Internal Financial controls with Reference to Consolidated Financial Statements

A company's internal financial controls with reference to consolidated 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 controls with reference to consolidated 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 consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance

ANNEXURE A TO INDEPENDENT AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS (contd.)

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 with Reference to consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to consolidated 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 consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to two subsidiary companies, 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 modified in respect of the above matters.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

Jayanta Mukhopadhyay
Partner
Membership No.: 055757
UDIN: 22055757AIHWOD3940

Place: Kolkata
Date: 02 May 2022

CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2022

(Amount in Rupees lakhs, except otherwise stated)

	Notes	As at 31 March 2022	As at 31 March 2021
ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment	3	21,411.36	20,457.87
(b) Right-of-use assets	4	125.88	109.46
(c) Investment properties	5	219.49	225.03
(d) Intangible assets	6	6,016.67	1,794.01
(e) Intangible assets under development	7	174.52	195.02
(f) Investment accounted for using equity method	35(b)	-	-
(g) Financial assets			
(i) Investments	8.1	14,528.26	11,141.20
(ii) Other financial assets	8.2	197.43	193.89
(h) Other non-current assets	9	2,915.61	1,116.92
Total non-current assets		45,589.22	35,233.40
(2) Current assets			
(a) Inventories	10	10,543.83	6,919.31
(b) Financial assets			
(i) Investments	11.1	53,076.37	2,516.38
(ii) Trade receivables	11.2	10,780.25	8,735.30
(iii) Cash and cash equivalents	11.3	15,272.60	1,113.49
(iv) Bank balances other than (iii) above	11.4	17,100.96	13,383.87
(v) Loans	11.5	2,282.09	923.58
(vi) Other financial assets	11.6	793.02	420.17
(c) Current tax assets (net)	12	2,566.85	1,966.07
(d) Other current assets	13	10,782.24	7,188.63
Total current assets		123,198.21	43,166.80
TOTAL ASSETS		168,787.43	78,400.20
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	14.1	1,928.09	1,742.80
(b) Other equity	14.2	135,841.62	48,835.89
Equity Attributable to Owners of the Company		137,769.71	50,578.69
Non-controlling interest		323.42	313.07
Total equity		138,093.13	50,891.76
Liabilities			
(1) Non-current liabilities			
(a) Financial liabilities			
(i) Lease liabilities	4	71.25	74.64
(b) Employee benefit obligations	15	418.95	419.45
(c) Deferred tax liabilities (net)	16	5,616.02	5,052.33
Total non-current liabilities		6,106.22	5,546.42
(2) Current liabilities			
(a) Financial liabilities			
(i) Lease liabilities	4	59.06	35.58
(ii) Trade payables			
a) Total outstanding dues of micro enterprises and small enterprises	17.1	0.71	1.37
b) Total outstanding dues of creditors other than micro enterprises and small enterprises	17.1	6,451.68	5,629.03
(iii) Other financial liabilities	17.2	4,305.57	6,477.22
(b) Other current liabilities	18	4,661.37	2,549.91
(c) Provisions	19	9,018.19	7,094.07
(d) Employee benefit obligations	20	78.14	174.84
(e) Current tax liabilities (net)		13.36	-
Total current liabilities		24,588.08	21,962.02
TOTAL LIABILITIES		30,694.30	27,508.44
TOTAL EQUITY AND LIABILITIES		168,787.43	78,400.20

The accompanying notes 1 to 43 are an integral part of these consolidated financial statements

As per our report of even date attached

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.: 101248W/W-100022

Jayanta Mukhopadhyay

Partner

Membership Number: 055757

For and on behalf of the Board of Directors of

Saregama India Limited

CIN : L22213WB1946PLC014346

Sanjiv Goenka

Chairman

DIN: 00074796

Place: Kolkata

Pankaj Mahesh Chaturvedi

Chief Financial Officer

Vikram Mehra

Managing Director

DIN: 03556680

Place: Mumbai

Kamana Goenka

Company Secretary

ACS: 35161

Place: Kolkata

Date: 02 May 2022

Place: Mumbai

Date: 02 May 2022

Place: Mumbai

Date: 02 May 2022

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2022

(Amount in Rupees lakhs, except otherwise stated)

	Notes	Year ended 31 March 2022	Year ended 31 March 2021
I Revenue from operations	21	58,062.76	44,196.26
II Other income	22	3,491.01	3,085.37
III Total income (I+II)		61,553.77	47,281.63
IV Expenses			
Operational cost	23	14,310.63	9,206.98
Employee benefits expense	24	7,344.70	6,953.36
Finance costs	25	451.94	345.06
Depreciation and amortisation expense	26	1,310.10	561.00
Other expenses	27	17,695.16	15,024.59
Total expenses (IV)		41,112.53	32,090.99
V Profit before tax (III-IV)		20,441.24	15,190.64
VI Tax expense			
- Current tax	28	5,027.42	3,773.08
- Deferred tax [charge/(credit)]	16	149.26	71.10
Total tax expense (VI)		5,176.68	3,844.18
VII Profit for the year (V-VI)		15,264.56	11,346.46
VIII Other comprehensive income			
Items that will be reclassified to profit or loss:			
(a) Exchange differences on translation of foreign operations		26.40	(5.09)
Items that will not be reclassified subsequently to profit or loss:			
(a) Remeasurements of post-employment benefit obligations		115.37	(18.82)
(b) Changes in fair value of equity instruments designated at FVOCI		3,385.69	3,504.36
(c) Revaluation gains relating to property, plant and equipment		959.44	-
(d) Income tax relating to items that will not be reclassified subsequently to profit or loss	16	(643.37)	(404.38)
Other comprehensive income for the year, net of tax (VIII)		3,843.53	3,076.07
IX Total comprehensive income for the year (VII+VIII)		19,108.09	14,422.53
Profit for the year attributable to :-			
(a) Owners of the Company		15,259.94	11,255.41
(b) Non-Controlling Interest		4.62	91.05
Other comprehensive income for the year attributable to :-			
(a) Owners of the Company		3,837.80	3,078.91
(b) Non-Controlling Interest		5.73	(2.84)
Total comprehensive income for the year attributable to :-			
(a) Owners of the Company		19,097.74	14,334.32
(b) Non-Controlling Interest		10.35	88.21
X Earnings per equity share: [Nominal value per share Re.1/-] (Refer Note 14.1)			
Basic (Rs.)	40	8.43	6.56
Diluted (Rs.)	40	8.42	6.50

The accompanying notes 1 to 43 are an integral part of these consolidated financial statements

As per our report of even date attached

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No.: 101248W/W-100022

Jayanta Mukhopadhyay

Partner

Membership Number: 055757

For and on behalf of the Board of Directors of

Saregama India Limited

CIN : L22213WB1946PLC014346

Sanjiv Goenka

Chairman

DIN: 00074796

Place: Kolkata

Vikram Mehra

Managing Director

DIN: 03556680

Place: Mumbai

Pankaj Mahesh Chaturvedi

Chief Financial Officer

Kamana Goenka

Company Secretary

ACS: 35161

Place: Kolkata

Date: 02 May 2022

Place: Mumbai

Date: 02 May 2022

Place: Mumbai

Date: 02 May 2022

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2022

(Amount in Rupees lakhs, except otherwise stated)

A. Equity share capital

Description	Number of shares	Amount
As at 1 April 2020	17,426,012	1,742.60
Changes in equity share capital	2,000	0.20
As at 31 March 2021	17,428,012	1,742.80
Changes in equity share capital	1,852,937	185.29
Add: Equity shares arising on shares split from Rs.10/- to Re.1/- per share (Refer Note 14.1)	173,528,541	-
As at 31 March 2022	192,809,490	1,928.09

B. Other equity

Particulars	Reserve and surplus							Item of Other Comprehensive Income (OCI)			Non controlling Interest	Total other equity
	Capital reserve	General reserve	Securities premium	Share options outstanding reserve	Treasury Shares	Saregama Welfare Trust Reserve	Retained earnings	Revaluation surplus	Equity instruments through OCI	Other items of other comprehensive income (FCTR)		
Balance as at 1 April 2020	55.19	693.95	10,272.44	535.43	(764.32)	-	13,765.46	10,347.90	3,135.22	95.20	224.86	38,361.33
Profit for the year	-	-	-	-	-	-	11,255.41	-	-	-	91.05	11,346.46
Other comprehensive income for the year (net of tax)	-	-	-	-	-	-	(14.12)	-	3,095.28	(2.25)	(2.84)	3,076.07
Total comprehensive income for the year	-	-	-	-	-	-	11,241.29	-	3,095.28	(2.25)	88.21	14,422.53
Issue of equity shares under Saregama Employee Stock Option Scheme 2013	-	-	4.67	-	-	-	-	-	-	-	-	4.67
Employee stock option expense (Refer Note 24)	-	-	-	137.71	-	-	-	-	-	-	-	137.71
Final dividend on equity shares for the financial year 2019-20	-	-	-	-	-	-	(261.39)	-	-	-	-	(261.39)
Interim dividend on equity shares for the financial year 2020-21	-	-	-	-	-	-	(3,485.60)	-	-	-	-	(3,485.60)
Effect of modification of share based payment awards (Refer Note 30(c))	-	-	-	150.61	-	-	-	-	-	-	-	150.61
Adjustment on account of exercise of options	-	-	-	(509.90)	509.90	-	-	-	-	-	-	-
Transfer on account of exercise of options	-	-	-	(101.74)	-	-	101.74	-	-	-	-	-
Purchase of treasury shares by the trust during the year (net) (Refer Note 14.2)	-	-	-	-	(171.18)	-	-	-	-	-	-	(171.18)
Expense of Trust for the year	-	-	-	-	-	(11.36)	-	-	-	-	-	(11.36)
Deferred Tax on investment property	-	-	-	-	-	-	-	1.64	-	-	-	1.64
Balance as at 31 March 2021	55.19	693.95	10,277.11	212.11	(425.60)	(11.36)	21,361.50	10,349.54	6,230.50	92.95	313.07	49,148.96

Particulars	Reserve and surplus							Item of Other Comprehensive Income (OCI)			Non controlling Interest	Total other equity
	Capital reserve	General reserve	Securities premium	Share options outstanding reserve	Treasury Shares	Saregama Welfare Trust Reserve	Retained earnings	Revaluation surplus	Equity instruments through OCI	Other items of OCI (FCTR)		
Balance at 1 April 2021	55.19	693.95	10,277.11	212.11	(425.60)	(11.36)	21,361.50	10,349.54	6,230.50	92.95	313.07	49,148.96
Profit for the year	-	-	-	-	-	-	15,259.94	-	-	-	4.62	15,264.56
Other comprehensive income for the year (net of tax)	-	-	-	-	-	-	86.28	735.93	2,994.92	20.67	5.73	3,843.53
Total comprehensive income for the year	-	-	-	-	-	-	15,346.22	735.93	2,994.92	20.67	10.35	19,108.09
Issue of equity shares under Saregama Employee Stock Option Scheme 2013	-	-	4.67	-	-	-	-	-	-	-	-	4.67
On fresh issues of shares of face value Rs.10/- each (net of expenses of Rs.1,684.34 Lakhs)	-	-	73,130.54	-	-	-	-	-	-	-	-	73,130.54
Employee stock option expense (Refer Note 24)	-	-	-	75.70	-	-	-	-	-	-	-	75.70
Interim dividend on equity shares for the financial year 2021-22	-	-	-	-	-	-	(5,784.28)	-	-	-	-	(5,784.28)
Adjustment on account of exercise of options	-	-	-	(7.52)	7.52	-	-	-	-	-	-	-
Transfer on account of exercise of options	-	-	-	(188.40)	-	-	188.40	-	-	-	-	-
Sale/(Purchase) of treasury shares by the trust during the year (net) (Refer Note 14.2)	-	-	-	-	332.96	-	-	-	-	-	-	332.96

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2022 (contd.)

(Amount in Rupees lakhs, except otherwise stated)

Particulars	Reserve and surplus							Item of Other Comprehensive Income (OCI)			Non controlling Interest	Total other equity
	Capital reserve	General reserve	Securities premium	Share options outstanding reserve	Treasury Shares	Saregama Welfare Trust Reserve	Retained earnings	Revaluation surplus	Equity instruments through OCI	Other items of OCI (FCTR)		
Income/(Expense) of Trust for the year	-	-	-	-	-	25.93	-	-	-	-	-	25.93
Deferred tax reversed on de-recognition of financial asset	-	-	-	-	-	-	-	-	226.79	-	-	226.79
Current tax on de-recognition of financial asset	-	-	-	-	-	-	-	-	(106.47)	-	-	(106.47)
Transfer on de-recognition of financial asset	-	-	-	-	-	-	1,840.54	-	(1,840.54)	-	-	-
Deferred Tax on investment property	-	-	-	-	-	-	-	2.15	-	-	-	2.15
Balance as at 31 March 2022	55.19	693.95	83,412.32	91.89	(85.12)	14.57	32,952.38	11,087.62	7,505.20	113.62	323.42	136,165.04

The description, nature and purpose of each reserve within other equity are as follows:

- (i) **Capital reserve** : The Group recognises profit or loss on purchase, sale, issue or cancellation of the Group's own equity instruments to Capital Reserve. The Group also recognises gains or losses on transaction with Non-Controlling Interest which do not result on loss of control over subsidiary in the capital reserve.
- (ii) **General reserve** : Under the erstwhile Companies Act 1956, a general reserve was created through an annual transfer of net profit at a specified percentage in accordance with applicable regulations. Consequent to the introduction of the Companies Act, 2013 (the "Companies Act"), the requirement to mandatory transfer a specified percentage of net profit to general reserve has been withdrawn. The amount credited to the reserve can be utilised by the Group in accordance with the provisions of the Companies Act. There is no movement in general reserve during the current and previous year.
- (iii) **Securities premium** : This reserve represents the premium on issue of shares and can be utilised in accordance with the provisions of the Companies Act.
- (iv) **Share options outstanding reserve** : This reserve relates to stock options granted by the Parent Company to eligible employees under Saregama Employee Stock Option Scheme 2013. This reserve is transferred to securities premium or retained earnings on exercise or cancellations of vested options.
- (v) **Treasury Shares** : The Parent Company has formed Saregama Welfare Trust (SWT) for implementation of the Schemes that are notified or may be notified from time to time by the Parent Company under the plan, providing shared based benefits to its employees. SWT purchases shares of the Parent Company out of funds borrowed from the Parent Company. The Parent Company treats SWT as its extension and shares held by SWT are treated as treasury shares.
- (vi) **Saregama Welfare Trust Reserve** : The Parent Company has formed Saregama Welfare Trust (SWT) for implementation of the Schemes that are notified or may be notified from time to time by the Parent Company under the plan, providing share based benefits to the employees. SWT purchases shares of the Parent Company out of funds provided by the Parent Company. The Parent Company treats SWT as its extension and shares held by SWT are treated as Treasury Shares. Profit/(loss) on sale/transfer of treasury shares (net of tax) and dividend earned on the same by the SWT is recognized in SWT Reserve.
- (vii) **Retained earnings** : This reserve represents the cumulative profits of the Group and effects of remeasurement of defined benefit obligations. This reserve can be utilised in accordance with the provisions of the Companies Act.
- (viii) **Revaluation surplus** : This reserve represents surplus on revaluation of Property, plant and equipment (land) and will be transferred directly to retained earning when the asset is derecognised.
- (ix) **Equity instruments through OCI (FVOCI)** : This reserve represents the cumulative gains (net of losses) arising on the revaluation of Equity Instruments at fair value through Other Comprehensive Income (OCI), net of amounts reclassified, if any, to Retained earnings when those instruments are disposed of.
- (x) **Foreign currency translation reserve** : Exchange difference arising from translation of foreign operations are recognised in other comprehensive income as described in accounting policies [Refer note 1(a)(vi)] and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss on disposal of the net investment.

The accompanying notes 1 to 43 are an integral part of these consolidated financial statements

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

Jayanta Mukhopadhyay
Partner
Membership Number: 055757

Place: Kolkata
Date: 02 May 2022

For and on behalf of the Board of Directors of
Saregama India Limited
CIN : L22213WB1946PLC014346

Sanjiv Goenka
Chairman
DIN: 00074796
Place: Kolkata

Pankaj Mahesh Chaturvedi
Chief Financial Officer

Place: Mumbai
Date: 02 May 2022

Vikram Mehra
Managing Director
DIN: 03556680
Place: Mumbai

Kamana Goenka
Company Secretary
ACS: 35161

Place: Mumbai
Date: 02 May 2022

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

Background

Saregama India Limited ("the Company") is a Company limited by shares, incorporated and domiciled in India. Saregama India Limited (Parent Company) and its subsidiaries (Parent Company and its subsidiaries together referred as "Group") is primarily engaged in the business of manufacturing and sale of Music storage device viz. Carvaan, Music Card, Audio Compact Discs, Digital Versatile Discs and dealing with related music rights. The Group is also engaged in production and sale/telecast/broadcast of films/Tv Serials, pre-recorded programmes and dealing in film rights, printing of printed materials and marketing support services as detailed under segment information in Note 41. Equity shares of the Parent Company are listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE). The registered office of the Parent Company is located in Kolkata, West Bengal, India.

The consolidated financial statements were approved and authorised for issue with the resolution of the Board of Directors on 02 May 2022.

1 Significant Accounting Policies

The significant accounting policies applied by the Group in the preparation of its consolidated financial statements are listed below. Such accounting policies have been applied consistently to all the periods presented in these consolidated financial statements.

(a) Basis of the Preparation

(i) Compliance with Ind AS

These Consolidated financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the 'Act') [Companies (Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

(ii) Basis of measurement

(a) Historical cost convention

The consolidated financial statements have been prepared on a historical cost basis, except for the following:

- Certain financial assets and liabilities (including derivative instruments) that is measured at fair value;
- Net Defined benefit (assets)/liability - Fair value of plan assets less present value of defined benefit obligations; and
- Share based payments.

(b) Functional and presentation currency

Items included in the consolidated financial statements of the Group are measured using the currency of the primary economic environment in which the Parent Company operates ('the functional currency'). The consolidated financial statements are presented in Indian Rupee (Rs.), which is the Group's functional and presentation currency.

(iii) Current Versus Non-current Classification

All assets and liabilities have been classified as current or non current as per the Group's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013 and Ind AS 1 - Presentation of financial statement based on the nature of products / service and the time between the acquisition of assets for processing / providing the services and their realisation in cash and cash equivalents. The Group has ascertained its operating cycle as 12 months for the purpose of current, non current classification of assets and liabilities.

Assets

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

- (a) it is expected to be realised in, or is intended for sale or consumption in, the Group's normal operating cycle;
- (b) it is held primarily for the purpose of being traded;
- (c) it is expected to be realised within 12 months after the reporting date; or
- (d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

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:

- (a) it is expected to be settled in the Group's normal operating cycle;
- (b) it is held primarily for the purpose of being traded;
- (c) it is due to be settled within 12 months after the reporting date; or
- (d) the Group does not have an unconditional right to defer settlement of the liability for at least 12 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (contd.)

(iv) Principles of consolidation and equity accounting

Subsidiaries

Subsidiaries are all entities (including structured entities) over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

The group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.

Joint arrangements

Under Ind AS 111 Joint Arrangements, investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligation of each investors, rather than the legal structure of the joint arrangement. The Group has one joint venture, Saregama Regency Optimedia Private Limited (SROPL), which is under liquidation with effect from 19 September 2016. Accordingly, this entity has not been consolidated by the Group [Refer Note 35(b)].

Joint ventures

Interest in joint ventures are accounted for using the equity method (see below), after initially being recognised at cost in the consolidated balance sheet.

Equity method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the group's share of the post-acquisition profits or losses of the investee in profit and loss, and the group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from joint ventures are recognised as a reduction in the carrying amount of the investment.

When the group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the group and its joint venture are eliminated to the extent of the group's interest in these entities. Unrealised losses are also eliminated unless the transaction provide evidence of an impairment of the asset transferred. Accounting policies of equity accounted investee have been changed where necessary to ensure consistency with the policies adopted by the group.

(v) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The chief operating decision maker is responsible for allocating resources and assessing performance of the operating segments and has been identified as the Chief Financial Officer of the Group. Refer note 41 for segment information presented.

(vi) Foreign currency translation

Functional and presentation currency

Items included in the financial statements of each of the group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Indian Rupee (Rs.), which is Parent Company's functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in profit or loss.

Foreign currency non-monetary items carried in terms of historical cost are reported using the exchange rate at the date of the transactions.

Group Companies

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into presentation currency as follows:

- Assets and liabilities are translated at the closing rate at the date of that balance sheet.
- Income and expenses are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and
- All resulting exchange differences are recognised in other comprehensive income.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (contd.)

(b) Revenue recognition

The Group has applied Ind AS 115, Revenue from Contracts with Customers, which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised.

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Group expects to receive in exchange for those products or services.

- Revenue from the sale of products is recognised at the point in time when control is transferred to the customer. Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.
- Revenue from Music licensing where the customer obtains a “right to use” is recognized at the time the license is made available to the customer. Revenue from licenses where the customer obtains a “right to access” is recognized over the access period.
- Revenue from the sale of television serial episodes is recognised upfront at the point in time when the episode is delivered to the customer.
- Revenue from sale of free commercial time (net of trade discount, as applicable) are recognised when the related advertisement or commercials appears before the public, i.e. on telecast.
- Revenue from theatrical distribution is recognised on exhibition of films. In case of distribution through theatres, revenue is recognised on the basis of box office reports received from various exhibitors. Contracted minimum guarantees are recognised on theatrical release.
- Revenue from Sale of films rights are recognised on assignment of such rights as per terms of the sale/licencing agreements.
- Revenue from current affairs and features magazine is recognised in the period in which the magazines are sold and are accounted for net of commission and discounts. Revenue from subscription to the Group’s print publications is recognised as earned, prorata on a per issue basis over the subscription period.

The billing schedules agreed with customers include periodic performance based payments and / or milestone based progress payments. Invoices are payable within contractually agreed credit period.

Unearned and deferred revenue (“contract liability”) is recognised when there is billings in excess of revenues.

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Use of significant judgements in revenue recognition :

- The Group exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Group considers indicators such as how customer consumes benefits as services are rendered, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc. Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, price concessions and incentives.

Interest income

Interest income is accrued on a time proportion basis, by reference to the principal outstanding and the effective interest rate applicable.

Dividend income

Dividend income from investments is recognised when the shareholder’s rights to receive payment have been established.

Rental income

Rental income from investment properties and subletting of properties is recognised on a straight line basis over the term of the relevant leases.

Government Grant

The Group may receive government grants that require compliance with certain conditions related to the Group’s operating activities or are provided to the Group by way of financial assistance on the basis of certain qualifying criteria.

Accordingly, government grants by way of financial assistance on the basis of certain qualifying criteria are recognised as they become receivable.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (contd.)

(c) Property, Plant and Equipment - (PPE)

All items of property, plant and equipment other than freehold land are stated at historical cost i.e. cost of acquisition/construction or at deemed cost as on the date of transition to Ind AS less accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to statement of profit or loss during the reporting period in which they are incurred.

Revaluation of Land is made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the balance sheet date. When the fair value differs materially from its carrying amount, the carrying amount is adjusted to the revalued amount. The fair value is determined based on appraisal undertaken by a professionally qualified valuer.

Depreciation method, estimated useful lives and residual values

Depreciation is calculated on a pro-rata basis using the straight-line method to allocate their cost, net of their estimated residual values, over the estimated useful lives of the asset as prescribed under Schedule II to the Companies Act, 2013.

The useful lives, residual values and the method of depreciation of property, plant and equipment are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amounts.

Gains and losses on disposals are determined by comparing proceeds with carrying amount and are included in profit or loss within 'Other Income'/'Other Expenses'.

Advances paid towards the cost of property, plant and equipment outstanding at each balance sheet date is classified as 'Capital advances' under other non-current assets.

Transition to Ind AS

On transition to Ind AS, the Group has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1 April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

(d) Investment properties

Properties that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Group, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that the future economic benefits associated with the expenditure will flow to the Group and the cost of item can be measured reliably. All other repairs and maintenance costs are expensed when incurred.

Investment properties are depreciated using the straight-line method over their estimated useful lives of the assets as prescribed under Schedule II to the Companies Act, 2013.

Transition to Ind AS

On transition to Ind AS, the Group has elected to continue with the carrying value of all of its investment properties recognised as at 1 April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of investment properties.

(e) Intangible assets

Intangible assets has a finite useful life and are stated at cost less accumulated amortisation and accumulated impairment losses, if any.

(i) Music copyrights

Outright acquisition of music copyrights wherein future economic benefits are established are capitalised. They have finite useful lives and are subsequently carried at cost less accumulated amortisation and impairment losses.

(ii) Computer software

Software for internal use, which is primarily acquired from third-party vendors is capitalised. Subsequent costs associated with maintaining such software are recognised as expense as incurred. Cost of software includes license fees and cost of implementation/system integration services, where applicable.

Amortisation method and year

The Group amortises intangible assets with a finite useful lives using the straight-line method over the following periods:

Music Copyrights acquired through outright purchase are amortised over a period of one to ten years from the date of release of Music. The Group reviews the expected future revenue potential at the end of each accounting period and recognises impairment loss, where required.

Softwares are amortised on a straight line basis over a period of three years from the date of capitalisation.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (contd.)

Advances paid towards the cost of intangible assets outstanding at each balance sheet date is classified as 'Capital advances' under other non-current assets.

Transition to Ind AS

On transition to Ind AS, the Group has elected to continue with the carrying value of all of its intangible assets recognised as at 1 April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of intangible assets.

(f) Impairment of non-financial assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (cash-generating units).

(g) Leases**The Group as a lessee**

The Group's lease asset classes primarily consist of leases for buildings and vehicles. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Group changes its assessment if whether it will exercise an extension or a termination option.

The Group has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

The Group as a lessor

At the inception of the lease the Group classifies each of its leases as either an operating lease or a finance lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. The Group recognises lease payments received under operating leases as income on a straight-line basis over the lease term. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease.

Transition to Ind AS 116

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified Ind AS 116 Leases which replaces the existing lease standard, Ind AS 17 leases, and other interpretations. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lease accounting model for lessees.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (contd.)

Under the erstwhile standard Ind AS 17, operating lease payments as per terms of the agreement, were recognised as an expense in the Statement of Profit and Loss on a straight line basis, except where another systematic basis was more representative of the time pattern in which economic benefits from the leased asset were consumed.

Effective 01 April 2019, the Group adopted Ind AS116 ‘Leases’ and applied the standard to lease contracts existing on 01 April 2019 using the modified retrospective method on the date of initial application. Consequently, the lease liabilities is recognized at the present value of lease payment discounted at the weighted average incremental borrowing rate and same amount is recognized for ROU assets.

The following is the summary of practical expedients elected on initial application:

- Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.
- Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term and low value leases on the date of initial application.
- Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.
- Applied the practical expedient to grandfather the assessment of which transactions are leases. Accordingly, Ind AS 116 is applied only to contracts that were previously identified as leases under Ind AS 17.

(h) Inventories

Raw materials are stated at lower of cost and net realisable value. The cost is determined on weighted average basis. The costs of purchase of raw materials comprise the purchase price, import duties and other taxes (other than those subsequently recoverable by the entity from the taxing authorities), and transport, handling and other costs directly attributable to the acquisition of material. Provision is made for obsolete / slow moving / defective stocks, where necessary.

Physical inventory (caravan, music card and others): Inventories are valued at lower of cost and net realisable value. The cost is determined on weighted average basis, and includes, where applicable, appropriate share of overheads, the same is charged off on sale of goods. The costs of purchase of inventories comprise the purchase price, import duties and other taxes (other than those subsequently recoverable by the entity from the taxing authorities), and transport, handling and other costs directly attributable to the acquisition of finished goods. Provision is made for obsolete / slow moving / defective stocks, where necessary.

Music rights are stated at lower of cost / unamortised cost or net realisable value. Cost comprises acquisition / direct production cost. Music rights are amortised over a period of one to ten years from the date of release of Music.

Untelecasted television serials are valued at lower of cost and net realisable value. Cost comprises direct production cost. Cost of a television serial is fully expensed on telecast/broadcasting.

Digital Films are stated at lower of cost / unamortised cost or net realisable value. Cost comprises acquisition / direct production cost. Expenses of under production films incurred till the films are ready for release are inventorised. 10% of cost of digital films is recognised as expense in Statement of Profit and Loss on the date of theatrical release of the film, balance is charged off on licencing of digital rights.

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

(i) Investments (other than investments in subsidiaries) and other financial instruments

(i) Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss);
- those to be measured at amortised cost; and

The classification depends on the Group's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in equity instruments, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income. In accordance with Ind AS 101, the Group had irrevocably designated its investment in equity instruments as FVOCI on the date of transition to Ind AS.

(ii) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Equity Instruments : The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Changes in the fair value of financial assets at fair value through profit or loss are recognised in the Statement of Profit and Loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (contd.)

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method.

(iii) Impairment of financial assets

The Group assesses on a forward looking basis the expected credit losses associated with its assets which are not fair valued through profit or loss. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 32(A) details how the Group determines whether there has been a significant increase in credit risk.

For trade receivables only, the Group applies the simplified approach as per Ind AS 109, 'Financial Instruments', which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(iv) Derecognition of financial assets

A financial asset is derecognised only when

- the Group has transferred the rights to receive cash flows from the financial asset; or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(v) Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL.

(vi) Financial liabilities through fair value through profit or loss (FVTPL)

A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in Statement of Profit and Loss. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

(vii) Financial liabilities at amortised cost

Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in Statement of Profit and Loss.

Any gain or loss on derecognition is also recognised in Statement of Profit and Loss.

For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximates fair value due to the short maturity of these instruments.

(viii) Fair value of financial instruments

In determining the fair value of financial instruments, the Group uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis and available quoted market prices. All methods of assessing fair value result in general approximation of value, and such value may never actually be realised.

(j) Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

(k) Trade receivables

Trade receivables are amounts due from customers for goods sold or services rendered in the ordinary course of business. Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (contd.)

(l) Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

(m) Trade payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

(n) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the Balance Sheet when the obligation specified in the contract is discharged, cancelled or expired.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

(o) Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Other borrowing costs are expensed in the period in which they are incurred, unless they are capitalised.

(p) Foreign currency transactions and translation

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. At the year-end, monetary assets and liabilities denominated in foreign currencies are restated at the year - end exchange rates. The exchange differences arising from settlement of foreign currency transactions and from the year-end restatement are recognised in profit and loss.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. Foreign currency non-monetary items carried in terms of historical cost are reported using the exchange rate at the date of the transactions.

(q) Employee benefits expense

(i) Short-term employee benefits

Liabilities for short-term employee benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as 'Employee Benefits Payable' within 'Other Current Liabilities' in the Balance Sheet.

(ii) Other long-term employee benefits

The liabilities for leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured annually by actuaries as the present value of expected future benefits in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

(iii) Post-employment benefits

Defined benefit plans

The liability or asset recognised in the Balance Sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (contd.)

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in 'Employee Benefits Expense' in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in Other Comprehensive Income. These are included in 'Retained Earnings' in the Statement of Changes in Equity in the balance sheet.

Defined contribution plans

The Group has certain defined contribution plans viz. provident fund and superannuation fund. Contributions for provident fund are made at specified percentage of the covered employee's qualifying salary to a government administered fund. Contribution for superannuation fund are made yearly based on a specified percentage of each covered employee's salary to a Trust set up by the Group. Contributions under Defined Contribution Plans are recognised as expenses for the period in which the employee has rendered the service.

(iv) Share-based payments

Share-based compensation benefits are provided to employees via Saregama Employee Stock Options Scheme 2013, Stock Appreciation Rights Scheme 2014 and Stock Appreciation Rights Scheme 2018.

Employee Options

The fair value of the options granted under the Saregama Employee Stock Option Scheme 2013 is recognised as an employee benefits expense in the statement of profit and loss with a corresponding adjustments to equity. The fair value at grant date is determined using the Black Scholes Model which takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and risk free interest rate for the term of the option. The total amount to be expensed is determined by reference to the fair value of the options granted:

- Including any market performance conditions (e.g., the entity's share price);
- excluding the impact of any services and non-market performance vesting conditions (e.g. profitability, sales growth targets and remaining and employee of the entity over a specified time period); and
- including the impact of any non-vesting conditions (e.g. the requirement for employees to save or holdings shares for a specified period of time).

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in the statement of profit or loss, with a corresponding adjustment to equity.

Share appreciation rights

Liabilities for the Parent Company's Share Appreciation Rights (SAR), granted pursuant to Parent Company's share appreciation rights schemes, is measured initially and at the end of each reporting period until settled, at fair value of the SAR, by applying option pricing model, and is recognised as employee benefit expense over the relevant service period. The liabilities are presented as employee benefits obligations in the balance sheet.

(r) Royalty

Minimum Guarantee Royalty is recognised as expense within the license period or ten years, whichever is earlier. Royalty on sales, other than physical sales, is provided on the basis of management's best estimate of the expenditure required to settle the obligation. Other royalty payments are charged at agreed rates on related sales.

(s) Income tax

The income tax expense for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences, unused tax credits and to unused tax losses, as applicable.

The current tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, if any, only if it is probable that future taxable amounts will be available to utilise those temporary differences, tax credits and losses.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax are recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity, if any. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

(t) Provisions and contingencies

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

A disclosure for contingent liabilities is made when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources embodying economic benefits will be required to settle or a reliable estimate of the amount cannot be made.

(u) Dividend Distribution

Dividends paid are recognised in the period in which the interim dividends are approved by the Board of Directors, or in respect of the final dividend when approved by shareholders.

(v) Earnings per share

(i) Basic Earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Group
- by the weighted average number of equity shares outstanding during the financial year excluding treasury shares

(ii) Diluted Earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(w) Rounding of amounts

All amounts disclosed in the Consolidated Financial Statements and notes have been rounded off to the nearest lakhs (with two places of decimal) as per the requirement of Schedule III, unless otherwise stated.

(x) Recent pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 23 March 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from 1 April 2022, as below:

Ind AS 103 - Reference to Conceptual Framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Group does not expect the amendment to have any significant impact in its financial statements.

Ind AS 16 - Proceeds before intended use

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The Group does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

Ind AS 37 - Onerous Contracts - Costs of Fulfilling a Contract

The amendments specify that that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Group does not expect the amendment to have any significant impact in its financial statements.

Ind AS 109 - Annual Improvements to Ind AS (2021)

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The Group does not expect the amendment to have any significant impact in its financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (contd.)**Ind AS 106 – Annual Improvements to Ind AS (2021)**

The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration. The Group does not expect the amendment to have any significant impact in its financial statements.

2 Critical estimates and judgements

The preparation of consolidated financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these consolidated 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 recognised in the period in which the estimate is revised and future periods affected.

This Note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the consolidated financial statements.

The areas involving critical estimates or judgements are:

- **Employee benefits (estimation of defined benefit obligations) - Note 1(q) and Note 29**

Post-employment benefits represent obligations that will be settled in future and require assumptions to estimate benefit obligations. Post-employment benefit accounting is intended to reflect the recognition of benefit costs over the employees' approximate service period, based on the terms of the plans and the investment and funding decisions made. The accounting requires the Group to make assumptions regarding variables such as discount rate and salary growth rate. Changes in these key assumptions can have a significant impact on the defined benefit obligations.

- **Impairment of trade receivables – Note 1(i)(iii) and Note 32**

For impairment of trade receivable, Group applies the simplified approach permitted by Ind AS 109, 'Financial Instruments', which requires expected lifetime losses to be recognised from initial recognition of the receivables.

- **Estimation of expected useful lives of property, plant and equipment - Note 1(c) and Note 3**

Management reviews its estimate of useful lives of property, plant and equipment at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of property, plant and equipment.

- **Contingencies - Note 1(t) and Note 37**

Legal proceedings covering a range of matters are pending against the Group. Due to the uncertainty inherent in such matters, it is often difficult to predict the final outcome. The cases and claims against the Group often raise factual and legal issues that are subject to uncertainties and complexities, including the facts and circumstances of each particular case/claim, the jurisdiction and the differences in applicable law. The Group consults with legal counsel and other experts on matters related to specific litigations where considered necessary. The Group accrues a liability when it is determined that an adverse outcome is probable and the amount of the loss can be reasonably estimated. In the event an adverse outcome is possible or an estimate is not determinable, the matter is disclosed.

- **Valuation of deferred tax assets - Note 1(s) and Note 16**

Deferred income tax expense is calculated based on the differences between the carrying value of assets and liabilities for financial reporting purposes and their respective tax bases that are considered temporary in nature. Valuation of deferred tax assets is dependent on management's assessment of future recoverability of the deferred tax benefit. Expected recoverability may result from expected taxable income in the future, planned transactions or planned optimising measures. Economic conditions may change and lead to a different conclusion regarding recoverability.

- **Fair value measurements – Notes 1(i)(viii) and Note 31**

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair values are measured using valuation techniques, including the discounted cash flow model, which involve various judgements and assumptions.

Estimation of uncertainties relating to the global health pandemic from COVID-19:

In view of pandemic relating to COVID - 19, the Group has considered internal and external information available up to the date of approval of these consolidated financial statements and has performed analysis in assessing the recoverability of its assets including trade receivables, inventories, investments, other financial and non-financial assets, for possible impact on these consolidated financial statements. The Group has also assessed the impact of this whole situation on its capital and financial resources, profitability, liquidity position, etc. On the basis of its present assessment and current indicators of future economic conditions, the Group does not anticipate any material impact on these consolidated financial statements. However, the actual impact of COVID - 19 on the Group's financial statements may differ from that estimated and the Group will continue to closely monitor any material changes to future economic conditions.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (contd.)

(Amount in Rupees lakhs, except otherwise stated)

3 Property, plant and equipment (PPE)

Description	Gross carrying amount				Accumulated depreciation				Carrying amount (net)	
	Cost as at 1 April 2021	Additions/ adjustments	Deductions/ adjustments	Cost as at 31 March 2022	As at 1 April 2021	Depreciation for the year	Deductions/ adjustments	As at 31 March 2022	As at 31 March 2022	As at 31 March 2021
Land - Freehold	20,007.76	959.44	-	20,967.20	-	-	-	-	20,967.20	20,007.76
Buildings - Freehold	70.59	-	-	70.59	31.72	4.08	-	35.80	34.79	38.87
Buildings	37.71	-	-	37.71	4.00	0.80	-	4.80	32.91	33.71
Plant and equipment	3.14	-	-	3.14	3.14	-	-	3.14	-	-
Furniture and fixtures	475.66	4.99	0.50	480.15	304.65	45.87	0.50	350.02	130.13	171.01
Office equipment	874.25	183.15	-	1,057.40	667.73	143.34	-	811.07	246.33	206.52
Vehicles	5.18	-	-	5.18	5.18	-	-	5.18	-	-
Total	21,474.29	1,147.58	0.50	22,621.37	1,016.42	194.09	0.50	1,210.01	21,411.36	20,457.87

Description	Gross carrying amount				Accumulated depreciation				Carrying amount (net)	
	Cost as at 1 April 2020	Additions/ adjustments	Deductions/ adjustments	Cost as at 31 March 2021	As at 1 April 2020	Depreciation for the year	Deductions/ adjustments	As at 31 March 2021	As at 31 March 2021	
Land - Freehold	20,007.76	-	-	20,007.76	-	-	-	-	20,007.76	
Buildings - Freehold	70.59	-	-	70.59	27.66	4.06	-	31.72	38.87	
Buildings	37.71	-	-	37.71	3.20	0.80	-	4.00	33.71	
Plant and equipment	3.14	-	-	3.14	3.14	-	-	3.14	-	
Furniture and fixtures	470.67	4.99	-	475.66	254.05	50.60	-	304.65	171.01	
Office equipment	766.28	109.17	1.20	874.25	538.80	130.13	1.20	667.73	206.52	
Vehicles	9.56	-	4.38	5.18	9.56	-	4.38	5.18	-	
Total	21,365.71	114.16	5.58	21,474.29	836.41	185.59	5.58	1,016.42	20,457.87	

3.1 The Group has chosen the revaluation model for land and cost model for other items of PPE as its accounting policy [Refer Note 1(c)]. Accordingly, Parent Company's land was revalued by registered valuer using market approach. Resultant incremental value amounting to Rs.12,599.73 Lakhs were added to the book value of related land with corresponding credit to Other Comprehensive Income and other equity. The carrying amount of land that would have been recognised had it been carried under the cost model is Rs.8,367.47 Lakhs.

3.2 Title deeds of the immovable properties as set out in the above table are in the name of the Parent Company.

3.3 The Parent Company has cash credit facility from banks which carry charge over certain of the above PPE (Refer Note 32(B) for details).

3.4 Aggregate amount of depreciation has been included under 'Depreciation and amortisation expense' in the Statement of Profit and Loss (Refer Note 26).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (contd.)

(Amount in Rupees lakhs, except otherwise stated)

4 The Group as a Lessee

Following are the changes in the carrying value of right-of- use assets for the year ended 31 March 2022:

	Leasehold premises and vehicles
Balance as at 1 April 2021	109.46
Additions	61.94
Deletion	-
Depreciation	45.52
Balance as at 31 March 2022	125.88

Following are the changes in the carrying value of right-of- use assets for the year ended 31 March 2021:

	Leasehold premises and vehicles
Balance as at 1 April 2020	44.32
Additions	115.91
Deletion	-
Depreciation	50.77
Balance as at 31 March 2021	109.46

Aggregate amount of depreciation has been included under 'Depreciation and amortisation expense' in the Statement of Profit and Loss (Refer Note 26).

The following is the break-up of current and non-current lease liabilities:

	As at 31 March 2022	As at 31 March 2021
Current lease liabilities	59.06	35.58
Non-current lease liabilities	71.25	74.64
Total	130.31	110.22

The following is the movement in lease liabilities for the year ended 31 March 2022:

	Leasehold premises and vehicles
Balance as at 1 April 2021	110.22
Additions	61.94
Finance cost accrued during the year	11.19
Deletion	-
Payment of lease liabilities	53.04
Balance as at 31 March 2022	130.31

The following is the movement in lease liabilities during the year ended 31 March 2021:

	Leasehold premises and vehicles
Balance as at 1 April 2020	47.03
Additions	115.91
Finance cost accrued during the year	3.67
Deletion	-
Payment of lease liabilities	56.39
Balance as at 31 March 2021	110.22

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (contd.)

(Amount in Rupees lakhs, except otherwise stated)

The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

	As at 31 March 2022	As at 31 March 2021
Less than one year	69.42	44.85
One to five years	76.28	82.23
More than five years	-	-
Total	145.70	127.08

The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

The Group has incurred expenses relating to short term leases and leases of low value assets for certain accommodation. Terms of such lease include option for renewal on mutually agreed terms. There are no restrictions imposed by lease arrangements and there are no purchase options or sub leases or contingent rents. Operating lease rentals for the year recognised in Statement of Profit and Loss amounts to **Rs.387.69 Lakhs** (2020-21 - Rs.409.41 Lakhs).

The total cash outflow for leases is **Rs.440.73 Lakhs** for the year ended 31 March 2022 (2020-21 - Rs.465.80 Lakhs), including cash outflow for short term leases and leases of low value assets.

The Group as a Lessor

Rent income includes payments of **Rs.18.90 Lakhs** (2020-21 Rs.18.96 Lakhs) for the year relating to agreements entered into by the Group. There are no restrictions imposed by lease arrangements and there are no contingent rents recognised as income for the period. These lease arrangements inter alia include escalation clause/option for renewal.

5 Investment properties

	As at 31 March 2022	As at 31 March 2021
Gross carrying amount		
At the beginning of the year	252.71	252.71
Additions during the year	-	-
Deletions during the year	-	-
At the end of the year	252.71	252.71
Accumulated depreciation		
At the beginning of the year	27.68	22.15
Depreciation charge during the year	5.54	5.53
At the end of the year	33.22	27.68
Carrying amount (net)	219.49	225.03

(i) Amounts recognised in statement of profit or loss for investment properties

	Year ended 31 March 2022	Year ended 31 March 2021
Rental income (Refer Note 22)	18.90	18.96
Profit from investment properties before depreciation	18.90	18.96
Depreciation (Refer Note 26)	5.54	5.53
Profit from investment properties	13.36	13.43

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (contd.)

(Amount in Rupees lakhs, except otherwise stated)

(ii) Fair value

Investment properties

As at 31 March 2022	As at 31 March 2021
2,101.21	2,049.28

Estimation of fair value

The Parent Company obtains independent valuations for its investment properties at least annually. The best evidence of fair value is current prices in an active market for similar properties. Where such information is not available, the Parent Company consider information from a variety of sources including:

- ▶ current prices in an active market for properties of different nature or recent prices of similar properties in less active markets, adjusted to reflect those differences
- ▶ discounted cash flow projections based on reliable estimates of future cash flows
- ▶ capitalised income projections based upon a property's estimated net market income, and a capitalisation rate derived from an analysis of market evidence

The fair values of investment properties have been determined by external, independent property valuers, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued.

6 Intangible assets

Description	Gross carrying amount				Accumulated amortisation and impairment							Carrying amount (net)	
	Cost as at 1 April 2021	Additions/ adjustments	Deductions/ adjustments	Cost as at 31 March 2022	Amortisation as at 1 April 2021	Impairment as at 1 April 2021	Amortisation for the year	Impairment/ (Reversal) for the year	Deductions/ adjustments	Amortisation as at 31 March 2022	Impairment as at 31 March 2022	As at 31 March 2022	As at 31 March 2021
Copyrights-Music	2,702.60	5,209.07	-	7,911.67	925.69	-	1,043.91	-	-	1,969.60	-	5,942.07	1,776.91
Computer Software	92.32	78.54	-	170.86	75.22	-	21.04	-	-	96.26	-	74.60	17.10
Total	2,794.92	5,287.61	-	8,082.53	1,000.91	-	1,064.95	-	-	2,065.86	-	6,016.67	1,794.01

Description	Gross carrying amount				Accumulated amortisation and impairment							Carrying amount (net)	
	Cost as at 1 April 2020	Additions/ adjustments	Deductions/ adjustments	Cost as at 31 March 2021	Amortisation as at 1 April 2020	Impairment as at 1 April 2020	Amortisation for the year	Impairment/ (Reversal) for the year	Deductions/ adjustments	Amortisation as at 31 March 2021	Impairment as at 31 March 2021	As at 31 March 2021	
Copyrights-Music	1,723.87	978.73	-	2,702.60	627.99	-	297.70	-	-	925.69	-	1,776.91	
Computer Software	141.26	18.03	66.97	92.32	120.78	-	21.41	-	66.97	75.22	-	17.10	
Total	1,865.13	996.76	66.97	2,794.92	748.77	-	319.11	-	66.97	1,000.91	-	1,794.01	

6.1 The amortisation expense of intangible assets have been included under 'Depreciation and amortisation expense' in the Statement of Profit and Loss (Refer Note 26).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (contd.)

(Amount in Rupees lakhs, except otherwise stated)

7 Intangible assets under development (IAUD)

Following are the changes in the carrying value of IAUD for the year ended 31 March 2022:

	Amount
Balance as at 1 April 2021	195.02
Additions	95.70
Transfers	116.20
Balance as at 31 March 2022	174.52

Following are the changes in the carrying value of IAUD for the year ended 31 March 2021:

	Amount
Balance as at 1 April 2020	-
Additions	203.75
Transfers	8.73
Balance as at 31 March 2021	195.02

Intangible assets under development (IAUD) ageing schedule
As at 31 March 2022

	Amount in IAUD for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	40.07	134.45	-	-	174.52
Total	40.07	134.45	-	-	174.52

As at 31 March 2021

	Amount in IAUD for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	195.02	-	-	-	195.02
Total	195.02	-	-	-	195.02

There are no projects as on each reporting date where activity has been suspended. Considering the nature of IAUD, there are no projects as on the reporting date which has exceeded cost as compared to its original plan or where completion is overdue.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (contd.)

(Amount in Rupees lakhs, except otherwise stated)

8 Financial assets (non-current)

8.1 Investments

	Face value of each unit as at 31 March 2022	Face value of each unit as at 31 March 2021	Number of shares as at 31 March 2022	Number of shares as at 31 March 2021	As at 31 March 2022	As at 31 March 2021
Investments carried at fair value through other comprehensive income						
Quoted - fully paid equity shares in other companies						
CESC Limited	Re.1	Rs.10	1,54,49,880	15,44,988	11,718.73	9,170.28
PCBL Limited (formerly Phillips Carbon Black Limited)	Rs.2	Rs.2	500	500	1.14	0.95
Harrisons Malayalam Limited	Rs.10	Rs.10	100	100	0.13	0.14
CFL Capital Financial Services Limited	Rs.10	Rs.10	100	100	0.02	0.02
STEL Holdings Limited	Rs.10	Rs.10	100	100	0.11	0.08
RPSG Ventures Limited (formerly CESC Ventures Limited)	Rs.10	Rs.10	3,08,997	3,08,997	1,808.56	1,041.79
Spencers Retail Limited (formerly RP-SG Retail Limited)	Rs.5	Rs.5	10,50,590	10,50,590	844.15	741.71
Unquoted - fully paid equity shares in other companies						
Spencer and Company Limited	Rs.9	Rs.9	200	200	1.48	1.04
Woodlands Multispeciality Hospital Limited	Rs.10	Rs.10	2,250	2,250	12.83	5.60
Timbre Media Private Limited	Rs.10	Rs.10	2,30,000	2,30,000	141.11	179.59
Total investments					14,528.26	11,141.20
Aggregate carrying value of quoted investments and market value thereof					14,372.84	10,954.97
Aggregate value of unquoted investments					155.42	186.23
Aggregate provision for impairment in the value of investments					-	-

Equity shares designated at fair value through other comprehensive income (FVOCI)

	Fair value as at 31 March 2022	Dividend income recognised during 2021-22	Fair value as at 31 March 2021	Dividend income recognised during 2020-21
Investment in CESC Limited	11,718.73	695.24	9,170.28	695.25
Investment in PCBL Limited (formerly Phillips Carbon Black Limited)	1.14	0.05	0.95	0.03
Investment in Harrisons Malayalam Limited	0.13	-	0.14	-
Investment in CFL Capital Financial Services Limited	0.02	-	0.02	-
Investment in STEL Holdings Limited	0.11	-	0.08	-
Investment in RPSG Ventures Limited (formerly CESC Ventures Limited)	1,808.56	-	1,041.79	-
Investment in Spencers Retail Limited (formerly RP-SG Retail Limited)	844.15	-	741.71	-
Investment in Spencer and Company Limited	1.48	-	1.04	-
Investment in Woodlands Multispeciality Hospital Limited	12.83	-	5.60	-
Investment in Timbre Media Private Limited	141.11	-	179.59	-
Total	14,528.26	695.29	11,141.20	695.28

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (contd.)

(Amount in Rupees lakhs, except otherwise stated)

8.2 Other financial assets

(Unsecured, considered good unless otherwise stated)

	As at 31 March 2022	As at 31 March 2021
Security deposits		
Unsecured, considered good	197.11	193.64
Unsecured, considered doubtful	57.56	57.56
Less: Provision for doubtful deposits	(57.56)	(57.56)
	197.11	193.64
Bank deposits with remaining maturity more than 12 months*	0.32	0.25
Total other financial assets	197.43	193.89

* Pledged with Government authority **Rs.0.32 Lakhs** (31 March 2021 - Rs.0.25 Lakhs).

9 Other non-current assets

(Unsecured, considered good unless otherwise stated)

	As at 31 March 2022	As at 31 March 2021
Capital advances		
Unsecured, considered good	2,874.47	1,058.38
Unsecured, considered doubtful	36.38	36.38
Less: Provision for doubtful advances	(36.38)	(36.38)
	2,874.47	1,058.38
Prepaid expenses	41.14	58.54
Total other non-current assets	2,915.61	1,116.92

10 Inventories [Refer Note:1(h)]

	As at 31 March 2022	As at 31 March 2021
Raw materials	29.14	22.19
Untelecasted television serials/digital films	143.47	249.71
Carvaan/music card and others @	2,976.23	4,513.73
Music Rights	2,496.67	-
Digital films under production	4,898.32	2,133.68
Total inventories	10,543.83	6,919.31

@ Includes goods-in-transit worth **Rs.Nil** (31 March 2021 - Rs.141.07 Lakhs).

11 Financial assets (current)
11.1 Investments

	As at 31 March 2022	As at 31 March 2021
Investments carried at fair value through profit and loss		
Units of Mutual funds (quoted)	53,076.37	2,516.38
Total investments	53,076.37	2,516.38
Aggregate carrying value of quoted investments and market value thereof	53,076.37	2,516.38

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (contd.)

(Amount in Rupees lakhs, except otherwise stated)

11.2 Trade receivables

	As at 31 March 2022	As at 31 March 2021
Trade receivables		
Unsecured, considered good	11,596.38	9,563.28
Credit impaired	353.19	353.19
Less: Allowance for expected credit loss	(1,169.32)	(1,181.17)
Total trade receivables	10,780.25	8,735.30

	Outstanding from due date of payment as at 31 March 2022						
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables - considered good	5,963.81	2,436.06	244.56	293.73	36.59	321.37	9,296.12
(ii) Disputed Trade receivables - credit impaired	-	-	-	-	-	353.19	353.19
	5,963.81	2,436.06	244.56	293.73	36.59	674.56	9,649.31
Less: Allowance for expected credit loss							(1,169.32)
Trade receivables - Unbilled							2,300.26
Total							10,780.25

	Outstanding from due date of payment as at 31 March 2021						
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables - considered good	4,175.28	2,794.15	350.37	228.85	100.53	224.21	7,873.39
(ii) Disputed Trade receivables - credit impaired	-	-	-	-	-	353.19	353.19
	4,175.28	2,794.15	350.37	228.85	100.53	577.40	8,226.58
Less: Allowance for expected credit loss							(1,181.17)
Trade receivables - Unbilled							1,689.89
Total							8,735.30

Notes:

- (a) No trade receivables are due from directors or other officers of the Group either severally or jointly with any other person. Nor any trade receivables are due from firms or private companies respectively in which any director is a partner, a director or a member.
- (b) Information about the Group's exposure to credit and currency risks related to trade receivables are disclosed in Note 32.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (contd.)

(Amount in Rupees lakhs, except otherwise stated)

11.3 Cash and cash equivalents

	As at 31 March 2022	As at 31 March 2021
Balances with banks		
- Current accounts	1,255.04	1,111.74
Deposits with maturity of less than 3 months *	13,985.78	-
Cheques on hand	31.16	-
Cash on hand	0.62	1.75
Total cash and cash equivalents	15,272.60	1,113.49

* Bank Deposits include Rs.0.52 Lakhs (31 March 2021 - Rs.Nil) pledged with bank against bank guarantee.

11.4 Other bank balances

	As at 31 March 2022	As at 31 March 2021
Earmarked balances with bank		
Deposits (with remaining maturity greater than 3 months but less than 12 months) #	17,053.22	9,878.00
Unpaid dividend accounts @	47.74	20.27
Interim dividend account **	-	3,485.60
Total other bank balances	17,100.96	13,383.87

Includes Rs.196.41 Lakhs deposited with Delhi Court (31 March 2021 - Rs.187.96 Lakhs).

Also includes, bank deposits Rs.26.27 Lakhs (31 March 2021 - Rs.25.13 Lakhs) pledged with bank against bank guarantee.

@ Earmarked for payment of unclaimed dividend

** Represents amount transferred to dividend escrow account pertaining to interim dividend declared on 23 March 2021.

11.5 Loans

(Unsecured, considered good unless otherwise stated)

	As at 31 March 2022	As at 31 March 2021
Loan to employees *	2,282.09	923.58
Total loans	2,282.09	923.58

* includes loan to director (Refer Note 34)

11.6 Other financial assets

(Unsecured, considered good unless otherwise stated)

	As at 31 March 2022	As at 31 March 2021
Security deposits	209.98	234.57
Interest accrued on deposits with banks	583.04	185.60
Total other financial assets	793.02	420.17

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (contd.)

(Amount in Rupees lakhs, except otherwise stated)

12 Current tax assets (net)

	As at 31 March 2022	As at 31 March 2021
Advance payment of Income Tax and Tax Deducted at Source [net of Provision for Taxation Rs.17,860.45 Lakhs (31 March 2021 - Rs.12,739.92 Lakhs)]	2,566.85	1,966.07
Total current tax assets (net)	2,566.85	1,966.07

13 Other current assets

(Unsecured, considered good unless otherwise stated)

	As at 31 March 2022	As at 31 March 2021
Minimum guarantee royalty advances	270.62	624.83
Royalty advances		
Unsecured, considered good	-	8.90
Unsecured, considered doubtful	445.24	463.72
Less: Provision for doubtful advances	(445.24)	(463.72)
	-	8.90
Advance against supply of goods and services		
Unsecured, considered good	6,649.30	3,514.14
Unsecured, considered doubtful	324.98	324.98
Less: Provision for doubtful advances	(324.98)	(324.98)
	6,649.30	3,514.14
Prepaid expenses		
Unsecured, considered good	296.72	404.18
Unsecured, considered doubtful	44.06	44.06
Less: Provision for doubtful advances	(44.06)	(44.06)
	296.72	404.18
Gratuity (Refer Note 29)	51.84	23.31
Other receivables	51.91	61.70
Balances with government authorities	3,441.77	2,531.49
Advance payment of fringe benefit tax [net of Provision Rs.147.87 Lakhs (31 March 2021 - Rs.147.87 Lakhs)]	20.08	20.08
Total other current assets	10,782.24	7,188.63

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (contd.)

(Amount in Rupees lakhs, except otherwise stated)

14 Equity share capital and other equity
14.1 Equity share capital

	As at 31 March 2022		As at 31 March 2021	
	Number of shares	Amount	Number of shares	Amount
Authorised				
Ordinary shares of Re.1/- each (Previous year Rs.10/- each)**	25,00,00,000	2,500.00	2,50,00,000	2,500.00
Issued				
Ordinary shares of Re.1/- each (Previous year Rs.10/- each)**	19,28,09,490	1,928.09	1,74,28,012	1,742.80
Subscribed and fully paid up				
Ordinary shares of Re.1/- each (Previous year Rs.10/- each)**	19,28,09,490	1,928.09	1,74,28,012	1,742.80

Reconciliation of number of ordinary shares outstanding

	As at 31 March 2022		As at 31 March 2021	
	Number of shares	Amount	Number of shares	Amount
As at the beginning of the year	1,74,28,012	1,742.80	1,74,26,012	1,742.60
Add: Issued during the year*	18,52,937	185.29	2,000	0.20
Add: Equity shares arising on shares split from Rs.10/- to Re.1/- per share**	17,35,28,541	-	-	-
As at the end of the year	19,28,09,490	1,928.09	1,74,28,012	1,742.80

* During the year, the Parent Company has issued 2,000 equity shares (Previous Year: 2,000 equity shares) of face value of Rs.10/- each under the Employee Stock Option Scheme 2013. Further during the year, the Parent Company has allotted 18,50,937 equity shares (Previous Year: Nil) of face value of Rs.10/- each through Qualified Institutions Placement aggregating to Rs.74,999.97 Lakhs (Previous Year: Nil).

** Pursuant to the Special Resolution passed by the Shareholders of the Parent Company by way of Postal Ballot through electronic means on 31 March 2022, the Parent Company has sub-divided its equity share of face value of Rs.10/- (Rs. Ten only) each fully paid up, into 10 (Ten) equity shares of face value Re.1/- (Rupee One only) each fully paid-up, effective from 28 April 2022. Hence, shares have now been adjusted on account of sub-division of share done by the Company.

Rights issue

Out of 53,38,628 equity shares of face value Rs.10/- each issued 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 of face value Rs.10/- each (31 March 2021 - 5,290 equity shares of face value Rs.10/- each) (relating to cases under litigation/ pending clearance from the concerned authorities) are kept in abeyance as on 31 March 2022.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (contd.)

(Amount in Rupees lakhs, except otherwise stated)

Rights, preferences and restrictions attached to shares

The Parent Company has only one class of equity shares having a par value of Re.1/- per share (previous year Rs.10/- per share). Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting except in case of interim dividend.

In the event of liquidation of the Company, the holder of equity shares are eligible to receive remaining assets of the Company in proportion to their shareholding.

Shares held by holding company

Name of the shareholder	As at 31 March 2022		As at 31 March 2021	
	Number of shares held	Amount	Number of shares held	Amount
Composure Services Private Limited	10,29,15,990	1,029.16	1,02,91,599	1,029.16

Details of shares held by each shareholders holding more than 5% of the aggregate shares in the Parent Company

Name of the shareholder	As at 31 March 2022		As at 31 March 2021	
	Number of shares held	Holding percentage	Number of shares held	Holding percentage
Composure Services Private Limited	10,29,15,990	53.38%	1,02,91,599	59.05%

Disclosure of shareholding of promoters

Name of the shareholder	As at 31 March 2022		As at 31 March 2021	
	Number of shares held	Holding percentage	Number of shares held	Holding percentage
Composure Services Private Limited	10,29,15,990	53.38%	1,02,91,599	59.05%
STEL Holdings Limited	1,600	0.00%	160	0.00%
Quest Capital Markets Limited (formerly BNK Capital Markets Limited)*	82,32,200	4.27%	-	-
Total	11,11,49,790	57.65%	1,02,91,759	59.05%

*Quest Capital Markets Limited (formerly BNK Capital Markets Limited) is added in the promoter group list of Saregama India Limited pursuant to the transaction between Lebnitze Real Estates Private Limited and Quest Capital Markets Limited (formerly BNK Capital Markets Limited).

Stock option schemes and stock appreciation rights

Information relating to Employee Option Plan, including details of options issued, exercised and lapsed during the financial year and options outstanding at the end of the reporting period, is set out in Note 30.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (contd.)

(Amount in Rupees lakhs, except otherwise stated)

14.2 Other equity

	As at 31 March 2022	As at 31 March 2021
Capital reserve	55.19	55.19
General reserve	693.95	693.95
Securities premium	83,412.32	10,277.11
Share option outstanding reserve	91.89	212.11
Treasury Shares	(85.12)	(425.60)
Saregama Welfare Trust Reserve	14.57	(11.36)
Retained earnings	32,952.38	21,361.50
Revaluation reserve	11,087.62	10,349.54
Equity instrument through OCI	7,505.20	6,230.50
Foreign currency translation reserve	113.62	92.95
Total other equity	1,35,841.62	48,835.89

- (i) **Capital reserve** : The Group recognises profit or loss on purchase, sale, issue or cancellation of the Group's own equity instruments to Capital Reserve. The Group also recognises gains or losses on transaction with Non-Controlling Interest which do not result on loss of control over subsidiary in the capital reserve.

	As at 31 March 2022	As at 31 March 2021
Balance at the beginning of the year	55.19	55.19
Balance at the end of the year	55.19	55.19

- (ii) **General reserve** : Under the erstwhile Companies Act 1956, a general reserve was created through an annual transfer of net profit at a specified percentage in accordance with applicable regulations. Consequent to the introduction of the Companies Act, 2013 (the "Companies Act"), the requirement to mandatory transfer a specified percentage of net profit to general reserve has been withdrawn. The amount credited to the reserve can be utilised by the Company in accordance with the provisions of the Companies Act. There is no movement in general reserve during the current and previous year.

	As at 31 March 2022	As at 31 March 2021
Balance at the beginning of the year	693.95	693.95
Balance at the end of the year	693.95	693.95

- (iii) **Securities premium** : This reserve represents the premium on issue of shares and can be utilised in accordance with the provisions of the Companies Act.

	As at 31 March 2022	As at 31 March 2021
Balance at the beginning of the year	10,277.11	10,272.44
Add: 2,000 (2020-21 - 2,000) shares of face value Rs.10/- each issued on exercise of options (Refer Note 30)	4.67	4.67
Add: On fresh issues of shares of face value Rs.10/- each (net of expenses of Rs.1,684.34 Lakhs) {Refer Note 38}	73,130.54	-
Balance at the end of the year	83,412.32	10,277.11

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (contd.)

(Amount in Rupees lakhs, except otherwise stated)

- (iv) **Share options outstanding reserve** : This reserve relates to stock options granted by the Parent Company to eligible employees under Saregama Employee Stock Option Scheme 2013. This reserve is transferred to securities premium or retained earnings on exercise or cancellations of vested options.

	As at 31 March 2022	As at 31 March 2021
Balance at the beginning of the year	212.11	535.43
Employee stock option expense (Refer Note 24)	75.70	137.71
Effect of modification of share based payment awards {Refer Note 30(c)}	-	150.61
Transfer on account of exercise of options	(188.40)	(101.74)
Adjustment on account of exercise of options	(7.52)	(509.90)
Balance at the end of the year	91.89	212.11

- (v) **Treasury Shares** : The Parent Company has formed Saregama Welfare Trust (SWT) for implementation of the Schemes that are notified or may be notified from time to time by the Parent Company under the plan, providing shared based benefits to its employees. SWT purchases shares of the Parent Company out of funds borrowed from the Parent Company. The Parent Company treats SWT as its extension and shares held by SWT are treated as treasury shares.

	As at 31 March 2022	As at 31 March 2021
Balance at the beginning of the year	(425.60)	(764.32)
Add: Sale/(Purchase) of treasury shares by the trust during the year (net)	332.96	(171.18)
Adjustment on account of exercise of options	7.52	509.90
Balance at the end of the year	(85.12)	(425.60)

- (vi) **Saregama Welfare Trust Reserve** : The Parent Company has formed Saregama Welfare Trust (SWT) for implementation of the Schemes that are notified or may be notified from time to time by the Parent Company under the plan, providing share based benefits to the employees. SWT purchases shares of the Parent Company out of funds provided by the Parent Company. The Parent Company treats SWT as its extension and shares held by SWT are treated as Treasury Shares. Profit/(loss) on sale/transfer of treasury shares (net of tax) and dividend earned on the same by the SWT is recognized in SWT Reserve.

	As at 31 March 2022	As at 31 March 2021
Balance at the beginning of the year	(11.36)	-
Income/(Expense) of Trust for the year	25.93	(11.36)
Balance at the end of the year	14.57	(11.36)

- (vii) **Retained earnings** : This reserve represents the cumulative profits of the Group and effects of remeasurement of defined benefit obligations. This reserve can be utilised in accordance with the provisions of the Companies Act.

	As at 31 March 2022	As at 31 March 2021
Balance at the beginning of the year	21,361.50	13,765.46
Net profit for the year	15,259.94	11,255.41
Items of other comprehensive income recognised directly in retained earnings		
- Remeasurements of post-employment benefit obligation (net of tax)	86.28	(14.12)
Dividends paid	-	(261.39)
Interim dividend declared	(5,784.28)	(3,485.60)
Transfer on account of exercise of options	188.40	101.74
Transfer from Other Comprehensive income on de-recognition of financial asset	1,840.54	-
Balance at the end of the year	32,952.38	21,361.50

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (contd.)

(Amount in Rupees lakhs, except otherwise stated)

(viii) **Revaluation surplus** : This reserve represents surplus on revaluation of Property, plant and equipment (land) and will be transferred directly to retained earning when the asset is derecognised.

	As at 31 March 2022	As at 31 March 2021
Balance at the beginning of the year	10,349.54	10,347.90
Surplus on revaluation of Land	959.44	-
Deferred tax on revaluation of land	(223.51)	-
Deferred tax on investment property	2.15	1.64
Balance at the end of the year	11,087.62	10,349.54

(ix) **Equity instruments through OCI (FVOCI)** : This reserve represents the cumulative gains (net of losses) arising on the revaluation of Equity Instruments at fair value through Other Comprehensive Income (OCI), net of amounts reclassified, if any, to Retained earnings when those instruments are disposed of.

	As at 31 March 2022	As at 31 March 2021
Balance at the beginning of the year	6,230.50	3,135.22
Changes in fair value of FVOCI equity instruments during the year	3,385.69	3,504.36
Deferred tax on above	(390.77)	(409.08)
Deferred tax reversed on de-recognition of financial asset	226.79	-
Current tax on de-recognition of financial asset	(106.47)	-
Transferred to Retained earning on de-recognition of financial asset	(1,840.54)	-
Balance at the end of the year	7,505.20	6,230.50

(x) **Foreign currency translation reserve** : Exchange difference arising from translation of foreign operations are recognised in other comprehensive income as described in accounting policies [Refer note 1(a)(vi)] and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss on disposal of the net investment.

	As at 31 March 2022	As at 31 March 2021
Balance at the beginning of the year	92.95	95.20
Other comprehensive income for the year	20.67	(2.25)
Balance at the end of the year	113.62	92.95

15 Employee benefit obligations (non-current)

	As at 31 March 2022	As at 31 March 2021
Leave encashment obligations (Refer Note 29)	418.95	419.45
Total employee benefit obligations (non-current)	418.95	419.45

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (contd.)

(Amount in Rupees lakhs, except otherwise stated)

16 Deferred tax liabilities (net)

The balance comprises temporary differences attributable to:

	Balance as at 1 April 2021	Recognised to profit or loss during the year	Recognised to/ reclassified from OCI	Recognised directly to other equity	Balance as at 31 March 2022
Deferred tax liability					
Fair value changes on financial assets-equity instruments / mutual funds	850.04	134.36	390.77	(226.79)	1,148.38
Property, plant and equipment, intangible assets and investment property	4,321.59	6.28	223.51	(2.15)	4,549.23
Minimum guarantee royalty advance	141.50	(85.71)	-	-	55.79
Provision for royalty on licence fees	142.28	76.50	-	-	218.78
Income received in advance-digital film	-	14.19	-	-	14.19
Total deferred tax liability	5,455.41	145.62	614.28	(228.94)	5,986.37
Deferred tax asset					
Allowance for expected credit loss	253.92	0.44	-	-	254.36
Expenditure allowable for tax purpose in subsequent years	119.59	24.38	(29.09)	-	114.88
Income received in advance-digital film	1.83	(1.83)	-	-	-
Lease liabilities (net)	27.74	(26.63)	-	-	1.11
Total deferred tax asset	403.08	(3.64)	(29.09)	-	370.35
Net deferred tax liability	5,052.33	149.26	643.37	(228.94)	5,616.02
	Balance as at 1 April 2020	Recognised to profit or loss during the year	Recognised to/ reclassified from OCI	Recognised directly to other equity	Balance as at 31 March 2021
Deferred tax liability					
Fair value changes on financial assets-equity instruments	436.81	4.15	409.08	-	850.04
Property, plant and equipment, right-of-use assets, intangible assets and investment property	4,301.44	21.79	-	(1.64)	4,321.59
Minimum guarantee royalty advance	216.86	(75.36)	-	-	141.50
Provision for royalty on licence fees	71.53	70.75	-	-	142.28
Total deferred tax liability	5,026.64	21.33	409.08	(1.64)	5,455.41
Deferred tax asset					
Allowance for expected credit loss	265.60	(11.68)	-	-	253.92
Expenditure allowable for tax purpose in subsequent years	106.82	8.07	4.70	-	119.59
Income received in advance-digital film	18.62	(16.79)	-	-	1.83
Lease Liabilities	11.84	15.90	-	-	27.74
Others	45.27	(45.27)	-	-	-
Total deferred tax asset	448.15	(49.77)	4.70	-	403.08
Net deferred tax liability	4,578.49	71.10	404.38	(1.64)	5,052.33

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (contd.)

(Amount in Rupees lakhs, except otherwise stated)

17 Financial liabilities (current)
17.1 Trade payables

	As at 31 March 2022	As at 31 March 2021
Trade payables		
a) Total outstanding dues of micro enterprises and small enterprises	0.71	1.37
b) Total outstanding dues of creditors other than micro enterprises and small enterprises	6,451.68	5,629.03
Total trade payables	6,452.39	5,630.40

Trade Payables ageing schedule:

	Outstanding for following periods from due date of payment as at 31 March 2022				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	0.71	-	-	-	0.71
Total outstanding dues of creditors other than micro enterprises and small enterprises	3,549.94	81.40	667.23	2,153.11	6,451.68
Total	3,550.65	81.40	667.23	2,153.11	6,452.39

	Outstanding for following periods from due date of payment as at 31 March 2021				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	1.37	-	-	-	1.37
Total outstanding dues of creditors other than micro enterprises and small enterprises	2,279.81	574.00	726.53	2,048.69	5,629.03
Total	2,281.18	574.00	726.53	2,048.69	5,630.40

17.2 Other financial liabilities

	As at 31 March 2022	As at 31 March 2021
Security deposit		
Security deposit from dealers and others	47.46	48.42
Security deposit from General Insurance Corporation of India on sub lease of property	18.01	18.01
Unpaid dividends*	47.74	20.27
Others		
Dealer's incentive	231.82	59.94
Liabilities for expenses	3,033.55	1,927.23
Employee benefits payable	769.37	714.85
Interest accrued and due on deposits from dealers	5.04	50.32
Liability towards deposits received under settlement	152.58	152.58
Proposed interim dividend	-	3,485.60
Total other financial liabilities	4,305.57	6,477.22

* There are no amounts due and outstanding to be credited to the Investor Education and Protection Fund under Section 125 of the Companies Act, 2013 as at the year end.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (contd.)

(Amount in Rupees lakhs, except otherwise stated)

18 Other current liabilities

	As at 31 March 2022	As at 31 March 2021
Income received in advance	3,140.02	1,758.32
Advance from customers	871.43	302.04
Amount payable to Government authorities*	590.42	430.05
Others	59.50	59.50
Total other current liabilities	4,661.37	2,549.91

*Primarily include payables in respect of Goods and Services Tax (GST) and tax deducted at source (TDS).

19 Provisions

	As at 31 March 2022	As at 31 March 2021
Other provisions		
Provision for returns of magazines	15.00	15.56
Provision for royalty on licence fees (Refer Note 19.1)	9,003.19	7,078.51
Total provisions	9,018.19	7,094.07

19.1 Movement of provision for royalty on licence fees

	As at 31 March 2022	As at 31 March 2021
Balance at the beginning of the year	7,078.51	5,141.00
Charged/(credited) to profit or loss		
- created during the year	5,053.15	4,445.44
- discounting on provision created	(695.35)	(567.41)
- unwinding of discount on provision created	391.40	286.30
- unused amounts reversed	(483.95)	(261.41)
Amounts utilised/ transferred during the year	(2,340.57)	(1,965.41)
Balance at the end of the year	9,003.19	7,078.51

20 Employee benefit obligations (current)

	As at 31 March 2022	As at 31 March 2021
Leave encashment obligations (Refer Note 29)	78.14	82.11
Gratuity (Refer Note 29)	-	92.73
Total employee benefit obligations (current)	78.14	174.84

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (contd.)

(Amount in Rupees lakhs, except otherwise stated)

21 Revenue from operations

	Year ended 31 March 2022	Year ended 31 March 2021
Sale of products	10,167.72	8,614.02
Sale of services		
Income from films and television serials	10,239.13	5,210.37
Licence fees	36,328.85	28,557.69
Publication	442.85	438.43
Other operating revenue*	884.21	1,375.75
Total revenue from operations	58,062.76	44,196.26

*Includes export incentives of Rs.Nil (Previous year Rs.915.15 Lakhs) on account of Service Exports from India Scheme.

Disaggregation of revenue from contracts with customers

In the following table, revenue from contracts with customers is disaggregated by primary geography market, products and service lines and timing of revenue recognition. The Group believes that this disaggregation best depicts how the nature, amount, timing of revenues and cash flows are affected by geography and other economic factors:

	Sale of products		Licence fees		Films/Television serials		Publication	
	Year ended 31 March 2022	Year ended 31 March 2021						
Revenue by geography								
Domestic	9,609.35	8,370.48	19,859.05	18,881.93	8,584.08	4,622.71	440.68	436.92
International	558.37	243.54	16,469.80	9,675.76	1,655.05	587.66	2.17	1.51
	10,167.72	8,614.02	36,328.85	28,557.69	10,239.13	5,210.37	442.85	438.43
Timing of Revenue Recognition								
Products and services transferred at a point in time	10,167.72	8,614.02	4,533.24	7,637.16	10,239.13	5,210.37	432.70	429.36
Products and services transferred over time	-	-	31,795.61	20,920.53	-	-	10.15	9.07
Total Revenue from Contracts with customers	10,167.72	8,614.02	36,328.85	28,557.69	10,239.13	5,210.37	442.85	438.43

Relationship between disclosure of disaggregated revenue and revenue information for each reportable segment has been disclosed in Note 41 to the financial statement.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (contd.)

(Amount in Rupees lakhs, except otherwise stated)

Contract Balances

The following table provides information about receivables and contract liabilities from contracts with customers:

	As at 31 March 2022	As at 31 March 2021
Receivables, which are included in 'trade receivables' (Refer Note 11.2)	10,780.25	8,735.30
Contract liabilities, which are included in 'income received in advance' (Refer Note 18)	3,140.02	1,758.32

The contract assets primarily relate to the Group's rights to consideration for services rendered but not billed at the reporting date. The contract assets are transferred to receivables when the rights become unconditional. This usually occurs when the Group issues an invoice to the customer.

A receivable is a right to consideration that is unconditional upon passage of time. Revenue from the sale of products is recognised at the point in time when control is transferred to the customer. Revenue from licenses where the customer obtains a "right to access" is recognized over the access period. Revenues in excess of billings is recorded as unbilled revenue and is classified as a financial asset for these cases as right to consideration is unconditional upon passage of time.

Invoicing in excess of earnings are classified as contract liability.

Changes in contract liabilities are as follows:

	As at 31 March 2022	As at 31 March 2021
Balance at the beginning of the year	1,758.32	1,763.67
Revenue recognised that was included in the contract liabilities at the beginning of the year	(1,758.32)	(1,763.67)
Increase due to invoicing during the year, excluding amounts recognised as revenue during the year	3,140.02	1,758.32
Balance at the end of the year	3,140.02	1,758.32

The Parent Company has entered into a few contracts where the period between the transfer of the promised goods or services to the customer and payments by the customer exceeds one year and hence, there exists a financing component included in such contracts. On evaluation of the terms of the contracts, the effects of financing have not been found to be significant and the same has been adjusted accordingly.

Reconciliation of revenue recognised with the contracted price is as follows:

	Year ended 31 March 2022	Year ended 31 March 2021
Contracted prices	57,552.69	43,686.16
Reductions towards variable consideration components	(374.14)	(865.65)
Revenue recognised*	57,178.55	42,820.51

* The above balances include revenue from sale of products and sale of services.

The reduction towards variable consideration comprises of volume discounts, incentives, etc.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (contd.)

(Amount in Rupees lakhs, except otherwise stated)

Performance obligation

The following table provides information about the nature and timing of performance obligation in contracts with customers, including significant payment terms and related revenue recognition policies:

Type of product	Nature and timing of satisfaction of performance obligation, including significant payment terms	Revenue recognition under Ind AS 115
Physical products	In case of sales of products, customer obtain control of the products when the goods are delivered at customer's premise.	Revenue from the sale of products is recognised at the point in time when control is transferred to the customer. Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.
Music Licensing	<p>The performance obligation of "right-to-use" of Music Licensing contracts gets satisfied at the time of entering into agreement/ contracts with customers.</p> <p>In case of "right-to-access" of Music Licensing contracts, the Group undertakes activities that significantly affect the Music Licenses to which the customer has rights. In these cases, the performance obligation gets complete when the Customers accesses the music licenses. Payment is made as per the terms of the Contract.</p>	Revenue from Music licensing where the customer obtains a "right to use" is recognized at the time the license is made available to the customer. Revenue from licenses where the customer obtains a "right to access" is recognized over the access period.
Sale of television serial episodes	In case of sale of TV serial episodes, customer obtain control of the TV serial episodes when the same is delivered to them and revenue is recognised at that point in time.	Revenue from the sale of television serial episodes is recognised upfront at the point in time when the software is delivered to the customer.
Sale of Free Commercial Time	The performance obligation gets satisfied at the time when the related advertisement or commercials appears before the public, i.e. on telecast.	Revenue from sale of free commercial time (net of trade discount, as applicable) are recognised when the related advertisement or commercials appears before the public, i.e. on telecast.
Theatrical Distribution of Films	The performance obligation gets satisfied at the time of exhibition of films.	Revenue from theatrical distribution is recognised on exhibition of films. In case of distribution through theatres, revenue is recognised on the basis of box office reports received from various exhibitors. Contracted minimum guarantees are recognised on theatrical release.
Sale of Film Rights	The performance obligation gets satisfied at the time of assignment of such rights as per terms of the sale/licencing agreements. Invoices are payable within contractually agreed credit period.	Revenue from Sale of films rights are recognised on assignment of such rights as per terms of the sale/licencing agreements.
Publication revenue	<p>The performance obligation gets satisfied when the magazines are sold.</p> <p>The performance obligation gets satisfied when the publications are delivered to the subscribers over the subscription period.</p>	<p>Revenue from current affairs and features magazine is recognised in the period in which the magazines are sold and are accounted for net of commission and discounts.</p> <p>Revenue from subscription to the Group's print publications is recognised as earned, prorata on a per issue basis over the subscription period.</p>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (contd.)

(Amount in Rupees lakhs, except otherwise stated)

22 Other income

	Year ended 31 March 2022	Year ended 31 March 2021
Liabilities/Provisions no longer required written back	28.89	589.18
Allowance for expected credit loss / provision for doubtful advances no longer required written back	39.48	-
Interest income under effective interest method (refer note below)	1,840.51	1,690.72
Dividend income from equity investments designated at FVOCI*	695.29	695.28
Profit on sale of property, plant and equipment	-	0.17
Profit on sale of investment in mutual fund	48.30	-
Fair value gain on mutual fund at FVTPL	555.76	16.51
Rent Income (Refer Note 5)	18.90	18.96
Net gain on foreign currency transactions	89.68	22.45
Insurance claim	164.04	-
Other non-operating income	10.16	52.10
Total other income	3,491.01	3,085.37

Note:

Above Interest income comprises :

- Interest income on bank balances and bank deposits
- Interest income on income tax refund
- Unwinding of discount on financial assets
- Discounting of financial liabilities/provision
- Security deposits
- Other interest

Total interest income

* All dividends from equity investments designated at FVOCI relate to investments held at the end of the reporting year.

	Year ended 31 March 2022	Year ended 31 March 2021
- Interest income on bank balances and bank deposits	1,072.65	332.01
- Interest income on income tax refund	4.63	674.21
- Unwinding of discount on financial assets	65.10	79.76
- Discounting of financial liabilities/provision	695.35	567.41
- Security deposits	2.78	-
- Other interest	-	37.33
Total interest income	1,840.51	1,690.72

23 Operational cost

	Year ended 31 March 2022		Year ended 31 March 2021	
Music				
Opening Inventory	4,513.73		7,248.70	
Add: Purchase of Inventory	7,871.45		2,105.81	
Less: Closing Inventory	5,472.90	6,912.28	4,513.73	4,840.78
Films and television serials				
Opening Inventory	2,383.39		2,099.91	
Add: Cost incurred during the year	10,056.75		4,649.68	
Less: Closing Inventory	5,041.79	7,398.35	2,383.39	4,366.20
Total operational cost		14,310.63		9,206.98

24 Employee benefits expense

	Year ended 31 March 2022	Year ended 31 March 2021
Salaries, wages and bonus	6,729.66	6,320.50
Share based payment expense (Refer Note 30)	75.70	137.71
Contribution to provident and other funds (Refer Note 29)	363.08	349.80
Staff welfare expenses	176.26	145.35
Total employee benefits expense	7,344.70	6,953.36

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (contd.)

(Amount in Rupees lakhs, except otherwise stated)

25 Finance costs

	Year ended 31 March 2022	Year ended 31 March 2021
Interest expense on financial liabilities measured at amortised cost:		
- on loan and others	35.88	26.16
- unwinding of discount on financial liabilities/provision	391.40	286.30
- on lease liabilities	11.19	3.67
Other borrowing costs	13.47	28.93
Total finance costs	451.94	345.06

26 Depreciation and amortisation expense

	Year ended 31 March 2022	Year ended 31 March 2021
Depreciation on property, plant and equipment (Refer Note 3)	194.09	185.59
Depreciation on right-of-use assets (Refer Note 4)	45.52	50.77
Depreciation on investment properties (Refer Note 5)	5.54	5.53
Amortisation on Intangible asset (Refer Note 6)	1,064.95	319.11
Total depreciation and amortisation expense	1,310.10	561.00

27 Other expenses

	Year ended 31 March 2022	Year ended 31 March 2021
Power and fuel	94.06	95.64
Rent (Refer Note 4)	387.69	409.41
Repairs - Buildings	93.52	106.01
- Machinery	2.21	2.65
- Others	595.95	289.68
Royalties	6,313.76	5,661.34
Carriage, freight and forwarding charges	876.23	1,005.27
Rates and taxes	195.68	132.97
Insurance	121.19	95.01
Travel and conveyance	305.56	82.44
Advertisement and sales promotion	5,205.33	3,749.63
Printing and publishing expenses	39.53	42.32
Printing and communication expenses	241.85	286.38
Bad debts/advances written off	0.69	25.52
Allowance for expected credit loss / provision for doubtful advances	9.73	134.77
Legal and consultancy expenses	1,914.69	1,693.29
Corporate social responsibility expenses	200.14	137.19
Miscellaneous expense	1,097.35	1,075.07
Total other expense	17,695.16	15,024.59

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (contd.)

(Amount in Rupees lakhs, except otherwise stated)

28 Tax expenses

A. Tax expense recognised in the Statement of Profit and Loss

	Year ended 31 March 2022	Year ended 31 March 2021
Current tax		
Current tax on profits for the year	5,027.42	3,773.08
Total current tax	5,027.42	3,773.08
Deferred tax		
Decrease in deferred tax assets	3.64	49.77
Increase in deferred tax liabilities	145.62	21.33
Total deferred tax expense charge/ (credit)	149.26	71.10
Total tax expense	5,176.68	3,844.18

B. Amount recognised in other comprehensive income

	Year ended 31 March 2022	Year ended 31 March 2021
The tax charge arising on income and expenses recognised in Other Comprehensive Income are as follows:		
Deferred tax		
On items that will not be reclassified subsequently to profit or loss		
Remeasurements of post-employment benefit obligations	(29.09)	4.70
Changes in fair value of equity instruments designated at FVOCI	(390.77)	(409.08)
Revaluation gains relating to property, plant and equipment	(223.51)	-
Total amount recognised in other comprehensive income	(643.37)	(404.38)

C. Amount recognised directly in other equity

	Year ended 31 March 2022	Year ended 31 March 2021
Deferred tax reversed on de-recognition of financial asset	(226.79)	-
Deferred tax on investment property	(2.15)	(1.64)
Total amount recognised in other equity	(228.94)	(1.64)

D. Reconciliation of tax expense

	Year ended 31 March 2022	Year ended 31 March 2021
Profit before tax	20,441.24	15,190.64
Income tax expense calculated @ 25.17% (31 March 2021 - 25.17%)	5,145.06	3,823.48
Adjustments:		
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Items not deductible for tax purposes	56.91	101.05
Other items	(25.29)	(80.35)
Income tax expense	5,176.68	3,844.18

The tax rate used in the above reconciliation for the year 2021-22 and 2020-21 is the tax rate of 25.17% (22% + surcharge @ 10% and education cess @ 4%) payable on taxable profits under the Income Tax Act, 1961.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (contd.)

(Amount in Rupees lakhs, except otherwise stated)

29 Assets and liabilities relating to employee benefits
(I) Post-employment Defined Benefit Plans:
(A) Gratuity (funded)

The Group provides for gratuity, a defined benefit retirement plan covering eligible employees. As per the plan, the Gratuity Fund Trusts, administered and managed by the Trustees and funded primarily with Life Insurance Corporation of India (LIC), ICICI Prudential Life Insurance Company Limited and Aviva Life Insurance Company Limited, make payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. The Trustees are responsible for the overall governance of the plan and to act in accordance with the provisions of the trust deed and rules in the best interests of the plan participants. Each year an Asset-Liability matching study is performed in which the consequences of the strategic investment policies are analysed in terms of risk and return profiles. Investment and contribution policies are integrated within this study. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation as set out in Note 1(q)(iii) in significant accounting policies, based upon which, the Group makes contributions to the Employees' Gratuity Funds.

The following table sets forth the particulars in respect of the Gratuity Plan (funded) of the Group:

	31 March 2022		31 March 2021	
	Parent	Subsidiary	Parent	Subsidiary
(a) Reconciliation of opening and closing balances of the present value of the defined benefit obligation:				
Present value of obligation at the beginning of the year	757.15	73.97	647.34	61.31
Current service cost	96.11	10.52	92.43	12.50
Interest cost	42.19	5.03	39.34	4.13
<u>Remeasurements (gains) / losses</u>				
Actuarial (gain)/ loss arising from changes in financial assumptions	(30.52)	(2.82)	9.24	(0.37)
Actuarial (gain)/ loss arising from changes in experience adjustments	(61.08)	(6.73)	14.40	(2.13)
Benefits paid	(131.20)	(12.02)	(45.60)	(1.47)
Present value of obligation at the end of the year	672.65	67.95	757.15	73.97
(b) Reconciliation of the opening and closing balances of the fair value of plan assets:				
Fair value of plan assets at the beginning of the year	664.42	97.28	508.13	53.86
Interest Income	39.98	6.61	35.77	3.63
<u>Remeasurements gains / (losses)</u>				
Return on plan assets (excluding amount included in net interest cost)	17.14	(2.92)	1.06	1.26
Contributions by employer	93.00	-	140.00	40.00
Benefits paid	(111.05)	(12.02)	(20.54)	(1.47)
Fair value of plan assets at the end of the year	703.49	88.95	664.42	97.28
(c) Reconciliation of the present value of the defined benefit obligation and the fair value of plan assets:				
Present value of obligation at the end of the year	672.65	67.95	757.15	73.97
Fair value of plan assets at the end of the year	703.49	88.95	664.42	97.28
(Assets)/Liabilities recognised in the balance sheet	(30.84)	(21.00)	92.73	(23.31)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (contd.)

(Amount in Rupees lakhs, except otherwise stated)

	31 March 2022		31 March 2021	
	Parent	Subsidiary	Parent	Subsidiary
(d) Actual return on plan assets	57.12	3.69	36.83	4.89
(e) Re-measurements losses/(gains) recognised in the Other Comprehensive Income				
Return on plan assets (excluding amount included in net interest cost)	(17.14)	2.92	(1.06)	(1.26)
Effect of changes in financial assumptions	(30.52)	(2.82)	9.24	(0.37)
Effect of changes in experience adjustments	(61.08)	(6.73)	14.40	(2.13)
Total re-measurement losses/(gains) included in Other Comprehensive Income	(108.74)	(6.63)	22.58	(3.76)
(f) Expense recognised in Statement of Profit or Loss:				
Current service cost	96.11	10.52	92.43	12.50
Net interest cost	2.21	(1.58)	3.57	0.50
Total expense recognised in Statement of Profit and Loss (Refer Note 24)	98.32	8.94	96.00	13.00
(g) Category of plan assets:	In %	In %	In %	In %
(a) Fund with Life Insurance Corporation of India	68%	-	69%	-
(b) NAV based Group Balanced Fund with ICICI Prudential Life Insurance Company Limited	17%	-	16%	-
(c) NAV based Group Short Term Debt Fund with ICICI Prudential Life Insurance Company Limited	7%	-	7%	-
(d) NAV based Group Debt Fund with ICICI Prudential Life Insurance Company Limited	8%	-	8%	-
(e) Fund with Aviva Life Insurance Company India Ltd.	-	100%	-	100%
	100%	100%	100%	100%
(h) Maturity profile of defined benefit obligation:				
Within 1 year	159.30	11.28	294.19	8.72
1-2 year	39.52	18.08	37.64	16.64
2-5 years	191.52	26.36	156.66	13.62
Over 5 years	488.70	93.84	451.25	127.43
(i) Principal actuarial assumptions:				
Discount rate	6.70%	7.25%	6.10%	6.80%
Salary growth rate	10.00%	7.00%	10.00%	7.00%

Assumptions regarding future mortality experience are based on mortality tables of 'Indian Assured Lives Mortality (2006-2008)' published by the Institute of Actuaries of India.

The estimate of future salary increases takes into account inflation, seniority, promotion and other relevant factors, such as demand and supply in the employment market.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (contd.)

(Amount in Rupees lakhs, except otherwise stated)

(j) Sensitivity analysis	Change in Assumption	Impact on defined benefit obligation (2021-22)	Impact on defined benefit obligation (2020-21)
Discount Rate	Increase by 1%	Decrease by Rs.51.20 Lakhs	Decrease by Rs.50.46 Lakhs
	Decrease by 1%	Increase by Rs.58.90 Lakhs	Increase by Rs.58.53 Lakhs
Salary Growth Rate	Increase by 1%	Increase by Rs.56.72 Lakhs	Increase by Rs.56.09 Lakhs
	Decrease by 1%	Decrease by Rs.50.39 Lakhs	Decrease by Rs.49.48 Lakhs

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit obligation recognised in the Balance Sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

- (k) The Group expects to contribute **Rs.100.00 Lakhs** (previous year - Rs.96.00 Lakhs) to the funded gratuity plans during the next financial year.
- (l) The weighted average duration of the defined benefit obligation as at 31 March 2022 for Parent Company is **8 years** (31 March 2021 - 6 years) and for subsidiary is **9 Years** (31 March 2021 - 10 Years).

(II) Post-employment defined contribution plans
(A) Superannuation fund

Certain categories of employees of the Parent Company participate in superannuation, a defined contribution plan administered by the Trust set up by the Parent Company. The Parent Company makes yearly contributions based on a specified percentage of each covered employee's salary. The Parent Company has no further obligations under the plan beyond its annual contributions.

During the year, an amount of **Rs.10.16 Lakhs** (previous year- Rs.15.49 Lakhs) has been recognised as expenditure towards above defined contribution plan of the Parent Company (Refer Note 24).

(B) Provident fund

All categories of employees of the Group receive benefits from a provident fund, a defined contribution plan. Both the employee and employer make monthly contributions to a government administered fund at specified percentage of the covered employee's qualifying salary. The Group has no further obligations under the plan beyond its monthly contributions.

During the year, an amount of **Rs.222.47 Lakhs** (previous year- Rs.209.24 Lakhs) has been recognised as expenditure towards above defined contribution plans of the Group (Refer Note 24).

(III) Leave obligations

The Group provides for accumulation of leave by certain categories of its employees. These employees can carry forward a portion of the unutilised leave balances and utilise it in future periods or receive cash (only in case of earned leave) in lieu thereof as per the Group's policy. The Group records a provision for leave obligations in the period in which the employee renders the services that increases this entitlement.

The total closing provision towards this obligation was **Rs.497.09 Lakhs** and Rs.501.56 Lakhs as at 31 March 2022 and 31 March 2021 respectively. The amount of the provision is presented as current, since the Group does not have an unconditional right to defer settlement for any of these obligations. However, based on past experience, the Group does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months. The following amounts reflect leave that is not expected to be taken or paid within the next 12 months.

Leave provision not expected to be settled within the next 12 months (Refer Note 15).

31 March 2022	31 March 2021
418.95	419.45

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (contd.)

(Amount in Rupees lakhs, except otherwise stated)

(IV) Risk exposure

Through its defined benefit plans, the Group is exposed to some risks, the most significant of which are detailed below:

Discount rate risk

The Company is exposed to the risk of fall in discount rate. A fall in discount rate will eventually increase the ultimate cost of providing the above benefit thereby increasing the value of the liability.

Salary growth risks

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. An increase in the salary of the plan participants will increase the plan liability.

Demographic risk

In the valuation of the liability, certain demographic (mortality and attrition rates) assumptions are made. The Company is exposed to this risk to the extent of actual experience eventually being worse compared to the assumptions thereby causing an increase in the benefit cost.

30 Share based payments

(a) Stock appreciation rights

The Nomination and Remuneration Committee of the Board of Directors of the Parent Company has granted Stock Appreciation Rights ("SAR") to certain eligible employees pursuant to the Company's Stock Appreciation Rights Scheme 2018 (hereinafter referred to as "Scheme"). The grant price is determined as defined in the Scheme. The Scheme has different performance linked vesting schedules. The exercise period commences from the date of vesting of the Options and expires at the end of 10 years from the date of vesting. Under the Scheme, the specified eligible employees are entitled to receive cash payment, being the difference in the share price between the date of grant and the date of exercise subject to certain conditions. The Schemes are administered by Nomination and Remuneration Committee.

Details of SAR Scheme	SAR Scheme'2018	
	As at 31 March	
	2022 *	2021 *
Grant Date	31 July 2018	
Grant Price (Rs.)	416.20	
Vesting Schedule	40% after 1 year from grant date 20% after 2 years from grant date 20% after 3 years from grant date 20% after 4 years from grant date	
Number of SAR outstanding at the beginning of the year	*	100000
Add : Granted during the year	*	-
Less : Forfeited / lapsed / cancelled during the year (*)	*	100000
Less : Exercised during the year	*	-
Number of SAR outstanding at the end of the year	*	-
Fair value of SAR at the end of the year (Rs.)	*	-
Carrying amount of liability - included in employee benefits payable (Rs. in Lakhs)	*	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (contd.)

(Amount in Rupees lakhs, except otherwise stated)

The fair value of SAR was determined using the Black Scholes Model using the following inputs at the grant date and at each reporting dates:	SAR Scheme'2018	
	As at 31 March	
	2022	2021
Share price at measurement date (Rs. per share)	*	*
Exercise price (Rs. per share)	*	*
Expected time (in years)	*	*
Expected volatility (%)	*	*
Dividend yield (%)	*	*
Risk-free interest rate (%)	*	*

*The Nomination and Remuneration Committee of the Board of Directors of the Parent Company in its meeting held on 30 June 2020 cancelled 1,00,000 Stock Appreciation rights issued to eligible employees on 31 July 2018 under the Saregama Stock Appreciation Rights Scheme 2018 ("SAR 2018").

In accordance with the aforesaid shareholders approval w.r.t. modification of employee share benefit schemes, the Nomination and Remuneration Committee has granted 1,00,000 Options to the eligible employees under the Saregama Employee Stock Option Scheme 2013 in lieu of SAR 2018 keeping all other terms and conditions of the replaced awards remain the same as the original award, being in line with the requirements of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, as amended.

The aforesaid Options would vest as per the vesting schedule approved by the Nomination and Remuneration Committee and the exercise period is 10 years from the date of vesting.

(b) Employee stock option scheme

The establishment of the Employee Stock Option Scheme 2013 (Scheme) was approved by the shareholders of the Parent Company at the Annual General Meeting held on 26 July 2013. The Scheme is designed to provide incentives to eligible employees to deliver long term returns. Under the Scheme each Option entitles the holder thereof to apply for and be allotted one equity shares of the Company of Rs.10 each upon payment of the exercise price during the exercise period as defined in the Scheme.

The exercise period commences from the date of vesting of the Options and expires at the end of 10 years from the date of vesting. The Options have been granted at the 'market price' as defined under the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, as amended.

Information in respect of Options granted under the Scheme :

Pursuant to approved Scheme, the Compensation Committee / Nomination and Remuneration Committee of the Board of Directors of the Parent Company has granted shares / options during 2016-17, 2020-21 and 2021-22 to certain eligible employees and outstanding as on 31 March 2022 at the following exercise price, being prevailing market price as on date of grant to respective employee :

Name of eligible employees	As at 31 March 2022		As at 31 March 2021	
	No. of options/ shares #	Exercise price per share (Rs.)	No. of options/ shares	Exercise price per share (Rs.)
Mr. Vikram Mehra, Managing Director **	18,000	416.20	90,000	416.20
Mr. Kumar Ajit, Sr. Vice President - Sales and marketing@	-	-	2,000	243.70
Ms. Rashna Pochkhanwala, Sr. Vice President - Music Licencing **	2,000	416.20	10,000	416.20
Mr. Vineet Garg, Chief Financial Officer@	10,000	1,750.40	-	-

Before giving effect of share split (Refer Note 14.1).

@ Exercise of options by the option holders shall entail issuance of equity shares by the Company on compliance / completion of related formalities on the basis of 1:1.

** The Nomination and Remuneration Committee of the Board of Directors of the Parent Company in its meeting

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (contd.)

(Amount in Rupees lakhs, except otherwise stated)

held on 8 May 2019, has recommended amendments to the clauses in the ESOS 2013 to effect implementation of the said scheme through Saregama Welfare Trust and the same has been approved by the shareholders of the Parent Company in the Annual General Meeting held on 19 July 2019. Basis the above modification, ESOS 2013 is being implemented through a trust viz. Saregama Welfare Trust ("Trust") in accordance with the provisions of Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, as amended ("SEBI SBEB Regulations"). This involves secondary market acquisition of the Company's equity shares by the Trust.

Measurement of fair value

The fair value of Employee Stock Options as on the date of grant was determined using the Black Scholes Model which takes into account the share price at the measurement date, expected price volatility of the underlying share, the expected dividend yield and risk free interest rate and carrying amount of liability included in employee benefit obligations.

The fair value of the options and the inputs used in the measurement of fair value as on the grant date are as follows:

	Vineet Garg	Vikram Mehra	Rashna Pochkhanwala	Kumar Ajit
Grant date	26-Apr-21	30-Jun-20	30-Jun-20	09-Sep-16
Fair value at grant date (Rs.)	1095.00	244.26	244.26	141.90
Share price at grant date (Rs.)	1760.25	426.80	426.80	243.70
Exercise price (Rs.)	1750.40	416.20	416.20	243.70
Expected volatility	54.56%	55.80%	55.80%	55.96%
Expected Life (expected weighted average life)	8.00	6.24	6.24	8 Years
Expected dividend	0.58%	0.58%	0.58%	1.34%
Risk free interest rate (based on Government bonds)	6.18%	5.56%	5.56%	7.00%

Expected volatility has been based on the evaluation of the historical volatility of the Company's share price, particularly over the historical period commensurate with the expected term. The Expected term of the instruments has been based on the historical experience and general option holder behaviour.

Reconciliation of outstanding share options #

	31 March 2022	31 March 2021
Number of Options Outstanding at the beginning of the year	102000	204000
Number of Options granted during the year	10000	100000
Number of Options forfeited/lapsed during the year	-	-
Number of Options vested during the year	82000	202000
Number of Options exercised during the year	82000	202000
Number of Shares arising as a result of exercise of options	2000	2000
Number of Options outstanding at the end of the year	30000	102000
Number of Options exercisable at the end of the year	-	-

Before giving effect of share split (Refer Note 14.1)

The weighted average share price of shares arising upon exercise of Options for the year ended 31 March 2022 based on the closing market price on NSE was **Rs.3,850.45** (31 March 2021 - Rs.815.35).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (contd.)

(Amount in Rupees lakhs, except otherwise stated)

(c) Expense arising from share based payment transactions

Total expenses arising from share-based payment transactions recognised in Statement of Profit and Loss as part of employee benefit expense are as follows:

	Year ended 31 March 2022	Year ended 31 March 2021
Employee stock option scheme	75.70	137.71
Stock appreciation rights (SAR)	-	102.54

During the year ended 31 March 2021, the Parent Company issued ESOP as replacement for outstanding stock appreciation rights awards. The replacement was pursuant to SEBI (Share Based Employee Benefits) Regulations, 2014, as amended. The awards were granted after necessary approvals from the Nomination and Remuneration Committee, all other terms and conditions of the replaced awards remain the same as the original award.

The replacement awards was accounted as a modification and the fair value on the date of modification of Rs.150.61 Lakhs recognized as equity with a corresponding adjustment to financial liability. The movement in the fair value of Stock Appreciation Rights till the date of its cancellation has been charged to the statement of profit and loss.

31 Fair value measurements
(i) Financial instruments by category

	Notes	As at 31 March 2022 Carrying Amount / Fair Value	As at 31 March 2021 Carrying Amount / Fair Value
A. Financial assets			
(a) Measured at fair value through OCI			
Investments			
Equity instruments	8.1	14,528.26	11,141.20
Sub total		14,528.26	11,141.20
(b) Measured at fair value through profit and loss			
Investments			
Units of Mutual Funds (quoted)	11.1	53,076.37	2,516.38
Sub total		53,076.37	2,516.38
(c) Measured at amortised cost			
Trade receivables	11.2	10,780.25	8,735.30
Cash and cash equivalents	11.3	15,272.60	1,113.49
Other bank balances	11.4	17,100.96	13,383.87
Loans	11.5	2,282.09	923.58
Other financial assets	8.2, 11.6	990.45	614.06
Sub total		46,426.35	24,770.30
Total financial assets		114,030.98	38,427.88
B. Financial Liabilities			
Measured at amortised cost			
Lease liabilities	4	130.31	110.22
Trade payables	17.1	6,452.39	5,630.40
Other financial liabilities	17.2	4,305.57	6,477.22
Total financial liabilities		10,888.27	12,217.84

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (contd.)

(Amount in Rupees lakhs, except otherwise stated)

(ii) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows below:

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

Level 2: Inputs other than quoted price included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

The fair value of financial instruments that are not traded in an active market is determined using market approach and valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

If one or more of the significant inputs is not based on observable market data, the fair value is determined using generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparty.

The fair value of trade receivables, cash and cash equivalents, other bank balances, loans and deposits, trade payables, borrowings, lease liabilities and other financial assets and liabilities is considered to be equal to the carrying amounts of these items due to their short-term nature. The fair values of unquoted equity instruments were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

There has been no change in the valuation methodology for Level 3 inputs during the year. The Group has classified certain financial instruments under Level 3 of the fair value hierarchy. There were no transfers between Level 1 and Level 2 during the year ended 31 March 2022 and 31 March 2021.

	Fair Value Hierarchy Level	As at 31 March 2022	As at 31 March 2021
Financial assets			
Measured at fair value through OCI			
Investments			
Equity instruments (quoted)	1	14,372.84	10,954.97
Equity instruments (un-quoted)	3	155.42	186.23
		14,528.26	11,141.20
Measured at fair value through profit and loss			
Investments			
Units of Mutual Funds (quoted)	1	53,076.37	2,516.38

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (contd.)

(Amount in Rupees lakhs, except otherwise stated)

Since, some of the Group's financial assets as mentioned in above table are carried at fair value for which Level 3 inputs have been used. The following table gives information about how the fair values of these financial assets are determined (in particular, the valuation technique(s) and inputs used).

	Valuation Technique	Significant unobservable inputs	Sensitivity	
			31 March 2022	31 March 2021
Unquoted Equity Instruments	Discounted cash flow	Earning growth rate/ Discounting rate	Increase in earning growth rate by 1% and lower discount rate by 1% would increase fair value by Rs.281.27 Lakhs.	Increase in earning growth rate by 1% and lower discount rate by 1% would increase fair value by Rs.96.62 Lakhs.
			Decrease in earning growth rate by 1% and higher discount rate by 1% would decrease fair value by Rs.56.72 Lakhs.	Decrease in earning growth rate by 1% and higher discount rate by 1% would decrease fair value by Rs. 69.83 Lakhs.

Level 3 fair values - Movement in the values of unquoted equity instruments

The following table shows a reconciliation from the opening balance to the closing balance for Level 3 fair values:

	FVOCI Equity Instruments
Balance at 1 April 2020	178.54
Gain / (loss) included on OCI	
- Net change in fair value (unrealised)	7.69
Balance at 31 March 2021	186.23
Balance at 1 April 2021	186.23
Gain / (loss) included on OCI	
- Net change in fair value (unrealised)	(30.81)
Balance at 31 March 2022	155.42

32 Financial risk management

The Group has a system-based approach to risk management, anchored to policies and procedures aimed at ensuring early identification, evaluation and management of key financial risks (such as market risk, credit risk and liquidity risk) that may arise as a consequence of its business operations as well as its investing and financing activities.

Accordingly, the Group's risk management framework has the objective of ensuring that such risks are managed within acceptable and approved risk parameters in a disciplined and consistent manner and in compliance with applicable regulation. It also seeks to drive accountability in this regard.

This Note explains the sources of risk which the entity is exposed to and how the entity manages the risk. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

(A) Credit risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The Group is exposed to credit risk from its operating activities (primarily Trade Receivables) and from its investing activities (primarily Deposits with Banks).

Trade receivables

Trade receivables are typically unsecured and are derived from revenue earned from customers. Customer credit risk is managed by respective segment subject to the Group's policy and procedures which involve credit approvals, establishing

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (contd.)

(Amount in Rupees lakhs, except otherwise stated)

credit limits and continuously monitoring the credit worthiness of customers to which the Group grants credit terms in the normal course of business. The Group's customer base is large and diverse limiting the risk arising out of credit concentration. Further, credit is extended in business interest in accordance with business-specific credit policies. The Group's exposure to trade receivables on the reporting date, net of expected loss provisions, stood at **Rs.10,780.25 Lakhs** as on 31 March 2022 (31 March 2021 - Rs.8,735.30 Lakhs).

All overdue customer balances are evaluated taking into account the age of the dues, specific credit circumstances, the track record of the counterparty etc. On account of adoption of Ind AS 109, the Group uses expected credit loss model to assess the impairment loss.

The movement of the expected loss provision (allowance for bad and doubtful loans and receivables etc.) made by the Group are as under:

	Expected Loss Provision	
	As at 31 March 2022	As at 31 March 2021
Opening balance	1,181.17	1,143.40
Add: Provision made during the year (net)	9.73	37.77
Less: Utilisation for impairment/de-recognition/reversal of provision	(21.58)	-
Closing balance	1,169.32	1,181.17

Other financial assets

Credit risk from balances with banks, term deposits and investments is managed by Group's finance department. Investments in fixed deposits are held with highly rated banks. Investments of surplus are made within assigned credit limits with approved counterparties who meet the threshold requirements with respect to ratings, financial strength, credit spreads etc. Counterparty credit limits are set to minimize concentration risk and are reviewed periodically by the Board of Directors.

The Group's maximum exposure to credit risk for the components of the Balance Sheet as of 31 March 2022 and 31 March 2021 is the carrying amounts as disclosed in Note 8.1, 8.2, 11.1, 11.3, 11.4, 11.5 and 11.6.

(B) Liquidity risk

Liquidity risk refers to the risk that the Group fails to honour its financial obligations in accordance with terms of contract. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions.

Management monitors rolling forecasts of the Group's liquidity position (including the undrawn credit facilities extended by banks and financial institutions) and cash and cash equivalents on the basis of expected cash flows. In addition, the Group's liquidity management policy involves projecting cash flows and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

The following table shows a maturity analysis of the anticipated cash flows including interest obligations for the Group's non-derivative financial liabilities on an undiscounted basis (all payable within 12 months), which therefore does not differ significantly from their carrying value as the impact of discounting is not significant.

Non-derivative financial liabilities	As at 31 March 2022			
	Less than one year	One to five years	More than five years	Total
(i) Trade payables (Refer Note 17.1)	6,452.39	-	-	6,452.39
(ii) Lease liabilities (Refer Note 4)	69.42	76.28	-	145.70
(iii) Other financial liabilities (Refer note 17.2)	4,305.57	-	-	4,305.57
	10,827.38	76.28	-	10,903.66

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (contd.)

(Amount in Rupees lakhs, except otherwise stated)

Non-derivative financial liabilities	As at 31 March 2021			
	Less than one year	One to five years	More than five years	Total
(i) Trade payables (Refer Note 17.1)	5,630.40	-	-	5,630.40
(ii) Lease liabilities (Refer Note 4)	44.85	82.23	-	127.08
(iii) Other financial liabilities (Refer note 17.2)	6,477.22	-	-	6,477.22
	12,152.47	82.23	-	12,234.70

The Group does not have derivative financial liabilities as at the end of above mentioned reporting periods.

The Parent Company is having cash credit facility and the same carries interest of **7.70% to 8.40% p.a.** (2020-21: 7.70% to 8.40% p.a.). The facility is unutilised as on 31 March 2022 and 31 March 2021. Cash Credit facility was secured by first pari passu charge (ranking pari passu with all consortium bankers) over the whole of the current assets of the Parent Company including its inventories, bills receivable and book debts and all other movables, both present and future whether now lying loose or in cases wherever they may be situated and also by the second charge on the Parent Company's movable fixed assets, both present and future ranking pari passu without any preference or priority of one over the others.

(C) Market risk
(i) Foreign currency risk

Foreign currency risk is the risk that the fair value of the future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group transacts business in local currency and in foreign currencies (primarily US Dollars). The Group has foreign currency trade receivables and trade payables and is therefore exposed to foreign currency risk. The risk is measured through a forecast of highly probable foreign currency cash flows.

The Group's risk management policy is hedging of net foreign currency exposure at all points in time through foreign exchange forward contracts. The objective of the hedging is to eliminate the currency risk due to volatility in exchange rates.

(a) Foreign Currency Risk Exposure:

The Group's exposure to foreign currency risk at the end of the reporting period expressed in INR, are as follows:

	As at 31 March 2022		As at 31 March 2021	
	Financial Assets	Financial Liabilities	Financial Assets	Financial Liabilities
USD	424.97	3.58	582.57	-
Others	2.63	2.44	8.04	-
Total	427.60	6.02	590.61	-
Net Exposure to Foreign Currency Risk (Assets - Liabilities)	As at 31 March 2022		As at 31 March 2021	
USD	421.39		582.57	
Others	0.19		8.04	
Total	421.58		590.61	

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (contd.)

(Amount in Rupees lakhs, except otherwise stated)

(b) Sensitivity

The sensitivity of profit or loss due to changes in the foreign exchange rates arises mainly from foreign currency denominated financial instruments. 10 % appreciation / depreciation of the respective foreign currencies with respect to functional currency (holding all other variables constant) of the Group would result in increase / decrease in the Group's profit before tax as computed below:

	Impact on profit before tax	
	Year ended 31 March 2022	Year ended 31 March 2021
USD sensitivity		
INR/USD -Increase by 10%	42.14	58.26
INR/USD -Decrease by 10%	(42.14)	(58.26)
Other currencies sensitivity		
INR/Others-Increase by 10%	0.02	0.80
INR/Others-Decrease by 10%	(0.02)	(0.80)

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to risk of changes in market interest rates relates primarily to the Group's debt interest obligation. Further the Group engages in financing activities at market linked rates, any changes in the interest rate environment may impact future rates of borrowings.

The exposure of the Group's financial assets and financial liabilities to interest rate risk is as follows:

	As at 31 March 2022		As at 31 March 2021	
	Floating Rate	Fixed Rate	Floating Rate	Fixed Rate
Financial assets	-	31,039.32	-	9,878.25
Financial liabilities	-	-	-	-
	-	31,039.32	-	9,878.25

Increase/ decrease of 50 basis points (holding all other variables constant) in interest rates at the balance sheet date would result in increase/decrease of **Rs.Nil** (31 March 2021 - Rs.Nil) in interest expense on financial liabilities with floating interest rate and corresponding impact on profit before tax for the year ended 31 March 2022.

The Group invests its surplus funds in fixed deposits and debt mutual funds. Fixed deposits are held with highly rated banks and have a short tenure and are not subject to interest rate volatility.

(iii) Securities price risk

Securities price risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market traded prices. The Group is not an active investor in equity markets; it continues to hold certain investments in equity for long term value accretion which are accordingly measured at fair value through Other Comprehensive Income. The value of investments in such equity instruments (including quoted and unquoted) as at 31 March 2022 is **Rs.14,528.26 Lakhs** (31 March 2021 - Rs.11,141.20 Lakhs). Accordingly, fair value fluctuations arising from market volatility is recognised in Other Comprehensive Income.

The Group also invests in mutual fund schemes of leading fund houses. Such investments are susceptible to market price risk that will fluctuate due to changes in market traded prices, which may impact the return and value of such investments. The value of investments in such mutual fund schemes as at 31 March 2022 is **Rs.53,076.37 Lakhs** (31 March 2021 - Rs.2,516.38 Lakhs). Accordingly, fair value fluctuations arising from market volatility is recognised in Statement of profit and loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (contd.)

(Amount in Rupees lakhs, except otherwise stated)

33 Capital Management

(a) Risk Management

The Group's objectives when managing capital are to:

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Group monitors capital on the basis of net debt to equity ratio and maturity profile of overall debt portfolio of the Group.

Net debt implies total borrowings of the Group as reduced by Cash and Cash Equivalent and Equity comprises all components attributable to the owners of the Group

The following table summarises the capital of the Company:

	As at 31 March 2022	As at 31 March 2021
Total borrowings ⁽¹⁾	130.31	110.22
Less: Cash and cash equivalents (Refer Note 11.3)	(15,272.60)	(1,113.49)
Net Debt	(15,142.29)	(1,003.27)
Equity (Refer Note 14.1 and 14.2)	137,769.71	50,578.69
Net Debt to Equity Ratio	(0.11)	(0.02)

⁽¹⁾ Borrowings represents only lease liabilities

Under the terms of the major borrowing facilities, the Group has complied with the financial covenants as imposed by the bank and financial institutions.

No changes were made to the objectives, policies or processes for managing capital during the years ended **31 March 2022** and 31 March 2021.

(b) Dividend on equity shares

	Year ended 31 March 2022	Year ended 31 March 2021
Dividend declared and paid during the year		
Final dividend for the year ended 31 March 2021 of Rs.Nil (31 March 2020 of Rs.1.50) per fully paid share of face value Rs.10/- each	-	261.39
Interim dividend for the year ended 31 March 2022 of Rs.30 (31 March 2021 - Rs.20) per fully paid share of face value Rs.10/- each	5,784.28	3,485.60
	5,784.28	3,746.99
Proposed dividend not recognised at the end of the reporting period		
Since year end the directors of the Parent Company have recommended the payment of a final dividend of Rs.Nil per fully paid share (31 March 2021 - Rs.Nil).	-	-
	-	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (contd.)

(Amount in Rupees lakhs, except otherwise stated)

34 Related party disclosures

a) Where Control exists

Holding Company

Name	Type	Place of Incorporation	Ownership Interest	
			As at 31 March 2022	As at 31 March 2021
Composure Services Private Limited (CSPL)	Holding Company	India	53.38%	59.05%

b) Joint venture

Saregama Regency Optimedia Private Limited (SROPL) (under liquidation effective 19 September 2016) [Refer Note 35 (b)]

c) Key management personnel of the Parent Company and its Holding Company

Name	Relationship
Mr.Sanjiv Goenka	Chairman and Non-Executive Director of Parent Company
Mr.Vikram Mehra	Managing Director of Parent Company
Mrs.Preeti Goenka	Non-Executive Director of Parent Company
Mrs.Avarna Jain	Vice-Chairman and Non-Executive Director of Parent Company
Mr.Umang Kanoria	Non-Executive Independent Director of Parent Company
Mr.Santanu Bhattacharya	Non-Executive Independent Director of Parent Company
Mr.Arindam Sarkar	Non-Executive Independent Director of Parent Company
Mr.Noshir Naval Framjee	Non-Executive Independent Director of Parent Company
Mrs.Kusum Dadoo	Non-Executive Independent Director of Parent Company appointed w.e.f. 05 June 2020 and resigned w.e.f. 04 February 2021
Mrs.Suhana Murshed	Non-Executive Independent Director of Parent Company appointed w.e.f. 23 March 2021
Mr.Vineet Garg	Chief Financial Officer of Parent Company upto 10 April 2022
Mr. Pankaj Mahesh Chaturvedi	Chief Financial Officer of Parent Company w.e.f. 11 April 2022
Mrs.Kamana Goenka	Company Secretary of Parent Company
Mr.Rajendra Dey	Director of Holding Company
Mr.Akhilanand Joshi	Director of Holding Company

d) Other Related Parties with whom the Company had transactions

Name	Relationship
RPSG Resources Private Limited (formerly known as Accurate Commodore Private Limited)	Entity controlled by KMP of the Parent Company
Saregama India Limited Employees Group Gratuity Fund (Gratuity Fund)	Post Employment Benefit Plan of the Parent Company
Saregama India Limited Superannuation Fund (Superannuation Fund)	Post Employment Benefit Plan of the Parent Company
Saregama Welfare Trust	Share Based Benefits Scheme of the Parent Company

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (contd.)

(Amount in Rupees lakhs, except otherwise stated)

Transactions with related parties

	Year ended 31 March 2022	Year ended 31 March 2021
A Holding Company		
Dividend Paid	5,145.80	154.37
B Entity jointly controlled by Key management personnel of the Parent Company		
RPSG Resources Private Limited		
Royalty expense for brand usage	600.00	425.00
Reimbursement of expenses received	200.00	200.00
C Remuneration to Key management personnel of the Parent Company		
Mr.Vikram Mehra	937.83	642.29
Mr.Vineet Garg	201.13	182.88
Mrs.Kamana Goenka	16.65	15.06
D Loan given to Mr. Vikram Mehra	1,364.00	895.00
E Sitting fees paid to Key management personnel of Parent Company		
Mr.Sanjiv Goenka	1.75	1.25
Mrs.Preeti Goenka	1.40	1.00
Mrs.Avarna Jain	1.40	1.00
Mr.Umang Kanoria	1.95	1.40
Mr.Santanu Bhattacharya	3.00	1.95
Mr.Arindam Sarkar	1.65	1.00
Mr.Noshir Naval Framjee	2.75	1.70
Mrs.Suhana Murshed	1.45	-
Mrs.Kusum Dadoo	-	0.60
F Post employment benefit plan of the Parent Company		
Contribution towards Saregama India Limited Employees Group Gratuity Fund	93.00	140.00
Contribution towards Saregama India Limited Superannuation Fund	10.16	15.49
G Other Related Party		
Loans given to Saregama Welfare Trust for purchase of treasury shares	-	210.00
Loans recovered from Saregama Welfare Trust	340.48	-

Key management personnel compensation*

	Year ended 31 March 2022	Year ended 31 March 2021
Short-term employee benefits	1,103.18	786.60
Post employment benefits	44.56	37.49
Other long-term benefits	7.87	16.14

* The above compensation does not include perquisite value of interest free loan and perquisite value of shares options exercised during the year aggregating to **Rs.2,919.15 Lakhs** (31 March 2021: Rs.1,341.75 Lakhs) for the year ended 31 March 2022, as defined under the Income-tax Act,1961.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (contd.)

(Amount in Rupees lakhs, except otherwise stated)

The total managerial remuneration paid/payable to Managing Director of the Parent Company including the aforesaid perquisite value of interest free loan and perquisite value of shares options exercised during the year, as defined under the Income-tax Act, 1961, has exceeded the prescribed limits under Section 197 read with Schedule V to the Companies Act, 2013. The Parent Company has obtained necessary approvals as required under the relevant provisions of the Companies Act, 2013.

Balances outstanding at the year end

	As at 31 March 2022	As at 31 March 2021
A Joint venture company		
1) Non-current investments @ SROPL	145.97	145.97
2) Provision for diminution in the value of investments SROPL	145.97	145.97
B Entity jointly controlled by KMP of the Parent Company RPSG Resources Private Limited		
Reimbursement of expenses receivable	236.00	177.00
C Key management personnel of the Parent Company		
Remuneration payable		
- Mr.Vikram Mehra	157.28	125.00
- Mr.Vineet Garg	28.96	26.79
- Mrs.Kamana Goenka	1.90	1.73
Loan given to Mr. Vikram Mehra @ Gross of Provision.	2,259.00	895.00

35 Interest in other entities:

(a) Interests in subsidiaries

The Parent Company's subsidiaries at 31 March 2022 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by the group. The country of incorporation or registration is also their principal place of business.

Name	Country of incorporation	Proportion of Ownership Interest as at	
		31 March 2022	31 March 2021
Saregama Limited (formerly Saregama Plc.)	United Kingdom	76.41%	76.41%
RPG Global Music Limited	Mauritius	100%	100%
Kolkata Metro Networks Limited	India	100%	100%
Open Media Network Private Limited	India	100%	100%
Saregama FZE	UAE	100%	100%
Digidrive Distributors Limited	India	100%	-
Saregama Inc (Wholly owned subsidiary of Saregama Limited)	USA	76.41%	76.41%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (contd.)

(Amount in Rupees lakhs, except otherwise stated)

(b) Interests in joint venture

Set out below is the joint venture of the Group as at 31 March 2022. The entity have share capital consisting solely of equity shares, which are held directly by the Group. The country of incorporation is also its principal place of business, and the proportion of ownership interest is the same as the proportion of voting rights held.

Name	Country of incorporation	Proportion of Ownership Interest as at	
		31 March 2022	31 March 2021
Saregama Regency Optimedia Private Limited (SROPL)	India	26%	26%

The above joint venture (JV) company has been directed to be wound up vide Order dated 19 September 2016 by the Hon'ble High Court at Calcutta and the Official Liquidator attached to this Court has forthwith taken into his custody all the property, effects, books of accounts, other documents and actionable claims. From the aforesaid date, its share in net assets of SROPL has been determined as on that date and shown under Investment accounted for using equity method. Accordingly, this entity has not been considered for consolidation by the Group.

- (c) In order to lay specific focus on the e-commerce distribution business of the Parent Company alongwith identified non-core assets (including investment(s) in publication business) and other activities and/ or arrangements incidental or relating thereto, the Board of the Directors of the Parent Company at its meeting held on 30 March 2022 approved, subject to necessary approvals, Scheme of Arrangement between the Parent Company and Digidrive Distributors Limited ("Resulting Company") and their respective shareholders and creditors under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 ("Act") ("Scheme") which inter alia provides for the demerger, transfer and vesting of the Demerged Undertaking (as defined in the Scheme) from the Parent Company into the Resulting Company, on a going concern basis. The appointed date being 1 April 2022. Upon implementation of the Scheme, each shareholder of the Parent Company would be entitled to fully paid shares of the respective companies in the ratio set out in the Scheme. Necessary accounting effect of the Scheme will be given in due course, upon receipt of the requisite approvals.

36 Commitments

Estimated amount of contract remaining to be executed on Capital account and not provided for [net of advances of **Rs.2,874.47 Lakhs** (31 March 2021 - Rs.1,058.38 Lakhs)] as at 31 March 2022 are estimated at **Rs.2,278.00 Lakhs** (31 March 2021- Rs.1,376.43 Lakhs).

37 Contingent liabilities in respect of -
(i) Income Tax Matter

The Group has ongoing disputes with income tax authorities in India. The disputes relate to tax treatment of certain expenses claimed as deductions, computation or eligibility of allowances. The Group has contingent liability of **Rs.2,808.68 Lakhs** as at 31 March 2022 (31 March 2021 - Rs.1,050.74 Lakhs) in respect of tax demands which are being contested by the Group based on the management evaluation and advice of tax consultants.

(ii) Indirect Tax Matter

The Group has ongoing disputes with Indian tax authorities mainly relating to treatment of characterisation and classification of certain items. The Group has demands amounting to **Rs.463.52 Lakhs** as at 31 March 2022 (31 March 2021 - Rs.463.63 Lakhs) relating to Excise duty, Custom duty, Service tax, Sales tax/VAT and Other indirect taxes from respective indirect tax authorities which are being contested by the Group based on the management evaluation and advice of tax consultants.

(iii) Copyright Matter

The Group has received legal notices of claims / lawsuits filed against it relating to infringement of copyrights in relation to the music used / other matters. Based on management evaluation and advice from legal solicitors, **Rs.20.25 Lakhs** as at 31 March 2022 (31 March 2021 - Rs.20.25 Lakhs) is considered as contingent on account of such claims / law suits.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (contd.)

(Amount in Rupees lakhs, except otherwise stated)

- (iv) Other matters including claims related to property related demands **Rs.5,018.66 Lakhs** as at 31 March 2022 (31 March 2021 - Rs.4,295.04 Lakhs).

In respect of above, it is not practicable for the Group to estimate the timings of cash outflows, if any, pending resolution of the respective proceedings. The Group does not expect any reimbursements in respect of the above.

38 Utilisation of proceeds from issue of Shares

Qualified Institutional Placement

During the year, the Parent Company raised a sum of **Rs.74,999.97 Lakhs** by allotting 18,50,937 equity shares of face value of Rs.10/- each on a Qualified Institutional Placement basis.

	31 March 2022
Proceeds from the issue of shares during the year	74,999.97
<u>Utilisation during the year:</u>	
Issue related expenses	1,684.34
Utilised for content acquisition	2,267.50
Balance unutilised amount invested in mutual funds and fixed deposits with Banks	71,048.13

39 The Group has following un-hedged exposures in foreign currencies

	Year ended 31 March 2022		Year ended 31 March 2021	
	Foreign currency in Lakhs	Amount in Rs. Lakhs	Foreign currency in Lakhs	Amount in Rs. Lakhs
Trade Receivables	USD 5.64	424.97	USD 7.98	582.57
Trade Receivables	-	-	OMR 0.01	0.12
Trade Receivables	MYR 0.11	1.99	-	-
Trade Receivables	AED 0.02	0.51	AED 0.10	1.98
Trade Receivables	SGD 0.01	0.13	-	-
Trade Receivables	-	-	NPR 9.85	5.94
Trade Payables	USD 0.05	3.58	-	-
Trade Payables	NZD 0.05	2.44	-	-

40 Basic and diluted earnings per share:

	Year ended 31 March 2022	Year ended 31 March 2021
Number of equity shares at the beginning of the year	174,280,120	174,260,120
Number of equity shares at the end of the year	192,809,490	174,280,120
Weighted average number of equity shares outstanding during the year (A)	181,441,438	174,271,298
Weighted average number of equity shares held in controlled trust (B)	526,740	2,737,992
Weighted average number of equity shares for computing basic earnings per share [C= (A-B)]	180,914,699	171,533,306
Weighted average number of potential equity shares on account of employee stock options (D)	233,077	1,690,700
Weighted average number of equity shares for computing diluted earnings per share [E= (C+D)]	181,147,776	173,224,006
Nominal value of each equity share (Re.)	1	1
Profit after tax available for equity shareholders (Rs.in Lakhs) [F]	15,259.94	11,255.41
Basic earnings per share (Rs.) [F/C]	8.43	6.56
Diluted earnings per share (Rs.) [F/E]	8.42	6.50

In compliance with Indian Accounting Standard 33 - 'Earnings per share', the disclosure of earnings per share for the year ended 31 March 2022 and 31 March 2021 has been arrived at after giving effect of the sub-division of share. Also see Note 14.1.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (contd.)

(Amount in Rupees lakhs, except otherwise stated)

41 Segment Information
(a) Description of segments and principal activities

The Group's Chief Operating Decision Maker ('CODM') examines the Group's performance and has identified three reportable segments of its business.

Music : The Group is primarily engaged in the business of manufacturing and sale of Music storage device viz. Carvaan, Music Card etc. and dealing with related music rights.

Film/TV Serials : The Group is also engaged in production and sale/telecast/broadcast of films/TV Serials, pre-recorded programmes and dealing in film rights.

Publication : Group also publishes weekly current affairs magazine 'OPEN' through its publication business.

The segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the consolidated financial statement. Also the group's borrowings (including finance costs and interest income), income taxes and investments are managed at head office and are not allocated to operating segments.

Segment Revenue is measured in the same way as in the Statement of Profit and Loss.

Segment assets and liabilities are measured in the same way as in the consolidated financial statements. These assets are allocated based on the operations of the segment and the physical location of the assets.

(b) Information about reportable segments

	Year ended 31 March 2022				Year ended 31 March 2021			
	Music	Films/TV Serials	Publication	Total	Music	Films/TV Serials	Publication	Total
Segment revenue								
- External sales	47,381.01	10,238.90	442.85	58,062.76	38,547.46	5,210.37	438.43	44,196.26
- Intersegment sales	-	-	-	-	-	-	-	-
Total segment revenue	47,381.01	10,238.90	442.85	58,062.76	38,547.46	5,210.37	438.43	44,196.26

	Year ended 31 March 2022				Year ended 31 March 2021			
	Music	Films/TV Serials	Publication	Total	Music	Films/TV Serials	Publication	Total
Segment result	22,519.49	1,491.18	(1,177.01)	22,833.66	18,794.72	(3.85)	(1,203.24)	17,587.63
Reconciliation to profit before tax								
Finance costs				(451.94)				(345.06)
Other unallocated expenditure (net of unallocated income)				(1,940.48)				(2,051.93)
Profit before tax				20,441.24				15,190.64
Taxes				(5,176.68)				(3,844.18)
Profit for the year				15,264.56				11,346.46

	Year ended 31 March 2022					Year ended 31 March 2021				
	Music	Films/TV Serials	Publication	Unallocated	Total	Music	Films/TV Serials	Publication	Unallocated	Total
Segment depreciation and amortisation	1,224.74	26.60	7.70	51.06	1,310.10	496.77	37.74	20.96	5.53	561.00
Non cash expenses*					1,310.10					561.00

*There are no other significant non-cash expenditure other than depreciation and amortisation

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (contd.)

(Amount in Rupees lakhs, except otherwise stated)

	As at 31 March 2022				As at 31 March 2021			
	Music	Films/TV Serials	Publication	Total	Music	Films/TV Serials	Publication	Total
Segment assets	50,398.46	11,077.00	528.01	62,003.47	40,156.00	5,724.00	456.05	46,336.05
Reconciliation to total assets								
Unallocated assets				1,06,783.96				32,064.15
Total assets				1,68,787.43				78,400.20

	Year ended 31 March 2022					Year ended 31 March 2021				
	Music	Films/TV Serials	Publication	Unallocated	Total	Music	Films/TV Serials	Publication	Unallocated	Total
Addition to non current assets other than financial assets	5,209.07	-	11.79	316.83	5,537.69	1,012.00	17.37	9.75	187.71	1,226.83

	As at 31 March 2022				As at 31 March 2021			
	Music	Films/TV Serials	Publication	Total	Music	Films/TV Serials	Publication	Total
Segment liabilities	20,404.42	2,756.58	296.08	23,457.08	16,485.73	909.00	285.02	17,679.75
Reconciliation to total liabilities								
Unallocated liabilities				7,237.22				9,828.69
Total liabilities				30,694.30				27,508.44

(c) Additional information by geographies

The amount of revenue from external customers broken down by the location of the customers is shown in table below-

Revenue from external customers	Year ended 31 March 2022	Year ended 31 March 2021
India	39,377.37	33,687.79
Other Countries	18,685.39	10,508.47
Total	58,062.76	44,196.26

The total of segment assets broken down by location of the assets is shown below-

Non-current assets*	As at 31 March 2022	As at 31 March 2021
India	30,863.53	23,898.31
Other Countries	-	-
Total	30,863.53	23,898.31

* Excluding financial instruments, etc. as defined under Indian Accounting Standard (Ind AS) 108 on 'Operating Segment' notified in the Act.

(d) Revenue from major customers

There is only one customer (Previous Year: None) contributing more than 10% of total revenues of the Group amounting to **Rs. 12,166.51 Lakhs**.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (contd.)

(Amount in Rupees lakhs, except otherwise stated)

42 Additional information pursuant to paragraph 2 of Division II of schedule III to the Companies Act 2013

Name of the Entity	As at 31 March 2022 Net Assets, i.e. total assets minus total liabilities		2021-22 Share in Profit or Loss		2021-22 Share in Other Comprehensive Income		2021-22 Share in Total Comprehensive Income	
	As % of Consolidated Net Assets	Amount	As % of Consolidated profit or loss	Amount	As % of Consolidated Other comprehensive income	Amount	As % of Consolidated Total comprehensive income	Amount
Parent								
Saregama India Limited	99.34%	137,183.36	98.54%	15,041.44	83.64%	3,214.81	95.54%	18,256.25
Subsidiaries								
Indian								
Kolkata Metro Networks Limited	2.01%	2,782.04	0.61%	92.60	15.54%	597.41	3.61%	690.01
Open Media Network Private Limited	0.17%	231.93	0.14%	21.00	0.13%	4.90	0.14%	25.90
Digidrive Distributors Limited	0.00%	1.00	0.00%	-	0.00%	-	0.00%	-
Foreign								
RPG Global Music Limited	-0.32%	(445.51)	0.00%	(0.03)	0.00%	-	0.00%	(0.03)
Saregama Limited (Formerly Saregama Plc.)	-0.19%	(262.18)	0.10%	14.95	0.48%	18.56	0.18%	33.51
Saregama FZE	-0.03%	(38.24)	-0.64%	(98.20)	0.06%	2.12	-0.50%	(96.08)
Non-Controlling Interest	0.23%	323.42	0.03%	4.62	0.15%	5.73	0.05%	10.35
Adjustment arising out of consolidation	-1.21%	(1,682.69)	1.22%	188.18	0.00%	-	0.98%	188.18
Total	100.00%	138,093.13	100.00%	15,264.56	100.00%	3,843.53	100.00%	19,108.09

43 Previous year figures have been regrouped/reclassified to conform to current year's presentation.

As per our report of even date attached

 For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.: 101248W/W-100022

Jayanta Mukhopadhyay

Partner

Membership Number: 055757

Place: Kolkata

Date: 02 May 2022

For and on behalf of the Board of Directors of

Saregama India Limited

CIN : L22213WB1946PLC014346

Sanjiv Goenka

Chairman

DIN: 00074796

Place: Kolkata

Pankaj Mahesh Chaturvedi

Chief Financial Officer

Place: Mumbai

Date: 02 May 2022

Vikram Mehra

Managing Director

DIN: 03556680

Place: Mumbai

Kamana Goenka

Company Secretary

ACS: 35161

Place: Mumbai

Date: 02 May 2022

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2022

(Amount in Rupees lakhs, except otherwise stated)

	Year ended 31 March 2022		Year ended 31 March 2021	
A. Cash Flow from Operating Activities				
Profit Before Tax		20,441.24		15,190.64
Adjustments for:				
Depreciation and amortisation expense	1,310.10		561.00	
Allowance for expected credit loss / provision for doubtful advances	9.73		134.77	
Finance costs	451.94		345.06	
Liabilities/Provisions no longer required written back	(28.89)		(589.18)	
Allowance for expected credit loss / provision for doubtful advances no longer required written back	(39.48)		-	
Interest income	(1,840.51)		(1,690.72)	
Share based payment expense	75.70		137.71	
Bad debts/advances written off	0.69		25.52	
Profit on sale of Property, plant and equipment	-		(0.17)	
Profit on sale of Investment in Mutual Fund	(48.30)		-	
Fair value gain on Mutual Fund at FVTPL	(555.76)		(16.51)	
Net (gain)/loss on unrealised foreign currency transactions/ translation	(31.35)		31.50	
Dividend income from equity investments designated at FVOCI	(695.29)		(695.28)	
		(1,391.42)		(1,756.30)
Operating profit before Working Capital Changes		19,049.82		13,434.34
Adjustments for:				
Increase in Other current assets, Loans, Other non-current assets, Other financial assets	(4,839.15)		(1,120.90)	
Increase in Other financial liabilities, Provisions, Other current liabilities	5,763.86		3,337.87	
Increase in Trade payables	821.99		221.47	
Increase/(Decrease) in Employee benefit obligations	(10.36)		(2.50)	
(Increase)/Decrease in Trade receivables	(2,002.44)		2,032.21	
(Increase)/Decrease in Inventories	(3,624.52)		2,444.26	
		(3,890.62)		6,912.41
Cash generated from operations		15,159.20		20,346.75
Income taxes paid (net of refund)		(5,716.68)		(1,375.48)
Net cash generated from Operating Activities (A)		9,442.52		18,971.27
B. Cash Flow from Investing Activities				
Purchase of Property, plant and equipment and intangible assets	(7,271.33)		(2,200.71)	
Sale of Property, plant and equipment	-		0.17	
Interest received	677.98		190.98	
Investment in equity shares of other company (quoted)	-		(92.70)	
Dividend income from equity investments designated at FVOCI	695.29		695.28	
Investment in Mutual Funds	(61,310.45)		(2,499.87)	
Proceeds from sale of Investment in Mutual Funds	11,354.53		-	
Fixed deposits placed with banks (with remaining maturity more than 3 months)	(7,175.29)		(9,703.58)	
Net cash used in Investing Activities (B)		(63,029.27)		(13,610.43)

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2022 (contd.)

(Amount in Rupees lakhs, except otherwise stated)

	Year ended 31 March 2022		Year ended 31 March 2021	
C. Cash Flow from Financing Activities				
Repayment of Short term borrowings	-		(923.22)	
Proceeds from issue of shares	185.29		0.20	
Share premium received on issue of shares	73,135.21		4.67	
Sale/(Purchase) of Investment by Saregama Welfare Trust (Treasury Shares) (net)	332.96		(171.18)	
Repayment of principal portion of lease liabilities	(41.85)		(52.72)	
Interest paid on lease liabilities	(11.19)		(3.67)	
Interest paid on others	(94.63)		(55.09)	
Dividend paid	-		(261.39)	
Interim dividend paid	(5,784.28)		(3,485.60)	
Net cash generated from/(used in) Financing Activities (C)		67,721.51		(4,948.00)
Net increase in cash and cash equivalents (A+B+C)		14,134.76		412.84
Cash and Cash Equivalents at the beginning of the year (Refer Note 11.3)		1,113.49		704.70
Effect of exchange rate changes		24.35		(4.05)
Cash and Cash Equivalents at the end of the year (Refer Note 11.3)		15,272.60		1,113.49

Notes:

- The above Cash Flow Statement has been prepared under the Indirect Method as set out in Ind AS - 7 "Statement of Cash Flows".
- Reconciliation of liabilities from financing activities:

	Balance as at 1 April 2021	Cash flows	Non-cash changes	Balance as at 31 March 2022
Borrowings	-	-	-	-
Lease liabilities	110.22	(53.04)	73.13	130.31
Total liabilities from financing activities	110.22	(53.04)	73.13	130.31

	Balance as at 1 April 2020	Cash flows	Non-cash changes	Balance as at 31 March 2021
Borrowings	923.22	(923.22)	-	-
Lease liabilities	47.03	(56.39)	119.58	110.22
Total liabilities from financing activities	970.25	(979.61)	119.58	110.22

The accompanying notes 1 to 43 are an integral part of these consolidated financial statements

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

Jayanta Mukhopadhyay
Partner
Membership Number: 055757

Place: Kolkata
Date: 02 May 2022

For and on behalf of the Board of Directors of
Saregama India Limited
CIN : L22213WB1946PLC014346

Sanjiv Goenka
Chairman
DIN: 00074796
Place: Kolkata

Pankaj Mahesh Chaturvedi
Chief Financial Officer

Place: Mumbai
Date: 02 May 2022

Vikram Mehra
Managing Director
DIN: 03556680
Place: Mumbai

Kamana Goenka
Company Secretary
ACS: 35161

Place: Mumbai
Date: 02 May 2022

AOC-1

Annexure 1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of subsidiaries/ associate companies/ joint ventures

Part "A": Subsidiaries

(Amount in Rupees lakhs, except otherwise stated)

Name of the subsidiary	Saregama Limited (Formerly Known as Saregama Plc), United Kingdom	Saregama Inc, United States of America ##	Saregama FZE, Dubai	RPG Global Music Limited, Mauritius	Kolkata Metro Networks Limited, India	Open Media Network Private Limited, India	Digidrive Distributors Limited, India
1. Reporting period for the subsidiary concerned, if different from the holding company's reporting period	No	No	No	No	No	No	No
2. Reporting currency and exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	GBP #	USD *	AED **	INR	INR	INR	INR
3. Share capital	69.24	324.27	310.62	1,026.20	1,705.00	7,082.70	1.00
4. Other Equity / Reserves & surplus	66.02	(87.90)	(348.86)	(1,471.71)	1,077.03	(6,850.77)	-
5. Total assets	502.42	677.42	258.05	2.97	2,783.00	528.01	1.00
6. Total Liabilities (excluding Capital and Reserves)	367.16	441.05	296.29	448.48	0.97	296.08	-
7. Details of Investment (except in case of investment in the Subsidiaries)	-	-	-	-	-	-	-
8. Turnover	658.83	993.04	93.25	-	268.66	1,648.09	-
9. Profit /(Loss) before taxation	(20.30)	31.18	(98.20)	(0.03)	121.96	19.27	-
10. Provision for taxation	-	(8.70)	-	-	29.36	(1.72)	-
11. Profit after taxation	(20.30)	39.88	(98.20)	(0.03)	92.60	20.99	-
12. Proposed Dividend	-	-	-	-	-	-	-
13. % of shareholding	76.41%	76.41%	100.00%	100.00%	100.00%	100.00%	100.00%

GBP exchange rates as at year end considered for conversion:

GBP1 = Rs.99.22 for Asset (Closing Buying Rate), Fixed Asset at Historical cost

GBP1 = Rs.102.37 for Liabilities (Closing Selling Rate), Share Capital and Share Premium at Historical cost

GBP1 = Rs.99.88 for Income (Average Buying Rate)

GBP1 = Rs.103.26 for Expense (Average Selling Rate)

** AED exchange rates as at year end considered for conversion:

AED1 = Rs.19.91 for Asset (Closing Buying Rate),

AED1 = Rs.21.15 for Liabilities (Closing Selling Rate), Share Capital at Historical cost

AED1 = Rs.19.54 for Income (Average Buying Rate)

AED1 = Rs.20.83 for Expense (Average Selling Rate)

* Rate Conversion from GBP to USD is 1.3378

Step down subsidiary of the Parent company through Saregama Limited

Part "B": Associates and Joint Ventures

Name of Associates/Joint Ventures	Saregama Regency Optimedia Private Limited
1. Latest audited Balance Sheet Date	*
2. Shares of Associate/Joint Ventures held by the company on the year end No.	*
Amount of Investment in Associates/Joint Venture	*
Extend of Holding %	*
3. Description of how there is significant influence	*
4. Reason why the associate/joint venture is not consolidated	*
5. Networth attributable to Shareholding as per latest audited Balance Sheet	*
6. Profit / Loss for the year	
i. Considered in Consolidation	*
ii. Not Considered in Consolidation	*

* Saregama Regency Optimedia Private Limited (SROPL), a joint venture of the Company had been directed to be wound up vide Order dated 19 September 2016 by the Hon'ble High Court at Calcutta and the Official Liquidator attached to this Court has forthwith taken into his custody all the property, effects, books of accounts, other documents and actionable claims. Accordingly, the financial statements of SROPL has been prepared up to the date, preceding the date of Court Order.

In view of the above, joint venture is not consolidated and salient features of the financial statement of joint venture is not disclosed.

Sanjiv Goenka
Chairman
DIN: 00074796
Place: Kolkata

Vikram Mehra
Managing Director
DIN: 03556680
Place: Mumbai

Pankaj Mahesh Chaturvedi
Chief Financial Officer
Place: Mumbai

Kamana Goenka
Company Secretary
ACS: 35161
Place: Mumbai

Date: 02 May 2022

NOTICE

SAREGAMA INDIA LIMITED

CIN: L22213WB1946PLC014346

Regd. Office: 33, Jessore Road, Dum Dum, Kolkata – 700028.

Tel: 033-2551 2984/4773, E-mail: co.sec@saregama.com, Web: www.saregama.com

Notice to the Members

Notice is hereby given that the **Seventy-Fifth Annual General Meeting (“AGM”)** of the Members of Saregama India Limited will be held on **4th August, 2022** at 11:30 A.M. IST through Video Conferencing (VC)/ Other Audio-Visual Means (OAVM), to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt:
 - a) the Audited Standalone Financial Statements of the Company for the Financial Year ended 31st March, 2022 together with the Reports of the Board of Directors and Auditors thereon.
 - b) the Audited Consolidated Financial Statements of the Company for the Financial Year ended 31st March, 2022 and the Report of Auditors thereon.
2. To confirm the payment of Interim Dividend @ 300%, (i.e., Rs.30/- per equity share of Rs.10/- each), already paid for the financial year ended 31st March, 2022.
3. To appoint Mr. Vikram Mehra (DIN: 03556680), who retires by rotation and being eligible, offers himself for re-appointment as a director.
4. To re-appoint M/s B S R & Co. LLP, Chartered Accountants (ICAI Firm Registration Number – 101248W/W-100022) as the Statutory Auditors of the Company.

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

“**RESOLVED THAT** pursuant to the provisions of Sections 139 and 142 and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and the rules framed thereunder (including any statutory modifications and amendments thereof for the time being in force), and pursuant to the recommendations of the Audit Committee and the Board of Directors of the Company, M/s B S R & Co. LLP, Chartered Accountants (ICAI Firm Registration Number – 101248W/W-100022) be and is hereby re-appointed as the Statutory Auditors of the Company for a term of five consecutive years, who shall hold office from the conclusion of this 75th Annual General Meeting till the conclusion of the 80th Annual General Meeting to be held in the year 2027 on such remuneration as may be fixed by the Board of Directors in consultation with the Statutory Auditors of the Company.”

SPECIAL BUSINESS

5. Ratification of remuneration of Cost Auditor

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

“**RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, the consent of the members of the Company be and is hereby accorded for the ratification of the remuneration of M/s Shome & Banerjee, Cost Accountants (Firm Registration No. 000001), being the Cost Auditors appointed by the Board of Directors of the Company (“the Board”) for the financial year ending 31st March, 2023 with a remuneration of Rs. 1,20,000/- (Rupees One Lakh Twenty thousand only) plus taxes and reimbursement of travelling and out of pocket expense and for the financial year ending 31st March, 2022 with a remuneration of Rs. 1,00,000/- (Rupees One Lakh only) plus taxes and reimbursement of travelling and out of pocket expense.

RESOLVED FURTHER THAT, the Board be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this Resolution.”

Registered Office:

33, Jessore Road, Dum Dum
Kolkata-700 028

By Order of the Board

Kamana Goenka
Company Secretary

Dated: 2nd May, 2022

Place: Mumbai

CIN: L22213WB1946PLC014346

NOTICE (contd.)

NOTES:

1. The relevant Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 ('Act'), in respect of the Special Business under Item No. 5 set out above and details as required under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, as amended ('SEBI LODR Regulations'), entered with the Stock Exchanges and Secretarial Standard on General Meetings (SS-2) in respect of the Directors seeking re-appointment at this Annual General Meeting is annexed hereto as "**Annexure A**". An Explanatory Statement pursuant to Section 102 of the Act setting out material facts relating to Special Business to be transacted at the Annual General Meeting is annexed hereto.
2. In view of COVID-19 pandemic, the Ministry of Corporate Affairs, Government of India (MCA), vide its General Circular No. 20/2020 dated 5th May 2020 read with General Circular No. 14/2020 dated 8th April, 2020 and General Circular No. 17/2020 dated 13th April, 2020 and General Circular No. 02/2021 dated 13th January, 2021, Circular No. 20/2021 dated 12th December, 2021, Circular No. 21/2021 dated 14th December, 2021 and Circular No. 02/2022 dated 5th May, 2022, and General Circular No. 03/2022 dated 5th May, 2022, and other applicable circulars issued by the Securities and Exchange Board of India (SEBI), has allowed the Companies to conduct the AGM through Video Conferencing (VC) or Other Audio Visual Means (OAVM) during the calendar year 2022. In accordance with the said circulars of MCA, SEBI and applicable provisions of the Act and SEBI LODR Regulations, the 75th AGM of the Company shall be conducted through VC/ OAVM. National Securities Depositories Limited ('NSDL') will be providing facility for voting through remote e-voting, for participation in the AGM through VC / OAVM facility and e-voting during the AGM. The procedure for participating in the meeting through VC / OAVM is explained in the below paragraphs.
3. As the AGM shall be conducted through VC / OAVM, the facility for appointment of Proxy by the Members is not available for this AGM and hence the Proxy Form and Attendance Slip including Route Map are not annexed to this Notice. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting.
4. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
5. As per Regulation 40 of SEBI LODR Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from 1st April, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrars and Share Transfer Agents, MCS Share Transfer Agent Limited, 383, Lake Gardens, 1st Floor, Kolkata - 700045 (Contacts: Mr. P. Basu / Mr. S. Ghosh / Mr. P. Mukherjee), Telephone: (033) 4072 4051 - 53, Fax: (033) 4072 4050, Email: mcssta@rediffmail.com for assistance in this regard.
6. Members are requested to send all communications relating to shares to the Registrar and Share Transfer Agents of the Company at the following address:
383, Lake Gardens,
1st Floor, Kolkata - 700045
7. The Register of Members and Share Transfer Books of the Company will remain closed from Friday, 29th July, 2022 to Thursday, 4th August, 2022 (both days inclusive).
8. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised not to leave their demat accounts dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
9. SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participant with whom they are maintaining their demat accounts. Members holding shares in physical form or transferees of Physical Shares must furnish their self-attested copy of the PAN card to the Company/Registrar and Share Transfer Agents.
10. To support the 'Green Initiative', Members who have not registered their e-mail addresses are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
11. Members may also note that the Annual Report for the financial year 2021-2022 and the Notice of the 75th AGM will also be available on the website of the Company at www.saregama.com, on the website of Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited and on the website of NSDL at www.evoting.nsdl.com.

NOTICE (contd.)

PROCEDURE FOR INSPECTION OF DOCUMENTS:

12. The Annual Report for the financial year 2021-2022, the Notice of the 75th AGM and all documents referred to in the Notice and the Explanatory Statement will be available for inspection on the “Investor Relations” segment on the website of the Company at www.saregama.com.
13. During the AGM, the Register of Directors and Key Managerial Personnel and their Shareholding maintained under Section 170 of the Act, the Register of Contracts or arrangements in which Directors are interested under Section 189 of the Act and the Certificate from Auditors of the Company certifying that the ESOP Scheme of the Company are being implemented in accordance with, the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended shall be available for inspection upon login at NSDL e-voting system at <https://www.evoting.nsdl.com>.

ELECTRONIC DISPATCH OF ANNUAL REPORT AND PROCESS FOR REGISTRATION OF EMAIL ID FOR OBTAINING COPY OF ANNUAL REPORT:

14. The AGM Notice and Annual Report are being sent in electronic mode to Members whose e-mail address is registered with the depository participant(s). Further, as per MCA General Circular no. 03/2022 dated 5th May, 2022 and SEBI circular no. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated 13th May, 2022 Physical copy of AGM Notice and Annual Report will be sent to the Members on their request, who have not registered their e-mail address with the Company or Depository Participant(s).
15. Members holding shares in physical mode and who have not updated their email addresses with the Company are requested to update their email addresses by writing to the Company at co.sec@saregama.com along with the copy of the signed request letter mentioning the name and address of the Member, self-attested copy of the PAN card, and self-attested copy of any document (eg.: Driving License, Election Identity Card, Passport) in support of the address of the Member. Members holding shares in dematerialised mode are requested to register / update their email addresses with the relevant Depository Participants. In case of any queries / difficulties in registering the e-mail address, Members may write to co.sec@saregama.com.

PROCEDURE FOR JOINING THE AGM THROUGH VC / OAVM:

16. Members are requested to join the AGM through VC/OAVM mode latest by 11.15 a.m. IST by clicking on the link <https://www.evoting.nsdl.com/> under members login by using the remote evoting credentials and following the procedures mentioned later in these Notes. The VC/OAVM shall be kept open for the members from 11:30 a.m. IST and may be closed at 12:30 p.m. IST, or, soon thereafter.
17. The facility of attending the AGM will be made available to 1,000 members on a first-cum-first-served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first-cum-first-served basis.
18. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
19. Institutional Members are encouraged to attend and vote at the AGM through VC / OAVM. In case any Institutional Members facing issues for participating in AGM, they can write to co.sec@saregama.com.
20. Please note that participants connecting from Mobile devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio / Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

PROCEDURE TO RAISE QUESTIONS / SEEK CLARIFICATIONS WITH RESPECT TO ANNUAL REPORT:

21. Members who would like to express any views, or, during the AGM ask questions may do so in advance by sending in writing their views or questions, as may be, along with their name, DP ID and Client ID number/folio number, email id, mobile number, to reach the Company's email address at co.sec@saregama.com latest by Friday, 29th July, 2022 by 5 p.m. IST.
22. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
23. When a pre-registered speaker is invited to raise at the AGM his/her questions already emailed in advance as requested in point 22 above, but he / she does not respond, the turn will go to the next pre-registered speaker to raise his/her questions. Accordingly, all speakers are requested to get connected to a device with a video/ camera along with stable internet speed.

NOTICE (contd.)

24. The Company reserves the right to restrict the number of questions/speakers, as appropriate for smooth conduct of the AGM.

PROCEDURE FOR REMOTE E-VOTING AND E-VOTING DURING THE AGM:

25. Pursuant to Section 108 of the Act, Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of SEBI LODR Regulations, the Company is pleased to provide the facility to Members to exercise their right to vote on the resolutions proposed to be passed at AGM by electronic means. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the EGM/AGM will be provided by NSDL.
26. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on 28th July, 2022, being the cut-off date, are entitled to vote on the Resolutions set forth in this Notice. A person who is not a Member as on the cut-off date should treat this Notice of AGM for information purpose only.
27. Members may cast their votes on electronic voting system from any place (remote e-voting). The remote e-voting period will commence at 9.00 a.m. IST on Monday, 1st August, 2022 and will end at 5.00 p.m. IST on Wednesday, 3rd August, 2022. In addition, the facility for voting through electronic voting system shall also be made available during the AGM. Members holding shares in physical form are requested to access the remote e-voting facility provided by the Company through NSDL e-voting system at <https://www.evoting.nsdl.com/>.
28. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned below for remote e-voting.
29. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
30. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
31. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

PROCEDURE FOR REMOTE E-VOTING AND E-VOTING

32. The details of the process and manner for remote e-voting are explained herein below:

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated 9th December, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Members/Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp

NOTICE (contd.)

	<p>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nSDL.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> <p>4. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience.</p> <div style="text-align: center;"> <p>NSDL Mobile App is available on</p>    </div>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members/Shareholders who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43

NOTICE (contd.)

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members/Shareholders who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members/Shareholders who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members/Shareholders holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***.

5. Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on "**Forgot User Details/Password?**"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) **Physical User Reset Password?** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.

NOTICE (contd.)

9. After you click on the “Login” button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join General Meeting”.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to goenkamohan@gmail.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on “Upload Board Resolution / Authority Letter” displayed under “e-Voting” tab in their login.
2. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes member of the Company after the notice is send through e-mail and holding shares as of the cut-off date i.e. 28th July, 2022, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or Issuer/RTA. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using “Forgot User Details/ Password” or “Physical User Reset Password” option available on www.evoting.nsdl.com or call on toll free no. **1800 1020 990 and 1800 22 44 30**. In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. 28th July, 2022 may follow steps mentioned in the Notice of the AGM under Step 1: “Access to NSDL e-Voting system”(Above).
3. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.
4. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Mr. Amit Vishal, Senior Manager and /or Ms. Pallavi Mhatre, Manager at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to co.sec@saregama.com.
2. In case shares are held in demat mode, please provide DPID-Client ID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to co.sec@saregama.com. If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**

NOTICE (contd.)

3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated 9th December, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under "Join meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Members/Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker may send their request mentioning their name, demat account number/folio number, email id, mobile number at co.sec@saregama.com latest by Friday, 29th July, 2022 by 5 p.m. IST.
6. Members/Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at co.sec@saregama.com latest by Friday, 29th July, 2022 by 5 p.m. IST. The same will be replied by the company suitably.
7. Those Members/Shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
8. When a pre-registered speaker is invited to speak at the meeting, but he / she does not respond, the next speaker will be invited to speak. Accordingly, all speakers are requested to get connected to a device with a video/ camera along with good internet speed.
9. The Company reserves the right to restrict the number of questions and number of speakers, as appropriate, for smooth conduct of the AGM.
10. Members who need assistance before or during the AGM, can contact Ms. Pallavi Mhatre, Manager, NSDL at evoting@nsdl.co.in or call 1800 1020 990 / 1800 22 44 30.

NOTICE (contd.)

DIVIDEND RELATED INFORMATION

33. **UNCLAIMED DIVIDEND:** Details of dividend unclaimed by Members for the past years which have not yet been transferred to the Central Government have been uploaded on the Company's website www.saregama.com. Members are advised to view the lists and lodge their claim with our Registrars & Share Transfer Agents for dividend which have remained unclaimed.
34. **TRANSFER TO IEPF:** Dividend not claimed within 7 years will be transferred to the Investor Education and Protection Fund (IEPF). All unpaid / unclaimed dividend/ shares for the Financial Year ended 31st March, 2015 is due to be transferred to the aforesaid account on or before 3rd September, 2022. Claims for payment of such dividend should, therefore be lodged to the Company or to its Registrar and Share Transfer Agents, MCS Share Transfer Agent Limited, 383, Lake Gardens, 1st Floor, Kolkata - 700045 immediately.

OTHERS

1. Members are requested to:
 - a. intimate any change in their addresses/mandates and address all their queries relating to shares of the Company to the Registrar and Share Transfer Agents i.e. MCS Share Transfer Agent Limited, for shares held in physical form.
 - b. quote Client ID and DP ID in respect of shares held in dematerialized form and ledger folio number in respect of shares held in physical form in all the correspondence.
 - c. make nomination in respect of the shares held in physical form in the Company. The Nomination Form as prescribed by the Ministry of Corporate Affairs can be obtained from the Registrar and Share Transfer Agents of the Company. Members holding shares in electronic form are requested to contact their Depository Participant directly for recording their nomination.
2. Non-Resident Indian Members are requested to inform the Registrar and Share Transfer Agents i.e. MCS Share Transfer Agent Limited immediately on:
 - a. the change in residential status on return to India for permanent settlement; and
 - b. the particulars of the bank account(s) maintained in India with complete name, branch, account type, account number and address of the bank, if not furnished earlier.
3. Members holding shares in physical form are requested to consider converting their holding to dematerialized form to eliminate all risks associated with physical shares and ease of portfolio management. Members can contact the Company or the Registrar and Share Transfer Agents i.e. MCS Share Transfer Agent Limited for assistance in this regard.
4. Any person, who acquires shares of the Company and becomes a Member of the Company after dispatch of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at evoting@nsdl.co.in.
5. Members are requested to note that SEBI vide its circular dated 30th May, 2022 have framed standard operating procedure (SOP) for resolving investor grievances through arbitration mechanism. Link of the SEBI circular is as follows:
https://www.sebi.gov.in/legal/circulars/may-2022/standard-operating-procedures-sop-for-dispute-resolution-under-the-stock-exchange-arbitration-mechanism-for-disputes-between-a-listed-company-and-or-registrars-to-an-issue-and-share-transfer-agents-_59345.html
6. Mr. Mohan Ram Goenka, Practicing Company Secretary (Membership No. F4515 and CP no: 2551) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
7. The results of the electronic voting shall be declared to the Stock Exchanges after the conclusion of AGM. The results along with the Scrutinizer's Report, shall also be placed on the website of the Company at www.saregama.com.

NOTICE (contd.)

EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**Item No. 5**

Pursuant to Section 148 of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the Company is required to appoint a cost auditor to audit the cost records of the applicable products of the Company on such remuneration as may be determined by the Members.

On the recommendation of the Audit Committee at its meeting held on 2nd May, 2022, the Board has, considered and approved the appointment of M/s Shome & Banerjee, Cost Accountants as the Cost Auditor for the financial year 2022-2023 at a remuneration of Rs. 1,20,000/- (Rupees One Lakh Twenty thousand only) plus applicable taxes and travelling and reimbursement of out-of-pocket expenses subject to approval of the members of the Company.

Further, on the recommendation of the Audit Committee at its meeting held on 12th May, 2021, the Board has, considered and approved the appointment of M/s Shome & Banerjee, Cost Accountants as the Cost Auditor for the financial year 2021-2022 at a remuneration of Rs. 1,00,000/- (Rupees One Lakh only) plus applicable taxes and travelling and reimbursement of out-of-pocket expenses subject to approval of the members of the Company.

The Board recommends the resolution at Item no. 5 of the accompanying notice for the approval of shareholders of the Company as an Ordinary Resolution.

None of the Directors/Key Managerial Personnel of the Company/their relatives are in any way, concerned or interested, financially or otherwise, in the said resolution.

Registered Office:

33, Jessore Road, Dum Dum
Kolkata-700 028

Dated: 2nd May, 2022
Place: Mumbai
CIN: L22213WB1946PLC014346

By Order of the Board

Kamana Goenka
Company Secretary

NOTICE (contd.)

**“ANNEXURE - A” to the Notice of Annual General Meeting
Details of Director seeking re-appointment at the Annual General Meeting**

Name of the Director	Mr. Vikram Mehra
DIN	03556680
Date of Birth	30-07-1971
Date of first Appointment on the Board	27 th October, 2014
Brief resume and expertise in Specific Functional Areas	Mr. Vikram Mehra is the Managing Director of the Company since 27 th October, 2014. Before joining Saregama, Mr. Mehra served as Chief Marketing Officer and Chief Commercial Officer at Tata Sky Limited until October 2014. In his decade-long stint at Tata Sky, he was responsible for subscription revenue management, brand marketing, new product development, customer analytics, interactive service operations, consumer research and PR. Mr. Mehra has a wealth of experience in handling the ever developing digital platforms. His deep understanding of various aspects and facets of digital media spearheads the growth momentum at Saregama of transforming and expanding the music label into a digital business. He started his career with Tata Consultancy Services as Senior Systems Analyst. After spending two years there, he moved to Tata Administrative Services as a Manager. He has also worked with Tata Motors during his seven-year stint with Tata Group. Prior to joining Tata Sky, he was with News Corp owned STAR TV from 2000 to 2004 as Vice President, where he led its foray into DTH and cable services in India. He has been a Director at Saregama India Limited since 27 th October, 2014.
Qualifications	Mr. Mehra holds MBA from IIM Lucknow and a B.Tech in Computer Science from IIT Roorkee.
Directorship held in other public companies (excluding foreign and private companies, but includes directorship held in private companies which are subsidiaries of public companies)	The Indian Performing Right Society Limited. – Nominee Director
Membership/Chairmanship of committees of other Public Limited Companies [other than Saregama India Limited] (Audit Committee and Stakeholder’s Relationship Committee only)	Nil
Disclosure of relationships between directors inter-se and Manager and other Key Managerial Personnel of the Company	Nil
Terms and conditions of appointment or re-appointment	Mr. Vikram Mehra is liable to retire by rotation and being eligible has offered himself for re-appointment.
Details of remuneration sought to be paid and the remuneration last drawn by such person	Past remuneration: Rs 6,76,09,004/- Proposed remuneration: Rs 8,50,00,016/-
No. of shares held in the company as on the date of notice	27,20,000 Equity Shares
Number of Board meetings attended during the year	8
Performance evaluation done or not	Yes



'The Studios @ Dum Dum', 33, Jessore Road, Kolkata - 700 028, India