



Board of Directors

Mr. S. Goenka
Chairman

Mrs. P. Goenka

Mrs. S. Goenka

Mr. H. Neotia

Mr. S. Banerjee

Mr. P. K. Mohapatra

Mr. P. K. Khaitan

Mr. B. Raychaudhuri

Mr. G. B. Aayeer

Mr. S. Mantha

Company Secretary & Head Legal

Mr. Tony Paul

Auditors

Price Waterhouse
Chartered Accountants

Legal Advisors

Khaitan & Company

Registrars and Share Transfer Agents

MCS Limited
77/2A, Hazra Road
Kolkata - 700 029

Bankers

United Bank of India
State Bank of India
ICICI Bank Limited

Registered Office

‘The Studios@Dum Dum’
33, Jessore Road
Dum Dum
Kolkata - 700 028

CORPORATE INFORMATION**Registered Office & Studios**

'The Studios @ Dum Dum'

33, Jessore Road

Kolkata - 700 028

Phone : (033) 2551 2984, 4773

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e-mail : anurag.singh@rp-sg.in

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No. 116, Thyagaraya Road, T. Nagar

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CONTENTS

	Page
Notice	3
Report of the Directors & Management Discussion and Analysis	9
Report on Corporate Governance	18
Auditors' Report	29
Balance Sheet	34
Statement of Profit & Loss	35
Notes forming part of the Financial Statements	36
Cash Flow Statement	58
Consolidated Financial Statements	60
Statement related to Subsidiary Companies	87

NOTICE

NOTICE

NOTICE is hereby given that the Sixty-Sixth Annual General Meeting of the Members of Saregama India Limited will be held at Mohit Moitra Mancha, 34/1, Raja Manindra Road, Paikpara, Kolkata-700 037 on Friday, the 26th day of July, 2013 at 10.00 A.M. to transact the following :

AS ORDINARY BUSINESS

1. To receive, consider and adopt the Profit & Loss Account for the year ended 31st March, 2013, the Balance Sheet as at that date and the Auditors' Report thereon and the Directors' Report.
2. To declare a dividend for the financial year ended 31st March, 2013.
3. To appoint a Director in place of Mr. S. Banerjee who retires by rotation and, being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. P. K. Mohapatra who retires by rotation and, being eligible, offers himself for re-appointment.
5. To appoint Auditors and to authorize the Board of Directors to fix their remuneration.

AS SPECIAL BUSINESS

To consider, and if thought fit, to pass with or without modifications, the following resolutions :

6. *As an Ordinary Resolution*
"RESOLVED that Mrs. Preeti Goenka be and is hereby appointed a Director of the Company with immediate effect."
7. *As an Ordinary Resolution*
"RESOLVED that Mr. Bhaskar Raychaudhuri be and is hereby appointed a Director of the Company with immediate effect."
8. *As an Ordinary Resolution*
"RESOLVED that Mr. Suryanarayana Murthy Mantha be and is hereby appointed a Director of the Company with immediate effect."
9. *As a Special Resolution*
"RESOLVED that subject to approvals from appropriate authorities, if any and pursuant to the provisions of Section 269 and all other applicable provisions of the Companies Act, 1956 including Schedule XIII of the Companies Act, 1956 as amended upto the date ('the Act') approval of the Company be and is hereby granted to the appointment of Mr. Suryanarayana Murthy Mantha ('Mr. Mantha') as the Managing Director of the Company with effect from 1st January, 2013 on the terms and conditions set out in the Agreement entered into between the Company and Mr. Mantha, a copy whereof initialed by the Chairman is laid on the table for the purpose of identification, which Agreement is hereby specifically approved.

RESOLVED FURTHER that the Board of Directors of the Company be and is hereby authorized to make necessary alterations / variation in the remuneration paid / payable to Mr. Mantha including the terms and conditions of the said appointment, if any, in accordance with Schedule XIII of the Act or any amendments thereto."
10. *As a Special Resolution*
"RESOLVED that in accordance with the applicable provisions of the Companies Act, 1956 or any amendment or re-enactment thereof, consent of the Company be and is hereby accorded in respect of the total remuneration of ₹19,66,536/- paid from 1st April, 2012 to 6th April, 2012 to Mr. Apurv Nagpal ('Mr. Nagpal'), during his tenure as the Managing Director, including payment of ₹14,69,600/- to be considered as compensation for loss of office to Mr. Nagpal subject to approval of the appropriate authorities."
11. *As a Special Resolution*
"RESOLVED that in accordance with the applicable provisions of the Companies Act, 1956 or any amendment or re-enactment thereof, consent be and is hereby accorded to partially amending / varying the managerial remuneration paid / payable to Mr. G. B. Aayeer ('Mr. Aayeer'), the Executive Director not liable to retire by rotation, on the terms and conditions set out in the Agreement entered into between the Company and Mr. Aayeer, copy whereof initialed by the Chairman is laid on the table for the purpose of identification, which Agreement is hereby specifically approved, as follows :-

With effect from 1st July, 2012 –

- | | |
|---|-------------------------|
| ● Basic Salary | : ₹2,15,290/- per month |
| ● Management Allowance | : ₹2,15,290/- per month |
| ● Customized Allowance Pool
(comprising of Leave Travel Allowance, Medical reimbursement, Company Leased Accommodation / House Rent Allowance, Conveyance and Special Allowance) | : ₹2,87,251/- per month |

RESOLVED FURTHER that other allowances, reimbursements, benefits and perquisites paid / payable to Mr. Aayeer shall remain unchanged except to the extent altered as above."

NOTICE (contd.)

12. As a Special Resolution

“RESOLVED that in accordance with the applicable provisions of the Companies Act, 1956 or any amendment or re-enactment thereof and in pursuance of the provisions of the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, and subject to such other approvals, consents, permissions and sanctions as may be necessary from appropriate authorities, if any, consent of the Company be and is hereby accorded to the Board of Directors of the Company ('the Board', which term shall be deemed to include the Compensation Committee thereof) in respect of formulation and implementation of Saregama Employees Stock Option Scheme - 2013 ('Scheme') in discontinuation of Saregama Employees Stock Option Scheme - 2001 with immediate effect, a copy whereof initialed by the Chairman is laid on the table for the purpose of identification, which Scheme is hereby approved.”

Registered Office:

‘The Studios @ Dum Dum’

33, Jessore Road,

Kolkata-700 028

Dated: 27th May, 2013.

By Order of the Board

Tony Paul

Company Secretary & Head Legal

NOTES :

1. The Explanatory Statement, pursuant to Section 173(2) of the Companies Act, 1956, in respect of Item 6 to 12 are annexed.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
THE INSTRUMENT APPOINTING THE PROXY SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.
3. Corporate Members are requested to send to the Registered Office of the Company a duly certified copy of the Board Resolution, pursuant to Section 187 of the Companies Act, 1956, authorising their representative to attend and vote at the Annual General Meeting.
4. Members/Proxies should bring the Attendance Slips duly filled in, for attending the Meeting.
5. Members who hold shares in dematerialised form are requested to bring their Client ID and DP ID numbers for easy identification of attendance at the Meeting.
6. In accordance with Clause 49 IV (G) of the Listing Agreement, a brief profile of the Directors seeking appointment and/or re-appointment according to Items 3, 4, 6 to 8 of this Notice is provided in the Notes annexed hereto.
7. The Register of Members and Share Transfer Books shall remain closed from 20th July, 2013 to 26th July, 2013 (both days inclusive) and dividend as recommended by the Board of Directors, if declared at the Meeting, shall be payable to those shareholders whose names appear on the Company's Register of Members on 26th July, 2013 or to their mandatees. In respect of shares held in electronic form, dividend will be payable to those shareholders who are notified as beneficiaries by the Depositories viz. National Securities Depository Limited and Central Depository Services (India) Limited at the close of business on 19th July, 2013.
8. Pursuant to the provision of Section 205A of the Companies Act, 1956, dividend for the Financial Year ended 31st March, 1997 and thereafter which remain unpaid or unclaimed for a period of 7 years will be transferred to the Investor Education and Protection Fund (IEPF) established under Section 205C of the Companies Act, 1956. The dividend for the Financial Year ended 31st March, 2008 is due to be transferred to the aforesaid account on or before 28th August, 2015. Shareholders who have not encashed their Dividend Warrant(s) for the Financial Year ended 31st March, 2008 are requested to apply to the Company's Registrar and Share Transfer Agents, MCS Limited, 77/2A, Hazra Road, Kolkata-700 029. It may be noted that on transfer of the unclaimed dividend to IEPF no claims shall lie in respect thereof.
9. Members can avail the nomination facilities under Section 109A of the Companies Act, 1956 by filing Form No. 2B with the Registrars and Transfer Agents, MCS Limited, 77/2A, Hazra Road, Kolkata-700 029 (in the case of physical shares) or to the Depository Participants (in the case of dematerialised shares). The necessary Form will be supplied on request.
10. Members having queries relating to Accounts may send their queries at least 7 days before the date of the Meeting, to the Company's Secretarial Department at 33, Jessore Road, Kolkata-700 028.
11. Saregama is committed to make efforts for preserving the environment and has been working on a number of ways to reduce usage of paper. In line with the circular of the Ministry of Corporate Affairs, Government of India, the Company proposes to send to the Members notices, annual report and accounts and other communication through electronic mode. Members are, therefore, requested to update their e-mail address with the Depository Participant, if the holding is in electronic mode or intimate to the Company's Registrars MCS Limited by sending an e-mail mentioning the shareholder's name and Folio Number / DPID & Client ID at mcskol@rediffmail.com. Copies of all such communication can also be obtained in physical form free of cost, upon request.

NOTICE (contd.)**ANNEXURE TO THE NOTICE****Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956.****Item Nos. 6 & 7**

Mrs. Preeti Goenka and Mr. Bhaskar Raychaudhuri were appointed as Additional Directors of the Company with effect from 27th May, 2013 pursuant to the provisions of Section 260 of the Companies Act, 1956, ('the Act') read with Article 91 of the Articles of Association of the Company.

Being as Additional Directors, Mrs. Goenka and Mr. Raychaudhuri hold office of Director upto the date of forthcoming Annual General Meeting as per the aforesaid provisions. The Company has received two Notices in writing from two Members along with the requisite deposit of money signifying their intentions to propose the candidatures of Mrs. Goenka and Mr. Raychaudhuri for the office of Directorship under the provisions of Section 257 of the Act.

The Board is of the view that it will be in the interest of the Company to appoint them on the Board and recommends the resolutions set out under Item Nos. 6 and 7 of the Notice for approval of the Members.

Mrs. Goenka and Mr. Raychaudhuri may be deemed to be concerned or interested in the respective resolutions in which their appointments have been proposed. Save and except Mr. Sanjiv Goenka and Mrs. Sushila Goenka to the extent of their relationship with Mrs. Preeti Goenka, no other Director of the Company is concerned or interested in the said Resolutions.

Item Nos. 8 & 9

The Board of Directors ('The Board') of the Company at its meeting held on 24th December, 2012 appointed Mr. Suryanarayana Murthy Mantha ('Mr. Mantha') as an Additional Director with effect from 1st January, 2013 to hold office upto the next Annual General Meeting.

Mr. Mantha is a B. Tech. – Computer Science (IIT Kanpur), MS – Computer Science (Virginia Tech Blacksburg), PhD – Computer Science (University of Utah) and MBA – Finance & Strategy (University of Rochester). Mr. Mantha has a wealth of experience of working with various organisations in US and India. He worked in US from 1992 to 2005 with RealNetworks, Seattle; PRTM Management Consultants, Washington DC and Xerox Corp, Rochester. He shifted to India in 2005 and has worked as Senior Vice President – Interactive Services, Sify, Chennai; CEO – Web18 (Internet and Mobile Business of Network 18), Mumbai and as Director Omidyar Network, Mumbai.

Notice under Section 257 of the Companies Act, 1956 has been received from a Member signifying his intention to propose the candidature of Mr. Mantha as a Director of the Company.

The Board at its meeting held on 24th December, 2012 appointed Mr. Mantha as the Managing Director of the Company with effect from 1st January, 2013, subject to the approval of the Members of the Company and other appropriate authorities, if any, in terms of Section 269 and other applicable provisions of the Companies Act, 1956. Subject to necessary approvals, Mr. Mantha would be entitled to the following remuneration :

- | | |
|-----------------------------------|---|
| 1. Basic Salary | : ₹ 3,50,000/- per month. |
| 2. Management Allowance | : ₹ 3,50,000/- per month. |
| 3. Bonus / Incentive / Increments | : In accordance with the Rules of the Company. |
| 4. Perquisites | : As detailed in Part A hereunder. Perquisites shall be reckoned on the basis of actual expenditure or liability incurred by the Company. |

PART A

- (i) *Customized Allowance Pool (comprising of Conveyance, Leave Travel Allowance, Medical reimbursement and Special Allowance):* In accordance with the rules of the Company but not exceeding ₹2,52,500/- per month in aggregate.
- (ii) *Housing:* Not exceeding ₹1,50,000/- per month in aggregate.
- (iii) *Term Life Insurance:* The Company shall take out a Term Life Insurance policy for Mr. Mantha as per the Rules of the Company.
- (iv) *Hospitalisation Insurance:* The Company shall pay premia for Medical insurance for Mr. Mantha and his family as per the Rules of the Company.
- (v) *Club Fees :* Fees of one Club including entrance, membership and other fees.

NOTE: For the purpose of domiciliary medical expenses and Hospital Insurance stated herein above family shall include the spouse, dependant children and the dependant parents of Mr. Mantha.

Mr. Mantha shall be eligible to bonus of ₹42,00,000/- per annum, which is maximum 6 months' salary (Basic plus Management Allowance) depending on Company and individual performance.

Mr. Mantha shall be granted options of 25,000 shares under Saregama Employees' Stock Option Scheme at the market price prevailing as on 1st January, 2013.

The Board may vary, amend, alter and / or include any other perquisite in Part A subject to the overall ceiling of an amount equivalent to the aggregate of the annual Salary and annual Management Allowance from time to time.

PART B

- (vi) Company's contribution towards Provident Fund for Mr. Mantha will be as per Rules of the Company and shall be subject to the ceilings as may be prescribed from time to time under the Income Tax Act, 1961 and the Rules framed thereunder provided that these either singly or put together are not taxable under the Income Tax Act, 1961.
- (vii) Gratuity payable to Mr. Mantha shall be in accordance with the Rules of the Company.

NOTICE (contd.)

PART C

(viii) *Reimbursement of telephone expenses* : One landline and one mobile.

(ix) *Earned leave* : Mr. Mantha shall be entitled to one month's leave on full pay and allowances for every eleven months of service with a right to accumulate such leave for a period not exceeding 90 days. Mr. Mantha shall be entitled to encash the leave accumulated and not availed by him.

5. In case of absence or inadequacy of profits, Mr. Mantha shall be entitled to receive the same remuneration as above as minimum remuneration.

The Board may vary and increase the remuneration, perquisites, incentives and bonus etc. payable to Mr. Mantha from time to time as the Board may consider appropriate.

In accordance with the provisions of Section 302 of the Companies Act, 1956 the Members were sent the abstract of the Agreement with Mr. Mantha as referred to above.

In view of the rich and varied experience of Mr. Mantha, your Board considers that such appointment shall be advantageous to the Company and recommends that the resolutions set out in item nos. 8 and 9 of the Notice convening the Meeting be approved by the Members.

Copy of the Agreement dated 9th January, 2013 executed between Mr. Mantha and the Company is available for inspection of Members at the Registered Office of the Company between 10 A.M. to 12 Noon on any working day of the Company and will also be available for inspection at the Meeting.

Apart from Mr. Mantha, no other Director of the Company is concerned or interested in the above resolution.

Item No. 10

Mr. Apurv Nagpal was appointed as the Managing Director of the Company for five years with effect from 15th January, 2009 and his appointment and remuneration were approved by the shareholders at the Annual General Meeting held on 24th July, 2009 and subsequently by the Central Government by its letter reference No. A59536383/4/2011-CL.VII dated 27th April, 2011. The total remuneration including variation in remuneration of Mr. Nagpal was also approved by the shareholders at the Annual General Meetings held on 29th July, 2011 and 27th July, 2012 respectively. In terms of the said approval, Mr. Nagpal, who ceased to be in employment of the Company with effect from 7th April, 2012, is entitled to a total remuneration of ₹4,96,936/- from 1st April, 2012 to 6th April, 2012 which includes salary of ₹3,67,400/- per month, Management Allowance of ₹3,67,400/- per month, Customised Allowance Pool (comprising of Leave Travel Allowance, Medical reimbursement and Special Allowance) of ₹5,90,000/- per month and other allowances, reimbursements, benefits and perquisites on pro-rata basis. The Board of Directors of your Company ('the Board') at its meeting held on 9th April, 2012, approved, subject to the approval of the Members, payment of ₹14,69,600/- towards 120 days gross pay wherein the difference with basic pay be considered as compensation for loss of office to Mr. Nagpal as the said cessation of employment was much before the expiry of the five year period for which he was appointed.

Your Board recommends that the resolution set out in Item no. 10 of the Notice convening the Meeting be approved by the Members.

None of the other Directors of the Company has any concern or interest in the said Resolution.

Item No. 11

Mr. G. B. Aayeer, who has been functioning as the Chief Financial Officer, was appointed as the Director and as the 'Manager' of the Company with effect from 9th April, 2012 and his appointment and remuneration were approved by the shareholders at the Annual General Meeting held on 27th July, 2012. In terms of the said approval, Mr. Aayeer is entitled to a salary of ₹1,82,449/- per month, Management Allowance of ₹1,82,449/- per month and Customised Allowance Pool (comprising of Leave Travel Allowance, Medical reimbursement, Company Leased Accommodation / House Rent Allowance, Conveyance and Special Allowance) of ₹2,49,083/- per month respectively. The Board of Directors of your Company ('the Board') at its meeting held on 24th December, 2012, on the recommendation of the Compensation Committee, approved, subject to the approval of the Members, an increase in the Salary and Management Allowance as well as restructuring of the allowances / reimbursements paid / payable to Mr. Aayeer as detailed hereinbelow to bring it in conformity with the remuneration structure of the Company. Due to appointment of Mr. S. Mantha as Managing Director, Mr. Aayeer resigned as the 'Manager' with effect from 1st January, 2013.

Accordingly, the remuneration paid / payable to Mr. Aayeer as Executive Director, including his tenure as 'Manager' till 31st December, 2012, is proposed to be varied / altered with effect from 1st July, 2012 as follows:

With effect from 1st July, 2012 –

- Basic Salary : ₹2,15,290/- per month
- Management Allowance : ₹2,15,290/- per month
- Customized Allowance Pool : ₹2,87,251/- per month
(comprising of Leave Travel Allowance, Medical reimbursement, Company Leased Accommodation / House Rent Allowance, Conveyance and Special Allowance)

The other allowances, reimbursements, benefits and perquisites paid / payable to Mr. Aayeer as approved by the shareholders at its meetings held on 27th July, 2012 shall remain unchanged except to the extent altered as above.

In accordance with the provisions of Section 302 of the Companies Act, 1956 the Members were sent the abstract containing the variation / alteration in the terms of remuneration of Mr. Aayeer as referred to above.

Your Board of Directors recommends that the resolution set out in Item no. 11 of the Notice convening the Meeting be approved by the Members.

NOTICE (contd.)

Copy of the Supplemental Agreement executed between Mr. Aayeer and the Company is available for inspection of Members at the Registered Office of the Company between 10 A.M. to 12 Noon on any working day of the Company and will also be available for inspection at the Meeting.

Except Mr. Aayeer, no other Director of the Company is concerned or interested in the above resolution.

Item No. 12

The Members at the Fifty-Fourth Annual General Meeting held on 24th September, 2001, approved formulation of the Saregama Employees Stock Option Scheme – 2001 ('the said Scheme') for the eligible employees of the Company and its Directors, and also for the eligible employees including Managing/Wholtime Directors of the subsidiary companies of the Company in accordance with the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 ('Guidelines') as was in force at that time. Thereafter, various amendments in the said Scheme have been approved by the Members at the Fifty-Eighth Annual General Meeting held on 30th August, 2005. The salient features and the amendments of the said Scheme were provided in the Explanatory Statement to the respective Notices convening the said Annual General Meetings.

The Compensation Committee, at its meeting held on 25th March, 2013, noted that there has been several amendments in the Guidelines from time to time. The Board of Directors of your Company ('the Board'), on recommendation of the Compensation Committee, at its meeting held on 25th March, 2013, decided to discontinue the said Scheme in order to bring the said Scheme in line with the changes effected by the Guidelines. Accordingly, the Board decided that Saregama Employees Stock Option Scheme - 2013 ('Scheme') be formulated and implemented in place of the said Scheme with immediate effect in pursuance of the provisions of the Guidelines and subject to the approval of the Members.

Your Board of Directors recommends that the resolution set out in Item no.12 of the Notice convening the Meeting be approved by the Members.

Copy of the Scheme is available for inspection of Members at the Registered Office of the Company between 10 A.M. to 12 Noon on any working day of the Company and will also be available for inspection at the Meeting.

The Directors may be concerned or interested in the above resolution to the extent of the Options that may be granted to them.

Registered Office:

'The Studios @ Dum Dum'

33, Jessore Road,

Kolkata-700 028

Dated: 27th May, 2013.

By Order of the Board

Tony Paul

Company Secretary & Head Legal

Brief profile of Directors seeking re-appointment / appointment at the Annual General Meeting to be held on 26th July, 2013.**1. Mr. S. Banerjee**

Mr. Sumantra Banerjee worked with Monsanto in the US and repatriated to India after 10 years in USA. In India, he has been in various companies of the RPG Group since 1984 at senior management level. Mr. Banerjee has 40 years of experience in India and abroad in manufacturing, engineering, finance, marketing and general management functions. He joined the RPG Management Board in 1991 and since 1993, he has been with CESC Limited as its Managing Director. Apart from being the Managing Director of CESC Limited, Mr. Banerjee is also the President and Chief Executive of RPG Power and Retail Groups till 31st March, 2013.

Qualification:

B. Tech from IIT, Kharagpur.

MS in Polymer Science.

MBA in Marketing and Finance from USA.

Date of Birth:

31st December, 1949.

Directorship in other companies:

Mr. S. Banerjee is also a Director in the following companies:

CESC Limited – Managing Director, Spencer International Hotels Limited – Director, Dhariwal Infrastructure Limited – Director, Noida Power Company Limited – Director, Au Bon Pain Café India Limited – Director, Mahuagarhi Coal Company Private Limited – Director and Myriad Ventures Private Limited – Director.

Membership of Committees of the Board:

Member of Investors' Grievance Committee of CESC Limited.

Shareholdings as stated in Clause 49 (IV) (E) (v): Not applicable.

2. Mr. P. K. Mohapatra

Mr. Pradipta Kumar Mohapatra coaches executives and entrepreneurs after two decades of experience in supervising CEOs across businesses. During his long innings at the RPG Group, Mr. Mohapatra incubated a series of first time businesses in India such as Foodworld, Musicworld, Health & Glow, Saregama.com and Hamaracd.com (first custom CD manufacturing portal in the world). He sits on the Board of many public as well as startup companies across India, Asia-Pacific, UK and USA.

Mr. Mohapatra served as Chairman, Confederation of Indian Industries (Southern Region) and President of Madras Management Association and co-founded Coaching Foundation India Limited as well as Chennai Business School Limited. Studied Management at Mumbai and Harvard, Mr. Mohapatra was invited to be a Fellow of Chartered Management Institute, UK.

Mr. Mohapatra co-authored 2009's best selling book, 'India's Global Powerhouses' published by Harvard Business Publishing, Boston.

Qualification:

B.Sc. (Eng.), FCMI (UK), AMP.

Date of Birth:

19th February, 1950.

NOTICE (contd.)

Directorship in other companies:

Mr. P. K. Mohapatra is also a Director in the following companies:

Coaching Foundation India Limited – Chairman, Chennai Business School Limited – Chairman, Zensar Technologies Limited – Director, RPG Life Sciences Limited – Director, Morarjee Textiles Limited – Director, Zensar OBT Technologies Limited – Director, Lakshmi Kiran Eye Care Private Limited – Chairman, R & R Salons Private Limited – Director, Qwik Silver Solutions Private Limited – Director, Dusters Total Solutions & Services Private Limited – Director and P. Orr & Sons Private Limited – Director.

Membership of Committees of the Board:

Chairman and member of Compensation and Audit Committees of Zensar Technologies Limited respectively and member of Audit and Compensation Committees of RPG Life Sciences Limited.

Shareholdings as stated in Clause 49 (IV) (E) (v): Not applicable.

3. Mrs. P. Goenka

Mrs. Preeti Goenka completed her schooling from Welhams Girls High School, Dehradun and later studied Interior Designing at South Delhi Polytechnic to secure a diploma.

Married to Mr. Sanjiv Goenka, Mrs. Preeti Goenka has vast experience in interior designing having handled a number of prestigious projects, both residential and commercial. She is the co-founder of Stylefile, the well-known Kolkata movement to promote art in everyday life and support creative talents in diverse fields, particularly lifestyle.

A past President of the Ladies Study Group of Indian Chamber of Commerce Kolkata, currently she is an Executive Committee Member of the Birla Industrial & Technological Museum, Kolkata.

Date of Birth: 16th July, 1962

Directorship in other companies: Nil.

Membership of Committees of the Board: Nil.

Shareholdings as stated in Clause 49 (IV) (E) (v): Mrs. Preeti Goenka does not hold any share in the Company.

4. Mr. B. Raychaudhuri

Mr. Bhaskar Raychaudhuri is a Graduate in Commerce and a Chartered Accountant. He has over 40 years of experience in both staff and line function in diverse industries of which 28 years of rich experience in the Power Sector in Senior Management. Mr. Raychaudhuri has been associated with CESC Limited since 1980 and his areas of work included Finance, Legal & Business Development for Power Business Group while reporting to Managing Director & CEO. He was designated as Executive Director (Finance) of CESC Limited till March, 2005. As a Whole-time Director of Crescent Power Limited since April 2005, Mr. Raychaudhuri had been associated with development and financing of new power projects in RPG Group till April, 2009. Prior to joining CESC Limited, Mr. Raychaudhuri worked with Indian Oxygen Limited (presently Linde India Limited), Indian Aluminium Company Limited (presently Hindalco Industries Limited) and Reckitt & Colman of India Limited (presently Reckitt, Benckiser (India) Limited). He was a member of Direct Tax Sub-committee of Bengal Chamber of Commerce & Industry (BCCI) and Economics & Finance Sub-committee of Confederation of Indian Industries (CII). Mr. Raychaudhuri had networking and a strong association with various authorities / organizations in Power and Finance Sectors both in India and abroad like Central Electricity Authority, Ministry of Power, New Delhi, IFC (Washington and Delhi), ICICI, IDBI, IDFC, SBI Capital Markets and ADB (Manila).

Date of Birth: 26th February, 1943

Directorship in other companies:

Mr. B. Raychaudhuri is also a Director in the following companies:

Haldia Energy Limited – Director, Jharkhand Electric Company Limited – Director.

Membership of Committees of the Board:

Member of Audit and Remuneration Committees of Haldia Energy Limited.

Shareholdings as stated in Clause 49 (IV) (E) (v): Mr. Bhaskar Raychaudhuri does not hold any share in the Company.

5. Mr. S. Mantha

Mr. Suryanarayana Murthy Mantha has a wealth of experience of working with various organisations in US and India. He worked in US from 1992 to 2005 with RealNetworks, Seattle; PRTM Management Consultants, Washington DC and Xerox Corp, Rochester. He shifted to India in 2005 and has worked as Senior Vice President – Interactive Services, Sify, Chennai; CEO – Web18 (Internet and Mobile Business of Network 18), Mumbai and as Director Omidyar Network, Mumbai.

Mr. Suryanarayana Murthy Mantha is a B. Tech. – Computer Science (IIT Kanpur), MS – Computer Science (Virginia Tech Blacksburg), PhD – Computer Science (University of Utah) and MBA – Finance & Strategy (University of Rochester).

Date of Birth: 4th August, 1963

Directorship in other companies: Nil

Membership of Committees of the Board: Nil

Shareholdings as stated in Clause 49 (IV) (E) (v): Not applicable.

REPORT OF THE DIRECTORS' WITH MANAGEMENT DISCUSSION AND ANALYSIS

Your Directors are pleased to present the Sixty-Sixth Annual Report of Saregama India Limited along with the audited accounts for the year ended 31st March 2013.

Financial Results

The performance of your Company for the year ended 31st March, 2013 is summarized below:

(₹ in Lacs)

	Year ended 31st March, 2013	Year ended 31st March, 2012
Total income	18446	15577
Profit/(Loss) from operations	1402	745
Extraordinary item	327	Nil
Provision for Contingencies	Nil	Nil
Profit/(Loss) before tax	1075	745
Provision for Taxation		
Deferred Tax Charged / (Credit)	(483)	409
Current tax	470	475
Net profit/(Loss) (after tax and extraordinary items)	1088	(139)
Proposed Dividend (including tax thereon)	305	Nil
Transfer to general reserve	54	Nil
Reserves (excluding revaluation reserves)	11821	11038

Your Board is pleased to report a profit of ₹ 1087.98 Lacs in the year 2012-13.

Dividend

Your Directors are pleased to recommend a dividend of ₹1.50 per equity share of ₹10/- each for the year ended 31st March, 2013.

Operations

Music Audio Business

The Company has developed its own state of art digital infrastructure and have brought on board the specialized digital business team. In place of monetisation of Company's rich catalogue by licensing route using network of the aggregators, the Company has adopted the strategy to directly approach the customers by way of tie up with B2B partners like telcos and through specialized product offerings. The proliferation of mobile and Internet platforms has offered many profitable opportunities to draw revenues from traditional digital products like CRBT and new avenues like WAP. With the advent of 3G & 4G services, the demand for new media with full song mobile applications, downloads, celebrity chat and audio cinema is on the increase. Your Company is aggressively acquiring new video contents, creating short films and converting the music catalogue to video to retain its market share. It has tied-up with leading Internet operators and also increasing its presence on popular platforms like 'You Tube'.

Your Company continued the policy of economizing its physical audio business. The corporate segment of physical sales continue to post appreciable business. During the year under review, the Company acquired new Hindi and regional film soundtracks including in Hindi - 'Himmatwala', 'Love-in-Bombay', 'Lay Gaya Saddam', 'Its Rocking - Dard - E- Disco', etc. The demand for use of old film hits in new films continued this year also.

Your Company has been able to penetrate more into hitherto untapped markets of the Indian sub-continent and Middle East along with traditional markets of United Kingdom, United States and other parts of Europe and South East Asia through its international subsidiaries. The Concerts of top end artistes at UK and US across several cities were well taken by the music lovers.

REPORT OF THE DIRECTORS (contd.)

Music Publishing Business

The music publishing business is enjoying an organic growth for long-tail catalogue owners like your Company. The growth has been primarily in the areas of film synchronization, TV & Radio advertisement synchronization and events. Having a deep catalogue with the most number of songs by the legends of Indian music, both film and non-film, across genres and languages, various TV reality shows, soaps and advertisements are inspired to use your Company's underlying rights in its repository. The Bollywood industry continues to synchronize your Company's catalogue to create new content while retaining the nostalgic value of the retro music. This had led to a substantial increase in music publishing revenue for your Company.

TV Software

National TV business has been successfully producing programs in national Hindi language in mainstream channels like 'Savdhan India' in Star TV's Life OK Channel and also in regional channels like BIG Magic Channel titled 'Police Files' and 'Pyaar Ya Dehshat'. The Company remains strong in TV software business of regional languages. The Company continues to be a leading producer of TV content in all four South Indian languages. It includes hit serials titled 'Athipookal', 'My Dear Bootham', 'Velan', 'Soolam', 'Raja Rajeshwari' etc. As for the content in Bengali language, the serials titled 'Nadir Dik Hara', 'Antoral' and 'Kolir Gopal Bhar' were received well during the year on leading Bangla Channel.

Home Video

Your Company distributed Home Video products of renowned international studios like BBC Worldwide Limited, Discovery, Entertainment Rights, Focus Features, Millennium Interactive, Power Sports, Kimmel Entertainment and other independent studios. The Company supplemented organized retail business by foraying into the sale of Home Video titles under "Direct to Consumer" model.

Publication Business

Your Company publishes the weekly current affairs magazine "OPEN" under wholly owned subsidiary Open Media Networks Pvt. Ltd. Aimed at the intelligent Indian reader, it has been well received by advertisers and readers at large. Although it has enlarged its readership base in its fifth year of operations, the magazine is yet to achieve break even to become an established market leader.

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 which the Directors and the Senior Management have towards the stakeholders of the Company. Your Directors and Senior Management act as trustees in the interest of all stakeholders of the Company by balancing conflicting interest, if any, between stakeholders for optimal benefit.

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 stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges forms part of the Annual Report.

A certificate of the auditors regarding compliance of the Corporate Governance requirements as stipulated in Clause 49 of the Listing Agreement with the Stock Exchanges is annexed to this Report.

Management Discussion and Analysis (MD & A)

This Report includes MD & A as appropriate so that duplication and overlap between Directors' Report and a separate MD & A is avoided and the entire information is provided in a composite and comprehensive manner.

Industry Structure and Developments

The widespread use by the consumers of mobile and Internet services has contributed to sharp rise in digital exploitation of music content. With the introduction of 4G data services in India, popularity and prominence of digital distribution of music with mobile and broadband is expected to grow manifolds changing the business models prevalent in music industry. Also Radio and Television continues to be major platforms for consumption of music. However, the sales in physical formats which continuously dropped in past would not offer any profitable business opportunities. Added to this, unabated piracy is eating away a substantial portion of the increased revenue generation of physical business. The newly enacted amendments to the Copyright Act are expected to alter the dynamics of the Music Industry. These amendments are also going to throw lot of new business opportunities in music publishing, which hitherto were conventionally not available in India. Music publishing business is expected to come of age and would offer many areas for revenue growth. As for the cost of new content; both in film and non-film space would be continuously on rise.