

Entertainment
Network (India)
Limited
Annual Report
2013-14

98.3
FM

Mirchi Everywhere



Corporate Information

BOARD OF DIRECTORS

(As on May 23, 2014)

Mr. Vineet Jain

(DIN-00003962) Non-Executive Chairman

Mr. A. P. Parigi

(DIN-00087586) Independent Non-Executive Director

Mr. B. S. Nagesh

(DIN-00027595) Independent Non-Executive Director

Mr. N. Kumar

(DIN-00007848) Independent Non-Executive Director

Mr. Ravindra Dhariwal

(DIN-00003922) Non-Executive Director

Mr. Ravindra Kulkarni

(DIN-00059367) Independent Non-Executive Director

Mr. Richard Saldanha

(DIN-00189029) Independent Non-Executive Director

Ms. Vibha Paul Rishi

(DIN-05180796) Independent Non-Executive Director

Mr. Prashant Panday

(DIN-02747925) Managing Director & CEO

MANAGEMENT TEAM

Prashant Panday

Managing Director & CEO

N. Subramanian

Group Chief Financial Officer

Hitesh Sharma

Chief Operating Officer

Tapas Sen

Chief Programming Officer

Mahesh Shetty

Chief Strategy Officer & RD (North & East)

Anand Parameswaran

Chief Business Officer & RD (South)

Yatish Mehrishi

EVP & RD (West & Central)

GG Jayanta

EVP - Marketing

Rahul Balyan

EVP - Digital

Vanditta Malhotra Hegde

SVP & Legal Head

COMPANY SECRETARY

Mehul Shah

SVP - Compliance & Company Secretary

AUDITORS

M/s Price Waterhouse & Co. Bangalore

Chartered Accountants

LEGAL ADVISORS

Singh & Singh Law Firm LLP

Halai & Co., Advocates & Legal Consultants

BANKERS

HDFC Bank Limited

REGISTRAR & SHARE TRANSFER AGENTS (R & TA)

Karvy Computershare Private Limited,
Unit:- Entertainment Network (India) Limited,
Plot No. 17 to 24, Vittal Rao Nagar, Madhapur,
Hyderabad - 500 081.
Phone: 040-44655000
Fax: 040-23420814

REGISTERED OFFICE

Entertainment Network (India) Limited,
CIN: L92140MH1999PLC120516,
E-mail: stakeholder.relations@timesgroup.com
website: www.enil.co.in
4th Floor, A-Wing, Matulya Centre,
Senapati Bapat Marg, Lower Parel(West),
Mumbai - 400 013.
Phone: 022-66620600

CORPORATE OFFICE

Entertainment Network (India) Limited,
Trade Gardens, Ground Floor,
Kamala Mills Compound,
Senapati Bapat Marg, Lower Parel (West),
Mumbai - 400 013.
Phone: 022-67536983
website: www.enil.co.in

Contents

01 Corporate Overview

Financial Highlights	02
Mirchi is Everywhere	04
Mirchi Music Awards	06
Mirchi Top 20	13
Mirchi in the Digital Space	14
Awards and Recognition	15
Letter from the Managing Director	18
Board of Directors	20
Mirchi's Footprints across India	24

25 Reports

Notice	25
Directors' Report	43
Report on Corporate Governance	49
Management Discussion and Analysis	66

78 Financial Statements

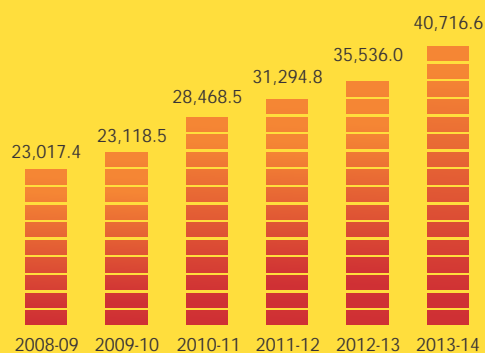
Auditors' Report	78
Balance Sheet	82
Statement of Profit & Loss	83
Cash Flow Statement	84
Notes forming part of the Financial Statements	86
Statement pursuant to Section 212 of the Companies Act, 1956	106
Auditors' Report on Consolidated Financial Statements	107
Consolidated Balance Sheet	108
Consolidated Statement of Profit & Loss	109
Consolidated Cash Flow Statement	110
Notes forming part of the Consolidated Financial Statements	112

Financial Highlights

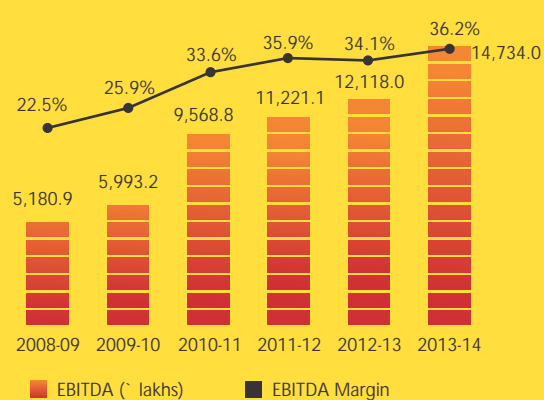
(` lakhs)

Particulars	2013-14	2012-13	2011-12	2010-11	2009-10	2008-09
Total Revenue	40,716.6	35,536.0	31,294.8	28,468.5	23,118.5	23,017.4
EBITDA	14,734.0	12,118.0	11,221.1	9,568.8	5,993.2	5,180.9
Depreciation and Amortisation	3,181.1	3,172.0	3,246.3	3,359.6	3,697.8	4,009.5
Finance cost	3.4	1.6	0.1	111.9	467.9	975.4
Profit before Exceptional items and Tax	11,549.5	8,944.4	7,974.7	6,097.3	1,827.5	196.0
Net Profit	8,344.9	6,767.1	5,651.0	5,220.9	1,786.7	291.2
Financial position						
Equity Share Capital	4,767.0	4,767.0	4,767.0	4,767.0	4,767.0	4,767.0
Reserves and Surplus	53,250.5	45,463.4	39,254.0	33,603.0	28,382.1	26,595.4
Net Worth	58,017.5	50,230.4	44,021.0	38,370.0	33,149.1	31,362.4

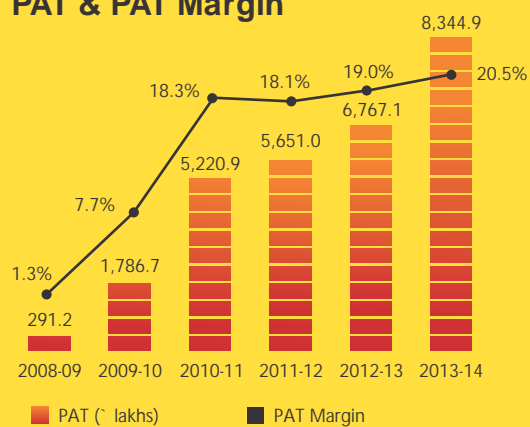
Total Revenue (₹ lakhs)



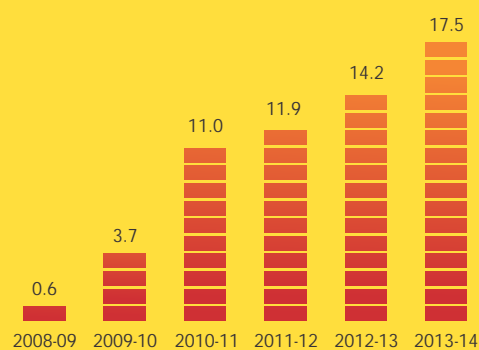
EBITDA & EBITDA Margin



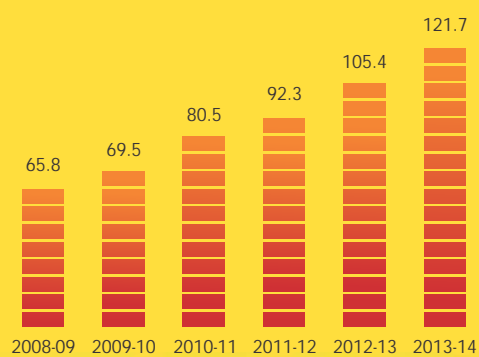
PAT & PAT Margin



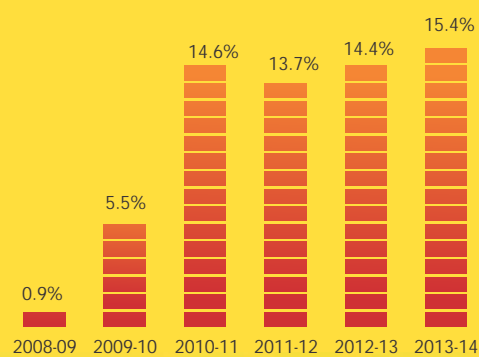
Earnings Per Share (₹)



Book Value Per Share (₹)



Return on Average Net Worth



Mirchi is Everywhere

Not just on Radio, but on TV, in newspapers and in digital as well.

Not just in India, but in international markets as well.

Not just in the media planner's minds, but also in the hearts and minds of our nearly 63 million listeners!

We were featured recently in the financial press:

- Dalal Street Investment Journal's Elite Top 100 – of the 4 listed media companies that make the list, ENIL is ranked at the top.
- Outlook Business Magazine, 12 Apr'14 edition in an article headlined "Why ENIL's Radio Mirchi is profitable when other media companies are struggling".

The Elite 100

Entertainment Network



Financial metrics FY13

Sales (` Cr)	Operating Profit (` Cr)	Net Profit (` Cr)	RONW (%)	Debt/ Equity (x)
339.56	121.84	68.32	13.60	0.00

Dalal Street Investment Journal May 4, 2014



Outlook Business Magazine Apr 12, 2014

The biggest advantage in being "everywhere" is in being able to deliver growth even when market conditions are adverse. Under some of the toughest economic conditions we've seen in a decade, your Company has delivered a fast pace of growth, leading the way not just in the radio sector, but in the overall media space as well. Be it in terms of revenues, or operating/net profits, or listenership numbers, or developing the widest range of revenue lines for clients, or indeed winning recognition at awards functions, your Company has made the most of the tough times. In just this last year, we've enhanced our TV presence by adding a new property, the "Mirchi Top 20" (a countdown show) and our online presence by launching several new radio stations covering a range of genres - from devotional to romance - and languages - from Hindi to English. It is this ability to innovate and leverage the Mirchi brand that allows us to be present everywhere. And be recognized as undisputed leaders.

In FY14, the FM radio industry, led by Mirchi, not only weathered a slowing economy (GDP growth fell to less than 5% for the second consecutive year), but also grew faster than other traditional media (Print, TV and Outdoors) by clocking a growth of nearly 12% (estimates). Your Company itself grew faster at 13.7%. It reported EBITDA growth of 19.9%, hitting ₹ 125 crores, with PAT growing even faster at 23.3% crossing ₹ 84 crores. If this isn't the mark of a leader, what is!

And yet, there is a big opportunity left for Mirchi to tap and spread its wings further. Indeed, we are on the cusp of an exciting journey; one that promises to take the Company to new and higher places.

In the short term, the private FM radio industry is going to expand exponentially. The long awaited Phase-3 auctions will now surely happen in FY15.

In fact, the expectation is that the auctions will start by Dec 2014. FM radio could then expand into 227 new cities. Mirchi is uniquely positioned to take advantage of these opportunities - to expand into new geographies and to acquire a 2nd/3rd channel in key markets, giving it the chance to launch new radio formats and to cater to a new section of listeners.

And in the long term, the digital revolution that is sweeping across the media landscape will allow your Company to enhance its presence in more ways than one. Firstly, it will help breach the natural geographical boundaries imposed on it by its very nature - FM signals can only cover "line of sight" distances. Digital knows no boundaries, and as demand for Mirchi exists around the world, your Company will be able to fulfill that demand using the internet. Secondly, the digital medium allows us to launch several new and different types of radio formats, which will help connect more deeply with millions of our current listeners, as well as reach out to new listeners. With the increasing adoption of smartphones and falling costs of broadband connectivity, the digital revolution is coming ever closer year after year. And we are excited by the opportunity it provides!

We in Mirchi have a deep belief that the creativity, innovation and single-minded devotion to brand building and listenership that have powered us so far, will stand us in good stead in the future also. We believe that our ability to identify and encourage talent to blossom across functions - programming, marketing and sales, finance and HR - allows us to transcend platforms - whether terrestrial or digital - and markets - whether domestic or international. Not surprisingly, in the UAE, we were voted the best Asian Radio Station for the second consecutive year!

By tapping into the opportunity to expand our FM footprint, by growing our presence on digital platforms, we plan to continue being everywhere!

Mirchi Music Awards

Mirchi is very much a part of the highly creative and talented music industry.

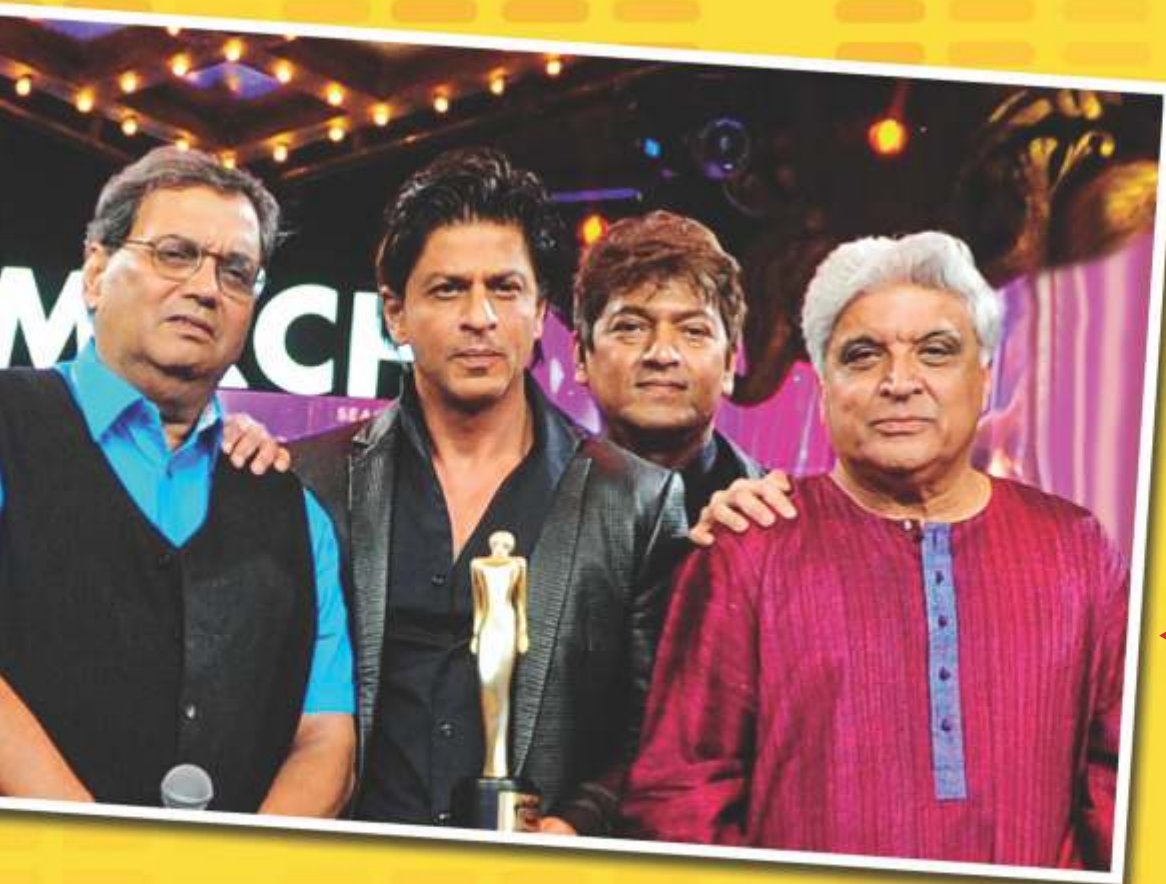
The Mirchi Music Awards (MMA) are the flagship property of Radio Mirchi. The Awards grow in scale and stature every year. Starting with the Hindi Awards in 2009, the Awards now encompass music in many other major languages of our country - the 4 South Indian languages, (Kannada, Telugu, Tamil, & Malayalam), Bangla and Marathi. They inspire upcoming talent and they honour legends. The Awards have become a talking point and a date to keep within the music fraternity.

The 6th edition of the Hindi Mirchi Music Awards had the who's who of the music and film fraternity in attendance. The soul of any award really is its jury, and its judging process. MMA has also benefited from the love and affection of its most talented jury pool, led by Padma Bhushan Javed Akhtar (Chairman). The other

eminent members of the jury this year were Aadesh Shrivastava, Alka Yagnik, Anu Malik, Anurag Basu, Illa Arun, Irshad Kamil, Kavita Krishnamurthy, Lalit Pandit, Louiz Banks, Prasoon Joshi, Raju Singh, Ramesh Sippy, Saapna Mukherjee, Sadhana Sargam, Sameer, Shailendra Singh, Shankar Mahadevan, Sooraj Barjataya, Subhash Ghai, Sudhir Mishra, Suresh Wadkar, Swanand Kirkire and Talat Aziz.

Mr. Shahrukh Khan was recognized as the "Face of Romantic Music" this year and the Lifetime Achievement Award was given to Mr. Kalyanji Virji Shah, popularly known as Anandjibhai of the Kalayani - Anandji music duo fame.

TV viewers gave the televised show their vote of approval with ~480 lac viewers tuning into the award show across India. Like we say every year "Music ko Mirchi ka salaam" (Mirchi's salute to music).



← **Shahrukh Khan** with the Face of Romantic Music Award and with Subhash Ghai, Aadesh Shrivastava and Jury Chairman Padma Bhushan Javed Akhtar

Shahrukh Khan
acknowledges the
honour



**An award fit
for the legend:**

Anandjibhai
receives the
Lifetime
Achievement
Award from
Khayyamsaab



Mirchi Music Awards



← Mika Rocks!



→ Manish Paul & Sonu Nigam hosting the Awards



← Arijit Singh performing



→ Manish Paul with Varun Dhwan, Ileana D'Cruz and Nargis Fakhri

The victorious Aashiqui 2 team with
Album of the Year Trophy



Sunidhi's power packed performance

Mirchi Music Awards, Marathi

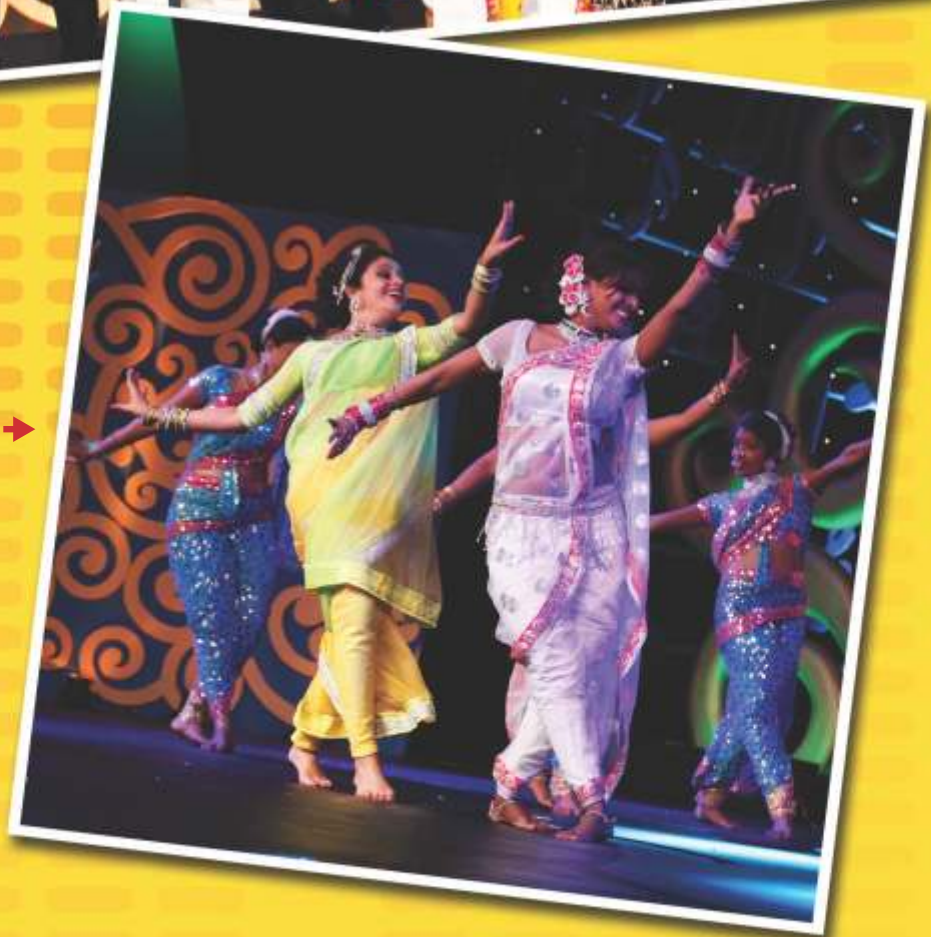


One for the frame

Lifetime Achievement recipient Yeshwant Dev with Amol Palekar and members of the Jury

A tale with a twist →

Neha Pendse and Megha Ghatge presented Lavani with a twist



Mirchi Music Awards, Bangla

◀ **Million dollar smile**
Bollywood superstar Madhuri Dixit Nene was at her charming best at the MMA, Bangla

Taking music places
Purna Das Baul was honoured with the Lifetime Achievement Award for popularizing 'Baul' music in the world



◀ **The crooning glory**
Jeet Ganguly won the 'Music Composer of The Year' for the song 'Mon Majhi Re'

↑ **The Midas touch**
TV & film actress Barkha Bisht had the audience thrilled with her electrifying performance



Mirchi Music Awards, South



← From one genius to another

Veteran Technician Emanuel receiving Special Jury Award from A. R. Rahman



In remembrance

Singer Vijay Prakash along with other young singers paid an emotional tribute to all the legends who passed away in 2012



Saluting the genius in her
Veteran Singer L. R. Eswari receiving Lifetime Achievement Award from Gangai Amaran & Usha Uthup



The Three Musketeers

Shankar Ganesh honoured with the Lifetime Achievement Award for Kannada music, with Jayanthi Kaikini and Usha Uthup

Mirchi Top 20 Is on Print, TV and Online....not just Radio!

Breathing new life into the industry gold standard countdown show like Mirchi Top 20 exemplifies Mirchi being everywhere.

Unlike countdown shows which are primarily on any one medium – Radio or TV, the Mirchi Top 20 is on Radio and TV and Print and Online.

The top 20 songs are chosen thorough a rigorous process that evaluates radio, TV and online playouts and requests among other criteria to determine the rank, weekly and yearly.

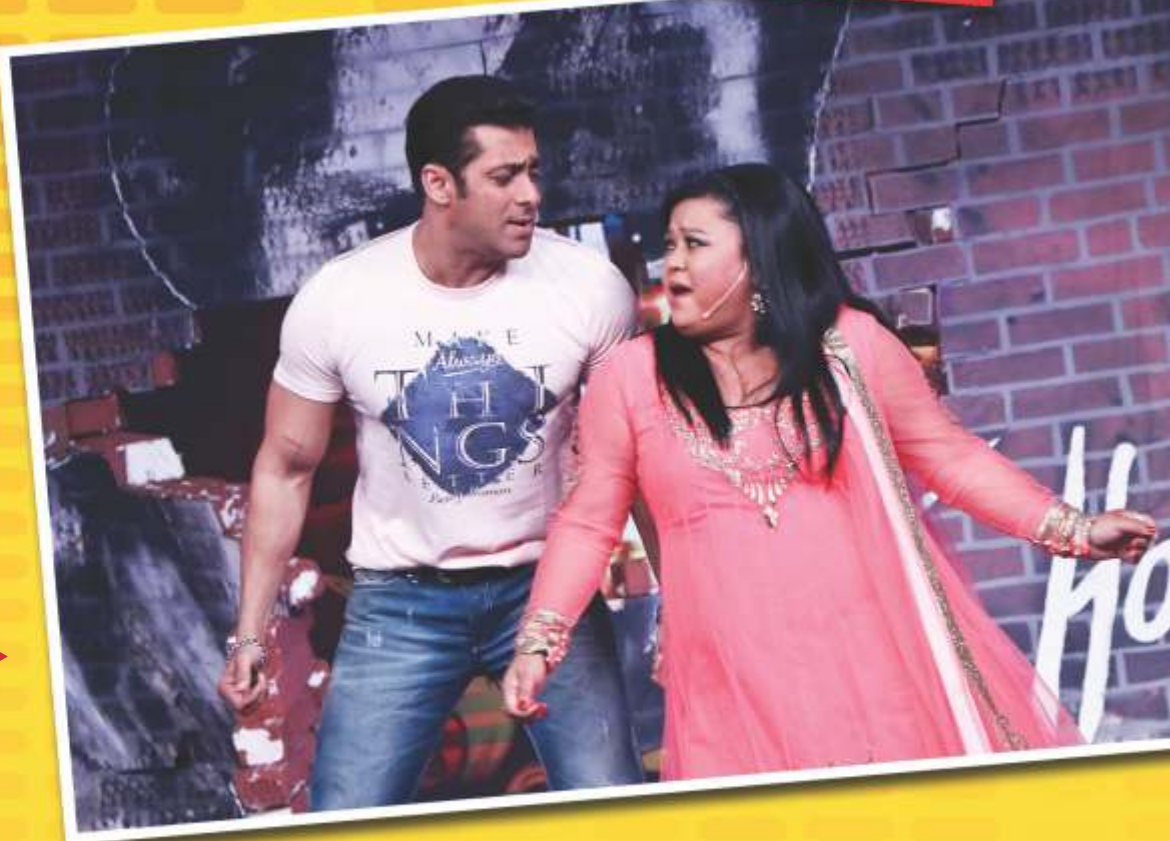
The weekly Top 20 songs are played on Radio and the list is published in The Times of India and radiomirchi.com every week. The weekly Top 20 then culminates in a yearly Top 20 in which the Top 20 songs of the year are performed on stage by known TV stars. This year, there was a surprise performance by the one and only Salman Khan as well! The performance was telecast on Colors. With its spectacular sets, witty compering, the Mirchi Top 20 show was watched and heard by 240 lac viewers in its very first edition!

Radio Mirchi's Top 20 Bollywood songs of 2013

Turn Hi Ho from *Aashiqui 2*, sung by Arijit Singh, composed by Mithoon, is 2013's most popular song

RANK	SONG TITLE	MOVIE
1	Turn Hi Ho	Aashiqui 2
2	Badtameez Dil	Yeh Jawaani Hai Deewani
3	Teri Jhuki Nazar	Murder 3
4	Lat Lag Gayee	Race 2
5	Nagada Sang Dhol	Ram-Leela
6	Lungi Dance	Chennai Express
7	Tu Mere Agal Bagal Hai	Phata Poster Nikhla Hero
8	Sunn Raha Hai	Aashiqui 2
9	Jeene Laga Hoon	Ramayi Vastavaiya
10	One Two Three Four (Get On The Dance Floor)	Chennai Express
11	Balam Pichkari	Yeh Jawaani Hai Deewani
12	Manja	Kai Po Che
13	Gulabi	Shuddh Desi Romance
14	Party All Night	Boss
15	Sawaar Loon	Lootera
16	Tattad Tattad (Ramji Ki Chaal)	Ram-Leela
17	Zinda	Bhaag Milkha Bhaag
18	Saadi Galli Aaja	Nautanki Saala
19	Main Rang Sharbaton Ka	Phata Poster Nikhla Hero
20	Gandi Baat	R...Rajkumar

Salman Khan ➔
performing with
Bharti at the
Mirchi Top 20



Mirchi in the Digital Space

Doubling our presence

Mirchi has a strong presence in the online world.

From melody filled songs of the 1990s (who can forget Kuch Kuch Hota Hai!) to the latest Bollywood numbers to Devotional music to even English retro with an Indian touch, Mirchi's digital presence is leaving its stamp on every genre of music. Mirchi now has 9 online stations, 5 of which were launched this year:



Radio Romance – English Romantic Music



Filmy Mirchi – Hindi CHR & Bollywood content



Mirchi Rockistaan – English Rock music across 4 decades



Cassette Classics – English Classics (Retro)



Mirchi Devraag – Hindi Devotional

Mirchi Wins Awards and Recognition Everywhere



We got recognition "everywhere" too!

Radio Mirchi UAE voted again as the Best Radio Station For the second year in a row, Radio Mirchi UAE was voted the best Radio Station in the Popular Choice category in the 6th Annual Masala Awards. The award is a testament to the strength of the Mirchi brand, the creative prowess of the team there, and the loyal audience that it attracts!

Mirchi sweeps the IRF Awards

Radio Mirchi won a whopping 13 trophies at the 8th IRF Awards making it the highest awarded radio station. The awards spanned the entire spectrum of programming activities from radio programmes to RJs to show promos across all our markets (i.e not just metros) and languages.



Mirchi Wins Awards and Recognition Everywhere

Golden Mikes Award

At the Exchange4media Golden Mikes, Radio Mirchi won a total of 7 awards - 4 awards for Creativity, 1 award each for the Best use of Radio As a Medium, Best Public Service Initiative by a Radio Station and Best First Time Innovation.

RJ Jeeturaaj of Radio Mirchi Mumbai Wins Sound of India Competition

RJ Jeeturaaj, represented India at the International Radio Festival 2013 in Zurich from 4th to 8th September 2013. RJ Jeeturaaj came out on top from among a field of 100 entries from 40 private and public FM radio stations in India.

Jeeturaaj, famous for never revealing his face in photographs, hosts the breakfast show, 'Hi Mumbai' where he discusses socially relevant issues with listeners besides entertaining them with the hottest music.



Other Awards

Mirchi Cares, the CSR initiative of Radio Mirchi, provides audio support and entertainment to visually impaired and blind people. Apart from producing audio books and screening audio films in various cities, Mirchi Cares created utility content for the blind in the form of restaurant menus, DTC bus routes, taxi meter and auto rickshaw meter fares in audio format.

Mirchi Cares initiatives were featured in the ASSOCHAM Compendium on CSR for the year 2013-14. Mirchi Cares has won awards like the Golden Peacock CSR award, Social and Corporate Governance Awards and the Global CSR Excellence & Leadership Awards organized on World CSR Day.



Letter from the Managing Director



Happy days are here again!

“As I write this section, I am reminded of the old advertising jingle of a popular soft drink brand: "Happy Days are Here Again....."! For the highly regulated private FM industry, the formal launch of the Phase-3 process does indeed augur the arrival of happy days.”

On April 25, 2014, the Government of India released an ad in the papers seeking bids from potential e-auctioneers - those who would be responsible for conducting e-auctions under Phase-3. The last date for submission of bids was fixed as June 20, 2014. With this, Phase-3 is now well underway, outside of the political process, and under the control of the bureaucracy. Why this is important is because with a change in government at the centre, there could have been worries of more delays. In any case, the new BJP government, led by Mr. Narendra Modi, has promised to speed up things.

Phase-3 means a lot to the private FM industry. Starved of growth opportunities since the last time auctions were held in 2006, Phase-3 will be like a burst of new energy. The radio industry has been watching all the other media vehicles grow since 2006; the number of TV channels has kept expanding, newspaper editions keep opening up in new places, the OOH industry has seen a huge upswing with a spurt in infrastructure projects, and the internet of course, knows no bounds. In the face of so much action in the media space, the FM radio industry has had to fend for itself with what it got last in 2006. In spite of all the constraints, we've done well. Share of radio in media has grown from somewhere between 2-2.5% in 2006 to 4.5% or so now. With 800+ licenses due to be issued under Phase-3, the share of radio is bound to climb to 6-7%. Phase-3 represents a huge growth opportunity for your Company as well. On the one hand, there is an opportunity to expand into newer towns, albeit smaller ones. On the other hand, there is the opportunity to acquire a 2nd or even 3rd license in the large metros. Both of these put together, along with several other policy changes under Phase-3, imply a big opportunity for your Company to expand its revenues, operating profits and PAT. Your Company is confident of being able to dive into this opportunity, having the strongest balance sheet in the business, the most creative programming and marketing teams, the most widely regarded sales and operations management teams and the ablest HR, Finance and Legal teams in the media industry.

In the absence of Phase-3, your Company continued with what it is best at - Innovations. The most innovations were in sales. Starting with plain vanilla radio (called "FCT" in the media industry), your Company has expanded into several new product lines - Activations, Creative Services, Mobile, TV properties, International markets, Internet and Multi Media Solutions. This arsenal of sales products has stood your Company in good stead, allowing it to grow faster than the overall radio industry. In the last two years, while the radio industry has expanded by an estimated 27%, your Company has grown at 28%.

In the mean time, the radio industry's growth has itself been higher than that of other traditional media - TV, Print and OOH. This we believe is because an economic slowdown forces advertisers to spend more on "promotions" and drives them towards radio. Also, those who haven't tried radio in the past, re-evaluate their options and find the strengths of radio to be compelling.

There is one critical decision that the government needs to make about renewing the current licenses of your Company, some of which expire in April 2015. The TRAI has already made recommendations on this matter. It is now under active debate in the MIB, and we are hopeful that the government will push forward quickly.

The financial results of this last year have been very satisfying. Revenue from operations grew by 13.7%, EBITDA from operations grew by 19.9% and PAT grew by 23.3%. These numbers are a testimony to the strength of Mirchi as a brand and the competency and hard work of the whole team. While the next year or two will remain challenging, the period thereafter, with Phase-3 auctions and Phase-2 license renewals completed, will surely be something that will make us hum the happy days jingle!

Prashant Panday

Managing Director & CEO



Board of Directors



Mr. Vineet Jain
(Chairman & Non- Executive Director)

A trustee and board member of several organizations, Mr. Vineet Jain – Chairman & Non Executive Director (ENIL) holds a Bachelor's degree (B. Sc.) in International Business Administration in Marketing from Switzerland.

As the Managing Director of Bennett, Coleman & Co. Ltd., Mr. Jain is acknowledged as a thought leader in transforming the Times Group from a publishing house to a diversified media conglomerate. He has made a significant difference to the landscape of the new age media in India. His leadership in the domain of Internet, Radio and Out of Home has added a new impetus to the categories.

He is on the managing committees of philanthropic organizations viz. The Times Foundation, The Times of India Relief Fund and the S. P. Jain Foundation.

Mr. Jain is also a member of the Board of Directors of The Press Trust of India Ltd.



Mr. A. P. Parigi
(Independent Non- Executive Director)

An alumnus of the Delhi School of Economics and Faculty of Management Studies, of the University of Delhi, Mr. A. P. Parigi has for the past 2 decades held senior positions in various industries. Prior to joining the Times Group, he was the CEO of BPL Mobile, Mumbai. After he stepped down as the Managing Director- ENIL, he joined Eros International Media Limited as the Managing Director & Group CEO- India operations- from October 2009 till February 2010.

In April 2009, he was awarded The William F Glaser'53, 'Rensselaer's Entrepreneur of the Year', in Troy, Albany, USA. In June 2010, he joined the Business Advisory Council of the Said Business School, Oxford University, UK. Mr. Parigi also serves as a member of the Board of Overseers - Fordham Graduate School of Business, Fordham University, New York. In May 2011, he was appointed Advisor – N.E.A.; India. N.E.A. is a leading venture capital and growth equity firm in the USA.

Mr. Parigi was honored with the Life Time Achievement Award by the World Brand Congress in 2009. He serves on the Boards of several companies including Bennett, Coleman & Company Limited (Times of India Group), Times Global Broadcasting Company Limited (TIMES NOW).



Mr. B. S. Nagesh
(Independent Non- Executive Director)

Mr. B. S. Nagesh has been with Shoppers Stop Limited since its inception in 1991. Recognized as the pioneer of the retail boom in India, Mr. Nagesh was voted by Business India as one of the top 50 managers in India who will influence the Indian business scenario in the 21st century. Mr. Nagesh was also instrumental in acquiring of the Crossword chain of bookstores in the year 2000. Ernst & Young nominated him for the Entrepreneur of the Year Award 2005 as one of the top 30 finalists.

Mr. Nagesh is the first Asian to be inducted into the 'World Retail Hall of Fame' 2008 along with Mr. Millard Drexler of J Crew, Sir Philip Green of BHS and Arcadia and Mr. Amancio Ortega of Inditex at the World Retail Congress 2008 conducted in Barcelona. The four iconic retailers have been selected by retail industry leaders and experts from across the Globe in recognition of their supreme industry achievements. Shoppers Stop Limited also won the 'Emerging Market Retailer of the Year' Award at the World Retail Congress 2008.

Mr. Nagesh has been involved in setting up and opening the country's largest hypermarket HyperCity, which was launched in May 2006. HyperCity has been declared as one of the top 100 retail destinations in the world by Retail Week, UK and the best hypermarket at the United States International Design Awards in New York. In the year 2009, Mr. Nagesh was elevated as the Vice Chairman of Shoppers Stop in a non executive position.

As part of his personal philosophy of Learn, Earn and Return, Nagesh stepped down from all operational roles in the K. Raheja Corp Group in August 2009 at the age of 50. He has set up a charitable trust called TRRAIN (Trust for Retailers and Retail Associates of India). He has also established Section 25 Company called TRRAIN Foundation with a not-for-profit objective. Both these organisations are working towards empowering people in retail by helping them through financial literacy, skilling, education and getting them pride and respect through awards and celebrations.



Mr. N. Kumar
(Independent Non- Executive Director)

Mr. N Kumar is the Vice Chairman of The Sanmar Group, a multinational US \$ 1 billion conglomerate headquartered in Chennai, India with manufacturing facilities in India, the US, Mexico, and Egypt. The Group is engaged in key business sectors - Chemicals (including Speciality Chemicals), Engineering (Products and Steel Castings) and Shipping.

As a spokesman of Industry and Trade, Mr. Kumar had been a President of CII and participated in other apex bodies. He presently chairs the CII Institute of Quality, Bangalore. Mr. Kumar is the Chairman of National Accreditation Board for Certification Bodies, which is a constituent of Quality Council of India. He is also a member of the Board of Governors of Institute for Financial Management & Research.

Mr. N Kumar is on the Board of various public companies and carries with him over four decades of experience in the spheres of Technology, Management and Finance.

Mr. Kumar has a wide range of public interests going beyond the confines of corporate management in areas of health, social welfare, education and sports. One special area where he is involved is the Madhuram Narayanan Centre for Exceptional Children.

He is also the Honorary Consul General of Greece in Chennai.

An Electronics Engineering Graduate from Anna University, Chennai and a fellow member of the Indian National Academy of Engineering, he is also a fellow life member of The Institution of Electronics and Telecommunication Engineers. Mr. Kumar is an avid golfer and a patron of cricket and tennis. He has extensively traveled across the globe.

Board of Directors



Mr. Ravindra Dhariwal
(Non- Executive Director)

Mr. Ravindra Dhariwal is the Executive Director and CEO, Bennett, Coleman & Co. Limited. Prior to this, Mr. Dhariwal was the Vice President, Franchise, SE Asia, PepsiCo International.

During his illustrious career, he has held various positions at companies like Hindustan Lever Limited, Rexona Prop. Limited - Sydney, Pepsi Foods Industries and PepsiCo International. He holds a B. Tech degree from IIT Kanpur and a post graduate diploma in management from IIM, Calcutta.



Mr. Ravindra Kulkarni
(Independent Non- Executive Director)

Mr. Ravindra Kulkarni holds a Masters degree in Law from University of Mumbai. Having been in the legal arena for over four decades, Mr. Kulkarni has vast experience as a legal practitioner, particularly on matters relating to corporate law and particularly on foreign collaborations, joint ventures, mergers and acquisitions, capital markets, public offerings for listing of securities in India as well as in international markets, infrastructure projects, etc.

He is a senior partner of M/s. Khaitan & Co., one of India's leading law firms and heads their Mumbai office. He is on the Boards of several listed companies as an independent director.



Mr. Richard Saldanha
(Independent Non- Executive Director)

Mr. Richard Saldanha, a graduate Mechanical Engineer, served Hindustan Lever & Unilever plc for 30 years. He spent almost 10 years in Latin America. He was Technical Director of Unilever Venezuela, Vice-President – Supply Chain for Unilever Andina, (Venezuela, Colombia, Ecuador) rising to be Chairman and CEO of Unilever Peru and a Member of the Unilever Latin America Board.

He returned to India as Managing Director of Haldia Petrochemicals Limited, a 1.5 BN \$ enterprise. He defined his role at Haldia as 'a role that provides clear vision and strategic direction, that builds culture, business ethic, structure and processes to deliver outstanding business performance and Good Corporate Governance'.

He then joined The Times of India Group as a Member of the Board where he spent 5 years to help build organizational capability, culture and competitiveness. He later joined Blackstone India where he retired after spending six years as Executive Director. He was responsible for operational excellence and good governance for a group of Blackstone portfolio companies.

His 48 years of corporate experience in a gamut of functions that ranged from Manufacturing and Planning to Corporate Development and General Management have given him learning and insights which have proved to be invaluable for restructuring and reorganizing companies as well as for managing partnerships and strategic alliances in an international arena. He has been a Board Member since the mid 80s on several Boards nationally and internationally.

Mr. Saldanha has been associated with various chambers of commerce and industry bodies, both in India and globally, in various capacities. He was also the Founder President of Bal Raksha Bharat, India and a Former President of Delhi Management Association. He is currently Chairman of Gokaldas Exports and Trans Maldivian Airways and is a member of the Court of Governors of the Administrative Staff College of India.



Ms. Vibha Paul Rishi
(Independent Non-Executive Director)

Ms. Vibha Paul Rishi is a seasoned marketing professional with extensive experience in India and international markets, coupled with an abiding passion for people.

Her last role was as the Executive Director – Brand and Human Capital of Max India Limited, a multi business corporate with consolidated revenue of more than two billion USD. Max has business interests primarily in the insurance and healthcare space. Max India is a joint venture partner in Max Life Insurance, Max Bupa and Max Healthcare. Prior to this she was the Director, Marketing and Customer Strategy at the Future Group, India's largest retail group. Her longest stint was at PepsiCo with 17 years of leadership roles in marketing and innovation in India, US and UK. She was one of the founding team of PepsiCo when they set up in India. During her PepsiCo India stint, she is remembered for the "Nothing official about it" and "Yeh dil maange more" campaigns, amongst others. She later moved to PepsiCo's headquarters to be a part of its international marketing team. This was followed by an innovation leadership role in London.

She was also associated with Pratham, a NGO that works to provide education to underprivileged children in India.

Ms. Vibha Paul Rishi started her career with the Tata Administrative Services and was part of the founding team of Titan Watches. She is an alumnus of FMS, Delhi.



Mr. Prashant Panday
(Managing Director & CEO)

Forty eight years of age, Mr. Prashant Panday is an Engineering graduate in Electronics & Communication, and has done his PGDM from IIM Bangalore (1990).

Mr. Panday is the Managing Director and Chief Executive Officer of the Company. He has been associated with the Company since August 2000 and has played a key role in bringing in the radio revolution in India. Over the last 14 years, he has played a significant role in making Mirchi the #1 radio brand in the Country in terms of listenership (IRS Q4, 2012: 37.5 million). In 2008, Mirchi was rated the #1 media brand – ahead of The Times of India and Star Plus – in the IMRB- Pitch survey.

Mr. Panday has total experience of 24 years in industries ranging from Advertising, Banking, FMCG & Media. Prior to joining the Company, he has worked with Citibank, Pepsi, HUL, Mudra and Modi Revlon. His areas of strength include Marketing & Sales, Analytics & Strategy and People Management. Mr. Panday is the Chairman of the FICCI Radio committee, the Sr. VP in the Association of Radio Operators of India (AROI), the Vice Chairman of MRUC, and a member of the CII Entertainment Committee. He also served as a member of the Ministry of I&B's committee on fighting piracy. He is a speaker at various industry forums.

Mirchi's Footprints across India



~63 million
listeners
32 stations
1 hot
country

Notice

NOTICE is hereby given that the **FIFTEENTH** Annual General Meeting (AGM) of the Members of **ENTERTAINMENT NETWORK (INDIA) LIMITED** will be held on **Tuesday, August 12, 2014** at **3.00 p.m.** at Birla Matushri Sabhagar, 19, New Marine Lines, Mumbai 400 020, to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at March 31, 2014, the Profit and Loss Account (the Statement of Profit and Loss) and the Cash Flow Statement for the financial year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To declare dividend on equity shares.
3. To appoint a director in place of Mr. Ravindra Dhariwal (DIN: 00003922) who retires by rotation and who is not disqualified to become a director under the Companies Act, 2013 and being eligible, offers himself for reappointment.
4. To appoint a director in place of Mr. Vineet Jain (DIN: 00003962) who retires by rotation and who is not disqualified to become a director under the Companies Act, 2013 and being eligible, offers himself for reappointment.
5. **Appointment of auditors**

To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT in place of the retiring auditors- Messrs Price Waterhouse & Co., Bangalore, Chartered Accountants (registration number- 007567S), who have given a notice in writing expressing their inability to be reappointed as the Auditors of the Company; S. R. Batliboi & Associates LLP, Chartered Accountants (registration number- 101049W) be and are hereby appointed as the Auditors of the Company, pursuant to the special notice received from a member under Sections 115, 140(4) and all other applicable provisions of the Companies Act, 2013 and based on the recommendation of the Audit Committee and pursuant to the provisions of Sections 139, 141, 142 and all other applicable provisions of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014 and

all other applicable rules made under the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force), to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the sixth consecutive AGM (with the meeting wherein such appointment has been made being counted as the first meeting), subject to the ratification of the appointment by the members of the Company at every AGM after this AGM, at a remuneration as may be recommended by the Audit Committee and fixed by the Board of Directors of the Company in addition to out of pocket expenses as may be incurred by them during the course of the Audit;

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to delegate all or any of its powers to any of its committee(s) or any director or officer or person and to do all such acts, deeds, matters and things for giving effect to this resolution."

Special Business:

6. **Ratification of remuneration payable to cost auditors**

To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provision of Section 148 and all other applicable provisions of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014 and all other applicable rules made under the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force), the Cost Auditors, M/s. R. Nanabhoy & Co., Cost Accountants (Firm registration number- 00010), appointed by the Board of Directors of the Company as recommended by the Audit Committee to conduct the audit of the cost records of the Company for the financial year ending on March 31, 2015, be paid the remuneration as set out in the Statement pursuant to Section 102 of the Companies Act, 2013 annexed to this Notice;

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to delegate all or any

Notice

of its powers to any of its committee(s) or any director or officer or person and to do all such acts, deeds, matters and things for giving effect to this resolution."

7. Re-designation of Mr. Prashant Panday as Managing Director & CEO

To consider and, if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED THAT in accordance with the provisions of Sections 196, 197, 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and all other applicable rules made under the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) (hereinafter referred to as 'the Act'), approval of the Company be and is hereby accorded for the change in the designation of Mr. Prashant Panday (DIN: 02747925) from 'Executive Director & Chief Executive Officer' to 'Managing Director & Chief Executive Officer' with effect from May 23, 2014 and to hold the office (not liable to retire by rotation) as the 'Managing Director & Chief Executive Officer' for his remaining tenure i.e. up to June 30, 2016 on the same terms and conditions including remuneration as approved by the members at their meeting held on August 8, 2013;

RESOLVED FURTHER THAT if in any financial year during the currency of the tenure of Mr. Prashant Panday as the 'Managing Director & Chief Executive Officer', the Company has no profits or its profits are inadequate, the Company will pay him remuneration by way of salary, benefits, perquisites, allowances, etc. as already approved by the members at their meeting held on August 8, 2013 as the minimum remuneration subject to compliance with the applicable provisions of the Act, subject to the approval of the Central Government and other regulatory authorities, if and to the extent necessary and applicable; notwithstanding that the remuneration is in excess of the maximum remuneration permitted to be paid to him under the

applicable provisions of the Act;

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to delegate all or any of its powers to any of its committee(s) or any director or officer or person and to do all such acts, deeds, matters and things for giving effect to this resolution."

8. Appointment of Mr. Richard Saldanha as an Independent Director 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 149, 150, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and all other applicable rules made under the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) (hereinafter referred to as 'the Act') and Clause 49 of the Listing Agreement as amended from time to time, Mr. Richard Saldanha (DIN: 00189029), Independent Non- executive Director of the Company, who retires by rotation at this Annual General Meeting (AGM) under the erstwhile applicable provisions of the Companies Act, 1956 and who is not disqualified to become a director under the Act and who is eligible for appointment as an independent director (independent non- executive director) and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing Mr. Saldanha as a candidate for the office of the independent director of the Company, be and is hereby appointed as an Independent Director (Independent Non- executive Director) of the Company to hold office for a term of five consecutive years commencing from August 12, 2014, not liable to retire by rotation, as set out in the Statement pursuant to Section 102 of the Act annexed to this Notice;

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to delegate all or any of its powers to any of its committee(s) or any

Notice

director or officer or person and to do all such acts, deeds, matters and things for giving effect to this resolution."

9. Appointment of Mr. Ravindra Kulkarni as an Independent Director 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 149, 150, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and all other applicable rules made under the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) (hereinafter referred to as 'the Act') and Clause 49 of the Listing Agreement as amended from time to time, Mr. Ravindra Kulkarni (DIN: 00059367), Independent Non- executive Director of the Company, whose period of office is liable to determination by retirement of directors by rotation at the Annual General Meeting (AGM) under the erstwhile applicable provisions of the Companies Act, 1956 and who is not disqualified to become a director under the Act and who is eligible for appointment as an independent director (independent non- executive director) and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing Mr. Kulkarni as a candidate for the office of the independent director of the Company, be and is hereby appointed as an Independent Director (Independent Non- executive Director) of the Company to hold office for a term of five consecutive years commencing from August 12, 2014, not liable to retire by rotation, as set out in the Statement pursuant to Section 102 of the Act annexed to this Notice;

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to delegate all or any of its powers to any of its committee(s) or any director or officer or person and to do all such acts, deeds, matters and things for giving effect to this

resolution."

10. Appointment of Mr. A. P. Parigi as an Independent Director 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 149, 150, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and all other applicable rules made under the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) (hereinafter referred to as 'the Act') and Clause 49 of the Listing Agreement as amended from time to time, Mr. Amba Preetham Parigi (Mr. A. P. Parigi) (DIN: 00087586), Independent Non- executive Director of the Company, whose period of office is liable to determination by retirement of directors by rotation at the Annual General Meeting (AGM) under the erstwhile applicable provisions of the Companies Act, 1956 and who is not disqualified to become a director under the Act and who is eligible for appointment as an independent director (independent non- executive director) and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing Mr. A. P. Parigi as a candidate for the office of the independent director of the Company, be and is hereby appointed as an Independent Director (Independent Non- executive Director) of the Company to hold office for a term of five consecutive years commencing from August 12, 2014, not liable to retire by rotation, as set out in the Statement pursuant to Section 102 of the Act annexed to this Notice;

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to delegate all or any of its powers to any of its committee(s) or any director or officer or person and to do all such acts, deeds, matters and things for giving effect to this resolution."

Notice

11. Appointment of Mr. N. Kumar as an Independent Director 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 149, 150, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and all other applicable rules made under the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) (hereinafter referred to as 'the Act') and Clause 49 of the Listing Agreement as amended from time to time, Mr. Narayanan Kumar (Mr. N. Kumar) (DIN: 00007848), Independent Non- executive Director of the Company, whose period of office is liable to determination by retirement of directors by rotation at the Annual General Meeting (AGM) under the erstwhile applicable provisions of the Companies Act, 1956 and who is not disqualified to become a director under the Act and who is eligible for appointment as an independent director (independent non- executive director) and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing Mr. N. Kumar as a candidate for the office of the independent director of the Company, be and is hereby appointed as an Independent Director (Independent Non- executive Director) of the Company to hold office for a term of five consecutive years commencing from August 12, 2014, not liable to retire by rotation, as set out in the Statement pursuant to Section 102 of the Act annexed to this Notice;

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to delegate all or any of its powers to any of its committee(s) or any director or officer or person and to do all such acts, deeds, matters and things for giving effect to this resolution."

12. Appointment of Mr. B. S. Nagesh as an Independent Director 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 149, 150, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and all other applicable rules made under the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) (hereinafter referred to as 'the Act') and Clause 49 of the Listing Agreement as amended from time to time, Mr. Nagesh Satyanarayan Basavanhalli (Mr. B. S. Nagesh) (DIN: 00027595), Independent Non- executive Director of the Company, whose period of office is liable to determination by retirement of directors by rotation at the Annual General Meeting (AGM) under the erstwhile applicable provisions of the Companies Act, 1956 and who is not disqualified to become a director under the Act and who is eligible for appointment as an independent director (independent non- executive director) and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing Mr. B. S. Nagesh as a candidate for the office of the independent director of the Company, be and is hereby appointed as an Independent Director (Independent Non- executive Director) of the Company to hold office for a term of five consecutive years commencing from August 12, 2014, not liable to retire by rotation, as set out in the Statement pursuant to Section 102 of the Act annexed to this Notice;

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to delegate all or any of its powers to any of its committee(s) or any director or officer or person and to do all such acts, deeds, matters and things for giving effect to this resolution."

13. Appointment of Ms. Vibha Paul Rishi as an Independent Director 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

Notice

Sections 149, 150, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and all other applicable rules made under the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) (hereinafter referred to as 'the Act') and Clause 49 of the Listing Agreement as amended from time to time, Ms. Vibha Paul Rishi (DIN: 05180796), Independent Non- executive Director of the Company, whose period of office is liable to determination by retirement of directors by rotation at the Annual General Meeting (AGM) under the erstwhile applicable provisions of the Companies Act, 1956 and who is not disqualified to become a director under the Act and who is eligible for appointment as an independent director (independent non- executive director) and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing Ms. Vibha Paul Rishi as a candidate for the office of the independent director of the Company, be and is hereby appointed as an Independent Director (Independent Non- executive Director) of the Company to hold office for a term of five consecutive years commencing from August 12, 2014, not liable to retire by rotation, as set out in the Statement pursuant to Section 102 of the Act annexed to this Notice;

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to delegate all or any of its powers to any of its committee(s) or any director or officer or person and to do all such acts, deeds, matters and things for giving effect to this resolution."

Notes:

- (a) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE GENERAL MEETING IS ENTITLED TO APPOINT A PROXY, WHO NEED NOT BE A MEMBER, TO ATTEND AND VOTE ON BEHALF OF HIMSELF/ HERSELF. The instrument appointing the Proxy, in order to be effective, should be duly completed and deposited at the Registered Office of the Company, not less than 48 (forty eight) hours before the commencement of the Meeting. A proxy form for

the Annual General Meeting (AGM) is enclosed.

A person can act as a proxy on behalf of the members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as a proxy and such person shall not act as a proxy for any other person or member.

- (b) The Company's Registrar & Share Transfer Agents are Karvy Computershare Private Limited ('R & TA'), Unit: Entertainment Network (India) Limited, Plot No. 17 to 24, Vittal Rao Nagar, Madhapur, Hyderabad – 500081. Phone : 040 – 44655000, Fax : 040 – 23420814.
- (c) The Register of Members and Share Transfer Books of the Company will remain closed from **Tuesday, August 5, 2014 to Tuesday, August 12, 2014**, both days inclusive, for taking record of the Members of the Company for the purpose of AGM and determining the names of the Members eligible for dividend on equity shares, if declared at the AGM.
- (d) The Dividend, if declared at the AGM, would be paid/ dispatched on/ after August 13, 2014 and within thirty days from the date of declaration of dividend to those persons (or their mandates):
- whose names appear as beneficial owners as at the end of the business hours on August 4, 2014 in the list of the Beneficial Owners to be obtained from the Depositories i.e. National Securities Depository Limited [NSDL] and Central Depository Services (India) Limited [CDSL], in respect of the shares held in electronic/ dematerialized mode; and
 - whose names appear as Members in the Register of Members of the Company as on August 4, 2014, after giving effect to valid share transfers in physical forms lodged with the Company/ R & TA, in respect of the shares held in physical mode.

In respect of the Members holding shares in electronic form, the bank details as obtained from the respective depositories will be used for the

Notice

purpose of distribution of dividend through various approved/ permissible electronic mode of payment viz. Electronic Clearing Services (ECS), National Electronic Funds Transfer (NEFT), Real Time Gross Settlement (RTGS), etc. The Company/ R & TA will not act on any direct request from the Members holding shares in dematerialized form for change/ deletion of such bank details.

Members holding shares in the physical form and desirous of availing approved/ permissible electronic mode of payment facility for direct credit of dividend to their bank account may submit their requisite request to R & TA.

Any query related to dividend should be directed to R & TA.

- (e) The relevant Statement pursuant to Section 102 of the Companies Act, 2013 ('the Act'), setting out the material facts relating to the special business as set out in the Notice is annexed hereto. Pursuant to Clause 49 of the Listing Agreement, relevant details of the Directors seeking appointment, reappointment are annexed hereto and forming part of the Notice. The directors have furnished the relevant consents, declarations, etc. for their appointment/ reappointment.
- (f) Particulars of the employees as required under the provisions of Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, as amended, are given in the annexure and form part of the Directors' Report. In terms of Section 219(1)(b)(iv) of the Companies Act, 1956, the Annual Report and the Accounts are being sent to the Members excluding the aforesaid information. Any Member interested in obtaining a copy of the said information may write to the Company Secretary at the registered office of the Company.
- (g) As per Sections 101, 136 and all other applicable provisions of the Act, read with the rules made under the Act and circulars issued by the Ministry of Corporate Affairs, companies can now serve/ send various reports, documents, communications, including but not limited to annual report comprising of the report of the board of directors, auditors'

report, balance sheet, profit and loss account, notice of general meeting, etc. (hereinafter referred to as 'the Documents') to its members through electronic mode at their e- mail addresses.

Members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses with their depository participants, in respect of electronic holdings.

Members holding shares in physical form are requested to kindly register their e-mail addresses with the Company's Registrar & Share Transfer Agents- Karvy Computershare Private Limited ('R & TA') at: Unit: Entertainment Network (India) Limited, Plot No. 17 to 24, Vittal Rao Nagar, Madhapur, Hyderabad – 500081. Phone : 040 – 44655000, Fax : 040 – 23420814.

The Company believes in green initiative and is concerned about the environment. The Company has e-mailed the Documents in electronic mode at your e-mail address obtained from the depositories/ available with R & TA. Members who have not registered their e-mail addresses have been furnished hard copy of the Documents.

Members are requested to furnish/ update the details of their address, e-mail address, bank account details, relevant information for availing various approved/ permissible modes of electronic funds transfer facilities viz. Electronic Clearing Services (ECS), National Electronic Funds Transfer (NEFT), Real Time Gross Settlement (RTGS), etc.:

- (i) to their depository participants in respect of their shareholdings in electronic (dematerialized) form;
 - (ii) to R & TA, in respect of their shareholdings in physical form, quoting their folio numbers.
- Members are entitled to have, free of cost, a copy of the Documents upon placing a specific requisition addressed to R & TA.
- (h) Pursuant to Section 108 of the Act, read with the relevant rule made under the Act, the Company is pleased to provide the e-voting facility to the members of the Company to exercise their right to vote by electronic means. The Company has

Notice

appointed Karvy Computershare Private Limited ('KCPL' / 'Karvy' / 'Service Provider' / 'R & TA') for facilitating e-voting.

The cut-off date (record date) for the purpose of e-voting is July 4, 2014.

The e-voting period will commence on Wednesday, August 6, 2014 at 9:00 A.M. (IST) and will end on Friday, August 8, 2014 at 6:00 P.M. (IST). During this period, the Members of the Company holding shares in physical form or in dematerialized form may cast their vote by electronic means.

The e-voting module shall be disabled for voting thereafter.

Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently. Further, the Members who have cast their vote electronically shall not be allowed to vote again at the Meeting.

The Members are requested to refer to the detailed procedure on e-voting furnished separately to vote through electronic mode. In case of any query pertaining to e-voting, please visit *Help & FAQ's* section of <https://evoting.karvy.com> (Karvy's website) or download *User Manual for Shareholders* available at the *Downloads* section of <https://evoting.karvy.com> or e-mail to evoting@karvy.com or contact Mr. Varghese of Karvy on 1800 345 4001 (toll free number).

- (i) Annual Report including *inter alia* the Report of the Board of Directors, Auditors' Report, Balance Sheet, Statement of Profit and Loss, Cash Flow Statement, Notice of this AGM, instructions for e-voting, attendance slip, proxy form, etc. is being sent by electronic mode to all Members whose addresses are registered with the Company/ R & TA/ depositories unless a member has requested for a hard copy of the same. For Members who have not registered their e-mail addresses, physical copies of the relevant documents are being sent by the permitted mode.
- (j) In terms of Section 72 of the Act read with the applicable rules made under the Act, every holder of shares in the Company may at any time nominate, in

the prescribed manner, a person to whom his/ her shares in the Company shall vest, in the event of his/ her death. Nomination form can be obtained from the R & TA.

- (k) Members/ Proxies should bring their copy of the Annual Report and Attendance Slip sent herein, duly filled in, for attending the Meeting.
- (l) Corporate members intending to send their representatives to attend the Meeting are requested to send to the Company a certified copy of the board resolution authorizing their representatives to attend and vote at the Meeting on their behalf.
- (m) In case of joint holders, the vote of only such joint holder who is higher in the order of names, whether in person or proxy, shall be accepted to the exclusion of the votes of other joint holders.
- (n) Members desiring any information pertaining to the accounts are requested to write to the Company Secretary at an early date so as to enable the Management to reply at the AGM.
- (o) Statutory registers and all other documents relevant to the business as stated in the Notice convening the AGM are open for inspection at the Registered Office of the Company during business hours on any working day of the Company without payment of fee.
- (p) Members wishing to claim dividends, which remain unclaimed, are requested to correspond with the R & TA/ Company Secretary at the registered address. Members are requested to note that as per Section 205A of the Companies Act, 1956 (corresponding Section 124 of the Companies Act, 2013), dividends not claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account will be transferred to the Investor Education and Protection Fund. Details of the unclaimed dividend amount is available on the Company website- www.enil.co.in at the url: <http://www.enil.co.in/unclaimed-dividend.php>.
- (q) The Securities and Exchange Board of India has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are requested to submit their PAN to their

Notice

Depositories Participant(s). Members holding shares in physical form shall submit their PAN details to R & TA.

- (r) Annual Report containing *inter alia* the Notice convening the Fifteenth Annual General Meeting, the Audited Balance Sheet of the Company as at March 31, 2014, the Profit and Loss Account (the Statement of Profit and Loss) and the Cash Flow Statement for the financial year ended on that date and the Reports of the Board of Directors and Auditors thereon, Report on Corporate Governance, Management Discussion & Analysis, etc. are available on the Company's website at: www.enil.co.in. Copies of the aforesaid documents are available for inspection at the Registered Office of the Company during business hours on any

working day of the Company.

By Order of the Board of Directors

For **Entertainment Network (India) Limited**

sd/-

Mehul Shah

SVP – Compliance & Company Secretary

Mumbai, May 23, 2014

Registered Office:

Entertainment Network (India) Limited,
CIN: L92140MH1999PLC120516,
4th Floor, A-Wing, Matulya Centre,
Senapati Bapat Marg, Lower Parel (West),
Mumbai - 400 013.
www.enil.co.in

Statement as required under Section 102 of the Companies Act, 2013

The following Statement sets out all material facts relating to the business mentioned under Item Nos. 5 to 13 of the accompanying Notice dated May 23, 2014.

- Item No. 5:** Messrs Price Waterhouse & Co., Bangalore, Chartered Accountants (registration number - 007567S) - the present Statutory Auditors of the Company hold the office until the conclusion of the 15th Annual General Meeting (AGM) and have given a notice in writing expressing their inability to be considered for reappointment as the Statutory Auditors of the Company.
- Pursuant to Sections 115, 140(4) and all other applicable provisions of the Companies Act, 2013, a special notice was received from a member of the Company proposing to pass the resolution as appearing at Item No. 5 of the notice at the forthcoming AGM to appoint S. R. Batliboi & Associates LLP, Chartered Accountants (registration number- 101049W) as the Statutory Auditors of the Company in place of Messrs Price Waterhouse & Co., Bangalore, Chartered Accountants (registration number- 007567S) - the retiring auditors of the Company.
- S. R. Batliboi & Associates LLP have given their consent to be appointed as the Statutory Auditors of the Company. They have submitted a certificate in terms of the Rule 4 of the Companies (Audit

and Auditors) Rules, 2014 and confirmed their eligibility for appointment in terms of the applicable provisions of the Companies Act, 2013, read with the applicable rules made under the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force). They have also confirmed that they are not disqualified for appointment under the applicable provisions of the Companies Act, 2013.

- In terms of the Rule 4(1)(d) of the Companies (Audit and Auditors) Rules, 2014, S. R. Batliboi & Associates LLP have confirmed that to the best of their knowledge as on date, except for a case pending in a district court, pertaining to disclosures in the financial statements of a company audited by them, there are no pending proceedings against them or any of their partner(s) with respect to professional matters of conduct.
- S. R. Batliboi & Associates LLP will hold office from the conclusion of this AGM till the conclusion of the sixth consecutive AGM (with the meeting wherein such appointment has been made being counted as the first meeting), subject to the ratification of the appointment by the members of the Company at every AGM after this AGM, at a remuneration as may be recommended by the Audit Committee and fixed by the Board of Directors of the Company

Notice

in addition to out of pocket expenses as may be incurred by them during the course of the audit.

6. Relevant documents are open for inspection at the Registered Office of the Company during business hours on any working day of the Company without payment of fee.
7. None of the Directors, Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the notice. The Board of Directors recommends the Ordinary Resolution set out at Item No. 5 of the notice for approval by the members.
8. **Item No. 6:** The Board of Directors, on recommendation of the Audit Committee and pursuant to Section 148 and all other applicable provisions of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014 and all other applicable rules made under the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force), has approved the appointment and remuneration of the Cost Auditors, M/s. R. Nanabhoy & Co., Cost Accountants (Firm registration number- 00010) to conduct the audit of the cost records of the Company for the financial year ending on March 31, 2015. The aforesaid appointment of M/s. R. Nanabhoy & Co. is subject to the relevant notifications, orders, rules, circulars, etc. issued by the Ministry of Corporate Affairs and other regulatory authorities from time to time. The remuneration payable to M/s. R. Nanabhoy & Co. shall be such sum not exceeding Rs. 3,75,000 (Rupees three lacs seventy five thousand only) plus out of pocket expenses and applicable taxes for the aforesaid audit. A Certificate issued by the above firm regarding their independence and eligibility for appointment as Cost Auditors and other relevant documents are open for inspection at the Registered Office of the Company during business hours on any working day of the Company without payment of fee.
9. In accordance with the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules 2014 and all other applicable rules, the remuneration payable to the Cost Auditors is required to be ratified subsequently by the

shareholders. Accordingly, consent of the members is sought for passing the ordinary resolution as set out at Item No. 6 of the notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending on March 31, 2015.

10. None of the Directors, Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 6 of the notice. The Board of Directors recommends the Ordinary Resolution set out at Item No.6 of the notice for approval by the members.
11. **Item No. 7:** Based on the recommendation of the Remuneration / Compensation Committee (renamed as 'Nomination and Remuneration Committee') and pursuant to the provisions of Sections 196, 197, 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and all other applicable rules made under the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) (hereinafter referred to as 'the Act'), the Board of Directors of the Company, at their meeting held on May 23, 2014, approved the change in designation of Mr. Prashant Panday from 'Executive Director & Chief Executive Officer' to 'Managing Director & Chief Executive Officer' with effect from May 23, 2014 and Mr. Panday shall hold the office as 'Managing Director & Chief Executive Officer' for his remaining tenure i.e. up to June 30, 2016 on the same terms and conditions including remuneration as approved by the members at their meeting held on August 8, 2013. His office is not liable to retire by rotation.
12. Mr. Prashant Panday has been associated with the Company since August 2000. Owing to his outstanding qualities of leadership, maturity and performance over the years, he was promoted to the rank of Deputy Chief Executive Officer in August 2005 and to Chief Executive Officer in August 2007. The Members of the Company, at the 11th Annual General Meeting (AGM) held on September 7, 2010, had approved the appointment of Mr. Prashant Panday as the Whole-time Director designated as 'Executive Director & Chief Executive Officer' of the Company for a period of three (3) years with effect

Notice

from July 1, 2010 till June 30, 2013. He was re-appointed by the members of the Company for the period of 3 (three) years commencing from July 1, 2013 and ending on June 30, 2016, on continuation basis, without any interruption/ break in service, on various terms and conditions including remuneration as approved by the members at the 14th AGM held on August 8, 2013.

13. Mr. Panday has excellent academic and professional qualifications. He holds a Post Graduate Diploma in Management from Indian Institute of Management, Bangalore and also holds a degree of B. E. Electronics and Communication- Gujarat University. His academic brilliance is combined with rich experience of twenty four years in various industries, including but not limited to marketing, advertising, financial services. Prior to joining the Company, Mr. Panday was the Director-Marketing, Modi-Revlon Limited, Delhi.
14. Mr. Panday has played a significant role in supporting the Board of Directors of the Company in Radio Mirchi's success; particularly in the context of geographical coverage, growth of listenership and revenues.
15. Mr. Panday is holding 21900 equity shares in the Company as on date of this Notice.
16. The aforesaid re-designation is subject to the approval, consents, permissions, sanctions and the like of the Members of the Company and all other concerned statutory and other authorities, if and to the extent applicable and required and without any other variation (except designation) in the terms and conditions as already approved by the members of the Company at the 14th AGM of the Company held on August 8, 2013.
17. Mr. Prashant Panday satisfies all the applicable conditions as set out under Section 196 read with Schedule V of the Act for being eligible for his re-designation as the Managing Director & Chief Executive Officer. The Company has received from Mr. Panday:
 - (i) consent to act as the Managing Director & Chief Executive Officer in the prescribed form *DIR-2* pursuant to Section 152 of the Act and Rule 8 of the Companies (Appointment & Qualification of Directors) Rules 2014;
 - (ii) intimation in the prescribed form *DIR-8*

pursuant to Section 164 of the Act and Rule 14 of Companies (Appointment and Qualification of Directors) Rules, 2014 to the effect that he is not disqualified to become a director under the Act;

- (iii) the declaration under Section 152 of the Act to the effect that he is not disqualified to become a director under the Act.
18. Pursuant to the provisions of Section 190 of the Act, the written memorandum setting out the terms and conditions including remuneration as already approved by the members at their meeting held on August 8, 2013 and other relevant documents are open for inspection at the Registered Office of the Company during business hours on any working day of the Company without payment of fee.
19. Taking into consideration the size of the Company, the profile of the incumbent, the responsibilities shouldered by him and the industry benchmark, the Board of Directors recommends the re-designation of Mr. Panday as stated at the Special Resolution at Item No. 7 of the notice for approval by the Members.
20. Except Mr. Prashant Panday, to whom the resolution relates, none of the other Directors, Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No.7 of the notice.
21. **Item No. 8 to 13:** In accordance with the erstwhile provisions of the Companies Act, 1956, Mr. Richard Saldanha, Mr. Ravindra Kulkarni, Mr. A. P. Parigi, Mr. N. Kumar, Mr. B. S. Nagesh and Ms. Vibha Paul Rishi were appointed as the directors of the Company. Mr. Richard Saldanha retires by rotation at this Annual General Meeting (AGM) under the erstwhile applicable provisions of Companies Act, 1956. Mr. Ravindra Kulkarni, Mr. A. P. Parigi, Mr. N. Kumar, Mr. B. S. Nagesh and Ms. Vibha Paul Rishi are the directors whose period of offices are liable to determination by retirement of directors by rotation under the erstwhile applicable provisions of the Companies Act, 1956. They have been on the Board of the Company as the Independent Non-executive directors pursuant to Clause 49 of the listing agreement. With the enactment of the Companies Act, 2013, it is now incumbent upon the Company to appoint 'Independent Directors' as defined under Section

Notice

- 149(6) of the Companies Act, 2013.
22. In terms of Sections 149, 150, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and all other applicable rules made under the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) (hereinafter referred to as 'the Act'), Mr. Richard Saldanha, Mr. Ravindra Kulkarni, Mr. A. P. Parigi, Mr. N. Kumar, Mr. B. S. Nagesh and Ms. Vibha Paul Rishi, being eligible and offering themselves for appointment, are proposed to be appointed as the Independent Directors (Independent Non-executive Directors) for a term of five consecutive years commencing from August 12, 2014, not liable to retire by rotation. The Company has received six notices in writing from a member along with the requisite deposits under Section 160 of the Act proposing the candidature of Mr. Richard Saldanha, Mr. Ravindra Kulkarni, Mr. A. P. Parigi, Mr. N. Kumar, Mr. B. S. Nagesh and Ms. Vibha Paul Rishi for the office of independent directors of the Company to be appointed as such.
23. The Company has received from Mr. Richard Saldanha, Mr. Ravindra Kulkarni, Mr. A. P. Parigi, Mr. N. Kumar, Mr. B. S. Nagesh and Ms. Vibha Paul Rishi:
- (i) Letters of consent to act as a director in the prescribed form *DIR-2* pursuant to Section 152 of the Act and Rule 8 of the Companies (Appointment and Qualification of Directors) Rules 2014;
 - (ii) Letters of intimation in the prescribed form *DIR-8* pursuant to Section 164 of the Act and Rule 14 of Companies (Appointment and Qualification of Directors) Rules, 2014 to the effect that they are not disqualified to become directors under the Act;
 - (iii) Declarations that they meet the criteria of independence as provided under Section 149 of the Act read with the Clause 49 of the listing agreement as amended and declarations under Section 152 of the Act to the effect that they are not disqualified to become directors under the Act.
24. The Nomination and Remuneration Committee has recommended the appointment of these directors as the Independent Directors for a term of five consecutive years commencing from August 12, 2014. In the opinion of the Board of Directors, Mr. Richard Saldanha, Mr. Ravindra Kulkarni, Mr. A. P. Parigi, Mr. N. Kumar, Mr. B. S. Nagesh and Ms. Vibha Paul Rishi fulfill the conditions specified in the Act, rules made thereunder, read with the Clause 49 of the listing agreement as amended for their appointment as the Independent Directors of the Company and that they are independent of the management and they are not disqualified to become directors under the Act. Documents relevant to the appointment of these directors as the Independent Directors are available for inspection at the Registered Office of the Company during business hours on any working day of the Company without payment of fee. The Board of Directors is authorized to take all such steps as may be necessary, proper, expedient or desirable to give effect to this appointment, with liberty to the Board of Directors of the Company to alter and vary the terms and conditions of the aforesaid appointment.
25. Brief resume of the Independent Directors proposed to be appointed, nature of their expertise in specific functional areas, names of the companies in which they hold directorships and the memberships/ chairmanships of Committees of the Board and their shareholding in the Company, as stipulated under Clause 49 of the Listing Agreement entered into with the Stock Exchanges, are set out in the Annexure to the Notice.
26. The ordinary resolutions at Item no. 8 to 13 of this Notice seek the approval of the Members for the appointment of Mr. Richard Saldanha, Mr. Ravindra Kulkarni, Mr. A. P. Parigi, Mr. N. Kumar, Mr. B. S. Nagesh and Ms. Vibha Paul Rishi as the Independent Directors of the Company for a term of five consecutive years commencing from August 12, 2014 pursuant to Sections 149, 150, 152 read with Schedule IV and all other applicable provisions of the Act and applicable rules made under the Act and Clause 49 of the listing agreement, as amended from time to time. They are not liable to retire by rotation. The Board of Directors considers that their continued association would be of immense benefit to the Company and it is desirable to continue to avail services of these directors as the Independent Directors. Accordingly, the Board of Directors recommends the ordinary resolutions as set out at

Notice

Item no. 8 to 13 of this Notice in relation to the appointment of Mr. Richard Saldanha, Mr. Ravindra Kulkarni, Mr. A. P. Parigi, Mr. N. Kumar, Mr. B. S. Nagesh and Ms. Vibha Paul Rishi as the Independent Directors, for the approval by the Members of the Company.

27. Mr. Richard Saldanha, Mr. Ravindra Kulkarni, Mr. A. P. Parigi, Mr. N. Kumar, Mr. B. S. Nagesh and Ms. Vibha Paul Rishi, respectively, are concerned or interested in the Resolutions of the accompanying notice relating to their own appointment. None of the Directors, Key Managerial Personnel of the Company or their relatives, other than the Independent Directors for their respective appointment, are concerned or interested, financially or otherwise, in the resolutions set out at Item No.8 to 13 of the Notice.

By Order of the Board of Directors
For **Entertainment Network (India) Limited**

sd/-

Mehul Shah

SVP– Compliance & Company Secretary

Mumbai, May 23, 2014

Registered Office:

Entertainment Network (India) Limited,
CIN: L92140MH1999PLC120516,
4th Floor, A-Wing, Matulya Centre,
Senapati Bapat Marg, Lower Parel (West),
Mumbai - 400 013.
www.enil.co.in

Notice

Annexure to Item Nos. 3, 4 and 7 to 13 of the Notice.

Details of Directors seeking appointment/reappointment at the forthcoming Annual General Meeting (pursuant to the Clause 49 of the Listing Agreement).

Brief Resume of the Directors:

Mr. Ravindra Dhariwal (Non- Executive Director)

Mr. Ravindra Dhariwal is the Executive Director and CEO, Bennett, Coleman & Co. Limited. Prior to this, Mr. Dhariwal was the Vice President, Franchise, SE Asia, PepsiCo International.

During his illustrious career, he has held various positions at companies like Hindustan Lever Limited, Rexona Prop. Limited - Sydney, Pepsi Foods Industries and PepsiCo International. He holds a B. Tech degree from IIT Kanpur and a post graduate diploma in management from IIM, Calcutta.

Mr. Vineet Jain (Chairman & Non- Executive Director)

A trustee and board member of several organizations, Mr. Vineet Jain – Chairman & Non Executive Director (ENIL) holds a Bachelor's degree (B. Sc.) in International Business Administration in Marketing from Switzerland.

As the Managing Director of Bennett, Coleman & Co. Ltd., Mr. Jain is acknowledged as a thought leader in transforming the Times Group from a publishing house to a diversified media conglomerate. He has made a significant difference to the landscape of the new age media in India. His leadership in the domain of Internet, Radio and Out of Home has added a new impetus to the categories.

He is on the managing committees of philanthropic organizations viz. The Times Foundation, The Times of India Relief Fund and the S. P. Jain Foundation.

Mr. Jain is also a member of the Board of Directors of The Press Trust of India Ltd.

Mr. Prashant Panday (Managing Director & CEO)

Forty eight years of age, Mr. Prashant Panday is an Engineering graduate in Electronics & Communication, and has done his PGDM from IIM Bangalore (1990).

Mr. Panday is the Managing Director and Chief Executive Officer of the Company. He has been associated with the

Company since August 2000 and has played a key role in bringing in the radio revolution in India. Over the last 14 years, he has played a significant role in making Mirchi the #1 radio brand in the Country in terms of listenership (IRS Q4, 2012: 37.5 million). In 2008, Mirchi was rated the #1 media brand – ahead of The Times of India and Star Plus – in the IMRB- Pitch survey.

Mr. Panday has total experience of 24 years in industries ranging from Advertising, Banking, FMCG & Media. Prior to joining the Company, he has worked with Citibank, Pepsi, HUL, Mudra and Modi Revlon. His areas of strength include Marketing & Sales, Analytics & Strategy and People Management. Mr. Panday is the Chairman of the FICCI Radio committee, the Sr. VP in the Association of Radio Operators of India (AROI), the Vice Chairman of MRUC, and a member of the CII Entertainment Committee. He also served as a member of the Ministry of I&B's committee on fighting piracy. He is a speaker at various industry forums.

Mr. Richard Saldanha (Independent Non- Executive Director)

Mr. Richard Saldanha, a graduate Mechanical Engineer, served Hindustan Lever & Unilever plc for 30 years. He spent almost 10 years in Latin America. He was Technical Director of Unilever Venezuela, Vice-President – Supply Chain for Unilever Andina, (Venezuela, Colombia, Ecuador) rising to be Chairman and CEO of Unilever Peru and a Member of the Unilever Latin America Board.

He returned to India as Managing Director of Haldia Petrochemicals Limited, a 1.5 BN \$ enterprise. He defined his Role at Haldia as 'a role that provides clear vision and strategic direction, that builds culture, business ethic, structure and processes to deliver outstanding business performance and Good Corporate Governance'.

He then joined The Times of India Group as a Member of the Board where he spent 5 years to help build organizational capability, culture and competitiveness. He later joined Blackstone India where he retired after spending six years as Executive Director: he was responsible for operational excellence and good governance for a group of Blackstone portfolio

Notice

companies.

His 48 years of corporate experience in a gamut of functions that ranged from Manufacturing and Planning to Corporate Development and General Management have given him learning and insights which have proved to be invaluable for restructuring and reorganizing companies as well as for managing partnerships and strategic alliances in an international arena. He has been a Board Member since the mid 80's on several Boards nationally and internationally.

Mr. Saldanha has been associated with various chambers of commerce and industry bodies, both in India and globally, in various capacities. He was also the Founder President of Bal Raksha Bharat, India and a Former President of Delhi Management Association. He is currently Chairman of Gokaldas Exports and Trans Maldivian Airways and is a member of the Court of Governors of the Administrative Staff College of India.

Mr. Ravindra Kulkarni (Independent Non- Executive Director)

Mr. Ravindra Kulkarni holds a Masters degree in Law from University of Mumbai. Having been in the legal arena for over four decades, Mr. Kulkarni has vast experience as a legal practitioner, particularly on matters relating to corporate law and particularly on foreign collaborations, joint ventures, mergers and acquisitions, capital markets, public offerings for listing of securities in India as well as in international markets, infrastructure projects, etc.

He is a senior partner of M/s. Khaitan & Co., one of India's leading law firms and heads their Mumbai office. He is on the Boards of several listed companies as an independent director.

Mr. A. P. Parigi (Independent Non-Executive Director)

An alumnus of the Delhi School of Economics and Faculty of Management Studies, of the University of Delhi, Mr. A. P. Parigi has for the past 2 decades held senior positions in various industries. Prior to joining the Times Group, he was the CEO of BPL Mobile, Mumbai. After he stepped down as the Managing Director- ENIL, he joined Eros International Media Limited as the Managing Director & Group CEO- India operations- from October 2009 till

February 2010.

In April 2009, he was awarded The William F Glaser'53, 'Rensselaer's Entrepreneur of the Year', in Troy, Albany, USA. In June 2010, he joined the Business Advisory Council of the Said Business School, Oxford University, UK. Mr. Parigi also serves as a member of the Board of Overseers - Fordham Graduate School of Business, Fordham University, New York. In May 2011, he was appointed Advisor - N.E.A.; India. N.E.A. is a leading venture capital and growth equity firm in the USA.

Mr. Parigi was honored with the Life Time Achievement Award by the World Brand Congress in 2009. He serves on the Boards of several companies including Bennett, Coleman & Company Limited (Times of India Group), Times Global Broadcasting Company Limited (TIMES NOW).

Mr. N. Kumar (Independent Non- Executive Director)

Mr. N Kumar is the Vice Chairman of The Sanmar Group, a multinational US \$ 1 billion conglomerate headquartered in Chennai, India with manufacturing facilities in India, the US, Mexico, and Egypt. The Group is engaged in key business sectors - Chemicals (including Speciality Chemicals), Engineering (Products and Steel Castings) and Shipping.

As a spokesman of Industry and Trade, Mr. Kumar had been a President of CII and participated in other apex bodies. He presently chairs the CII Institute of Quality, Bangalore. Mr. Kumar is the Chairman of National Accreditation Board for Certification Bodies, which is a constituent of Quality Council of India. He is also a member of the Board of Governors of Institute for Financial Management & Research.

Mr. N Kumar is on the Board of various public companies and carries with him over four decades of experience in the spheres of Technology, Management and Finance.

Mr. Kumar has a wide range of public interests going beyond the confines of corporate management in areas of health, social welfare, education and sports. One special area where he is involved is the Madhuram Narayanan Centre for Exceptional Children.

He is also the Honorary Consul General of Greece in Chennai.

Notice

An Electronics Engineering Graduate from Anna University, Chennai and a fellow member of the Indian National Academy of Engineering, he is also a fellow life member of The Institution of Electronics and Telecommunication Engineers. Mr. Kumar is an avid golfer and a patron of cricket and tennis. He has extensively travelled across the globe.

Mr. B. S. Nagesh (Independent Non- Executive Director)

Mr. B. S. Nagesh has been with Shoppers Stop Limited since its inception in 1991. Recognized as the pioneer of the retail boom in India, Mr. Nagesh was voted by Business India as one of the top 50 managers in India who will influence the Indian business scenario in the 21st century. Mr. Nagesh was also instrumental in acquiring of the Crossword chain of bookstores in the year 2000. Ernst & Young nominated him for the Entrepreneur of the Year Award 2005 as one of the top 30 finalists.

Mr. Nagesh is the first Asian to be inducted into the 'World Retail Hall of Fame' 2008 along with Mr. Millard Drexler of J Crew, Sir Philip Green of BHS and Arcadia and Mr. Amancio Ortega of Inditex at the World Retail Congress 2008 conducted in Barcelona. The four iconic retailers have been selected by retail industry leaders and experts from across the Globe in recognition of their supreme industry achievements. Shoppers Stop Limited also won the 'Emerging Market Retailer of the Year' Award at the World Retail Congress 2008.

Mr. Nagesh has been involved in setting up and opening the country's largest hypermarket HyperCity, which was launched in May 2006. HyperCity has been declared as one of the top 100 retail destinations in the world by Retail Week, UK and the best hypermarket at the United States International Design Awards in New York. In the year 2009, Mr. Nagesh was elevated as the Vice Chairman of Shoppers Stop in a non executive position.

As part of his personal philosophy of Learn, Earn & Return, Nagesh stepped down from all operational roles

in the K. Raheja Corp Group in August 2009 at the age of 50. He has set up a charitable trust called TRRAIN (Trust for Retailers and Retail Associates of India). He has also established Section 25 company called TRRAIN Foundation with a not-for-profit objective. Both these organisations are working towards empowering people in retail by helping them through financial literacy, skilling, education and getting them pride and respect through awards and celebrations.

Ms. Vibha Paul Rishi (Independent Non- Executive Director)

Ms. Vibha Paul Rishi is a seasoned marketing professional with extensive experience in India and international markets, coupled with an abiding passion for people.

Her last role was as the Executive Director – Brand and Human Capital of Max India Limited, a multi business corporate with consolidated revenue of more than two billion USD. Max has business interests primarily in the insurance and healthcare space. Max India is a joint venture partner in Max Life Insurance, Max Bupa and Max Healthcare. Prior to this she was the Director, Marketing and Customer Strategy at the Future Group, India's largest retail group. Her longest stint was at PepsiCo with 17 years of leadership roles in marketing and innovation in India, US and UK. She was one of the founding team of PepsiCo when they set up in India. During her PepsiCo India stint, she is remembered for the "Nothing official about it" and "Yeh dil maange more" campaigns, amongst others. She later moved to PepsiCo's headquarters to be a part of its international marketing team. This was followed by an innovation leadership role in London.

She was also associated with Pratham, a NGO that works to provide education to underprivileged children in India.

Ms. Vibha Paul Rishi started her career with the Tata Administrative Services and was part of the founding team of Titan Watches. She is an alumnus of FMS, Delhi.

Notice

Name of the Director	Mr. Ravindra Dhariwal	Mr. Vineet Jain	Mr. Prashant Panday
DIN	00003922	00003962	02747925
Date of Birth	September 11, 1952	February 12, 1966	July 8, 1965
Nationality	Indian	Indian	Indian
Date of Appointment on the Board	December 31, 2002	January 19, 2007	July 1, 2010
Qualifications	B.Tech (Chemical Engineering) from the Indian Institute of Technology, Kanpur and also holds a Post Graduate Diploma in Management (Marketing and Finance) from the Indian Institute of Management, Calcutta	B. Sc. degree in International Business Administration in Marketing from Switzerland	Post Graduate Diploma in Management from Indian Institute of Management, Bangalore and Degree of B.E. Electronics and Communication- Gujarat University
Shareholding in the Company	Nil	Nil	21900 equity shares of ₹ 10/- each
List of Directorships held in other Companies	Bennett, Coleman & Company Limited, Times Infotainment Media Limited, Vardhaman Publishers Limited, Banhem Estate & IT Parks Limited, Times Global Broadcasting Co. Limited, Times Internet Limited, Times Innovative Media Limited, Media Network & Distribution (India) Limited, Metropolitan Media Co. Limited, Capitol Art House Private Limited, Inspired Emporio Salon Private Limited, Indian Newspaper Society, TIML Global Limited (Foreign Company)	Bennett, Coleman & Company Limited, Bharat Nidhi Limited, The Press Trust of India Limited, Times Global Broadcasting Company Limited, Times Infotainment Media Limited, Times Internet Limited, Times Mobile Limited, Times Websol Limited, Zoom Entertainment Network Limited, Times Centre for Learning Limited, Times for India Org	Alternate Brand Solutions (India) Limited, Media Research Users Council
Committee membership	1. Entertainment Network (India) Limited: [Chairman of Stakeholders Relationship Committee, Member of Audit Committee, Member of Nomination & Remuneration Committee, Member of Corporate Social Responsibility Committee] 2. Bennett, Coleman & Co. Limited: [Member of Audit Committee, Member of Nomination & Remuneration Committee, Member of Corporate Social Responsibility Committee] 3. Times Infotainment Media Limited: [Member of Audit Committee, Member of Nomination & Remuneration Committee] 4. Times Innovative Media Limited: [Member of Audit Committee, Member of Compensation Committee] 5. Metropolitan Media Co. Limited: [Chairman of Audit Committee]	1. Bennett, Coleman & Company Limited: [Member of Corporate Social Responsibility Committee, Member of Nomination & Remuneration Committee] 2. The Press Trust of India Limited: [Member - Committee of Board] 3. Entertainment Network (India) Limited: [Member of Corporate Social Responsibility Committee]	1. Entertainment Network (India) Limited: [Member of Corporate Social Responsibility Committee]

Notice

Name of the Director	Mr. Richard Saldanha	Mr. Ravindra Kulkarni	Mr. A. P. Parigi
DIN	00189029	00059367	00087586
Date of Birth	February 3, 1944	May 23, 1945	July 15, 1949
Nationality	Indian	Indian	Indian
Date of Appointment on the Board	November 23, 2010	January 19, 2007	October 1, 2009
Qualifications	Graduate Mechanical Engineer from College of Engineering- Pune	Masters degree in Law from University of Mumbai, also holds a Bachelors degree in Science from University of Mumbai	Master degree in Business Administration from the Faculty of Management Studies, University of Delhi and also holds a Bachelor degree in Economics and a Master degree in Sociology from the Delhi School of Economics
Shareholding in the Company	Nil	Nil	2000 equity shares of ₹ 10/- each
List of Directorships held in other Companies	Gokaldas Exports Limited, Nuziveedu Seeds Limited, Gateway Rail Freight Limited, MTAR Technologies Private Limited, Trans Maldivian Airways (foreign company)	Elantas Beck India Limited, Styrolution ABS (India) Limited, Mahindra & Mahindra Limited, Shamrao Vithal Co-op Bank Limited, Tech Mahindra Limited, Chowgule Steamships Limited, Khaitan Consultants Limited, Lavgan Dockyard Limited, Mahindra Trustee Company Pvt. Limited, Mahindra Electrol Trust Company Limited, Landmark Education- India	Bennett, Coleman & Company Limited, Times Infotainment Media Limited, Times Innovative Media Limited, Alternate Brand Solutions (India) Limited, Times Global Broadcasting Company Limited, Accel Media Ventures Limited, Zoom Entertainment Network Limited, Appglow Management Private Limited, Media Research Users Council, TIML Global Limited (Foreign Company)
Committee membership	<ol style="list-style-type: none"> Entertainment Network (India) Limited: [Member of Audit Committee, Member of Nomination & Remuneration Committee] MTAR Technologies Private Limited: [Member of Remuneration Committee] Gokaldas Exports Limited: [Member of Shareholders' Grievance Committee] 	<ol style="list-style-type: none"> Elantas Beck India Limited: [Chairman of Audit Committee] Mahindra & Mahindra Limited: [Member of Audit Committee, Member of Shareholders'/ Investors' Grievance Committee, Member of Governance- Remuneration & Nomination Committee] Entertainment Network (India) Limited: [Member of Audit Committee, Member of Nomination & Remuneration Committee, Member of Corporate Social Responsibility Committee] Styrolution ABS (India) Limited: [Member of Audit Committee, Member of Remuneration Committee] Tech Mahindra Limited: [Chairman of Remuneration Committee and Chairman Investors Grievances & Share Transfer Committee] 	<ol style="list-style-type: none"> Entertainment Network (India) Limited: [Member of Stakeholders Relationship Committee] Bennett, Coleman & Company Limited: [Member of Audit Committee and Member of Nomination & Remuneration Committee] Times Global Broadcasting Company Limited: [Member of Audit Committee] Times Infotainment Media Limited: [Member of Audit Committee and Member of Nomination & Remuneration Committee] Times Innovative Media Limited: [Member of Audit Committee]

Notice

Name of the Director	Mr. N. Kumar	Mr. B. S. Nagesh	Ms. Vibha Paul Rishi
DIN	00007848	00027595	05180796
Date of Birth	January 28, 1950	April 12, 1959	June 19, 1960
Nationality	Indian	Indian	Indian
Date of Appointment on the Board	November 5, 2005	August 14, 2012	August 14, 2012
Qualifications	Engineering Graduate in Electronics and Communication from Anna University, Chennai.	A degree of Masters in Management Studies from the Banaras Hindu University	An alumnus of FMS, Delhi
Shareholding in the Company	5580 equity shares of ₹ 10/- each	Nil	Nil
List of Directorships held in other Companies	Bharti Infratel Limited, Times Innovative Media Limited, MRF Limited, Take Solutions Limited, Mphasis Limited, eG Innovations Private Limited, Madhura Kumar Properties Private Limited, N. K. Trading & Consultancy Private Limited, Madhura Narayanan Centre for Exceptional Children, Cubbon Road Properties Private Limited, Nani Palkhivala Arbitration Centre, Singapore India Partnership Foundation, eG Innovations Pte Limited, (foreign company)	Shoppers Stop Limited, Marico Industries Limited, Hypercity Retail (India) Limited, Marico Kaya Enterprises Limited, Nagesh (BSN) Consults Private Limited, TRRAIN Foundation, Retailers Association of India	Future Consumer Enterprise Limited, Asian Paints Limited
Committee membership	1. Entertainment Network (India) Limited: [Chairman of Audit Committee, Member of Nomination & Remuneration Committee] 2. Bharti Infratel Limited: [Chairman of HR & ESOP Compensation Committee] 3. Mphasis Limited: [Chairman of Audit Committee] 4. Take Solutions Limited: [Chairman of Shareholders'/Investors' Grievance Committee] 5. Times Innovative Media Limited: [Member of Audit Committee and Member of Remuneration Committee]	1. Shoppers Stop Limited: [Member of Investors' Grievance & Share Transfer Committee] 2. Hypercity Retail (India) Limited: [Chairman of Remuneration Committee] 3. Marico Industries Limited: [Member of Audit Committee] 4. Marico Kaya Enterprises Limited: [Member of Audit Committee] 5. Entertainment Network (India) Limited: [Member of Corporate Social Responsibility Committee]	1. Future Consumer Enterprise Limited: [Member of Corporate Social Responsibility Committee and Audit Committee]

Brief resume of all the Directors of the Company has also been furnished separately in the Annual Report.

Directors' Report

Dear Members,

Your Directors have pleasure in presenting this Fifteenth Annual Report together with the audited annual accounts of Entertainment Network (India) Limited ['the Company'/ 'ENIL'/ 'Radio Mirchi'] for the financial year ended March 31, 2014.

1. Financial Highlights

	Amount in ₹	
	Financial Year 2013-2014	Financial Year 2012-2013
Income	4,071,657,231	3,553,609,049
Profit before tax & exceptional item	1,154,952,773	894,443,457
Tax expense	320,463,042	217,732,607
Profit after tax	834,489,731	676,710,850
Profit brought forward	2,661,115,213	2,040,176,365
Equity (issued, subscribed & paid up share capital)	476,704,150	476,704,150
Transfer to General Reserve	Nil	Nil
Proposed dividend (including dividend distribution tax)	55,772,002	55,772,002
Surplus carried to Balance Sheet	3,439,832,942	2,661,115,213

2. Financial Performance

Your Company retained its position as the market leader in Private FM Radio Broadcasting Industry. Total income of the Company increased from ₹ 3,553,609,049 during the previous year to ₹ 4,071,657,231 during the year under review. Profit after tax was higher at ₹ 834,489,731. The financial performance is discussed in detail in the Management Discussion and Analysis Report which forms part of the Annual Report.

3. Dividend

Your Directors are pleased to recommend a dividend of ₹ 1.00 (Rupee one only) per equity share of ₹ 10/- each for the financial year ended March 31, 2014, aggregating ₹ 557.72 lacs including dividend distribution tax. The dividend payment is subject to the approval of the shareholders at the ensuing Annual General Meeting (AGM).

The dividend, if declared at the AGM, would be paid/ dispatched within thirty days from the date of declaration of dividend to those persons or their mandates:

- whose names appear as beneficial owners as at the end of the business hours on August 4, 2014 in the list of the Beneficial Owners

to be obtained from the Depositories i.e. National Securities Depository Limited [NSDL] and Central Depository Services (India) Limited [CDSL], in respect of the shares held in electronic/ dematerialized mode; and

- whose names appear as Members in the Register of Members of the Company as on August 4, 2014, after giving effect to valid share transfers in physical forms lodged with the Company/ Registrar & Share Transfer Agents, in respect of the shares held in physical mode.

4. Operations

The year gone by has been a satisfactory one for your Company. Your Company's financial results have been impressive, considering the tough market conditions that have prevailed. Revenue from operations has grown by 13.7%. Further, thanks to your Company's relentless focus on containing costs, EBITDA from operations has grown by 19.9% and PAT by 23.3%. The Company's revenue market share, amongst private players, has grown marginally to between 33% and 35%. The Company's tight focus on operations has ensured that it generated ₹118 crores in cash during the year. The Company's ROE during the year was a good 15.4%. Excluding

Directors' Report

cash assets, the ROE was very remarkable at 38%.

Your Company's good financial health puts it in a strong position to take advantage of the upcoming Phase-3 program of expansion. As you may be aware, this expansion offers your Company several opportunities. Firstly, your Company can bid for more licenses in new cities. This geographical expansion into smaller towns will allow your Company to offer advertising solutions to local advertisers in markets that are likely to be the engines of future growth. Secondly, your Company can acquire a 2nd or even 3rd frequency in the bigger markets as the policy now allows a broadcaster to own and operate more than one channel in a market. Your Company has identified markets where it would like to do so. Thirdly, your Company will likely get opportunities to acquire existing radio stations and networks via M&A deals. Again, all such opportunities will be evaluated through the prism of profitability. At no point will your Company be driven by the desire to be the "biggest network". It will always be driven by the goal of being the "most profitable network", keeping shareholder returns at the centre stage.

The outgoing government kicked off the Phase-3 auction process in April 2014 when it released an ad seeking bids from prospective e-auctioneers. The last date for bidders has been set as 20th June. Media reports and interactions with ministry officials suggest that the auctions could commence by December 2014. With this, the long delay in the launch of the policy will soon come to an end.

Another matter of significance for your Company is the expiry of its current licenses, some of which expire on April 1, 2015. Your Company has been engaged with the ministry and the regulator, TRAI, on this matter, directly and through the industry body, Association of Radio Operators of India (AROI). We are happy to inform you that TRAI has already made recommendations for "renewal" of existing licenses as and when they expire. TRAI has suggested a formula for calculating "migration fees", which broadcasters need to pay to get new 15-year licenses. The ministry has still to take a decision on these recommendations, but we hope there will be no delays in this.

The year gone by has been satisfactory from the core

brand and listenership perspective. Your Company's brand "Mirchi®" remains the foremost brand in the radio space. Your Company's listenership performance remains strong as ever. As per the last IRS data released (Round 2, 2013), your Company is the leader in 21 of its 32 markets. Your Company's listenership strengths are endorsed by advertisers, who pay your Company premium pricing across its network. Your Company's brand and programming strengths are also recognized in the various awards it has won during the year, details of which are provided in the Management Discussion and Analysis Report.

Your Company has worked on developing a "multi-product" revenue strategy over the last several years. Not only does it offer core radio or "FCT" solutions to its clients, it also has strong revenue products in Mirchi Activations, TV properties, Digital (web and mobile), Multi-media solutions, Intellectual Properties and International markets. These products have given your Company competitive strength and the ability to grow faster than the industry.

FY15 is going to be a challenging year, with a lot of hopes pinned on how the economy performs under the new government. If India continues to languish at under 5% GDP growth for another year, the entire media industry will face slowdown pressures. However, if as expected, the economy starts to recover, the entire media industry will benefit. Coupled with the expansion opportunities under Phase-3, we believe your Company is well placed to exploit opportunities that come up in the near future.

5. Fixed Deposits

The Company has not accepted any fixed deposits and, as such, no amount of principal or interest was outstanding as on the date of the Balance Sheet.

6. Directors

In accordance with the provisions of the Companies Act, 2013 ('the Act'), Mr. Ravindra Dhariwal (DIN: 00003922) and Mr. Vineet Jain (DIN: 00003962) retire by rotation at the ensuing AGM and being eligible, offer themselves for reappointment.

The Board of Directors of the Company, at their meeting held on May 23, 2014, approved the change in designation of Mr. Prashant Panday

Directors' Report

(DIN: 02747925) from 'Executive Director & Chief Executive Officer' to 'Managing Director & Chief Executive Officer' with effect from May 23, 2014. Mr. Panday shall hold the office as 'Managing Director & Chief Executive Officer' for his remaining tenure i.e. up to June 30, 2016 on the same terms and conditions including remuneration as approved by the members at their meeting held on August 8, 2013. His office is not liable to retire by rotation.

In accordance with the erstwhile provisions of the Companies Act, 1956, Mr. Richard Saldanha (DIN: 00189029), Mr. Ravindra Kulkarni (DIN: 00059367), Mr. A. P. Parigi (DIN: 00087586), Mr. N. Kumar (DIN: 00007848), Mr. B. S. Nagesh (DIN: 00027595) and Ms. Vibha Paul Rishi (DIN: 05180796) were appointed as the directors of the Company. They have been on the Board of the Company as the Independent Non-executive directors pursuant to Clause 49 of the listing agreement. With the enactment of the Act, it is now incumbent upon the Company to appoint 'Independent Directors' as defined under Section 149(6) of the Act. Mr. Richard Saldanha, Mr. Ravindra Kulkarni, Mr. A. P. Parigi, Mr. N. Kumar, Mr. B. S. Nagesh and Ms. Vibha Paul Rishi, being eligible and offering themselves for appointment, are proposed to be appointed as the Independent Directors (Independent Non-executive Directors) for a term of five consecutive years commencing from August 12, 2014, not liable to retire by rotation. The Company has received six notices in writing from a member along with the requisite deposits under Section 160 of the Act proposing the candidature of these six independent directors and the Board of Directors recommends their appointment. The Company has also received the relevant declarations from Mr. Richard Saldanha, Mr. Ravindra Kulkarni, Mr. A. P. Parigi, Mr. N. Kumar, Mr. B. S. Nagesh and Ms. Vibha Paul Rishi, pursuant to Section 149(7) of the Act, that they meet the criteria of independence as provided under Section 149(6) of Act and that they are not disqualified to become directors under the Act; and in the opinion of the Board of Directors, they fulfill the conditions specified in the Act, rules made thereunder, read with the Clause 49 of the listing agreement as amended, for their appointment as the Independent Directors of the Company and that they are independent of the

management.

Brief resume of the Directors proposed to be appointed/ reappointed, relevant information, nature of their expertise in specific functional areas, names of the companies in which they hold directorships and the memberships/ chairmanships of Committees of the Board and their shareholding in the Company, as stipulated under Clause 49 of the Listing Agreement entered into with the Stock Exchanges, have been furnished separately in the Notice convening the AGM read with the Annexure thereto forming part of this Report.

Details of the number of meetings of the Board of Directors have been furnished in the Report on Corporate Governance.

7. Audit Committee

The Audit Committee of the Company presently comprises of Mr. N. Kumar (Chairman), Mr. Ravindra Dhariwal, Mr. Ravindra Kulkarni and Mr. Richard Saldanha. The Internal Auditors of the Company report directly to the Audit Committee. Brief description of the terms of reference of the Audit Committee has been furnished in the Report on Corporate Governance.

8. CSR Committee

The Corporate Social Responsibility Committee [CSR Committee] of the Company presently comprises of Mr. Vineet Jain, Mr. B. S. Nagesh, Mr. Ravindra Dhariwal, Mr. Ravindra Kulkarni and Mr. Prashant Panday. Brief description of the terms of reference of the CSR Committee has been furnished in the Report on Corporate Governance.

9. Nomination and Remuneration Committee

The Nomination and Remuneration Committee of the Company presently comprises of Mr. N. Kumar, Mr. Ravindra Dhariwal, Mr. Ravindra Kulkarni and Mr. Richard Saldanha. Brief description of the terms of reference of the Nomination and Remuneration Committee has been furnished in the Report on Corporate Governance.

10. Stakeholders Relationship Committee

The Stakeholders Relationship Committee of the Company presently comprises of Mr. Ravindra Dhariwal and Mr. A. P. Parigi. Brief description of the terms of reference of the Stakeholders Relationship

Directors' Report

Committee has been furnished in the Report on Corporate Governance.

11. Audit Report

The Audit Report does not contain any qualification, reservation or adverse remark or disclaimer.

12. Auditors

Messrs Price Waterhouse & Co., Bangalore, Chartered Accountants, (registration number- 0075675) the present Statutory Auditors of the Company hold the office until the conclusion of the 15th AGM and have given a notice in writing expressing their inability to be considered for reappointment as Statutory Auditors of the Company.

Pursuant to Sections 115, 140(4) and all other applicable provisions of the Companies Act, 2013, a special notice was received from a member of the Company proposing to appoint S. R. Batliboi & Associates LLP, Chartered Accountants (registration number- 101049W) as the statutory auditors of the Company in place of Messrs Price Waterhouse & Co., Bangalore, Chartered Accountants, (registration number- 0075675) the retiring auditors of the Company.

Subject to the approval by the members at the ensuing AGM, S. R. Batliboi & Associates LLP will hold office from the conclusion of this AGM till the conclusion of the sixth consecutive AGM (with the meeting wherein such appointment has been made being counted as the first meeting), subject to the ratification of the appointment by the members of the Company at every AGM after this AGM, at a remuneration as may be recommended by the Audit Committee and fixed by the Board of Directors of the Company in addition to out of pocket expenses as may be incurred by them during the course of the Audit. Other relevant information has been furnished at Item No. 5 of the Notice convening the AGM.

13. Cost Auditor

The Board of Directors, on recommendation of the Audit Committee and pursuant to Section 148 and all other applicable provisions of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014 and all other applicable rules made under the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof

for the time being in force), has approved the appointment and remuneration of the Cost Auditors, M/s. R. Nanabhoy & Co., Cost Accountants (Firm registration number- 00010) to conduct the audit of the cost records of the Company for the financial year ending on March 31, 2015. The aforesaid appointment of M/s. R. Nanabhoy & Co. is subject to the relevant notifications, orders, rules, circulars, etc. issued by the Ministry of Corporate Affairs and other regulatory authorities from time to time. The remuneration payable to M/s. R. Nanabhoy & Co. shall be such sum not exceeding ₹ 3,75,000 (Rupees three lacs seventy five thousand only) plus out of pocket expenses and applicable taxes for the aforesaid audit. The remuneration payable to the Cost Auditors is required to be ratified subsequently by the shareholders. Accordingly, consent of the members has been sought for passing the resolution as set out at Item No. 6 of the Notice convening the AGM for ratification of the remuneration payable to the Cost Auditors for the financial year ending on March 31, 2015.

The Cost Audit Report for the financial year 2012-13 has been filed on September 24, 2013. The Cost Audit Report for the financial year 2013-14 will be filed on/ before the due date (i.e. within 180 days from the close of the financial year).

14. Conservation of Energy and Technology Absorption

The Company is in the business of FM Radio Broadcasting. Hence, most of the information required to be provided under Section 217(1)(e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, is not applicable.

However the information, as applicable, is given hereunder:

(i) Conservation of Energy:

The operations of the Company are not energy intensive. Nevertheless, continuous efforts such as installation of energy efficient electronic devices, implementation of SOPs etc. aimed at reducing energy consumption are being made by the Company and its employees to reduce the wastage of scarce energy resources.

(ii) Technology Absorption:

- Research & Development (R & D): Foray in

Directors' Report

the Digital Space: The Company is scaling up its digital and mobile presence in a significant way. The Company already has an existence via 9 online radio stations. Many of these feeds are also available on the Mobile app of *Gaana*. As Value Added Service (VAS), the Company offers 17 radio feeds on a dial-in platform which is available across telecom networks. Because of this expertise, the Company is able to offer marketing solutions to various brands to help them create mobile based content to reach their consumers.

- Technology absorption, adaptation and innovation: The Company continues to use technology to augment business, productivity and performance. The Company has implemented its Customer Relationship Management (CRM) tool to measure and improve sales productivity. It has embarked on its next mission to extend this tool to provide business analytics and then onward expand it further to manage predictive analysis.

15. Foreign Exchange Earnings & Outgo

Statement pursuant to Section 217(1)(e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988:

- (i) Activities relating to export, initiatives to increase exports, developments of new export markets for products and services and export plan:

The Company is actively exploring profitable business opportunities in the overseas market.

- (ii) Total foreign exchange earned and used:

	Amount in ₹	
	Financial Year 2013-2014	Financial Year 2012-2013
Foreign exchange earnings	43,398,508	37,468,375
Foreign exchange outgo	7,578,466	8,266,554

16. Particulars of Employees

Particulars of the employees as required under the provisions of Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars

of Employees) Rules, 1975, as amended, are given in the annexure appended hereto and forms part of this report. In terms of Section 219(1)(b)(iv) of the Companies Act, 1956, the Annual Report and Accounts are being sent to all the Members excluding the aforesaid annexure. Any Member interested in obtaining a copy of the said annexure may write to the Company Secretary at the Registered Office of the Company.

17. Share Capital & Listing of Securities

The equity shares of the Company are listed and admitted to dealings on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) effective from February 15, 2006. Annual Listing Fee has been paid to each exchange.

18. Management Discussion and Analysis Report

Management Discussion and Analysis Report for the financial year under review as stipulated in Clause 49 of the Listing Agreement entered into with the Stock Exchanges is set out in a separate section forming part of this Report.

19. Corporate Governance

The Company is adhering to good corporate governance practices in every sphere of its operations. The Company has taken adequate steps to comply with the applicable provisions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement entered into with the Stock Exchanges. A separate report on Corporate Governance is enclosed as a part of this Report along with the Certificate from the Practicing Company Secretary confirming compliance with the conditions of Corporate Governance.

20. Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

Your Company has always believed in providing a safe and harassment-free workplace for every individual working in the Company. During the financial year under review, one complaint pertaining to sexual harassment was reported to the Internal Complaints Committee of the Company. After detailed investigation and following due procedure under the applicable law, guidelines and regulations, the said complaint was appropriately dealt with during the financial year under review

Directors' Report

and appropriate action was taken.

21. Directors' Responsibility Statement

Pursuant to the provisions of Section 217 (2AA) of the Companies Act, 1956, the Directors, based on the representations received from the operating management, hereby confirm that:

- in the preparation of the annual accounts for the financial year ended on March 31, 2014, the applicable accounting standards have been followed and that there are no material departures;
- they have, in the selection of the accounting policies, consulted the Statutory Auditors and have applied the suggested accounting policies consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company for the financial year ended on March 31, 2014 and of the profit of the Company for that period;
- they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities, to the best of their knowledge and ability;
- they have prepared the annual accounts on a going concern basis.

22. Subsidiary Company

Alternate Brand Solutions (India) Limited (ABSL) is the Company's wholly owned subsidiary. ABSL recorded a total income of ₹ 2,286,393 during FY14. Profit after Tax stood at ₹ 1,703,252.

As per Section 212 of the Companies Act, 1956, the Company is required to attach the Balance Sheet, the Profit and Loss Account (Statement of Profit and Loss) and other documents of its subsidiary companies to the Balance Sheet of the Company. Vide General Circular No. 2/ 2011 dated February 8, 2011 issued by the Government of India (Ministry of Corporate Affairs), general exemption has been granted to companies from attaching financial statements of subsidiaries, subject to fulfillment of conditions stated in the said circular. Accordingly, the Balance Sheet, the Profit and Loss Account (Statement of Profit and Loss) and other documents of the Subsidiary Company are not attached to the

Balance Sheet of the Company.

Relevant financial information of the Subsidiary Company is disclosed in the Annual Report. The Company shall make available the Annual Accounts and the related detailed information of its subsidiary to any Member of the Company or its subsidiary who may be interested in obtaining the same at any point of time. These documents will also be available for inspection during business hours at the Registered Office. The Consolidated Financial Statements presented by the Company include financial results of its Subsidiary Company.

The audited financial statements, including consolidated financial statements and all other relevant documents required to be attached thereto are available on the website: www.enil.co.in.

23. Consolidated Financial Statements

In accordance with the Accounting Standard 21 on Consolidated Financial Statements, the audited Consolidated Financial Statements are annexed and form part of the Annual Report.

24. Acknowledgements

Your Directors take this opportunity to convey their appreciation to all the members, listeners, advertisers, media agencies, dealers, suppliers, bankers, regulatory and government authorities and all other business associates for their continued support and confidence in the management of the Company. Your Directors are pleased to place on record their appreciation of the consistent contribution made by employees at all levels through their hard work, dedication, solidarity and cooperation and acknowledge that their efforts have enabled the Company to achieve new heights of success.

For and on behalf of the Board of Directors

sd/-

Vineet Jain
Chairman

Mumbai, May 23, 2014

Registered Office:

Entertainment Network (India) Limited,
CIN: L92140MH1999PLC120516,
4th Floor, A-Wing, Matulya Centre,
Senapati Bapat Marg, Lower Parel (West),
Mumbai - 400 013.
www.enil.co.in

Report on Corporate Governance

Corporate Governance refers to the systems and policies that influence a corporation's administration. The core principles of Corporate Governance practices are fairness, transparency, accountability and responsibility. Effective Corporate Governance emphasizes efficiency, accountability and adaptability to the changing environment. Corporate Governance is a process to manage the business affairs of the company towards enhancing business prosperity and accountability with the objective of realizing long term shareholder value, while taking into account the interests of other stakeholders.

The equity shares of the Company are listed and admitted to dealings on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE). Pursuant to the provisions of Clause 49 of the Listing Agreement, a report on Corporate Governance for the financial year ended March 31, 2014 is furnished below:

1. Company's Philosophy on Code of Governance

Your Company's philosophy on Corporate Governance envisages attainment of the highest level of integrity, fairness, transparency, equity and accountability in all the facets of its functioning and in its interactions with shareholders, employees, government, regulatory bodies, listeners and the community at large. Your Company has been upholding fair and ethical business and corporate practices and transparency in its dealings.

The Company reiterates its commitment to adhere to the highest standards of Corporate Governance. The Company recognizes that good Corporate Governance is a continuing exercise and is committed to pursue the highest standard of governance in the overall interest of the stakeholders.

In compliance with the regulatory requirements and effective implementation of Corporate Governance practices, the Company has adopted the following codes of governance in accordance with the applicable regulations of Securities and Exchange Board of India:

- Code of Conduct for Prevention of Insider Trading: for regulating the dealings in securities of the Company by the Directors and Employees of the Company possessing or likely to possess price sensitive information
- Code of Corporate Disclosure Practices: for ensuring timely and adequate disclosure of price sensitive information

- Code of Ethics and Business Principles for Directors and Employees

These codes and their effective implementation re-affirm the commitment of the Company towards putting in place the highest standards of Corporate Governance in every sphere of its operations. The Company's philosophy of Corporate Governance is not only compliant with the statutory requirements but also underlines our commitment to operate in the best interest of the stakeholders.

The Company has procedures in place to inform the Board Members about the risk assessment and minimization procedures. These procedures are periodically reviewed to ensure that the management controls risk through means of a properly defined framework.

2. Board of Directors

(i) Composition of the Board of Directors, attendance and other directorships and committee memberships of the Directors:

The Company believes that an active, well-informed and independent Board of Directors is vital to achieve the apex standard of Corporate Governance. The Board of Directors of the Company comprises an optimal combination of executive, non-executive and independent directors so as to preserve and maintain the independence of the Board. The Board of Directors comprises nine directors, each being eminent persons with professional experience in varied fields. Brief profile of all the Directors of the Company has been furnished separately in the Annual Report.

Directors are identified based on their qualifications, positive attributes and area of expertise. Appointment of the Directors of the Company is approved by the members at their general meetings.

Composition of the Board of Directors, attendance at Board Meetings (BM) held during the financial year under review and at the last Annual General Meeting (AGM), number of directorships, memberships and chairmanships of the Directors of the Company in other public limited companies (as on the date of this report) is as follows:

Report on Corporate Governance

Name of the Directors	Category	For the Financial Year 2013-2014 Attendance at		As on date of this report		
		Board Meeting	Last AGM	No. of other Directorships @	Committee positions @	
					Member	Chairman
Mr. Vineet Jain [DIN: 00003962]	Non- Executive Chairman	6	Yes	10	0	0
Mr. A. P. Parigi* [DIN: 00087586]	Independent Non- Executive	6	Yes	7	5	0
Mr. B. S. Nagesh [DIN: 00027595]	Independent Non- Executive	6	Yes	4	3	0
Mr. N. Kumar [DIN: 00007848]	Independent Non- Executive	6	Yes	5	1	3
Mr. Ravindra Dhariwal [DIN: 00003922]	Non- Executive	6	Yes	9	4	2
Mr. Ravindra Kulkarni [DIN: 00059367]	Independent Non- Executive	6	Yes	8	4	2
Mr. Richard Saldanha [DIN: 00189029]	Independent Non- Executive	6	Yes	3	2	0
Ms. Vibha Paul Rishi [DIN: 05180796]	Independent Non- Executive	5	Yes	2	1	0
Mr. Prashant Panday# [DIN: 02747925]	Managing Director & CEO #	6	Yes	1	0	0

@ For the purpose of considering the number of other directorships and committee positions, all public limited companies, whether listed or not, have been included and all other companies including private limited companies, foreign companies and companies under Section 25 of the Companies Act, 1956/ Section 8 of the Companies Act, 2013 have been excluded. Committee positions considered are only Audit Committee and Shareholders'/Investors' Grievance Committee (Stakeholders Relationship Committee), including that of the Company.

* Mr. A. P. Parigi is holding the office of Independent Director with effect from April 1, 2013 as per the Clause 49 (I)(A) (iii) of the listing agreement.

The Board of Directors approved the change in designation from 'Executive Director & CEO' to 'Managing Director & CEO' with effect from May 23, 2014.

None of the Directors are related with each other (*inter-se*) within the meaning of Clause 49 IV (G) (*ia*) of the Listing Agreement.

Apart from receiving director's remuneration, none of the above referred Independent Non- Executive Directors have any material pecuniary relationships or transactions with the Company, its promoters, its directors, its senior management or its holding company, its subsidiaries and associates which may affect their independence.

The Company has not entered into any materially significant transactions with its

Promoters, Directors or their relatives or with the Management, etc. that may have potential conflict with the interest of the Company at large.

(ii) Board Meetings and Annual General Meeting held:

Six Board Meetings were held during the financial year under review, the dates of which were: May 17, 2013; July 18, 2013; July 19, 2013; August 8, 2013; November 12, 2013; and February 10, 2014.

The Fourteenth Annual General Meeting was held on August 8, 2013.

Report on Corporate Governance

(iii) Declaration by the Managing Director & Chief Executive Officer under Clause 49(I)(D) of the Listing Agreement regarding adherence to the Code of Conduct is forming part of the Report on Corporate Governance.

(iv) A certificate as stipulated under Clause 49 (V) of the Listing Agreement was placed before the Board of Directors.

(v) In preparation of the financial statements, the applicable accounting standards have duly been followed and there are no material departures.

3. Audit Committee

The Company recognizes that the Audit Committee is indispensable for ensuring accountability amongst the Board, the Management and the Auditors, who are responsible for sound and transparent financial reporting. The Audit Committee is responsible for overseeing the processes related to financial reporting and information dissemination. It assists the Board of Directors (Board) in its responsibility for overseeing the quality and integrity of accounting, auditing and reporting practices of the Company and its compliance with the legal and regulatory requirements. The primary objective of the Audit Committee of the Company is to monitor and effectively supervise the financial reporting process of the Company with a view to ensure accurate, timely and proper disclosures and transparency and integrity of financial reporting.

The constitution, composition, quorum requirements, frequency of meetings, terms of reference, role, powers, rights, authority and obligations of the Audit Committee are in conformity with the applicable provisions of the Companies Act, 2013 and the listing agreement (including any statutory modification(s) or re-enactment or amendments thereof).

(i) Terms of reference *inter alia* include:

- 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
- Recommendation to the Board for appointment, remuneration and terms of

appointment of auditors of the Company

- Approval of payment to statutory auditors for any other services rendered by the statutory auditors
- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval
- Reviewing, with the management, the quarterly financial statements before submission to the Board for approval
- 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 utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter
- Review and monitor the auditor's independence and performance, and effectiveness of audit process
- Approval or any subsequent modification of transactions of the Company with related parties
- Scrutiny of inter-corporate loans and investments
- Valuation of undertakings or assets of the Company, wherever it is necessary
- Evaluation of internal financial controls and risk management systems
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems
- 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

Report on Corporate Governance

- Discussion with internal auditors of any significant findings and follow up there on
- 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
- 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
- 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
- To review the functioning of the whistle blower / vigil mechanism
- Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate
- Review the following information:
 - o Management discussion and analysis of financial condition and results of operations
 - o Statement of significant related party transactions (as defined by the Audit Committee), submitted by the management
 - o Management letters / letters of internal control weaknesses issued by the statutory auditors
 - o Internal audit reports relating to internal control weaknesses; and
 - o The appointment, removal and terms of remuneration of the chief internal auditor
- Recommend appointment of cost auditor and their remuneration

- Review the financial statements, in particular, the investments made by the unlisted subsidiary company
- Carrying out any other functions as authorized by the Board of Directors from time to time or as enforced by statutory/regulatory authorities

Powers of Audit Committee *inter alia* includes:

- to investigate any activity within its terms of reference
- to seek information from any employee
- to obtain outside legal or other professional advice
- to secure attendance of outsiders with relevant expertise, if it considers necessary

(ii) Composition of the Audit Committee:

The Audit Committee comprises of the following Directors as on date of the Report:

- Mr. N. Kumar – Chairman (Independent Non- Executive Director)
- Mr. Ravindra Dhariwal (Non- Executive Director)
- Mr. Ravindra Kulkarni (Independent Non- Executive Director)
- Mr. Richard Saldanha (Independent Non- Executive Director)

All the Members of the Audit Committee are financially literate and have relevant accounting and financial management expertise as required under the Companies Act, 2013 and Clause 49 of the Listing Agreement. The Company Secretary acts as the Secretary of the Audit Committee.

(iii) Meetings and attendance during the year:

During the financial year under review, the Audit Committee met four times, i.e. on May 17, 2013; August 8, 2013; November 12, 2013; and February 10, 2014. All the members of the Audit Committee attended all the committee meetings.

4. Subsidiary Company

As on date of this Report, the Company has one

Report on Corporate Governance

wholly owned subsidiary company, viz. Alternate Brand Solutions (India) Limited. The Audit Committee of the Company reviews *inter alia* the financial statements of its subsidiary company, etc. as stipulated under Clause 49 of the Listing Agreement. The minutes of the Board Meetings of unlisted subsidiary company have been placed at the Board Meetings of the Company and other relevant provisions of the said Clause of the Listing Agreement are duly complied with, to the extent applicable.

5. Nomination and Remuneration Committee

The 'Remuneration / Compensation Committee' has been renamed as the 'Nomination and Remuneration Committee' and its constitution, composition, quorum requirements, frequency of meetings, terms of reference, role, powers, rights, authority and obligations are in conformity with the applicable provisions of the Companies Act, 2013 and the listing agreement (including any statutory modification(s) or re-enactment or amendments thereof).

(i) Terms of reference *inter alia* include:

- to identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board of Directors (Board) their appointment and removal and shall carry out evaluation of every director's performance
- to formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees
- to formulate the criteria for evaluation of Independent Directors and the Board
- to devise a policy on Board diversity
- to determine, review and recommend to the Board, the remuneration of the Company's Managing/ Joint Managing/ Deputy Managing/ Whole time / Executive

Director(s), including all elements of remuneration package

- to determine, review and recommend to the Board, the remuneration of the Company's top executives/ senior management personnel who are one level below the Managing/ Joint Managing/ Executive Director(s)
- to formulate, implement, supervise and administer the terms and conditions of the Employee Stock Option Scheme, Employee Stock Purchase Scheme, whether present or prospective, pursuant to the applicable statutory/ regulatory guidelines
- to carry out any other functions as authorized by the Board from time to time or as enforced by statutory/ regulatory authorities

(ii) Composition of Nomination and Remuneration Committee:

Nomination and Remuneration Committee comprises of the following Directors as on date of the Report:

- Mr. N. Kumar (Independent Non- Executive Director)
- Mr. Ravindra Dhariwal (Non- Executive Director)
- Mr. Ravindra Kulkarni (Independent Non- Executive Director)
- Mr. Richard Saldanha (Independent Non- Executive Director)

(iii) Meetings and attendance during the year:

During the financial year under review, the Committee met four times, i.e. on May 17, 2013; August 8, 2013; November 12, 2013; and February 10, 2014. All the members of the Committee attended all the committee meetings.

(iv) Remuneration policy:

The remuneration policy followed by the Company rewards people based on criteria such as the responsibilities shouldered by the person, his/ her academic/ experience profile, his/ her performance vis-à-vis set Key Result Areas (KRAs), the financial results of the

Report on Corporate Governance

Company and industry benchmarks. Through its remuneration policy, the Company endeavors to attract, retain, develop and motivate its highly skilled and dedicated workforce. The Company follows a compensation mix of fixed pay and performance based pay.

(v) Details of remuneration:

(a) Details of remuneration paid to Mr. Prashant Panday, Managing Director & CEO during the year 2013-2014 are given below:

Particulars	(in ₹)
Salary #	25,411,030
Benefits *	596,340
Perquisites	15,000
Total	26,022,370

Salary includes performance linked incentives of ₹ 6,659,986 paid during the year 2013-2014.

* Includes the Company's contribution to Provident and Superannuation Funds.

Notes:

- Appointment of Mr. Prashant Panday is for a period of three (3) years with effect from July 1, 2013 till June 30, 2016 on various terms and conditions including remuneration as approved by the members at their meeting held on August 8, 2013.
- Appointment, terms, conditions and

payment of remuneration to the Managing/ Whole-time Director is governed by the resolution(s) passed by the Nomination & Remuneration Committee, Board of Directors and Members of the Company and approval from the Central Government, if and to the extent applicable and required. The remuneration structure comprises salary, incentive, allowances, perquisites, performance based remuneration, contribution to provident fund and superannuation, etc.

- The aforesaid appointment may be terminated by either party by giving to other party not less than three months' prior notice in writing of such termination or payment in lieu of notice.
- Mr. Prashant Panday is holding 21900 equity shares of the Company as on the date of this Report.
- No option was granted to any director of the Company under any scheme for grant of stock options during the financial year under review.
- The Board of Directors of the Company, at their meeting held on May 23, 2014, approved the change in designation of Mr. Prashant Panday from 'Executive Director & Chief Executive Officer' to 'Managing Director & Chief Executive Officer' with effect from May 23, 2014.

(b) Details of sitting fees and commission for the financial year 2013 – 2014:

Name of the Non - Executive Directors	Sitting Fees for FY 2013-2014 (in ₹)	Commission for FY 2013-2014 (in ₹)
Mr. Vineet Jain	Nil	Nil
Mr. A. P. Parigi	1,20,000/-	4,80,000/-
Mr. B. S. Nagesh	1,20,000/-	4,80,000/-
Mr. N. Kumar	2,80,000/-	3,20,000/-
Mr. Ravindra Dhariwal	60,000/-	Nil
Mr. Ravindra Kulkarni	2,80,000/-	3,20,000/-
Mr. Richard Saldanha	2,80,000/-	3,20,000/-
Ms. Vibha Paul Rishi	1,00,000/-	4,00,000/-

Report on Corporate Governance

(c) Criteria for making payments to Non-Executive Directors:

Non- Executive Directors of the Company have been paid sitting fees of ₹ 20,000/- (Rupees twenty thousand only) per meeting during the financial year under review, subject to deduction of applicable taxes, levies, etc., if any, for attending;

- Meeting of the Board of Directors;
- Meeting of the Audit Committee; and
- Meeting of the Nomination and Remuneration Committee.

Commission amount has been provided for the financial year 2013-2014 based on the time and contribution committed by the independent board members.

The remuneration structure is in line with the practices followed by similar sized companies, keeping in view the role, responsibilities and contribution of the non- executive directors.

(d) Number of shares and convertible instruments of the Company held by Non-Executive Directors as on the date of this Report are as follows:

Name of the Directors	No. of equity shares held
Mr. Vineet Jain	Nil
Mr. A. P. Parigi	2000
Mr. B. S. Nagesh	Nil
Mr. N. Kumar	5580
Mr. Ravindra Dhariwal	Nil
Mr. Ravindra Kulkarni	Nil
Mr. Richard Saldanha	Nil
Ms. Vibha Paul Rishi	Nil

6. Stakeholders Relationship Committee

The 'Shareholders'/ Investors' Grievances Committee' has been renamed as the 'Stakeholders Relationship Committee' and its constitution, composition, quorum requirements, frequency of meetings, terms of reference, role, powers, rights, authority and obligations are in conformity with the

applicable provisions of the Companies Act, 2013 and the listing agreement (including any statutory modification(s) or re-enactment or amendments thereof).

(i) Constitution and terms of reference of the Committee:

The Company has always valued its investors' and stakeholders' relationships. In order to ensure the proper and speedy redressal of the Stakeholders grievances, the Committee was constituted. The major terms of reference of the Committee *inter alia* include:

- to consider and resolve the grievances of the securities holders of the Company including complaints related to transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends, etc.
- to ensure implementation and compliance of the Company's Code of Conduct for Prohibition of Insider Trading and Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992, as amended from time to time
- to supervise the process relating to transfer, transmission, transposition, split, consolidation of securities
- to oversee the performance of the Company's registrar & share transfer agents
- to make recommendations to improve service levels for stakeholders
- to carry out any other functions as authorized by the Board of Directors from time to time or as enforced by statutory/regulatory authorities

The Committee is headed by a Non- Executive Director and comprises of the following Directors:

- Mr. Ravindra Dhariwal - Chairman
- Mr. A. P. Parigi - Member

(ii) Name and designation of Compliance Officer:

Mr. Mehul Shah, *SVP - Compliance & Company Secretary* is the Compliance Officer of the Company.

(e-mail ID: mehul.shah@timesgroup.com)

Report on Corporate Governance

(iii) Shareholders' complaints:

Number of shareholders' complaints/ queries, etc. received during the financial year 2013-2014	16
Number of complaints/ queries, etc. not resolved to the satisfaction of shareholders as on March 31, 2014	0
No. of pending complaints/ queries, etc. (The complaints/ queries have been resolved in consonance with the applicable provisions of the relevant rules/ regulations and acts for the time being in force)	0

(iv) Meetings and attendance during the year:

During the financial year under review, the Committee met four times, i.e. on May 17, 2013; August 8, 2013; November 12, 2013; and February 10, 2014. All the Members of the Committee attended all the Committee meetings.

(v) Disclosure(s) pertaining to unclaimed shares:

Disclosure pursuant to the Clause 5A of the Listing Agreement in relation to the unclaimed shares, based on the disclosure furnished by Karvy Computershare Private Limited, the Registrar and Share Transfer Agent (R&TA) of the Company, for the financial year ended March 31, 2014, is as below:

Clauses of the Listing Agreement	Particulars	Remarks
Clause 5A(g)(i)	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year i.e. on April 1, 2013;	Number of Shareholders-41 and Number of Outstanding shares -1746 equity shares.
Clause 5A(g)(ii)	Number of shareholders who approached issuer for transfer of shares from suspense account during the year 2013-2014;	Nil
Clause 5A(g)(iii)	Number of shareholders to whom shares were transferred from suspense account during the year 2013-2014;	Nil
Clause 5A(g)(iv)	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year under review;	41 Shareholders with outstanding equity shares of 1746.
Clause 5A(g)(v)	Voting rights on these shares.	Voting rights on the equity shares lying in the suspense account shall remain frozen till the rightful owner of such equity shares claims those equity shares.

7. CSR Committee

The constitution, composition, quorum requirements, terms of reference, role, powers, rights, obligations of 'Corporate Social Responsibility Committee [CSR Committee]' are in conformity with the provisions of Section 135 and all other applicable provisions of the Companies Act, 2013, read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and all other applicable rules made under the Companies Act, 2013 (including any statutory modification(s) or re-enactment or amendments

thereof).

The Committee comprises of the following Directors:

- Mr. Vineet Jain (Non- Executive Director)
- Mr. B. S. Nagesh (Independent Non- Executive Director)
- Mr. Ravindra Dhariwal (Non- Executive Director)
- Mr. Ravindra Kulkarni (Independent Non- Executive Director)
- Mr. Prashant Panday (Managing Director & CEO)

Report on Corporate Governance

Terms of reference of the Committee *inter alia* include to:

- formulate and recommend to the Board of Directors (Board), a Corporate Social Responsibility (CSR) Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013
- approve CSR activities
- recommend to the Board the amount of expenditure to be incurred on the CSR activities
- monitor the CSR Policy of the Company from time to time

- institute a transparent monitoring mechanism for implementation of the CSR projects or programs or activities undertaken by the Company
- carry out any other functions as authorized by the Board of Directors from time to time or as enforced by statutory/ regulatory authorities

8. General Body Meetings

(i) Annual General Meetings:

Location, date and time of the Annual General Meetings (AGMs) held during the preceding three years and the Special Resolutions passed thereat are as follows:

Year, date and time	Location	Special Resolution(s) passed
2012 – 2013 Fourteenth AGM held on August 8, 2013 at 3.00 p.m.	Birla Matushri Sabhagar, 19, New Marine Lines, Mumbai 400 020.	To approve the re-appointment and relevant terms and conditions thereof including remuneration payable to Mr. Prashant Panday, Whole-time Director of the Company for a period of three (3) years with effect from July 1, 2013 till June 30, 2016.
2011 – 2012 Thirteenth AGM held on August 14, 2012 at 3.00 p.m.	Y. B. Chavan Auditorium, Gen. Jagannath Bhosale Marg, Next to Sachivalaya Gymkhana, Near Mantralaya, Nariman Point, Mumbai – 400021.	<ul style="list-style-type: none"> ▪ To increase in the Foreign Investment limit from existing 20% to 26% pursuant to the applicable provisions of the Foreign Exchange Management Act, 1999 (FEMA), Foreign Exchange Management (Transfer or issue of Security by a Person Resident outside India) Regulations, 2000, etc. ▪ To alter Article no. 206 of the Articles of Association to enable the directors to participate in the Board/ Committees meetings through Video Conference facilities as permissible by the Ministry of Corporate Affairs. ▪ To alter Article nos. 248 and 249 of the Articles of Association to enable service of corporate documents through electronic mail as permissible by the Ministry of Corporate Affairs.
2010 – 2011 Twelfth AGM held on August 30, 2011 at 3.00 p.m.	Y. B. Chavan Auditorium, Gen. Jagannath Bhosale Marg, Next to Sachivalaya Gymkhana, Near Mantralaya, Nariman Point, Mumbai – 400021.	To enable payment of commission to non- executive directors of the Company pursuant to Section 309 of the Companies Act, 1956.

Report on Corporate Governance

(ii) Special Resolution passed through Postal Ballot:

During the financial year under review, no resolution was passed through postal ballot.

(iii) Person who conducted the postal ballot exercise:

Not applicable.

(iv) Whether any special resolution is proposed to be conducted through postal ballot:

No.

(v) Procedure for postal ballot:

The Company will comply with the requirements relating to the postal ballot process as and when such matter arises requiring approval of the Members by such process as per Section 110 and other applicable provisions of the Companies Act, 2013, read with the Companies (Management and Administration) Rules, 2014, including any statutory modification or re-enactment thereof for the time being in force.

9. Other Disclosures

(i) Disclosures on materially significant related party transactions that may have potential conflict with the interests of the Company at large:

During the financial year under review, there were no materially significant related party transactions with the Promoters, Directors, etc. that may have potential conflict with the interests of the Company at large.

(ii) Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years:

There has been no instance of non-compliance by the Company on any matter related to capital markets during the last three years and hence no penalties, strictures have been imposed on the Company by Stock Exchanges or Securities and Exchange Board of India or any other statutory authority.

(iii) Whistle Blower policy and affirmation that no personnel has been denied access to the Audit Committee:

The Company has introduced a 'Whistle Blower

Policy' / 'Vigil Mechanism'. The Objective of the Vigil Mechanism is to provide the employees, customers, vendors, contractors and other stakeholders of /in the Company an impartial and fair avenue to raise concerns and seek their redressal, in line with the Company's commitment to the highest possible standards of ethical, moral and legal business conduct and fair deal to all its stakeholders and constituents and its commitment to open communication channels. The Company is also committed to provide requisite safeguards for the protection of the persons who raise such concerns from reprisals or victimization, for whistle blowing in good faith. The Board of Directors affirms and confirms that no personnel has been denied access to the Audit Committee.

(iv) Reconciliation of Share Capital Audit:

A qualified practicing Company Secretary carried out a Share Capital Audit to reconcile the total admitted equity share capital with National Securities Depository Limited [NSDL], Central Depository Services (India) Limited [CDSL] and equity shares held in physical form and the total issued and listed equity share capital. The Audit Report confirms that the total issued/ paid up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL. The equity shares of the Company are listed on BSE and NSE.

(v) Risk Management:

The Company has a strong Enterprise Risk Management framework which is administered by the Senior Management. This team periodically reviews the risk events that could affect the Company and initiates appropriate mitigation procedures and also reviews the progress made with respect to the mitigation plans and the effectiveness of the same in addressing the relevant risk. The Company has laid down procedures to inform Board members about the risk assessment and minimization procedures and these procedures are reviewed periodically. The Company's internal control systems are commensurate with the nature and size of its business. These are tested and

Report on Corporate Governance

reported by the Statutory as well as Internal Auditors. Significant audit observations and follow up actions thereon are reported to the Audit Committee.

(vi) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements of this clause:

The Company has complied with all the mandatory requirements of Clause 49 of the Listing Agreement entered into with the Stock Exchanges. The status of compliance with the non-mandatory requirements of this clause has been detailed herein.

10. Means of Communication

(i) Quarterly/ Half yearly/ Annual results:

Quarterly/ Half yearly/ Annual results are regularly submitted to the Stock Exchanges where the securities of the Company are listed pursuant to the Listing Agreement requirements and are published in the newspapers. The financial results, as per the Clause 41 of the Listing Agreement, are displayed on the Company's website i.e. www.enil.co.in

(ii) Newspapers wherein results are normally published:

Financial Express (English) and Loksatta (Marathi, the regional language).

(iii) Any Website, where displayed :

www.enil.co.in

(iv) Whether Website also displays official news releases:

The Company has maintained a functional website [www.enil.co.in] containing basic information about the Company e.g. details of its business, financial information, shareholding pattern, codes, compliance with corporate governance, contact information of the designated officials of the Company who are responsible for assisting and handling investor grievances, etc.

(v) Presentations made to institutional investors or to the analysts:

The presentations made to institutional investors/ analysts are posted on the Company's website i.e. www.enil.co.in

11. General Shareholder Information

(i) Annual General Meeting (AGM):

Day, Date and time : Tuesday, August 12, 2014 at 3.00 p.m.

Venue : Birla Matushri Sabhagar, 19, New Marine Lines, Mumbai- 400020.

(ii) Financial year:

April 1, 2013 to March 31, 2014.

(iii) Date of Book closure: Tuesday, August 5, 2014 to Tuesday, August 12, 2014, both days inclusive, for taking record of the Members of the Company for the purpose of AGM and determining the names of the Members eligible for dividend on equity shares, if declared at AGM.

(iv) Dividend Payment Date: The Dividend, if declared at the AGM, would be paid/ dispatched on / after August 13, 2014 and within thirty days from the date of declaration of dividend.

(v) Listing on Stock Exchange: The Company's shares are listed on the BSE- Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001 and NSE- Exchange Plaza, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra- (East), Mumbai - 400 051. The Company has paid the applicable annual listing fees to BSE and NSE.

(vi) Stock code :

BSE Scrip Code	532700
NSE Trading Symbol	ENIL
ISIN Number for NSDL & CDSL	INE265F01028

(vii) Market Price Data: High, Low during each month in last financial year*

The performance of the equity shares of the Company on BSE and NSE depicting the liquidity of the Company's equity shares for the financial year ended on March 31, 2014, on the said exchanges, is as follows:

Report on Corporate Governance

Stock Market data – BSE

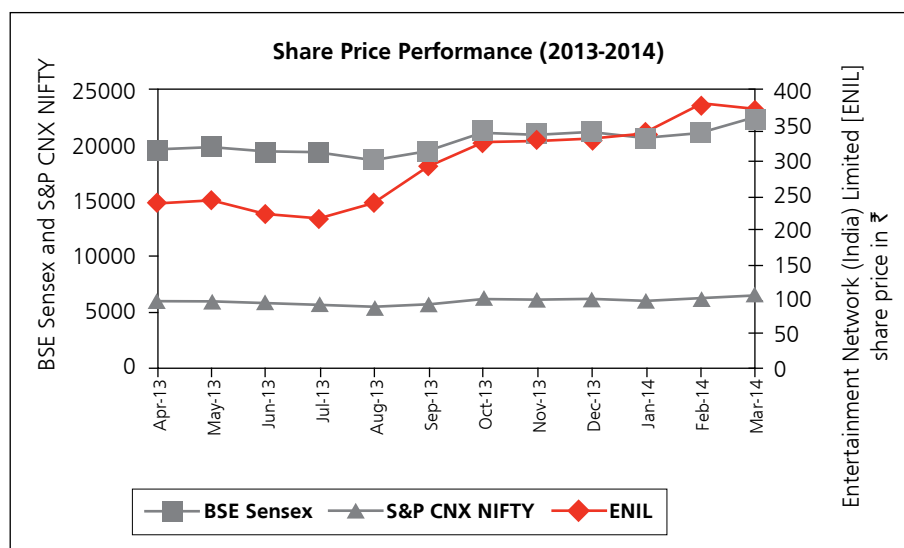
Month	Open Price	High Price	Low Price	Close Price	No. of Shares	Total Turnover (₹ in lacs)
	₹	₹	₹	₹		
April-13	236.55	243.90	221.75	237.40	29566	69.10
May-13	240.00	260.50	231.60	242.50	48994	120.99
June-13	242.00	243.35	205.00	221.80	209109	453.67
July-13	220.00	228.40	208.20	214.85	36394	80.15
August-13	215.85	265.00	198.10	238.90	101464	247.74
September-13	240.00	299.00	235.00	289.85	434155	1071.80
October-13	294.70	338.00	269.50	322.10	140092	412.77
November-13	319.00	364.75	312.00	326.60	83465	282.63
December-13	325.75	334.95	297.75	327.30	41318	130.46
January-14	329.50	357.00	315.55	336.75	293203	1002.40
February-14	338.00	385.00	332.90	377.20	87262	313.14
March-14	368.00	442.00	346.00	370.35	101275	409.43

Stock Market data – NSE

Month	Open Price	High Price	Low Price	Close Price	No. of Shares	Total Turnover (₹ in lacs)
	₹	₹	₹	₹		
April-13	242.00	244.95	220.20	237.00	224828	519.64
May-13	242.45	265.00	231.00	242.15	281890	700.76
June-13	239.40	252.00	203.00	222.90	140551	313.98
July-13	221.00	232.00	209.85	212.40	193651	423.75
August-13	212.50	271.00	191.15	238.30	558277	1313.43
September-13	239.00	304.00	221.10	290.45	399125	1051.16
October-13	296.55	338.50	270.05	319.10	522588	1552.89
November-13	320.00	365.40	305.15	326.20	326560	1103.50
December-13	330.95	335.00	296.20	327.60	201656	628.26
January-14	332.65	357.50	315.15	336.95	310077	1058.80
February-14	337.00	385.00	336.85	378.05	400690	1431.15
March-14	377.70	484.10	363.20	373.10	674897	2734.88

* (Source: This information is compiled from the data available on the website of BSE and NSE)

(viii) Stock Performance:



Report on Corporate Governance

(ix) Registrar and Transfer Agents (R & TA):

Karvy Computershare Private Limited, Unit: Entertainment Network (India) Limited, Plot No. 17 to 24, Vittal Rao Nagar, Madhapur, Hyderabad – 500 081, Phone: 040 – 44655000, Fax: 040 – 23420814.

(x) Share Transfer System:

Pursuant to the provisions of the Listing Agreement entered into with the Stock Exchanges, the Board of Directors of the Company, in order to expedite the process, has delegated the power of approving transfer, transmission, etc. of the securities of the Company to the R & TA. Securities lodged for transfer, transmission, etc. are normally processed within the stipulated time as specified in the Listing Agreement and other applicable provisions of the Companies Act, 1956 (and the Companies Act, 2013 from the effective date). The Company has duly obtained certificates on half yearly basis from the Practicing Company Secretary, certifying due compliance with the formalities of share transfer as required under Clause 47 (c) of the Listing Agreement entered into with Stock Exchanges and submitted a copy of the certificate to the Stock Exchanges where the securities of the Company are listed.

(xi) Dematerialization of shares and liquidity:

99.99% of the paid up equity share capital of the Company is in dematerialized form as on March 31, 2014. Trading in equity shares of the Company is permitted only in dematerialized form as per the notification issued by Securities and Exchange Board of India. The trading / liquidity details are given in para (vii) hereinbefore.

(xii) Outstanding GDRs / ADRs / Warrants or any Convertible Instruments, conversion date and likely impact on Equity :

Nil.

(xiii) Distribution of shareholding as on March 31, 2014:

Category	No. of Members	% of Members	Total Shares	% of shares
1 - 5000	13649	96.58	736121	1.55
5001 - 10000	218	1.54	174865	0.37
10001 - 20000	117	0.83	177719	0.37
20001 - 30000	39	0.28	100946	0.21
30001 - 40000	18	0.13	62881	0.13
40001 - 50000	16	0.11	75959	0.16
50001 - 100000	28	0.20	200031	0.42
100001 & Above	47	0.33	46141893	96.79
Total	14132	100.00	47670415	100.00

As on March 31, 2014 and as on the date of this report, none of the Promoters or Promoters' Group of the Company have pledged any shares of the Company.

Report on Corporate Governance

Shareholding pattern of the Company (as on March 31, 2014):

Category code	Category of shareholder	Number of shareholders	Total Number of shares	Total shareholding as a percentage of total number of shares
(A)	Shareholding of Promoter and Promoter Group	—		
(1)	Indian *			
(a)	Bodies Corporate	2	33918400	71.15
	Sub-Total (A)(1)	2	33918400	71.15
(2)	Foreign	0	0	0
	Sub-Total (A)(2)	0	0	0
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	2	33918400	71.15
(B)	Public shareholding			
(1)	Institutions			
(a)	Mutual Funds/ UTI	12	757067	1.59
(b)	Financial Institutions/ Banks	2	932	0.00
(c)	Foreign Institutional Investors	18	7624976	16.00
	Sub-Total (B)(1)	32	8382975	17.59
(2)	Non-institutions			
(a)	Bodies Corporate	289	2577603	5.41
(b)	Individuals -			
i.	Individual shareholders holding nominal share capital up to ₹ 1 lakh.	13637	1309843	2.75
ii.	Individual shareholders holding nominal share capital in excess of ₹ 1 lakh.	14	1341013	2.81
(c)	Others			
	Non Resident Indians	106	121789	0.26
	Trust	4	86	0.00
	Clearing Members	48	18706	0.04
	Sub-Total (B)(2)	14098	5369040	11.26
	Total Public Shareholding (B) = (B) (1) + (B) (2)	14130	13752015	28.85
	TOTAL (A)+(B)	14132	47670415	100.00
(C)	Shares held by Custodians and against which Depository Receipts have been issued	0	0	0.00
	GRAND TOTAL (A)+(B)+(C)	14132	47670415	100.00

* The Indian Promoter Group comprises of Times Infotainment Media Limited and Bennett, Coleman and Company Limited.

Report on Corporate Governance

(xiv) Location of Studios:

1.	Ahmedabad	The Times of India Press Premises, Vejalpur, Ahmedabad – 380 015.
2.	Aurangabad	F 8, 9, 10, 5 th Floor, Aurangabad Business Centre, Adalat Road, Opposite Session Court, Aurangabad – 431 005.
3.	Bengaluru	39/2, 3 rd Floor, Sagar Building, Banerghatta Road, Bengaluru – 560 029.
4.	Bhopal	2 nd Floor, C. P. Square, 2, Malviya Nagar, Opposite Old Vidhansabha, Bhopal – 462 003.
5.	Chennai	6 th & 7 th Floor, Fathima Akhtar Court, Anna Salai, Teynampet, Chennai – 600 018.
6.	Coimbatore	8 th Floor, Classic Towers, 1547 Trichy Road, Coimbatore – 641 018.
7.	Delhi	Times Centre, Plot No. 6, 3 rd Floor, Sector 16A, Film City, Noida, Uttar Pradesh- 201 301.
8.	Hyderabad	1 st Floor, Queen's Plaza, Sardar Patel Road, Opposite Begumpet Police Station, Begumpet, Secunderabad – 500 003.
9.	Indore	9 th Floor, Industry House, 15 A B Road, Indore – 452 001.
10.	Jabalpur	2 nd Floor, Shukla Bhawan, 1415, Wright Town, Jabalpur – 482 002.
11.	Jaipur	Prestige Tower, 6 th Floor E – 1, Amrapali Road, Vaishali Nagar, Jaipur – 302 021.
12.	Jalandhar	6 th Floor, Shakti Tower, Adjoining Swani Motors, GT Road, Near BMC Chowk, Jalandhar – 144 001.
13.	Kanpur	14/ 113, Kan Chambers, 6 th Floor, Civil Lines, Kanpur – 208 001.
14.	Kolhapur	517/2 E, Gemstone, 1 st Floor, Rao Bahadur Rajirao Vichare Complex, New Shahupuri, Kolhapur – 416 001.
15.	Kolkatta	Shantiniketan Building, 13 th Floor, 8, Camac Street, Kolkata – 700 017.
16.	Lucknow	6 th Floor, Shalimar Tower, Vibhuti Khand, Gomti Nagar, Lucknow – 226 010.
17.	Madurai	2 nd Floor, Nataraja Complex, Opposite New District Court, 128 Melur Road, K. K. Nagar, Madurai – 625 020.
18.	Mangalore	5 th Floor, Maximus Commercial Complex, Light House Hill Road, Mangalore – 575 001.
19.	Mumbai	4 th Floor, 'A' Wing, Matulya Centre, Senapati Bapat Marg, Lower Parel (West), Mumbai – 400 013.
20.	Nagpur	2 nd Floor, Narang Towers, 27 Palam Road, Civil Lines, Nagpur – 440 001.
21.	Nashik	3 rd Floor, United Legend, Plot 1, Serial 733/1/2, Opposite Parijat Nagar Bus Stop, Nashik – 422 005
22.	Panjim	1 st Floor, Above Times of India office, Vivenda De Hassan Building, D. B. Marg, Miramar, Panjim, Goa – 403 001.
23.	Patna	4 th Floor, Times of India Building, Fraser Road, Patna – 800 001.
24.	Pune	3 rd Floor, Aditya Business Centre, Above ICICI Bank, Kondhwa Khurd, Pune – 411 048.
25.	Raipur	1 st Floor, Chawla Towers, Near Bottle House, Shankar Nagar, Raipur, Chhattisgarh – 492 007.
26.	Rajkot	Property No. 23, 24/P, Radhika House, Near Kinnari Flats, Opposite Princess School, Kalawad Road, Rajkot – 360 007.
27.	Surat	601- A, International Trade Center, Majuragate Crossing, Ring Road, Surat–395 002.
28.	Thiruvananthapuram	3 rd Floor, Andoor Buildings, General Hospital Road, Vanchiyoor P.O., Thiruvananthapuram – 695 035.
29.	Vadodara	Property No. 1001/1002, 10 th Floor, Gunjan Tower, Off. Alembic - Gorwa Road, Subhanpura, Vadodara – 390 023.

Report on Corporate Governance

30.	Varanasi	2 nd floor, Unit 201-A & 204, RH Tower, The Mall Cantt, Varanasi – 221 002.
31.	Vijaywada	4 th Floor, Matha Towers, Bishop House, Door No. 59 A 1-7, Vijayawada – 520 008.
32.	Visakhapatnam	3 rd Floor, Varun Towers, Kasturba Marg, Siripuram Junction, Visakhapatnam – 530 003.

(xv) Address for correspondence:

Investor Correspondence:

(a) For share transfer / dematerialisation of shares / other queries relating to the securities:

Karvy Computershare Private Limited, Unit: Entertainment Network (India) Limited, Plot No. 17 to 24, Vittal Rao Nagar, Madhapur, Hyderabad - 500081, Phone: 040 – 44655000, Fax: 040 – 23420814.

(b) For queries on Annual Report or investors' assistance:

Mr. Mehul Shah, *SVP - Compliance & Company Secretary*,

Trade Gardens, Ground Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel (West), Mumbai – 400 013. Ph: 022 – 67536983.

Investors can register their complaints/ grievances at the Company's e-mail id: stakeholder.relations@timesgroup.com.

The aforesaid e-mail id and other relevant details have been displayed on the website of the Company i.e. www.enil.co.in.

Non-Mandatory Requirements

The Company has complied with the following non-mandatory requirements of Clause 49 of the Listing Agreement:

1. The Board

The Company does not defray any expenses of the Chairman's Office. Independent Directors do not have a tenure exceeding, in the aggregate, a period of nine years, on the Board of the Company. The Company ensures that all the persons being appointed as Independent Directors of the Company have the requisite qualifications and experience which would be of use to the Company and which, in the opinion of the Company, would enable them to contribute effectively to the Company in their capacity as the Independent Directors.

2. Nomination and Remuneration Committee

As stated earlier, the Company has constituted Nomination and Remuneration Committee to review and recommend the remuneration of the Managing / Executive Director based on his/her performance and defined assessment criteria. Details regarding composition and scope of the Nomination and Remuneration Committee are given in the earlier part of this Report.

3. Shareholder Rights

The Company's quarterly and half-yearly results are furnished to the Stock Exchanges and are also published in the newspapers and on the website of the Company and therefore results were not separately sent to the Members. Quarterly/ Half yearly/ Annual results of the Company are displayed on the website of the Company i.e. www.enil.co.in.

4. Audit qualifications

There are no audit qualifications in the Audit Report for the financial year under review.

5. Training of Board Members

No formal training is provided to the Board Members as on date of this Report. Nevertheless, the Board Members are provided with relevant documents, presentations, reports, etc. to familiarize them with the Company's business, policies and procedures. Relevant regulatory updates are circulated to the Board Members.

6. Mechanism for evaluating Non- Executive Board Members

No formal mechanism for evaluation of the performance of Non-executive Directors is in place as on date of this Report.

7. Whistle Blower Policy

The Company has introduced a 'Whistle Blower Policy' / 'Vigil Mechanism'. The Objective of the Vigil Mechanism is to provide the employees, customers, vendors, contractors and other

Report on Corporate Governance

stakeholders of /in the Company an impartial and fair avenue to raise concerns and seek their redressal, in line with the Company's commitment to the highest possible standards of ethical, moral and legal business conduct and fair deal to all its stakeholders and constituents and its commitment to open communication channels. The Company is also committed to provide requisite safeguards for the protection of the persons who raise such concerns from reprisals or victimization, for whistle blowing in good faith. The Board of Directors affirms and confirms that no personnel has been denied access to the Audit Committee.

For and on behalf of the Board of Directors

sd/-

Vineet Jain

Chairman

Mumbai, May 23, 2014

Registered Office:

Entertainment Network (India) Limited,
CIN: L92140MH1999PLC120516,
4th Floor, A-Wing, Matulya Centre,
Senapati Bapat Marg, Lower Parel (West),
Mumbai - 400 013.
www.enil.co.in

DECLARATION BY THE CEO UNDER CLAUSE 49(I)(D) OF THE LISTING AGREEMENT REGARDING ADHERENCE TO THE CODE OF CONDUCT

To the best of our knowledge and belief, this is to affirm and declare, on behalf of the Board of Directors of the Company and senior management personnel, that:

- The Board of Directors has laid down a code of conduct for all Board members and Senior Management of the Company [‘the Code of Conduct’];
- The Code of conduct has been posted on the website of the Company;
- All the Directors and Senior Management personnel

have affirmed their compliance and adherence with the provisions of the Code of Conduct for the financial year ended March 31, 2014.

For and on behalf of the Board of Directors and Senior Management Personnel

sd/-

Prashant Panday

Managing Director & CEO

Mumbai, May 23, 2014

CERTIFICATE

To the Members of

ENTERTAINMENT NETWORK (INDIA) LIMITED

We have examined the compliance of conditions of Corporate Governance by **ENTERTAINMENT NETWORK (INDIA) LIMITED** (“the Company”), for the financial year ended March 31, 2014, as stipulated in Clause 49 of the Listing Agreement entered into with the BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE).

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to a review of procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of Corporate Governance as stipulated in the said Clause 49. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the management, we certify that

the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

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

For Hemanshu Kapadia & Associates

Company Secretaries

sd/-

Hemanshu Kapadia

Proprietor

C.P. No. 2285

FCS: 3477

Mumbai, May 23, 2014

Management Discussion & Analysis

Statements in this Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be 'forward looking statements' within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include cyclical demand and pricing in the Company's principal markets, changes in government regulations, tax regimes, economic developments within India and the countries in which the Company conducts business and other incidental factors. The Company undertakes no obligation to publicly update or revise any forward looking statements, whether as a result of new information, future events, or otherwise. Readers are cautioned not to place undue reliance on these forward looking statements that speak only as of their dates.

A. Media Industry Structure and Developments

World Economy is expected to improve further

IMF's World Economic Outlook released in April 2014 mentions that the world economy is poised to grow from 3% in 2013 to 3.6% in 2014 and 3.9% in 2015. In advanced economies, growth is expected to increase to about 2¼% in 2014–15 an improvement of about one percentage point compared with 2013.

Growth will be strongest in the United States at about 2¾%. Growth is projected to be positive but varied in the euro area: stronger in the core, but weaker in countries with high debt (both private and public) and financial fragmentation, which will both weigh on domestic demand.

In emerging market and developing economies, growth is projected to pick up gradually from 4.7% in 2013 to about 5% in 2014 and 5¼% in 2015. Growth will be helped by stronger external demand from advanced economies, but tighter financial conditions will dampen domestic demand growth.

In China, growth is projected to remain at about 7½% in 2014 as the authorities seek to rein in credit and advance reforms while ensuring a gradual transition to a more balanced and sustainable growth path¹.

¹ IMF World Economy Report, Page 16

Indian Economy – limping back to normalcy

In February 2014, the Finance Minister's Interim budget speech pegged the Indian GDP growth at 4.9% in 2013-14. He asserted that the economy is more stable today than what it was two years ago. To quote from the Finance Minister's speech:

"...The fiscal deficit is declining, the current account deficit has been contained, inflation has moderated, the quarterly growth rate is on the rise, the exchange rate is stable, exports have increased, and hundreds of projects have been unblocked...."

The IMF forecasts a growth of 5.4% in 2014², while the World Bank projects growth to be over 6% in the 2014-15 fiscal year, and then to increase to 6.6% in FY2015-16³. *"India's growth is expected to recover from 4.4% in 2013 to 5.4% in 2014, supported by slightly stronger global growth, improving export competitiveness and implementation of recently approved investment projects"*, the latest edition of the World Economic Outlook released by the International Monetary Fund (IMF) said. It further added *"For India, real GDP growth is projected to strengthen to 5.4% in 2014 and 6.4% in 2015, assuming that government efforts to revive investment growth succeed and export growth strengthens after the recent rupee depreciation,"*

In a similar vein, the World Bank said in its latest edition of 'South Asia Economic Focus' in April: *"Bolstered by permanently more competitive exchange rate and progress towards clearance of important investment projects, India may see an acceleration of growth in FY2014 to 4.8%, further increase to 5.7% in FY2015."*

The biggest event of 2014 : The General Elections:

All of this was stated before the election results of May 2014. But the biggest event of the year was the General Elections that took place between April and May 2014. The results, announced on 16th May threw up an unexpectedly strong mandate for Mr. Narendra Modi and the BJP. The NDA won 335 seats, and importantly, the BJP won 282 seats, a

² IMF Country Report No. 14/57 December 2013, Point no. 6 on Page 6

³ <http://www.worldbank.org/en/publication/global-economic-prospects/regional-outlooks/sar>

Management Discussion & Analysis

simple majority on its own. This is the first time since 1984 that any party has won a majority on its own.

Post the election results, the business sentiment in the country has totally changed. There is an overpowering smell of optimism in the air and a renewed hope for a better growth in the years to come. The business community, as well as economic experts, believe that the policy paralysis of the last three years will finally come to an end. And given the BJP's positioning as a right-wing party, supportive of economic reforms, the stock markets have been overly enthused.

There is a lot of expectation that market-friendly reforms will be back on the agenda. With a promise of "Minimum Government, Maximum Governance", Mr. Modi has enthused the stock markets, with the Sensex crossing the 24000 mark and the Nifty the 7500 mark for the first time ever. While the real economy typically trails the stock markets, there is definite optimism that the economy will pick up in the next 12-18 months.

Commenting on the impact of the elections, Morgan Stanley issued a statement in The Economic Times dated May 19, 2014:

"The election results could be an 'inflexion point' for India's story and the country's GDP is likely to accelerate to 6.8% over the next two years. Inflation, on other hand, is expected to head towards 6%". It added, "We now feel more confident that India will emerge from the stagflation type of environment over the next few quarters."

There is widespread expectation that the new government will focus on infrastructure sectors like roads, power, railways, ports etc. In addition, there is likely to be a big boost provided to the manufacturing sector. Further, with more FDI likely to be permitted into sectors spanning the economic spectrum (including importantly insurance and possible multi-brand retail), there is an expectation of even higher inflows of foreign investments. This in turn should strengthen the rupee, reducing "imported inflation". The rupee's appreciation could however adversely affect export oriented sectors like IT, Pharma and gems & jewellery. Most importantly, there is a strong belief that the investment climate in the country will improve dramatically, raising GDP

growth rates to 8% plus in the next few years.

The uptick in the economy will lead to a significant growth in jobs. In its first innings between 1998 to 2004, the NDA had created as many as 60 million jobs. In the ten years thereafter unfortunately, less than 15 million jobs were created. Given the fact that there are at least 10 million new entrants to the job market, it is vital that jobs creation is re-started. With manufacturing reviving, and jobs creation re-starting, demand in the consumer sector will get a boost. If that happens, the media sector which depends so much on the consumer sector, is expected to bounce back strongly. After many years of slow growth, the media sector can be expected to grow faster in the years to come.

There is of course a worry that promises may not be fulfilled. That economic growth may continue to stagnate. That inflation may not moderate. And that the new government may disappoint. It is therefore important for your Company to stay on its toes, ready to grab opportunities that growth may throw up, but also alert to avoid any downsides from a continued spell of slow growth.

Global Advertising Spends to Strengthen

The slow economic growth of the last few years is being replaced by an uptick, especially in the US, UK, Germany, Hungary, Poland, Australia and Mexico. There is also evidence that Spain's steep downturn may be finally bottoming out. With advertising spends closely linked to the health of the economy, a strengthening of the growth rates of the economy has a positive impact on advertising growth rates.

According to Zenith Optimedia's Advertising Expenditure Forecasts – December 2013, global ad expenditure will grow 5.3% in 2014 compared to 3.6% in 2013. The forecast is for 5.8% in 2015 and followed by another year of 5.8% growth in 2016. (The agency puts the ad spends in 2014 at US\$ 532 billion)⁴. Further the agency forecasts that in "Track Asia" – a bloc of which India is a part, Advertising growth will average 11.2% per year during the 3-year period from 2013 to 2016⁵.

4 Zenith Optimedia's Advertising Expenditure Forecasts- December 2013, Executive Summary, Page 1

5 Zenith Optimedia's Advertising Expenditure Forecasts- December 2013 Page 4,

Management Discussion & Analysis

Indian Advertising Industry expects a bounce in 2014

2012 was a tough year for the Indian advertising industry. Hopes of a better 2013 were tempered by the continued economic slowdown, depreciation of the rupee and overall negative sentiment. But 2014 is expected to be a promising year – election spending, new launches in sectors like Financial Services and Automobiles, a possible revival in the IPO markets, the Football World Cup and other events – will likely lead to an estimated growth of 13.1%. According to FICCI KPMG's Indian Media and Entertainment Industry Report 2014, released in March 2014, the advertising industry (estimated at ₹ 362.5 billion in 2013) grew by 10.9% in 2013 over 2012. A higher growth of 13.1% is expected in 2014 and an even higher growth rate of 14% in 2015. The 5-year (2013-2018) growth forecast is a strong 13.9% CAGR. Segment-wise growth trends are as tabulated below:

to choose individual cities or states, cheap cost of creative production, ability to experiment and most importantly, the unique ability to make print and TV campaigns more effective - radio finds place in more and more marketing plans. Indeed we have seen this happen. In the last two years, many new categories of advertisers, and many new advertisers within these categories, have started advertising on radio.

The second reason why Radio does better than Print, TV and Outdoors in a lean period is that advertising spends get diverted more and more towards "consumer promotions". Brand marketers divert monies from core "brand advertising" to supporting consumer promotions. Nowhere is this more apparent than in retail outlets - the season of "sales" never seems to end. In fact, perhaps for the first time, even the American independence day (July 4th) was celebrated with gusto by the Indian retail outlets! As a result of higher promotional

Indian Advertising Industry Revenue								
in ₹ Billion	2012	2013	2014(P)	2015(P)	2016(P)	2017(P)	2018(P)	CAGR (2013-18)
TV	124.8	135.9	152.0	172.0	195.0	221.0	253.0	13.2%
Print	149.6	162.6	179.0	199.0	222.0	248.0	275.0	11.1%
Radio	12.7	14.6	16.6	19.0	23.0	27.8	33.6	18.1%
OOH	18.2	19.3	21.2	23.1	25.2	27.5	30.0	9.2%
Digital Advertising	21.7	30.1	41.2	55.1	69.7	88.1	102.2	27.7%
Total	327.0	362.5	410.0	468.2	534.9	612.4	693.8	13.9%

Source: FICCI KPMG 2014 report

The Indian Radio Industry – will outgrow traditional media

The table shows that after Digital, Radio is expected to be the fastest growing medium. In the last two years as well, Radio has been the 2nd fastest growing medium, beating TV, newspapers and Outdoors. There are a couple of reasons for this. First, in a period of economic slowdown, when marketers are under cost pressure, the marketing budget (often one of the biggest cost head in a marketing company) is under intense scrutiny. A relatively more economical medium like radio, which may not have found favor in the past, gets re-evaluated. Given its strengths - low costs, ability

activity, radio garners more and more share of the marketers' advertising budget. We've seen this in abundance in the last two years. Today, your Company generates more than 50% of its revenues from local advertising.

While there is expectation of an economic re-bounce in the next 12-18 months, radio can be expected to do better than other media at least in FY15, and possibly in FY16. Thereafter, as the waves of economic growth lift the overall sentiments, radio will continue to be a beneficiary. In short, the 18% estimate of FICCI-KPMG certainly looks feasible.

There is yet another - and certainly an even bigger - reason for the growth rates in radio to be higher than

Management Discussion & Analysis

other media. The much-delayed Phase-3 has finally been kicked off, with the government releasing an RFP (Request for Proposals) ad in the newspapers, soliciting bids from interested e-auctioneers. The last date for submission of proposals is June 20, 2014. If all steps go as per plan, then the auctions for Phase-3 are likely in the Oct-Dec 2014 period, or shortly thereafter. The uncertainty that has dogged Phase-3 is finally behind us!

As is well known, Phase-3 is a crucial reform for the FM radio sector. Unlike other media which can expand at will - since there are no restrictions in their growth - the FM radio sector depends on the government to release spectrum for expansion. The last time the government did this was in 2006 (Phase-2) when some 245 licenses were successfully auctioned in about 85 cities. Since then, there has been no expansion in FM radio. It will be after a period of nearly 8-9 years that FM radio will finally get to grow. In the meantime, all other media have expanded rapidly. The number of TV channels is now estimated at more than 750. With cable distribution now increasingly becoming digital, the reach of even niche TV channels is rising. Newspapers have been growing too with established titles launching editions in new states and cities. Ditto with the Out of Home medium, where growth is being fuelled by the substantive growth in transit infrastructure (mainly airports, metros, toll roads and the like). The internet of course knows no limits, and continues to expand prolifically.

Your Company is well placed to tap into the Phase-3 opportunity. With a healthy balance sheet, a proven management team, and an experienced Board, your Company is committed to growth. We will expand rapidly, but never for the sake of expanding. At all times, we will keep shareholder interest paramount. Bidding will be undertaken rationally; never out of hubris or overconfidence.

B. Radio Industry – Future Outlook, Opportunities and Threats

1) Phase 3 policy of FM radio expansion:

There are many reasons for the FM industry to look forward to the Phase-3 expansion. As mentioned earlier, one is that this would be the

first time since 2006 when new markets and new spectrum would be offered for growth. Another reason is that with smaller markets being opened up, radio will finally be able to compete with local newspapers for a larger share of retail advertising. Yet another reason, of course, is that there will be an opportunity for larger players like us to consolidate.

The salient features of the Phase 3 policy are:

- a. Multiple Frequencies
 - b. License Period
 - c. Tradability of Licenses
 - d. Networking
 - e. News and Current Affairs allowed
- a. Multiple frequencies: The Phase-2 policy only allows a radio company to operate one channel in a market. This severely restricts our ability to target different segments of the population via different channels. For example, in the city of Mumbai where Mirchi is a contemporary Hindi music station, we would like to offer other channels like a Marathi music station, a retro Hindi music station, an English music station, a youth - or even a news / talk / sports - station. However, this is not currently permitted. No such restriction exists on TV broadcasters or newspaper companies. They can launch a product as and when required, with minimal governmental permission. Fortunately, Phase-3 policy changes this. The policy allows a broadcaster to operate up to 40% of the licenses available in a city, subject to a minimum of three different broadcasters being present in the city.

In addition to launching new products and tapping into new markets, this amendment provides an opportunity to your Company to acquire other existing broadcasters who might be interested in divesting their stakes. This amendment will thus help your Company expand both organically (through new licenses) and inorganically

Management Discussion & Analysis

(through M&A opportunities).

For your Company, expanding within the big cities is a priority. ENIL expects to take advantage of this policy measure.

- b. License Period: The license period of Phase 3 frequencies has been increased to 15 years, compared to 10 years for Phase-2 licenses. This is a progressive change for several reasons. First, as the experience of the last several years has shown, the advertising industry is vulnerable to the vagaries of the economy. Since the Lehman crisis broke in late 2008, the advertising industry in India has been badly affected. Its growth rate has come down. Pricing of ad spots has declined by nearly 30%. And the balance of powers has shifted into the hands of the buyers (advertisers/agencies). In a ten year license, it is extremely difficult to recover from such downturns and recoup losses. Second, the certainty of a longer license period allows broadcasters to invest more in brand building, and take risks with experimentative programming content. This helps provide more content diversity to the market and grow faster. Third, the entire process of renewals creates uncertainty and anxiety, and the less often it is done, the better it is. ENIL welcomes this policy initiative.
- c. Tradability of licenses: The current policy allows a broadcaster to sell off its stake in a radio company only after five years of operationalization. Such a restriction doesn't exist in any other media business. The Phase 3 policy reduces this period to three years. We welcome this amendment since it will help broadcasters take quick decisions on when to exit the industry or expand within it.
- d. Networking: Phase-3 allows a far more liberal definition of networking compared to what Phase-2 policy allowed. Networking basically refers to linking a small station with a bigger one

so that the same content can play on both stations. For the smaller station, this helps cut costs - capex as well as opex. Most of the Phase-3 towns would not be feasible if networking were not allowed. Fortunately, the Phase-3 policy allows full-scale networking, which means all stations, big or small, can be linked to each other with minimal restrictions. In Phase-2, only small stations (category C & D) were permitted to network with each other. Your Company has always supported this change in policy.

- e. News & current affairs: Phase-2 policy does not allow radio broadcasters to do news and current affairs. This is a blatantly unfair and discriminatory restriction, since no other medium is subject to such restrictions. In fact, this arbitrary restriction has been challenged via a PIL filed in the Hon'ble Supreme Court in October 2013 by NGO Common Cause. The SC has issued notices to the Central Government. Unfortunately, the Phase-3 policy only marks a minor improvement over the provision of Phase-2. It allows private broadcasters to take news feeds from All India Radio (AIR) and re-broadcast the same. This is completely bizarre as all it will do is "amplify" the news bulletins of AIR. It is also against the government's stated objective of encouraging "plurality" of viewpoints. Your Company has been urging the government to open up news and current affairs completely. It welcomes the partial opening up, but hopes that the policy will be soon amended to allow full-scale news broadcasts.

Weaknesses of the Phase 3 policy:

There are three big weaknesses of the Phase 3 policy:

- i. Auction methodology: The Phase 3 policy prescribes the 3G telecom methodology, "simultaneous ascending e-auctions" for FM radio auctions. The policy completely misses the point that FM radio is all

Management Discussion & Analysis

about "viewpoint plurality" or "content plurality", while telecom companies provide the "exact same" service i.e. voice and data. One feature of ascending auctions is that all licenses auctioned in a city are sold at the exact same price. The ascending auction methodology usually also increases license costs to irrational levels, subsequently affecting the quality of service offered by the winners. As an example, 3G services in India are subpar, with roll-outs having been restricted to only the major towns, and with many areas of "darkness" even in these major towns.

When license costs rise, and when all licenses are priced exactly the same, there is very little possibility of content or viewpoint plurality emerging because every broadcaster feels compelled to operate in the biggest music space, typically "contemporary" music. One of the biggest complaints listeners have with FM radio is that "all stations play the same music". This is only going to become worse as the new policy is rolled out. Further, it is possible that whatever content plurality exists today – an English station here, a regional station there – will disappear when the current licenses come up for renewal and are subject to the same ascending e-auction methodology.

Your Company prefers the tried and tested Phase-2 model - the one-step "tender" model - albeit in an "electronic" form. In this model, different bidders bid different amounts, and the top bidders are announced as winners, subject to some minimum bid restrictions. This method encourages content plurality, as those who bid less may feel it better to offer alternate music formats that face less competition. However, the government has been determined about using ascending e-auctions, and its decision appears to be resolute.

- ii. Reserve Fee: One of the problems

associated with ascending e-auctions is that a "Reserve fee" needs to be fixed before the auctions start. In fact, the reserve fee becomes the point at which bidding starts. What the reserve fee should be becomes a bone of contention between the government and broadcasters. The government usually fixes the fee too high, in the hope that it will ensure at least that much license fee. However, broadcasters prefer a lower reserve fee so that a more realistic fee is determined via auctions. In the case of the recently concluded 2G auctions in telecom, we saw the same thing. The government initially fixed the fee too high, then was forced to lower it repeatedly to ensure that bidding actually took place. In Phase-3 as well, the reserve fee has been set too high - at the level of the highest bid received in Phase-2 auctions (under tendering system). We feel this high fee will lead to many licenses remaining un-auctioned. It will create problems of the sort we saw in 2G - where a few licenses within a circle were sold and many others were not. Such problems are difficult to correct later, and often lead to messy legal tangles. Again, despite our repeated petitions, the government seems to have made up its mind and so the reserve fee remains as announced.

A small ray of hope has come from the TRAI which has recently requested the government to re-look the reserve fee. It's now up to the new government to consider this point. We remain optimistic that given the recommendations of all - broadcasters, the regulator, and probably even the bureaucrats - the new government will make suitable amends before the auctions actually roll out later during the year.

- iii. Scarcity of spectrum: In most major markets (the top 13 A+ and A categories in particular), there are just a handful of licenses being auctioned in Phase 3. In

Management Discussion & Analysis

Delhi, Bangalore, Chennai, Ahmedabad and Pune, there is just one license being offered for auction in Phase-3. In Mumbai there are two, in Kanpur and Lucknow, three, and in Hyderabad, four. It is a well known fact that auctions, especially ascending e-auctions, should not be conducted under scarcity conditions because bids tend to become irrational; non-serious bidders whose interest in media arises out of extraneous factors enter the fray, and the whole medium suffers. The biggest losers are the people who get sub-standard products to consume.

The TRAI has already shown the way to eliminating scarcity in spectrum. In a landmark recommendation made way back in April 2012, the regulator recommended that the channel spacing between two adjoining FM stations (called "separation") be halved from the current 800 KHz to 400 KHz. If this is done, the number of channels can theoretically be doubled. In practical terms, because of other variables, a doubling of channels may not be possible, but a substantial increase can certainly be achieved. The government would be a big beneficiary too as it would be able to net more license fees by auctioning more licenses. The biggest beneficiaries would be the people who would get much more programming variety. However, for reasons unknown, the government has not yet accepted the TRAI's recommendations. We hope the new government will accept them quickly.

2) Renewal of Phase 2 licenses:

Phase-2 licenses start to expire from April 2015. Seven of your Company's licenses - Mumbai, Delhi, Kolkata, Chennai, Ahmedabad, Pune and Indore- will expire in April 2015. So also will licenses of some other broadcasters in these and other cities (like Lucknow, Bangalore etc). Other licenses will start expiring in a few months after April 2015, as the 10-year license period comes to an end. The government has

already indicated that it would not like these licenses to shut down. It thus requested TRAI to look into the matter and come out with its recommendations.

In February 2014, TRAI came out with the requisite recommendations. As always, TRAI has done a fine job. Its recommendations ensure that license renewals happen at market prices, determined in a fair manner (not under scarcity conditions). The recommendations are being studied by the government. The new government will have to take a call on these recommendations. We are hopeful that the government will take a decision quickly.

3) Foray into Digital Media:

Internet penetration is growing rapidly in India. There are reportedly more than 200 million users of the internet today, and this number is expected to grow to 500 million in the next 4-5 years. Most internet users access the net through their mobile phones (smart phones as well as old-generation feature phones). Most internet users have access only to slow internet bandwidth today; though with the rapidly falling cost of bandwidth, this situation may change drastically in the next few years. The launch of 4G services soon is expected to increase bandwidth speeds and lower costs. All of this points to a situation in a few years when traditional broadcasters will have to face up to a changing world.

Media companies and segments that fail to take note of this tectonic shift will have to suffer colossal damages. In the US for example, the newspaper industry did not react to the emerging digital world soon enough, and has lost revenues and profitability in the last decade or so. Till date, newspaper companies continue to suffer, unable to adapt to the new world. While the onset of digital is slower in India, there is no doubt about its eventual arrival. Your Company has recognized this reality many years back. It has a dedicated digital team that has - over the years - worked diligently in not only protecting your Company's current business but also ensuring it takes advantages offered by the new technology.

Management Discussion & Analysis

Media companies are already seeing their consumers move online, adding to their regular media consumption. Worldwide experience shows that savvy media brands are able to grow their audience size by making themselves available online. In the case of radio, there is however a unique problem. Online music royalties are prohibitively high reminiscent of the early days of FM radio when music royalties were exorbitantly priced. The Copyright Board (CRB) brought relief to FM broadcasters. It will have to rationalize online music royalties as well.

As in all online media businesses, there are only very limited advertising opportunities available for online radio streaming as well. Maintaining an online presence is thus an unviable proposition today. Equally, the cost of not reacting to this medium could be even higher. New competitors could start reaching out to our advertisers with more targeted offerings, and even take away our listeners by offering them greater variety of content. Keeping this in mind, ENIL has embarked on an ambitious project to develop its digital business.

ENIL's online presence:

- We have one of India's most popular radio websites. We offer a variety of content like:
 - a. 9 specially created streaming stations with a plan to increase this number to 15 in the next year or so.
 - b. non-music audio content like Mirchi Murga, bioscope (movie reviews), videos of film-stars visiting our studios etc.
 - c. interaction with RJs
- Our nine streaming stations offer a wide choice of music formats. The nine channels are Meethi Mirchi (contemporary Hindi melodies), Purani Jeans (60s to 80s Hindi retro), Club Mirchi (Hindi dance), Mirchi Edge (non-Bollywood), Filmy Mirchi (latest Hindi), Cassette Classics (English retro), Radio Romance (English romantic), Devraag (devotional) and Mirchi Rockistan

(English Rock). Over the years, our online streaming has significantly increased. The big challenge however is about monetizing this. Your Company is experimenting with a lot of ideas; hopefully we will be able to do so soon.

- We have a strong presence on social networking sites. We have 1.85 million "fans" on Facebook. This helps us "connect" with online users, get "feedback" on the brand and also "talk" to them about our new plans. In addition, we also have a YouTube channel of our own (total views upwards of 7 million till date) and a twitter handle (about 24000 followers).

C. FY14 – A minor recovery

1) FY 14 operating performance:

The media industry had a better year in FY14 than in FY13. Print and TV businesses have grown at 8-10% during the year compared to 5-6% last year. The Out of Home (OOH) business has grown by 6-8% compared to 2-4% last year. Maintaining the same pattern, the radio industry is estimated to have grown at 13-14% in FY14 compared to about 10% last year.

Your Company has also grown better in FY14 - at 13.7% - than in FY13 when it clocked a 12.3% growth rate. Its revenue from operations has climbed to ₹ 384.8 crores compared to ₹ 338.4 crores last year. Growing at the same pace as the industry means that its revenue market share of 33-35% has been maintained. EBITDA from operations has grown at 19.9% to ₹ 125.0 crores as compared to ₹ 104.2 crores last year. The growth in PAT has been even more impressive at 23.3% to ₹ 83.4 crores compared to ₹ 67.7 crores.

One of the reasons for the Company's satisfactory results is that it has kept a tight control over costs. Overall operating costs have increased by 11%, but a large part of this was on account of sales-related variable expenses. Leaving these out, the costs have increased by only 3.9%. The largest cost head in the business

Management Discussion & Analysis

is HR costs, and these have increased by only 2.3%. Cost management is critical in a radio business and your Company has successfully done that.

The cash generated during the year was ₹ 118 crores compared to ₹ 100 crores last year. With this, the total free cash & cash equivalents on the books is ₹ 440 crores compared to ₹ 322 crores last year.

The Company had announced a dividend of 10% (a dividend of ₹ 1.00 per equity share) last year. In light of the good results this year, the Company is continuing with the same dividend this year as well. With Phase-3 round the corner, the Company considers it prudent to conserve cash for investment purposes.

2) Listenership performance:

Radio Mirchi continues to enjoy the listener's confidence and remains the No. 1 radio brand in the Indian Readership Survey (IRS) – the only pan-India Radio listenership Survey. The IRS is conducted by Media Research Users Council (MRUC). This is the only survey that measures radio listenership across most of the country, including big cities and small towns. The survey results of Q4 2012 were released in 2013.

In every survey of the IRS conducted so far Radio Mirchi has been the No.1 radio station. According to the Q4, 2012 survey released in 2013 (There were no further releases in 2013/2014), Radio Mirchi has a weekly listenership of 37.5 million. Our listenership is more than 50% higher than that of the nearest competitor brand. Our programming and marketing teams continue to innovate and keep us at the No.1 position. Radio Mirchi continues to be No.1 in the North, West and Eastern Regions and a close no.2 in the South. Radio Mirchi has the highest cumulative listenership across the all important Top 8 markets.

As per RAM, Radio Mirchi is the leader in Mumbai and Kolkata in business hours (7am-9pm – Monday to Saturday). In Bangalore, the top 3 players, including Mirchi, are all very close

to each other in business hours. We do not subscribe to RAM in Delhi because we believe the process of collecting/analyzing data has been compromised in that city.

It is this listenership leadership that drives Mirchi to its number 1 position in revenues and market shares.

3) The Mirchi Music Awards – Better and bigger every year:

The Mirchi Music Awards (MMAs) span virtually all major languages. Apart from the flagship Hindi, MMAs are held in the 4 South Indian Languages, Bangla and Marathi

The 6th edition of the Hindi Mirchi Music Awards had the who's who of the music and film fraternity in attendance. The soul of any award really is its jury, and its judging process. MMA has also benefited from the love and affection of its most talented jury pool, led by Padma Bhushan Javed Akhtar (Chairman). The other eminent members of the jury this year were Sameer, Prasoon Joshi, Irshad Kamil, Ramesh Sippy, Subhash Ghai, Sooraj Barjatya, Sudhir Mishra, Anurag Basu, Shankar Mahadevan, Anu Malik, Aadesh Srivastava, Lalit Pandit, Louiz Banks, Raju Singh, Suresh Wadkar, Sadhana Sargam, Kavita Krishnamurthy, Talat Aziz, Alka Yagnik, Saapna Mukherjee, Ila Arun and Shailendra Singh

The jury process also comprises the important work undertaken by the Screening jury which went through more than 1000 songs released during the year. The Screening jury was made up of DJ Akbar Sami, Abhishek Ray, Shibani Kashyap, Bishwadeep Chatterjee, Jitu Shankar, Kavita Seth, Raju Singh, Shamir Tandon, Teesha Nigam, Dominique Cerejo, Anand Sharma, Niranjana Iyengar, Abhijeet Sawant, Sona Mohapatra, Mayur Puri, Kannan Mohan, Arindam Mukhopadhyay, Vidya Shah and Shoojit Kumar Ojha.

The entire judging process is conducted under the supervision of EY, ensuring that the quality of judging is world class.

Management Discussion & Analysis

Mr. Shah Rukh Khan was recognized as the "Face of Romantic Music" and Life Time achievement award was given to Mr. Kalyanji Virji Shah, popularly known as Anandjibhai of the Kalayani -Anandji music duo fame.

TV viewers gave the televised show their vote of approval with ~ 290 lac viewers tuning into the awards on popular TV channel Colors. Like we say every year: "Music ko Mirchi ka salaam" (Mirchi's salute to music).

The 2nd edition of the Mirchi Music Awards (Marathi) was held at Pune this year. It was well attended by senior members of the Marathi film industry. The jury was chaired by Suresh Wadkar and the Head of the jury was Ashok Patki.

The Mirchi Music Awards (South) completed their 4th edition in July 2013. Like in Hindi and Marathi, the support of the film and music industry in all the Southern languages is a matter of great pride for us. We are the only pan-South music award show. Mr. Gangai Amaran (Tamil), Mr. Hamsalekha (Kannada), Mr. Suresh Babu (Telugu) and Mr. Sibi Malayil (Malayalam) were the jury Chairmen for these awards.

The Mirchi Music Awards (Bangla) completed their 3rd edition in March this year. Like everywhere else, the show was an outstanding success.

4) Awards & Recognition:

- **Radio Mirchi UAE voted again as the Best Radio Station**

Radio Mirchi UAE was once again voted the best Radio Station in the Popular Choice category in 6th Annual Masala Awards. The award is a testament to the strength of the Mirchi brand and the loyal audience that it attracts !

- **Mirchi sweeps the IRF awards**

Radio Mirchi won 13 trophies at the 8th IRF Awards making it the highest awarded radio station. The awards spanned the entire spectrum of programming activities

from radio programs to RJs to show promos across all our markets (i.e. not just metros) and languages.

Radio Mirchi grabbed 4 prestigious awards in the Programming Category - While RJ Anant and RJ Saurabh's Hi Delhi! won the Best Breakfast Program/Show (Hindi), RJ Bharti's Cassette Classics, won Best Program Broadcast After 11am (Telugu). Mirchi's Chander Pahar and Mirchi Natak Mandali were announced as the Best Radio Program (Bengali) and Best Radio Program (Marathi) respectively.

The stations' engaging and popular RJs bagged 3 prestigious awards, making it the highest awarded radio station in the Talent Category. RJ Dhamayanthi (Madurai), RJ Dhvanit (Ahmedabad) and RJ Bhushan (Nashik) went home with RJ of the Year in Tamil, Gujarati & Marathi.

Radio Mirchi won 4 awards in the Best Radio Promo category. Promos for the campaign on 80 Years of Tamil Cinema grabbed the Best Radio Promo - In-House (Tamil) while Voice of Vizag won Best Radio Promo - In-House (Telugu).

For its Mirchi Voting Anthem specially created to encourage citizens of Gujarat to cast votes responsibly, won the Best Radio Promo - In-House (Gujarati) award. Punyat Asach Asta campaign of Radio Mirchi Pune station which features quirky picks on the Pune-ites was awarded as the Best Radio Promo – In-House (Marathi).

And finally, Bus Itna Sa Khwab Hai on Purani Jeans, Mumbai won the Best On Ground/Activation by an FM Station. In the Advertising Category, Radio Mirchi was awarded with Most Effective Use of Radio in an Activation Campaign award for its Vodafone Speed Fest.

- **Golden Mikes Award**

Radio Mirchi won 4 awards for Creativity, 1 award each for the Best use of Radio As a Medium, Best Public Service Initiative by

Management Discussion & Analysis

a Radio Station & Best first time innovation

▪ **RJ Jeeturaaj of Radio Mirchi Mumbai Wins Sound of India Competition**

RJ Jeeturaaj represented India at the IRF 2013 in Zurich from 4- 8 September 2013- RJ Jeeturaaj who came out on top among a field of 100 entries from 40 private and public FM radio stations all over India. The energetic jockey, famous for his breakfast show- 'Hi Mumbai'- which wakes up the 'maximum city'- where he discusses socially relevant issues with listeners beside entertaining them with the hottest music.

Other Awards:

Golden Peacock CSR award, Social and Corporate Governance Awards and the Global CSR Excellence & Leadership Awards.

5) Mirchi Cares continues to serve the public:

Mirchi Cares is the CSR initiative of Radio Mirchi. Radio Mirchi donates airtime and management time generously to serve social causes that aim for inclusive growth. The core CSR activity we undertake is to help the visually challenged. Apart from producing audio books and screening audio films in various cities, Mirchi Cares created utility content for the blind in the form of restaurant menus, DTC bus routes, taxi meter and auto rickshaw meter fares in audio format.

With inclusivity of the blind in mainstream society as the primary focus, the first Braille menu for Delhi was initiated in a Chinese restaurant called Chungwa in GK II. The amazing response has encouraged us to replicate the same in eating joints and restaurants in malls of Delhi and Mumbai.

Mirchi Cares initiatives were featured in the ASSOCHAM Compendium on CSR for the year 2013-14. Our work was recognized in the form of awards like the Golden Peacock CSR award, Social and Corporate Governance Awards and the Global CSR Excellence & Leadership Awards

organized on World CSR Day.

D. Risks, Concerns and Challenges Facing the Company

1) Macroeconomic risk

As we have seen in the past few years, the advertising industry is strongly dependent on the fortunes of the overall economy. As GDP growth dips, the advertising industry's growth rate starts to fall. The advertising industry is often called a "derivative" industry, in the sense that its fortunes derives from the fortunes of the clients it serves. As discussed earlier, with the new government getting formed, there is a new hope in the air. There is also a belief that the worst is behind us. However, should macro-economic issues re-surface, the ad industry would again be adversely affected.

2) Operational and Financial Risks

The Risk Management Framework established by your Company, and monitored by the Board of ENIL, has been the back-bone for managing the operational and the financial risks that the Company faces. Several risks have been identified and risk mitigation plans are in place. Process owners review the risks periodically and bring to the attention of the Board any risk that may need its intervention.

3) Retaining Talent

While all industries depend on talented teams, this is especially true in the Media & Entertainment industry. As an example, in films, a lot rides on the talent of the Director, the story-writer, the editor, the actors and so on. In news TV, the prime-time anchor is the key talent who is responsible for garnering viewership. In the same way, in radio, it's the Radio Jockeys and the Programming team that determines whether a station's content is brilliant or simply average. On the revenue side, a high quality sales team would be able to tap opportunities much better.

One of the reasons for your Company's

Management Discussion & Analysis

satisfactory results in the past is that it has always managed to attract and retain great talent. Without doubt, your Company has the best programming, sales and other teams in the radio industry. We are conscious of this fact and have policies that help retain this talent.

E. Segment- Wise Financial Performance

Management Discussion and Analysis of the Company's operations and financial consolidation and segment-wise performance together with discussion on financial performance with respect to operational performance should be read in conjunction with the financial statements and the related notes.

ENIL – Radio Mirchi

As discussed earlier, the radio industry has grown at 13-14% during FY14. ENIL has grown at 13.7% during the year. Its EBITDA from operations growth was higher at 19.9% and its PAT growth even higher at 23.3%. The cash position of the Company is strong with ₹ 440 crores on the books. This strong cash position will stand your Company in good stead in the forthcoming auctions.

Subsidiary Company

Alternate Brand Solutions (India) Limited (ABSL) is the Company's wholly owned subsidiary. ABSL recorded a total income of ₹ 2,286,393 during FY14 compared to ₹ 4,433,354 from continued operations. Profit after Tax from continued operations stood at ₹ 1,703,252 compared to ₹ 3,104,867 last year.

GENERAL

Internal Control Systems and their Adequacy

The Company has a system of internal controls to ensure that all its assets are properly safeguarded and not exposed to risks arising out of unauthorized use or disposal. The Internal Control system is supplemented by programs of internal audit to

ensure that the assets are properly accounted for and the business operations are conducted in adherence to laid down policies and procedures. The internal control system also focuses on processes to ensure integrity of the Company's financial accounting and reporting processes and compliance with the Company's legal obligations. The Company has a well defined risk management programme for identifying and mitigating risks across all the functions which is reviewed by the Board of Directors of the Company periodically.

The Company has an Audit Committee of the Board of Directors which meets regularly to review *inter alia* risk management policies, adequacies of internal controls, the audit findings on the various segments of the business, the financial information and other issues related to the Company's operations.

Material Developments in Human Resources/ Industrial Relations front, including Number of People Employed

Specific need based training and development programs for all levels of employees were imparted in order to optimize the contribution of the employees to the Company's business and operations. Occupational health safety and environmental management are given utmost importance. As on March 31, 2014, the employee strength (on permanent roll) of the Company was 716.

For and on behalf of the Board of Directors

sd/-

Vineet Jain
Chairman

Mumbai, May 23, 2014

Registered Office:

Entertainment Network (India) Limited,
CIN: L92140MH1999PLC120516,
4th Floor, 'A' Wing, Matulya Centre,
Senapati Bapat Marg, Lower Parel (W),
Mumbai – 400 013.
www.enil.co.in

Independent Auditors' Report

To the Members of Entertainment Network (India) Limited

Report on the Financial Statements

1. We have audited the accompanying financial statements of Entertainment Network (India) Limited (the "Company"), which comprise the Balance Sheet as at March 31, 2014, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information, which we have signed under reference to this report.

Management's Responsibility for the Financial Statements

2. The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 (the "Act") read with the General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence, about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Management, as well as evaluating the overall presentation of the financial statements.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion .

Opinion

6. In our opinion, and to the best of our information and according to the explanations given to us, the accompanying financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
 - (b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
 - (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

7. As required by 'the Companies (Auditor's Report) Order, 2003', as amended by 'the Companies (Auditor's Report) (Amendment) Order, 2004', issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the

Independent Auditors' Report

Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

8. As required by section 227(3) of the Act, we report that:

- (a) We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit;
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
- (c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this report comply with the Accounting Standards notified under the Companies Act, 1956 read with the General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013;
- (e) On the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.

For Price Waterhouse & Co., Bangalore

Firm Registration Number: 007567S

Chartered Accountants

Uday Shah

Partner

Membership Number 046061

Mumbai

Dated : May 23, 2014

Annexure to Independent Auditors' Report

Referred to in paragraph 7 of the Independent Auditors' Report of even date to the members of Entertainment Network (India) Limited on the financial statements as of and for the year ended March 31, 2014

- i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.
 - (b) The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.
 - (c) In our opinion, and according to the information and explanations given to us, a substantial part of fixed assets has not been disposed off by the Company during the year.
- ii. The Company is in the business of rendering services, and consequently, does not hold any inventory. Therefore, the provisions of Clause 4(ii) of the said Order are not applicable to the Company.
- iii. The Company has not granted/taken any loans, secured or unsecured, to /from companies, firms or other parties covered in the register maintained under Section 301 of the Act. Therefore, the provisions of Clause 4(iii)[(b),(c) and (d) /(f) and (g)] of the said Order are not applicable to the Company.
- iv. In our opinion, and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of fixed assets and for the sale of services. Further, on the basis of our examination of the books and records of the Company, and according to the information and explanations given to us, we have neither come across, nor have been informed of, any continuing failure to correct major weaknesses in the aforesaid internal control system.
- v. (a) According to the information and explanations given to us, we are of the opinion that the particulars of all contracts or arrangements that need to be entered into the register maintained under Section 301 of the Companies Act, 1956 have been so entered.
 - (b) In our opinion, and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements and exceeding the value of Rupees Five Lakhs in respect of any party during the year have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- vi. The Company has not accepted any deposits from the public within the meaning of Sections 58A and 58AA of the Act and the rules framed there under.
- vii. In our opinion, the Company has an internal audit system commensurate with its size and the nature of its business.
- viii. We have broadly reviewed the books of account maintained by the Company in respect of products where, pursuant to the rules made by the Central Government of India, the maintenance of cost records has been prescribed under clause (d) of sub-section (1) of Section 209 of the Act, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- ix. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including provident fund, investor education and protection fund, employees' state insurance, income tax, wealth tax, service tax, customs duty, excise duty and other material statutory dues, as applicable, with the appropriate authorities.
 - (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income-tax, sales-tax, wealth-tax, service-tax, customs duty, and excise duty which have not been deposited on account of any dispute.

Annexure to Independent Auditors' Report

- x. The Company has no accumulated losses as at the end of the financial year and it has not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year.
- xi. As the Company does not have any borrowings from any financial institution or bank nor has it issued any debentures as at the balance sheet date, the provisions of Clause 4(xi) of the Order are not applicable to the Company.
- xii. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Therefore, the provisions of Clause 4(xii) of the Order are not applicable to the Company.
- xiii. As the provisions of any special statute applicable to chit fund/ nidhi/ mutual benefit fund/ societies are not applicable to the Company, the provisions of Clause 4(xiii) of the Order are not applicable to the Company.
- xiv. In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of Clause 4(xiv) of the Order are not applicable to the Company.
- xv. In our opinion, and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions during the year. Accordingly, the provisions of Clause 4(xv) of the Order are not applicable to the Company.
- xvi. The Company has not raised any term loans. Accordingly, the provisions of Clause 4(xvi) of the Order are not applicable to the Company.
- xvii. The Company has not raised any funds on short term basis. Accordingly, the provisions of Clause 4(xvii) of the Order are not applicable to the Company.
- xviii. The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act during the year. Accordingly, the provisions of Clause 4(xviii) of the Order are not applicable to the Company.
- xix. The Company has not issued any debentures during the year and does not have any debentures outstanding as at the beginning of the year and at the year end. Accordingly, the provisions of Clause 4(xix) of the Order are not applicable to the Company.
- xx. The Company has not raised any money by public issues during the year. Accordingly, the provisions of Clause 4(xx) of the Order are not applicable to the Company.
- xxi. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud on or by the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

For Price Waterhouse & Co., Bangalore

Firm Registration Number: 007567S

Chartered Accountants

Uday Shah

Partner

Membership Number 046061

Mumbai

Dated : May 23, 2014

Balance Sheet as at March 31, 2014

	Notes	Figures as at March 31, 2014 ₹	Figures as at March 31, 2013 ₹
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	2	476,704,150	476,704,150
Reserves and surplus	3	5,325,049,363	4,546,331,634
Non-current liabilities			
Deferred tax liabilities (net)	4	—	36,616,529
Other long-term liabilities	5	42,519,031	37,895,222
Long-term provisions	6	50,234,296	42,665,148
Current liabilities			
Trade payables	7	530,504,191	409,820,263
Other current liabilities	8	85,754,609	104,552,096
Short-term provisions	9	237,116,664	241,379,970
TOTAL		6,747,882,304	5,895,965,012
ASSETS			
Non-current assets			
Fixed assets	10		
Intangible assets		490,591,581	706,636,858
Tangible assets		424,308,631	496,851,517
Capital work-in-progress		1,111,803	—
Non-current investments	11	1,030,260,084	81,141,266
Deferred tax assets (net)	4	42,316,295	—
Long-term loans and advances	12	118,377,612	117,624,710
Other non-current assets	13	65,650,741	65,650,741
Current assets			
Current investments	11	3,313,909,958	3,097,154,235
Trade receivables	14	1,015,609,943	994,067,955
Cash and bank balances	15	137,645,058	122,376,348
Short-term loans and advances	16	102,660,383	200,745,642
Other current assets	17	5,440,215	13,715,740
TOTAL		6,747,882,304	5,895,965,012

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

1-35

As per our report of even date.

For Price Waterhouse & Co., Bangalore
Firm Registration No. 007567S
Chartered Accountants

Uday Shah
Partner
Membership No.: 046061

Mumbai
Dated : May 23, 2014

For and on behalf of the Board of Directors
Vineet Jain
Chairman

A. P. Parigi
Director

Vibha Paul Rishi
Director

Mehul Shah
SVP - Compliance & Company Secretary

N. Kumar
Director

B. S. Nagesh
Director

Prashant Panday
Managing Director & CEO

Ravindra Dhariwal
Director

Richard Saldanha
Director

N. Subramanian
Group CFO

Statement of Profit & Loss

for the year ended March 31, 2014

	Notes	2013-2014 ₹	2012-2013 ₹
Revenue from operations	18	3,848,097,646	3,383,876,643
Other income	19	223,559,585	169,732,406
Total revenue		4,071,657,231	3,553,609,049
Expenses:			
Production expenses	20	171,124,464	154,294,242
License fees	21	202,409,779	180,920,473
Employee benefits expense	22	752,245,195	735,554,764
Depreciation and amortisation expense	10	318,107,763	317,200,672
Other expenses	23	1,472,476,753	1,271,033,448
Finance cost	24	340,504	161,993
Total expenses		2,916,704,458	2,659,165,592
Profit before taxation		1,154,952,773	894,443,457
Tax expense: (Refer Note (1)(xi))			
Current tax		403,100,000	291,500,000
Deferred tax		(78,932,824)	(61,289,286)
Tax write backs for earlier years		(3,704,134)	(12,478,107)
Profit for the year		834,489,731	676,710,850
Earnings per equity share [nominal value per share: ₹ 10 (2012-13: ₹ 10)] (Refer Notes (1)(x))	33		
– Basic		17.51	14.20
– Diluted		17.51	14.20

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

1-35

As per our report of even date.

For Price Waterhouse & Co., Bangalore
Firm Registration No. 0075675
Chartered Accountants

Uday Shah
Partner
Membership No.: 046061

Mumbai
Dated : May 23, 2014

For and on behalf of the Board of Directors

Vineet Jain
Chairman

N. Kumar
Director

Ravindra Dhariwal
Director

A. P. Parigi
Director

B. S. Nagesh
Director

Richard Saldanha
Director

Vibha Paul Rishi
Director

Prashant Panday
Managing Director & CEO

N. Subramanian
Group CFO

Mehul Shah

SVP - Compliance & Company Secretary

Cash Flow Statement

for the year ended March 31, 2014

	2013-2014 ₹	2012-2013 ₹
A) CASH FLOW FROM OPERATING ACTIVITIES :		
Profit before taxation	1,154,952,773	894,443,457
Adjustments for :		
Depreciation and amortisation expense	318,107,763	317,200,672
Interest income	(7,610,826)	(30,044,731)
Interest expense	340,504	161,993
Provision no longer required written back	(29,677,093)	(46,525,987)
Profit on sale of current investments (net)	(187,295,181)	(34,090,997)
Exchange difference	(798,682)	—
Dividend income on current investments	(27,102,015)	(105,590,276)
(Profit) / Loss on sale of tangible assets	(638,896)	6,431
Tangible assets written off	1,443,421	4,413,838
Provision for doubtful debts (net)	21,824,262	(45,387,232)
Bad debts written off	26,237,606	46,077,604
Provision for retirement benefits	9,145,450	10,845,353
Operating profit before working capital changes	1,278,929,086	1,011,510,125
Adjustments for changes in working capital :		
(Increase) in trade receivables	(68,805,174)	(38,816,682)
Decrease in long term loans and advances	2,101,383	1,333,572
Decrease in other non current assets	—	5,851,099
(Increase) in other current assets	(1,599,675)	(1,139,652)
Decrease / (Increase) in short term loans and advances	98,085,259	(95,688,890)
Increase in other long term liabilities	4,623,809	4,239,904
Increase in trade payables	120,683,928	69,932,425
(Decrease) / Increase in other current liabilities	(18,821,085)	2,494,691
Increase in short term provisions	22,557,990	77,472,396
Cash generated from operations	1,437,755,521	1,037,188,988
Taxes paid (net)	(400,970,656)	(175,544,029)
Net cash generated from Operating Activities (A)	1,036,784,865	861,644,959
B) CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of tangible assets	(29,224,933)	(15,869,735)
Purchase of intangible assets	(3,438,710)	(13,591,058)
Movement in capital work-in-progress	(1,111,803)	912,365
Proceeds from sale of tangible assets	2,339,518	1,689,778
Purchase of event business (Refer Note 34)	—	(100)
Interest received	17,264,829	33,015,758
Dividend received on investments	27,323,212	105,369,078
Purchase of non current investments	(954,118,818)	(5,891,266)
Purchase of current investments	(8,704,719,585)	(6,918,268,002)
Proceeds from sale of current investments	8,680,259,043	5,630,273,363
Net cash (used in) Investing Activities (B)	(965,427,247)	(1,182,359,819)

Cash Flow Statement

for the year ended March 31, 2014

	2013-2014 ₹	2012-2013 ₹
C) CASH FLOW FROM FINANCING ACTIVITIES :		
Dividend paid	(47,646,817)	—
Dividend distribution tax paid	(8,101,587)	—
Interest paid	(340,504)	(161,993)
Net cash (used in) Financing Activities (C)	(56,088,908)	(161,993)
Net Increase / (Decrease) in Cash and Cash Equivalents (A)+(B)+(C)	15,268,710	(320,876,853)
Cash and Cash Equivalents as at the beginning of the year	122,376,348	443,253,201
Cash and Cash Equivalents as at the end of the year	137,645,058	122,376,348
	15,268,710	(320,876,853)
NOTES ON CASH FLOW STATEMENT :		
1. Cash and cash equivalents at the end of the year as per Balance Sheet (Refer Notes 1(ix) and 15 in the Financial Statements).	137,645,058	122,376,348
	137,645,058	122,376,348

- The above cash flow statement has been prepared under the "Indirect Method" as set out in Accounting Standard 3 'Cash Flow Statement' notified under the Companies (Accounting Standard) Rules, 2006 ('as amended').
- Previous year's figures have been regrouped and rearranged wherever necessary.

As per our report of even date.

For Price Waterhouse & Co., Bangalore
Firm Registration No. 007567S
Chartered Accountants

Uday Shah
Partner
Membership No.: 046061

Mumbai
Dated : May 23, 2014

For and on behalf of the Board of Directors

Vineet Jain
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Director

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Director

Prashant Panday
Managing Director & CEO

N. Subramanian
Group CFO

Mehul Shah
SVP - Compliance & Company Secretary

Notes forming part of the Financial Statements

Company Information

Entertainment Network (India) Limited (the 'Company') is a public limited company domiciled in India and is listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE). The Company was incorporated on June 24, 1999. The Company operates FM radio broadcasting stations in 32 Indian cities under the brand name 'Radio Mirchi'.

The Company's principal revenue stream is advertising. Advertising revenues are generated through the sale of air time in the Company's FM radio broadcasting stations.

1. Significant Accounting Policies

i. Basis of Accounting

The financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on an accrual basis. Pursuant to circular 15/2013 dated 13.09.2013 read with circular 08/2014 dated 04.04.2014, till the standards of accounting or any addendum thereto are prescribed by Central Government in consultation with or pursuant to the recommendation of the National Financial Reporting Authority, the existing Accounting Standards notified under the Companies Act, 1956 ("the Act") shall continue to apply. Consequently, these financial statements have been prepared to comply in all material aspects with the accounting standards notified under Section 211(3C) [Companies (Accounting Standards) Rules, 2006, as amended] and other relevant provisions of the Companies Act, 1956. The accounting policies have been consistently applied by the Company and are consistent with those followed in the previous year.

All assets and liabilities have been classified as current or non-current as per the criteria set out in the Revised Schedule VI to the Act.

ii. Use of Estimates

The preparation of financial statements in accordance with the generally accepted accounting principles requires the Management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities as at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates. Any revision to such accounting estimates is recognised prospectively in the accounting period in which such revision takes place.

iii. Revenue Recognition

a. Revenue from Operations

- i. Revenue from radio broadcasting is recognised on an accrual basis on the airing of client's commercials. The revenue that is recognised is net of service tax.
- ii. Revenue from services is recognised when the result of the transactions can be determined with reliability and on the percentage completed basis.

b. Other Income

- i. Dividend income on mutual fund units is accounted for when the right to receive the dividend is established by the Balance Sheet date.
- ii. Interest income is recognised on a time proportionate basis taking into account the amount outstanding and the rate applicable.
- iii. Profit on sale of units of mutual funds is recognised at the time of redemption and is determined as the difference between the redemption price and the carrying value.

iv. Fixed Assets and Depreciation

a. Tangible Fixed Assets

Tangible fixed assets are stated at cost less accumulated depreciation and impairment losses, if any. Cost of tangible fixed assets comprises purchase price, duties, levies and any directly attributable cost of bringing the asset to its working condition and location for the intended use.

Notes forming part of the Financial Statements

Borrowing cost directly attributable to fixed assets which take substantial period of time to get ready for its intended use are capitalised to the extent they relate to the period till such assets are ready to be put to use.

Cost incurred on assets not ready for their intended use is disclosed as Capital Work-in-Progress.

Depreciation on tangible fixed assets is provided on written down value method at the rates and in the manner specified in Schedule XIV to the Act. The cost of leasehold improvements are amortised over the primary period of lease of the property. Leasehold land is not amortised since the term of lease is perpetual in nature. Tangible assets individually costing less than Rupees 5,000 are depreciated fully in the year of purchase.

b. Intangible Assets (other than Software)

Migration fees paid by the Company for existing licenses upon migration to Phase II of the Licensing policy and One Time Entry Fees paid by the Company for acquiring new licenses have been capitalised as an asset.

The migration fee capitalised is being amortised, with effect from April 1, 2005, equally over a period of ten years, being the period of the license. One Time Entry Fees is amortised over a period of ten years, being the period of license, from the date of operationalisation of the respective stations.

Goodwill is amortised over a period of five years.

c. Software

i. Software obtained initially together with hardware is capitalised along with the cost of hardware and depreciated in the same manner as the hardware. All subsequent purchases of software licenses are treated as revenue expenditure and charged in the year of purchase.

ii. Expenditure on Enterprise Software such as SAP and Sales CRM where the economic benefit is expected to be more than a year is recognised as "Intangible Asset" and amortised.

v. Foreign Currency Transactions

Foreign currency transactions are recorded at the exchange rates prevailing on the date of the transaction. Gains and losses arising out of subsequent fluctuations are accounted for on actual payment or realisation. Monetary items denominated in foreign currency as at the Balance Sheet date are converted at the exchange rates prevailing on that day. Exchange differences are recognised in the Statement of Profit and Loss.

vi. Investments

Investments that are intended to be held for not more than a year from the date of investment are classified as Current investments. All other investments are termed as Long term investments. The portion of Long term investments which is expected to be realized within twelve months from the Balance Sheet date are classified as Current investments.

Investment in buildings that is not intended to be occupied substantially for use by, or in the operations of the Company, have been classified as investment property. The same has been classified as Long term investments. Investment property is carried at cost less accumulated depreciation.

Current investments are carried at cost or fair value, whichever is lower. Long term investments are stated at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of the Long term investments.

vii. Employee Benefits

a. Defined Contribution Plans :

The Company has Defined Contribution Plans for post employment benefits such as Provident Fund and Employee's Pension Scheme, 1995. Under the Provident Fund Plan, the Company contributes to

Notes forming part of the Financial Statements

a Government administered Provident Fund on behalf of its employees and has no further obligation beyond making its contribution.

The Company contributes to a State Plan namely Employee's Pension Scheme, 1995 and has no further obligation beyond making its contribution.

The Company's contributions to the above funds are recognized in the Statement of Profit and Loss every year.

b. **Defined Benefit Plans :**

The Company has Defined Benefit Plans namely Gratuity and Compensated Absences for all its employees. The liabilities in respect of Compensated Absences which are expected to be encashed / utilised before / after twelve months from the Balance Sheet date are considered to be short term / long term in nature respectively.

Liability for Defined Benefit Plans is provided on the basis of valuations, as at the Balance Sheet date, carried out by an independent actuary. The actuarial valuation method used by the independent actuary for measuring the liability is the Projected Unit Credit Method. Actuarial losses / gains are recognised in the Statement of Profit and Loss in the year in which they arise.

c. **Termination benefits are recognised as an expense as and when incurred.**

viii. Operating Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the Statement of Profit and Loss on a straight-line basis over the period of the lease.

ix. Cash and Cash Equivalents

In the Cash Flow Statement, cash and cash equivalents include cash in hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less.

x. Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share is the net profit for the period after deducting preference dividends and any attributable tax thereto for the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, (such as bonus shares) other than the conversion of potential equity shares that have changed the number of equity shares outstanding without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

xi. Income Taxes

Tax expense comprises Current and Deferred tax. Current income tax and Deferred tax are measured based on the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961. Current tax assets and liabilities are offset when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis.

Minimum Alternate Tax (MAT) paid in accordance with tax laws which give rise to future economic benefits in the form of adjustment to future income tax liability is considered as an asset, if there is convincing evidence

Notes forming part of the Financial Statements

that the Company will pay normal tax in future. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that the future economic benefit associated with it will flow to the Company and the asset can be measured reliably.

Deferred tax is recognised, subject to the consideration of prudence, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets and liabilities are measured using the tax rates that have been enacted or substantively enacted by the Balance Sheet date.

xii. Impairment of Assets

The Company assesses at each Balance Sheet date whether there is any indication that asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the Statement of Profit and Loss. If at the Balance Sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.

xiii. Provisions and Contingent Liabilities

The Company recognises a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to its present date value and are determined based on best estimates of the amount required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources embodying economic benefit. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.

xiv. License Fees

As per the Frequency Module (FM) broadcasting policy, effective April 1, 2005 license fees are charged to revenue at the rate of 4% of gross revenue for the period or 10% of Reserve One Time Entry Fee (ROTEF) for the concerned city, whichever is higher. Gross Revenue for this purpose shall mean revenue on the basis of billing rates inclusive of any taxes. Barter advertising contracts shall also be included in the gross revenue on the basis of relevant billing rates. ROTEF means 25% of highest valid bid in the city.

Notes forming part of the Financial Statements

	Figures as at March 31, 2014 ₹	Figures as at March 31, 2013 ₹
NOTE 2 : SHARE CAPITAL		
Authorised Capital		
120,000,000 (Previous Year : 120,000,000) Equity shares of ₹ 10 each	1,200,000,000	1,200,000,000
Issued and Subscribed		
47,670,415 (Previous Year : 47,670,415) Equity shares of ₹ 10 each fully paid-up	476,704,150	476,704,150
	476,704,150	476,704,150
Notes:		
(a) Terms attached to equity shares		
The Company has only one class of equity shares. Each shareholder is eligible for one vote per share held. The par value per share is ₹ 10. The Company declares dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to approval of the shareholders in the ensuing annual general meeting.		
(b) Shares held by Holding company and Ultimate holding company	Shares (nos)	Shares (nos)
i) Equity shares of ₹ 10 each held by Times Infotainment Media Limited, the Holding Company.	30,526,560	30,526,560
ii) Equity shares of ₹ 10 each held by Bennett, Coleman & Company Limited, the Ultimate Holding Company.	3,391,840	3,391,840
(c) Details of shares held by shareholders holding more than 5% of the aggregate shares in the company	Shares (nos) (in %)	Shares (nos) (in %)
i) Times Infotainment Media Limited, the Holding Company.	30,526,560 (64.04%)	30,526,560 (64.04%)
ii) Bennett, Coleman & Company Limited, the Ultimate Holding Company.	3,391,840 (7.12%)	3,391,840 (7.12%)
iii) SBI Life Insurance Company Limited.	2,119,098 (4.45%)	2,428,312 (5.09%)
NOTE 3 : RESERVES AND SURPLUS		
Securities Premium Account	1,885,216,421	1,885,216,421
Surplus in Statement of Profit and Loss		
Balance as at the beginning of the year	2,661,115,213	2,040,176,365
Add : Profit for the year	834,489,731	676,710,850
Less : Appropriations		
Proposed Dividend on equity shares (Refer Note 27) [per share ₹ 1.00 (Previous Year: ₹ 1.00)]	(47,670,415)	(47,670,415)
Dividend distribution tax	(8,101,587)	(8,101,587)
Balance as at the end of the year	3,439,832,942	2,661,115,213
	5,325,049,363	4,546,331,634

Notes forming part of the Financial Statements

	Figures as at March 31, 2014 ₹	Figures as at March 31, 2013 ₹
NOTE 4 : DEFERRED TAX ASSETS / (LIABILITIES) (NET)		
(Refer Note 1(xi))		
Deferred tax assets and liabilities are attributable to the following items:		
Assets:		
Provision for doubtful debts	49,010,174	41,592,108
Provision for compensated absences	8,224,327	7,031,890
Provision for gratuity	12,413,943	10,497,841
Others	46,539,651	32,134,438
	116,188,095	91,256,277
Liability:		
Depreciation	73,871,800	127,872,806
	73,871,800	127,872,806
	42,316,295	(36,616,529)
Note: Deferred Tax Assets and Deferred Tax Liabilities have been offset as they relate to the same governing taxation laws.		
NOTE 5 : OTHER LONG-TERM LIABILITIES		
Security deposit	4,884,694	4,239,904
Others	37,634,337	33,655,318
	42,519,031	37,895,222
NOTE 6 : LONG-TERM PROVISIONS		
Provision for employee benefits (Refer Notes 1(vii) and 29)		
Provision for gratuity	35,710,599	30,166,794
Provision for compensated absences	14,523,697	12,498,354
	50,234,296	42,665,148
NOTE 7 : TRADE PAYABLES		
Sundry creditors (Refer Note 26)	530,504,191	409,820,263
	530,504,191	409,820,263
NOTE 8 : OTHER CURRENT LIABILITIES		
Advance from customers	40,633,405	28,625,161
Unpaid dividend	23,598	—
Other Payables		
Statutory dues	32,751,364	26,961,873
Related parties	10,917,759	47,027,690
Security deposit	1,428,483	1,937,372
	85,754,609	104,552,096
NOTE 9 : SHORT-TERM PROVISIONS		
Provision for employee benefits		
Provision for gratuity (Refer Notes 1(vii) and 29)	811,739	718,293
Provision for compensated absences (Refer Notes 1(vii) and 29)	9,672,616	8,189,760
Provision for bonus	972,039	1,892,675
Others	156,387,455	162,585,922
Provision for taxation (net off advance tax ₹ 568,770,845 (Previous Year : ₹ 453,527,738))	13,500,813	12,221,318
Proposed dividend (Refer Note 27)	47,670,415	47,670,415
Dividend distribution tax on proposed dividend	8,101,587	8,101,587
	237,116,664	241,379,970

Notes forming part of the Financial Statements

NOTE 10 : FIXED ASSETS (Refer Notes 1(iv) and (xii))

PARTICULARS	GROSS BLOCK				DEPRECIATION / AMORTISATION			NET BLOCK	
	As at April 1, 2013	Additions	Transfer on purchase of event business	Deletions	As at March 31, 2014	On deletions	As at March 31, 2014	As at March 31, 2013	As at March 31, 2013
Intangible Assets									
Goodwill	10,335,278	—	—	—	10,335,278	—	3,618,763	6,716,515	8,783,571
Computer Software	20,163,252	3,438,710	—	—	23,601,962	—	18,155,697	5,446,265	3,215,450
Migration Fees	815,234,695	—	—	—	815,234,695	—	733,711,230	81,523,465	163,046,935
One Time Entry Fees	1,346,855,672	—	—	—	1,346,855,672	—	949,950,336	396,905,336	531,590,902
Total	2,192,588,897	3,438,710	—	—	2,196,027,607	—	1,705,436,026	490,591,581	706,636,858
Previous year	2,178,997,739	3,255,880	10,335,278	—	2,192,588,897	—	1,485,952,039	—	—
Tangible Assets									
Land - Leasehold	2,036,147	—	—	—	2,036,147	—	—	2,036,147	2,036,147
Building	7,578,551	—	—	—	7,578,551	—	3,536,097	4,042,454	4,255,215
Leasehold Improvements	270,220,271	628,432	—	—	270,848,703	—	204,787,691	66,061,012	85,678,374
Office Equipments	1,004,160,193	13,956,991	—	7,285,715	1,010,831,469	5,742,733	685,837,310	324,994,159	379,154,335
Computers	155,602,107	13,952,057	—	5,729,970	163,824,194	5,628,085	142,390,691	21,433,503	17,066,289
Furniture and Fixtures	32,014,371	687,453	—	303,873	32,397,951	294,673	28,082,147	4,315,804	4,799,448
Motor Vehicles	9,113,292	—	—	2,279,276	6,834,016	789,300	5,408,464	1,425,552	3,861,709
Total	1,480,724,932	29,224,933	—	15,598,834	1,494,351,031	12,454,791	1,070,042,400	424,308,631	496,851,517
Previous Year	1,491,035,370	14,431,998	1,437,737	26,180,173	1,480,724,932	20,070,127	983,873,415	—	—
Capital work-in-progress								1,111,803	

Note:

As per the Frequency Module (FM) broadcasting policy, effective April 1, 2005 the Company was given the option to migrate all its existing licenses from Phase I regime to Phase II regime on payment of migration fees. Migration fees for each station was equal to the average of all successful bids received for that city. The Company had exercised the option and had migrated its licenses for all the seven cities to Phase II regime by payment of migration fees aggregating ₹ 815,234,695. Migration Fees have a remaining amortisation period of one year.

Further, the Company had participated in the second round of bidding and was awarded frequency at 25 locations. The payment made by the Company to acquire these frequencies (One Time Entry Fees) was ₹ 1,301,000,000. The remaining amortisation period of OFTE ranges between one and four years. Based on the opinion obtained from an independent firm of Chartered Accountants, both Migration Fees and One Time Entry Fees have been capitalised as Intangible Assets.

Notes forming part of the Financial Statements

	Figures as at March 31, 2014		Figures as at March 31, 2013	
	No. of shares	₹	No. of shares	₹
NOTE 11 : INVESTMENTS				
Non-current investments (Refer Note 1(vi))				
Non-Trade, Long Term (Unquoted) at cost				
Investment in Subsidiary Company :				
Equity Shares of Alternate Brand Solutions (India) Limited of ₹ 10 each fully paid-up	1,600,000	70,250,000	1,600,000	70,250,000
Sub-total (A)		70,250,000		70,250,000
Investment in long term capital asset (Building)		7,691,038		5,891,266
Sub-total (B)		7,691,038		5,891,266
	Nos.	₹	Nos.	₹
Capital Gains Bonds:				
Non-convertible redeemable taxable bonds (with benefits u/s 54EC of the Income Tax Act, 1961 for Long Term Capital Gains)	—	—	500	5,000,000
Sub-total (C)		—		5,000,000
Non-Trade, Non-Current (Unquoted - Mutual Funds) at cost				
HDFC Cash management Fund Savings Plan - Growth, of ₹ 10 each	3,736,586	100,000,000	—	—
HDFC Short Term Opportunities Fund - Direct Plan - Growth option, of ₹ 10 each	7,242,021	100,000,000	—	—
ICICI Prudential Ultra Short Term Fund - Direct Plan - Growth, of ₹ 10 each	7,710,933	100,000,000	—	—
IDFC Money Manager Fund - Treasury Plan – Growth (Direct Plan), of ₹ 10 each	4,959,604	100,000,000	—	—
IDFC Ultra Short Term Fund - Growth (Direct Plan), of ₹ 10 each	2,799,662	50,000,000	—	—
Kotak Banking & PSU Debt Fund - Direct Growth, of ₹ 10 each	5,284,314	150,000,000	—	—
Sundaram Ultra Short Term Fund - Direct Plan - Growth, of ₹ 10 each	11,931,367	202,319,046	—	—
TATA Fixed Maturity Plan Series 47 Scheme D-Direct Plan-Growth, of ₹ 10 each	15,000,000	150,000,000	—	—
Sub-total (D)		952,319,046		—
Non-Current Investments (A) + (B) + (C) + (D)		1,030,260,084		81,141,266
Note: The market price has been determined based on the NAV declared on the balance sheet date by the mutual fund houses. Aggregate market value of Unquoted mutual fund units held by the Company is ₹ 962,560,223 (Previous Year : ₹ Nil).				
	Nos.	₹	Nos.	₹
Current investments (at the lower of cost or market value) (Refer Note 1(vi))				
Non-Trade, Current (Unquoted) at cost				
Capital Gains Bonds:				
Non-convertible redeemable taxable bonds (with benefits u/s 54EC of the Income Tax Act, 1961 for Long Term Capital Gains)	500	5,000,000	500	5,000,000
Sub-total (E)		5,000,000		5,000,000

Notes forming part of the Financial Statements

	Figures as at March 31, 2014		Figures as at March 31, 2013	
	Nos.	₹	Nos.	₹
Non-Trade, Current (Unquoted - Mutual Funds)				
Axis Short Term Fund - Regular Dividend Reinvestment, of ₹ 10 each	—	—	5,403,050	54,226,546
Axis Treasury Advantage Fund - Direct - Growth, of ₹ 1,000 each	81,213	110,892,695	—	—
Axis Treasury Advantage Fund - Growth, of ₹ 1,000 each	—	—	81,359	100,000,000
Birla Sun Life Cash Manager - Institutional Plan - Growth, of ₹ 100 each	549,088	101,265,900	549,088	101,265,900
Birla Sun Life Dynamic Bond - Retail - Monthly Dividend Regular Plan Reinvestment, of ₹ 10 each	—	—	10,159,428	106,985,380
Birla Sun Life Short Term Fund - Growth, of ₹ 10 each	—	—	2,488,150	100,000,000
BNP Paribas Money Plus Fund - Daily Dividend Reinvestment, of ₹ 10 each	—	—	10,468,358	104,836,707
DSP BlackRock Short Term Fund - Regular Weekly Dividend, of ₹ 10 each	—	—	5,733,416	58,366,175
DWS Cash Opportunities Fund - Direct Plan - Growth, of ₹ 10 each	3,196,988	51,205,518	—	—
DWS Cash Opportunities Fund - Institutional Daily Dividend, of ₹ 10 each	—	—	10,219,903	102,447,370
DWS Cash Opportunities Fund - Regular Plan - Daily Dividend - Reinvestment, of ₹ 10 each	—	—	266,150	2,668,708
DWS Cash Opportunities Fund - Regular Plan - Growth, of ₹ 10 each	—	—	3,203,609	50,000,000
DWS Cash Opportunities Fund Regular Plan - Annual Bonus, of ₹ 10 each	4,161,594	40,603,469	—	—
DWS Gilt Fund Regular Plan - Growth, of ₹ 10 each	—	—	7,835,941	100,000,000
DWS Short Maturity Fund - Direct Plan - Annual Bonus, of ₹ 10 each	1,154,308	16,666,668	—	—
DWS Short Maturity Fund - Premium Plus - Weekly Dividend, of ₹ 10 each	—	—	5,158,986	53,521,842
DWS Short Maturity Fund - Regular Plan - Weekly Dividend - Reinvestment, of ₹ 10 each	—	—	151,782	1,553,562
DWS Ultra Short Term Fund - Direct Plan - Growth, of ₹ 10 each	6,722,147	100,000,000	—	—
HDFC Short Term Opportunities Fund - Growth, of ₹ 10 each	6,657,028	83,264,846	13,157,016	164,565,461
ICICI Prudential Blended Plan B - Reg Growth Option - I, of ₹ 10 each	—	—	2,918,864	51,037,788
ICICI Prudential Flexible Income - Direct Plan - Growth, of ₹ 100 each	869,636	199,170,608	—	—
ICICI Prudential Flexible Income-Regular Plan - Growth, of ₹ 100 each	—	—	286,633	62,748,436
ICICI Prudential Floating Rate Plan Regular Daily Dividend, of ₹ 100 each	—	—	532,445	53,296,970
ICICI Prudential FMP Series 69 - 372 days - Plan K Direct Plan Cumulative, of ₹ 10 each	25,000,000	250,000,000	—	—
ICICI Prudential Interval Fund II Quarterly Interval Plan A - Direct Plan Growth, of ₹ 10 each	9,507,149	99,999,996	—	—
ICICI Prudential Interval Fund Quarterly Interval Plan 1 - Direct Plan - Growth, of ₹ 10 each	7,300,815	99,999,993	—	—
ICICI Prudential Liquid - Direct Plan - Growth, of ₹ 100 each	105,452	20,000,000	—	—
ICICI Prudential Short Term Plan - Direct Growth Option, of ₹ 10 each	—	—	4,172,003	100,000,000
IDFC - Super Saver Income Fund - Short Term Plan B - Fortnightly Dividend (Defunct Plan), of ₹ 10 each	—	—	4,970,725	54,329,838
IDFC Fixed Term Plan Series 82 Direct Plan - Growth - 92 Days, of ₹ 10 each	15,000,000	150,000,000	—	—

Notes forming part of the Financial Statements

	Figures as at March 31, 2014		Figures as at March 31, 2013	
	Nos.	₹	Nos.	₹
IDFC Money Manager Fund - Investment Plan - Regular Plan - Daily Dividend, of ₹ 10 each	—	—	5,341,790	54,044,434
JP Morgan India Treasury Fund Direct Plan - Growth, of ₹ 10 each	19,021,524	311,072,489	6,563,575	100,000,000
JP Morgan India Treasury Fund Super Institutional Plan - Growth, of ₹ 10 each	—	—	6,952,024	100,000,000
JPMorgan India Short Term Income Fund - Regular Plan - Growth, of ₹ 10 each	—	—	8,029,242	102,745,388
Kotak Bond (Short Term) - Growth, of ₹ 10 each	—	—	1,485,227	32,686,717
Kotak Floater Long Term - Daily Dividend, of ₹ 10 each	—	—	10,834,356	109,208,144
Kotak Liquid Scheme Plan A - Direct Plan - Growth, of ₹ 1,000 each	87,093	221,689,696	—	—
Reliance Fixed Horizon Fund - XXV - Series 34 - Direct Plan Growth Plan, of ₹ 10 each	10,750,000	107,500,000	—	—
Reliance Floating Rate Fund - Short Term Plan - Daily Dividend Reinvestment Plan, of ₹ 10 each	—	—	5,391,740	54,275,952
Reliance Income Fund - Growth Plan - Bonus Option, of ₹ 10 each	—	—	3,487,703	37,500,000
Reliance Interval Fund - Quarterly Plan - Series I - Direct Growth Plan Growth Option, of ₹ 10 each	5,825,435	100,000,000	—	—
Reliance Liquid Fund - Treasury Plan - Direct Plan Growth Plan - Growth Option, of ₹ 1,000 each	58,878	180,000,000	—	—
Reliance Medium Term Fund - Growth Plan - Growth Option, of ₹ 10 each	—	—	3,313,554	75,537,102
Reliance Money Manager Fund - Growth Plan, of ₹ 1,000 each	—	—	61,456	92,500,000
Religare Invesco Credit Opportunities Fund - Direct Plan - Growth, of ₹ 1,000 each	80,300	111,692,530	—	—
Religare Invesco Ultra Short Term Fund - Direct Plan - Growth, of ₹ 1,000 each	84,952	150,000,000	—	—
Religare Credit Opportunities Fund - Growth, of ₹ 10 each	—	—	8,044,923	100,000,000
Religare Short Term Plan - Growth, of ₹ 10 each	—	—	6,479,685	100,000,000
SBI Short Term Debt Fund - Regular Plan - Growth, of ₹ 10 each	—	—	7,506,408	101,072,045
Sundaram Flexi Fund ST Plan Direct Plan Bonus, of ₹ 10 each	5,105,654	49,874,683	—	—
Sundaram Flexible Fund ST Plan - Direct Plan - Growth, of ₹ 10 each	5,227,993	100,000,000	—	—
Sundaram Money Fund - Direct Plan - Growth, of ₹ 10 each	8,787,920	226,141,970	—	—
Sundaram Select Debt ST Asset Direct Bonus, of ₹ 10 each	2,404,436	25,000,000	—	—
Sundaram Ultra Short Term Fund - Regular - Growth, of ₹ 10 each	—	—	6,259,232	100,000,000
Tata Income Fund Plan A - Appreciation Option - Bonus, of ₹ 10 each	1,843,805	19,444,444	1,843,805	19,444,444
Templeton India Low Duration Fund - Monthly Dividend Re-investment, of ₹ 10 each	—	—	15,634,223	162,087,071
Templeton India Short Term Income Retail Plan - Weekly Dividend, of ₹ 1,000 each	—	—	50,759	54,659,042
Templeton India Treasury Management Account - Super Institutional Plan - Direct - Growth, of ₹ 1,000 each	110,296	200,000,000	—	—
Templeton India Ultra Short Bond Fund Super Institutional Plan - Daily Dividend Reinvestment, of ₹ 10 each	—	—	10,493,371	105,077,060
Templeton India Ultra Short Bond Fund Super Institutional Plan - Direct - Growth, of ₹ 10 each	3,272,335	51,218,267	—	—

Notes forming part of the Financial Statements

	Figures as at March 31, 2014		Figures as at March 31, 2013	
	Nos.	₹	Nos.	₹
Templeton India Ultra Short Bond Fund Super Institutional Plan - Growth, of ₹ 10 each	—	—	3,273,151	50,000,000
UTI Floating Rate Fund - Short Term Plan - Institutional Growth, of ₹ 1,000 each	—	—	46,385	57,500,000
UTI Floating Rate Fund - STP- Regular Plan - Direct Plan Growth, of ₹ 1,000 each	32,570	62,996,352	—	—
UTI Treasury Advantage Fund - Institutional Plan - Direct Plan - Growth, of ₹ 1,000 each	41,743	69,209,834	—	—
UTI Treasury Advantage Fund - Institutional Plan - Growth, of ₹ 1,000 each	—	—	41,789	61,966,153
Sub-total (F)		3,308,909,958		3,092,154,235
Current Investments (E) + (F)		3,313,909,958		3,097,154,235

Note: The market price has been determined based on the NAV declared on the balance sheet date by the mutual fund houses. Aggregate market value of Unquoted mutual fund units held by the Company is ₹ 3,453,674,239 (Previous Year : ₹ 3,159,005,546).

	Figures as at March 31, 2014 ₹	Figures as at March 31, 2013 ₹
NOTE 12 : LONG-TERM LOANS AND ADVANCES (Unsecured considered good unless otherwise stated)		
Capital advances	404,754	1,088,144
Deposits	112,008,631	113,626,628
Other long term loans and advances		
Employee loans	500,032	300,028
Advance tax and tax deducted at source [Net of provision of ₹ 168,624,377 (Previous Year : ₹ 42,374,002)]	5,464,195	2,609,910
	118,377,612	117,624,710
NOTE 13 : OTHER NON-CURRENT ASSETS		
Non current bank balances (margin money deposits)	65,650,741	65,650,741
	65,650,741	65,650,741
NOTE 14 : TRADE RECEIVABLES		
Unsecured, considered good		
Outstanding for a period exceeding 6 months from the date they are due for payment	23,559,606	2,707,678
Others	992,050,337	991,360,277
	1,015,609,943	994,067,955
Unsecured, considered doubtful		
Outstanding for a period exceeding 6 months from the date they are due for payment	128,971,597	105,926,904
Others	15,218,382	16,438,814
	144,189,979	122,365,718
	1,159,799,922	1,116,433,673
Less: Provision for doubtful debts	(144,189,979)	(122,365,718)
	1,015,609,943	994,067,955

Notes forming part of the Financial Statements

	Figures as at March 31, 2014 ₹	Figures as at March 31, 2013 ₹
NOTE 15 : CASH AND BANK BALANCES		
Cash and cash equivalents:		
Cheques on hand	8,918,111	39,622,386
Balances with banks:		
Current Accounts	128,703,349	12,753,962
Other bank balances		
On Unpaid dividend account	23,598	—
Deposits with original maturity for more than 3 months but less than 12 months	—	70,000,000
Balances with bank held as security against guarantees issued by banks:		
Margin money deposits	65,650,741	65,650,741
Less: Amount disclosed under non-current assets	(65,650,741)	(65,650,741)
	137,645,058	122,376,348
NOTE 16: SHORT-TERM LOANS AND ADVANCES (Unsecured considered good unless otherwise stated)		
Due from other related parties	6,574,710	102,561,508
Prepaid expenses	50,822,887	43,535,322
Advances recoverable in cash or in kind or for value to be received	39,938,263	51,693,774
Deposits	5,324,523	2,955,038
	102,660,383	200,745,642
NOTE 17 : OTHER CURRENT ASSETS (Unsecured considered good unless otherwise stated)		
Interest accrued on deposits	2,700,888	12,354,891
Dividend receivable on investments	—	221,197
Others	2,739,327	1,139,652
	5,440,215	13,715,740

Notes forming part of the Financial Statements

	2013-2014 ₹	2012-2013 ₹
NOTE 18 : REVENUE FROM OPERATIONS		
Sale of services (Refer Notes 1(iii)(a)(i) and (ii))	3,742,952,307	3,258,281,957
Digital revenues, service fee, marketing & sales commission	62,523,877	72,498,303
Other operating income		
Provision no longer required written back	29,677,093	46,525,987
Others	12,944,369	6,570,396
	42,621,462	53,096,383
	3,848,097,646	3,383,876,643
NOTE 19 : OTHER INCOME		
Interest Income (Refer Note 1(iii)(b)(ii))		
On fixed deposits	6,320,687	23,341,037
On income-tax refund	585,864	5,863,171
On others	704,275	840,523
Dividend income on current investments (Refer Note 1(iii)(b)(i))	27,102,015	105,590,276
Profit on sale of current investments (net) (Refer Note 1(iii)(b)(iii))	187,295,181	34,090,997
Miscellaneous income	1,551,563	6,402
	223,559,585	169,732,406
NOTE 20 : PRODUCTION EXPENSES		
Royalty	115,017,155	106,076,042
Other production expenses	56,107,309	48,218,200
	171,124,464	154,294,242
NOTE 21 : LICENSE FEES		
License fees (Refer Note 1(xiv))	202,409,779	180,920,473
	202,409,779	180,920,473
NOTE 22 : EMPLOYEE BENEFITS EXPENSE		
Salaries, wages and bonus	686,486,428	672,139,385
Contributions to provident and other funds (Refer Notes 1(vii) and 29)	21,939,839	21,606,622
Gratuity (Refer Notes 1(vii) and 29)	9,202,694	7,697,737
Staff welfare expenses	34,616,234	34,111,020
	752,245,195	735,554,764

Notes forming part of the Financial Statements

	2013-2014 ₹	2012-2013 ₹
NOTE 23 : OTHER EXPENSES		
Rent	164,828,054	159,735,947
Rates and taxes	2,181,246	2,141,289
Power and fuel	109,043,781	105,745,940
Marketing	810,975,505	663,707,405
Travelling and conveyance	95,001,147	90,486,504
Insurance	4,278,040	3,567,691
Communication	12,913,289	12,054,133
Repairs and Maintenance on:		
Buildings	1,763,812	1,498,939
Plant and machinery	29,185,029	24,931,821
Others	26,192,003	24,559,140
Legal and professional fees	91,589,581	101,579,717
Software expenses (Refer Note 1(iv)(c))	25,385,796	24,221,921
Payments to Auditors		
As Auditors:		
Audit fee	2,800,000	2,500,000
Other services	100,000	400,000
Reimbursement of expenses	90,466	94,022
	2,990,466	2,994,022
Bad debts written off	26,237,606	46,077,604
Provision for doubtful debts	78,128,304	92,443,694
Provision for doubtful debts withdrawn	(56,304,042)	(137,830,926)
	21,824,262	(45,387,232)
Loss on sale of tangible assets	—	6,431
Tangible assets written off	1,443,421	4,413,838
Director's sitting fees and commission	3,560,000	2,160,000
Miscellaneous expenses	43,083,715	46,538,338
	1,472,476,753	1,271,033,448
NOTE 24 : FINANCE COST		
Interest Expense:		
On others	340,504	161,993
	340,504	161,993

Notes forming part of the Financial Statements

25. Commitments to the extent not provided for

Estimated amount of contracts remaining to be executed on capital account ₹ 14,880,697 (Previous Year : ₹ 790,039) net of advances of ₹ 404,754 (Previous Year : ₹ 1,088,144).

26. Sundry Creditors

- There are no Micro, Small and Medium Enterprises, to whom the company owes dues. This information, as required to be disclosed under 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.
- There are no amounts due and outstanding to be credited to Investor Education and Protection Fund.

27. Proposed Dividend

	As at March 31, 2014 ₹	As at March 31, 2013 ₹
Dividend proposed for the year is as follows:		
On Equity Shares of ₹ 10 each		
Amount of dividend proposed	47,670,415	47,670,415
Dividend per Equity Share	1.00	1.00

28. a. Value of Imports calculated on CIF basis:

	2013-2014 ₹	2012-2013 ₹
Capital goods	5,031,644	1,982,948
Total	5,031,644	1,982,948

b. Expenditure in Foreign Currency

	2013-2014 ₹	2012-2013 ₹
Travel	734,890	63,512
Professional fees	1,057,814	723,318
Others	754,118	5,496,776
Total	2,546,822	6,283,606

c. Earnings in Foreign Currency

	2013-2014 ₹	2012-2013 ₹
Consultancy services	43,398,508	37,468,375
Total	43,398,508	37,468,375

Notes forming part of the Financial Statements

29. The Company has classified the various employee benefits provided to employees as under:-

I) Defined Contribution Plans

- Provident Fund
 - State Defined Contribution Plans - Employers' Contribution to Employee's Pension Scheme, 1995.
- During the year, the Company has recognised the following amounts in the Statement of Profit and Loss:-

	2013-2014 ₹	2012-2013 ₹
Employers' Contribution to Provident Fund*	17,015,423	16,439,293
Employers' Contribution to Employee's Pension Scheme 1995*	4,461,099	4,582,684
Employers' Contribution to Employee State Insurance Scheme*	463,317	584,645

* Included in Contributions to Provident and Other Funds (Refer Note 22).

II) Defined Benefit Plans

In accordance with Accounting Standard 15, actuarial valuation was done in respect of the aforesaid Defined Benefit Plan of gratuity (unfunded) based on the following assumptions:-

	As at March 31, 2014	As at March 31, 2013
Discount Rate (per annum)	9.31%	8.00%
Rate of increase in Compensation levels	8.00%	6.50%
Attrition rate	2.00%	2.00%

A. Changes in the Present Value of Obligation

	As at March 31, 2014 ₹	As at March 31, 2013 ₹
Present Value of Obligation at the beginning of the year	30,885,087	26,554,810
Interest Cost	2,470,807	2,257,159
Past Service Cost	—	—
Current Service Cost	5,464,767	5,699,061
Curtailement Cost / (Credit)	—	—
Settlement Cost / (Credit)	—	—
Benefits Paid	(3,565,443)	(3,548,029)
Actuarial (Gain) / Loss on Obligations	1,267,120	(258,483)
Effect of Transfer In / (Transfer Out)	—	180,569
Present Value of Obligation as at the year end	36,522,338	30,885,087

Notes forming part of the Financial Statements

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

	As at March 31, 2014 ₹	As at March 31, 2013 ₹
Present Value of Funded Obligation as at the year end	—	—
Fair Value of Plan Assets as at the year end	—	—
Funded Status	—	—
Present Value of Unfunded Obligation as at the year end	36,522,338	30,885,087
Unrecognised Actuarial (Gains) / Losses	—	—
Unfunded (Liability) recognised in Balance Sheet	(36,522,338)	(30,885,087)

C. Amount recognised in the Balance Sheet

	As at March 31, 2014 ₹	As at March 31, 2013 ₹
Present Value of Defined Benefit Obligation at the end of the year	36,522,338	30,885,087
Fair Value of Plan Assets as at the end of the year	—	—
Liability recognised in the Balance Sheet	36,522,338	30,885,087
Recognised under:		
Long term provisions	35,710,599	30,166,794
Short term provisions	811,739	718,293

D. Expenses recognised in the Statement of Profit and Loss

	2013-2014 ₹	2012-2013 ₹
Current Service Cost	5,464,767	5,699,061
Past Service Cost	—	—
Interest Cost	2,470,807	2,257,159
Expected Return on Plan Assets	—	—
Curtailment Cost / (Credit)	—	—
Settlement Cost / (Credit)	—	—
Effects of Transfer In / (Transfer Out)	—	—
Net actuarial (Gain) / Loss recognised in the year	1,267,120	(258,483)
Total Expenses recognised in the Statement of Profit and Loss	9,202,694	7,697,737

E. Experience Adjustment

	2013-2014 ₹	2012-2013 ₹
Defined Benefit Obligation	36,522,338	30,885,087
Plan Assets	—	—
Deficit / (Surplus)	36,522,338	30,885,087
Experience Adjustment on Plan Liabilities (Gain) / Loss	228,733	(2,066,790)

The estimates of future salary increases, considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

Notes forming part of the Financial Statements

F. Amounts recognised in current year and previous four years

	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011	March 31, 2010
Defined Benefit Obligation	36,522,338	30,885,087	26,554,810	20,587,045	16,630,670
Surplus / (Deficit)	(36,522,338)	(30,885,087)	(26,554,810)	(20,587,045)	(16,630,670)
Experience adjustment on Plan Liabilities (Gain) / Loss	228,733	(2,066,790)	2,746,173	1,037,081	(4,584,050)

III) The liability for leave encashment and compensated absences as at the year end is ₹ 24,196,313 (Previous Year: ₹ 20,688,114).

30. Segment Information

In accordance with Accounting Standard-17, "Segment Reporting", the Company's business segment is radio broadcasting business and it has no other primary reportable segments. Accordingly, the segment revenue, segment results, total carrying amount of segment assets and segment liabilities, total cost incurred to acquire segment assets and total amount of charge for depreciation during the year, is as reflected in the Financial Statements as of and for the year ended March 31, 2014. The Company mainly caters to the needs of the domestic market and hence there are no reportable geographical segments.

31. Related Party Disclosures as required under Accounting Standard 18 - "Related Party Disclosures" are given below:

i. Parties where control exists

Bennett, Coleman & Company Limited (BCCL) – Ultimate Holding Company
Times Infotainment Media Limited (TIML) – Holding Company *

ii. Subsidiary Company

Alternate Brand Solutions (India) Limited (ABSL) – Subsidiary Company*

iii. Fellow Subsidiary Companies

Times Innovative Media Limited (TIM)
TIM Delhi Airport Advertising Private Limited (TIMDA)
Times Internet Limited (TIL)
Times Global Broadcasting Company Limited (TGBCL)
Times Business Solutions Limited (TBSL)
Metropolitan Media Company Limited (formerly Times VPL Limited) (MMCL)
Vardhaman Publishers Limited (VPL)
Times Websol Limited (TWL)
Times Mobile Limited (TM)
Brand Equities Treaties Limited (BETL)
Worldwide Media Private Limited (WWM)
BCCL International Events Private Limited (BIEPL)
Times Centre for Learning Limited (TCLL)

iv. Other Related Parties

Bennett Property Holdings Company Limited (BPHCL)
Aegon Religare Life Insurance Company Limited (ARLIC)

v. Key Managerial Personnel

Executive Director & Chief Executive Officer

Mr. Prashant Panday

* There are no transactions during the year.

Notes forming part of the Financial Statements

vi. Transactions with Related Parties

Particulars	2013-2014																				
	Holding Companies			Subsidiary company	Fellow Subsidiary Companies														Other Related Parties		
	BCCL	TIML	ABSL	TIM	TIMDA	TIL	TGBCL	TBSL	MMCL	VPL	TWL	TM	BETL	WWM	BIEPL	TCLL	BPHCL	ARLIC			
Transactions with Related Parties																					
Sales	160,170,090	—	—	—	—	3,721,218	1,952,107	5,080,849	1,112,480	—	—	—	—	2,044,558	894,562	527,431	458,550	2,372,035			
Receiving of services	30,826,892	—	—	194,884	—	291,325	545,999	18,838,580	1,487,813	158,405	6,592,813	196,771	—	2,009,502	—	—	38,121,806	—			
Recovery of expenses	—	—	—	9,019,427	412,479	3,914,430	384,956	—	—	—	—	—	—	—	—	—	—	—			
Year end Balances with Related Parties																					
Trade Receivables	9,450,787	—	—	—	—	—	—	2,037,377	129,527	—	—	—	—	399,284	—	—	—	152,778			
Non-trade Receivables (net)	—	—	—	—	40,928	—	—	—	—	—	—	—	6,533,782	—	—	—	—	—			
Deposit	—	—	—	—	—	777,960	—	—	—	—	—	—	—	—	—	—	10,000,000	—			
Payables (net)	—	—	—	—	—	—	—	10,555,159	362,600	—	—	—	—	—	—	—	—	—			

Particulars

[illegible]

Notes forming part of the Financial Statements

vii. Details relating to Persons referred to in 31(v) above

	2013-2014 ₹	2012-2013 ₹
Mr. Prashant Panday	26,022,370	22,056,402
Total	26,022,370	22,056,402

32. Disclosures for Operating Leases

Disclosures in respect of cancellable agreements for cars, transmission towers, office and residential premises taken on lease:

- Lease payments recognised in the Statement of Profit and Loss ₹ 164,828,054 (Previous Year : ₹ 159,735,947).
- All the agreements provide for early termination by the Company by giving prior notice in writing.

33. Earnings Per Share (Basic and Diluted)

The number of shares used in computing Basic Earnings Per Share (EPS) is the weighted average number of shares outstanding during the year.

	2013-2014	2012-2013
Profit for the year (₹) (A)	834,489,731	676,710,850
Weighted average number of Equity shares (B)	47,670,415	47,670,415
Earnings per share – basic and diluted (₹) (A/B)	17.51	14.20
Nominal value of an equity share (₹)	10.00	10.00

- The Board of Directors of the Company at their meeting held on August 13, 2012 approved the purchase of its wholly owned subsidiary's (ABSL) Intellectual Property Rights Events Business ('IPR Business') as a going concern. The slump sale of the IPR Business by ABSL to the Company was effected through a Business Transfer Agreement ('BTA') for a consideration of ₹ 100. The transfer was effective from July 1, 2012. The purchase resulted in a goodwill of ₹ 49,708 and acquisition of assets and liabilities amounting to ₹ 83,571,199 and ₹ 83,620,807 respectively.

- The previous year figures have been reclassified to conform to this year's classification.

Signatures to notes "1" to "35" forming part of the financial statements.

For Price Waterhouse & Co., Bangalore

Firm Registration No. 007567S
Chartered Accountants

Uday Shah

Partner
Membership No.: 046061

Mumbai

Dated : May 23, 2014

For and on behalf of the Board of Directors

Vineet Jain
Chairman

A. P. Parigi
Director

Vibha Paul Rishi
Director

Mehul Shah

SVP - Compliance & Company Secretary

N. Kumar
Director

B. S. Nagesh
Director

Prashant Panday
Managing Director & CEO

Ravindra Dhariwal
Director

Richard Saldanha
Director

N. Subramanian
Group CFO

Statement pursuant to Section 212 of the Companies Act, 1956

Subsidiary	Alternate Brand Solutions (India) Limited (ABSL)
Financial Year ended	March 31, 2014
Holding Company's interest	100%
Number of Shares held by the Holding Company	1,600,000
Net aggregate profits / (losses) of the subsidiary for the current year so far as it concerns the members of the holding company	
a. dealt with or provided for in the accounts of the holding company (₹)	Nil
b. not dealt with or provided for in the accounts of the holding company (₹)	1,703,252
Net aggregate profits / (losses) for previous financial years of the subsidiary so far as it concerns the members of the holding company	
a. dealt with or provided for in the accounts of the holding company (₹)	Nil
b. not dealt with or provided for in the accounts of the holding company (₹)	(705,636)

Subsidiary	Issued and subscribed share capital	Reserves	Total assets	Total liabilities	Investments	Turnover	Profit / (Loss) before taxation	Provision for taxation	Profit / (Loss) after taxation	Proposed Dividend
Alternate Brand Solutions (India) Limited (ABSL)	16,000,000	55,101,626	71,712,300	71,712,300	59,142,314	2,286,393	1,187,329	(515,923)	1,703,252	Nil

For and on behalf of the Board of Directors

Vineet Jain
Chairman

A. P. Parigi
Director

Vibha Paul Rishi
Director

Mehul Shah
SVP - Compliance & Company Secretary

N. Kumar
Director

B. S. Nagesh
Director

Prashant Panday
Managing Director & CEO

Ravindra Dhariwal
Director

Richard Saldanha
Director

N. Subramanian
Group CFO

Mumbai
Dated : May 23, 2014

Independent Auditors' Report

To the Board of Directors of Entertainment Network (India) Limited

1. We have audited the accompanying consolidated financial statements (the "Consolidated Financial Statements") of Entertainment Network (India) Limited ("the Company") and its subsidiary; hereinafter referred to as the "Group" (refer Note 1 (iii) (2) to the attached consolidated financial statements) which comprise the Consolidated Balance Sheet as at March 31, 2014, and the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information which we have signed under reference to this report.

Management's Responsibility for the Consolidated Financial Statements

2. The Company's Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control 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.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Company's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Management, as well as evaluating the overall presentation of the consolidated financial statements.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

6. We report that the consolidated financial statements have been prepared by the Company's Management in accordance with the requirements of Accounting Standard (AS) 21 – Consolidated Financial Statements notified under the Companies Act, 1956 read with the General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013.
7. In our opinion and to the best of our information and according to the explanations given to us, the accompanying consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) in the case of the consolidated Balance Sheet, of the state of affairs of the Group as at March 31, 2014;
 - (b) in the case of the consolidated Statement of Profit and Loss, of the profit for the year ended on that date; and
 - (c) in the case of the consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

For Price Waterhouse & Co., Bangalore

Firm Registration Number: 0075675

Chartered Accountants

Uday Shah

Partner

Membership Number: 046061

Mumbai

Dated : May 23, 2014

Consolidated Balance Sheet

as at March 31, 2014

	Notes	Figures as at March 31, 2014 ₹	Figures as at March 31, 2013 ₹
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	2	476,704,150	476,704,150
Reserves and surplus	3	5,325,868,686	4,545,437,763
Non-current liabilities			
Deferred tax liabilities (net)	4	—	36,616,529
Other long-term liabilities	5	42,519,031	37,895,222
Long-term provisions	6	50,234,296	42,665,148
Current liabilities			
Trade payables	7	531,061,430	410,868,368
Other current liabilities	8	85,808,044	104,599,568
Short-term provisions	9	231,519,639	229,158,652
TOTAL		6,743,715,276	5,883,945,400
ASSETS			
Non-current assets			
Fixed assets			
Intangible assets	10	490,559,278	706,594,613
Tangible assets		424,308,631	496,851,517
Capital work-in-progress		1,111,803	—
Non-current investments	11	1,019,152,398	10,891,266
Deferred tax assets (net)	4	42,316,295	—
Long-term loans and advances	12	124,983,068	125,391,668
Other non-current assets	13	65,650,741	65,650,741
Current assets			
Current investments	11	3,313,909,958	3,138,014,763
Trade receivables	14	1,015,609,943	994,067,955
Cash and bank balances	15	138,012,563	123,040,346
Short-term loans and advances	16	102,660,383	209,726,791
Other current assets	17	5,440,215	13,715,740
TOTAL		6,743,715,276	5,883,945,400
NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS		1-32	

As per our report of even date.

For Price Waterhouse & Co., Bangalore
Firm Registration No. 007567S
Chartered Accountants

Uday Shah
Partner
Membership No.: 046061

Mumbai
Dated : May 23, 2014

For and on behalf of the Board of Directors

Vineet Jain
Chairman

A. P. Parigi
Director

Vibha Paul Rishi
Director

Mehul Shah

SVP - Compliance & Company Secretary

N. Kumar
Director

B. S. Nagesh
Director

Prashant Panday
Managing Director & CEO

Ravindra Dhariwal
Director

Richard Saldanha
Director

N. Subramanian
Group CFO

Consolidated Statement of Profit And Loss

for the year ended March 31, 2014

	Notes	2013-2014 ₹	2012-2013 ₹
Revenue from operations	18	3,848,097,646	3,395,574,221
Other income	19	225,845,978	174,165,760
Total revenue		4,073,943,624	3,569,739,981
Expenses:			
Production expenses	20	171,124,464	165,893,110
License fees	21	202,409,779	180,920,473
Employee benefits expense	22	752,245,195	738,280,352
Depreciation and amortisation expense	10	318,097,821	317,297,009
Other expenses	23	1,473,464,049	1,266,232,657
Finance cost	24	452,272	167,955
Total expenses		2,917,793,580	2,668,791,556
Profit before taxation		1,156,150,044	900,948,425
Tax expense: (Refer Note 1(xii))			
Current tax		403,326,246	291,889,169
Deferred tax		(78,932,824)	(61,289,286)
Tax write backs for earlier years		(4,262,550)	(12,478,107)
Minimum alternate tax credit entitlement		(183,753)	(389,169)
Profit for the year		836,202,925	683,215,818
Earnings per equity share [nominal value per share: ₹ 10 (2012-13: ₹ 10)] (Refer Notes 1(xi))	31		
– Basic		17.54	14.33
– Diluted		17.54	14.33

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

1-32

As per our report of even date.

For Price Waterhouse & Co., Bangalore
Firm Registration No. 007567S
Chartered Accountants

Uday Shah
Partner
Membership No.: 046061

Mumbai
Dated : May 23, 2014

For and on behalf of the Board of Directors

Vineet Jain
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Group CFO

Mehul Shah
SVP - Compliance & Company Secretary

Consolidated Cash Flow Statement

for the year ended March 31, 2014

	2013-2014 ₹	2012-2013 ₹
A) CASH FLOW FROM OPERATING ACTIVITIES :		
Profit before taxation	1,156,150,044	900,948,425
Adjustments for :		
Depreciation and amortisation expense	318,097,821	317,297,009
Interest income	(9,865,433)	(32,862,522)
Interest expense	452,272	167,955
Provision no longer required written back	(29,677,093)	(46,525,987)
Dividend income on current investments	(27,102,015)	(105,590,276)
(Profit) / Loss on sale of tangible assets	(638,896)	6,431
Tangible assets written off	1,443,421	4,413,838
Exchange difference	(798,682)	—
Profit on sale of current investments (net)	(187,326,967)	(35,706,560)
Provision for doubtful debts (net)	21,824,262	(45,137,232)
Bad debts written off	26,237,606	46,077,604
Provision for retirement benefits	9,145,450	10,351,572
Operating profit before working capital changes	1,277,941,790	1,013,440,257
Adjustments for changes in working capital :		
(Increase) in trade receivables	(68,805,174)	(31,095,584)
Decrease in long term loans and advances	2,101,383	1,391,172
Decrease in other non current assets	—	5,851,099
(Increase) in other current assets	(1,599,675)	(1,139,652)
Decrease / (Increase) in short term loans and advances	98,085,260	(80,170,121)
Increase in other long term liabilities	4,623,809	4,239,904
Increase in trade payables	120,193,061	59,572,216
(Decrease) in other current liabilities	(18,815,122)	(63,100,345)
Increase in short term provisions	22,557,990	77,330,372
Cash generated from operations	1,436,283,322	986,319,318
Taxes paid (net)	(383,687,789)	(158,669,209)
Net cash generated from Operating Activities (A)	1,052,595,533	827,650,109
B) CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of tangible assets	(29,224,933)	(14,431,998)
Purchase of intangible assets	(3,438,710)	(3,255,880)
Movement in capital work-in-progress	(1,111,803)	912,365
Proceeds from sale of tangible assets	2,339,518	1,689,777
Dividend received on current investments	27,323,212	105,369,079
Purchase of non-current investments	(973,468,818)	(5,891,266)
Purchase of current investments	(8,704,719,585)	(7,054,867,774)
Proceeds from sale of current investments	8,681,359,043	5,782,628,169
Interest received	19,519,436	35,833,549
Net cash (used in) Investing Activities (B)	(981,422,640)	(1,152,013,979)

Consolidated Cash Flow Statement

for the year ended March 31, 2014

	2013-2014 ₹	2012-2013 ₹
C) CASH FLOW FROM FINANCING ACTIVITIES :		
Dividend paid	(47,646,817)	—
Dividend distribution tax paid	(8,101,587)	—
Interest paid	(452,272)	(167,955)
Net cash (used in) Financing Activities (C)	(56,200,676)	(167,955)
Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)	14,972,217	(324,531,825)
Cash and Cash Equivalents as at the beginning of the year	123,040,346	447,572,171
Cash and Cash Equivalents as at the end of the year	138,012,563	123,040,346
	14,972,217	(324,531,825)
NOTES ON CASH FLOW STATEMENT :		
1. Cash and cash equivalents at the end of the year as per Balance Sheet (Refer Notes 1(x) and 15 in the Financial Statements).	138,012,563	123,040,346
	138,012,563	123,040,346

- The above cash flow statement has been prepared under the "Indirect Method" as set out in Accounting Standard 3 'Cash Flow Statement' notified under the Companies (Accounting Standard) Rules, 2006 ('as amended').
- Previous year's figures have been regrouped and rearranged wherever necessary.

As per our report of even date.

For Price Waterhouse & Co., Bangalore
Firm Registration No. 007567S
Chartered Accountants

Uday Shah
Partner
Membership No.: 046061

Mumbai
Dated : May 23, 2014

For and on behalf of the Board of Directors

Vineet Jain
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N. Kumar
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Managing Director & CEO

N. Subramanian
Group CFO

Mehul Shah
SVP - Compliance & Company Secretary

Notes forming part of the Consolidated Financial Statements

1. Significant Accounting Policies

i. Basis of Accounting

The Consolidated Financial Statements of Entertainment Network (India) Limited ("the Company") and its subsidiary company, Alternate Brand Solutions (India) Limited, (collectively referred to as 'the Group') are prepared under the historical cost convention to comply in all material aspects with the applicable accounting principles in India to the extent possible in the same format as that adopted by the Company for its separate financial statements. Pursuant to circular 15/2013 dated 13.09.2013 read with circular 08/2014 dated 04.04.2014, till the standards of accounting or any addendum thereto are prescribed by Central Government in consultation with or pursuant to the recommendation of the National Financial Reporting Authority, the existing Accounting Standards notified under the Companies Act, 1956 ("the Act") shall continue to apply. Consequently, these financial statements have been prepared to comply in all material aspects with the Accounting Standard 21 on Consolidation of Financial Statements, notified under the Companies (Accounting Standard) Rules, 2006 ('as amended').

All assets and liabilities have been classified as current or non-current as per the criteria set out in the Revised Schedule VI to the Act.

ii. Use of Estimates

The preparation of financial statements in accordance with the generally accepted accounting principles requires the Management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities as at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates. Any revision to such accounting estimates is recognised prospectively in the accounting period in which such revision takes place.

iii. Principles of Consolidation

1. The consolidated financial statements have been prepared on the following basis:
 - The financial statements of the Company and its subsidiary company have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, revenues and expenses.
 - Intra-group balances and intra-group transactions and resulting profits are eliminated in full.
 - The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible in the same manner as the Company's separate financial statements.
2. The subsidiary considered in the consolidated financial statements are:

Name of the Company	Country of Incorporation	% voting power
Alternate Brand Solutions (India) Limited (ABSL) as on March 31, 2014	India	100.00%

iv. Revenue Recognition

a. Revenue from Operations

- i. Revenue from radio broadcasting is recognised on an accrual basis on the airing of client's commercials. The revenue that is recognised is net of service tax.
- ii. Revenue from services is recognised when the result of the transactions can be determined with reliability and on the percentage completed basis.

Notes forming part of the Consolidated Financial Statements

b. Other Income

- i. Dividend income on mutual fund units is accounted for when the right to receive the dividend is established by the Balance Sheet date.
- ii. Interest income is recognized on a time proportionate basis taking into account the amount outstanding and the rate applicable.
- iii. Profit on sale of units of mutual funds is recognized at the time of redemption and is determined as the difference between the redemption price and the carrying value.

v. Fixed Assets and Depreciation

a. Tangible Fixed Assets

Tangible fixed assets are stated at cost less accumulated depreciation and impairment losses, if any. Cost of tangible fixed assets comprises purchase price, duties, levies and any directly attributable cost of bringing the asset to its working condition and location for the intended use.

Borrowing cost directly attributable to fixed assets which take substantial period of time to get ready for its intended use are capitalised to the extent they relate to the period till such assets are ready to be put to use.

Cost incurred on assets not ready for their intended use is disclosed as Capital Work-in-Progress.

Depreciation on tangible fixed assets is provided on written down value method at the rates and in the manner specified in Schedule XIV to the Act. The cost of leasehold improvements are amortized over the primary period of lease of the property. Leasehold land is not amortised since the term of lease is perpetual in nature. Tangible assets individually costing less than Rupees 5,000 are depreciated fully in the year of purchase.

b. Intangible Assets (other than Software)

Migration fees paid by the Company for existing licenses upon migration to Phase II of the Licensing policy and One Time Entry Fees paid by the Company for acquiring new licenses have been capitalised as an asset.

The migration fee capitalised is being amortised, with effect from April 1, 2005, equally over a period of ten years, being the period of the license. One Time Entry Fees is amortised over a period of ten years, being the period of license, from the date of operationalisation of the respective stations.

Goodwill is amortised over a period of five years.

c. Software

- i. Software obtained initially together with hardware is capitalised along with the cost of hardware and depreciated in the same manner as the hardware. All subsequent purchases of software licenses are treated as revenue expenditure and charged in the year of purchase.
- ii. Expenditure on Enterprise Software such as SAP and Sales CRM where the economic benefit is expected to be more than a year is recognised as "Intangible Asset" and amortised.

vi. Foreign Currency Transactions

Foreign currency transactions are recorded at the exchange rates prevailing on the date of the transaction. Gains and losses arising out of subsequent fluctuations are accounted for on actual payment or realisation. Monetary items denominated in foreign currency as at the Balance Sheet date are converted at the exchange rates prevailing on that day. Exchange differences are recognised in the Statement of Profit and Loss.

Notes forming part of the Consolidated Financial Statements

vii. Investments

Investments that are intended to be held for not more than a year from the date of investment are classified as Current investments. All other investments are termed as Long term investments. The portion of Long term investments which is expected to be realized within twelve months from the Balance Sheet date are classified as Current investments.

Investment in buildings that is not intended to be occupied substantially for use by, or in the operations of the Company, have been classified as investment property. The same has been classified as Long term investments. Investment property is carried at cost less accumulated depreciation.

Current investments are carried at cost or fair value, whichever is lower. Long term investments are stated at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of the Long term investments.

viii. Employee Benefits

a. Defined Contribution Plans :

The Company has Defined Contribution Plans for post employment benefits such as Provident Fund and Employee's Pension Scheme, 1995. Under the Provident Fund Plan, the Company contributes to a Government administered Provident Fund on behalf of its employees and has no further obligation beyond making its contribution.

The Company contributes to a State Plan namely Employee's Pension Scheme, 1995 and has no further obligation beyond making its contribution. The Company's contributions to the above funds are recognized in the Statement of Profit and Loss every year.

b. Defined Benefit Plans :

The Company has Defined Benefit Plans namely Gratuity and Compensated Absences for all its employees. The liabilities in respect of Compensated Absences which are expected to be encashed / utilised before / after twelve months from the Balance Sheet date are considered to be short term / long term in nature respectively.

Liability for Defined Benefit Plans is provided on the basis of valuations, as at the Balance Sheet date, carried out by an independent actuary. The actuarial valuation method used by the independent actuary for measuring the liability is the Projected Unit Credit Method. Actuarial losses / gains are recognised in the Statement of Profit and Loss in the year in which they arise.

c. Termination benefits are recognised as an expense as and when incurred.

ix. Operating Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the Statement of Profit and Loss on a straight-line basis over the period of the lease.

x. Cash and Cash Equivalents

In the Cash Flow Statement, cash and cash equivalents include cash in hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less.

xi. Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share is the net profit for the period after deducting preference dividends and any attributable tax thereto for the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, (such as bonus shares) other than the conversion of potential equity shares that have changed the number of equity shares

Notes forming part of the Consolidated Financial Statements

outstanding without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

xii. Income Taxes

Tax expense comprises Current and Deferred tax. Current income tax and Deferred tax are measured based on the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961. Current tax assets and liabilities are offset when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis.

Minimum Alternate Tax (MAT) paid in accordance with tax laws which give rise to future economic benefits in the form of adjustment to future income tax liability is considered as an asset, if there is convincing evidence that the Company will pay normal tax in future. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that the future economic benefit associated with it will flow to the Company and the asset can be measured reliably.

Deferred tax is recognised, subject to the consideration of prudence, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets and liabilities are measured using the tax rates that have been enacted or substantively enacted by the Balance Sheet date.

xiii. Impairment of Assets

The Company assesses at each Balance Sheet date whether there is any indication that asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the Statement of Profit and Loss. If at the Balance Sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.

xiv. Provisions and Contingent Liabilities

The Company recognises a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to its present date value and are determined based on best estimates of the amount required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources embodying economic benefit. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.

xv. License Fees

As per the Frequency Module (FM) broadcasting policy, effective April 1, 2005 license fees are charged to revenue at the rate of 4% of gross revenue for the period or 10% of Reserve One Time Entry Fee (ROTEF) for the concerned city, whichever is higher. Gross Revenue for this purpose shall mean revenue on the basis of billing rates inclusive of any taxes. Barter advertising contracts shall also be included in the gross revenue on the basis of relevant billing rates. ROTEF means 25% of highest valid bid in the city.

Notes forming part of the Consolidated Financial Statements

	Figures as at March 31, 2014 ₹	Figures as at March 31, 2013 ₹
NOTE 2 : SHARE CAPITAL		
Authorised Capital		
120,000,000 (Previous Year : 120,000,000) Equity shares of ₹ 10 each	1,200,000,000	1,200,000,000
Issued and Subscribed		
47,670,415 (Previous Year : 47,670,415) Equity shares of ₹ 10 each fully paid-up	476,704,150	476,704,150
	476,704,150	476,704,150
Notes:		
(a) Terms attached to equity shares		
The Company has only one class of equity shares. Each shareholder is eligible for one vote per share held. The par value per share is ₹ 10. The Company declares dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to approval of the shareholders in the ensuing annual general meeting.		
(b) Shares held by Holding company and Ultimate Holding company	Shares (nos)	Shares (nos)
i) Equity shares of ₹ 10 each held by Times Infotainment Media Limited, the Holding Company.	30,526,560	30,526,560
ii) Equity shares of ₹ 10 each held by Bennett, Coleman & Company Limited, the Ultimate Holding Company.	3,391,840	3,391,840
(c) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company	Shares (nos) (in %)	Shares (nos) (in %)
i) Times Infotainment Media Limited, the Holding Company.	30,526,560 (64.04%)	30,526,560 (64.04%)
ii) Bennett, Coleman & Company Limited, the Ultimate Holding Company.	3,391,840 (7.12%)	3,391,840 (7.12%)
iii) SBI Life Insurance Company Limited.	2,119,098 (4.45%)	2,428,312 (5.09%)
NOTE 3 : RESERVES AND SURPLUS		
Securities Premium Account	1,885,070,431	1,885,070,431
Surplus in Statement of Profit and Loss		
Balance as at the beginning of the year	2,660,367,332	2,022,637,950
Add : Profit for the year	836,202,925	683,215,818
Less : Appropriations		
Proposed Dividend on equity shares (Refer Note 26) [per share ₹ 1.00 (Previous Year : ₹ 1.00)]	(47,670,415)	(47,670,415)
Dividend distribution tax	(8,101,587)	(8,101,587)
Add : Goodwill reinstated	—	10,285,566
Balance as at the end of the year	3,440,798,255	2,660,367,332
	5,325,868,686	4,545,437,763

Notes forming part of the Consolidated Financial Statements

	Figures as at March 31, 2014 ₹	Figures as at March 31, 2013 ₹
NOTE 4 : DEFERRED TAX ASSETS / (LIABILITIES) (NET) (Refer Note 1(xii))		
Deferred tax assets and liabilities are attributable to the following items:		
Assets:		
Provision for doubtful debts	49,010,174	41,592,108
Provision for compensated absences	8,224,327	7,031,890
Provision for gratuity	12,413,943	10,497,841
Others	46,539,651	32,134,438
	116,188,095	91,256,277
Liability:		
Depreciation	73,871,800	127,872,806
	73,871,800	127,872,806
	42,316,295	(36,616,529)
Note: Deferred Tax Assets and Deferred Tax Liabilities have been offset as they relate to the same governing taxation laws.		
NOTE 5 : OTHER LONG-TERM LIABILITIES		
Security deposit	4,884,694	4,239,904
Others	37,634,337	33,655,318
	42,519,031	37,895,222
NOTE 6 : LONG-TERM PROVISIONS		
Provision for employee benefits (Refer Notes 1(viii) and 27)		
Provision for gratuity	35,710,599	30,166,794
Provision for compensated absences	14,523,697	12,498,354
	50,234,296	42,665,148
NOTE 7 : TRADE PAYABLES		
Sundry creditors	531,061,430	410,868,368
	531,061,430	410,868,368
NOTE 8 : OTHER CURRENT LIABILITIES		
Advance from customers	40,633,405	28,625,161
Unpaid dividend	23,598	—
Other payables		
Statutory dues	32,804,799	27,009,345
Related parties	10,917,759	47,027,690
Security deposit	1,428,483	1,937,372
	85,808,044	104,599,568
NOTE 9 : SHORT-TERM PROVISIONS		
Provision for employee benefits		
Provision for gratuity (Refer Notes 1(viii) and 27)	811,739	718,293
Provision for compensated absences (Refer Notes 1(viii) and 27)	9,672,616	8,189,760
Provision for bonus	972,039	1,892,675
Others	156,387,455	162,585,922
Provision for taxation (net off advance tax ₹ 575,172,853 (Previous Year: Nil))	7,903,788	—
Proposed dividend (Refer Note 26)	47,670,415	47,670,415
Dividend distribution tax on proposed dividend	8,101,587	8,101,587
	231,519,639	229,158,652

Notes forming part of the Consolidated Financial Statements

NOTE 10 : FIXED ASSETS (Refer Notes 1(v) and (xiii))

PARTICULARS	GROSS BLOCK			DEPRECIATION / AMORTISATION			NET BLOCK	
	As at April 1, 2013	Additions	Deletions	As at April 1, 2013	For the year	On deletions	As at March 31, 2014	As at March 31, 2013
Intangible Assets								
Goodwill	10,285,570	—	—	1,544,244	2,057,114	—	3,601,358	8,741,326
Computer Software	20,163,252	3,438,710	—	16,947,802	1,207,895	—	18,155,697	3,215,450
Migration Fees	815,234,695	—	—	652,187,760	81,523,470	—	733,711,230	163,046,935
One Time Entry Fees	1,346,855,672	—	—	815,264,770	134,685,566	—	949,950,336	531,590,902
Total	2,192,539,189	3,438,710	—	1,485,944,576	219,474,045	—	1,705,418,621	706,594,613
Previous Year	2,178,997,739	13,541,450	—	1,268,150,866	217,793,710	—	1,485,944,576	—
Tangible Assets								
Land — Leasehold	2,036,147	—	—	—	—	—	—	2,036,147
Building	7,578,551	—	—	3,323,336	212,761	—	3,536,097	4,255,215
Leasehold Improvements	270,220,271	628,432	—	184,541,897	20,245,794	—	204,787,691	85,678,374
Office Equipment	1,004,719,990	13,956,991	7,285,715	625,565,655	66,574,185	5,742,733	686,397,107	379,154,335
Computers	159,197,064	13,952,057	5,729,970	142,130,775	9,482,958	5,628,085	145,985,648	17,066,289
Furniture and Fixtures	32,439,024	687,453	303,873	27,639,576	1,161,897	294,673	28,506,800	4,799,448
Motor Vehicles	9,113,292	—	2,279,276	5,251,583	946,181	789,300	5,408,464	3,861,709
Total	1,485,304,339	29,224,933	15,598,834	988,452,822	98,623,776	12,454,791	1,074,621,807	496,851,517
Previous Year	1,497,052,514	14,431,998	26,180,173	909,019,650	99,503,299	20,070,127	988,452,822	—
Capital Work-in-Progress							1,111,803	—

Note:

As per the Frequency Module (FM) broadcasting policy, effective April 1, 2005 the Company was given the option to migrate all its existing licenses from Phase I regime to Phase II regime on payment of migration fees. Migration fees for each station was equal to the average of all successful bids received for that city. The Company had exercised the option and had migrated its licenses for all the seven cities to Phase II regime by payment of migration fees aggregating ₹ 815,234,695. Migration Fees have a remaining amortisation period of one year.

Further, the Company had participated in the second round of bidding and was awarded frequency at 25 locations. The payment made by the Company to acquire these frequencies (One Time Entry Fees) was ₹ 1,301,000,000. The remaining amortisation period of OFTE ranges between one and four years. Based on the opinion obtained from an independent firm of Chartered Accountants, both Migration Fees and One Time Entry Fees have been capitalised as Intangible Assets.

Notes forming part of the Consolidated Financial Statements

	Figures as at March 31, 2014		Figures as at March 31, 2013	
	Nos.	₹	Nos.	₹
NOTE 11 : INVESTMENTS				
Non-current investments (Refer Notes 1(vii))				
Non-Trade, Long Term (Unquoted) at cost				
Investment in long term capital asset (Building)		7,691,038		5,891,266
Sub-total (A)		7,691,038		5,891,266
Capital Gains Bonds:				
Non-convertible redeemable taxable bonds (with benefits u/s 54EC of the Income Tax Act, 1961 for Long Term Capital Gains)	—	—	500	5,000,000
Sub-total (B)		—		5,000,000
Non-Trade, Non-Current (Unquoted - Mutual Funds) at cost				
HDFC Cash management Fund Savings Plan - Growth, of ₹ 10 each	3,736,586	100,000,000	—	—
HDFC Short Term Opportunities Fund - Direct Plan - Growth option, of ₹ 10 each	7,242,021	100,000,000	—	—
ICICI Prudential Ultra Short Term Fund - Direct Plan - Growth, of ₹ 10 each	7,710,933	100,000,000	—	—
IDFC Money Manager Fund -Treasury Plan - Growth (Direct Plan), of ₹ 10 each	4,959,604	100,000,000	—	—
IDFC Ultra Short Term Fund - Growth (Direct Plan), of ₹ 10 each	2,799,662	50,000,000	—	—
Kotak Banking & PSU Debt Fund Direct Growth, of ₹ 10 each	5,284,314	150,000,000	—	—
Reliance Liquid Fund - Treasury Plan - Growth Plan - Growth Option - LFIG, of ₹ 1,000 each	9,533	26,884,863	—	—
Reliance Liquid Fund - Treasury Plan - Direct - Growth Plan - Growth Option, of ₹ 1,000 each	832	2,556,619	—	—
Reliance Medium Term Fund - Growth Plan - Growth Option - IPGP, of ₹ 10 each	965,065	22,000,000	—	—
Reliance Money Manager Fund - Growth Plan - Growth Option - LPIG, of ₹ 1,000 each	5,113	7,700,832	—	—
Sundaram Ultra Short Term Fund - Direct plan - Growth, of ₹ 10 each	11,931,367	202,319,046	—	—
TATA Fixed Maturity Plan Series 47 Scheme D-Direct Plan-Growth, of ₹ 10 each	15,000,000	150,000,000	—	—
Sub-total (C)		1,011,461,360		—
Non-Current Investments (A) + (B) + (C)		1,019,152,398		10,891,266

Note:

The market price has been determined based on the NAV declared on the balance sheet date by the mutual fund houses. Aggregate market value of Unquoted mutual fund units held by the Company is ₹ 1,029,495,158 (Previous Year : ₹ Nil).

Notes forming part of the Consolidated Financial Statements

	Figures as at March 31, 2014		Figures as at March 31, 2013	
	Nos.	₹	Nos.	₹
Current investments (at the lower of cost or market value) (Refer Note 1(vii))				
Non-Trade Current (Unquoted at cost)				
Capital Gains Bonds :				
Non-convertible redeemable taxable bonds (with benefits u/s 54EC of the Income Tax Act, 1961 for Long Term Capital Gains)	500	5,000,000	500	5,000,000
Sub-total (D)		5,000,000		5,000,000
Non-Trade, Current (Unquoted - Mutual Funds)				
Axis Short Term Fund - Regular Dividend Reinvestment, of ₹ 10 each	—	—	5,403,050	54,226,546
Axis Treasury Advantage Fund - Direct - Growth, of ₹ 1,000 each	81,213	110,892,695	—	—
Axis Treasury Advantage Fund - Growth, of ₹ 1,000 each	—	—	81,359	100,000,000
Birla Sun Life Cash Manager - Institutional Plan - Growth, of ₹ 100 each	549,088	101,265,900	549,088	101,265,900
Birla Sun Life Dynamic Bond - Retail - Monthly Dividend Regular Plan Reinvestment, of ₹ 10 each	—	—	10,159,428	106,985,380
Birla Sun Life Short Term Fund - Growth, of ₹ 10 each	—	—	2,488,150	100,000,000
BNP Paribas Money Plus Fund - Daily Dividend Reinvestment, of ₹ 10 each	—	—	10,468,358	104,836,707
DSP BlackRock Short Term Fund - Regular Weekly Dividend, of ₹ 10 each	—	—	5,733,416	58,366,175
DWS Cash Opportunities Fund - Direct Plan - Growth, of ₹ 10 each	3,196,988	51,205,518	—	—
DWS Cash Opportunities Fund - Institutional Daily Dividend, of ₹ 10 each	—	—	10,219,903	102,447,370
DWS Cash Opportunities Fund - Regular Plan - Daily Dividend - Reinvestment, of ₹ 10 each	—	—	266,150	2,668,708
DWS Cash Opportunities Fund - Regular Plan - Growth, of ₹ 10 each	—	—	3,203,609	50,000,000
DWS Cash Opportunities Fund Regular Plan - Annual Bonus, of ₹ 10 each	4,161,594	40,603,469	—	—
DWS Gilt Fund Regular Plan - Growth, of ₹ 10 each	—	—	7,835,941	100,000,000
DWS Short Maturity Fund - Direct Plan - Annual Bonus, of ₹ 10 each	1,154,308	16,666,668	—	—
DWS Short Maturity Fund - Premium Plus - Weekly Dividend, of ₹ 10 each	—	—	5,158,986	53,521,842
DWS Short Maturity Fund - Regular Plan - Weekly Dividend - Reinvestment, of ₹ 10 each	—	—	151,782	1,553,562
DWS Ultra Short Term Fund - Direct Plan - Growth, of ₹ 10 each	6,722,147	100,000,000	—	—
HDFC Short Term Opportunities Fund - Growth, of ₹ 10 each	6,657,028	83,264,846	13,157,016	164,565,461
ICICI Prudential Blended Plan B , Reg Growth Option - I, of ₹ 10 each	—	—	2,918,864	51,037,788
ICICI Prudential Flexible Income - Direct Plan - Growth, of ₹ 100 each	869,636	199,170,608	—	—
ICICI Prudential Flexible Income - Regular Plan - Growth, of ₹ 100 each	—	—	286,633	62,748,436
ICICI Prudential Floating Rate Plan Regular Daily Dividend, of ₹ 100 each	—	—	532,445	53,296,970
ICICI Prudential FMP Series 69 - 372 days Plan K Direct Plan Cumulative, of ₹ 10 each	25,000,000	250,000,000	—	—
ICICI Prudential Interval Fund II Quarterly Interval Plan A - Direct Plan Growth, of ₹ 10 each	9,507,149	99,999,996	—	—

Notes forming part of the Consolidated Financial Statements

	Figures as at March 31, 2014		Figures as at March 31, 2013	
	Nos.	₹	Nos.	₹
ICICI Prudential Interval Fund Quarterly Interval Plan 1 - Direct Plan - Growth, of ₹ 10 each	7,300,815	99,999,993	—	—
ICICI Prudential Liquid - Direct Plan - Growth, of ₹ 100 each	105,452	20,000,000	—	—
ICICI Prudential Short Term Plan - Direct Growth Option, of ₹ 10 each	—	—	4,172,003	100,000,000
IDFC - Super Saver Income Fund - Short Term Plan B - Fortnightly Dividend (Defunct Plan), of ₹ 10 each	—	—	4,970,725	54,329,838
IDFC Fixed Term Plan Series 82 Direct Plan - Growth, (92 Days), of ₹ 10 each	15,000,000	150,000,000	—	—
IDFC Money Manager Fund - Investment Plan - Regular Plan - Daily Dividend, of ₹ 10 each	—	—	5,341,790	54,044,434
JP Morgan India Treasury Fund Direct Plan - Growth, of Rs.10 each	19,021,524	311,072,489	6,563,575	100,000,000
JP Morgan India Treasury Fund Super Institutional Plan - Growth, of ₹ 10 each	—	—	6,952,024	100,000,000
JPMorgan India Short Term Income Fund - Regular Plan - Growth, of ₹ 10 each	—	—	8,029,242	102,745,388
Kotak Bond (Short Term) - Growth, of ₹ 10 each	—	—	1,485,227	32,686,717
Kotak Floater Long Term - Daily Dividend, of ₹ 10 each	—	—	10,834,356	109,208,144
Kotak Liquid Scheme Plan A - Direct Plan - Growth, of ₹ 1,000 each	87,093	221,689,696	—	—
Reliance Fixed Horizon Fund - XXV - Series 34 - Direct Plan Growth Plan, of ₹ 10 each	10,750,000	107,500,000	—	—
Reliance Floating Rate Fund - Short Term Plan - Daily Dividend Reinvestment Plan, of ₹ 10 each	—	—	5,391,740	54,275,952
Reliance Income Fund - Growth Plan - Bonus Option, of ₹ 10 each	—	—	3,487,703	37,500,000
Reliance Interval Fund - Quarterly Plan - Series I - Direct Growth Plan Growth Option, of ₹ 10 each	5,825,435	100,000,000	—	—
Reliance Liquid Fund - Treasury Plan - Growth Plan - Growth Option - LFIG, of ₹ 1,000 each	—	—	4,073	11,159,696
Reliance Liquid Fund - Treasury Plan - Direct Plan Growth Plan - Growth Option, of ₹ 1,000 each	58,878	180,000,000	—	—
Reliance Medium Term Fund - Growth Plan - Growth Option - IPGP, of ₹ 10 each	—	—	965,065	22,000,000
Reliance Medium Term Fund - Growth Plan - Growth Option, of ₹ 10 each	—	—	3,313,554	75,537,102
Reliance Money Manager Fund - Growth Plan - Growth Option - LPIG, of ₹ 1,000 each	—	—	5,113	7,700,832
Reliance Money Manager Fund - Growth Plan, of ₹ 1,000 each	—	—	61,456	92,500,000
Religare Invesco Credit Opportunities Fund - Direct Plan - Growth, of ₹ 1,000 each	80,300	111,692,530	—	—
Religare Invesco Ultra Short Term Fund - Direct Plan - Growth, of ₹ 1,000 each	84,952	150,000,000	—	—
Religare Credit Opportunities Fund - Growth, of ₹ 10 each	—	—	8,044,923	100,000,000
Religare Short Term Plan - Growth, of ₹ 10 each	—	—	6,479,685	100,000,000
SBI Short Term Debt Fund - Regular Plan - Growth, of ₹ 10 each	—	—	7,506,408	101,072,045
Sundaram Flexi Fund ST Plan Direct Plan Bonus, of ₹ 10 each	5,105,654	49,874,683	—	—
Sundaram Flexible Fund ST Plan - Direct Plan - Growth, of ₹ 10 each	5,227,993	100,000,000	—	—
Sundaram Money Fund - Direct Plan - Growth, of ₹ 10 each	8,787,920	226,141,970	—	—

Notes forming part of the Consolidated Financial Statements

	Figures as at March 31, 2014		Figures as at March 31, 2013	
	Nos.	₹	Nos.	₹
Sundaram Select Debt ST Asset Direct Bonus, of ₹ 10 each	2,404,436	25,000,000	—	—
Sundaram Ultra Short Term Fund - Regular - Growth, of ₹ 10 each	—	—	6,259,232	100,000,000
Tata Income Fund Plan A - Appreciation Option - Bonus, of ₹ 10 each	1,843,805	19,444,444	1,843,805	19,444,444
Templeton India Low Duration Fund - Monthly Dividend Re investment, of ₹ 10 each	—	—	15,634,223	162,087,071
Templeton India Short Term Income Retail Plan - Weekly Dividend, of ₹ 1,000 each	—	—	50,759	54,659,042
Templeton India Treasury Management Account - Super Institutional Plan - Direct - Growth, of ₹ 1,000 each	110,296	200,000,000	—	—
Templeton India Ultra Short Bond Fund Super Institutional Plan - Daily Dividend Reinvestment, of ₹ 10 each	—	—	10,493,371	105,077,060
Templeton India Ultra Short Bond Fund Super Institutional Plan - Direct - Growth, of ₹ 10 each	3,272,335	51,218,267	—	—
Templeton India Ultra Short Bond Fund Super Institutional Plan - Growth, of ₹ 10 each	—	—	3,273,151	50,000,000
UTI Floating Rate Fund - Short Term Plan - Institutional Growth, of ₹ 1,000 each	—	—	46,385	57,500,000
UTI Floating Rate Fund - STP- Regular Plan - Direct Plan Growth, of ₹ 1,000 each	32,570	62,996,352	—	—
UTI Treasury Advantage Fund - Institutional Plan - Direct Plan - Growth, of ₹ 1,000 each	41,743	69,209,834	—	—
UTI Treasury Advantage Fund - Institutional Plan - Growth, of ₹ 1,000 each	—	—	41,789	61,966,153
Sub-total (E)		3,308,909,958		3,133,014,763
Current Investments (D) + (E)		3,313,909,958		3,138,014,763

Note:

The market price has been determined based on the NAV declared on the Balance Sheet date by the mutual fund houses. Aggregate market value of Unquoted mutual fund units held by the Company is ₹ 3,453,674,239 (Previous Year : ₹ 3,202,323,133).

Notes forming part of the Consolidated Financial Statements

	Figures as at March 31, 2014 ₹	Figures as at March 31, 2013 ₹
NOTE 12 : LONG-TERM LOANS AND ADVANCES (Unsecured considered good unless otherwise stated)		
Capital advances	404,754	1,088,144
Deposits	112,008,631	113,626,628
Other long term loans and advances		
Employee loans	500,032	300,028
Minimum alternate tax credit entitlement	2,793,413	2,420,092
Advance tax and tax deducted at source [Net of provision of ₹ 169,626,507 (Previous Year : ₹ 49,349,002)]	9,276,238	7,956,776
	124,983,068	125,391,668
NOTE 13 : OTHER NON-CURRENT ASSETS		
Non current bank balances (margin money deposits)	65,650,741	65,650,741
	65,650,741	65,650,741
NOTE 14 : TRADE RECEIVABLES		
Unsecured, considered good		
Outstanding for a period exceeding 6 months from the date they are due for payment	23,559,606	2,707,678
Others	992,050,337	991,360,277
	1,015,609,943	994,067,955
Unsecured, considered doubtful		
Outstanding for a period exceeding 6 months from the date they are due for payment	128,971,597	105,926,904
Others	15,218,382	16,438,814
	144,189,979	122,365,718
Less: Provision for doubtful debts	(144,189,979)	(122,365,718)
	1,015,609,943	994,067,955
NOTE 15 : CASH AND BANK BALANCES		
Cash and cash equivalents:		
Cheques on hand	8,918,111	39,818,235
Balances with banks:		
Current Accounts	129,070,854	13,222,111
Other bank balances:		
On Unpaid dividend account	23,598	—
Deposits with original maturity for more than 3 months but less than 12 months	—	70,000,000
Balances with bank held as security against Guarantees issued by banks:		
Margin money deposits	65,650,741	65,650,741
Less: Amount disclosed under non current assets	(65,650,741)	(65,650,741)
	138,012,563	123,040,346

Notes forming part of the Consolidated Financial Statements

	Figures as at March 31, 2014 ₹	Figures as at March 31, 2013 ₹
NOTE 16 : SHORT-TERM LOANS AND ADVANCES (Unsecured considered good unless otherwise stated)		
Due from other related parties	6,574,710	102,561,508
Prepaid expenses	50,822,887	43,535,322
Advances recoverable in cash or in kind or for value to be received	39,938,263	51,693,773
Deposits	5,324,523	2,955,038
Advance tax and tax deducted at source [Net of provision of ₹ Nil (Previous Year : ₹ 468,169,148)]	—	8,981,150
	102,660,383	209,726,791
NOTE 17 : OTHER CURRENT ASSETS (Unsecured considered good unless otherwise stated)		
Interest accrued on deposits	2,700,888	12,354,891
Dividend receivable on investments	—	221,197
Others	2,739,327	1,139,652
	5,440,215	13,715,740

Notes forming part of the Consolidated Financial Statements

	2013-2014 ₹	2012-2013 ₹
NOTE 18 : REVENUE FROM OPERATIONS		
Airtime sales (Refer Note 1(iv)(a)(i))	3,742,952,307	3,258,281,957
Event income (Refer Note 1(iv)(a)(ii))	—	11,476,299
Digital revenues, service fee, marketing and sales commission	62,523,877	72,498,303
Other operating income		
Provision no longer required written back	29,677,093	46,525,987
Others	12,944,369	6,791,675
	42,621,462	53,317,662
	3,848,097,646	3,395,574,221
NOTE 19 : OTHER INCOME		
Interest income (Refer Note 1(iv)(b)(ii))		
On fixed deposits	6,320,687	23,341,037
On income-tax refund	2,840,471	8,680,962
On others	704,275	840,523
Dividend income on current investments (Refer Note 1(iv)(b)(i))	27,102,015	105,590,276
Profit on sale of current investments (net) (Refer Note 1(iv)(b)(iii))	187,326,967	35,706,560
Miscellaneous income	1,551,563	6,402
	225,845,978	174,165,760
NOTE 20 : PRODUCTION EXPENSES		
Royalty	115,017,155	106,076,042
Other production expenses	56,107,309	48,218,200
Event expenses	—	11,598,868
	171,124,464	165,893,110
NOTE 21 : LICENSE FEES		
License fees (Refer Note 1(xv))	202,409,779	180,920,473
	202,409,779	180,920,473
NOTE 22 : EMPLOYEE BENEFITS EXPENSE		
Salaries, wages and bonus	686,486,428	674,584,319
Contributions to provident and other funds (Refer Notes 1(viii) and 27)	21,939,839	21,668,266
Gratuity (Refer Notes 1(viii) and 27)	9,202,694	7,772,737
Staff welfare expenses	34,616,234	34,255,030
	752,245,195	738,280,352

Notes forming part of the Consolidated Financial Statements

	2013-2014 ₹	2012-2013 ₹
NOTE 23 : OTHER EXPENSES		
Rent	164,828,054	159,735,947
Rates and taxes	2,249,127	2,216,836
Power and fuel	109,043,781	105,745,940
Marketing	810,975,505	659,707,405
Travelling and conveyance	95,001,147	90,935,365
Insurance	4,278,040	3,589,823
Communication	12,913,289	12,054,133
Repairs and Maintenance on:		
Buildings	1,763,812	1,498,939
Plant and machinery	29,185,029	24,931,821
Others	26,192,003	24,559,140
Legal and professional fees	92,103,780	99,418,750
Software expenses (Refer Note 1(v)(c))	25,385,796	24,221,921
Payment to Auditors		
As Auditors:		
Audit fee	3,200,000	3,000,000
Other services	100,000	400,000
Reimbursement of expenses	93,095	99,942
	3,393,095	3,499,942
Provision for doubtful debts	78,128,304	92,693,694
Provision for doubtful debts withdrawn	(56,304,042)	(137,830,926)
	21,824,262	(45,137,232)
Bad debts written off (Net)	26,237,606	46,077,604
Loss on sale of tangible assets	—	6,431
Tangible assets written off	1,443,421	4,413,838
Directors' sitting fees and commission	3,560,000	2,160,000
Miscellaneous expenses	43,086,302	46,596,054
	1,473,464,049	1,266,232,657
NOTE 24 : FINANCE COST		
Interest Expense:		
On others	452,272	167,955
	452,272	167,955

Notes forming part of the Consolidated Financial Statements

25. Commitments to the extent not provided for

Estimated amount of contracts remaining to be executed on capital account ₹ 14,880,697 (Previous Year: ₹ 790,039) net of advances of ₹ 404,754 (Previous Year : ₹ 1,088,144).

26. Proposed Dividend

	As at March 31, 2014 ₹	As at March 31, 2013 ₹
Dividend proposed for the year is as follows:		
On Equity Shares of ₹ 10 each		
Amount of dividend proposed	47,670,415	47,670,415
Dividend per Equity Share	1.00	1.00

27. The Group has classified the various employee benefits provided to employees as under:-

I) Defined Contribution Plans

- Provident Fund
- State Defined Contribution Plans - Employers' Contribution to Employee's Pension Scheme, 1995.

During the year, the Group has recognised the following amounts in the Statement of Profit and Loss:-

	2013-2014 ₹	2012-2013 ₹
Employers' Contribution to Provident Fund*	17,015,423	16,484,707
Employers' Contribution to Employee's Pension Scheme, 1995*	4,461,099	4,598,914
Employers' Contribution to Employee State Insurance Scheme*	463,317	584,645

* Included in Contributions to Provident and Other Funds (Refer Note 22)

II) Defined Benefit Plans

In accordance with Accounting Standard 15, actuarial valuation was done in respect of the aforesaid Defined Benefit Plan of gratuity (unfunded) based on the following assumptions :-

	As at March 31, 2014	As at March 31, 2013
Discount Rate (per annum)	9.31%	8.00%
Rate of increase in Compensation levels	8.00%	6.50%
Attrition rate	2.00%	2.00%

A. Changes in the Present Value of Obligation

	As at March 31, 2014 ₹	As at March 31, 2013 ₹
Present Value of Obligation at the beginning of the year	30,885,087	26,660,379
Interest Cost	2,470,807	2,257,159
Past Service Cost	—	—
Current Service Cost	5,464,767	5,774,061
Curtailement Cost / (Credit)	—	—
Settlement Cost / (Credit)	—	—
Benefits Paid	(3,565,443)	(3,548,029)
Actuarial (Gain) / Loss on Obligations	1,267,120	(258,483)
Effect of Transfer In / (Transfer Out)	—	—
Present Value of Obligation at the year end	36,522,338	30,885,087

Notes forming part of the Consolidated Financial Statements

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

	As at March 31, 2014 ₹	As at March 31, 2013 ₹
Present Value of Funded Obligation as at the year end	—	—
Fair Value of Plan Assets as at the year end	—	—
Funded Status	—	—
Present Value of Unfunded Obligation as at the year end	36,522,338	30,885,087
Unrecognised Actuarial (Gains) / Losses	—	—
Unfunded (Liability) recognised in Balance Sheet	(36,522,338)	(30,885,087)

C. Amount recognised in the Balance Sheet

	As at March 31, 2014 ₹	As at March 31, 2013 ₹
Present Value of Defined Benefit Obligation at the end of the year	36,522,338	30,885,087
Fair Value of Plan Assets as at the end of the year	—	—
Liability recognised in the Balance Sheet	36,522,338	30,885,087
Recognised under:		
Long term provisions	35,710,599	30,166,794
Short term provisions	811,739	718,293

D. Expenses recognised in the Statement of Profit and Loss

	2013-2014 ₹	2012-2013 ₹
Current Service Cost	5,464,767	5,774,061
Past Service Cost	—	—
Interest Cost	2,470,807	2,257,159
Expected Return on Plan Assets	—	—
Curtailment Cost / (Credit)	—	—
Settlement Cost / (Credit)	—	—
Effects of Transfer In / (Transfer Out)	—	—
Net actuarial (Gain) / Loss recognised in the year	1,267,120	(258,483)
Total Expenses recognised in the Statement of Profit and Loss	9,202,694	7,772,737

E. Experience Adjustment

	2013-2014 ₹	2012-2013 ₹
Defined Benefit Obligation	36,522,338	30,885,087
Plan Assets	—	—
Deficit / (Surplus)	36,522,338	30,885,087
Experience Adjustment on Plan Liabilities (Gain) / Loss	228,733	(2,066,790)

The estimates of future salary increases, considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

Notes forming part of the Consolidated Financial Statements

F. Amounts recognised in current year and previous four years

(₹)

	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011	March 31, 2010
Defined Benefit Obligation	36,522,338	30,885,087	26,660,379	21,587,753	20,806,953
Surplus / (Deficit)	(36,522,338)	(30,885,087)	(26,660,379)	(21,587,753)	(20,806,953)
Experience adjustment on plan liabilities (Gain) / Loss	228,733	(2,066,790)	2,099,476	1,209,719	(5,962,038)

III) The liability for leave encashment and compensated absences as at the year end is ₹ 24,196,313 (Previous Year : ₹ 20,688,114).

28. Segment Information

In accordance with Accounting Standard – 17, "Segment Reporting", the Company's business segment is radio broadcasting business and it has no other primary reportable segments. The Company mainly caters to the needs of the domestic market and hence there are no reportable geographical segments.

29. Related Party Disclosures as required under Accounting Standard 18 - "Related Party Disclosures" are given below:

i. Parties where control exists

Bennett, Coleman & Company Limited (BCCL) - Ultimate Holding Company
Times Infotainment Media Limited (TIML) - Holding Company*

ii. Fellow Subsidiary Companies

Times Innovative Media Limited (TIM)
TIM Delhi Airport Advertising Private Limited (TIMDA)
Times Internet Limited (TIL)
Times Global Broadcasting Company Limited (TGBCL)
Times Business Solutions Limited (TBSL)
Metropolitan Media Company Limited (formerly Times VPL Limited) (MMCL)
Vardhaman Publishers Limited (VPL)
Times Websol Limited (TWL)
Times Mobile Limited (TM)
Brand Equities Treaties Limited (BETL)
Worldwide Media Private Limited (WWM)
BCCL International Events Private Limited (BIEPL)
Times Centre for Learning Limited (TCLL)

iii. Other Related Parties

Bennett Property Holdings Company Limited (BPHCL)
Aegon Religare Life Insurance Company Limited (ARLIC)

iv. Key Managerial Personnel

Executive Director & Chief Executive Officer

Mr. Prashant Panday

* There are no transactions during the year.

Notes forming part of the Consolidated Financial Statements

v. Transactions with Related Parties

(₹)

Particulars	2013-2014																	
	Holding Companies			Fellow Subsidiary Companies											Other Related Parties			
	BCCL	TIML		TIM	TIMDA	TIL	TGBCL	TBSL	MMCL	VPL	TWL	TM	BETL	WWM	BIEPL	TCLL	BPHCL	ARLIC
Transactions with Related Parties																		
Sales	160,170,090	—	—	—	—	3,721,218	1,952,107	5,080,849	1,112,480	—	—	—	—	2,044,558	894,562	527,431	458,550	2,372,035
Receiving of services	30,826,892	—	—	194,884	—	291,325	545,999	18,838,580	1,487,813	158,405	6,592,813	196,771	—	2,009,502	—	—	38,121,806	—
Recovery of expenses	—	—	—	9,019,427	412,479	3,914,430	384,956	—	—	—	—	—	—	—	—	—	—	—
Year end Balances with Related Parties																		
Trade Receivables	9,450,787	—	—	—	—	—	—	2,037,377	129,527	—	—	—	—	399,284	—	—	—	152,778
Non-trade Receivables (net)	—	—	—	—	40,928	—	—	—	—	—	—	—	—	6,533,782	—	—	—	—
Deposit	—	—	—	—	—	777,960	—	—	—	—	—	—	—	—	—	—	10,000,000	—
Payables (net)	—	—	—	—	—	—	—	10,555,159	362,600	—	—	—	—	—	—	—	—	—

(₹)

Particulars	2012-2013																
	Holding Companies		Fellow Subsidiary Companies											Other Related Parties			
	BCCL	TIML	TIM	TIMDA	TIL	TGBCL	TBSL	MMCL	VPL	TWL	TM	BETL	WWM	BIEPL	TCLL	BPHCL	ARLIC
Transactions with Related Parties																	
Sales	128,318,788	—	—	—	1,273,677	1,231,501	8,787,449	—	—	1,049,995	—	—	—	2,851,275	—	—	2,740,710
Sale of Fixed asset	123,939	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Receiving of services	38,040,439	—	1,651,700	—	375,608	3,319,500	17,974,762	—	143,742	—	143,574	—	—	—	—	35,593,220	—
Recovery of expenses	—	—	7,598,658	381,073	2,021,890	384,201	—	—	—	—	—	—	—	—	—	—	—
Year end Balances with Related Parties																	
Trade Receivables	—	—	—	—	—	697,014	5,410,011	—	—	—	—	—	250,000	3,082,057	—	—	12,426,749
Non-trade Receivables (net)	63,246,833	—	—	36,830	—	—	—	—	—	—	—	39,277,845	—	—	—	—	—
Deposit	—	—	—	—	777,960	—	—	—	—	—	—	—	—	—	—	10,000,000	—
Payables (net)	—	—	—	—	107,207	552,526	46,367,957	—	—	—	—	—	—	—	—	—	—

Notes forming part of the Consolidated Financial Statements

vi. Details relating to Persons referred to in 29 (iv) above:

	2013-2014 ₹	2012-2013 ₹
Mr. Prashant Panday	26,022,370	22,056,402
Total	26,022,370	22,056,402

30. Disclosures for Operating Leases

Disclosures in respect of cancellable agreements for cars, transmission towers, office and residential premises taken on lease:

- Lease payments recognised in the Statement of Profit and Loss ₹ 164,828,054 (Previous Year : ₹ 159,735,947).
- All the agreements provide for early termination by the Company by giving prior notice in writing.

31. Earnings Per Share (Basic and Diluted)

The number of shares used in computing Basic Earnings Per Share (EPS) is the weighted average number of shares outstanding during the year.

	2013-2014	2012-2013
Profit for the year (₹) (A)	836,202,925	683,215,818
Weighted average number of Equity shares (B)	47,670,415	47,670,415
Earnings per share – basic and diluted (₹) (A/B)	17.54	14.33
Nominal value of an equity share (₹)	10.00	10.00

32. The previous year figures have been reclassified to conform to this year's classification.

Signatures to Notes "1" to "32" forming part of the financial statements.

For Price Waterhouse & Co., Bangalore

Firm Registration No. 007567S
Chartered Accountants

Uday Shah

Partner
Membership No.: 046061

Mumbai

Dated : May 23, 2014

For and on behalf of the Board of Directors

Vineet Jain
Chairman

N. Kumar
Director

Ravindra Dhariwal
Director

A. P. Parigi
Director

B. S. Nagesh
Director

Richard Saldanha
Director

Vibha Paul Rishi
Director

Prashant Panday
Managing Director & CEO

N. Subramanian
Group CFO

Mehul Shah

SVP - Compliance & Company Secretary

Entertainment Network (India) Limited

CIN : L92140MH1999PLC120516

Website: www.enil.co.in e-mail ID: stakeholder.relations@timesgroup.com Ph: 022-67536983

Registered Office : 4th Floor, A-Wing, Matulya Centre, Senapati Bapat Marg, Lower Parel (West), Mumbai - 400013.

ATTENDANCE SLIP

Please fill attendance slip and hand it over at the entrance of the meeting hall

Name of the member(s) :

Registered address :

E-mail ID :

Folio No :

DP ID # :

Client ID# :

I hereby record my presence at the 15th Annual General Meeting of the Company to be held on **Tuesday, August 12, 2014 at 3.00 p.m.** at Birla Matushri Sabhagar, 19, New Marine Lines, Mumbai - 400 020.

.....
Signature of shareholder/ proxy holder(s)

Applicable for investors holding shares in electronic form.

Entertainment Network (India) Limited

CIN : L92140MH1999PLC120516

Website: www.enil.co.in e-mail ID: stakeholder.relations@timesgroup.com Ph: 022-67536983

Registered Office : 4th Floor, A-Wing, Matulya Centre, Senapati Bapat Marg, Lower Parel (West), Mumbai - 400013.

Form No.MGT-11

PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the member(s) :

Registered address:

E-mail ID :

Folio No./ Client ID:

DP ID:

I/We, being the member (s) of shares of the above named Company, hereby appoint:

1. Name: Address:

E-mail ID : signature: , or failing him:

2. Name: Address:

E-mail ID : signature: , or failing him:

3. Name: Address:

E-mail ID : signature:

as my/ our proxy to attend and vote (on a poll) for me/ us and on my/ our behalf at the 15th Annual General Meeting of the Company, to be held on **Tuesday, August 12, 2014 at 3.00 p.m.** at Birla Matushri Sabhagar, 19, New Marine Lines, Mumbai - 400 020 and at any adjournment thereof in respect of such resolutions as are indicated hereof.

[Please turn over for details of resolutions and notes]

Resolution No.	Description	For *	Against *
1	Adoption of the Audited Balance Sheet of the Company as at March 31, 2014, the Profit and Loss Account (the Statement of Profit and Loss) and the Cash Flow Statement for the financial year ended on that date and the Reports of the Board of Directors and Auditors thereon.		
2	To declare dividend on equity shares.		
3	Re-appointment of Mr. Ravindra Dhariwal (DIN:00003922) as a Director, liable to retire by rotation.		
4	Re-appointment of Mr. Vineet Jain (DIN:00003962) as a Director, liable to retire by rotation.		
5	Appointment of S. R. Batliboi & Associates LLP, Chartered Accountants (registration number- 101049W), as the Auditors of the Company and to authorize the Board of Directors to fix their remuneration.		
6	Ratification of remuneration payable to the Cost Auditors, M/s. R. Nanabhoy & Co., Cost Accountants (Firm registration number- 00010).		
7	Re-designation of Mr. Prashant Panday (DIN:02747925) from 'Executive Director & Chief Executive Officer' to 'Managing Director & Chief Executive Officer'.		
8	Appointment of Mr. Richard Saldanha (DIN:00189029) as an Independent Director for a term of five consecutive years commencing from August 12, 2014.		
9	Appointment of Mr. Ravindra Kulkarni (DIN:00059367) as an Independent Director for a term of five consecutive years commencing from August 12, 2014.		
10	Appointment of Mr. Amba Preetham Parigi (Mr. A. P. Parigi) (DIN:00087586) as an Independent Director for a term of five consecutive years commencing from August 12, 2014.		
11	Appointment of Mr. Narayanan Kumar (Mr. N. Kumar) (DIN:00007848) as an Independent Director for a term of five consecutive years commencing from August 12, 2014.		
12	Appointment of Mr. Nagesh Satyanarayan Basavanhalli (Mr. B. S. Nagesh) (DIN:00027595) as an Independent Director for a term of five consecutive years commencing from August 12, 2014.		
13	Appointment of Ms. Vibha Paul Rishi (DIN:05180796) as an Independent Director for a term of five consecutive years commencing from August 12, 2014.		

Signed this.....day of..... 2014.

Affix
Revenue
Stamp

Signature of shareholder

Signature of proxy holder(s)

* Please put a '✓' in the appropriate column against the resolutions indicated in the Box. Alternatively you may mention the number of shares in the appropriate column in respect of which you would like your proxy to vote. If you leave all the columns blank against any or all the resolutions, your proxy will be entitled to vote in the manner as he/ she thinks appropriate.

Notes:

1. **This form of proxy, in order to be effective, should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.**
2. A proxy need not be a member of the Company.
3. A person can act as proxy on behalf of such number of Members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. Further, a Member holding more than ten percent of the total share capital of the Company carrying voting rights, may appoint a single person as proxy and such person shall not act as proxy for any other person or Member.
4. In case the appointer is a body corporate, the proxy form should be signed under its seal or be signed by an officer or an attorney duly authorized by it and an authenticated copy of such resolution should be attached to the proxy form.
5. Appointing a proxy does not prevent a member from attending the meeting in person if he/ she so wishes.
6. In case of joint-holders, the signature of any one holder will be sufficient, but names of all the joint-holders should be stated.

Entertainment Network (India) Limited



Registered Office
Entertainment Network (India) Limited,
CIN: L92140MH1999PLC120516,
E-mail: stakeholder.relations@timesgroup.com
website: www.enil.co.in
4th Floor, A-Wing, Matulya Centre,
Senapati Bapat Marg, Lower Parel(West),
Mumbai - 400 013.
Phone: 022-66620600



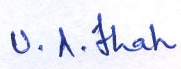
Corporate Office
Entertainment Network (India) Limited,
Trade Gardens, Ground Floor,
Kamala Mills Compound,
Senapati Bapat Marg,
Lower Parel (West),
Mumbai - 400 013
Phone: 022-67536983
Fax: 022-67536800
website: www.enil.co.in

entertainment network (India) limited

Corporate Office: Trade Gardens, Ground Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel (West),
Mumbai 400 013, India. Tel: 91 22 6753 6983. Fax: 91 22 6753 6800

FORM A

Format of covering letter of the annual audit report to be filed with the stock exchanges

1.	Name of the Company:	Entertainment Network (India) Limited
2.	Annual financial statements for the year ended	March 31, 2014
3.	Type of Audit observation	Un-qualified
4.	Frequency of observation	Not applicable
5.	<p>To be signed by-</p> <p><input type="checkbox"/> CEO/Managing Director:  Prashant Panday <i>Managing Director & CEO</i> (DIN:02747925)</p> <p><input type="checkbox"/> CFO  N. Subramanian <i>Group CFO</i></p> <p>For Price Waterhouse & Co., Bangalore Firm Registration No. 007567S</p> <p><input type="checkbox"/> Auditor of the company: <i>Chartered Accountants</i>  Uday Shah, Partner (Membership no.: 046061)</p> <p><input type="checkbox"/> Audit Committee Chairman: N. Kumar <i>Chairman- Audit Committee</i> (DIN: 00007848)</p>	

Regd. Office: 'A' Wing, Matulya Centre, Senapati Bapat Marg, Lower Parel (West), Mumbai - 400 013, India.

Tel: +91 22 40983000/ 6662 0600. Fax: +91 22 6661 5030. E-mail: mehul.shah@timesgroup.com www.enil.co.in

Corporate Identity Number: L92140MH1999PLC120516