


entertainment network (India) limited

Corporate Office: Trade Gardens, Ground Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel (West),
Mumbai 400 013, India. Tel: 022 6753 6983. Fax: 022 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, 2015
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><input type="checkbox"/> Auditor of the company:</p> <p> GOVIND AHUJA <i>PARTNER</i> M.No 48966</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.

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Corporate Identity Number: L92140MH1999PLC120516

ANNUAL
REPORT 2014-15

MORE MIRCHI MORE JALSA



Entertainment
Network (India)
Limited



CORPORATE INFORMATION

BOARD OF DIRECTORS

(As on May 19, 2015)

Mr. Vineet Jain

(DIN:00003962) Non - Executive Chairman

Mr. B. S. Nagesh

(DIN: 00027595) Independent Director

Mr. N. Kumar

(DIN: 00007848) Independent Director

Mr. Ravindra Kulkarni

(DIN: 00059367) Independent Director

Mr. Richard Saldanha

(DIN: 00189029) Independent Director

Mr. Prashant Panday

(DIN: 02747925) Managing Director & CEO

MANAGEMENT TEAM

Prashant Panday

Managing Director & CEO

N. Subramanian

Group Chief Financial Officer

Hitesh Sharma

Executive President

Tapas Sen

Chief Programming Officer

Mahesh Shetty

Chief Operating Officer

Yatish Mehrishi

Chief Revenue Officer

GG Jayanta

EVP - Marketing

Rahul Balyan

EVP - Digital

COMPANY SECRETARY

Mehul Shah

SVP - Compliance & Company Secretary

AUDITORS

S. R. Batliboi & Associates LLP

Chartered Accountants

(Registration Number - 101049W)

LEGAL ADVISORS

Singh & Singh Lall & Sethi

Halai & Co., Advocates & Legal Consultants

BANKERS

HDFC Bank Limited

REGISTRAR & SHARE TRANSFER AGENTS (R & TA)

Karvy Computershare Private Limited,
Unit: - Entertainment Network (India) Limited,
Karvy Selenium Tower B, Plot 31-32, Gachibowli,
Financial District, Nanakramguda,
Hyderabad - 500032.

Phone: 040-67162222, Fax: 040-23001153

Toll Free No.: 1800-345-4001

REGISTERED OFFICE

Entertainment Network (India) Limited,

CIN: L92140MH1999PLC120516,

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CORPORATE OFFICE

Entertainment Network (India) Limited,

Trade Gardens, Ground Floor,

Kamala Mills Compound,

Senapati Bapat Marg, Lower Parel (West),

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Phone: 022-67536983

website: www.enil.co.in

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FINANCIAL HIGHLIGHTS

(₹ crores)

Particulars	2014-15	2013-14	2012-13	2011-12	2010-11
Results of Operations					
Total Revenue	470.7	407.2	355.4	312.9	284.7
Earnings Before Interest, Taxes, Depreciation and Amortisation (EBITDA) & Exceptional Items	177.5	147.3	121.2	112.2	95.7
Profit before Tax	144.6	115.5	89.4	79.7	61.0
Net Profit	106.0	83.4	67.7	56.5	52.2
Earnings Per Share (₹)	22.2	17.5	14.2	11.9	11.0
Financial position					
Equity Share Capital	47.7	47.7	47.7	47.7	47.7
Reserves and Surplus	626.9	532.5	454.6	392.5	336.0
Net Worth	674.6	580.2	502.3	440.2	383.7

Total Revenue (₹ crores)



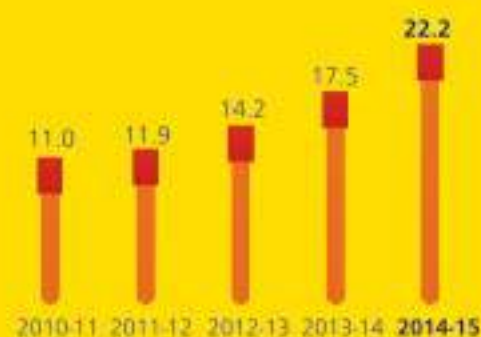
EBITDA & EBITDA Margin



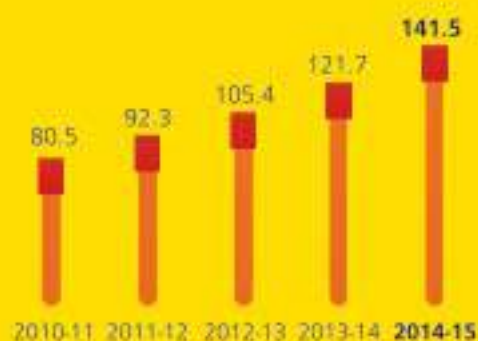
PAT & PAT Margin



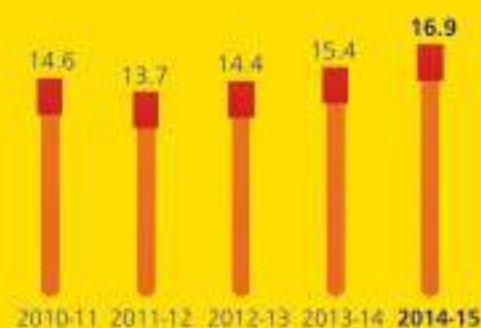
Earnings Per Share (₹)



Book Value Per Share (₹)



Return on Average Net Worth (%)



MORE MIRCHI, MORE JALSA

As any Gujarati knows, the word "Jalsa" commonly refers to "masti" or "happiness". With Mirchi, jalsa is a natural fit, as captured by its popular line "Mirchi Sunnewale Always Khush"! In the years to come, there will be More Mirchi, and More Jalsa.

More Jalsa is about providing more happiness – to our listeners, through rich listenership experiences; to our talented music artists, through more acknowledgment of their work, prestigious awards and generous financial rewards; to our employees, by ensuring more fun @ Mirchi; and most importantly, to our shareholders, through superior financial returns. The burning desire to provide more jalsa to all drives us to innovate and add more to our offerings each year. This year, we added Mirchi Music Awards (MMA) – Punjabi, making it the 8th language offering within the franchise, launched the MT20 Jubilee Nights to bring back the nostalgia of the golden and platinum jubilee hits in the Mirchi Top 20 (the country's only music countdown show), conducted more than 200 on-ground events, started a new music concerts business, and expanded our online presence by adding another channel, taking the total to ten. We also became available on the mobile phone in partnership with Gaana. Anywhere you look, your company embraced "More Jalsa" as its core driving philosophy.

What sets the Mirchi brand apart is its ability to connect with the zeitgeist – the spirit and ideas of the times. Several commentators and observers of popular culture use the Mirchi brand as a cultural reference point or marker, as a

barometer of modern, aspirational, evolving public tastes and attitudes. The instances span the country, from North to South, and occasion. Outlook Magazine, in an article on the 375th anniversary of Chennai's founding, used Radio Mirchi as a marker for the sweeping changes that have taken place in the city. As the article says: "One day, the city went to sleep to the notes of the Veena – and woke up to Radio Mirchi".



In the recently concluded Delhi elections, Radio Mirchi's Dharma Kumar character, a spoof on the feisty Mr. Arvind Kejriwal, was noticed by the editorial writers of The Times of India and acknowledged by the leader himself when he visited the Radio Mirchi studios.

MORE MIRCHI MORE JALSA IN THE MUSIC INDUSTRY

THE MIRCHI MUSIC AWARDS

The Mirchi Music Awards (MMAs) proudly entered the 7th year of their existence this year. The highpoint of the pomp and pageantry was the Lifetime Achievement Award to Padma Bhushan Javed Akhtar. Chairman of the Grand Jury of the Awards for the preceding six editions, Javedsaab, as he is fondly and respectfully called by the entire industry, has been a guiding figure for us and his recognition represented recognition for the awards themselves.

The MMAs have become as grand in size, scale and scope as any large film award. And that was our objective when we set them up. Music is the lifeblood of the film industry, and it was unacceptable to us that no suitable award existed to salute the superstars of this highly talented industry. The MMAs are our salute to the music stars – our dear friends. And that is why we say "Music ko Mirchi ka salaam"!

Among the awards that were handed out during the night, the highly gifted Arijit Singh walked away with the "Male Vocalist of the Year" for the song 'Samjhawan' from *Humpty Sharma Ki Dulhania* while the sprightly Nooran Sisters won "Female Vocalist of the Year" for the song 'Patakhla Guddi' from *Highway*. "Song of the Year" was won by 'Zehnaseeb' from *Hasee Toh Phasee*, "Album of the Year" by the movie *2 States*, "Lyricist of the Year" went to the fabulous Irshad Kamil and the "Music Director of the Year" award went to the redoubtable Shankar-Ehsaan-Loy.

TV viewers gave the televised show their vote of approval with TRPs growing more than 15% compared to last year, adding Jalsa to the lives of viewers across India.

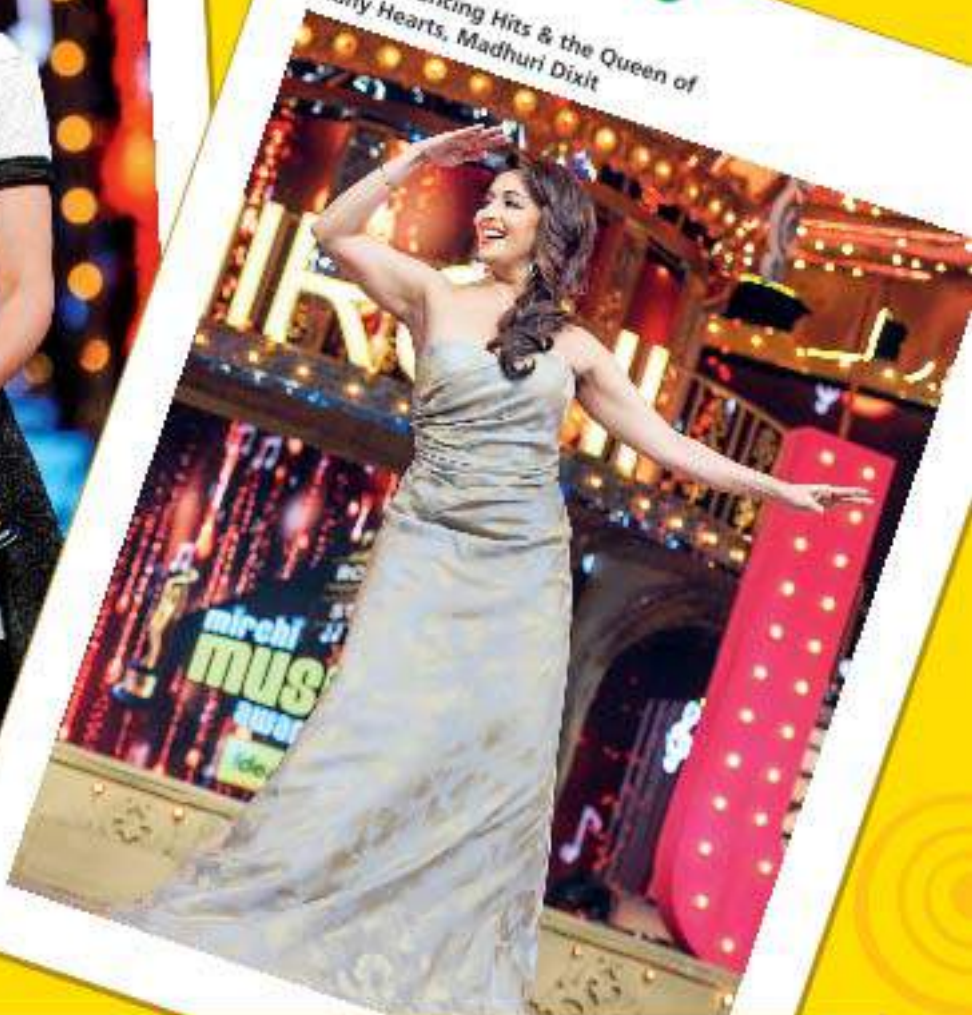
Living Legends -
Javed Akhtar being
felicitated with the
Lifetime Achievement
Award by Ramesh
Sippy



Alla Bhatt makes it large singing
'Main Tenu Samjhawan' on stage



Diva of Dancing Hits & the Queen of
Many Hearts, Madhuri Dixit



Members of the Hindi Music industry and audiences gave Javed Akhtar a standing ovation
for his well-deserved Lifetime Achievement Award

THE MIRCHI MUSIC AWARDS



Penning down
superhit
songs -
Irshad
Kamil won
"Lyricist of
the Year"



Heartthrob Atif Aslam
watching the show



Beauty with a voice to match -
Kanika Kapoor's lovely performance
during MMA

Ghar ki baat - Shankar Mahadevan with
his son, Siddharth, on stage



Melody kings -
Roop Kumar
Rathod &
Pankaj Udhas



Ankit Tiwari
mesmerising
with his *alaap*



Evergreen Kumar Sanu



Soulful singing -
Sonu Nigam pays
tribute to
Javed Akhtar



Leslie Lewis



MIRCHI MUSIC AWARDS MARATHI



Striking the
right chord –
Shreya Ghoshal
in full flow



Framing the
moment –
Lifetime
Achievement
recipient,
Arun Date,
with members
of the Jury and
Marathi film
industry

MIRCHI MUSIC AWARDS BANGLA



Everyone's favourite – Bollywood superstar, Vidya Balan, charming audiences with her impromptu act on stage at MMA Bangla



Making It Large – Popular music composer, Jeet Gannguli won the Royal Stag Make It Large award



The Evergreen Voice – Legendary singer, Runa Laila, being honoured with the "Chiranabin Surasree" (Evergreen Singer) Award

MIRCHI MUSIC AWARDS SOUTH

A Favourite Across the Nation

Sonu Nigam receiving "Male Vocalist of the Year for Kannada" from Devi Sri Prasad, Rahul Ravindran, Jayant Kaikini and Jwala Gutta



Honouring a Lifetime devoted to Music

Legendary singer, Vani Jayaram, receiving the Lifetime Achievement Award for Tamil from noted Director - Vasanth, Writer - Sivasankari and Music Director - Gangai Amaran



Always the Charmer

Legendary actor, Ravichandran, receiving "Most Romantic Face of the Kannada Film Industry" from Nagathihalli Chandrashekhara, Jayanth Kaikini, Gurukiran, V Manohar & Kriti Kharbanda



MIRCHI MUSIC AWARDS PUNJABI

Adding more Jalsa to the MMA franchise, this year marked the launch of the first ever Mirchi Music Awards – Punjabi in December 2014. True to the Punjabi spirit, MMA Punjabi saw magnificent firsts. The first ever digital innovation was marked by the launch of the *MMA Punjabi Official Music Video* which witnessed some 31,000 views within the first 48 hours of launch on social media and not only created an uproar but went on to go viral. Event updates got a huge response too on social media - approximately 11.4 lac likes and shares.

The first Mirchi Music Awards Punjabi saw participation from the best within the industry with the likes of Purni Shah Koti, Gurdaas Mann, Diljit Dosanjh, Gippy Grewal, Jazzy B, Dr. Zeus, Surveen Chawla, Nooran Sisters to name a few.

TV viewers also gave MMA Punjabi their stamp of approval. The TRPs for the telecast of MMA Punjabi were 7 times more than that of competition in the same time slot!!

The current favourite -
Diljit Dosanjh enthraling audiences



Rocking the Stage - Gippy Grewal's entertaining performance



Saluting his contribution -
Noted Punjabi singer, Gurdaas Mann, honoured with the "Living Legend" Award during MMA Punjabi



MIRCHI TOP 20 – RETURN OF THE JUBILEES!

Mirchi Top 20, which features the top 20 songs of the year, chosen using a rigorous process that evaluates radio, TV and online playouts and requests among other criteria to determine the rank – weekly and yearly – has become the popularity barometer of mainstream music.

To add more Jalsa to this property, we introduced the concept of "Return of the Jubilees" in July 2014. The concept was similar to how, in the olden days, popularity of movies used to be judged on the basis of their tenure in movie halls. Adding the Mirchi twist, we honoured songs

that featured for 11 or more weeks in the Top 5 of the Mirchi Top 20 during the first half of 2014 with the Platinum Disc Award and those that featured for 7 or more weeks in the Top 5 of the Mirchi Top 20 with the Golden Disc Award.

A grand event was held in Mumbai which was attended by the biggest names and upcoming talents of the music industry.

The Mirchi Top 20, telecast on Colors in December 2014, had a viewership of over 2 crores and the TRP was 15% higher than the 2013 telecast.

Arjun Kapoor stealing hearts with his performance



Gauhar Khan's scintillating act



Palak and Dadi's hysterical argument causes the audience to crack up



MIRCHI ACTIVATIONS SCORES A DOUBLE CENTURY

Any brand from toothpaste to software to even underwear has to quite literally be in touch with the consumer as mere ad spends on TV, Print, Radio, Outdoor and Digital will not suffice. Below The Line (BTL) advertising – commonly known as Activations – is a vital ingredient in a client's media mix as it adds that little extra bit of panache and jalsa to the brand.

In FY15, Mirchi did more than 200 Activation events – just over one event every alternate day! Events were done across venues ranging from stadiums to running tracks to apartment buildings to college campuses.

Mirchi has been able to successfully marry the power of Radio to the execution of an on-ground event to add value to clients. From college activities like Mirchi Freshers to beauty pageants like Mirchi Queen Bee to

concerts featuring the hottest singers to the iconic Para Football in Kolkata, Mirchi's events offer clients more than what a mere event company or radio station can. It is testimony to the innovative culture, the eye for detail and setting precise management processes and controls in place that lead to success in this business line. It also adds immense value to the Mirchi brand.

And the innovations continue to flow. For example, instead of doing the standard marathons, Mirchi organizes the Mirchi Neon Run, where people run in the night wearing neon paint on their bodies and clothes. The run culminates in a grand party. One other such innovation is the Mirchi Ruggedian – an obstacle and endurance race that tests the limit of the participants. All in all a Jalsa-filled business!

The winners of **Mirchi Queen Bee** with celebrity judges, actors Ali Fazal and Hrishita Bhatt



Bollywood singing sensation, Arijit Singh, performing at **Mirchi Jalsaghar** in Kolkata



More than 6,000 people participated in the **Mirchi Neon Run**



MIRCHI IN THE DIGITAL SPACE – JALSA.COM

Mirchi has a very strong presence in the online world. Mirchi's 10 online stations – present on gaana's mobile app too – span the gamut of tastes. From soothing Hindi melodies (Meethi Mirchi) to the head-banging Club Mirchi, there is a choice for every mood, every occasion. But this is just the tip of the iceberg – Mirchi is adding more stations & in regional languages too.

The Radio Mirchi website showcases the best of non-music audio content like Mirchi Murga, Bioscope (movie reviews), videos of film-stars visiting our studios etc. The website has become the biggest destination for the latest Bollywood music on the internet on the back of *Mirchi Top 20*.

Mirchi has a strong presence on social networking sites with 2.27 million "likes" on Facebook on the national page and over 37,000 followers on the national Twitter.

handle. This helps us "connect" with online users, get "feedback" on the brand and also "talk" to them about our new plans.

We are also starting to create original video content for digital consumption and we get around 2 million monthly views already on our various YouTube channels.

We recently launched a Mirchi Murga app too that has already crossed 50,000 downloads across Android and Apple stores with pure organic reach. It is a highly rated app on both the stores, and the download numbers are soaring with each passing day.

Mirchi does not see online to be threat – it is instead a welcome addition to grow our footprint and get more intimate with our listeners !

Mirchi's online radio stations adding Jalsa to the internet



The biggest destination for the best of Bollywood music – Mirchi Top 20



The Murga App has crossed 50,000 downloads and counting



MIRCHI WINS AWARDS AND RECOGNITION EVERYWHERE

We got "more" recognition too!

Radio Mirchi UAE scores a hat trick as the Best Radio Station

For the third year in a row, Radio Mirchi UAE was voted the best Radio Station in the Popular Choice category in the 7th Annual Masala Awards, making it a hat trick for the station. 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 wins big at the IRF awards

When it comes to innovative content, creative campaigns and engaging radio jockeys, Radio Mirchi 98.3 FM is leading the way. And this was echoed at the recently concluded Excellence in Radio Awards 2015. Bagging seven awards in various prominent categories, Radio Mirchi has once again proved that it is India's most loved and admired radio station.

Golden Mikes Award

Radio Mirchi won 3 Golden Mikes awards this year – 1 award for Creativity (Best Single Commercial), 1 award for Innovation (Most Unique Programming Concepts/Ideas) and 1 award for Excellence (RJ of the Year).

CMO Asia Award

At CMO Asia Awards held in July 2014 in Singapore, Radio Mirchi won two awards. The digital campaign for the 6th Mirchi Music Awards won the 'Best social media integrated campaign' award. Radio Mirchi also won the Brand Revitalization Award for Mirchi Top 20.

Digital Marketing Conclave and Awards 2014

www.MirchiMusicAwards.com won 'The Best Entertainment Website' at the Digital Marketing Conclave and Awards 2014 held in Chennai on July 23rd 2014.

Other Awards:

Mirchi Cares, the CSR initiative which provides support to the visually impaired, has won numerous awards.

Initiatives in which menu cards at some restaurants were converted to Braille and an audio format won the ABP News Global CSR Excellence & Leadership Awards 2014-15 for Innovations in Corporate Responsibility Practices and the Corporate Excellence Awards 2014-15 in the Social Change Agent Award Category.

We also won the Lokmat CSR Leadership and Sustainability Excellence Awards for 'Innovation in Corporate Responsibility Practices 2014-15' and the Indian Excellence in Radio Awards 2014-Best Community Service awards 2014 for initiatives which helped produce audio books for the visually impaired and blind.



LETTER FROM THE MANAGING DIRECTOR



More Mirchi, More Jalsa!

FY15 was, by all counts, a good year for your Company! Revenue from operations grew at 14.0% to ₹ 438.5 crores, EBITDA from operations at 16.6% to ₹ 145.3 crores and PAT at 27.0% to ₹ 106 crores! With this, your Company entered the elite club of "100+ PAT" companies for the first time.

Financial results are merely an outcome of what goes on underneath. At the industry level, radio continued to grow faster than traditional media TV, Print and OOH, beaten only by new-age Digital. It's by now a proven fact that radio does better when the economy does worse. And despite a change in government, the economy has remained weak during FY15. There was an improvement in GDP growth no doubt, but only a small one. Consumer demand remained under pressure, as a result of which large advertisers remained cautious with their advertising budgets. Almost all advertising segments – with the notable exceptions of e-commerce and government – remained sluggish. The good days are clearly still a few quarters away when investments and jobs lift and consumer confidence perks up.

Several factors continued to aid your Company's growth. Foremost being the strength of the brand and our leadership in listenership. The metros are where the bulk of advertising is targeted, and we are clear leaders in the top 8 markets combined. This allows us to get better pricing, work with lower advertising minutes, and distribute the ads equally around the day, avoiding prime time bump ups. This in turn helps listenership, as listeners get put off by high advertising volume. During the year, we invested heavily in brand building, both directly in the form of advertising, and indirectly through "touch-point-activations". Your Company launched the "Breaking Music with Meera & Suren" and "Mumbai ki awaaz – Jeeturaaj" campaigns in Mumbai, the "Recharge Rohit" and "Mirchi Murga" campaigns in Delhi, and the "Hi Bengaluru" campaign in Bengaluru. Your Company conducted more than 250 on-ground activation events which helped your brand interact with hundreds of thousands of people.

One of the strongest reasons for your Company's sustained growth has been its focus on developing new sales products. Today, core radio (called "FCT" in the media industry) is just a part of our revenues (a large part no doubt!), with Activations, TV properties, solution-selling, international, digital, mobile, concerts and other products all adding substantial bulk. This has helped position your company as a holistic solution provider rather than a mere radio broadcaster, with advertisers giving us a thumbs up with

their wallets each year. Over time, your Company will develop an even bigger portfolio of products, to cater to the ever-changing demands of the advertiser.

The biggest news to report of course is that the Phase-3 auctions are finally here! This expansion of radio, coming more than 9 years after the last one, will help radio catch up with its media peers who have grown many times over unrestrained by regulatory factors. Despite no expansion, the share of radio in the advertising pie has climbed from about 2% or so nine years back to about 5.5% or so now. Imagine what the expansion into 250 odd towns with 900+ frequencies will do!

In today's internet-centered world, no brand can afford to stay out of where the action is. Your Company has been an early mover in this area. In partnership with Gaana.com, your Company operates 10 online radio stations, straddling new programming formats such as English music, non-film music and even devotional. The approval that the FM business has got from the people has been bestowed by them on the streaming business as well. In FY15, our online radio stations witnessed more than 100 million streams, a remarkable number. We see that number growing fast. What is encouraging is that it is now becoming possible to monetize these streams. Our aim is not to reap profits very early, but to plough them back and grow the business at a fast clip.

At this time next year, I hope to be able to report that your Company has grown in size, having capitalized on the Phase-3 expansion. You will see more of Mirchi. And definitely have reasons for more "jalsa"!

Prashant Panday
Managing Director & CEO
(DIN: 02747925)



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. 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, Mr. 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 Electronics, Telecommunications, Chemicals, Engineering, 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. He is the Chairman of Madhuran Narayanan Centre for Exceptional Children and Managing Trustee of The Indian Education Trust which runs two Schools.

He is the Honorary Consul General of Greece in Chennai. He is also the President of the Indo-Japan Chamber of Commerce & Industry.

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. 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.

BOARD OF DIRECTORS



Mr. Richard Saldanha
(Independent Non- Executive Director)

Mr. Saldanha, a graduate Mechanical Engineer, served Hindustan Lever & Unilever plc with distinction for 30 years. He spent almost 10 years in Latin America, Rose 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 Ltd, a 1.5 BN \$ enterprise,

Later spent 5 years as Executive Director and Member of the Board of The Times of India Group to help build organizational capability, culture and competitiveness.

He then was 6 years with The Blackstone Group in India as Executive Director responsible for Operational Excellence in a range of Portfolio Companies.

He is currently Executive Chairman of Trans Maldivian Airways and Gokaldas Exports and is on the Boards of a few of the Blackstone Portfolio Cos. He also is on the Board of ENIL (a Times Of India Group Co.) and member of the Court of Governors of the Administrative Staff College of India.

Mr. Saldanha is actively involved with NGOs and CSR Initiatives.



Mr. Prashant Panday
(Managing Director & CEO)

Forty nine 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 25 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), 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.

A large, stylized chili pepper graphic in a dark red color, oriented horizontally. The stem and a small leaf are on the left side, colored in a teal or greenish-blue. The pepper's body is a smooth, elongated curve that tapers to a point on the right. It serves as a container for the title text.

REPORTS & FINANCIAL STATEMENTS

NOTICE



NOTICE is hereby given that the **SIXTEENTH** Annual General Meeting (AGM) of the Members of **ENTERTAINMENT NETWORK (INDIA) LIMITED** will be held on **Monday, September 14, 2015** at **3.00 p.m.** at Ravindra Natya Mandir, P. L. Deshpande Maharashtra Kala Academy, Sayani Road, Near Siddhivinayak Temple, Prabhadevi, Mumbai: 400025, to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the audited financial statements of the Company for the financial year ended March 31, 2015 and the Reports of the Board of Directors and Auditors thereon.
2. To receive, consider and adopt the audited consolidated financial statements of the Company for the financial year ended March 31, 2015 and the Report of the Auditors thereon.
3. To declare dividend on equity shares.
4. To appoint a director in place of Mr. Prashant Panday (DIN: 02747925) who retires by rotation pursuant to the provisions of section 152 of the Companies Act, 2013 and who is not disqualified to become a director under the Companies Act, 2013 and being eligible, offers himself for reappointment.
5. **Ratification of appointment of auditors**

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT based on the recommendation of the Audit Committee and pursuant to the provisions of Sections 139, 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) and pursuant to the resolution passed by the Members of the Company at Annual General Meeting (AGM) held on August 12, 2014; the appointment of S. R. Batliboi & Associates LLP, Chartered Accountants (registration number - 101049W) as the auditors of the Company be and is hereby ratified to hold office from the conclusion of the fifteenth 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), 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 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, 2016, 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 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. Proxies submitted on behalf of limited companies, societies, etc. must be supported by valid and effective resolution/ authority, as applicable.

- b) The Company's Registrar & Share Transfer Agents are Karvy Computershare Private Limited



NOTICE

('R & TA'), Unit: Entertainment Network (India) Limited, Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500032. Phone: 040-67162222; Fax: 040-23001153; Toll Free no.: 1800-345-4001.

- c) The Register of Members and Share Transfer Books of the Company will remain closed from **Tuesday, September 8, 2015 to Monday, September 14, 2015**, 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 September 15, 2015 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 September 7, 2015 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 September 7, 2015, 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 obtained from the respective depositories will be used for the 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 Director seeking appointment, reappointment

are annexed hereto and forming part of the Notice. The Director has furnished the relevant consents, declarations, etc. for his appointment/ reappointment.

- f) As per the provisions of Section 197 of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other relevant particulars of the employees drawing remuneration in excess of the limits set out in the said rules forms part of the Annual Report. As per the first proviso to Section 136(1) of the Act, the Annual Report excluding the aforesaid information is being sent to the Members of the Company. The said information is made available for inspection at the Registered Office and Corporate Office of the Company during working hours for a period of 21 days before the date of AGM. Any Member interested in obtaining such information may write to the Company Secretary and the same will be furnished on request. The Annual Report is available on the Company's website at: www.enil.co.in
- g) As per Sections 101, 136 and all other applicable provisions of the Act, read with the rules made under the Act, 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, financial statements, 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, Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500032. Phone: 040-67162222; Fax: 040-23001153; Toll Free no.: 1800-345-4001.

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.

NOTICE



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 Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and all other relevant rule made under the Act and Clause 35B of the Listing Agreement, the Company is pleased to provide the facility to the Members to exercise their right to vote on the resolutions proposed to be considered at AGM by electronic means and the business may be transacted through such voting. **The Members, whose names appear in the Register of Members / list of Beneficial Owners as on Monday, September 7, 2015 are entitled to vote on the Resolutions set forth in this Notice. The cut-off date for the purpose of remote e-voting and voting at the AGM is September 7, 2015.** The Members may cast their votes on electronic voting system from place other than the venue of the meeting (remote e-voting). The Company has appointed Karvy Computershare Private Limited ('KCPL' / 'Karvy' / 'Service Provider' / 'R & TA') for facilitating remote e-voting.

Subject to the applicable provisions of the Act read with the rules made thereunder (as amended), the voting rights of the Members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date for the purpose of remote e-voting, being September 7, 2015. Members are eligible to cast vote only if they are holding shares as on September 7, 2015.

The remote e-voting period will commence at 9.00 a.m. (IST) on Thursday, September 10, 2015 and will end at 5.00 p.m. (IST) on Sunday, September 13, 2015. During this period, the Members of the Company holding shares in physical form or in dematerialized form may cast their vote through remote e-voting. **The remote e-voting module shall be blocked/ 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 or cast the vote again. The Members may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again.

The facility for voting, either through electronic voting system or ballot or polling paper, shall also be made available at the AGM and the Members attending the AGM who have not already cast their vote by remote e-voting shall be able to exercise their right at the AGM.

The Members are requested to refer to the detailed procedure on remote e-voting furnished separately to vote through electronic mode and same shall be available on the Company's website: www.enil.co.in. In case of any query pertaining to remote e-voting, please visit *Help and 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. P. A. Varghese of Karvy: email ID: varghesel@karvy.com, Contact No. 040-67162222; Fax: 040-23001153; Toll Free no.: 1800-345-4001.

- i) Annual Report including *inter alia* the Report of the Board of Directors, Auditors' Report, Financial Statements, Notice of this AGM, instructions for remote e-voting, attendance slip, proxy form, etc. is being sent by electronic mode to all Members whose e-mail 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 case a person has become the Member of the Company after the dispatch of the AGM Notice but on or before the cut-off date i.e. **September 7, 2015**, he may write to R & TA on the email ID: varghesel@karvy.com or to Mr. P. A. Varghese, Contact No. 040-67162222; Fax: 040-23001153; Toll Free no.: 1800-345-4001, at Karvy Computershare Private Limited [Unit: Entertainment Network (India) Limited], Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032, requesting for the User ID and Password.
- k) 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



NOTICE

the R & TA.

- l) Members/ Proxies should bring their copy of the Annual Report and Attendance Slip sent herein, duly filled in, for attending the Meeting.
- m) 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.
- n) 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.
- o) Members desiring any information pertaining to the financial statements are requested to write to the Company Secretary at an early date so as to enable the Management to reply at the AGM.
- p) 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 and Corporate Office of the Company during business hours on any working day of the Company without payment of fee and will be available at the AGM.
- q) 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](http://www.enil.co.in/unclaimed-dividend.php)** at the url: <http://www.enil.co.in/unclaimed-dividend.php>
- r) 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 Depositories Participant(s). Members holding shares in physical form shall submit their PAN details to R & TA.

- s) Annual Report containing *inter alia* the Notice convening the Sixteenth Annual General Meeting, the audited financial statements (including audited consolidated financial statements) of the Company for the financial year ended March 31, 2015 and the Reports of the Board of Directors and Auditors, 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 and Corporate 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
FCS: 5839

Mumbai, May 19, 2015

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 and 6 of the accompanying Notice dated May 19, 2015.

- 1. **Item No. 5:** The Members of the Company, at the fifteenth Annual General Meeting (AGM), approved the appointment of S. R. Batliboi & Associates LLP, Chartered Accountants (registration number-101049W) as the auditors of the Company to hold office from the conclusion of the fifteenth AGM till the conclusion of the sixth consecutive AGM (with the meeting wherein such appointment has been

made being counted as the first meeting), 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. The aforesaid appointment was subject to the ratification of the appointment by the Members of the Company at every AGM after the fifteenth AGM. Accordingly, consent of the Members is sought for passing the ordinary resolution as set out at Item No. 5 of the notice for ratification of the appointment of the auditors of the Company.

NOTICE



2. S. R. Batliboi & Associates LLP have given their consent for ratification of the aforesaid appointment 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 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.
3. 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 there are no pending proceedings against them or any of their partner(s) with respect to professional matters of conduct, except for two items related to professional matters of conduct detailed as below:
 - a) There is one case pending in a district court pertaining to disclosures in the financial statements of a company audited by them.
 - b) There is one matter of professional misconduct where proceedings with the Disciplinary Committee of the Institute of Chartered Accountants of India are currently ongoing.
4. Relevant documents are available for inspection at the Registered Office and Corporate Office of the Company during business hours on any working day of the Company without payment of fee and same shall be available at the AGM.
5. 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.
6. **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, 2016. 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 ₹ 4,50,000 (Rupees four lacs fifty 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 available for inspection at the Registered Office and Corporate Office of the Company during business hours on any working day of the Company without payment of fee and same shall be available at the AGM.

7. 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, 2016.
8. 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.

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

sd/-

Mehul Shah

SVP – Compliance & Company Secretary
FCS: 5839

Mumbai, May 19, 2015

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 No. 4 of the Notice.

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

Brief Resume of the Director:

Mr. Prashant Panday (Managing Director & CEO)

Forty nine 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 25 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), 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.

DIN	02747925
Date of Birth	July 8, 1965
Nationality	Indian
Date of Appointment on the Board	July 1, 2010
Qualifications	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	21900 equity shares of ₹ 10/- each
List of Directorships held in other Companies	Alternate Brand Solutions (India) Limited, Media Research Users Council
Committee membership	Entertainment Network (India) Limited: [Member of Corporate Social Responsibility Committee and Member of Stakeholders Relationship Committee]
Number of meetings attended	Six board meetings were held during the financial year under review and Mr. Panday attended all the meetings.

Brief resume of all the Directors of the Company has also been furnished separately in the Annual Report. None of the Directors are related with each other or key managerial personnel (*inter-se*) within the meaning of Clause 49 VIII (E) (2) of the Listing Agreement.



Route map to the venue of the AGM

BOARD OF DIRECTORS' REPORT



Dear Members,

Your Directors have pleasure in presenting the Sixteenth Annual Report together with the audited financial statements of Entertainment Network (India) Limited ['the Company'/'ENIL'/'Radio Mirchi'] for the financial year ended March 31, 2015.

1. Financial Highlights

Amount in ₹

	Standalone		Consolidated	
	Financial Year 2014-15	Financial Year 2013-2014	Financial Year 2014-15	Financial Year 2013-2014
Income	4,706,548,014	4,071,657,231	4,707,588,061	4,073,943,624
Profit before tax & exceptional item	1,446,093,211	1,154,952,773	1,446,144,866	1,156,150,044
Tax expense	386,372,615	320,463,042	386,374,869	319,947,119
Profit after tax	1,059,720,596	834,489,731	1,059,769,997	836,202,925
Profit brought forward	3,439,832,942	2,661,115,213	3,440,798,255	2,660,367,332
Authorised Capital	1,200,000,000	1,200,000,000	1,200,000,000	1,200,000,000
Equity (issued, subscribed & paid up share capital)	476,704,150	476,704,150	476,704,150	476,704,150
Transfer to General Reserve	Nil	Nil	Nil	Nil
Adjustments due to change in rates of Depreciation	58,324,116	Nil	58,324,117	Nil
Proposed dividend (including dividend distribution tax)	57,374,990	55,772,002	57,374,990	55,772,002
Surplus carried to Balance Sheet	4,383,854,432	3,439,832,942	4,384,869,145	3,440,798,255

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 ₹ 4,071,657,231 during the previous year to ₹ 4,706,548,014 during the year under review. Profit after tax was higher at ₹ 1,059,720,596.

On a consolidated basis, total income of the Company increased from ₹ 4,073,943,624 during the previous year to ₹ 4,707,588,061 during the year under review. Profit after tax was higher at ₹ 1,059,769,997.

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, 2015, aggregating ₹ 573.75 lacs including dividend distribution tax of ₹ 97.05 lacs. 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 September 7, 2015 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 September 7, 2015, 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 and state of the Company's affairs

Your Company's financial results are because of strong underlying reasons. Listenership has remained strong, with the latest IRS placing your Company again right at the top. Listenership in the top 8 metros is the most crucial, given the weight of these markets in revenues, and your Company has continued to show strong leads in these cities. Your Company has also

BOARD OF DIRECTORS' REPORT



spent on several marketing campaigns during the year, supporting new programming initiatives, like the launch of a new “breaking music” show in Mumbai, re-launch of Mumbai’s favorite morning show “Mumbai ki Awaaz-Jeeturaaj”, the launch of Delhi’s morning show with “Recharge Rohit”, supporting the massively popular “Mirchi Murga” and launching the morning show “Hi Bengaluru” in Bengaluru.

The strong leadership in listenership is a result of your Company’s ability to hire and retain superior quality talent. That remains a strength of your Company, a strength that emerges partly from the parent company, Bennett Coleman & Company Limited, and partly from its own unique culture of “fun @ ENIL”.

Your Company made an important stride this year. It entered the elite list of companies which report more than ₹ 100 crores in PAT. With more growth coming its way in the form of Phase-3 auctions and expansion, your Company’s cash position of over ₹ 550 crores will stand it in good stead.

The Company had entered into a non-binding memorandum of understanding with TV Today Network Limited (TVTN) for purchase of seven radio stations from TVTN. The purchase was subject to fulfillment of contractual obligations (which may be agreed between the parties) and receipt of all necessary regulatory approvals including permissions from the Ministry of Information and Broadcasting (MIB), Government of India.

The MIB has declined its approval on the grounds that the proposed sale by TVTN and proposed purchase by the Company is not in conformity with the FM Radio Guidelines. However, both the Company and TVTN have decided to appeal against the MIB decision.

There were no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which this financial statements relate and the date of this Report.

5. Deposits from public

The Company has not accepted any deposits from public and therefore the details relating the deposits covered under Chapter V of the Companies Act, 2013 are not required to be furnished.

6. Directors and Key Managerial Personnel

On April 3, 2015; through a Postal Ballot voting process, the Members of the Company accorded their approval to partially modify the terms of appointment of Mr. Prashant Panday - *Managing Director & Chief Executive Officer* (DIN: 02747925). Pursuant to the aforesaid modification approved by the Members, Mr. Panday shall be liable to retire by rotation.

In accordance with the provisions of the Companies Act, 2013 read with the applicable rules thereto, including any statutory modification(s) or re-enactment thereof for the time being in force (‘the Act’), Mr. Prashant Panday retires by rotation at the ensuing AGM and being eligible, offers himself for reappointment.

During the financial year under review, Mr. A. P. Parigi (DIN: 00087586) and Mr. Ravindra Dhariwal (DIN: 00003922) resigned from the Board of Directors of the Company due to other pre-occupations. Ms. Vibha Paul Rishi (DIN: 05180796) resigned from the Board of Directors of the Company as per the relevant regulatory policy applicable to the Company. The Board of Directors places on record their appreciation for the valuable contributions made by Mr. Parigi, Mr. Dhariwal and Ms. Vibha Paul Rishi to the Company.

The Board of Directors proposed to appoint Ms. Punita Lal (DIN: 03412604) as the Independent Director on the Board of the Company. The Company has completed all the regulatory procedures for appointment of Ms. Punita Lal. Her appointment will be subject to the approval/ no objection from the Ministry of Information & Broadcasting (MIB). The approval/ no objection from the MIB is expected in due course.

The Company has received the declarations from all the Independent Directors of the Company pursuant to the provisions of Section 149 and all other applicable provisions of the Act stating that they meet the criteria of independence as provided under the Act and Clause 49 of the Listing Agreement and that they are not disqualified to become directors under the Act; and in the opinion of the Board of Directors, all the Independent Directors fulfill the criteria of independence as provided under the Act, rules made thereunder, read with the Clause 49 of the Listing Agreement and that they are independent of the management.

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

None of the Directors are related with each other or key managerial personnel (*inter-se*).

Details of the number of meetings of the Board of Directors and Committees and attendance at the meetings have been furnished in the *Report on Corporate Governance*.

BOARD OF DIRECTORS' REPORT



During the financial year under review, following persons were designated as Key Managerial Personnel (KMP):

- Mr. Prashant Panday: Managing Director & CEO
- Mr. N. Subramanian: Group CFO
- Mr. Mehul Shah: SVP Compliance & Company Secretary

7. Board Evaluation

The Board of Directors is committed to continued improvement in its effectiveness. Accordingly, the Board participated in the annual formal evaluation of its performance. This was designed to ensure, amongst other things, that the Board, its Committees and each director continue to contribute effectively.

The Board and its Committees evaluations involved questionnaire-driven discussions that covered a number of key areas / evaluation criteria *inter alia* the roles and responsibilities, size and composition of the Board and its Committees, dynamics of the Board and its Committees and the relationship between the Board and management. The results of the reviews were discussed with the relevant Committees and collectively by the Board as a whole. Feedback was also sought on the contributions of individual directors. Independent directors, at their Meeting led by the Chairman of the Nomination & Remuneration Committee, conducted the performance review of the Chairman, Non-Independent Directors and the Board as a whole in respect of the financial year under review.

Formal Annual Evaluation was made in compliance with all the applicable provisions of the Act and the listing agreement. The Directors were satisfied with the evaluation results, which reflected the overall engagement of the Board and its Committees with the Company.

8. Board Familiarization Program

At the time of appointment of new director, through the induction process, he/ she is familiarized with the Company, director's roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc. Detailed presentations are made before the Board Members at the Board and its Committee meetings covering various areas including business strategy, branding, programming, financial performance and forecast, compliances/ regulatory updates, audit reports, risk assessment and mitigation, etc. The details of the familiarization program are available on the Company's website at: www.enil.co.in at web link: <http://www.enil.co.in/policies-code-of-conduct.php>

9. Policy on directors' appointment and remuneration

The Company's Policy on the Directors' appointment and remuneration including criteria for determining

qualifications, positive attributes, independence of director and other matters as provided under Section 178 of the Act is annexed to this Report at the Nomination & Remuneration Policy and appended as Annexure A to this Report.

10. Audit Committee

The Audit Committee of the Company presently comprises of Mr. N. Kumar (Chairman), Mr. Ravindra Kulkarni, Mr. Richard Saldanha and Mr. B. S. Nagesh. The Internal Auditors of the Company report directly to the Audit Committee. All the recommendations of the Audit Committee were accepted by the Board of Directors. Major terms of reference and other relevant details of the Audit Committee have been furnished in the *Report on Corporate Governance*.

11. Vigil Mechanism

The Company has a 'Whistle Blower Policy' / 'Vigil Mechanism' in place. The Objective of the Vigil Mechanism is to provide the employees, directors, 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. The Policy contains the provision for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases.

Whistle Blower Policy/ Vigil Mechanism is available on the Company's website at: www.enil.co.in at <http://www.enil.co.in/policies-code-of-conduct.php>

12. CSR Committee

Major terms of reference and other relevant details of the Corporate Social Responsibility (CSR) Committee and CSR Policy have been furnished in the *Report on Corporate Governance*. The CSR Policy is available on the Company's website at: www.enil.co.in at <http://www.enil.co.in/policies-code-of-conduct.php>

Annual report on CSR activities as required under the Companies (Corporate Social Responsibility Policy) Rules, 2014 has been appended as Annexure B to this Report.

13. Nomination and Remuneration Committee

The Nomination and Remuneration Committee of the Company presently comprises of Mr. N. Kumar (Chairman), Mr. Ravindra Kulkarni, Mr. Richard Saldanha

BOARD OF DIRECTORS' REPORT



and Mr. Vineet Jain. Major terms of reference and other relevant details of the Nomination and Remuneration Committee have been furnished in the *Report on Corporate Governance*.

14. Stakeholders Relationship Committee

The Stakeholders Relationship Committee of the Company presently comprises of Mr. Richard Saldanha (Chairman), Mr. Ravindra Kulkarni and Mr. Prashant Panday. Major terms of reference and other relevant details of the Stakeholders Relationship Committee have been furnished in the *Report on Corporate Governance*.

15. Audit Report

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

16. Auditors

At the 15th AGM held on August 12, 2014, the Members had approved the appointment of S. R. Batliboi & Associates LLP, Chartered Accountants (registration number- 101049W) as the statutory auditors of the Company to hold the office from the conclusion of the 15th AGM till the conclusion of the sixth consecutive AGM (with the meeting wherein such appointment has been made being counted as the first meeting). As per the provisions of Section 139 of the Act, the Company shall place the matter relating to such appointment for ratification by members at every AGM. Accordingly, the appointment of S. R. Batliboi & Associates LLP, Chartered Accountants, as the statutory auditors of the Company is placed for ratification by the members of the Company.

S. R. Batliboi & Associates LLP have furnished a certificate in terms of the Companies (Audit and Auditors) Rules, 2014 and confirmed their eligibility in terms of Section 141 and all other applicable provisions of the Act, read with the applicable rules thereto.

Other relevant information has been furnished at Item No. 5 of the Notice convening the AGM.

17. Secretarial Auditor

The Board of Directors had appointed M/s. Hemanshu Kapadia & Associates, Company Secretaries (C. P. No: 2285), to conduct Secretarial Audit for the financial year 2014-15. The Secretarial Audit Report for the financial year ended March 31, 2015 is appended as *Annexure C* to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

18. Cost Auditor

The Board of Directors, on recommendation of the Audit Committee and pursuant to Section 148 and all other applicable provisions of the Act, read with the Companies (Audit and Auditors) Rules, 2014 and all other applicable rules made under the Act (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, 2016. 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 ₹ 4,50,000 (Rupees four lacs fifty 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, 2016.

The Cost Audit Report for the financial year 2013-14 was filed on September 27, 2014. The Cost Audit Report for the financial year 2014-15 will be filed on/ before the due date.

19. Conservation of energy, Technology absorption and Foreign exchange earnings and Outgo

The Company is in the business of Private FM Radio Broadcasting. Hence, most of the information required to be provided relating to the Conservation of energy and Technology absorption 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:

- The efforts made towards technology absorption:

In our efforts to use technology to augment business, productivity and performance, we are in the process of rolling out Customer Relationship Management (CRM) solutions for all business segments. Many internet radio stations have been rolled out during the current year. We are also in the process of rolling out a Digital content Repository system to manage the programming content that we have created all these years and would create

BOARD OF DIRECTORS' REPORT



in the future. To improve collaboration, Radio Mirchi Employees have been migrated to Office 365.

- The benefits derived like product improvement, cost reduction, product development or import substitution:

Benefits are in the nature of increased productivity through easy search of content, price & revenue optimization through factor based dynamic pricing & cost reduction through improved productivity and better processes.

- Imported technology (imported during last three years reckoned from the beginning of the financial year): Nil
- The expenditure incurred on Research & Development (R & D): Foray in the Digital Space:

The Company is adequately prepared to adapt to the new technologies that are transforming media business. We currently have 10 online radio stations. And additional 3 online radio stations are expected to be launched by end of September 2016. We are working closely with tech partners to create mobile-content solutions for brands, which is already giving us a steady business too. We have launched our first app 'Mirchi Murga' on the Apple and Android stores. The 'Mirchi Murga' app has already been downloaded 1.3 lacs times, and generates 2 million screen views already, and is highly rated. We continue to create new digital friendly content, and get over 3 million views a month from our videos on Youtube. We are developing new video facilities to innovate more on video content.

iii) Foreign exchange earnings and outgo:

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows.

Amount in ₹

	Financial Year 2014-2015	Financial Year 2013-2014
Foreign exchange earnings	47,964,561	43,398,508
Foreign exchange outgo	4,145,846	7,578,466

20. Particulars of Employees

Disclosures pertaining to remuneration and other details as required under Section 197 of the Act read with Rule 5(1) of the Companies (Appointment and

Remuneration of Managerial Personnel) Rules, 2014 are appended as *Annexure D* to this Report.

The Managing Director of the Company does not receive any remuneration or commission from holding Company or any of its subsidiaries.

As per the provisions of Section 197 of the Act read with the Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other relevant particulars of the employees drawing remuneration in excess of the limits set out in the said rules forms part of the Annual Report. As per the first proviso to Section 136(1) of the Act, the Annual Report excluding the aforesaid information is being sent to the members of the Company. The said information is made available for inspection at the Registered Office and Corporate Office of the Company during working hours for a period of 21 days before the date of AGM. Any member interested in obtaining such information may write to the Company Secretary and the same will be furnished on request. The Annual Report is available on the Company's website at: www.enil.co.in

21. Extract of Annual Return

Extract of Annual Return of the Company as required under Section 92 of the Act, is attached as *Annexure E* to this Report in the Form MGT 9.

22. Share Capital & Listing of Securities

During the financial year under review, the Company has not issued:

- any equity shares with differential rights as to dividend, voting or otherwise;
- any shares to its employees under the Employees Stock Option Scheme;
- any Sweat Equity Shares.

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

23. 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 is set out in a separate section forming part of this Report.

24. 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

BOARD OF DIRECTORS' REPORT

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.

25. Directors' Responsibility Statement

Pursuant to the provisions of Section 134 of the Act, the Directors hereby confirm that:

- in the preparation of the annual accounts for the financial year ended on March 31, 2015, the applicable accounting standards have been followed and that there are no material departures from the same;
- they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year ended on March 31, 2015 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, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- they have prepared the annual accounts on a going concern basis;
- they have laid down internal financial controls for the Company and such internal financial controls are adequate and operating effectively; and
- they have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

26. Contracts and arrangements with related parties

All contracts / arrangements / transactions entered into by the Company during the financial year under review with related parties were in the ordinary course of business and on an arm's length basis. During the financial year under review, the Company has not entered into any contract / arrangement / transaction with related parties which could be considered material in accordance with the Company's Policy on materiality of related party transactions. Since no *Material Related Party Transactions*, i.e. transactions exceeding ten percent of the annual consolidated turnover as per the last audited financial statements, were entered during the year by the Company, the disclosure of Related Party Transactions as required under Section 134(3) (h) of the Act, in the Form AOC 2 is not applicable.

The Company's Policy on Materiality of related party



transactions and dealing with related party transactions is available on the Company's website at: www.enil.co.in at <http://www.enil.co.in/policies-code-of-conduct.php>

The related party transactions are entered into based on business exigencies such as synergy in operations, profitability, market share enhancement etc. and are intended to further the Company's interests. In accordance with the applicable accounting standards, transactions with related parties are furnished in the financial statements.

27. Particulars of loans given, investment made, guarantees given and securities provided

The Company has not given any loans, guarantees under Section 186 of the Act. Particulars of investments made by the Company during the financial year 2014-15 are provided in the financial statements. Please refer to the Note no. 10 to the standalone financial statements for details of investments made by the Company.

28. Risk Management

The Board of Directors is entrusted with various key functions including framing, implementing and monitoring the risk management plan for the Company; ensuring the integrity of the Company's accounting and financial reporting systems, including the independent audit, and that appropriate systems of control are in place, in particular, systems for risk management, financial and operational control, and compliance with the laws and relevant standards.

The Board of Directors has adopted the Risk Management Policy coupled with the *Enterprise Risk Management* framework and also established related procedures to inform Board Members about the risk assessment and minimization procedures. Major risks are identified, adequately mitigated continuously and same are reported to the Audit Committee and Board of Directors along with the *action taken report*. Risk Management Policy envisages assessment of strategy risk, operational risk, financial risk, regulatory risk, human resource risk, technological risk.

Risk is assessed and mitigated by the Risk Management Procedure involving identification and prioritization of risk events; Categorization of risks into High, Medium and Low based on the business impact and likelihood of occurrence of risks; Risk Mitigation & Control and update risk identification and prioritization.

The Audit Committee reviews adequacy and effectiveness of the Company's internal control environment and monitors the implementation of audit recommendations, including those relating to strengthening of the Company's Risk Management policies, systems and procedures. Internal Audit function is entrusted to KPMG - the independent Internal

BOARD OF DIRECTORS' REPORT



Auditors. Internal Audit covers all the radio stations at pan India level and corporate office as per the annual audit plan approved by the Audit Committee. Internal Audit report is presented to the Audit Committee on regular basis and the Chairman of the Audit Committee briefs the Board of Directors about the same.

29. Internal Financial Controls

The Company has in place adequate internal financial controls with reference to financial statements. The Company's internal control systems, including internal financial controls, are commensurate with the nature of its business and the size and complexity of its operations and same are adequate and operating effectively. These systems are periodically tested and no reportable material weakness in the design or operation was observed. The Audit Committee reviews adequacy and effectiveness of the Company's internal control system including internal financial controls.

30. Consolidated Financial Statements

In accordance with the Companies Act, 2013 and applicable accounting standard, the audited Consolidated Financial Statements are provided and forms part of the Annual Report.

31. Subsidiary Company

Alternate Brand Solutions (India) Limited (ABSL) is the Company's wholly owned subsidiary since 2007. ABSL recorded a total income of ₹ 1,040,047 during the financial year under review. Profit after Tax stood at ₹ 39,459.

As per Section 129 of the Companies Act, 2013, separate statement containing the salient features of the financial statements of the Subsidiary Company are attached along with the financial statements in the prescribed Form AOC-I. The Company does not have any associate company or joint venture.

The Company shall make available the financial statements 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 and same is also available on the website: www.enil.co.in. These documents will also be available for inspection during business hours at the Registered Office and Corporate Office of the Company. 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 Company's website: www.enil.co.in

The Policy for determining material subsidiaries is available on the Company's website: www.enil.co.in at <http://www.enil.co.in/policies-code-of-conduct.php>

32. Significant or material order

During the financial year under review, no significant and material orders were passed by the regulators or courts or tribunals impacting the going concern status and the Company's operations in future.

33. 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. As per the requirement of The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and Rules made thereunder, the Company has constituted an Internal Complaints Committees. During the financial year under review, no complaint was filed under the aforesaid Act.

34. 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 co-operation 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

(DIN: 00003962)

Mumbai, May 19, 2015

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

BOARD OF DIRECTORS' REPORT



Annexure A to the Directors' Report

Nomination & Remuneration Policy:

Introduction:

The Policy on Nomination and Remuneration of Directors, Key Managerial Personnel, Senior Management and other employees was formulated, approved and adopted by the Board of Directors based on the recommendation of the Nomination and Remuneration Committee ('Committee'). The features of the Policy are as under:

1. Appointment / Nomination criteria and qualifications:

- a) The Committee shall identify and ascertain the integrity, qualification, background, standing in profession, positive attributes, expertise and experience of the person for appointment as a director, Key Managerial Personnel (KMP) or executives who are one level below the managing / executive / whole time director(s) including the functional heads and KMP (Senior Management Personnel) and will conduct evaluation of candidates in accordance with a process that it sees fit and appropriate and recommend to the Board his / her appointment.
- b) A person should possess relevant qualification, expertise and experience for the position he / she is considered for appointment. The Committee has the discretion to decide whether qualification, expertise and experience possessed by a person are sufficient / satisfactory for the concerned position.
- c) The Company shall not appoint or continue the employment of any person as whole-time director or managing director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of the Members by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.
- d) In addition to the above, the Independent Director shall fulfill all the criteria of independence as laid down in the Companies Act, 2013 and Clause 49 of the Listing Agreement. The Independent Director shall adhere to the Schedule IV ['Code for Independent Directors'] of the Companies Act, 2013. Every independent director shall at the first meeting of the Board in which he participates as a director and thereafter at the first meeting

of the Board in every financial year or whenever there is any change in the circumstances which may affect his status as an independent director, give a declaration that he meets the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

2. Performance evaluation criteria:

Performance evaluation of every director, KMP, Senior Management Personnel and other employees shall be carried out based on detailed performance parameters. Usefulness and relevance of such performance parameters shall be evaluated on regular basis. The performance parameters / criteria includes but not limited to the following:

- Integrity
- Qualifications, academic profile, experience and expertise
- Responsibilities
- Inquiring attitude, objectivity and independence
- Judgment
- Leadership qualities
- Professional and business standing
- Ability to take constructive stands when necessary
- Understanding of the Company's business and engagement level
- Understanding and commitment to duties and responsibilities
- Willingness to devote the time needed to prepare for and participate in deliberations
- Responsiveness (timeliness and quality)
- Approach to conflict, and whether the conflict is constructive and productive
- Achievement of set targets/ Key Result Areas (KRAs) (for KMP, Senior Management Personnel and other employees)

3. Remuneration Policy:

The Company has adopted the Remuneration Policy for its directors, KMP and other employees keeping in view the following guidelines:

- The Remuneration Policy followed by the

BOARD OF DIRECTORS' REPORT



Company rewards employees based on the aforesaid performance evaluation criteria. Through this 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.

- The Remuneration Policy shall be simple, open and transparent.
- The level and composition of remuneration shall be reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully.
- Relationship of remuneration to performance shall be clear and meets appropriate performance benchmarks.
- Remuneration to directors, KMP and senior management shall involve a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

4. Remuneration to Managing Director, Whole-time/ Executive Director(s), KMP, Senior Management Personnel and other employees:

- **Remuneration:**

The Company follows a remuneration/ compensation mix of fixed pay and performance based pay. The Managing Director, Whole-time / Executive Director(s), KMP and Senior Management Personnel shall be eligible for a monthly remuneration, allowances, performance bonus/ incentive, profit based remuneration, etc. as may be approved by the Board on the recommendation of the Committee. The breakup of the pay scale and quantum of perquisites including employer's contribution to provident

fund, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, if and to the extent required. Payment of managerial remuneration shall be pursuant to the provisions of Section 197 and all other applicable provisions of the Companies Act, 2013.

Remuneration payable to other employees shall be based on the performance evaluation criteria set out above.

5. Remuneration to Non- Executive / Independent Director:

- **Remuneration:**

Non-Executive / Independent Directors may be paid managerial remuneration (including remuneration as a percentage to the net profits) pursuant to the provisions of Section 197 and all other applicable provisions of the Companies Act, 2013.

- **Sitting Fees:**

The Non- Executive / Independent Directors may receive remuneration by way of fees for attending meetings of Board or Committee(s) thereof and in line with the applicable provisions of the Companies Act, 2013.

For and on behalf of the Board of Directors

sd/-

Vineet Jain

Chairman

(DIN: 00003962)

Mumbai, May 19, 2015

BOARD OF DIRECTORS' REPORT



Annexure B to the Directors' Report

Annual report on Corporate Social Responsibility (CSR) activities:

(Pursuant to the provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility) Rules, 2014)

1. A brief outline of the company's Corporate Social Responsibility (CSR) policy, including overview of projects or programs proposed to be undertaken:

Entertainment Network (India) Limited ['ENIL/ 'the Company'] considers CSR as its commitment to its stakeholders, including the society at large, to conduct business in an economically, socially and environmentally sustainable manner that is transparent and ethical. ENIL is committed to undertake CSR activities in accordance with the provisions of Section 135 and all other applicable provisions of the Companies Act, 2013 read with all the rules thereto, as amended from time to time ('the Act').

The Company's CSR Policy aims to develop and implement a long-term vision and strategy for ENIL's CSR initiatives including formulating relevant potential CSR activities, their timely and expeditious implementation and establishing an overview mechanism of the activities undertaken / to be undertaken, in synchronization with the various eligible activities prescribed under Schedule

VII of the Act.

The CSR Policy is available on the Company's website at: www.enil.co.in at <http://www.enil.co.in/policies-code-of-conduct.php>

2. The Composition of the CSR Committee: The CSR Committee presently comprises of Mr. Vineet Jain, Mr. B. S. Nagesh, Mr. Ravindra Kulkarni and Mr. Prashant Panday.

3. Average net profit of the company for last three financial years: ₹ 800,376,253.

4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above): ₹ 16,007,525.

5. Details of CSR spent during the financial year:

- Total amount to be spent for the financial year under review: ₹ 16,007,525
- Amount unspent, if any: ₹ 8,864,325
- Manner in which the amount spent during the financial year under review:

1	2	3	4	5	6	7	8
Sl. No.	CSR project or activity identified	Sector in which the project is covered (Clause no. of Schedule VII to the Companies Act, 2013)	Projects or programs 1) Local area or other 2) Specify the state and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs 1) Direct Expenditure on projects or programs 2) Overhead*	Cumulative Expenditure upto the reporting period	Amount spent: Direct or through implementing agency *
1	Employment enhancing vocational skills of the under privileged children	Clause No. ii	Chennai	2,000,000	1,800,000	1,800,000	NalandaWay Foundation (Charitable Trust)
2	Education and employment enhancing vocational skills for under privileged students and aid in disaster relief	Clause No. i, ii	Chennai	3,000,000	3,000,000	3,000,000	AR Rahman Foundation (Charitable Trust)
3	Welfare for the blind children/ students	Clause No. ii	New Delhi	2,500,000	2,343,200	2,343,200	National Association for the Blind (Charitable Trust)
	TOTAL			7,500,000	7,143,200	7,143,200	

* Amount has been contributed to the aforesaid entities during the financial year under review.



BOARD OF DIRECTORS' REPORT



6. Reasons for not spending the prescribed amount:

During the financial year 2014-15, the Company has partnered with various Charitable Trusts of repute and has contributed the amount to such Charitable Trusts to incur expenditure for CSR initiatives through structured programs and projects. These projects and programs are ongoing and have a life cycle of more than a year. This being the first year, your Company has taken the necessary steps and going forward will endeavor to actively engage with the partners / NGOs or through co-promoting a new entity to execute the said projects and programs and incur expenditure in accordance with Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014.

7. Responsibility statement of the CSR Committee:

The CSR Committee confirms that the implementation and monitoring of CSR Policy is in compliance with CSR Objectives and Policy of the Company.

For and on behalf of the Board of Directors

sd/-

Prashant Panday

Managing Director & CEO
(DIN: 02747925)

sd/-

Vineet Jain

Chairman
(DIN: 00003962)

Mumbai, May 19, 2015

BOARD OF DIRECTORS' REPORT



Annexure C to the Directors' Report

Form No. MR-3

SECRETARIAL AUDIT REPORT

For the Financial year ended 31st March 2015

[Pursuant to section 204(1) of the Companies Act, 2013 and rule

No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
Entertainment Network (India) Limited
CIN: L92140MH1999PLC120516
4th Floor, Matulya Centre, A-Wing, S. B.Marg,
Lower Parel (W), Mumbai- 400013

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Entertainment Network (India) Limited** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March 2015 ("the audit period") complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance - mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2015, according to the provisions of:

- i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (Not Applicable to the Company during the Audit period);
- v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (Not Applicable to the Company during the Audit period);
 - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (Not Applicable to the Company during the Audit period);
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not Applicable to the Company during the Audit period);
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not Applicable to the Company during the Audit period); and
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not Applicable to the Company during the Audit period);
- vi) And the following industry specific laws, code, agreement for broadcasting industry:
 - a) The Indian Telegraph Act, 1885
 - b) The Indian Wireless Telegraphy Act, 1933
 - c) The Prasar Bharati (Broadcasting Corporation of India) Act, 1990

BOARD OF DIRECTORS' REPORT



- d) The Telecom Regulatory Authority of India Act, 1997
- e) GOPA (Grant of Permission Agreement)
- f) The Code for Commercial Broadcasting

We have also examined compliance with the applicable clauses of the Listing Agreements entered into by the Company with BSE Ltd. and National Stock Exchange of India Ltd.

We have not examined compliance by the Company with the Secretarial Standards issued by the Institute of Company Secretaries of India as they had not been notified by the Central Government upto March 31, 2015.

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

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

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

on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

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

We further report that during the audit period, there were no instances of:

- i) Public/Rights/Preferential issue of shares / debentures/ sweat equity.
- ii) Redemption / buy-back of securities.
- iii) Merger /amalgamation /reconstruction, etc.
- iv) Foreign technical collaborations.

For **Hemanshu Kapadia & Associates**
Practising Company Secretaries

sd/-

Hemanshu Kapadia
Proprietor
C.P No.: 2285
Membership No.: 3477

Mumbai, May 19, 2015

BOARD OF DIRECTORS' REPORT



Annexure D to the Directors' Report

Disclosures pertaining to remuneration and other details as required under Section 197 of the Act read with Rule 5(I) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

- i) The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year and the percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary in the financial year 2014-2015:

Details for the financial year 2014-2015:

Sr. No	Name of the director/ KMP	Ratio of remuneration of each director to median remuneration of employee	% increase in remuneration
1	Mr. Vineet Jain- Chairman	–	–
2	Mr. B. S. Nagesh- Independent Director	1.07	-10.00
3	Mr. N. Kumar- Independent Director	1.51	26.67
4	Mr. Ravindra Kulkarni - Independent Director	1.31	10.00
5	Mr. Richard Saldanha - Independent Director	1.51	26.67
6	Mr. A. P. Parigi - Independent Director*	–	–
7	Mr. Ravindra Dhariwal - Non Executive Director*	–	–
8	Ms. Vibha Paul Rishi - Independent Director*	–	–
9	Mr. Prashant Panday- Managing Director & CEO	55.64	7.49
10	Mr. N. Subramanian- Group CFO	Not applicable	8.75
11	Mr. Mehul Shah- SVP- Compliance & Company Secretary	Not applicable	21.30

*Not applicable since Mr. A. P. Parigi, Mr. Ravindra Dhariwal and Ms. Vibha Paul Rishi resigned from the Board of Directors of the Company effective January 15, 2015, February 9, 2015 and March 5, 2015 respectively.

- ii) The percentage increase in the median remuneration of employees in the financial year 2014-15 was 7.08%.
- iii) The number of permanent employees on the rolls of the Company as on March 31, 2015 were 742.
- iv) Comparison of the remuneration of the Key Managerial Personnel against the performance of the company:
- In line with the Company's Nomination & Remuneration policy, remuneration of the Key Managerial Personnel is linked with the individual performance, financial results of the Company and other relevant criteria. Income of the Company increased by 16% and Profit after tax increased by 27% in the financial year 2014-15.
- v) The explanation on the relationship between average increase in remuneration and company performance:
- Remuneration and increase in the remuneration is guided by the Company's Nomination & Remuneration policy, as annexed to the Board of Directors' Report. 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 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.
- vi) Variations in the market capitalisation, price earnings ratio and market quotations of the shares of the Company:
- The Market Capitalisation of the Company as on March 31, 2015 was ₹ 3,749.52 crores as compared to ₹ 1,778.58 crores as on March 31, 2014. The price earnings ratio of the Company was 35.38 as at March 31, 2015 and was 21.31 as at March 31, 2014. The closing share price of the Company at National Stock Exchange of India Limited on March 31, 2015 was ₹ 786.55 per equity share of face value of ₹ 10/- each has grown 4.85 times since the last public offer (initial public offer) was made in the year 2006 (Offer Price



BOARD OF DIRECTORS' REPORT



was ₹ 162 per equity share of face value of ₹ 10/- each).

- vii) Average percentage increase made in the salaries of employees other than the managerial personnel in the financial year 2014-15 was 12.80% and the percentage increase in the managerial remuneration in the financial year 2014-15 was 7.47%. As stated earlier, remuneration and increase in the remuneration is guided by the Company's Nomination & Remuneration policy.

- viii) The key parameters for any variable component of remuneration availed by the directors:

Remuneration payable to the Directors is guided by the Company's Nomination & Remuneration policy, as annexed to the Board of Directors' Report.

- ix) The ratio of the remuneration of the highest paid director to that of the employees who are not directors

but receive remuneration in excess of the highest paid director during the year:

Not applicable, since none of the employees received remuneration in excess of the highest paid director in the financial year under review.

- x) It is hereby affirmed that the remuneration is as per the remuneration policy of the Company.

For and on behalf of the Board of Directors

sd/-

Vineet Jain

Chairman

(DIN: 00003962)

Mumbai, May 19, 2015

BOARD OF DIRECTORS' REPORT



Annexure E to the Directors' Report

FORM NO. MGT-9: EXTRACT OF ANNUAL RETURN

as on the financial year ended on March 31, 2015

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. Registration and other details:

- i) CIN : L92140MH1999PLC120516
- ii) Registration Date : June 24, 1999
- iii) Name of the Company : Entertainment Network (India) Limited
- iv) Category / Sub-Category of the Company : Public Limited Company- limited by shares
- v) Address of the Registered office and contact details : 4th Floor, 'A' Wing, Matulya Centre, Senapati Bapat Marg, Lower Parel (West), Mumbai – 400 013, India.
Tel.: 022 6662 0600. Fax: 022 6661 5030.
- vi) Whether listed company Yes / No : Yes
- vii) Name, Address and Contact details of Registrar and Transfer Agent, if any : Karvy Computershare Private Limited,
Unit: Entertainment Network (India) Limited,
Karvy Selenium Tower B, Plot 31-32, Gachibowli,
Financial District, Nanakramguda, Hyderabad – 500032.
Phone: 040-67162222; Fax: 040-23001153
Toll Free no.: 1800-345-4001.

II. Principal business activities of the company

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
I	Private FM Radio Broadcasting	60100	100%

III. Particulars of Holding, Subsidiary and Associate Companies –

Sl. No.	Name and address of the Company	CIN	% of shares held
Holding Company [Section 2(46)]			
I	Bennett, Coleman & Company Limited [Ultimate Holding Company] The Times of India Building, Dr. D. N. Road, Mumbai- 400001.	U22120MH1913PLC000391	7.12
2	Times Infotainment Media Limited [Holding Company] 4 th Floor, 'A' Wing, Matulya Centre, Senapati Bapat Marg, Lower Parel, (West), Mumbai – 400 013, India. Tel: 022 40983000/ 6662 0600. Fax: 022 6661 5030.	U72900MH2002PLC134966	64.04
Subsidiary Company [Section 2(87)(ii)]			
I	Alternate Brand Solutions (India) Limited 4 th Floor, 'A' Wing, Matulya Centre, Senapati Bapat Marg, Lower Parel, (West), Mumbai – 400 013, India. Tel: 022 40983000/ 6662 0600. Fax: 022 6661 5030.	U92190MH2007PLC175549	100

BOARD OF DIRECTORS' REPORT



IV. Shareholding Pattern (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year (April 1, 2014)				No. of Shares held at the end of the year (March 31, 2015)				% Change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
A. Promoters									
1) Indian									
a) Individuals/ HUF	0	0	0	0.00	0	0	0	0.00	0.00
b) Central Government	0	0	0	0.00	0	0	0	0.00	0.00
c) State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corporate	33918400	0	33918400	71.15	33918400	0	33918400	71.15	0.00
e) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
f) Any Other									
Sub-total (A) (1)	33918400	0	33918400	71.15	33918400	0	33918400	71.15	0.00
2) Foreign									
a) NRIs – Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b) Other – Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
d) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any Other ..	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (A) (2)	0	0	0	0.00	0	0	0	0.00	0.00
Total shareholding of Promoter (A)=(A)(1)+ (A)(2)	33918400	0	33918400	71.15	33918400	0	33918400	71.15	0.00
B. Public Shareholding									
1) Institutions									
a) Mutual Funds	757067	0	757067	1.59	1037079	0	1037079	2.18	0.59
b) Banks / FI	932	0	932	0.00	1233	0	1233	0.00	0.00
c) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g) FIs	7624976	0	7624976	16.00	7693955	0	7693955	16.14	0.14
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i) Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (B) (1)	8382975	0	8382975	17.59	8732267	0	8732267	18.32	0.73
2) Non Institutions									
a) Bodies Corp.									
i) Indian	2577603	0	2577603	5.41	2331765	0	2331765	4.89	-0.52
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	1309440	403	1309843	2.75	1209686	302	1209988	2.54	-0.21
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	1341013	0	1341013	2.81	1343225	0	1343225	2.82	0.01
c) Others (specify)									
i) Clearing Members	18706	0	18706	0.04	10600	0	10600	0.02	-0.02
ii) Non Resident Indians	121789	0	121789	0.26	124130	0	124130	0.26	0.00
iii) Trust	86	0	86	0.00	40	0	40	0.00	0.00
Sub-total (B) (2)	5368637	403	5369040	11.26	5019446	302	5019748	10.53	-0.73
Total Public Shareholding (B)=(B)(1)+ (B)(2)	13751612	403	13752015	28.85	13751713	302	13752015	28.85	0.00
C. Shares held by custodian for GDRS & ADRS	0	0	0	0.00	0	0	0	0.00	0.00
Grand Total (A+B+C)	47670012	403	47670415	100.00	47670113	302	47670415	100.00	0.00

BOARD OF DIRECTORS' REPORT



ii) Shareholding of Promoters

Sl. No	Shareholder's Name	Shareholding at the beginning of the year (April 1, 2014)			Shareholding at the end of the year (March 31, 2015)			% change in shareholding during the year
		No. of shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Times Infotainment Media Limited	30526560	64.04	0.00	30526560	64.04	0.00	0.00
2	Bennett, Coleman & Company Limited	3391840	7.12	0.00	3391840	7.12	0.00	0.00
	Total	33918400	71.15	0.00	33918400	71.15	0.00	0.00

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

There is no change in the Promoters' Shareholding.

iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs): (as furnished by the Registrar and Share transfer Agent)

Sl. No	Name	Shareholding		Date	Increase / Decrease in Shareholding	Reason	Cumulative Shareholding during the year	
		No. of shares at the beginning (April 1, 2014) / end of the year (March 31, 2015)	% of total shares of the Company				No. of shares	% of total shares of the Company
1	Amanza Capital PTE Limited A/C Amanza Holdings	2187611	4.59	1-Apr-14	Nil movement during the year			
		2187611	4.59	31-Mar-15			2187611	4.59
2	SBI Life Insurance Co. Ltd.	2119098	4.45	1-Apr-14				
				4-Apr-14	927	Sale	2118171	4.44
				25-Apr-14	5000	Sale	2113171	4.43
				23-May-14	50000	Sale	2063171	4.33
				30-May-14	91102	Sale	1972069	4.14
				6-Jun-14	24688	Sale	1947381	4.09
				13-Jun-14	125809	Sale	1821572	3.82
				20-Jun-14	28665	Sale	1792907	3.76
				30-Jun-14	8264	Sale	1784643	3.74
				11-Jul-14	7262	Sale	1777381	3.73
				25-Jul-14	1824	Sale	1775557	3.72
				1-Aug-14	5000	Sale	1770557	3.71
				15-Aug-14	652	Sale	1769905	3.71
				22-Aug-14	2500	Sale	1767405	3.71
				19-Sep-14	831	Sale	1766574	3.71
				30-Sep-14	964	Purchase	1767538	3.71
				3-Oct-14	4990	Purchase	1772528	3.72
				10-Oct-14	5945	Sale	1766583	3.71
				21-Nov-14	10840	Sale	1755743	3.68
				28-Nov-14	403	Sale	1755340	3.68
				5-Dec-14	6879	Purchase	1762219	3.70
				12-Dec-14	25000	Sale	1737219	3.64
				19-Dec-14	6556	Purchase	1743775	3.66
				31-Dec-14	1209	Purchase	1744984	3.66

BOARD OF DIRECTORS' REPORT



Sl. No	Name	Shareholding		Date	Increase / Decrease in Shareholding	Reason	Cumulative Shareholding during the year	
		No. of shares at the beginning (April 1, 2014) / end of the year (March 31, 2015)	% of total shares of the Company				No. of shares	% of total shares of the Company
				2-Jan-15	9997	Purchase	1754981	3.68
				9-Jan-15	3	Purchase	1754984	3.68
				13-Feb-15	1200	Sale	1753784	3.68
				27-Feb-15	7240	Purchase	1761024	3.69
				6-Mar-15	13569	Purchase	1774593	3.72
				13-Mar-15	6766	Purchase	1781359	3.74
				20-Mar-15	33685	Purchase	1815044	3.81
				27-Mar-15	13523	Purchase	1828567	3.84
		1831899	3.84	31-Mar-15	3332	Purchase	1831899	3.84
3	Acacia Partners, LP	1557500	3.27	1-Apr-14	0	Nil movement during the year		
		1557500	3.27	31-Mar-15	0		1557500	3.27
4	Acacia Institutional Partners, LP	1213928	2.55	1-Apr-14	0	Nil movement during the year		
		1213928	2.55	31-Mar-15	0		1213928	2.55
5	Acacia Conservation Fund LP	720000	1.51	1-Apr-14	0	Nil movement during the year		
		720000	1.51	31-Mar-15	0		720000	1.51
6	Acacia Banyan Partners	492400	1.03	1-Apr-14	0	Nil movement during the year		
		492400	1.03	31-Mar-15	0		492400	1.03
7	IDFC Premier Equity Fund	439784	0.92	1-Apr-14				
				12-Sep-14	234784	Sale	205000	0.43
		205000	0.43	31-Mar-15			205000	0.43
8	Manish Prataprai Gandhi	416878	0.87	1-Apr-14	0	Nil movement during the year		
		416878	0.87	31-Mar-15	0		416878	0.87
9	Mousseganesh Limited	400000	0.84	1-Apr-14	0	Nil movement during the year		
		400000	0.84	31-Mar-15	0		400000	0.84
10	Schroder International Selection Fund Asian Smalle	382226	0.80	1-Apr-14				
				23-May-14	67840	Sale	314386	0.66
				25-Jul-14	11299	Purchase	325685	0.68
				1-Aug-14	9447	Purchase	335132	0.70
				8-Aug-14	11446	Sale	323686	0.68
				15-Aug-14	4691	Sale	318995	0.67
				22-Aug-14	68867	Sale	250128	0.52
				29-Aug-14	106913	Sale	143215	0.30
				5-Sep-14	83218	Sale	59997	0.13
				12-Sep-14	59997	Sale	0	0.00
		0	0.00	31-Mar-15			0	0.00

BOARD OF DIRECTORS' REPORT



v) Shareholding of Directors and Key Managerial Personnel : For Each of the Directors and KMP

Sl. No		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total Shares of the company
1	Mr. Prashant Panday Managing Director & CEO and KMP				
	At the beginning of the year (April 1, 2014)	21900	0.05		
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	Nil movement during the year			
	At the end of the year (March 31, 2015)	21900	0.05	21900	0.05
2	Mr. N. Kumar (Independent Director)				
	At the beginning of the year (April 1, 2014)	5580	0.01		
	Date wise Increase / Decrease in Share holding : Sold on December 15, 2014	5580	0.01	0	0
	At the end of the year (March 31, 2015)	0	0	0	0
3	Mr. Mehul Shah (Company Secretary & KMP)				
	At the beginning of the year (April 1, 2014)	400	0.00		
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	Nil movement during the year			
	At the end of the year (March 31, 2015)	400	0.00	400	0.00

Other directors and KMP does not hold any shares at the beginning and during the year

V. Indebtedness

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	0	0	0	0
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	0	0	0	0
Change in Indebtedness during the financial year				
• Addition	0	0	0	0
• Reduction	0	0	0	0
Net Change	0	0	0	0
Indebtedness at the end of the financial year				
i) Principal Amount	0	0	0	0
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	0	0	0	0

BOARD OF DIRECTORS' REPORT



VI. Remuneration of Directors and Key Managerial Personnel

A) Remuneration to Managing Director, Whole-time Directors and/or Manager:

Name of MD / WTD / Manager: Mr. Prashant Panday – Managing Director & CEO

Amount in ₹

Sr. No.	Particulars of Remuneration	Total Amount
1	Gross salary	
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	27,276,754
	b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	3932
	c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	0
2	Stock Option	0
3	Sweat Equity	0
4	Commission	
	– as % of profit	0
	– others, specify...	0
5	Others, (Company's contribution to PF)	691,583
	Total (A)	27,972,269
	Ceiling as per the Act [5% of Net Profits as calculated under section 198 of the Companies Act, 2013]	60,134,967

B) Remuneration to other directors:

Amount in ₹

Particulars of Remuneration	Name of Directors						Total amount
	Mr. A. P. Parigi	Mr. B. S. Nagesh	Mr. N. Kumar	Mr. Ravindra Kulkarni	Mr. Richard Saldanha	Ms. Vibha Paul Rishi	
1. Independent Directors							
• Fee for attending board / committee meetings	100,000	140,000	280,000	260,000	280,000	120,000	1,180,000
• Commission	400,000	400,000	480,000	400,000	480,000	480,000	2,640,000
• Others, please specify	0	0	0	0	0	0	0
Total (1)	500,000	540,000	760,000	660,000	760,000	600,000	3,820,000
2. Other Non-Executive Directors	Mr. Vineet Jain	Mr. Ravindra Dhariwal					
• Fee for attending board / committee meetings	0	0					0
• Commission	0	0					0
• Others, please specify	0	0					0
Total (2)	0	0					0
Total (B)=(1+2)							3,820,000
Total Managerial Remuneration (A)+(B)							31,792,269
Overall Ceiling as per the Act	12,026,993	[1% of Net Profits as calculated under section 198 of the Companies Act, 2013]					
Overall Ceiling as per the Act	132,296,928	[11% of Net Profits as calculated under section 198 of the Companies Act, 2013]					

BOARD OF DIRECTORS' REPORT



C) Remuneration to Key Managerial Personnel Other than MD / Manager / WTD

Amount in ₹

Sl. No	Particulars of Remuneration	Key Managerial Personnel		
		Company Secretary	CFO	Total
1	Gross salary			
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	4,473,856	17,590,945	22,064,801
	b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	456	0	456
	c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	0	0	0
2	Stock Option	0	0	0
3	Sweat Equity	0	0	0
4	Commission			0
	- as % of profit	0	0	0
	- others, specify...	0	0	0
5	Others, (Company's contribution to PF)	133,044	545,293	678,337
	Total	4,607,356	18,136,238	22,743,594

VII. Penalties / Punishment / Compounding of Offences:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give details)
A) Company					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
B) Directors					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
C) Other officers in default					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil

For and on behalf of the Board of Directors

sd/-

Vineet Jain

Chairman

(DIN: 00003962)

Mumbai, May 19, 2015

REPORT ON CORPORATE GOVERNANCE



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.

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, 2015 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 policies, codes in accordance with the applicable provisions of the Companies Act, 2013 and listing agreement:

- Policy on materiality of related party transactions and Policy on dealing with Related party transactions
- Policy for determining material subsidiaries
- Policy on Board diversity

- Nomination and Remuneration Policy
- Risk Management Policy
- Whistle-Blower Policy/ Vigil Mechanism
- Code of Conduct, Ethics and Business Principles
- Corporate Social Responsibility Policy
- Code of Conduct to regulate, monitor and report trading by employees and other connected persons
- Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information

These policies, 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.

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. As on date, the Board of Directors comprises six 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.

In line with the Nomination & Remuneration Policy, the Directors are identified based on their qualifications, positive attributes, area of expertise, etc. Appointment of the Directors of the Company is approved by the members at their general meetings.

REPORT ON CORPORATE GOVERNANCE



Details relating to the composition of the Board of Directors, number of directorships, memberships and chairmanships of the Directors of the Company in other public limited companies (as on the date of this report) are as follows:

Name of the Directors	Category	As on date of this report		
		No. of other Directorships @	Committee positions @ Member	Chairman
Mr. Vineet Jain : [DIN: 00003962]	Non- Executive Chairman	7	1	0
Mr. B. S. Nagesh : [DIN: 00027595]	Independent Non- Executive	4	4	0
Mr. N. Kumar : [DIN: 00007848]	Independent Non- Executive	7	2	3
Mr. Ravindra Kulkarni : [DIN: 00059367]	Independent Non- Executive	7	7	2
Mr. Richard Saldanha : [DIN: 00189029]	Independent Non- Executive	4	3	1
Mr. Prashant Panday : [DIN: 02747925]#	Managing Director & CEO #	1	1	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 of Audit Committee and Stakeholders' Relationship Committee, including that of the Company.

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

Details relating to the attendance at the Board Meetings and Board Committees Meetings held during the financial year under review and at the last Annual General Meeting (AGM) are as follows:

Name of the Directors	Last AGM	For the Financial Year 2014-2015 Attendance at				
		Board Meeting	Audit Committee Meeting	Nomination & Remuneration Committee Meeting	Stakeholders Relationship Committee Meeting	CSR Committee Meeting
Mr. Vineet Jain@	Yes	5 of 6	N. A.	N. A.	N. A.	1 of 2
Mr. B. S. Nagesh#	Yes	5 of 6	N. A.	N. A.	N. A.	2 of 2
Mr. N. Kumar	Yes	6 of 6	4 of 4	4 of 4	N. A.	N. A.
Mr. Ravindra Kulkarni\$	Yes	5 of 6	3 of 4	3 of 4	N. A.	2 of 2
Mr. Richard Saldanha ^	Yes	6 of 6	4 of 4	4 of 4	1 of 4	N. A.
Mr. A. P. Parigi*	Yes	5 of 6	N. A.	N. A.	3 of 4	N. A.
Mr. Ravindra Dhariwal*	Yes	4 of 6	3 of 4	3 of 4	3 of 4	1 of 2
Ms. Vibha Paul Rishi*	Yes	6 of 6	N. A.	N. A.	N. A.	N. A.
Mr. Prashant Panday ^	Yes	6 of 6	N. A.	N. A.	1 of 4	2 of 2

@ Mr. Vineet Jain was inducted on the Nomination & Remuneration Committee with effect from February 10, 2015.

Mr. B. S. Nagesh was inducted on the Audit Committee with effect from February 10, 2015.

\$ Mr. Ravindra Kulkarni was inducted on the Stakeholders Relationship Committee with effect from February 10, 2015.

^ Mr. Richard Saldanha and Mr. Prashant Panday were inducted on the Stakeholders Relationship Committee with effect from January 6, 2015.

* Mr. A. P. Parigi, Mr. Ravindra Dhariwal and Ms. Vibha Paul Rishi resigned from the Board of Directors of the Company effective January 15, 2015, February 9, 2015 and March 5, 2015 respectively.

None of the Directors are related with each other or key managerial personnel (*inter-se*) within the meaning of Clause 49 VIII (E) (2) of the Listing Agreement.

REPORT ON CORPORATE GOVERNANCE



Apart from receiving the 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 23, 2014; August 11, 2014; August 12, 2014; November 10, 2014; January 6, 2015 and February 10, 2015.

The Fifteenth Annual General Meeting was held on August 12, 2014.

iii) Declaration by the Managing Director & Chief Executive Officer under Clause 49(II)(E) 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 (IX) 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) Major terms of reference *inter alia* include:

- to recommend to the Board of Directors (Board) all appointments, including the filling of a casual vacancy of an auditor under Section 139 of the Companies Act, 2013
- to approve other services which auditors can provide to the Company and approval of payment thereto
- to recommend the appointment, remuneration and terms of appointment of auditors of the Company
- to review and monitor the auditor's independence and performance, and effectiveness of audit process
- examination of the financial statement and the auditors' report thereon
- 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
- monitoring the end use of funds raised through public offers and related matters
- may call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and may also discuss any related issues with the internal and statutory auditors and the management of the Company
- to recommend the name of an individual or a firm as auditor to the Board for consideration
- to recommend appointment of cost auditor and their remuneration
- 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
- reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval

REPORT ON CORPORATE GOVERNANCE



- reviewing, with the management, the quarterly financial statements before submission to the Board for approval
- to formulate the scope, functioning, periodicity and methodology for conducting the internal audit in consultation with the Internal Auditor
- 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
- 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
- reviewing the following:
 - Management discussion and analysis of financial condition and results of operations
 - Internal audit reports relating to internal control weaknesses
 - The appointment, removal and terms of remuneration of the Chief internal auditor

- 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 Kulkarni (Independent Non- Executive Director)
- Mr. Richard Saldanha (Independent Non- Executive Director)
- Mr. B. S. Nagesh (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 during the year:

During the financial year under review, the Audit Committee met four times, i.e. on May 23, 2014; August 12, 2014; November 10, 2014; and February 10, 2015.

4. Subsidiary Company

As on date of this Report, the Company has one 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.

REPORT ON CORPORATE GOVERNANCE

5. Nomination and Remuneration Committee

In pursuance of the Company's policy to consider human resources as its invaluable assets, to harmonize the aspirations of human resources consistent with the goals of the Company and in terms of the provisions of the Companies Act, 2013 and the listing agreement, as amended from time to time, the scope and the terms of reference of the Nomination and Remuneration Committee have been expanded. 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) Major 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 to 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 approve the payment of remuneration as prescribed under Schedule V of the Companies Act, 2013
- 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 formulate the criteria for evaluation of



Independent Directors and the Board

- to devise a policy on Board diversity
- to lay down the evaluation criteria for performance evaluation of independent directors
- to align key executive and board remuneration with the longer term interests of the Company and its shareholders
- to ensure a transparent board nomination process with the diversity of thought, experience, knowledge, perspective and gender in the Board
- 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 – Chairman (Independent Non-Executive Director)
- Mr. Ravindra Kulkarni (Independent Non-Executive Director)
- Mr. Richard Saldanha (Independent Non-Executive Director)
- Mr. Vineet Jain (Non-Executive Director)

iii) Meetings during the year:

During the financial year under review, the Committee met four times, i.e. on May 23, 2014; August 12, 2014; November 10, 2014; and February 10, 2015.

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 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. The Nomination & Remuneration Policy is appended as Annexure A to the Board of Directors' Report.

v) Details of remuneration:

a) Details of remuneration paid to Mr. Prashant Panday, Managing Director

REPORT ON CORPORATE GOVERNANCE



& CEO during the year 2014 – 2015 are given below:

Particulars	(in ₹)
Salary #	27,261,754
Benefits *	691,583
Perquisites	18,932
Total	27,972,269

Salary includes performance linked incentives of ₹ 6,659,986 paid during the financial year 2014-2015.

* 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.
- Mr. Panday does not receive any remuneration or commission from any of its subsidiaries.
- 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 same was approved by the Members of the Company at the AGM held on August 12, 2014.
- Terms of appointment of Mr. Panday was partially modified and his period of office shall be liable to determination by retirement of directors by rotation with effect from February 10, 2015.

b) Details of sitting fees and commission for the financial year 2014-2015:

Name of the Non-Executive Directors	Sitting Fees for FY 2014-2015 (in ₹)	Commission for FY 2014-2015 (in ₹)
Mr. Vineet Jain	Nil	Nil
Mr. B. S. Nagesh	140,000	400,000
Mr. N. Kumar	280,000	480,000
Mr. Ravindra Kulkarni *	260,000	400,000
Mr. Richard Saldanha	280,000	480,000
Mr. A. P. Parigi	100,000	400,000
Mr. Ravindra Dhariwal	Nil	Nil
Ms. Vibha Paul Rishi	120,000	480,000

* During the financial year under review, the Company has paid ₹ 31.61 lacs as consultancy fees to Khaitan & Co., a firm in which the Company's Director, Mr. Ravindra Kulkarni is a partner. However the association of Khaitan & Co. can't be said to be a material association as the fees paid by the Company was less than 1% of the total professional fees received by the Khaitan & Co. during the financial year under review. There were no other pecuniary relationships or transactions of Non-Executive Directors vis-à-vis the Company.

During the financial year under review, the Company has not granted any stock option to any of its Directors.

REPORT ON CORPORATE GOVERNANCE



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

Independent 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;
- Meeting of the Corporate Social Responsibility Committee; and
- Meeting of the Nomination and Remuneration Committee.

Commission amount has been provided for the financial year 2014-2015 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 read with the Company's Nomination & Remuneration Policy as annexed to the Board of Directors' Report.

d) Number of shares and convertible instruments of the Company held by Non- Executive Directors:

None of the Non- Executive Directors hold any equity share of the Company as on the date of this Report.

6. Stakeholders Relationship Committee

The Company has always valued its investors' and stakeholders' relationships. In order to ensure the proper and speedy redressal of stakeholders' grievances, the Stakeholders Relationship Committee is constituted. 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 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 the Independent Non- Executive Director and comprises of the following Directors as on the date of this Report:

- Mr. Richard Saldanha - Chairman (Independent Non- Executive Director)
- Mr. Ravindra Kulkarni - (Independent Non- Executive Director)
- Mr. Prashant Panday - Managing Director & CEO

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)

iii) Shareholders' complaints:

Number of shareholders' complaints/ queries, etc. received during the financial year 2014-2015	13
Number of complaints/ queries, etc. not resolved to the satisfaction of shareholders as on March 31, 2015	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 during the year:

During the financial year under review, the Committee met four times, i.e. on May 23, 2014; August 12, 2014; November 10, 2014; and February 10, 2015.

REPORT ON CORPORATE GOVERNANCE



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, 2015, 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, 2014;	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 2014-2015;	Nil
Clause 5A(g)(iii)	Number of shareholders to whom shares were transferred from suspense account during the year 2014-2015;	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;	Number of Shareholders – 41 and Number of Outstanding shares – 1746 equity shares.
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 as on the date of this Report:

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

Major 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

During the financial year under review, the Committee met two times, i.e. on November 10, 2014; and February 10, 2015.

CSR Policy development and implementation:

The CSR Policy is available on the Company's website at: www.enil.co.in at <http://www.enil.co.in/policies-code-of-conduct.php>

During the financial year 2014-15, the Company has partnered with various Charitable Trusts of repute and has contributed the amount to such Charitable Trusts to

REPORT ON CORPORATE GOVERNANCE



incur expenditure for CSR initiatives through structured programs and projects. These projects and programs are ongoing and have a lifecycle of more than a year. This being the first year, your Company has taken the

necessary steps and going forward will endeavor to actively engage with the partners/NGOs or through co-promoting a new entity to execute the said projects and programs.

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
FY 2013-2014 Fifteenth AGM held on August 12, 2014 at 3.00 p.m.	Birla Matushri Sabhagar, 19, New Marine Lines, Mumbai-400 020.	To approve 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.
FY 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.
FY 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.

ii) Special Resolutions passed through Postal Ballot:

Below stated resolutions were passed through postal ballot voting process on April 3, 2015:

Sr. No.	Type of Resolution	Brief particulars
1	Special Resolution	Regarding partial modification of the terms of appointment of Mr. Prashant Panday - <i>Managing Director & Chief Executive Officer</i> (DIN: 02747925)
2	Special Resolution	Regarding increase in the borrowing limits pursuant to Section 180 (1) (c) of the Companies Act, 2013
3	Special Resolution	Regarding creation of charge on the properties of the Company pursuant to Section 180 (1) (a) of the Companies Act, 2013
4	Special Resolution	Regarding issue of non- convertible debentures, bonds, debt securities, etc. on private placement basis
5	Special Resolution	Regarding increase in the limit of shareholding by foreign investors up to the sectoral cap

REPORT ON CORPORATE GOVERNANCE



Summary of voting statistics:

Special Resolution No:	Ballots Received	Total Shares	Favour		Against		Invalid	
			Ballots	Votes	Ballots	Votes	Ballots	Votes
1	171	39609502	148	39586672	6	389	17	22441
2	171	39609502	151	39608613	4	348	16	541
3	171	39609502	151	39608613	4	348	16	541
4	171	39609502	152	39608578	3	383	16	541
5	171	39609502	150	39608791	5	170	16	541

iii) Person who conducted the postal ballot exercise:

Mr. Hemanshu Kapadia, Practicing Company Secretary (Membership No: F3477), (Scrutinizer) conducted the Postal Ballot voting process (including e-voting) in a fair and transparent manner.

iv) Whether any special resolution is proposed to be conducted through postal ballot: No.

v) Procedure for postal ballot:

Pursuant to the Clause 35A of the listing agreement, Section 110 of the Companies Act, 2013 and all other applicable provisions of the Companies Act, 2013 and the Companies (Management and Administration) Rules, 2014 and all other applicable rules made under the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof from time to time), the Company had provided to its members the facility to cast their votes by way of postal ballot process (including e-voting) on all the resolutions as stated in the Postal Ballot Notice dated February 10, 2015 ('Postal Ballot Notice'). The Company had appointed Karvy Computershare Private Limited for facilitating e-voting.

Date of commencement of voting was March 3, 2015 and same was concluded on April 1, 2015. The results of the postal ballot were declared at 4.00 p.m. on April 3, 2015, at the Registered Office of the Company. Postal Ballot Notice, Postal Ballot Form and results of the Postal Ballot Voting were uploaded on the Company's website: www.enil.co.in at url: <http://enil.co.in/postal-ballot.php>.

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. The related party transactions are entered into based on business exigencies such as synergy in operations, profitability, market share enhancement etc. and are intended to further the Company's interests.

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 a 'Whistle Blower Policy' / 'Vigil Mechanism' in place, details of which have been furnished in the Board of Directors' Report. 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.

REPORT ON CORPORATE GOVERNANCE



v) Risk Management:

The Company has adopted Risk Management Policy pursuant to the provisions of Section 134 and all other applicable provisions of the Companies Act, 2013 and listing agreement. The Company has a strong Enterprise Risk Management framework which is administered by the Senior Management team. 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 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. The Company's internal control systems are commensurate with the nature and size of its business. These are tested and 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

II. General Shareholder Information

i) Annual General Meeting (AGM):

Day, Date : Monday, September 14, 2015
and time 3.00 p.m.

Venue : Ravindra Natya Mandir,
P. L. Deshpande Maharashtra
Kala Academy, Sayani Road,
Near Siddhivinayak Temple,
Prabhadevi, Mumbai-400025.

ii) Financial year:

April 1, 2014 to March 31, 2015.

iii) Date of Book closure: Tuesday, September 8, 2015 to Monday, September 14, 2015, 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.

iv) Dividend Payment Date: The Dividend, if declared at the AGM, would be paid/ dispatched on / after September 15, 2015 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

REPORT ON CORPORATE GOVERNANCE



of the Company's equity shares for the financial year ended on March 31, 2015, on the said exchanges, is as follows:

Stock Market data – BSE

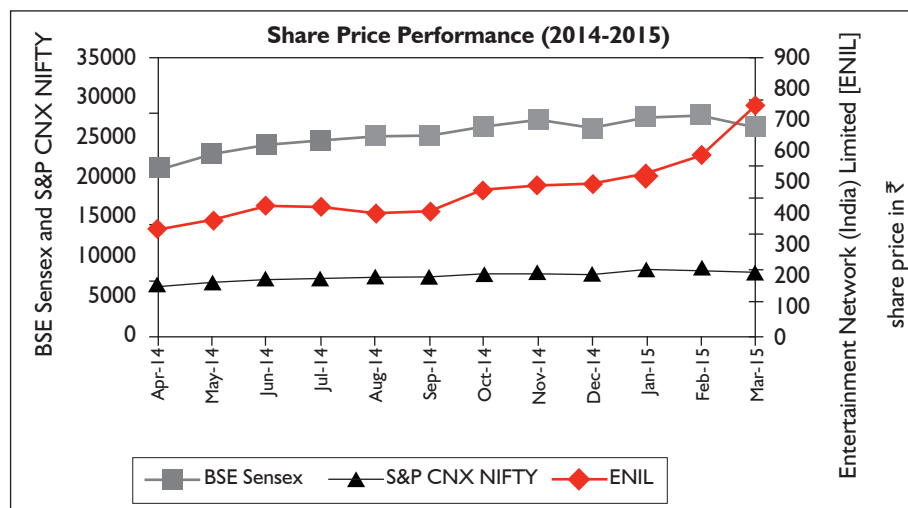
Month	Open Price (₹)	High Price (₹)	Low Price (₹)	Close Price (₹)	No. of Shares	Total Turnover (₹ in lacs)
April-14	375.00	400.05	363.00	366.00	42725	159.63
May-14	366.00	426.90	352.85	398.85	69909	273.60
June-14	409.00	464.95	391.25	447.05	62291	270.33
July-14	450.00	467.00	392.00	442.00	31972	140.63
August-14	440.00	455.00	407.00	420.55	31976	138.22
September-14	420.00	445.00	396.85	426.00	268210	1110.90
October-14	430.00	507.00	420.00	503.80	22945	104.38
November-14	500.10	544.00	485.00	515.35	34923	180.50
December-14	514.50	541.05	455.00	523.35	30586	151.99
January-15	535.00	634.95	492.35	558.30	240067	1402.70
February-15	556.00	642.00	541.25	620.10	246814	1496.73
March-15	621.50	792.00	595.50	784.20	134443	932.98

Stock Market data – NSE

Month	Open Price (₹)	High Price (₹)	Low Price (₹)	Close Price (₹)	No. of Shares	Total Turnover (₹ in lacs)
April-14	383.00	399.90	360.15	363.90	149100	566.59
May-14	360.05	428.00	354.25	399.95	543215	2146.37
June-14	409.00	464.80	393.00	446.15	475323	2056.41
July-14	451.40	468.95	392.30	439.45	179368	797.77
August-14	436.00	458.00	408.10	420.20	438550	1865.94
September-14	415.00	445.00	396.05	428.55	453796	1894.84
October-14	425.00	509.00	417.05	505.95	162356	741.15
November-14	501.00	542.00	482.60	514.40	128228	662.39
December-14	528.75	540.00	451.15	532.50	130563	652.11
January-15	535.00	634.40	486.00	555.75	825819	4844.48
February-15	551.00	642.00	541.20	625.30	1061830	6464.27
March-15	617.00	800.00	590.00	786.55	625384	4330.41

*(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, Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad-500032. Phone: 040-67162222; Fax: 040-23001153; Toll Free no.: 1800-345-4001.

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, 2015. 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, 2015:

Category	No. of Members	% of Members	Total Shares	% of shares
1 - 5000	12747	96.60	691765	1.45
5001 - 10000	201	1.52	157230	0.33
10001 - 20000	103	0.78	157968	0.33
20001 - 30000	39	0.30	100196	0.21
30001 - 40000	18	0.14	65132	0.14
40001 - 50000	15	0.11	71422	0.15
50001 - 100000	28	0.21	196656	0.41
100001 & above	45	0.34	46230046	96.98
Total:	13196	100.00	47670415	100.00

Shareholding pattern of the Company (as on March 31, 2015):

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 (Bodies Corporate)*	2	33918400	71.15
2)	Foreign	0	0	0
	Total Shareholding of Promoter and Promoter Group	2	33918400	71.15
B.	Public shareholding			
1)	Institutions	33	8732267	18.32
2)	Non-institutions	13161	5019748	10.53
	Total Public Shareholding	13194	13752015	28.85
C.	Shares held by Custodians and against which Depository Receipts have been issued	0	0	0.00
	GRAND TOTAL (A)+(B)+(C)	13196	47670415	100.00

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

As on March 31, 2015 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



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 Raj Bhavan, Bhopal – 462 003.
5	Chennai	No. 453, 6 th & 7 th Floor, Fathima Akhtar Court, Anna Salai, Teynampet, Chennai – 600 018.
6	Coimbatore	1547, 8 th Floor, Classic Towers, 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	1415, Wright Town, 2 nd Floor, Shukla Bhawan, Jabalpur – 482 002.
11	Jaipur	6 th Floor, Prestige Tower, Amrapali Road, Amrapali Circle, 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	6 th Floor, Kan Chambers, 14/113 Civil Lines, Kanpur – 208 001.
14	Kolhapur	517/2 E, Gamestone, 1 st Floor, R. D. Vichare Complex, Near Central S.T. Stand, Opp. R.L. Jewellers, Kolhapur – 416 001.
15	Kolkata	Shantiniketan Building, 8, Camac Street, 13 th Floor, 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 Palm Road, Civil Lines, Nagpur – 440 001.
21	Nashik	3 rd Floor, United Legend, Plot No. I, Serial 733/1/2, Opposite Parijat Nagar Bus Stop, Nashik – 422 005.
22	Panjim, Goa	1 st Floor, Above Times of India Office, Vivenda de Hassan Building, Dayanand Bhandodkar Marg, Miramar, Panjim, Goa – 403 001.
23	Patna	4 th Floor, Lakshmi Apartment, 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, Shankar Nagar, Near Bottle House, 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 Centre, Maujra Gate 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.
30	Varanasi	2 nd Floor, Unit 201-A & 204, RH Tower, The Mall Cantt, Varanasi – 221 002.
31	Vijayawada	4 th Floor, Matha Towers, Bishop House, Door No. 59 A I-7, Vijayawada – 520 008.
32	Visakhapatnam	3 rd Floor, Varun Towers, Kasturba Marg, Siripuram Junction, Visakhapatnam – 530 003.

REPORT ON CORPORATE GOVERNANCE



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, Karvy Selenium Tower B, Plot
31-32, Gachibowli, Financial District,
Nanakramguda, Hyderabad – 500032.
Phone: 040-67162222; Fax: 040-23001153;
Toll Free no.: 1800-345-4001.

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.

2. 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.

3. Audit qualifications

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

4. Separate posts of Chairman and CEO

The Board of Directors of the Company comprises of the Non- Executive Chairman and also Managing Director & CEO. Both the posts are separate.

5. Reporting of Internal Auditor

The Internal Auditor reports directly to the Audit Committee.

For and on behalf of the Board of Directors

sd/-

Vineet Jain

Chairman

(DIN: 00003962)

Mumbai, May 19, 2015

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(II)(E) 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, Ethics and Business Principles 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 Board Members 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, 2015.

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

sd/-

Prashant Panday

Managing Director & CEO

(DIN: 02747925)

Mumbai, May 19, 2015

REPORT ON CORPORATE GOVERNANCE



CEO/CFO CERTIFICATION

The Board of Directors

Entertainment Network (India) Limited

In terms of the Clause 49 of the Listing Agreement, we, to the best of our knowledge and belief, certify that:

- A. We have reviewed financial statements and the cash flow statement for the financial year 2014-2015 and that to the best of our knowledge and belief :
 1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 2. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the financial year 2014-2015 which are fraudulent, illegal or violative of the Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and

that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have not come across any reportable deficiencies in the design or operation of such internal controls.

- D. We have indicated to the auditors and the Audit committee:
 1. That there are no significant changes in internal control over financial reporting during the financial year 2014-2015;
 2. That there are no significant changes in accounting policies during the financial year 2014-2015; and
 3. That there are no instances of significant fraud of which we have become aware.

sd/-

Prashant Panday
Managing Director & CEO
(DIN: 02747925)
Mumbai, May 19, 2015

sd/-

N. Subramanian
Group CFO

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, 2015, 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 19, 2015

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

Global economy stays tentative as Chinese growth faces slowdown:

IMF's World Economic Outlook released in April 2015 mentions that the world economy is poised to grow very marginally from 3.4% in 2014 to 3.5% in 2015 and to 3.8% in 2016¹. In advanced economies, growth is expected to increase to about 2.4% in 2015 and 2016, an improvement of 0.6% compared with 2014².

As in the previous year, growth is again expected to be the strongest in the United States (at 3.1% in 2015 and 2016³). The outlook for the euro area is moderate growth (0.9% in 2014 increasing slightly to 1.5% in 2015 to 1.6% in 2016⁴) and subdued inflation. Oil prices and interest rates being lower, coupled with euro depreciation and a broadly neutral fiscal stance, will help boost activity, but crisis legacies, demographics and slowing total factor productivity will result in weak potential growth.

In emerging markets and developing economies, growth is projected to slow down from 4.6% in 2014 to 4.3% in 2015 but rise again to 4.7% in 2016⁵. The growth slowdown in these economies can be attributed to the gradual slowdown in China, the partly related weakening commodity prices and the geopolitical tensions (particularly in the Middle East and CIS countries)⁶.

- 1 IMF's World Economic Outlook, April 2015, Chapter 1, Page 1
- 2 IMF's World Economic Outlook, April 2015, Chapter 1, Table 1.1
- 3 IMF's World Economic Outlook, April 2015, Chapter 1, Table 1.1
- 4 IMF's World Economic Outlook, April 2015, Chapter 1, Page 14
- 5 IMF's World Economic Outlook, April 2015, Chapter 1, Table 1.1
- 6 IMF World Economic Outlook, April 2015, Chapter 1, Page 5



In China, growth is projected to slow down to 7.4% in 2014 with a further slow down to 6.8% in 2015 and 6.3% in 2016 as authorities put greater weight on reducing vulnerabilities from recent rapid credit and investment growth⁷.

Indian Economy – poised for growth:

In the face of a global economic slowdown, the Indian economy is set on the path of rapid growth. In his Union Budget Speech in February 2015, the Hon'ble Finance Minister, Mr. Arun Jaitley, said that the GDP of India is expected to grow at 8-8.5%. Quoting from his speech:

"...estimated GDP growth for 2014-15 is 7.4%. Growth in 2015-16 is expected to be between 8 to 8.5%. Aiming for a double-digit rate seems feasible very soon."⁸

Almost all projections claim that India's growth will outperform the global growth projections and most institutions have upgraded Indian economic growth forecasts even while downgrading global numbers.

The IMF forecasts that growth in India will strengthen from 7.2% last year to 7.5% this year and the next⁹, while the World Bank projects growth to be 7.5% in 2015, and then to increase to 7.9% in 2016¹⁰.

"Growth will benefit from recent policy reforms, a consequent pickup in investment, and lower oil prices. Lower oil prices will raise real disposable incomes, particularly among poorer households, and help drive down inflation", the latest edition of the World Economic Outlook released by the International Monetary Fund (IMF) said¹¹.

In a similar vein, the World Bank said in its latest edition of 'South Asia Economic Focus' in April: "India's economy is poised to accelerate on the back of an ambitious reform agenda, and faster growth is expected to further drive down poverty. Real GDP growth (at market prices) is expected to accelerate to 7.2 percent in 2014-15, accelerating to 7.6 percent in 2015-16 and 8.0 percent in 2017-18."¹²

One year of Modi government and the hope lives on:

The BJP, led by Mr. Narendra Modi, won an

- 7 IMF World Economic Outlook, April 2015, Chapter 1, Page 14
- 8 Budget 2015-2016, Speech of Mr. Arun Jaitley, Hon'ble Minister of Finance, Govt. Of India, February 28, 2015, Point No. 14 (<http://indiabudget.nic.in/bspeecha.asp>)
- 9 IMF World Economic Outlook, April 2015, Chapter 1, Pages 14 & 15
- 10 World Bank's South Asia Economic Focus Spring 2015, Page 53
- 11 IMF World Economic Outlook, April 2015, Chapter 2, Page 54
- 12 World Bank's South Asia Economic Focus Spring 2015, Page 53

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unexpectedly high majority in the last general elections in 2014. This new government was perceived to be pro-reforms and with its formation, there was an upswing in business sentiment and activity in India. This continued throughout the year. The Sensex crossed the 30,000 mark in March 2015 while the Nifty climbed beyond 9,100¹³. Accelerated growth in 2014-15 has been helped by a decline in inflation and a narrowing current account deficit. The growth, when evaluated on a longer-term horizon, has been largely inclusive and is correlated with a sharp decline in poverty during the last decade.

The government introduced some reforms in the 2015 fiscal year which included the Jan Dhan Yojana and Swachh Bharat Mission. In the upcoming fiscal, the government is expected to implement two more game changing reforms – GST and what is being called the JAM trinity (Jan Dhan, Aadhar and Mobile)¹⁴. The introduction of GST will help put in place a state-of-the-art indirect tax system while the implementation of JAM will help in direct transfer of benefits in a cashless manner.

According to Morgan Stanley, which has predicted that inflation will be at sub-5% levels this year, India is in for a long period of higher sustainable growth and lower prices. In fact various institutions, including the World Bank and IMF, have predicted that India's growth will outpace China's in the near term horizon.

Although investor sentiment is largely positive, there are certain concerns which investors are apprehensive about. One of these is the retrospective tax law which was passed in 2012 but not repealed in the 2015 Union budget by the current government. This could prove to be a deterrent to some new investors, and prevent inflows of foreign investment in sectors like infrastructure which the government is currently promoting.

There are also other worries that loom over the Indian economy. While the new GDP series pegs the growth rate at a heart-warming 7.6-8%, it is not visible on the ground. Consumer demand continues to be poor – both in urban and rural areas. The Real Estate sector, which symbolizes consumer demand in the urban areas, continues to be under stress. Consumer goods companies, which are relevant for media companies like yours, continue to report poor volume and revenue growths. Companies which depend on the rural sector – two-wheelers, FMCGs, agri businesses etc.

are particularly severely hit. In addition to consumer demand, investment demand also continues to be poor. Bank credit growth is at its decadal lowest, although the corporate sector's changed preferences towards ECBs and other forms of debt are also partly responsible for this. Banks continue to remain in distress – with NPAs on the rise – impacting their ability to play a crucial role in economic revival. Bank re-capitalization remains an important requirement, and yet the strained governmental finances continue to put a limit on this. Exports are languishing, partly because of a sluggish global economic scenario, and partly because of the strong performance of the rupee against the dollar. The rupee's strength comes unfortunately from capital inflows, mostly into the stock markets, and partly also into the corporate sector, and not from higher exports. The IIP numbers continue to disappoint. In totality, the euphoria of last year has lowered somewhat, even though hopes still remain afloat.

The "Make in India" programme promotes India as a manufacturing hub. This is going to provide much-needed impetus to the manufacturing sector which will further lead to job creation and help increase employment. Recent announcements by global companies such as FoxConn have lent credibility to the program, though a lot still needs to be done.

Global advertising growth to remain tepid:

Global advertising spend forecasts for 2015 have undergone downward revisions due to indications of minor declines in advertiser confidence surrounding the conflict in Ukraine and weak economic growth in much of the Eurozone. The US will continue to be the largest contributor of new ad dollars, followed by China, Argentina and the UK.

According to Zenith Optimedia's Advertising Expenditure Forecasts – December 2014, global ad expenditure will grow 4.9% in 2015 compared to 5.1% in 2014. The forecast is for 5.6% for 2016, followed by 5.2% in 2017. (The agency puts the ad spends in 2015 at US\$ 545 billion)¹⁵. Further the agency forecasts that in "Fast-track Asia" – a bloc of which India is a part, advertising expenditure is expected to grow between 10% and 11% a year for 2015 to 2017¹⁶.

Indian Advertising Industry rebounded in 2014; growth to continue in coming years:

2014 was a good year for the Indian advertising industry due to heavy spending during the national and state

13 economictimes.indiatimes.com, 4 March, 2015, "Analysts cautious as markets hit all-time high post rate cut"

14 Budget 2015-2016, Speech of Mr. Arun Jaitley, Hon'ble Minister of Finance, Govt. Of India, February 28, 2015, Point No. 11 (<http://indiabudget.nic.in/bspeecha.asp>)

15 Zenith Optimedia's Advertising Expenditure Forecasts – December 2014, Executive Summary, Page 1

16 Zenith Optimedia's Advertising Expenditure Forecasts – December 2014 Page 4,

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elections and a considerable increase in ad spends by e-commerce companies. Popular private equity funded e-commerce companies like Flipkart, Jabong, Quikr, Olx and Snapdeal spent ₹ 7.5 to ₹ 10 billion on advertising across mediums ¹⁷.

According to FICCI-KPMG's Indian Media and

Entertainment Industry Report 2015, released in March 2015, the advertising industry (estimated at ₹ 414 billion in 2014) grew by 14.2% in 2014 over 2013. A higher growth of 14.5% in 2015 and 14.8% in 2016 is projected. The 5-year (2014-2019) growth forecast is a strong 14.5% CAGR¹⁸. Segment-wise growth trends are as tabulated below:

In ₹ Billion	Indian Advertising Industry Revenue							CAGR (2014-19P)
	2013	2014	2015(P)	2016(P)	2017(P)	2018(P)	2019(P)	
TV	135.9	154.9	174.6	198.4	226.2	260.1	299.1	14.1%
Print	162.6	176.4	192.6	211.8	232.9	255.2	280.0	9.7%
Radio	14.6	17.2	19.6	22.3	27.0	32.7	39.5	18.1%
OOH	19.3	22.0	24.4	27.1	29.6	32.2	35.1	9.8%
Digital Advertising	30.1	43.5	62.5	84.0	115.3	138.2	162.5	30.2%
Total	362.5	414.0	474	544	631	718	816	14.5%

Source: FICCI KPMG 2015 report

Radio to grow fast:

Like every year, the FICCI-KPMG report projects radio to be the fastest growing traditional medium (compared to TV, print and OOH), trailing only the new medium, Digital. This strong growth in the past has been fueled by the opportunities afforded to radio by the economic slowdown. As is well known around the world, radio thrives under poor economic conditions. Marketers are forced to cut down on "brand spending" and divert more resources to "promotion spending", and this works directly to radio's advantage. Radio is the medium for people on the move. It is the last medium consumed before a consumer enters a shop. It is for this reason that radio is so popular for promotions.

There is another significant reason to expect a strong growth performance from radio in the next few years. The Phase-3 expansion of radio is finally on. 4.5 years after the policy was first announced in July 2011, and 9.5 years after the last auctions happened in Jan 2006. In a fast evolving media landscape, radio was the only medium that had not expanded since 2006. The importance of the Phase-3 auctions is thus obvious. As per the government's plan, Phase-3 auctions will take place in two batches – Batch 1 expected to start anytime now will cover 135 frequencies in 69 towns. These are the "left over" frequencies from the 2006 auctions. Batch 2 is expected in the next 12 months and will offer as many as 700 new frequencies in around 250 towns. If both batches are successful, then radio's fast growth is a given.

Phase-3 expansion aside, there is another reason for radio's fast growth. Radio has become a very popular medium today with advertisers. National advertisers cannot live without radio in their plans. Almost all advertisers, from all sectors of business, use radio and their usage is only increasing. After more than a decade of efforts, the radio industry has proved its worth. Given its remarkable tenacity in the face of competition from new media, radio is expected to continue to remain strong in the years to come.

B. Radio Industry – Future Outlook, Opportunities and Threats

1) Phase 3 policy of FM radio expansion:

For many years now, your Company has been mentioning the importance of the Phase-3 expansion. In the media industry, it is noticed that more "supply" – addition of new channels or newspapers or outdoor sites – leads to more consumption and growth. Maybe this is because the country is still under-served by media. This is especially true in radio, where even large cities like Mumbai and Delhi have only 7-8 private radio stations to cater to the entertainment needs of 20 million plus people. More frequencies will lead to more programming choices, and more consumption, giving a boost to advertising. When completed, Phase-3 could potentially add 800+ channels in 300+ towns. That's a remarkable

¹⁷ Livemint, 17 December 2014, E-commerce, politics drive ads sales in 2014

¹⁸ FICCI-KPMG Indian Media and Entertainment Industry Report 2015, Page 3

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expansion, considering that the current industry only has 245 channels in some 80 cities.

With this massive scaling up, radio will finally be able to compete with local newspapers for a share of retail advertising. The expansion will also provide existing large players like your Company an opportunity to expand and consolidate.

Some of the highlights of the Phase 3 policy are:

- a) Multiple Frequencies allowed
 - b) License Period increased to 15 years
 - c) Tradability of Licenses after 3 years
 - d) Networking across all cities allowed
 - e) News and Current Affairs partly allowed
- a) Multiple frequencies: Having one more frequency in a city allows a broadcaster the opportunity to offer a second channel of its liking. Depending on what it chooses to do, this could target either a different audience or saturate the current audience with another and different programming format. Like seen in TV and newspapers, having multiple frequencies is an exciting opportunity. Being allowed to own multiple frequencies will allow M&A to happen in the industry.
 - b) License Period: With the kind of auction format the government has chosen – Simultaneous Multiple Round Auctions (SMRA) – high license fees can be expected. To recoup such high expenses, a longer license period becomes necessary. One may argue that if license period were kept at 10 years, as in Phase-2, license fees would come down proportionately. But in reality, bidders often go beyond reasonableness and overbid. Consequently, only a longer license period can potentially help bidders to generate returns. Also, given the volatile nature of the world economy, one has to be prepared to face periods of slowdowns, as seen post 2009 in India. If a few years of slow growth result, then it becomes impossible to recover the investments in 10 years. The longer the license period, the better. 20 would have been better but 15 is better than 10.
 - c) Tradability of licenses after 3 years: Phase-2 policy had put a restriction of 5 years before the promoter of a broadcaster was allowed to sell its equity below 51%. Phase-3 policy has reduced this to 3 years, thus potentially allowing M&A activity earlier. It must be remembered that in very few industries are such restrictions imposed.



- d) Networking across cities: This allows smaller stations to cut capital and operating costs, making them viable. Without networking, most of the smaller stations would be unviable.
- e) News & Current Affairs: Private radio is the only segment of media not allowed to transmit news. Phase-2 had put a complete ban on this. Phase-3 opens the window partly by allowing private broadcasters to acquire news content from All India Radio (AIR) and retransmit that. This is of course blatantly unfair. Private broadcasters would end up amplifying the news and views of AIR. A PIL filed by NGO Common Cause is in the Hon'ble Supreme Court questioning this policy. It is possible that we will get relief in the apex court.

Weaknesses of the Phase 3 policy:

There are three big weaknesses of the Phase 3 policy:

- a) Auction format: Your Company has always complained against the SMRA type of auction. It is more appropriate for “resources” like minerals and spectrum. It is inappropriate for media because it kills programming variety. SMRA maximizes revenues for government, sells every frequency at the same (high) price. This precludes broadcasters from offering smaller programming formats. That is why it is unimaginable that Mumbai will ever offer a Tamil channel (even though there are so many Tamil aficionados in the city) while tiny Singapore does boast of one. The media business must be encouraged to promote plurality of content. The SMRA is not the best format for doing that. That said, your Company is fully prepared for the auctions.
- b) Reserve Price (RP): In trying to maximize its revenues, the government has set reserve prices very high. This, we believe, will have serious repercussions on the radio industry. First, high reserve prices tend to depress competition, as fewer bidders enter the auction. Second, the SMRA format only allows for prices to rise, never drop. So if the Reserve Prices are too high, then many frequencies remain unsold. This causes a loss to the exchequer, and more importantly, to the public who have to live with fewer channels. Third, when high Reserve Prices are combined with very little supply of frequencies, then prices rise very high. This makes the winning bidders cut back on operating costs including programming,

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content and marketing. Further, to recover their investments, broadcasters are forced to run much longer advertising breaks, sometimes exceeding even 30 minutes in an hour. Further, as per government policy, the prices resulting from very limited offering of frequencies become the RPs for subsequent auctions, perpetuating the problem.

The solution is to keep Reserve Prices low. This will encourage more bidding and a correct determination of prices. Alternatively, the government could consider an “up-down” auction model, in which prices come down from the Reserve Price if the demand is inadequate.

Whatever happens to Reserve Prices, your Company will take its business decisions keeping the best interests of shareholders in mind.

- c) **Shortage of spectrum:** The government has put up only one frequency for auctions in Delhi, Bangalore, Ahmedabad, Chennai and Jaipur amongst the metros. And only two in Mumbai and Pune. The government could have put more frequencies in the auction if it had accepted TRAI's clear recommendation on the subject. This would have given the government, more revenues, broadcasters, licenses at reasonable costs and the public, much more programming variety. However, in its own wisdom, the government has chosen to offer very few frequencies. This has the risk of raising auction prices to unreasonable levels. Your Company however is clear. It will stay within rational limits. It believes that to be successful in radio, keeping a tight control on costs is crucial.

2) **Renewal of Phase 2 licenses:**

The government has accepted TRAI's recommendation for fixing migration (renewal) fees for current broadcasters. The recommendation is fair and will help the industry. The migration fee will be determined via the auction process. Since the auctions haven't yet happened, the government has given us a six month extension from April 1st, 2015, when seven of our licenses (Indore, Ahmedabad, Mumbai, Pune, Delhi, Kolkata and Chennai) were expiring. This has ensured that there is no discontinuance in our business. The auctions are expected to get over soon, and fresh 15-year licenses will be issued to us for all our current 32 stations after the auctions.



3) **FM radio in the age of digital streaming:**

Today, for a media company like yours, the question is not whether it should foray into the digital media or not. The question is just how far it should go. As per the latest estimates of internet penetration in the country, there are about 300 million internet users. Most of these users access the internet on their smart phones, which implies that the net is always available to them no matter where they are. The most common applications used by internet users are Search, Social media and video viewing. Globally, music streaming services have become popular and the younger generation is increasingly adopting these services. As per reports, services such as Pandora are used by as many as 75 million Americans at least once a month. While FM radio has withstood the arrival of music streaming services remarkably well, it is clear that FM broadcasters will have to make themselves available online.

This should not be seen as a threat; rather as an opportunity. FM radio signals are restricted in their coverage to about 75 kms around the transmission towers. There is no such restriction on music streaming. Further, there is a limit on how many FM services a broadcaster can offer considering the limited availability of spectrum and its high cost. Internet based services on the other hand allow a broadcaster to launch many niche services catering to different sets of audiences. There are many other differences between internet based and FM services such as global v/s local programming, one-way v/s two-way communication etc. All in all, the two are complementary to each other, rather than substitutes of each other.

Your Company believes in this. It believes that music discovery is best done on-air, because music experts “curate” music and make only the best available to listeners. Once music is discovered, it can be consumed anytime anywhere online. Your Company is thus investing in increasing its presence online. In addition to FM radio, your Company will build a strong presence online.

Radio Mirchi has a strong online presence:

- We have one of India's most popular radio websites. We offer a variety of content like:
 - a) Gateway to 10 specially created streaming stations with a plan to further

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increase in the next year

- b) The Radio Mirchi website showcases the best of non-music audio content like the Mirchi Murga, Bioscope (movie reviews), videos of film-stars visiting our studios, contests etc. The website has become the biggest destination for the best of Bollywood music countdown on the internet on the back of *Mirchi top 20* revamp and execution.
- Our ten streaming stations, which we operate in partnership with Gaana, offer a wide choice of music formats covering popular Bollywood music, devotional and even English music. The stations include 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), Pehla Nasha (Best of '90s Hindi music), 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 and making this into a sustainable business, which we are hopeful of doing in the future as the online radio market matures
- We have a strong presence on social networking sites. We have 2.27 million "likes" on Facebook on our national page, and our national twitter handle has over 37,000 followers. This helps us "connect" with online users, get "feedback" on the brand and also "talk" to them about our new plans
- We are also starting to create original video content for digital consumption and we are currently getting around 2 million monthly views already on our various YouTube channels. We are starting to monetize this content too while building our long term IP properties online. We have invested in a specialized video facility that is helping us create and experiment with more content. It is giving our creative resources another platform to express their talent.
- We recently launched a Mirchi Murga app

too that has already crossed 50K downloads across the Android and Apple stores. It is a highly rated app on both the stores, and the download numbers are climbing.

We are also getting into the business of helping brands reach audiences through mobile voice calls. We have a large experience in this area because of operating our own VAS product (Mirchi Mobile 59830) and our experience of operating the HUL's award winning "Kaan Khajura Tesion" in its initial phase and making it a success.

4) Litigation emanating from the Copyright Amendment Act 2012 and Rules thereto ("The Act"/ "Rules"):

The Act/ rules prescribe provisions for Statutory License (SL) for Radio which has a significant impact on the operations of a radio company as it ensures unfettered access to music at rates fixed by the Copyright Board (CRB).

The Constitutional validity of the provisions of statutory licensing as described above have been challenged by way of writs filed in 3 different High Courts, notably by Super Cassettes Industries ("T Series") and Venus Worldwide Entertainment before the Delhi High Court, by Eskay Video before the Calcutta High Court and by the South Indian Music Companies Association (SIMCA) before the Hon'ble Madras High Court.

The Copyright Board, a statutory authority which deals with important provisions of the Act including fixation of royalty, has not been constituted since April 2011. The government is committed to setting up the CRB at the earliest, but a definitive date is not known yet.

ENIL has taken all such steps that are necessary to protect itself from anything that directly and substantially affect's ENIL's rights.

C. FY15 – Living in hope

1) FY 15 operating performance:

There was a slight improvement in the fortunes of the media industry in FY15. Print companies reported a marginal improvement in growth rates aided by political advertising around the 4th quarter (elections were held in April-May 2014). TV companies have also reported better results, with GECs faring well on the back of price increases and

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news channels on the back of political advertising. The OOH business has also reported better results. In line with this, radio companies have also reported slightly better results in FY15.

Your Company's revenue from operations grew by a satisfactory 14.0% to ₹ 438.5 crores, compared to a growth of 13.6% reported last year. EBITDA from operations grew by 16.6% to ₹ 145.3 crores, a lower growth rate compared to 19.8% reported last year, largely because of higher spends in marketing. However, PAT grew faster at 27.0% to ₹ 106.0 crores, compared to 23.3% last year, largely because of higher treasury income. With this, your Company entered the elite list of companies with more than ₹ 100 crores PAT. As per available information, this puts your Company in the top 10 of listed Media & Entertainment companies and in top 5 of electronic media companies.

Your Company generated cash of ₹ 116.7 crores in FY15 and has free cash over ₹ 550 crores on its books as of March 31st, 2015. With Phase-3 auctions around the corner, and with migration fees (renewal fees) for the current 32 stations required to be paid shortly after the auctions, this cash will likely be used up.

Like the rest of the economy, the radio sector is also hopeful of faster growth in the coming years. The Company had announced a dividend of 10% (a dividend of Re. 1.00 per equity share) last year. In light of the good results this year, but keeping the need to conserve cash in mind, the Company is continuing with the same dividend this year as well.

2) Listenership performance:

The Indian Readership Survey (IRS), conducted by Media Research Users Council (MRUC), is the only pan-India radio listenership survey available in the country. Though the IRS had a new methodology (which led to a controversy) in its latest round, Radio Mirchi continued to be the No. 1 radio station in the survey results declared in August 2014. What is laudatory is the fact that Mirchi is No. 1 despite having 32 stations in its network compared to 45-47 stations that competition has.

And in Top 8 markets, Mirchi's overall listenership is 45% higher than that of nearest competitor



& Radio Mirchi continues to be the No. 1 radio station across all age groups.¹⁹

As our advertising campaign line said:

"Mausam badle, Zamana badle ya, IRS badle, Radio Mirchi No.1 Tha, Hai, Aur Rahega"!

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, Marathi and for the first time this year, in Punjabi as well.

The 7th 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 is its jury, and the judging process. On both counts, we were blessed to have the support of the best. This time the jury was led by noted singer, Kavita Krishnamurthy (Chairperson). Mr. Javed Akhtar, Chairman since the awards began, stepped down for the year, as he had been declared the recipient of the Life Time Achievement award for the year. The other eminent members of the jury this year were Javed Akhtar, Prasoon Joshi, Sameer, Irshad Kamil, Ramesh Sippy, Subhash Ghai, Sudhir Mishra, Madhur Bhandarkar, Anu Malik, Shankar Mahadevan, Lalit Pandit, Louiz Banks, Suresh Wadkar, Shailendra Singh, Talat Aziz, Alka Yagnik, Sadhana Sargam, Saapna Mukerji, Ila Arun, Pritam, Hariharan, Milind Srivastava, Pankaj Udhas, Anuradha Paudwal, Himesh Reshammiya, Suleiman Merchant, Udit Narayan, Raju Singh, Bappi Lahiri, Roop Kumar Rathod and Aadesh Srivastava.

The jury process also comprises the important work undertaken by the Screening jury which went through nearly 1000 songs released during the year. The Screening jury was made up of Akbar Sami, Abhijeet Sawant, Abhishek Ray, Anand Sharma, Anushka Manchanda, Bishwadeep Chatterjee, Dominique Cerejo, Hamsika Iyer, Jeetu Shankar, Jigar Saraiya, Kausar Munir, Kavita Seth, Mayur Puri, Niranjana Iyenger, Sachin Sanghvi, Shamir Tandon, Shibani Kashyap, Teesha Nigam, Arindham Mukhopadhyay, Vidya Shah and Shoojit Kumar Ojha.

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

¹⁹ Listenership Nos. from IRS 2013 – Mirchi's Listenership is 66.49 lakhs Vs Red's 45.83 lakhs in the top 8 markets

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judging is world class.

In addition to the legend Padma Bhushan Mr. Javed Akhtar who got the Lifetime Achievement Award, Ms. Madhuri Dixit was honored with the Royal Stag Diva of Dancing Hits Award while the Royal Stag Make it Large Award was given to the heartthrob of millions, Alia Bhatt.

TV viewers gave the televised show their vote of approval with ~ 245 lac viewers tuning into the awards on popular TV channel Zee TV. Like we say every year, the MMAs are “Music ko Mirchi ka salaam” (Mirchi’s salute to music).

The 3rd edition of the Mirchi Music Awards (Marathi) was held at Pune this year. It was attended by almost all the seniors of the Marathi film and music fraternity. The jury was chaired by Mr. Suresh Wadkar and the Head of the jury was Mr. Ashok Patki.

The Mirchi Music Awards (South) completed their 5th edition in August 2014. 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. S. Narayanan (Kannada), Mr. Suresh Babu (Telugu) and Mr. Shyamaprasad (Malayalam) were the jury Chairmen for these awards.

The Mirchi Music Awards (Bangla) completed their 4th edition in February this year. Like everywhere else, the show was an outstanding success.

This year marked the launch of the first ever Mirchi Music Awards (Punjabi) in December 2014. True to the Punjabi spirit, MMA Punjabi got off to a boisterous firsts. The first ever digital innovation was marked by the launch of *MMA Punjabi Official Music Video* which witnessed some 31,000 views within the first 48 hours of launch on social media. Event updates got a huge response too on social media - approximately 11.40 Lac likes and shares. The first Mirchi Music Awards Punjabi saw participation from the best within the industry with the likes of Puran Shah Koti, Gurdaas Mann, Diljith Dosanjh, Gippy Grewal, Jazzy B, Dr. Zeus, Surveen Chawla, Nooran Sisters to name a few. Mr. Gurdaas Mann was given the “Living Legend” Award while the Lifetime Achievement award was given to Mr. Puran Shah Koti for outstanding contribution to the Punjabi Music industry.

4) Awards & Recognition:

- a) Radio Mirchi UAE voted as the Best Radio Station yet again:

For the third year in a row, Radio Mirchi UAE was voted the best Radio Station in the Popular Choice category in the 7th Annual Masala Awards making it a hat-trick for the station. The award is a testament to the strength of the Mirchi brand and the loyal audience that it attracts!

- b) Mirchi wins at the IRF awards:

When it comes to innovative content, creative campaigns and engaging radio jockeys, Radio Mirchi 98.3 FM is leading the way. And this was echoed at the recently concluded Excellence in Radio Awards 2015. Bagging seven awards in various prominent categories, Radio Mirchi has once again proved that it is India’s most loved and admired radio station.

- Radio Mirchi’s Delhi station bagged three awards - Best Radio Programme (Non-Breakfast - Hindi) for RJ Naved’s show, Best Radio Sparkler (Hindi) for Mirchi Murga, Best Radio Promo - In-House (Hindi) for Mirchi Love-ratre!
- RJ Deep from Kolkata station was named the RJ of the Year (Bengali), while RJ Dhvanit from Ahmedabad station won RJ of the Year (Gujarati)!
- ‘The Final Problem’ was judged the Best Radio Programme (Bengali)! ‘FIFA Music Promo’ was announced the winner in Best Radio Promo - In-House (Kannada) category!

- c) Golden Mikes Award:

Radio Mirchi won 3 Golden Mikes awards this year – 1 award for Creativity (Best Single Commercial), 1 award for Innovation (Most Unique Programming Concepts/Ideas) and 1 award for Excellence (RJ of the Year).

- d) CMO Asia Award:

At CMO Asia Awards held in July 2014 in Singapore, Radio Mirchi won two awards. The digital campaign for the 6th Mirchi Music Awards won the ‘Best social media integrated campaign’ award. Radio Mirchi also won the Brand Revitalization Award for Mirchi Top 20.

- e) Digital Marketing Conclave and Awards 2014

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www.MirchiMusicAwards.com won 'The Best Entertainment Website' at the Digital Marketing Conclave and Awards 2014 held in Chennai on July 21st 2014.

f) CSR Awards:

- Mirchi Cares, the CSR initiative which provides support to the visually impaired has won numerous awards.
- The all accessible menu card at Bombay Blues is the first of its kind in India and maybe the world was much appreciated since it has the menu details in Braille as well in Audio. This won the ABP News Global CSR Excellence & Leadership Awards 2014-15, Innovations in Corporate Responsibility Practices.
- Lokmat CSR Leadership and Sustainability Excellence Awards for 'Innovation in Corporate Responsibility Practices 2014-15: Used the power of Mirchi's on air following to gather volunteers to lend voice overs to produce audio books for the blind. We also helped produce the first Braille Menu at Chungwa restaurant in Delhi.
- Corporate Excellence Awards 2014-15: Social Change Award Category: For helping the visually impaired community step out for a decent meal independently by using the Braille Menu.
- Indian Excellence In Radio Awards 2014-Best Community Service awards 2014: for producing audio books for visually impaired people. Produced more than 500 audio books, stories and utility material (taxi fares, auto fares, bus routes, restaurant menus, party manifestos) for visually impaired people and the blind.

5) **CSR initiatives: As part of CSR initiatives, your Company contributed to the AR Rehman Foundation, NalandaWay and National Association for the Blind during FY 14-15, detailed as below:**

a) **AR Rahman Foundation (ARRF):**

About the Foundation:

Located in Chennai & established in 2006, the AR Rahman Foundation, trains underprivileged kids in both Hindustani and Western Music.

Objective:

The school's vision flows from AR Rahman's idea that artists who play individual instruments are getting older while the younger generation going towards digital synthesizers. So, he wants to train a younger generation of artists to revive the art of playing various traditional instruments.

Contribution:

ARRF identifies underprivileged students with potential for music for whom there is need for a teacher with specialized knowledge of western / symphony music for skill development so that the students become eligible for the next level.

ARRF also needs a functioning music hall for training the students and also to use the hall as a practice room.

During the financial year under review, your Company has contributed ₹ 30 lacs for Mirchi Chair Professor of Music and a Mirchi Sunshine Music hall.

b) **NalandaWay:** (<http://www.nalandaway.org/>)
About the Institution

Located in Chennai and set up in the aftermath of 2002 riots in Gujarat, NalandaWay is, to quote from their website, "a non-profit that works with children from the poorest districts in India, helping them raise their voices and issues through theatre, visual arts, music, dance, radio and films."

Objective:

NalandaWay uses a project based approach to develop a sense of self-importance and individuality, encourage self-expression and stimulate imagination among disadvantaged children through its art programmes.

The methodology used to develop the abovementioned skills is through "Art Labs". 7 Art labs are run in Chennai.

Contribution:

The annual operating expenses (i.e. for the trainers / teachers and musical instruments) for these labs are approx. ₹ 18 lacs per year. ENIL has contributed ₹ 18 lacs to NalandaWay for the financial year under review.

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c) **National Association for the Blind (NAB)- PREPARATORY UNIT:**

(<http://www.nabdelhi.in/>)

We have been supporting NAB for many years now under the “Mirchi Cares” initiative. We increased the level of support this year. This fits in with the “spoken word” aspect of the brand

About NAB, PREPARATORY UNIT:

Located in Delhi, Preparatory School is the basic foundation unit of education of NAB, where the blind children of age group of 4 to 7 years are prepared for integration into the main stream schools. Apart from this, the children learn music, games and craft. Parents of young visually impaired children are also trained in handling their children in these areas.

Contribution:

Your Company has contributed ₹ 23.43 lacs towards supporting the studies of 55 students for the year.

D. **Risks, Concerns and Challenges Facing the Company**

1) **Macroeconomic risk:**

Since the advertising industry depends on advertisers, its fortunes depend on the fortunes of the advertisers. In periods of slowdown like at present, the advertising industry faces headwinds.

2) **Operational and Financial Risks:**

The Risk Management Framework of the Company is the basis on which your Company manages its risks. The Board monitors the risks on a regular basis. Risks are reviewed and updated with time. Process owners assume the risks and brief management and the Board about the same. Details relevant to the Risk Management Policy have been furnished in the Board of Directors' Report.

3) **Retaining Talent:**

While all industries depend on talented teams, this is especially true in the Media & Entertainment industry. More than a quarter of our costs are

people costs. In fact, they are the biggest cost item in the Company's P&L. The secret sauce of your Company's success is that it has been able to attract the best talent available and keep them happily engaged. Being part of The Times of India group helps in the process. Our HR policies are amongst the best in the media industry, if not in the overall corporate sector.

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 mentioned earlier, ENIL's revenue from operations grew 14% to ₹ 438.5, EBITDA from operations grew 16.6% to ₹ 145.3 crores and PAT grew 27.0% to ₹ 106.0 crores. The free cash on the books of the Company is ₹ 556.6 crores.

Subsidiary Company:

Alternate Brand Solutions (India) Limited (ABSL) is the Company's wholly owned subsidiary. ABSL recorded a total income of ₹ 1,040,047 during FY15 compared to ₹ 2,286,393 in FY14. Profit after Tax stood at ₹ 39,459 compared to ₹ 1,703,252 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 Audit Committee and 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

Management Discussion & Analysis



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, 2015, the employee strength (on permanent roll) of the Company was 742.

For and on behalf of the Board of Directors

sd/-

Vineet Jain

Chairman

(DIN: 00003962)

Mumbai, May 19 2015

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 AUDITOR'S REPORT



To the Members of Entertainment Network (India) Limited

Report on the Financial Statements

We have audited the accompanying standalone financial statements of Entertainment Network (India) Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at March 31, 2015, its profit, and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

- As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.



INDEPENDENT AUDITOR'S REPORT



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

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- (c) The Balance Sheet, 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 aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- (e) On the basis of written representations received from the directors as on March 31, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of section 164 (2) of the Act; and
- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 34 to the financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W

Place of Signature: Mumbai

Date: May 19, 2015

per Govind Ahuja

Partner

Membership Number: 48966

Annexure to the Independent Auditors' Report



Referred to in Paragraph I under the heading “Report on other legal and regulatory requirements” of our report of even date

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) Fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.
- (ii) The Company's business does not involve inventories and, accordingly, the requirements under paragraph 3(ii) of the Order are not applicable to the Company.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) of the Order are not applicable to the Company and hence not commented upon.
- (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 rendering of services. During the course of our audit, we have not observed any major weakness or continuing failure to correct any major weakness in the internal control system of the Company in respect of these areas. The activities of the Company do not involve purchase of inventory and the sale of goods.
- (v) The Company has not accepted any deposits from the public.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under sub-section (1) of section 148 of the Act, related to the radio broadcasting services of the Company, 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 same.
- (vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, customs duty, value added tax, cess and other material statutory dues applicable to it. The provisions relating to excise duty is not applicable to the Company.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, custom duty, value added tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable. The provisions relating to excise duty is not applicable to the Company.
- (c) According to the information and explanation given to us, there are no dues of sales-tax, wealth tax, service tax, customs duty, value added tax and cess which have not been deposited on account of any dispute. The provisions relating to excise duty is not applicable to the Company. According to the records of the Company, details of income tax dues, which have not been deposited on account of a dispute, are as under:

Name of the statute	Nature of dues	Amount (Rs.)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	232,004,560	Assessment Year 2012-13	Commissioner of Income Tax (Appeals)

- (d) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder.
- (viii) The Company has no accumulated losses at the end of the financial year and it has not incurred cash losses in the current and immediately preceding financial year.
- (ix) The Company has not issued any debentures or availed any loan from financial institutions or banks. Therefore, the provisions of clause 3(ix) of the Order are not applicable to the Company.



Annexure to the Independent Auditors' Report



- (x) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.
- (xi) The Company did not have any term loans outstanding during the year.
- (xii) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the year.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W

Place of Signature: Mumbai
Date: May 19, 2015

per Govind Ahuja
Partner
Membership Number: 48966

BALANCE SHEET

as at
March 31, 2015



	Notes	Figures as at March 31, 2015 ₹	Figures as at March 31, 2014 ₹
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	2	476,704,150	476,704,150
Reserves and surplus	3	6,269,070,853	5,325,049,363
Non-current liabilities			
Other Long-term liabilities	4	2,987,615	4,884,694
Long-term provisions	5	68,114,812	50,234,296
Current liabilities			
Trade payables	6	740,482,674	579,056,286
Other current liabilities	7	273,142,014	253,469,016
Short-term provisions	8	62,744,805	79,757,170
TOTAL		7,893,246,923	6,769,154,975
ASSETS			
Non-current assets			
Fixed assets	9		
Intangible assets		271,796,034	490,591,581
Tangible assets		263,160,206	424,308,631
Capital work-in-progress		–	1,111,803
Non-current investments	10	1,396,476,431	1,030,260,084
Deferred tax assets (net)	11	168,676,049	42,316,295
Long-term loans and advances	12	115,508,398	118,377,612
Other non-current assets	13	65,321,455	65,650,741
Current assets			
Current investments	10	4,107,324,880	3,313,909,958
Trade receivables	14	1,264,353,948	1,039,979,221
Cash and bank balances	15	142,352,906	137,645,058
Short-term loans and advances	16	93,520,132	99,563,776
Other current assets	17	4,756,484	5,440,215
TOTAL		7,893,246,923	6,769,154,975
NOTES FORMING PART OF THE FINANCIAL STATEMENTS	1-35		

As per our report of even date.

For **S.R. Batliboi & Associates LLP**
Firm Registration No. 101049W
Chartered Accountants

Govind Ahuja
Partner
Membership No. 48966

Mumbai
Dated: May 19, 2015

For and on behalf of the Board of Directors

Vineet Jain
Chairman
[DIN: 00003962]

N. Kumar
Director
[DIN: 00007848]

Richard Saldanha
Director
[DIN: 00189029]

B. S. Nagesh
Director
[DIN: 00027595]

Prashant Panday
Managing Director & CEO
[DIN: 02747925]

N. Subramanian
Group CFO

Mehul Shah
SVP - Compliance & Company Secretary
[Membership No. FCS: 5839]

STATEMENT OF PROFIT & LOSS

for the year ended
March 31, 2015



	Notes	2014-2015 ₹	2013-2014 ₹
Revenue from operations	18	4,384,773,239	3,844,882,076
Other income	19	321,774,775	226,775,155
Total revenue		4,706,548,014	4,071,657,231
Expenses:			
Employee benefits expense	20	827,556,920	752,245,195
Depreciation and amortisation expense	9	328,736,076	318,107,763
Operating and other expenses	21	2,103,825,800	1,846,010,996
Finance cost	22	336,007	340,504
Total expenses		3,260,454,803	2,916,704,458
Profit before taxation		1,446,093,211	1,154,952,773
Tax expense: (Refer Note (I)(xi))			
Current tax		482,700,000	403,100,000
Deferred tax		(96,327,385)	(78,932,824)
Tax write backs for earlier years		–	(3,704,134)
Profit for the year		1,059,720,596	834,489,731
Earnings per equity share [nominal value per share: ₹ 10 (2013-14: ₹10)] (Refer Notes (I)(x))	31		
Basic		22.23	17.51
Diluted		22.23	17.51
NOTES FORMING PART OF THE FINANCIAL STATEMENTS	I-35		

As per our report of even date.

For **S.R. Batliboi & Associates LLP**
Firm Registration No. 101049W
Chartered Accountants

Govind Ahuja
Partner
Membership No. 48966

Mumbai
Dated: May 19, 2015

For and on behalf of the Board of Directors

Vineet Jain
Chairman
[DIN: 00003962]

B. S. Nagesh
Director
[DIN: 00027595]

Mehul Shah
SVP - Compliance & Company Secretary
[Membership No. FCS: 5839]

N. Kumar
Director
[DIN: 00007848]

Prashant Panday
Managing Director & CEO
[DIN: 02747925]

Richard Saldanha
Director
[DIN: 00189029]

N. Subramanian
Group CFO

CASH FLOW Statement

for the year ended
March 31, 2015



	2014-2015 ₹	2013-2014 ₹
A) CASH FLOW FROM OPERATING ACTIVITIES :		
Profit before taxation	1,446,093,211	1,154,952,773
Adjustments for :		
Depreciation and amortisation expense	328,736,076	318,107,763
Interest income	(11,735,072)	(7,610,826)
Interest expense	336,007	340,504
Provision no longer required written back	(47,855,136)	(29,677,093)
Profit on sale of non-current investments	(24,152,402)	—
Profit on sale of current investments	(202,919,094)	(187,295,181)
Exchange difference	(113,679)	(798,682)
Dividend income on current investments	(75,265,313)	(27,102,015)
(Profit) on sale of tangible assets	(21,988)	(638,896)
Tangible assets written off	6,491,576	1,443,421
Provision for doubtful debts (net)	(16,300,386)	21,824,262
Bad debts written off	19,724,637	26,237,606
Provision for retirement benefits	12,765,976	9,145,450
Operating Profit Before Working Capital Changes	1,435,784,413	1,278,929,086
Adjustments for changes in working capital :		
(Increase) in trade receivables	(227,685,298)	(68,805,174)
Decrease in long term loans and advances	1,415,807	2,101,383
Decrease in other non current assets	329,286	—
Decrease / (Increase) in other current assets	239,327	(1,599,675)
Decrease in short term loans and advances	6,043,644	98,085,259
(Decrease) / Increase in other long term liabilities	(1,897,079)	4,623,809
Increase in trade payables	206,187,960	120,683,928
Increase / (Decrease) in other current liabilities	22,749,225	(18,844,683)
(Decrease) / Increase in short term provisions	(17,340)	22,557,990
Cash generated from operations	1,443,149,945	1,437,731,923
Taxes paid (net)	(494,747,406)	(400,970,656)
Net cash generated from Operating Activities (A)	948,402,537	1,036,761,267
B) CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of tangible assets	(40,737,175)	(30,336,736)
Purchase of intangible assets	(1,827,608)	(3,438,710)
Proceeds from sale of tangible assets	58,410	2,339,518
Interest received	12,179,476	17,264,829
Dividend received on current investments	75,265,313	27,323,212
Purchase of non current investments	(2,494,910)	(954,118,818)
Purchase of current investments	(7,861,093,366)	(8,704,719,585)
Proceeds from sale of current investments	6,931,028,504	8,680,259,043
Net cash (used in) Investing Activities (B)	(887,621,356)	(965,427,247)

CASH FLOW Statement

for the year ended
March 31, 2015



	2014-2015 ₹	2013-2014 ₹
C) CASH FLOW FROM FINANCING ACTIVITIES :		
Dividend paid	(47,653,078)	(47,646,817)
Dividend distribution tax paid	(8,101,587)	(8,101,587)
Interest paid	(336,007)	(340,504)
Net cash (used in) Financing Activities (C)	(56,090,672)	(56,088,908)
Net Increase in Cash and Cash Equivalents (A)+(B)+(C)	4,690,511	15,245,112
Cash and Cash Equivalents as at the beginning of the year	137,621,460	122,376,348
Cash and Cash Equivalents as at the end of the year	142,311,971	137,621,460
	4,690,511	15,245,112
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).	142,311,971	137,621,460
2 Previous year's figures have been regrouped and rearranged wherever necessary.	142,311,971	137,621,460

As per our report of even date.

For **S.R. Batliboi & Associates LLP**
Firm Registration No. 101049W
Chartered Accountants

Govind Ahuja
Partner
Membership No. 48966

Mumbai
Dated: May 19, 2015

For and on behalf of the Board of Directors

Vineet Jain
Chairman
[DIN: 00003962]

B. S. Nagesh
Director
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Mehul Shah
SVP - Compliance & Company Secretary
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N. Kumar
Director
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Prashant Panday
Managing Director & CEO
[DIN: 02747925]

Richard Saldanha
Director
[DIN: 00189029]

N. Subramanian
Group CFO

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, activations and monetization of Company's media properties.

I. 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. The financial statements comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014. The accounting policies have been consistently applied by the Company and are consistent with those followed in the previous year.

ii. Use of Estimates

The preparation of financial statements in accordance with the generally accepted accounting principles requires 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 except where otherwise noted.

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 other services is recognized, as and when services are rendered and where applicable, the percentage completed method is applied.

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 acquisition 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 as per the useful life and in the manner specified in Schedule II to the Act.

NOTES forming part of the Financial Statements



The estimated useful lives used by the Company to provide depreciation is as under:

Asset class	Useful lives estimated by the management (years)
Buildings	60
Plant and Machinery studio	15
Plant and Machinery transmission	13
Furniture and fixtures	10
Office equipment	5
Motor Vehicles	8
Leasehold improvements	Life based on lease period
Computers	3
Computers - Servers	6

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.

A summary of amortization policies applied to the Company's intangible assets is tabulated below:

Asset class	Useful lives estimated by the management
Migration Fee	10 years with effect from April 1, 2005
One Time Entry Fees	10 years from the date of operationalisation of the respective stations
Goodwill	5 years

c. Software

- 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.
- 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. Sales CRM is amortised over a period of 45 months.

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.

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.

NOTES forming part of the Financial Statements



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 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 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 an 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.

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	Figures as at March 31, 2015 ₹	Figures as at March 31, 2014 ₹
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 %)
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 beginning of the year	3,439,832,942	2,661,115,213
Add: Profit for the year	1,059,720,596	834,489,731
Less: Appropriations		
Proposed Dividend on equity shares [per share ₹ 1.00 (Previous Year : ₹ 1.00)] (Refer Note 25)	(47,670,415)	(47,670,415)
Dividend distribution tax	(9,704,575)	(8,101,587)
Less: Adjustments due to change in rates of depreciation (Net of deferred tax) (Refer Note 32)	(58,324,116)	–
Balance as at the end of the year	4,383,854,432	3,439,832,942
	6,269,070,853	5,325,049,363

NOTES forming part of the Financial Statements



	Figures as at March 31, 2015 ₹	Figures as at March 31, 2014 ₹
NOTE 4: OTHER LONG-TERM LIABILITIES		
Security deposit	2,987,615	4,884,694
	2,987,615	4,884,694
NOTE 5: LONG-TERM PROVISIONS		
Provision for employee benefits		
Provision for gratuity (Refer Notes I (vii) and 27)	48,772,860	35,710,599
Provision for compensated absences (Refer Note I (vii))	19,341,952	14,523,697
	68,114,812	50,234,296
NOTE 6: TRADE PAYABLES		
Payable to related parties (Refer Note 29)	23,521,865	10,917,759
Other Trade payables (Refer Note 24)	716,960,809	568,138,527
	740,482,674	579,056,286
NOTE 7: OTHER CURRENT LIABILITIES		
Advance from customers	59,670,911	61,906,077
Unpaid dividend	40,935	23,598
Other payables		
Statutory dues	39,369,277	32,751,364
Security deposit	777,960	1,428,483
Provision for bonus	2,103,341	972,039
Employee dues	170,000,000	156,387,455
Others	1,179,590	–
	273,142,014	253,469,016
NOTE 8: SHORT-TERM PROVISIONS		
Provision for employee benefits		
Provision for gratuity (Refer Notes I (vii) and 27)	1,042,401	811,739
Provision for compensated absences (Refer Note I (vii))	4,327,414	9,672,616
Provision for taxation (net off advance tax ₹ Nil (Previous Year : ₹ 568,770,845))	–	13,500,813
Proposed dividend (Refer Note 25)	47,670,415	47,670,415
Dividend distribution tax on proposed dividend	9,704,575	8,101,587
	62,744,805	79,757,170

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NOTE 9 : FIXED ASSETS (Refer Notes I(iv) and (xiii))

PARTICULARS	GROSS BLOCK			DEPRECIATION / AMORTISATION					NET BLOCK	
	As at April 1, 2014	Additions	Deletions	As at March 31, 2015	As at April 1, 2014	Adjustments due change in dep rates	For the year	On deletions	As at March 31, 2015	As at March 31, 2014
Intangible Assets										
Goodwill	10,335,278	–	–	10,335,278	3,618,763	–	2,067,055	–	5,685,818	6,716,515
Computer Software	23,601,962	1,827,608	–	25,429,570	18,155,697	–	2,347,069	–	20,502,766	5,446,265
Migration Fees	815,234,695	–	–	815,234,695	733,711,230	–	81,523,465	–	815,234,695	81,523,465
One Time Entry Fees	1,346,855,672	–	–	1,346,855,672	949,950,336	–	134,685,566	–	1,084,635,902	396,905,336
Total	2,196,027,607	1,827,608	–	2,197,855,215	1,705,436,026	–	220,623,155	–	1,926,059,181	490,591,581
Previous Year	2,192,588,897	3,438,710	–	2,196,027,607	1,485,952,039	–	219,483,987	–	1,705,436,026	–
Tangible Assets										
Land - Leasehold	2,036,147	–	–	2,036,147	–	–	–	–	–	2,036,147
Building	7,578,551	–	–	7,578,551	3,536,097	–	195,563	–	3,731,660	4,042,454
Leasehold Improvements	270,848,703	8,365,976	11,644,541	267,570,138	204,787,691	–	20,701,810	11,642,645	213,846,856	66,061,012
Office Equipments	292,584,050	1,524,652	23,731,323	270,377,379	191,816,734	86,770,276	4,924,234	22,549,760	260,961,484	100,767,316
Plant and Machinery	718,247,419	6,541,234	29,071,006	695,717,647	494,020,576	–	64,871,777	24,599,278	534,293,075	224,226,843
Computers	163,824,194	24,750,183	28,828,970	159,745,407	142,390,691	843,405	15,294,367	28,214,613	130,313,850	21,433,503
Furniture and Fixtures	32,397,951	666,933	4,265,655	28,799,229	28,082,147	742,803	1,559,804	4,019,367	26,365,387	4,315,804
Motor Vehicles	6,834,016	–	443,228	6,390,788	5,408,464	–	565,366	431,062	5,542,768	1,425,552
Total	1,494,351,031	41,848,978	97,984,723	1,438,215,286	1,070,042,400	88,356,484	108,112,921	91,456,725	1,175,055,080	424,308,631
Previous Year	1,480,724,932	29,224,933	15,598,834	1,494,351,031	983,873,415	–	98,623,776	12,454,791	1,070,042,400	–
Capital work-in-progress										1,111,803

Notes:

- 1) Migration fees of ₹ 815,234,695 for Phase I Stations were amortised over a period 10 years. The licences have completed their licence tenure on 31st March 2015 and accordingly were fully amortised. In pursuance of notice no. N-38014/3/2015-FM issued by Ministry of Information and Broadcasting, Government of India, the Company has given bank guarantees for the provisional extension of licence period of these 7 stations for a further period of 6 months or migration to Phase III whichever is earlier.
- 2) 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 OTEF ranges between one and four years.
- 3) 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.
- 4) Plant and Machinery above represents jointly held assets at Common Transmission Infrastructure (CTI) amounting to ₹ 47,336,315 (Previous Year: ₹ 73,571,247).

NOTES forming part of the Financial Statements



	Figures as at March 31, 2015		Figures as at March 31, 2014	
	No. of shares	₹	No. of shares	₹
NOTE 10 : INVESTMENTS				
Non-current investments (Refer Note 1(vi))				
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 property				
Investment in long term capital asset - Building		10,185,948		7,691,038
Sub-total (B)		10,185,948		7,691,038
	Nos.	₹	Nos.	₹
Non-Trade, Non-Current (Unquoted - Mutual Funds) at cost				
Axis Treasury Advantage Fund - Direct - Growth, of ₹ 1,000 each	81,213	110,892,695	—	—
DWS Treasury Fund - Cash - Bonus, of ₹ 100 each	314,660	37,500,000	—	—
DWS Cash Opportunities Fund Regular Plan - Annual Bonus, of ₹ 10 each	4,161,594	40,603,469	—	—
DWS Short Maturity Fund - Direct Plan - Annual Bonus, of ₹ 10 each	1,154,308	16,666,668	—	—
Franklin India Treasury Management Account - Super Institutional Plan - Direct - Growth, of ₹ 1,000 each	110,296	200,000,000	—	—
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 Flexible Income - Direct Plan - Growth, of ₹ 100 each	869,636	199,170,608	—	—
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
JP Morgan India Liquid Fund - Direct Plan - Growth, of ₹ 10 each	6,121,798	62,621,359	—	—
Kotak Banking & PSU Debt Fund Direct Growth, of ₹ 10 each	—	—	5,284,314	150,000,000
Religare Invesco Credit Opportunities Fund - Direct Plan - Bonus, of ₹ 1,000 each	80,300	111,692,530	—	—
Religare Invesco Ultra Short Term Fund - Direct Plan Bonus, of ₹ 1,000 each	67,228	66,666,667	—	—
Sundaram Flexi Fund ST Plan Direct Plan Bonus, of ₹ 10 each	5,105,654	49,874,683	—	—
Sundaram Select Debt ST Asset Direct Bonus, of ₹ 10 each	2,404,436	25,000,000	—	—
Sundaram Flexible Fund ST Plan - Direct Plan - Growth, of ₹ 10 each	5,227,993	100,000,000	—	—

NOTES forming part of the Financial Statements



	Figures as at March 31, 2015		Figures as at March 31, 2014	
	Nos.	₹	Nos.	₹
Sundaram Money Fund - Direct Plan - Growth, of ₹ 10 each	8,787,920	226,141,970	—	—
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
UTI Treasury Advantage Fund - Institutional Plan - Direct Plan - Growth, of ₹ 1,000 each	41,743	69,209,834	—	—
Sub-total (C)		1,316,040,483		952,319,046
Non-Current Investments (A)+(B)+(C)		1,396,476,431		1,030,260,084

Note: Aggregate market value of unquoted mutual fund units held by the Company based on the NAV declared on the balance sheet date by the mutual fund is ₹ 1,498,959,548 (Previous Year : ₹ 962,560,223).

	Nos.	₹	Nos.	₹
Current investments (at the lower of cost or market value) (Refer Note I(vi))				
Non-Trade, Short Term (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
Sub-total (D)		—		5,000,000

	Nos.	₹	Nos.	₹
Non-Trade, Current (Unquoted-Mutual Fund)				
Axis Treasury Advantage Fund - Direct - Growth, of ₹ 1,000 each	—	—	81,213	110,892,695
Birla Sun Life Cash Manager - Institutional Plan - Growth, of ₹ 100 each	—	—	549,088	101,265,900
Birla Sun Life Cash Plus - Direct - Growth, of ₹ 100 each	1,165,859	260,000,000	—	—
DWS Cash Opportunities Fund - Direct Plan - Growth, of ₹ 10 each	—	—	3,196,988	51,205,518
DWS Cash Opportunities Fund Regular Plan - Annual Bonus, of ₹ 10 each	—	—	4,161,594	40,603,469
DWS Short Maturity Fund - Direct Plan - Annual Bonus, of ₹ 10 each	—	—	1,154,308	16,666,668
DWS Ultra Short Term Fund-Direct Plan - Growth, of ₹ 10 each	11,826,886	181,803,502	6,722,147	100,000,000
Franklin India Treasury Management Account - Super Institutional Plan - Direct - Growth, of ₹ 1,000 each	—	—	110,296	200,000,000
Franklin India Ultra Short Bond Fund Super Institutional Plan - Direct - Growth, of ₹ 10 each	18,591,647	340,000,000	3,272,335	51,218,267
HDFC Banking and PSU Debt Fund - Direct - Growth, of ₹ 10 each	26,939,643	296,726,695	—	—
HDFC Short Term Opportunities Fund - Growth, of ₹ 10 each	—	—	6,657,028	83,264,846
ICICI Prudential Blended Plan A - Direct Plan - Dividend Reinvestment, of ₹ 10 each	27,116,370	365,929,994	—	—
ICICI Prudential FMP Series 69 - 372 days Plan K Direct Plan Cumulative Growth, of ₹ 10 each	—	—	25,000,000	250,000,000



NOTES forming part of the Financial Statements



	Figures as at March 31, 2015		Figures as at March 31, 2014	
	Nos.	₹	Nos.	₹
ICICI Prudential Flexible Income - Direct Plan - Growth, of ₹ 100 each	–	–	869,636	199,170,608
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 I - Direct Plan - Growth, of ₹ 10 each	–	–	7,300,815	99,999,993
ICICI Prudential Liquid - Direct Plan – Growth, of ₹ 100 each	435,540	90,137,835	105,452	20,000,000
ICICI Prudential Savings Plan - Direct Plan - Growth, of ₹ 10 each	190,689	40,000,000	–	–
IDFC Arbitrage Fund - Dividend - (Direct Plan), of ₹ 10 each	53,683,332	684,263,718	–	–
IDFC Fixed Term Plan Series 82 Direct Plan - Growth (92 Days), of ₹ 10 each	–	–	15,000,000	150,000,000
JP Morgan India Treasury Fund Direct Plan - Growth, of ₹ 10 each	19,021,524	311,072,489	19,021,524	311,072,489
Kotak Equity Arbitrage Fund - Direct Plan - Monthly Dividend, of ₹ 10 each	51,087,663	555,071,601	–	–
Kotak Liquid Scheme Plan A - Direct Plan - Growth, of ₹ 1,000 each	107,979	300,000,000	87,093	221,689,696
Kotak Treasury Advantage Fund - Direct Plan - Growth, of ₹ 10 each	454,351	10,000,000	–	–
Reliance Fixed Horizon Fund - XXV - Series 34 - Direct Plan Growth Plan, of ₹ 10 each	–	–	10,750,000	107,500,000
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	59,921	200,000,000	58,878	180,000,000
Reliance Money Manager Fund - Direct Growth Plan - Growth Option, of ₹ 1,000 each	62,342	120,000,000	–	–
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
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 Select Debt ST Asset Direct Bonus, of ₹ 10 each	–	–	2,404,436	25,000,000
Sundaram Money Fund - Direct Plan - Growth, of ₹ 10 each	–	–	8,787,920	226,141,970
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	–	–
Tata Income Fund Plan A - Appreciation Option - Bonus, of ₹ 10 each	–	–	1,843,805	19,444,444
UTI Floating Rate Fund - STP - Regular Plan - Direct Plan Growth, of ₹ 1,000 each	–	–	32,570	62,996,352

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	Figures as at March 31, 2015		Figures as at March 31, 2014	
	Nos.	₹	Nos.	₹
UTI Treasury Advantage Fund - Institutional Plan - Direct Plan - Growth, of ₹ 1,000 each	–	–	41,743	69,209,834
Sub-total (D)		4,107,324,880		3,308,909,958
Current Investments (D) + (E)		4,107,324,880		3,313,909,958

Note : Aggregate market value of unquoted mutual fund units held by the Company based on the NAV declared on the balance sheet date by the mutual fund is ₹ 4,228,845,223 (Previous Year : ₹ 3,453,674,239).

	Figures as at March 31, 2015 ₹	Figures as at March 31, 2014 ₹
NOTE 11 : DEFERRED TAX ASSETS (NET)		
(Refer Note I (xi))		
Deferred tax assets and liabilities are attributable to the following items :		
Assets:		
Provision for doubtful debts	44,260,031	49,010,174
Provision for compensated absences	8,191,494	8,224,327
Provision for gratuity	17,240,066	12,413,943
Others	75,562,368	46,539,651
Depreciation	23,422,090	(73,871,800)
	168,676,049	42,316,295
NOTE 12 : LONG-TERM LOANS AND ADVANCES		
(Unsecured, considered good, unless otherwise stated)		
Capital advances	65,477	404,754
Deposits	111,332,097	112,008,631
Other long term loans and advances		
Employee loans	100,036	500,032
Advance tax and tax deducted at source [Net of provision of ₹ 1,236,908,455 (Previous Year : ₹ 168,624,377)]	4,010,788	5,464,195
	115,508,398	118,377,612
NOTE 13 : OTHER NON-CURRENT ASSETS		
Non current bank balances (margin money deposits)	65,321,455	65,650,741
	65,321,455	65,650,741



	Figures as at March 31, 2015 ₹	Figures as at March 31, 2014 ₹
NOTE 14 : TRADE RECEIVABLES		
Unsecured, considered good		
Outstanding for a period exceeding 6 months from the date they are due for payment	43,427,606	23,559,606
Others	1,220,926,342	1,016,419,615
	1,264,353,948	1,039,979,221
Unsecured, considered doubtful		
Outstanding for a period exceeding 6 months from the date they are due for payment	113,681,871	128,971,597
Others	14,207,722	15,218,382
	127,889,593	144,189,979
	1,392,243,541	1,184,169,200
Less: Provision for doubtful debts	(127,889,593)	(144,189,979)
	1,264,353,948	1,039,979,221
NOTE 15 : CASH AND BANK BALANCES		
Cash and cash equivalents:		
Cheques on hand	8,367,360	8,918,111
Balance with banks :		
Current Accounts	133,944,611	128,703,349
	142,311,971	137,621,460
Other bank balances :		
On Unpaid dividend account	40,935	23,598
Balances with bank held as security against guarantees issued by banks		
Margin money deposits	65,321,455	65,650,741
Less: Amount disclosed under non current assets (Refer Note 13)	(65,321,455)	(65,650,741)
	142,352,906	137,645,058
NOTE 16 : SHORT-TERM LOANS AND ADVANCES		
(Unsecured, considered good, unless otherwise stated)		
Due from other related parties (Refer Note 29)	27,778	6,574,710
Prepaid expenses	50,470,362	50,822,887
Advances recoverable in cash or in kind or for value to be received	42,625,984	36,841,656
Deposits	396,008	5,324,523
	93,520,132	99,563,776
NOTE 17 : OTHER CURRENT ASSETS		
(Unsecured considered good unless otherwise stated)		
Interest accrued on deposits	2,256,484	2,700,888
Others	2,500,000	2,739,327
	4,756,484	5,440,215

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	Figures as at March 31, 2015 ₹	Figures as at March 31, 2014 ₹
NOTE 18 : REVENUE FROM OPERATIONS		
Sale of services (Refer Notes I (iii)(a)(i) and (ii))	4,271,556,341	3,742,952,307
Digital revenues, service fee, marketing & sales commission	60,113,137	62,523,877
Other operating income		
Provision no longer required written back	47,855,136	29,677,093
Others	5,248,625	9,728,799
	53,103,761	39,405,892
	4,384,773,239	3,844,882,076
NOTE 19 : OTHER INCOME		
Interest income (Refer Note I (iii)(b)(ii))		
On fixed deposits	5,346,158	6,320,687
On income-tax refund	6,176,130	585,864
On others	212,784	704,275
Dividend income on current investments (Refer Note I (iii)(b)(i))	75,265,313	27,102,015
Profit on sale of current investments (net) (Refer Note I (iii)(b)(iii))	202,919,094	187,295,181
Profit on sale of non-current investments (net) (Refer Note I (iii)(b)(iii))	24,152,402	–
Miscellaneous income	7,702,894	4,767,133
	321,774,775	226,775,155
NOTE 20 : EMPLOYEE BENEFITS EXPENSE		
Salaries, wages and bonus	750,134,566	686,486,428
Contributions to provident and other funds (Refer Notes I (vii) and 27)	23,774,695	21,939,839
Gratuity (Refer Notes I (vii) and 27)	18,395,680	9,202,694
Staff welfare expenses	35,251,979	34,616,234
	827,556,920	752,245,195

NOTES forming part of the Financial Statements



	Figures as at March 31, 2015 ₹	Figures as at March 31, 2014 ₹
NOTE 21 : Operating and Other expenses		
Royalty	123,639,003	115,017,155
Programming expenses	29,199,761	24,616,230
Technical costs	31,280,689	31,491,079
License fees (Refer Note I (xiv))	217,901,053	202,409,779
Rent	175,229,203	164,828,054
Rates and taxes	9,998,963	2,181,246
Power and fuel	111,762,160	109,043,781
Cost of sales	241,258,070	202,792,249
Marketing	757,554,367	608,183,256
Travelling and conveyance	100,590,035	95,001,147
Insurance	4,898,717	4,278,040
Communication	12,945,420	12,913,289
Repairs and maintenance on :		
Buildings	2,201,805	1,763,812
Plant and machinery	36,180,916	29,185,029
Others	31,074,421	26,192,003
Legal and professional fees	120,947,164	91,589,581
Software expenses (Refer Note I (iv)(c))	25,727,208	25,385,796
Payments to auditors		
As Auditors:		
Audit fee	3,100,000	2,800,000
Other services	100,000	100,000
Reimbursement of expenses	63,515	90,466
	3,263,515	2,990,466
Bad debts written off	19,724,637	26,237,606
Provision for doubtful debts	38,715,922	78,128,304
Provision for doubtful debts withdrawn	(55,016,308)	(56,304,042)
	(16,300,386)	21,824,262
Tangible assets written off	6,491,576	1,443,421
Director's sitting fees and commission	3,820,000	3,560,000
Expenditure towards Corporate Social Responsibility (CSR) activities (Refer Note 33)	7,143,200	—
Miscellaneous expenses	47,294,303	43,083,715
	2,103,825,800	1,846,010,996
NOTE 22 : FINANCE COST		
Interest expense:		
On others	336,007	340,504
	336,007	340,504

NOTES forming part of the Financial Statements



23. Commitments to the extent not provided for

Estimated amount of contracts remaining to be executed on capital account ₹ 12,050,861 (Previous Year: ₹ 14,880,697) net of advances of ₹ 65,477 (Previous Year: ₹ 404,754).

24. Trade payables

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.

25. Proposed Dividend

	As at March 31, 2015 ₹	As at March 31, 2014 ₹
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

26. a. Value of Imports calculated on CIF basis

	2014-2015 ₹	2013-2014 ₹
Capital goods	2,288,765	5,031,644
Total	2,288,765	5,031,644

b. Expenditure in Foreign Currency

	2014-2015 ₹	2013-2014 ₹
Travel	173,339	734,890
Professional Fees	—	1,057,814
Others	1,683,742	754,118
Total	1,857,081	2,546,822

c. Earnings in Foreign Currency

	2014-2015 ₹	2013-2014 ₹
Consultancy services	47,964,561	43,398,508
Total	47,964,561	43,398,508

NOTES forming part of the Financial Statements

27. 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:-

	2014-2015 ₹	2013-2014 ₹
– Employers' Contribution to Provident Fund*	16,728,186	17,015,423
– Employers' Contribution to Employee's Pension Scheme 1995*	6,825,537	4,461,099
– Employers' Contribution to Employee State Insurance Scheme*	220,972	463,317

*Included in Contributions to Provident and Other Funds (Refer Note 20)

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, 2015 ₹	As at March 31, 2014 ₹
Discount Rate (per annum)	8.03%	9.31%
Rate of increase in Compensation levels	8.00%	8.00%
Attrition rate	2.00%	2.00%

A. Changes in the Present Value of Obligation

	As at March 31, 2015 ₹	As at March 31, 2014 ₹
Present Value of Obligation at the beginning of the year	36,522,338	30,885,087
Interest Cost	3,400,229	2,470,807
Past Service Cost	–	–
Current Service Cost	5,906,106	5,464,767
Curtailment Cost / (Credit)	–	–
Settlement Cost / (Credit)	–	–
Benefits Paid	(5,102,757)	(3,565,443)
Actuarial (Gain) / Loss on obligations	9,089,345	1,267,120
Effect of Transfer In / (Transfer Out)	–	–
Present Value of Obligation as at the year end	49,815,261	36,522,338

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, 2015 ₹	As at March 31, 2014 ₹
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	49,815,261	36,522,338
Unrecognised Actuarial (Gains) / Losses	—	—
Unfunded (Liability) recognised in Balance Sheet	(49,815,261)	(36,522,338)

C. Amount recognised in the Balance Sheet

	As at March 31, 2015 ₹	As at March 31, 2014 ₹
Present Value of Defined Benefit Obligation at the end of the year	49,815,261	36,522,338
Fair Value of Plan Assets as at the end of the year	—	—
Liability recognised in the Balance Sheet	49,815,261	36,522,338
Recognised under:		
Long term provisions	48,772,860	35,710,599
Short term provisions	1,042,401	811,739

D. Expenses recognised in the Statement of Profit and Loss

	2014-2015 ₹	2013-2014 ₹
Current Service Cost	5,906,106	5,464,767
Past Service Cost	—	—
Interest Cost	3,400,229	2,470,807
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	9,089,345	1,267,120
Total Expenses recognised in the Statement of Profit and Loss	18,395,680	9,202,694

E. Experience Adjustment

	2014-2015 ₹	2013-2014 ₹
Defined Benefit Obligation	49,815,261	36,522,338
Plan Assets	—	—
Deficit / (Surplus)	49,815,261	36,522,338
Experience Adjustment on Plan Liabilities (Gain) / Loss	9,089,345	228,733

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, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
Defined Benefit Obligation	49,815,261	36,522,338	30,885,087	26,554,810	20,587,045
Surplus / (Deficit)	(49,815,261)	(36,522,338)	(30,885,087)	(26,554,810)	(20,587,045)
Experience adjustment on Plan Liabilities (Gain) / Loss	9,089,345	228,733	(2,066,790)	2,746,173	1,037,081

28. Segment Information

In accordance with Accounting Standard – 17, “Segment Reporting”, the Company’s business segment is Media and Entertainment 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 at and for the year ended March 31, 2015. The Company primarily caters to 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. 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 Co. Ltd. (formerly Times VPL Limited) (MMCL)
Vardhaman Publishers Limited (VPL)
Times Websol Limited (TWL) #
Times Mobile Limited (TM) #
Magicbricks Realty Services Ltd (MBRSL)
Brand Equities Treaties Limited (BETL)
Worldwide Media Private Limited (WWM)
BCCL International Events Private Limited (BIEPL)*
Times Centre for Learning Ltd. (TCLL)*

iv. Related Parties of Ultimate Holding Company

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

v. Key Managerial Personnel

Managing Director & Chief Executive Officer

Mr. Prashant Panday

Times Business Solutions Limited (TBSL), Times Websol Limited (TWL) and Times Mobile Ltd (TM) have been merged into Times Internet Limited (TIL).

* There are no transactions during the year.

NOTES

forming part of the
Financial Statements

vi. Transactions with Related Parties

Particulars	2014-2015														Related Parties of the Ultimate Holding Company
	Holding Company	Fellow Subsidiary Companies													
		BCCL	TIM	TIMDA	TIL#	TGBCL	MMCL	VPL	MBRSL	BETL	WWM	BIEPL	TCLL	BPHCL	
Transactions with Related Parties															
Sales	219,899,745	-	-	33,062,553	6,721,351	1,093,316	-	-	-	3,983,136	-	-	-	-	
Rendering of services	-	2,878,321	469,562	3,539,720	702,002	-	-	-	-	-	-	-	-	-	
Receiving of services	35,043,160	3,000,690	-	29,122,919	-	1,187,432	158,405	-	-	3,991,843	-	-	37,837,495	-	
Recovery of Expenses	-	9,222,830	256,783	1,489,752	58,847	-	-	-	-	-	-	-	-	-	
Year end Balances with Related Parties:															
Trade Receivables	68,649,459	-	-	8,690	-	-	-	8,918,439	-	4,785,227	-	-	-	-	
Non-trade Receivables (net)	-	-	27,778	-	-	-	-	-	-	-	-	-	-	-	
Deposit	-	-	-	777,960	-	-	-	-	-	-	-	-	10,000,000	-	
Payables (net)	6,941,467	-	-	11,743,934	-	192,875	-	-	-	4,086,051	-	-	557,538	-	
# TBSL, TWL & TM Merged with TIL															

TBSL, TWL & TM Merged with TIL

Particulars	Holding Company	2013-2014														Related Parties of the Ultimate Holding Company		₹
		Fellow Subsidiary Companies																
	BCCL	TIM	TIMDA	TIL	TGBCL	TBSL	MMCL	VPL	TWL	TM	MBRSL	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	-	-	-	-	-	-	-	-	-	-	

NOTES forming part of the Financial Statements



vii. Details relating to Persons referred to in 29(v) above

	2014-2015 ₹	2013-2014 ₹
Mr. Prashant Panday	27,972,269	26,022,370
Total	27,972,269	26,022,370

Note: The remuneration to the key managerial personnel does not include the provisions made for gratuity and leave benefits, as they are determined on an actuarial basis for the Company as a whole.

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 ₹ 175,229,203 (Previous Year : ₹ 164,828,054).
- All the agreements are cancellable at the option of the Company.

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.

	2014-2015 ₹	2013-2014 ₹
Profit for the year (₹) (A)	1,059,720,596	834,489,731
Weighted average number of Equity shares (B)	47,670,415	47,670,415
Earnings per share – basic and diluted (₹) (A/B)	22.23	17.51
Nominal value of an equity share (₹)	10.00	10.00

- The Company has revised depreciation rates on fixed assets w.e.f. April 01, 2014 as per the useful life specified in Schedule II of the Companies Act, 2013 (the "Act") or as re-assessed by the Company. As prescribed in the said Schedule II of the Act, an amount of ₹ 58,324,116 (net of deferred tax of ₹ 30,032,369) (Previous Year : ₹ Nil) has been charged to the opening balance of retained earnings for the assets in respect of which there was no remaining useful life as on April 01, 2014. In respect of other assets on that date, depreciation has been calculated based on the remaining useful life of those assets. Had the Company continued with the previously applicable Schedule XIV rates as per Companies Act, 1956, the depreciation charge for the year ended March 31, 2015 would have been lower by ₹ 10,623,146 (Previous Year : ₹ Nil). Consequently, the profit before tax for the year ended would have been higher by similar amount.

- Gross amount required to be spent by the Company during the year for Corporate Social Responsibility (CSR) activities was ₹ 16,007,525 (Previous Year : ₹ Nil). Amount spent during the year by the Company was ₹ 7,143,200 (Previous Year : ₹ Nil).

34. Pending litigations and claims

- The Company is involved in various litigations the outcome of which are considered probable and in respect of which the Company has aggregate provisions of ₹ 85,333,139 (Previous Year : ₹ 47,689,536) as at March 31, 2015.
- Contingent liability - taxation

The Company is contesting certain disallowances to the taxable income and demands raised by the Income-tax authorities, the estimated tax liability of which is ₹ 11,873,445 (Previous Year : ₹ 11,386,033). The management does not expect the liability from these claims to crystallize and accordingly, no provision has been recognized in the financial statements for the same.

NOTES forming part of the Financial Statements



35. The previous year figures have been reclassified to conform to this year's classification. Previous year's figures have been audited by M/s Price Waterhouse & Co., Bangalore.

Signatures to Notes "I" to "35" forming part of the financial statements.

For **S.R. Batliboi & Associates LLP**
Firm Registration No. 101049W
Chartered Accountants

Govind Ahuja
Partner
Membership No. 48966

Mumbai
Dated: May 19, 2015

For and on behalf of the Board of Directors

Vineet Jain
Chairman
[DIN: 00003962]

B. S. Nagesh
Director
[DIN: 00027595]

Mehul Shah
SVP - Compliance & Company Secretary
[Membership No. FCS: 5839]

N. Kumar
Director
[DIN: 00007848]

Prashant Panday
Managing Director & CEO
[DIN: 02747925]

Richard Saldanha
Director
[DIN: 00189029]

N. Subramanian
Group CFO

FORM AOC-I



FORM AOC-I

[Pursuant to the first proviso to sub-section [3] of Section 129 read with rule 5 of Companies [Accounts] Rules, 2014]

STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENTS OF SUBSIDIARY

(Amount in ₹)

Sr. No.	Name of the subsidiary	Alternate Brand Solutions (India) Limited (ABSL)
	Particulars	
1	Reporting Period	31-03-2015
2	Share capital	16,000,000
3	Reserves & Surplus	55,141,085
4	Total Assets	71,562,160
5	Total Liabilities	71,562,160
6	Investments	65,754,539
7	Turnover	1,040,047
8	Profit / (Loss) before taxation	41,713
9	Provision for taxation	2,254
10	Profit / (Loss) after taxation	39,459
11	Proposed Dividend	Nil
12	% of shareholding	100%

The Company does not have any associate company or joint venture.

For and on behalf of the Board of Directors

Vineet Jain

Chairman

[DIN: 00003962]

N. Kumar

Director

[DIN: 00007848]

Richard Saldanha

Director

[DIN: 00189029]

B. S. Nagesh

Director

[DIN: 00027595]

Prashant Panday

Managing Director & CEO

[DIN: 02747925]

N. Subramanian

Group CFO

Mehul Shah

SVP - Compliance & Company Secretary

[Membership No. FCS: 5839]

Mumbai

Dated: May 19, 2015



INDEPENDENT AUDITOR'S REPORT



To the Members of Entertainment Network (India) Limited

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Entertainment Network (India) Limited ("the Holding Company") and its subsidiary Alternate Brand Solutions (India) Limited (the Holding Company and its subsidiary referred to as "the Group"), which comprise the consolidated Balance Sheet as at March 31, 2015, the consolidated Statement of Profit and Loss, the consolidated Cash Flow Statement for the year then ended, and summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 ("the Act") 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 the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence obtained by us, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the consolidated state of affairs of the Group as at March 31, 2015, its consolidated profit, and its consolidated cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India

INDEPENDENT AUDITOR'S REPORT



in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditors' reports of the Holding company and subsidiary company incorporated in India, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements; and
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2015 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company incorporated in India, none of the directors of the Group companies, is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group— Refer Note 33 to the financial statements ;
 - ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary company.

For S. R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W

Place of Signature: Mumbai

Date: May 19, 2015

per Govind Ahuja

Partner

Membership Number: 48966

Annexure to the Independent Auditors' Report



Referred to in Paragraph I under the heading “Report on other legal and regulatory requirements” of our report of even date

- (i) (a) The Holding Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets. The subsidiary company does not have any fixed assets and, accordingly, the requirements under paragraph 3(i) of the Order are not applicable to the subsidiary company.
- (c) Fixed assets of the Holding Company have been physically verified by the management during the year and no material discrepancies were identified on such verification.
- (ii) The business of the Group does not involve inventories and, accordingly, the requirements under paragraph 3(ii) of the Order are not applicable to the Group.
- (iii) According to the information and explanations given to us, the Group has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) of the Order are not applicable to the Group and hence not commented upon.
- (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 Holding Company and the nature of its business, for the purchase of fixed assets and for rendering of services, to the extent applicable to the nature of the business of the covered entities of the Group. During the course of our audit, we have not observed any major weakness or continuing failure to correct any major weakness in the internal control system of the Holding Company in respect of these areas. The activities of the Group do not involve purchase of inventory and the sale of goods.
- (v) The Group have not accepted any deposits from the public.
- (vi) We have broadly reviewed the books of account maintained by the Holding Company pursuant to the rules made by the Central Government for the maintenance of cost records under sub-section (1) of section 148 of the Act, related to the radio broadcasting services of the Holding Company, 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 same. To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under clause 148 (1) of the Act, for the services of the subsidiary company.
- (vii) (a) The Group is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, customs duty, value added tax, cess and other material statutory dues as applicable to the respective covered entities. The provisions relating to excise duty is not applicable to the Group.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, custom duty, value added tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable. The provisions relating to excise duty is not applicable to the Group.
- (c) According to the information and explanation given to us, there are no dues of sales-tax, wealth tax, service tax, customs duty, value added tax and cess which have not been deposited on account of any dispute. The provisions relating to excise duty is not applicable to the Group. According to the records of the Group, details of income tax dues, which have not been deposited on account of a dispute, are as under:

Name of the statute	Nature of dues	Amount (Rs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	232,004,560	Assessment Year 2012-13	Commissioner of Income Tax (Appeals)



Annexure to the Independent Auditors' Report



- (d) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder.
- (viii) The Group have no accumulated losses at the end of the financial year and it has not incurred cash losses in the current and immediately preceding financial year.
- (ix) The Group has not issued any debentures or availed any loan from financial institutions or banks. Therefore, the provisions of clause 3(ix) of the Order are not applicable to the Group.
- (x) According to the information and explanations given to us, the Group has not given any guarantee for loans taken by others from bank or financial institutions.
- (xi) The Group did not have any term loans outstanding during the year.
- (xii) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the consolidated financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Group have been noticed or reported during the year.

For S. R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W

Place of Signature: Mumbai

Date: May 19, 2015

per Govind Ahuja

Partner

Membership Number: 48966

CONSOLIDATED BALANCE SHEET

as at
March 31, 2015



	Notes	Figures as at March 31, 2015 ₹	Figures as at March 31, 2014 ₹
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	2	476,704,150	476,704,150
Reserves and surplus	3	6,269,939,576	5,325,868,686
Non-current liabilities			
Other long-term liabilities	4	2,987,615	4,884,694
Long-term provisions	5	68,114,812	50,234,296
Current liabilities			
Trade payables	6	740,903,749	579,613,525
Other current liabilities	7	273,142,014	253,522,451
Short-term provisions	8	62,744,805	74,160,145
TOTAL		7,894,536,721	6,764,987,947
ASSETS			
Non-current assets			
Fixed assets	9		
Intangible assets		271,773,672	490,559,278
Tangible assets		263,160,206	424,308,631
Capital work-in-progress		–	1,111,803
Non-current investments	10	1,391,980,970	1,019,152,398
Deferred tax assets (net)	11	168,676,049	42,316,295
Long-term loans and advances	12	120,373,693	124,983,068
Other non-current assets	13	65,321,455	65,650,741
Current assets			
Current investments	10	4,107,324,880	3,313,909,958
Trade receivables	14	1,264,353,948	1,039,979,221
Cash and bank balances	15	142,821,890	138,012,563
Short-term loans and advances	16	93,993,474	99,563,776
Other current assets	17	4,756,484	5,440,215
TOTAL		7,894,536,721	6,764,987,947
NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS		1-34	

As per our report of even date.

For **S.R. Batliboi & Associates LLP**
Firm Registration No. 101049W
Chartered Accountants

Govind Ahuja
Partner
Membership No. 48966

Mumbai
Dated: May 19, 2015

For and on behalf of the Board of Directors

Vineet Jain
Chairman
[DIN: 00003962]

B. S. Nagesh
Director
[DIN: 00027595]

Mehul Shah
SVP - Compliance & Company Secretary
[Membership No. FCS: 5839]

N. Kumar
Director
[DIN: 00007848]

Prashant Panday
Managing Director & CEO
[DIN: 02747925]

Richard Saldanha
Director
[DIN: 00189029]

N. Subramanian
Group CFO

CONSOLIDATED STATEMENT OF PROFIT & LOSS

for the year ended
March 31, 2015



	Notes	2014-2015 ₹	2013-2014 ₹
Revenue from operations	18	4,384,773,239	3,844,882,076
Other income	19	322,814,822	229,061,548
Total Revenue		4,707,588,061	4,073,943,624
Expenses:			
Employee benefits expense	20	827,556,920	752,245,195
Depreciation and amortisation expense	9	328,726,134	318,097,821
Operating and other expenses	21	2,104,729,739	1,846,998,292
Finance cost	22	430,402	452,272
Total expenses		3,261,443,195	2,917,793,580
Profit before taxation		1,446,144,866	1,156,150,044
Tax expense: (Refer Note I (xii))			
Current tax		482,709,200	403,326,246
Deferred tax		(96,327,385)	(78,932,824)
Tax write backs for earlier years		–	(4,262,550)
Minimum alternate tax credit entitlement		(6,946)	(183,753)
Profit for the year		1,059,769,997	836,202,925
Earnings per equity share [nominal value per share: ₹ 10 (2013-14: ₹ 10)] (Refer Notes I)(xi)	30		
Basic		22.23	17.54
Diluted		22.23	17.54
NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS	1-34		

As per our report of even date.

For **S.R. Batliboi & Associates LLP**
Firm Registration No. 101049W
Chartered Accountants

Govind Ahuja
Partner
Membership No. 48966

Mumbai
Dated: May 19, 2015

For and on behalf of the Board of Directors

Vineet Jain
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Director
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N. Subramanian
Group CFO

CONSOLIDATED CASH FLOW Statement

for the year ended
March 31, 2015



	2014-2015 ₹	2013-2014 ₹
A) CASH FLOW FROM OPERATING ACTIVITIES :		
Profit before taxation	1,446,144,866	1,156,150,044
Adjustments for :		
Depreciation and amortisation expense	328,726,134	318,097,821
Interest income	(12,762,894)	(9,865,433)
Interest expense	430,402	452,272
Provision no longer required written back	(47,855,136)	(29,677,093)
Dividend income on current investments	(75,265,313)	(27,102,015)
Profit on sale of tangible assets	(21,988)	(638,896)
Tangible assets written off	6,491,576	1,443,421
Exchange difference	(113,679)	(798,682)
Profit on sale of current investments (net)	(202,919,094)	(187,326,967)
Profit on sale of non-current investments (net)	(24,164,627)	—
Provision for doubtful debts (net)	(16,300,386)	21,824,262
Bad debts written off	20,302,461	26,237,606
Provision for retirement benefits	12,765,976	9,145,450
Operating profit before working capital changes	1,435,458,298	1,277,941,790
Adjustments for changes in working capital :		
(Increase) in trade receivables	(227,685,298)	(68,805,174)
Decrease in long term loans and advances	1,415,807	2,101,383
Decrease in other non current assets	329,286	—
Decrease / (Increase) in other current assets	239,327	(1,599,675)
Decrease in short term loans and advances	6,043,644	98,085,260
(Decrease) / Increase in other long term liabilities	(1,897,079)	4,623,809
Increase in trade payables	206,051,795	120,193,061
Increase / (Decrease) in other current liabilities	22,695,790	(18,838,720)
(Decrease) / Increase in short term provisions	(17,339)	22,557,990
Cash generated from operations	1,442,634,231	1,436,259,724
Taxes paid (net)	(488,463,640)	(383,687,789)
Net cash generated from Operating Activities (A)	954,170,591	1,052,571,935
B) CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of tangible assets	(40,737,175)	(30,336,736)
Purchase of intangible assets	(1,827,608)	(3,438,710)
Proceeds from sale of tangible assets	58,410	2,339,518
Dividend received on current investments	75,265,313	27,323,212
Purchase of non-current investments	(9,594,910)	(973,468,818)
Proceeds from sale of non-current investments	500,000	—
Purchase of current investments	(7,861,093,366)	(8,704,719,585)
Proceeds from sale of current investments	6,931,028,504	8,681,359,043
Interest received	13,207,298	19,519,436
Net cash (used in) Investing Activities (B)	(893,193,534)	(981,422,640)



CONSOLIDATED CASH FLOW Statement

for the year ended
March 31, 2015



	2014-2015 ₹	2013-2014 ₹
C) CASH FLOW FROM FINANCING ACTIVITIES :		
Dividend paid	(47,653,078)	(47,646,817)
Dividend distribution tax paid	(8,101,587)	(8,101,587)
Interest paid	(430,402)	(452,272)
Net cash (used in) Financing Activities (C)	(56,185,067)	(56,200,676)
Net Increase in Cash and Cash Equivalents (A+B+C)	4,791,990	14,948,619
Cash and Cash Equivalents as at the beginning of the year	137,988,965	123,040,346
Cash and Cash Equivalents as at the end of the year	142,780,955	137,988,965
	4,791,990	14,948,619
NOTES ON CASH FLOW STATEMENT :		
1 Cash and cash equivalents at the end of the year as per Balance Sheet (Refer Notes I(x) and I5 in the Financial Statements).	142,780,955	137,988,965
2 Previous year's figures have been regrouped and rearranged wherever necessary.	142,780,955	137,988,965

As per our report of even date.

For **S.R. Batliboi & Associates LLP**
Firm Registration No. 101049W
Chartered Accountants

Govind Ahuja
Partner
Membership No. 48966

Mumbai
Dated: May 19, 2015

For and on behalf of the Board of Directors

Vineet Jain
Chairman
[DIN: 00003962]

B. S. Nagesh
Director
[DIN: 00027595]

Mehul Shah
SVP - Compliance & Company Secretary
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Director
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Prashant Panday
Managing Director & CEO
[DIN: 02747925]

Richard Saldanha
Director
[DIN: 00189029]

N. Subramanian
Group CFO

NOTES forming part of the Consolidated Financial Statements



I. 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. 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 section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014.

ii. Use of Estimates

The preparation of financial statements in accordance with the generally accepted accounting principles requires 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 except where otherwise noted.

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) from April 1, 2014 to March 31, 2015	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 other services is recognized, as and when the services are rendered and wherever applicable, the percentage completed method is applied.

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 acquisition 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 based on the useful lives and in the manner specified in Schedule II to the Act.

The estimated useful lives used by the Group to provide depreciation is as under:

Asset Class	Useful lives estimated by the management (years)
Buildings	60
Plant and Machinery studio	15
Plant and Machinery transmission	13
Furniture and fixtures	10
Office equipment	5
Motor Vehicles	8
Leasehold improvements	Life based on lease period
Computers	3
Computers-Servers	6

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.

A summary of amortization policies applied to the company's intangible assets is tabulated below:

Asset class	Useful lives estimated by the management
Migration Fee	10 years with effect from April 1, 2005
One Time Entry Fees	10 years from the date of operationalisation of the respective stations
Goodwill	5 years

c. Software

- 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.
- 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. Sales CRM is amortised over a period of 45 months.

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.

vii. Investments

Investments that are intended to be held for not more than a year from the date of investments 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.

NOTES

forming part of the
Consolidated Financial
Statements



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 Group'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.

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 Group 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 Group 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 Group 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
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	Figures as at March 31, 2015 ₹	Figures as at March 31, 2014 ₹
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 %)
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	3,440,798,255	2,660,367,332
Add: Profit for the year	1,059,769,997	836,202,925
Less: Appropriations		
Proposed Dividend on equity shares [per share ₹ 1.00 (Previous Year : ₹ 1.00)] (Refer Note 25)	(47,670,415)	(47,670,415)
Dividend distribution tax	(9,704,575)	(8,101,587)
Less: Adjustments due to change in rates of depreciation (Net of deferred tax) (Refer Note 31)	(58,324,117)	—
Balance as at the end of the year	4,384,869,145	3,440,798,255
	6,269,939,576	5,325,868,686

NOTES

forming part of the
Consolidated Financial
Statements



	Figures as at March 31, 2015 ₹	Figures as at March 31, 2014 ₹
NOTE 4 : OTHER LONG-TERM LIABILITIES		
Security deposit	2,987,615	4,884,694
	2,987,615	4,884,694
NOTE 5 : LONG-TERM PROVISIONS		
Provision for employee benefits		
Provision for gratuity (Refer Notes I (viii) and 26)	48,772,860	35,710,599
Provision for compensated absences (Refer Note I (viii))	19,341,952	14,523,697
	68,114,812	50,234,296
NOTE 6 : TRADE PAYABLES		
Payable to related parties (Refer Note 28)	23,521,865	10,917,759
Other trade payables (Refer Note 24)	717,381,884	568,695,766
	740,903,749	579,613,525
NOTE 7 : OTHER CURRENT LIABILITIES		
Advance from customers	59,670,911	61,906,077
Unpaid dividend	40,935	23,598
Other payables		
Statutory dues	39,369,277	32,804,799
Security deposit	777,960	1,428,483
Provision for bonus	2,103,341	972,039
Employee dues	170,000,000	156,387,455
Others	1,179,590	–
	273,142,014	253,522,451
NOTE 8 : SHORT-TERM PROVISIONS		
Provision for employee benefits		
Provision for gratuity (Refer Notes I (viii) and 26)	1,042,401	811,739
Provision for compensated absences (Refer Note I (viii))	4,327,414	9,672,616
Provision for taxation (net off advance tax ₹ Nil (Previous Year : ₹ 5,597,025))	–	7,903,788
Proposed dividend (Refer Note 25)	47,670,415	47,670,415
Dividend distribution tax on proposed dividend	9,704,575	8,101,587
	62,744,805	74,160,145

NOTES

forming part of the
Consolidated Financial
Statements

NOTE 9 : FIXED ASSETS (Refer Notes I(v) and (xiii))

PARTICULARS	GROSS BLOCK			DEPRECIATION / AMORTISATION					NET BLOCK		(₹)
	As at April 1, 2014	Additions	Deletions	As at March 31, 2015	As at April 1, 2014	Adjustments due change in depreciation rates	For the year	On deletions	As at March 31, 2015	As at March 31, 2014	
Intangible Assets											
Goodwill	10,285,570	–	–	10,285,570	3,601,358	–	2,057,114	–	5,658,472	4,627,098	6,684,212
Computer Software	23,601,962	1,827,608	–	25,429,570	18,155,697	–	2,347,069	–	20,502,766	4,926,804	5,446,265
Migration Fees	815,234,695	–	–	815,234,695	733,711,230	–	81,523,465	–	815,234,695	–	81,523,465
One Time Entry Fees	1,346,855,672	–	–	1,346,855,672	949,950,336	–	134,685,566	–	1,084,635,902	262,219,770	396,905,336
Total	2,195,977,899	1,827,608	–	2,197,805,507	1,705,418,621	–	220,613,214	–	1,926,031,835	271,773,672	490,559,278
Previous Year	2,192,539,189	3,438,710	–	2,195,977,899	1,485,944,576	–	219,474,045	–	1,705,418,621		
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	–	195,563	–	3,731,660	3,846,891	4,042,454
Leasehold Improvements	270,848,704	8,365,976	11,644,542	267,570,138	204,787,692	–	20,701,809	11,642,645	213,846,856	53,723,282	66,061,012
Office Equipment	293,143,847	1,524,652	23,731,323	270,937,176	192,376,531	86,770,276	4,924,234	22,549,760	261,521,281	9,415,895	100,767,316
Plant and Machinery	718,247,419	6,541,234	29,071,006	695,717,647	494,020,576	–	64,871,777	24,599,278	534,293,075	161,424,572	224,226,843
Computers	167,419,151	24,750,183	28,828,970	163,340,364	145,985,648	843,405	15,294,367	28,214,613	133,908,807	29,431,557	21,433,503
Furniture and Fixtures	32,822,604	666,933	4,265,655	29,223,882	28,506,800	742,803	1,559,804	4,019,367	26,790,040	2,433,842	4,315,804
Motor Vehicles	6,834,016	–	443,228	6,390,788	5,408,464	–	565,366	431,062	5,542,768	848,020	1,425,552
Total	1,498,930,439	41,848,978	97,984,724	1,442,794,693	1,074,621,808	88,356,484	108,112,920	91,456,725	1,179,634,487	263,160,206	424,308,631
Previous Year	1,485,304,339	29,224,933	15,598,834	1,498,930,438	988,452,822	–	98,623,776	12,454,791	1,074,621,807		
Capital Work-in-Progress										–	1,111,803

Notes:

- 1) Migration fees of ₹ 815,234,695 for Phase I Stations were amortised over a period 10 years. The licences have completed their licence tenure on 31st March, 2015 and accordingly were fully amortised. In pursuance of notice no.N-3801/4/2015-FM issued by Ministry of Information and Broadcasting, Government of India, the Company has given bank guarantees for the provisional extension of licence period of these 7 stations for a further period of 6 months or migration to Phase III whichever is earlier.
- 2) 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 OTEF ranges between one and four years.
- 3) 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.
- 4) Plant and Machinery above represents jointly held assets at Common Transmission Infrastructure (CTI) amounting to ₹ 47,336,315 (Previous year: ₹ 73,571,247).

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	Figures as at March 31, 2015		Figures as at March 31, 2014	
	Nos.	₹	Nos.	₹
NOTE 10 : INVESTMENTS				
Non-current investments (Refer Notes I (vii))				
Non-Trade, Long Term (Unquoted) at cost				
Investment property				
Investment in long term capital asset - Building		10,185,948		7,691,038
Sub-total (A)		10,185,948		7,691,038
Non-Trade, Non-Current (Unquoted - Mutual Funds) at cost				
Axis Treasury Advantage Fund-Direct-Growth, of ₹ 1,000 each	81,213	110,892,695	—	—
DWS Cash Opportunities Fund Regular Plan - Annual Bonus, of ₹ 10 each	4,161,594	40,603,469	—	—
DWS Short Maturity Fund - Direct Plan - Annual Bonus, of ₹ 10 each	1,154,308	16,666,668	—	—
DWS Treasury Fund - Cash - Bonus, of ₹ 100 each	314,660	37,500,000	—	—
Franklin India Treasury Management Account - Super Institutional Plan - Direct - Growth, of ₹ 1,000 each	110,296	200,000,000	—	—
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 Flexible Income - Direct Plan - Growth, of ₹ 100 each	869,636	199,170,608	—	—
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
JP Morgan India Liquid Fund -Direct Plan - Growth, of ₹ 10 each	6,121,798	62,621,359	—	—
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	9,533	26,884,863
Reliance Liquid Fund - Treasury Plan - Direct - Growth Plan - Growth Option of ₹ 1,000 each	2,903	9,168,844	832	2,556,619
Reliance Medium Term Fund - Growth Plan - Growth Option - IPIGP, of ₹ 10 each	965,065	22,000,000	965,065	22,000,000
Reliance Money Manager Fund - Growth Plan - Growth Option - LPIGP, of ₹ 1,000 each	5,113	7,700,832	5,113	7,700,832
Religare Invesco Credit Opportunities Fund - Direct Plan - Bonus, of ₹ 1,000 each	80,300	111,692,530	—	—
Religare Invesco Ultra Short Term Fund - Direct Plan Bonus, of ₹ 1,000 each	67,228	66,666,667	—	—
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 - 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
UTI Treasury Advantage Fund-Institutional Plan-Direct Plan-Growth, of ₹ 1,000 each	41,743	69,209,834	—	—
Sub-total (B)		1,381,795,022		1,011,461,360
Non-Current Investments (A)+(B)		1,391,980,970		1,019,152,398

Note: Aggregate market value of Unquoted mutual fund units held by the Company based on the NAV declared on the balance sheet date is ₹ 1,579,001,765 (Previous Year : ₹ 1,029,495,158).

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	Figures as at March 31, 2015		Figures as at March 31, 2014	
	Nos.	₹	Nos.	₹
Current investments (at the lower of cost or market value) (Refer Note I(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
Sub-total (C)		–		5,000,000

	Nos.	₹	Nos.	₹
Non-Trade, Current (Unquoted - Mutual Funds)				
Axis Treasury Advantage Fund - Direct - Growth, of ₹ 1,000 each	–	–	81,213	110,892,695
Birla Sun Life Cash Manager-Institutional Plan-Growth, of ₹ 100 each	–	–	549,088	101,265,900
Birla Sun Life Cash Plus - Direct - Growth, of ₹ 100 each	1,165,859	260,000,000	–	–
DWS Cash Opportunities Fund - Direct Plan - Growth, of ₹ 10 each	–	–	3,196,988	51,205,518
DWS Cash Opportunities Fund Regular Plan - Annual Bonus, of ₹ 10 each	–	–	4,161,594	40,603,469
DWS Short Maturity Fund - Direct Plan - Annual Bonus, of ₹ 10 each	–	–	1,154,308	16,666,668
DWS Ultra Short Term Fund - Direct Plan - Growth, of ₹ 10 each	11,826,886	181,803,502	6,722,147	100,000,000
Franklin India Treasury Management Account - Super Institutional Plan-Direct - Growth, of ₹ 1,000 each	–	–	110,296	200,000,000
Franklin India Ultra Short Bond Fund Super Institutional Plan - Direct - Growth, of ₹ 10 each	18,591,647	340,000,000	3,272,335	51,218,267
HDFC Short Term Opportunities Fund - Growth, of ₹ 10 each	–	–	6,657,028	83,264,846
HDFC Banking and PSU Debt Fund - Direct - Growth, of ₹ 10 each	26,939,643	296,726,695	–	–
ICICI Prudential Blended Plan A - Direct Plan - Dividend Reinvestment, of ₹ 10 each	27,116,370	365,929,994	–	–
ICICI Prudential Flexible Income - Direct Plan - Growth, of ₹ 100 each	–	–	869,636	199,170,608
ICICI Prudential FMP Series 69 - 372 days Plan K Direct Plan Cumulative Growth, 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 I - Direct Plan - Growth, of ₹ 10 each	–	–	7,300,815	99,999,993
ICICI Prudential Liquid - Direct Plan - Growth, of ₹ 100 each	435,540	90,137,835	105,452	20,000,000
ICICI Prudential Savings Plan - Direct Plan - Growth, of ₹ 10 each	190,689	40,000,000	–	–
IDFC Arbitrage Fund - Dividend - (Direct Plan), of ₹ 10 each	53,683,332	684,263,718	–	–
IDFC Fixed Term Plan Series 82 Direct Plan - Growth (92 Days), of ₹ 10 each	–	–	15,000,000	150,000,000
J P Morgan India Treasury Fund Direct Plan - Growth, of ₹ 10 each	19,021,524	311,072,489	19,021,524	311,072,489
Kotak Equity Arbitrage Fund-Direct Plan - Monthly Dividend, of ₹ 10 each	51,087,663	555,071,601	–	–
Kotak Liquid Scheme Plan A - Direct Plan - Growth, of ₹ 1,000 each	107,979	300,000,000	87,093	221,689,696
Kotak Treasury Advantage Fund - Direct Plan - Growth, of ₹ 10 each	454,351	10,000,000	–	–
Reliance Fixed Horizon Fund - XXV - Series 34 - Direct Plan Growth Plan, of ₹ 10 each	–	–	10,750,000	107,500,000
Reliance Interval Fund - Quarterly Plan - Series I - Direct Growth Plan Growth Option, of ₹ 10 each	–	–	5,825,435	100,000,000

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	Figures as at March 31, 2015		Figures as at March 31, 2014	
	Nos.	₹	Nos.	₹
Reliance Liquid Fund - Treasury Plan - Direct Plan Growth Plan - Growth Option, of ₹ 1,000 each	59,921	200,000,000	58,878	180,000,000
Reliance Money Manager Fund-Direct Growth Plan-Growth Option, of ₹ 1,000 each	62,342	120,000,000	—	—
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
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 - 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	—	—
Tata Income Fund Plan A - Appreciation Option - Bonus, of ₹ 10 each	—	—	1,843,805	19,444,444
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
Sub-total (D)		4,107,324,880		3,308,909,958
Current Investments (C) + (D)		4,107,324,880		3,313,909,958

Note: Aggregate market value of unquoted mutual fund units held by the Company based on the NAV declared on the balance sheet date by the mutual fund is ₹ 4,228,845,223 (Previous Year : ₹ 3,453,674,239).

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	Figures as at March 31, 2015 ₹	Figures as at March 31, 2014 ₹
NOTE 11 : DEFERRED TAX ASSETS (NET)		
(Refer Note I (xii))		
Deferred tax assets and liabilities are attributable to the following items:		
Assets:		
Provision for doubtful debts	44,260,031	49,010,174
Provision for compensated absences	8,191,494	8,224,327
Provision for gratuity	17,240,066	12,413,943
Others	75,562,368	46,539,651
Depreciation	23,422,090	(73,871,800)
	168,676,049	42,316,295
NOTE 12 : LONG-TERM LOANS AND ADVANCES		
(Unsecured considered good, unless otherwise stated)		
Capital Advances	65,477	404,754
Deposits	111,332,097	112,008,631
Other long term loans and advances		
Employee loans	100,036	500,032
Minimum alternate tax credit entitlement	2,800,358	2,793,413
Advance tax and tax deducted at source [Net of Provision of ₹ 1,238,136,831 (Previous Year : ₹ 169,626,507)]	6,075,725	9,276,238
	120,373,693	124,983,068
NOTE 13 : OTHER NON-CURRENT ASSETS		
Non current bank balances (margin money deposits)	65,321,455	65,650,741
	65,321,455	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	43,427,606	23,559,606
Others	1,220,926,342	1,016,419,615
	1,264,353,948	1,039,979,221
Unsecured, considered doubtful		
Outstanding for a period exceeding 6 months from the date they are due for payment	113,681,871	128,971,597
Others	14,207,722	15,218,382
	127,889,593	144,189,979
Less: Provision for doubtful debts	(127,889,593)	(144,189,979)
	1,264,353,948	1,039,979,221

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	Figures as at March 31, 2015 ₹	Figures as at March 31, 2014 ₹
NOTE 15 : CASH AND BANK BALANCES		
Cash and cash equivalents:		
Cheques on hand	8,367,360	8,918,111
Balances with banks:		
Current Accounts	134,413,595	129,070,854
	142,780,955	137,988,965
Other bank balances:		
On Unpaid dividend account	40,935	23,598
Balances with bank held as security against guarantees issued by banks		
Margin money deposits	65,321,455	65,650,741
Less: Amount disclosed under non current assets (Refer Note 13)	(65,321,455)	(65,650,741)
	142,821,890	138,012,563
NOTE 16 : SHORT-TERM LOANS AND ADVANCES (Unsecured considered good unless otherwise stated)		
Due from other related parties (Refer Note 28)	27,778	6,574,710
Prepaid expenses	50,470,362	50,822,887
Advances recoverable in cash or in kind or for value to be received	42,625,984	36,841,656
Deposits	396,008	5,324,523
Advance tax and tax deducted at source [Net of Provision of ₹ Nil (Previous Year : ₹ Nil)]	473,342	–
	93,993,474	99,563,776
NOTE 17 : OTHER CURRENT ASSETS (Unsecured, considered good, unless otherwise stated)		
Interest accrued on deposits	2,256,484	2,700,888
Others	2,500,000	2,739,327
	4,756,484	5,440,215

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	2014-2015 ₹	2013-2014 ₹
NOTE 18 : REVENUE FROM OPERATIONS		
Sale of services (Refer Notes I (iv)(a)(i) and (ii))	4,271,556,341	3,742,952,307
Digital revenues, service fee, marketing and sales commission	60,113,137	62,523,877
Other operating income		
Provision no longer required written back	47,855,136	29,677,093
Others	5,248,625	9,728,799
	53,103,761	39,405,892
	4,384,773,239	3,844,882,076
NOTE 19 : OTHER INCOME		
Interest Income (Refer Note I (iv)(b)(ii))		
On fixed deposits	5,346,158	6,320,687
On income-tax refund	7,203,952	2,840,471
On others	212,784	704,275
Dividend income on current investments (Refer Note I (iv)(b)(i))	75,265,313	27,102,015
Profit on sale of current investments (net) (Refer Note I (iv)(b)(iii))	202,919,094	187,326,967
Profit on sale of non-current investments (net) (Refer Note I (iv)(b)(iii))	24,164,627	–
Miscellaneous income	7,702,894	4,767,133
	322,814,822	229,061,548
NOTE 20 : EMPLOYEE BENEFITS EXPENSE		
Salaries, wages and bonus	750,134,566	686,486,428
Contributions to provident and other funds (Refer Notes I (viii) and 26)	23,774,695	21,939,839
Gratuity (Refer Notes I (viii) and 26)	18,395,680	9,202,694
Staff welfare expenses	35,251,979	34,616,234
	827,556,920	752,245,195



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	2014-2015 ₹	2013-2014 ₹
NOTE 21 : OPERATING AND OTHER EXPENSES		
Royalty	123,639,003	115,017,155
Programming expenses	29,199,761	24,616,230
Technical costs	31,280,689	31,491,079
License fees (Refer Note I (xv))	217,901,053	202,409,779
Rent	175,229,203	164,828,054
Rates and taxes	10,011,067	2,249,127
Power and fuel	111,762,160	109,043,781
Cost of sales	241,258,070	202,792,249
Marketing	757,554,367	608,183,256
Traveling and conveyance	100,590,035	95,001,147
Insurance	4,898,717	4,278,040
Communication	12,945,420	12,913,289
Repairs and Maintenance on:		
Buildings	2,201,805	1,763,812
Plant and machinery	36,180,916	29,185,029
Others	31,074,421	26,192,003
Legal and professional fees	121,145,619	92,103,780
Software expenses (Refer Note I (v)(c))	25,727,208	25,385,796
Payment to Auditors		
As Auditors:		
Audit fee	3,212,360	3,200,000
Other services	100,000	100,000
Reimbursement of expenses	64,728	93,095
	3,377,088	3,393,095
Bad debts written off (Net)	20,302,461	26,237,606
Provision for doubtful debts	38,715,922	78,128,304
Provision for doubtful debts withdrawn	(55,016,308)	(56,304,042)
	(16,300,386)	21,824,262
Tangible assets written off	6,491,576	1,443,421
Directors' sitting fees and commission	3,820,000	3,560,000
Expenditure towards Corporate Social Responsibility (CSR) activities (Refer Note 32)	7,143,200	—
Miscellaneous expenses	47,296,286	43,086,302
	2,104,729,739	1,846,998,292
NOTE 22 : FINANCE COST		
Interest Expense:		
On others	430,402	452,272
	430,402	452,272

NOTES forming part of the Consolidated Financial Statements

23. Commitments to the extent not provided for

Estimated amount of contracts remaining to be executed on capital account ₹ 12,050,861 (Previous Year : ₹ 14,880,697) net of advances of ₹ 65,477 (Previous Year : ₹ 404,754).

24. Trade payables

There are no Micro, Small and Medium Enterprises, to whom the Group 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 Group.

25. Proposed Dividend

	As at March 31, 2015 ₹	As at March 31, 2014 ₹
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

26. 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:-

	2014-2015 ₹	2013-2014 ₹
– Employers' Contribution to Provident Fund*	16,728,186	17,015,423
– Employers' Contribution to Employee's Pension Scheme, 1995*	6,825,537	4,461,099
– Employers' Contribution to Employee State Insurance Scheme*	220,972	463,317

* Included in Contributions to Provident and Other Funds (Refer Note 20)

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, 2015	As at March 31, 2014
Discount Rate (per annum)	8.03%	9.31%
Rate of increase in Compensation levels	8.00%	8.00%
Attrition rate	2.00%	2.00%

A. Changes in the Present Value of Obligation

	As at March 31, 2015 ₹	As at March 31, 2014 ₹
Present Value of Obligation at the beginning of the year	36,522,338	30,885,087
Interest Cost	3,400,229	2,470,807
Past Service Cost	–	–
Current Service Cost	5,906,106	5,464,767
Curtailment Cost / (Credit)	–	–
Settlement Cost / (Credit)	–	–
Benefits paid	(5,102,757)	(3,565,443)
Actuarial (Gain) / Loss on obligations	9,089,345	1,267,120
Effect of Transfer-in / (Transfer-out)	–	–
Present Value of Obligations at the year end	49,815,261	36,522,338

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

	As at March 31, 2015 ₹	As at March 31, 2014 ₹
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	49,815,261	36,522,338
Unrecognised Actuarial (Gains) / Losses	—	—
Unfunded (Liability) recognised in Balance Sheet	(49,815,261)	(36,522,338)

C. Amount recognised in the Balance Sheet

	As at March 31, 2015 ₹	As at March 31, 2014 ₹
Present Value of Defined Benefit Obligation at the end of the year	49,815,261	36,522,338
Fair Value of Plan Assets as at the end of the year	—	—
Liability recognised in the Balance Sheet	49,815,261	36,522,338
Recognised under:		
Long term provisions	48,772,860	35,710,599
Short term provisions	1,042,401	811,739

D. Expenses recognised in the Statement of Profit and Loss

	2014-2015 ₹	2013-2014 ₹
Current Service Cost	5,906,106	5,464,767
Past Service Cost	—	—
Interest Cost	3,400,229	2,470,807
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	9,089,345	1,267,120
Total Expenses recognised in the Statement of Profit and Loss	18,395,680	9,202,694

E. Experience Adjustment

	2014-2015 ₹	2013-2014 ₹
Defined Benefit Obligation	49,815,261	36,522,338
Plan Assets	—	—
Deficit / (Surplus)	49,815,261	36,522,338
Experience Adjustment on Plan Liabilities (Gain) / Loss	9,089,345	228,733

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.

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F. Amounts recognised in current year and previous four years

(₹)

	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
Defined Benefit Obligation	49,815,261	36,522,338	30,885,087	26,660,379	21,587,753
Surplus / (Deficit)	(49,815,261)	(36,522,338)	(30,885,087)	(26,660,379)	(21,587,753)
Experience adjustment on plan liabilities (Gain) / Loss	9,089,345	228,733	(2,066,790)	2,099,476	1,209,719

27. Segment Information

In accordance with Accounting Standard-17, "Segment Reporting", the Company's business segment is Media and Entertainment 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.

28. 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)#

Magicbricks Realty Services Limited (MBRSL)

Brand Equities Treaties Limited (BETL)

Worldwide Media Private Limited (WWM)

BCCL International Events Private Limited (BIEPL)*

Times Centre for Learning Limited (TCLL)*

iii. Related Parties of Ultimate Holding Company

Bennett Property Holdings Company Limited (BPHCL)

Aegon Religare Life Insurance Company Limited (ARLIC)

iv. Key Managerial Personnel

Managing Director & Chief Executive Officer

Mr. Prashant Panday

Times Business Solutions Limited (TBSL), Times Websol Limited (TWL) and Times Mobile Ltd (TM) have been merged into Times Internet Limited (TIL).

* There are no transactions during the year.

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v. Transactions with Related Parties

Particulars	2014-2015													
	Holding Company	Fellow Subsidiary Companies											Related Parties of the Ultimate Holding Company	
		BCCL	TIM	TIMDA	TIL#	TGBCL	MMCL	VPL	MBRSL	BETL	WWM	BIEPL	TCLL	ARLIC
Transactions with Related Parties														
Sales	219,899,745				33,062,553	6,721,351	1,093,316				3,983,136			
Rendering of services		2,878,321		469,562	3,539,720	702,002								
Receiving of services	35,043,160	3,000,690			29,122,919		1,187,432	158,405			3,991,843			
Recovery of Expenses			9,222,830	256,783	1,489,752	58,847								37,837,495
Year end Balances with Related Parties:														
Trade Receivables	68,649,459				8,690				8,918,439		4,785,227			
Non-trade Receivables (net)				27,778										
Deposit					777,960									10,000,000
Payables (net)	6,941,467				11,743,934		192,875				4,086,051			557,538

TBSL, TWL & TM Merged with TIL

Particulars	Holding Company	2013-2014															Related Parties of the Ultimate Holding Company		(₹)
		Fellow Subsidiary Companies																	
		BCCL	TIM	TIMDA	TIL	TGBCL	TBSL	MMCL	VPL	TWL	TM	MBSRL	BETL	WWM	BIEPL	TCLL			
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	-	-	-	-	-	-	-	-	-	-	-

NOTES forming part of the Consolidated Financial Statements



vi. Details relating to Persons referred to in 28 (iv) above:

	2014-2015 ₹	2013-2014 ₹
Mr. Prashant Panday	27,972,269	26,022,370
Total	27,972,269	26,022,370

Note: The remuneration to the key managerial personnel does not include the provisions made for gratuity and leave benefits, as they are determined on an actuarial basis for the company as a whole.

29. Disclosures for Operating Leases

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

- Lease payments recognized in the statement of profit and loss ₹ 175,229,203 (Previous Year : ₹ 164,828,054).
- All the agreements are cancellable at the option of the Company.

30. 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.

	2014-2015	2013-2014
Profit for the year (₹) (A)	1,059,769,997	836,202,925
Weighted average number of Equity shares (B)	47,670,415	47,670,415
Earnings per share – basic and diluted (₹) (A/B)	22.23	17.54
Nominal value of an equity share (₹)	10.00	10.00

- The Company has revised depreciation rates on fixed assets w.e.f. April 01, 2014 as per the useful life specified in Schedule II of the Companies Act, 2013 (the "Act") or as re-assessed by the Company. As prescribed in the said Schedule II of the Act, an amount of ₹ 58,324,117 (net of deferred tax of ₹ 30,032,369) (Previous Year : ₹ Nil) has been charged to the opening balance of retained earnings for the assets in respect of which there was no remaining useful life as on April 01, 2014. In respect of other assets on that date, depreciation has been calculated based on the remaining useful life of those assets. Had the Company continued with the previously applicable Schedule XIV rates as per Companies Act, 1956, the depreciation charge for the year ended March 31, 2015 would have been lower by ₹ 10,623,146 (Previous Year : ₹ Nil). Consequently, the profit before tax for the year ended would have been higher by similar amount.

- Gross amount required to be spent by the company during the year for Corporate Social Responsibility is ₹ 16,007,525 (Previous Year : ₹ Nil). Amount spent during the year by the company is ₹ 7,143,200 (Previous Year : ₹ Nil)

33. Pending litigations and claims

- The Company is involved in various litigations the outcome of which are considered probable and in respect of which the company has aggregate provisions of ₹ 85,333,139 (Previous Year : ₹ 47,689,536) as at March 31, 2015.
- Contingent liability - taxation

The company is contesting certain disallowances to the taxable income and demands raised by the Income-tax authorities, the estimated tax liability of which is ₹ 11,873,445 (Previous Year : ₹ 11,386,033). The management does not expect the liability from these claims to crystallize and accordingly, no provision has been recognized in the financial statements for the same.



NOTES forming part of the Consolidated Financial Statements



34. The previous year figures have been reclassified to conform to this year's classification. Previous year's figures have been audited by M/s Price Waterhouse and Co., Bangalore.

Signatures to Notes "I" to "34" forming part of the financial statements.

For **S.R. Batliboi & Associates LLP**
Firm Registration No. 101049W
Chartered Accountants

Govind Ahuja
Partner
Membership No. 48966

Mumbai
Dated: May 19, 2015

For and on behalf of the Board of Directors

Vineet Jain
Chairman
[DIN: 00003962]

B. S. Nagesh
Director
[DIN: 00027595]

Mehul Shah
SVP - Compliance & Company Secretary
[Membership No. FCS: 5839]

N. Kumar
Director
[DIN: 00007848]

Prashant Panday
Managing Director & CEO
[DIN: 02747925]

Richard Saldanha
Director
[DIN: 00189029]

N. Subramanian
Group CFO

Notes

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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 16th Annual General Meeting of the Company to be held on **Monday, September 14, 2015** at **3.00 p.m.** at Ravindra Natya Mandir, P. L. Deshpande Maharashtra Kala Academy, Sayani Road, Near Siddhivinayak Temple, Prabhadevi, Mumbai: 400025.

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

Applicable for investors holding shares in electronic form.

Entertainment Network (India) Limited

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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 16th Annual General Meeting of the Company to be held on **Monday, September 14, 2015** at **3.00 p.m.** at Ravindra Natya Mandir, P. L. Deshpande Maharashtra Kala Academy, Sayani Road, Near Siddhivinayak Temple, Prabhadevi, Mumbai: 400025 and at any adjournment thereof in respect of such resolutions as are indicated hereof.

[Please turn over for details of resolutions and notes]



Route map to the venue of the AGM

Resolution No.	Description	For *	Against *
1	Adoption of the audited financial statements of the Company for the financial year ended March 31, 2015 and the Reports of the Board of Directors and Auditors thereon.		
2	Adoption of the audited consolidated financial statements of the Company for the financial year ended March 31, 2015 and the Report of the Auditors thereon.		
3	To declare dividend on equity shares.		
4	Re-appointment of Mr. Prashant Panday (DIN: 02747925) as a Director, liable to retire by rotation.		
5	Ratification of 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).		

Signed this.....day of..... 2015.

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, together with attested specimen signature(s) of the proxy. Attestation can be made by such body corporate.
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,
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Corporate Office

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