entertainment network (India) limited

Corporate Office: 14th Floor, Trade World, D-Wing, Kamala Mills Compound, Senapati Bapat Marg,
Lower Parel (West), Mumbai – 400 013, India. Tel: 022 6753 6983.

July 11, 2019

BSE Limited, Rotunda Building, P. J. Towers, Dalal Street, Fort, Mumbai- 400001	**National Stock Exchange of India Limited,** Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051

BSE Scrip Code: 532700/ Symbol: ENIL

Sub: Annual Report for the Financial Year 2018-19

Dear Sir/Madam,

Pursuant to the Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ('Listing Regulations'), please find enclosed herewith the Annual Report for the financial year 2018-2019 containing *inter-alia* the Notice convening the 20th Annual General Meeting (AGM) to be held on **Monday, August 5, 2019,** Board of Directors' Report with the relevant enclosures, audited financial statements (including audited consolidated financial statements, Report on Corporate Governance, Management Discussion and Analysis, Business Responsibility Report, Integrated Report, Auditors' Report, etc. for the financial year 2018-2019.

The soft copy of the Annual Report is available on the Company web-site: www.enil.co.in URL: http://www.enil.co.in/financials-annual-reports.php

Kindly place the same on your record.

In the event of any query, kindly feel free to call the undersigned on 9819701671.

Yours truly,
For Entertainment Network (India) Limited

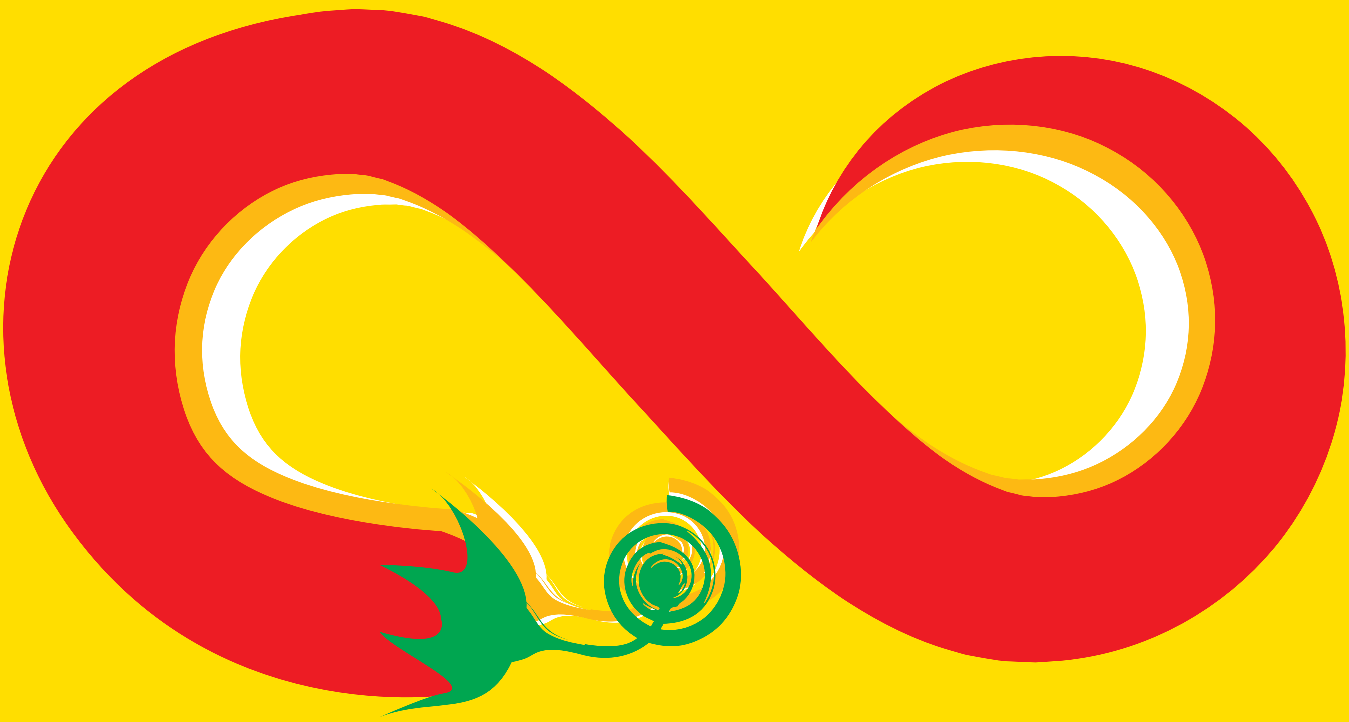
Mehul Shah
SVP - Compliance
& Company Secretary
(FCS no- F5839)

Encl: a/a

Entertainment Network (India) Limited

mirchi unlimited

ANNUAL REPORT 2018-19



corporate information

board of directors
(As on May 30, 2019)

Mr. Vineet Jain
(DIN: 00003962)
Non-Executive Chairman

Mr. N. Kumar
(DIN: 00007848)
Independent Director

Mr. Ravindra Kulkarni
(DIN: 00059367)
Independent Director

Mr. Richard Saldanha
(DIN: 00189029)
Independent Director

Ms. Sukanya Kripalu
(DIN: 06994202)
Independent Director

Mr. Prashant Panday
(DIN: 02747925)
Managing Director & CEO

Mr. N. Subramanian
(DIN: 03083775)
Executive Director & Group CFO

management team

Prashant Panday
Managing Director & CEO

N. Subramanian
Executive Director & Group CFO

Tapas Sen
Chief Programming Officer

Yatish Mehrishi
Chief Operating Officer

Rahul Balyan
Chief Digital Officer

G G Jayanta
Chief of Staff

Preeti Nihalani
Chief Revenue Officer

Vivek Kulkarni
EVP & Head HR

Kaizad Irani
SVP & Legal Head

company secretary

Mehul Shah
SVP- Compliance &
Company Secretary

auditors

S. R. Batliboi & Associates LLP
Chartered Accountants
(ICAI Firm Registration number - 101049W/ E300004)

legal advisors

Singh & Singh Law Firm LLP

Khaitan & Co.

Halai & Co., Advocates & Legal Consultants

bankers

HDFC Bank Limited

registrar & share transfer agents (R&TA)

Karvy Fintech Private Limited,
Unit: - Entertainment Network (India) Limited,
Karvy Selenium Tower B, Plot 31-32,
Gachibowli,
Financial District, Nanakramguda,
Hyderabad - 500 032.
Phone: 040-6716 2222, Fax: 040-2343 1551,
Toll Free no.: 1800-345-4001.
E-mail : einward.ris@karvy.com
Website : www.karvyfintech.com

registered office

Entertainment Network (India) Limited,
CIN: L92140MH1999PLC120516,
4th Floor, A-Wing, Matulya Centre,
Senapati Bapat Marg, Lower Parel (West),
Mumbai - 400 013.
Phone: 022-6662 0600, Fax: 022-6661 5030
E-mail: enil.investors@timesgroup.com
website: www.enil.co.in

corporate office

Entertainment Network (India) Limited,
14th Floor, Trade World, D wing,
Kamala Mills Compound,
Senapati Bapat Marg, Lower Parel (West),
Mumbai 400 013, India.
Phone: 022 6753 6983.

corporate **overview**

reports

financial **statements**

financial **highlights**

key figures

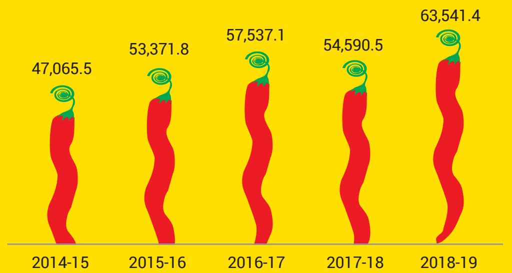
(₹ in Lakhs)

Particulars	2018-19	2017-18	2016-17	2015-16	2014-15
Results of Operations					
Total Revenue	**63,541.4**	54,590.5	57,537.1	53,371.8	47,065.5
Earnings before Interest, Taxes, Depreciation and Amortisation (EBITDA) and Exceptional items	**15,474.3**	12,542.6	14,548.7	18,447.9	17,751.7
Profit before Tax	**8,366.2**	6,149.3	7,831.2	14,816.4	14,460.9
Net Profit	**5,391.9**	3,515.9	5,447.4	10,792.5	10,597.2
Financial position					
Equity Share Capital	**4,767.0**	4,767.0	4,767.0	4,767.0	4,767.0
Reserves and Surplus	**88,456.2**	83,659.2	80,699.6	75,874.7	62,690.7
Net Worth	**93,223.2**	88,426.2	85,466.6	80,641.7	67,457.8
Stock information					
Earnings Per Share (in ₹)	**11.3**	7.4	11.4	22.6	22.2

Note- Financial Information is as per applicable GAAP in reported periods.

key performance **indicators**

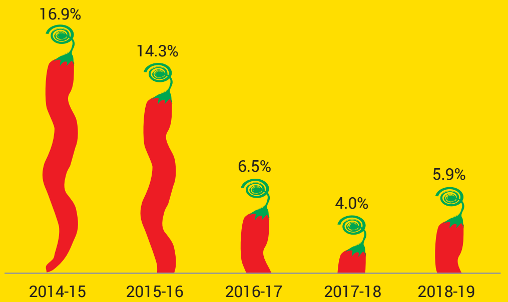
revenue ₹ in Lakhs



How we performed?
The Company reported 16.4% growth in revenue for 2018-19, as compared to previous year.

Why it's so important?
Gross Revenue or the Top Line, is the most important information for analysis which represents how effective we have been in generating revenues. It helps in analyzing the trend of the company's progress over a period of time.

return on **Average Net Worth** %

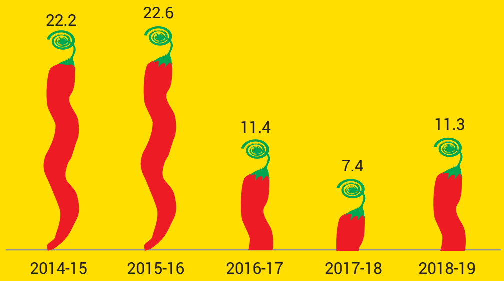


How we performed?
The Company reported an increase in Return on Net Worth as compared with previous financial year.

Why it's so important?
Return on Net Worth (RONW) is used as a measure of a company's profitability. It reveals how much profit a company generates with the money that the equity shareholders have invested. Therefore, it is also called 'Return on Net Worth'.

financial **highlights**

earnings per share ₹



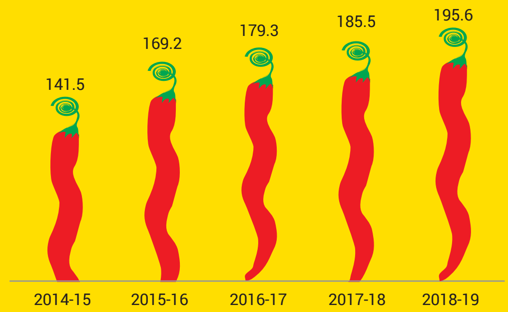
How we performed?

The Company reported a 53.36 % increase in 2018-19 compared with previous financial year.

Why it's so important?

Earnings per share (EPS) is the division of a company's profit allocated to each share. EPS serves as an indicator of a company's profitability per share.

book value per share ₹



How we performed?

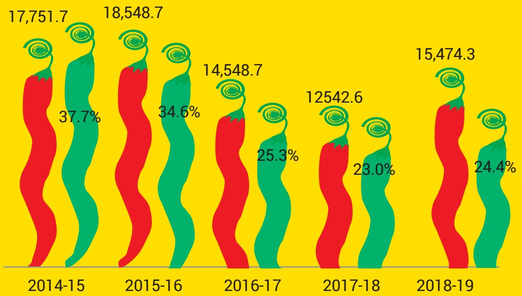
The Company reported 5.44% growth in Book Value per share in 2018-19 as compared to 2017-18.

Why it's so important?

Book value per equity share is a vital analysis component. It indicates the value remaining for equity shareholders after all assets are liquidated and all debtors are paid. This is the base value at which stock shall be traded. Anything less than this is discount to book value.

EBITDA (₹ in Lakhs)

EBITDA margin (%)



How we performed?

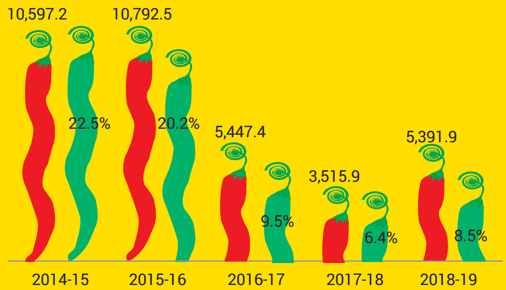
The Company reported a rise of 23.37% in EBITDA in 2018-19, in comparison with 2017-18. The Company's EBITDA Margins has increased in this year.

Why it's so important?

Earnings Before Interest, Tax, Depreciation and Amortization (EBITDA) simply is a measure of company's profitability, without the influence of financial and accounting deductions. It is now a standout component applied by investors when discussing business value. EBITDA margin is a calculation of a company's operating profitability as a percentage of its total revenue.

PAT (₹ in Lakhs)

PAT margin (%)



How we performed?

The Company reported 53.36% growth in Profit After Tax in 2018-19 as compared to 2017-18. The Company's PAT Margins has increased in this year.

Why it's so important?

Profit after tax (PAT) or Bottom Line is a measure of net profitability of the company. It helps in analyzing how effectively the company manages its spending. PAT margin is a calculation of a company's profit as a percentage of its total revenue.

mirchi **unlimited**

At the heart of Mirchi Unlimited is the loud message that our users keep giving us. They see us as not limited to FM radio alone. They want us to spread our wings far and wide and take the brand into bigger and faster growing areas. That's Mirchi Unlimited.

While about 38 million of our users listen to us on FM every week, millions more consume our online radio stations. An estimated 50-60 million more watch the video content we produce and put on YouTube every month. Lacs more interact with us on-ground in our concerts and events. And an estimated 42 million watched us on TV when we put up the Mirchi Music Awards show last year.

We always said Mirchi Everywhere. Our users are saying Mirchi Unlimited.

Not limited to radio

Even in revenues, Mirchi is not limited to radio. In FY19, FM radio revenues made up just 67% of our overall revenues. The rest came from a big and becoming-bigger "solutions" business, which comprises several products that we shall describe in the following pages.

But first let's look at how strong the radio business itself is.

In listenership, we remain undisputed leaders. India's largest research IRS, with more than 3.2 lac households spread across 95 cities, came out with brand-wise listenership numbers on May 31, 2019.

With approximately 38 million weekly listeners, Mirchi has yet again emerged as the leader in the category, with a massive 25% lead over the next player. Mirchi is No. 1 in 25 cities. In the Top 8 markets Mirchi Network is No. 1 and leads the number two player by 58%. Among NCCS A, the most premium & coveted audience for advertisers, Mirchi leads comfortably. The biggest radio market of the country is Delhi and Mirchi leads here with a mind-numbing 50 lac listeners. In the commercial capital Mumbai, Mirchi again leads with 29 lac listeners.

In terms of revenues as well, we are miles ahead of the next player. In FY19, we completed the roll out of all our stations that we acquired under Batch-1 and Batch-2 auctions. Including the 3 Ishq FM stations of TV Today Network Limited for whom we generate ad revenues, we are now a 76 station network, operating in 63 of the biggest cities. Including our online and international stations we are now a 112 station strong network.

Radio creativity continued unabated

The secret sauce of our success obviously is our exceptional programming. The year saw the launch of several programming ideas. We launched season 2 of the hugely successful Calling Karan show with ace Director Karan Johar. The advisor to Bollywood strutted out bold advice on relationships to our listeners. Understandably, the success of this show has made us a hot choice in Bollywood

mirchi unlimited

with many top stars lining up to do a show with us. Our other new & premium English brand Kool FM in Hyderabad also saw a glamorous launch with Farhan Akhtar.

Swapnil Joshi, the hugely popular Marathi film star, did a show with us where listeners got to share their secrets with him. Devdutt Patnaik, the mythology guru came on Mirchi and added a Mirchi twist to his content, talking about mythology as it applied to today's context. Technology guru Rajeev Makhani continued his popular show, Tech Makhani.

Solutions – revenues not limited by radio

Ever since the global liquidity crisis broke in 2008-09, advertisers have changed their approach towards media. Earlier, they used to buy media inventory. Post 2009, they have started demanding "solutions" from media companies. Media houses have responded by setting up special creative teams which cater to the needs of the advertisers. However, most media companies develop solutions using their own medium. It is only Mirchi that develops solutions that go beyond radio and straddle all other media verticals including print, TV, OOH, on-ground, digital and social media.

We not only develop solutions for our advertisers but also execute them. This "one-stop-shop" gives Mirchi a seat on the high table with the advertiser. Increasingly, we are being briefed by advertisers much ahead of time; our solutions are being accepted much before the brief is even put out for others. Creating solutions requires a strong marketing mindset. Our senior management come from marketing backgrounds and are equipped to engage with advertisers and develop smart solutions.

In our solutions business, we have created several products which serve the needs of our advertisers. These are described briefly

Mirchi Activations

We have created several Activation IPs over the years. Some examples are Mirchi Rock & Dhol (garba dance festival), Mirchi Neon Run (a multi-city fun run) and Mirchi Movie Nights (private screenings of films). In each case, we organize exciting on-ground events, get advertisers to sponsor them and get people to participate by paying a small entry fee. Many events also generate F&B revenues. For advertisers, these events provide them a valuable touch point to interact with their audiences.

Mirchi Impact properties

We have created several impact properties that go on TV. Some examples are Mirchi Music Awards (among India's biggest award shows!), Mirchi Top 20 (a countdown of the most popular songs), Mirchi Cover Star (a talent hunt for singers) and Mirchi Spell

Bee (a spelling competition). Here also, advertisers come in as sponsors. The show is broadcast on various TV channels. The Mirchi Music Awards are also streamed online.

Mirchi Concerts

We are one of the biggest organizers of concerts in India, featuring some of the biggest artists in various languages. The revenue model has three components – sponsorships from advertisers, ticket sales and F&B sales. Concerts help us connect with young audiences, keeping the brand top of mind for them. In FY19, we tried our hand with two international artists – Bryan Adams and Martin Garrix – in multiple cities. There is a huge opportunity in concerts that we plan to tap.

Online radio stations

There are 21 "original" radios that we currently stream on Gaana.com. These radios are not available anywhere except on Gaana.

In addition, we have recently launched a "city-centric" online radio station in Marathi for Mumbai. It is surprising that a city like Mumbai with a population of 1.8 Cr had no Marathi radio station. Lacs of people in Mumbai wanted Marathi content (the same is evident

from the popularity of Marathi channels on TV). Realizing this need gap, we launched Mirchi Mumbai Marathi - Mumbaicha aapla radio station, a hyperlocal Mumbai radio station in Marathi. Going by the initial numbers this seems to be a reasonable success, encouraging us to look at more niche launches to meet need gaps in the market.

We have also started streaming our FM stations on Gaana. Users who have smartphones without FM tuners can listen to their favorite Mirchi stations online. Finally, we also make customized radio stations for our advertisers, an example being "Campus Radio" that we make and operate for Britannia Good Day. It's a station that caters to the needs of college students, featuring a mix of English and Hindi music, and shows hosted by college kids themselves.

And in keeping with the trend of voice activation, our online stations are now also available on Amazon Echo – for example to play the station Filmy Mirchi, just say "Alexa play Filmy Mirchi" or to be more specific just say, "Alexa play Filmy Mirchi on gaana".

Our online stations streamed more than 400 million streams last year, reaching an estimate 3.5 million unique listeners. As opposed to music apps that generate playlists & are algorithm-led, Mirchi's strength in curating music interspersed with talk results in stations that generate high TSL (Time Spent Listening), a measure of stickiness of content.

YouTube videos

Mirchi makes different types of videos that it puts on YouTube. It makes videos featuring film and music celebrities who come to the studios almost every

week. Our popular RJs make videos of their own for their fans. We also make videos for our clients and post them on our YouTube channels. Between our various channels, we have more than 6.2 million subscribers and we generated as many as 725 million views last year. We reached as many as 50-60 million users through YouTube, expanding the brand's footprint way beyond that provided by FM radio.

Original Content

Mirchi has more than 300 creative people producing radio content in more than 15 languages. But it's a versatile team, capable of producing a lot more than radio content. We are tapping into this pool and developing original video content in multiple languages. A typical "show" has 5-7 episodes of 8-10 minutes each. Many of these shows integrate brands into the storyline. These are put on our YouTube channels. Other shows have no brands but are licensed to OTT platforms like MX player and others. Both brand integration and licensing generate healthy revenues.

One of our major shows launched last year was the one featuring the glamorous Kareena Kapoor who did a show called "What Women Want". The show was run on the Mirchi network including our second channel, Mirchi Love. Our partners TV Today, for whose radio brand Ishq we generate advertising revenues, were also interested in running the show in their markets. We gave them the rights to do so on air and on their YouTube channel. The show created an unprecedented buzz. Ishq's YouTube channel grew its subscriber base from just about 30K to more than 300K.

The future for the Original Content business is very bright for a creative company like Mirchi.

Client videos

We regularly make videos for our clients featuring our RJs. These videos are part of the advertising package that we create for them. Clients love to associate with our RJs.

Podcasts

This may be a nascent business in India, but in China it is a multi-billion-dollar opportunity. In the US also, podcasts are a fast-growing business. We are early entrants into the podcasts space. We made more than 50 podcasts last year and we see this expanding manifold in the years to come. Revenues are limited at the moment, but the long-term prospects for early entrants is enormous.

International markets

USA: On January 26, 2019, we entered the biggest radio market in the world – the United States of America. We launched first in The Big Apple, New York. We also launched Mirchi in Raleigh-Durham (NC), Philadelphia (PA), Baltimore (MD), Cleveland (OH), Columbus (OH), Atlanta (GA) and St. Louis (MO) via a brand licensing agreement with a US partner. We plan to expand to other cities. The initial response from advertisers is very encouraging. Listeners also have given us a huge thumbs up.

UAE: In the UAE, we have a brand licensing agreement with the Abu Dhabi Media Corporation. Our strong brand name accompanied by high quality programming has taken us to the number 1 position in listenership across the Emirates. This is yet another endorsement of the unlimited potential of brand Mirchi.

Bahrain: Mirchi is present in Bahrain under a brand licensing arrangement with a local partner.

We plan to expand to a few more countries in the years to come.

It is clear from the above that the potential for Mirchi is Unlimited.

mirchi unlimited **digital**

The shift to becoming a digital publisher

Radio Mirchi is making a shift from merely using our digital platforms for marketing and communication purposes, to becoming a full-fledged digital publisher looking to monetize its content creation expertise. Mirchi is extending its FM content into digital, creating digital-first content, adding a digital leg to its on-ground events, and even creating digital only web-radios.

YouTube

With 725 million views in FY19 and a subscriber base of more than 6.2 million across all our YT channels our video content reaches more people than our FM radio does. Our programming teams now create content not just for radio, but also for YT. We attract the best creative talent and have over 300+ top notch content creators in the country.

Social media

Mirchi has grown its social media presence to such an extent that we now see it as a monetizable opportunity. Mirchi RJs and other Social media assets have a following of over 18 million which is growing rapidly. Brands are keen to engage with the loyal followers of the Mirchi brand and the RJs. So Mirchi is able to get a share of the influencer marketing budgets that brands deploy on social media. Mirchi is giving engagement solutions to clients and some of our integrations won awards as well (Hero cycle campaign, Me for my City campaign).

Web radio

Our partnership with Gaana helps us reach digital consumers, who are hungry for high-quality curated radio on the internet. We have been able to create genre-specific radio stations, which now engage over 3.5 million loyal listeners every month, each of whom spends over 45 minutes with our products on an average.

YouTube

725 mn
annual viewership

300+
content Creator

6.2 mn
subscriber base

gaana

3.5 mn
loyal listeners

mirchi unlimited
original content

The Original Content business at Mirchi further consolidated its base from last year by producing more engaging video content as well as opening a new revenue stream. After having successfully launched entertaining shows with in-house talent in Tamil and Gujarati last year, the division scaled its efforts and created engaging content with talent outside the company. It launched a Hindi comedy show with popular ex-India cricketer Virender Sehwag called 'Mauke Pe Chauka – Sehwag Ke Saath'. The show was received well by audiences and was also profitably monetized with brands. The team also worked with popular film actors and directors in Tamil, Marathi and Gujarati to create video content.

With the high-profile entry of new OTT platforms during the year, the demand for entertainment content in multiple Indian languages has shot up significantly. With its access to the regional entertainment ecosystem through its teams in multiple markets and relationships with external talent, the Original Content team at ENIL finds itself uniquely placed to create content IPs in these regional languages at controlled costs and to license the same to video platforms. It delivered on this premise with a three shows licensing deal with MX Player, a popular streaming platform. The shows have been produced and delivered but not released at the time of this this report going into print.

Having built a successful test model of creating engaging video content and monetizing it profitably, the business is now being rolled out nationally at significant scale. The focus will be on the two separate revenue streams – brand integration into the content and licensing to platforms on multiple formats and in multiple geographies.

mirchi unlimited **on ground**

mirchi **neon run**

Radio Mirchi's most electrifying property, the Mirchi Neon Run, took its fourth edition on the road in 2019. The neon party run brings together partying and fitness to create unforgettable experiences. With a Zumba warm-up session, a post-run after-party and loads of exciting neon glow-in-the dark merchandise and accessories, the run sets the city aglow with its vibrancy.

Taapsee Pannu will now be the Brand Ambassador of our neon runs for the next 3 years.

Run. Party. Glow. Repeat!

bryan adams: **the ultimate tour**

Known the world over for his signature brand of music, Bryan Adams is an icon. In October '18 Mirchi LIVE brought the timeless rock star back to India to tour five cities (Mumbai, Delhi, Bengaluru, Hyderabad & Ahmedabad) with his Ultimate Tour.

75,000 fans across 5 cities came together to experience an unforgettable evening, where he not only performed a rip-roaring set from his new album "The Ultimate Love" but also many of his classic hits.

mirchi unlimited
on ground

martin garrix: **power arena tour**

In December '18 Mirchi brought down the world's number one DJ Martin Garrix to perform in Mumbai and Delhi as part of the Power Arena Tour. This festival was a treat for his young fans in India with first of its kind SFX, a number of talented opening acts and nonstop fun and dancing.

mirchi **rock & dhol**

Mirchi Rock & Dhol is one of the country's biggest and most premium "garba" dance festivals, celebrating the spirit of Navratri. This festival is held across various cities in India and is a top-tier event. Some of the biggest Bollywood stars, Deepika Padukone, Salman Khan, Sonam Kapoor, Shahid Kapoor and Varun Dhawan, have attended the festival over the years. Some of the most famous garba singers like Arvind Vegda, Sanjay Oza, Atul Purohit and others have been a part of the event. For foodies, the Mirchi "Khau Gali" - the exclusive food zone – offers delectable cuisines. Mirchi Rock & Dhol started in Gujarat but has now spread to Chandigarh, Patna, Indore, Nagpur, Varanasi and Raipur as well.

mirchi music **awards - hindi**

India's biggest musical extravaganza, Mirchi Music Awards completed its eleventh season this year. The ceremony was embellished by superstars like Ranveer Singh, Badshah, Neha Kakkar and Jonita Gandhi who not only won awards but also performed and dazzled the award night. The stage also saw evergreen actor Anil Kapoor jam with disco king Bappi Lahiri. There was a musical act reminiscing Anil's distinguished and continuing career. The award night was attended by many big names including Udit Narayan, Kirti Kulhari, Adah Sharma, Dharmesh Darshan, Papon, Shankar, Ehsaan and Loy, Mithila Palkar, Amaal Mallik, legendary music composer Usha Khanna, Sophie Choudry, Meenakshi Chaudhary (Miss Grand International, First Runner Up, 2018) Gayatri Bhardwaj (FBB Colors Femina Miss India United continents-2018) and many more.

The night was hosted by none other than the king of Bollywood melodies, Sonu Nigam. There were sizzling performances by talented singers like Nakash Aziz, Siddharth Mahadevan, Naezy, Shivam Pathak, Abhay Jodhpurkar, Meet Bros., Sukriti & Prakriti Kakar, Bhoomi Trivedi, Jyotica Tangri, Nikhita Gandhi, Anusha Mani, Shadaab Faridi along with the new age stars like Gajendra Verma, Doorbeen, Ragini, Lisa Mishra, Dhvani Bhanushali to name a few.

The awards honoured musical talent across many categories. Ranveer Singh, who was presented with the Royal Stag Make It Large Award lit the stage with Sonu and sang 'Dil Deewana' in Sonu's trademark style. Music industry veterans Talat Aziz, Kavita Krishnamurthy, Pankaj Udhas, Sudesh Bhonsle, Jatin Pandit, Roop Kumar Rathod, Penaz Masani along with Sonu Nigam presented the Lifetime Achievement award to composer Usha Khanna for her long and illustrious career. Anil Kapoor was honoured with the Bollywood Face of Iconic Hits award by Bappi Lahiri for his outstanding contribution to Bollywood music. This year saw a new award category 'Re-created Song of the Year' which was awarded to Tanishk Bagchi and Manoj Muntashir. Another high point of the evening was the honouring of Badshah with the special Pepsi Swag Star Award for creating maximum hits songs in his brief yet incredible career so far. "Padmaavat" bagged many awards including Song of the year, Album of the year, Music composer of the year and Lyricist of the year. Female vocalist of the year was won by Shreya Ghoshal for her song "Ghoomar" from Padmaavat. The Listeners' Choice Song of The Year went to "Dil Chori" from Sonu Ke Titu ki Sweety and the Listeners' choice album was bagged by Sonu Ke Titu Ki Sweety.

Telecast on Zee TV, Zee Anmol, Zing & Zee TV HD the show was a resounding success among viewers with an estimated 42 million people tuning in to watch the first telecast and repeat show. The show was also aired on the popular OTT platform MX Player.

Music industry veterans presenting the Life time achievement award to Usha Khanna (L to R - Sudhesh Bhonsle, Lalit Pandit, Lifetime Achievement Award winner Usha Khanna, K Krishnamurthy, Ila Arun, Roop Kumar Rathod, Sunali Rathod, Penaz Masani, Talat Aziz)

mirchi music **awards - hindi**

Sonu Nigam setting the stage on fire

Ranveer Singh – Winner of Royal Stag Make It Large Award

Jonita Gandhi performing the best of Indi-Pop music

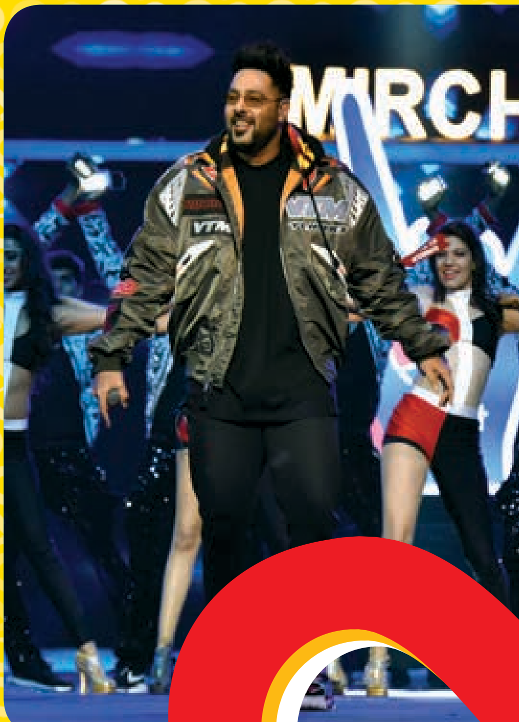
Bharti Singh at her witty best

mirchi music **awards - hindi**

Anil Kapoor being awarded the Bollywood face of Iconic Hits award by Bappi Lahiri
LtoR - Ash King, Nakash Aziz, Udit Narayan, Anil Kapoor, Bappi Lahiri, Sonu Nigam, Brijesh Shandilya

Neha Kakkar, the queen on Bollywood singing sways the audience away

Badshah in his element at MMA Hindi



mirchi music
awards - marathi

The 7th edition of Mirchi Music Awards Marathi was an evening that had the audience enthralled. A perfect blend of glamour, star power and pure magic. The awards commemorated the best in all fields that make Marathi Music stand out. This year the awards were held in Pune and featured spectacular performances of ace artists, like Sonalee Kulkarni, Jasraj Joshi, Sudesh Bhosle and Abhay Jodhpurkar. Hosts for the evening, Swapnil Joshi and Siddharth Jadhav with their amazing camaraderie made the event thoroughly entertaining!

Abhay Jodhpurkar mesmerizing the audience with his soulful voice

Hosts Swapnil Joshi & Sidhharth Jadhav shake a leg with celebrated singer Sudesh Bhosale

Manasi Naik & Nakul Ghanekar delivering a sensational dance performance

Vivacious Sonalee Kulkarni rocked the stage with her powerful dance act

mirchi music
awards - bangla

The light was set. The cameras were on and the trophies were polished. It was the evening of the 8th Edition of Mirchi Music Awards Bangla — one of the most illustrious music award ceremonies in the country. With an elaborate red carpet, Facebook Live Booth, 98.3 Mirchi Music Taxi and other attractions, the Purple Movie Town was full of stars from the music and film fraternity.

'Monta Ahare' won the Song of The Year (Film), team 'Haami' bagged the Album of The Year (Film). Young singer Aruna Das received the award for the Female Vocalist of The Year (Film) and Timir Biswas won the Male Vocalist of The Year (Film). Meanwhile, Usha Uthup and Tapas Sen, the Chief Programming Officer of Radio Mirchi felicitated Bappi Lahiri with Life Time Achievement Award.

Suspense' was the theme of the evening and the show was hosted by Actor & RJ Mirchi Mir, Mirchi Somak, Mirchi Agni along with Abir Chattopadhyay and Anirban Bhattacharya. The evening also witnessed melodious performances by Raj Barman along with Trisha Chatterjee, Anupam Roy, Arko Pravo Mukherjee and Cactus.

Usha Uthup, Bappi Lahiri, Tapas Sen- Chief Programming Officer, Radio Mirchi at MMA Bangla 2018

Anupam Roy's performance mesmerized the audience

Mirchi Agni, Actor Anirban Bhattacharya & Mirchi Somak's in their element on stage

O-MAA -GO popular digital series artists set the stage on fire (L to R Mirchi Mir, Mirchi Somak & Mirchi Agni)

mirchi music **awards - punjabi**

The 4th edition of Mirchi Music Awards Punjabi was held for the first time in Noida and witnessed outstanding performances from the who's who of the Punjabi music industry. The show was hosted by the talented Aparshakti Khurana. Mankirt Aulakh, Millind Gaba & Sunanda Sharma were some of the biggies to perform on the show. Sunny Leone as the headliner act was a major crowd puller. The event was roaring success, attracting a crowd of more than 3,000 people.

Gurmeet Singh receives the award for Best Music Director from our esteemed Jury members

Jass Manek posing candidly with our very own RJ Chetna

Popular digital star Neoda Boi's with our very own Punjabi munda Jaani

TV actress Ankitta Sharma with her mesmerizing dance performance

mirchi music **awards - south**

The best- known names in cinema and music from all the south Indian states converged at Hyderabad to be a part of Mirchi Music Awards South. The ceremony was attended by the biggest names like M M Keeravani, Nandamuri Balakrishna, Vijay Devarakonda, Amala Akkineni, Anup Rubens, Sanjith Hegde, Pooja Vaidyanath, Sangeetha and many more.

The glitzy event had the legend Balakrishna at his dapper best on the red carpet and enthralled the audience when he crooned the song Mama Ek Peg La. Adding the proverbial cherry to the cake were dance performances by Rashi Khanna and Rashmika Mandanna.

Graceful dance with soulful expressions by Rashi Khanna

Scintillating dance performance by Rashmika Mandanna

Musical Duet performance by Rahul Nambiar and Pooja Vaidyanath

Musical prodigy Sanjith Hegde and Sangeetha at MMA- South

mirchi unlimited
in the award circuit

Mirchi bagged 3 Gold, 1 Silver and 2 Bronze at Radio Connex – 2018. 6 Gold, 1 Silver, 5 Bronze at Golden Mikes 2019. 8 Golds, 2 Silver, 5 Bronze at ACEF- 2019. 1 silver at ABBYS Goa Fest. Details of these are in the MD & A section later in the report.

Mirchi also won 10 Gold and 8 silvers at ERA 2019.

letter from the **managing director**

run like **the wind!**

After the "strategic pause" of last year, your Company was back on the path of rapid growth! In FY19, revenues grew 15.5% to ₹ 620.5 crores, EBITDA 19.9% to ₹ 139.8 crores and PAT 53.4% to ₹ 53.9 crores. We ran like the wind in FY19!

It's important to see the Company's performance in terms of what we set out to achieve strategically. One of the reasons we took the pause – to improve profitability of our solutions business – started yielding results. Gross Profit – without the impact of concerts featuring international artists – rose from 30.1% to 32.3%. We experimented with International concerts for the first time in FY19 and made losses. Experience shows us that new businesses often lose money in the initial years. But they later become profitable.

Another important reason for the strategic pause was to refocus our energies on several fast-growing market opportunities, apart from radio where we are leaders anyway. Over the years, we have launched several online radio stations, developed a powerful presence in videos via YouTube, taken the brand to TV via several impact properties and gone beyond India into countries like the UAE and Bahrain serving millions of Indians there.

The growth of digital is creating new opportunities for diversified players like Mirchi. Here's how. As mentioned earlier, in FY19, our videos were watched nearly 725 million times on YouTube.

In terms of revenues, we have built a powerful suite of sales offerings focused on providing "solutions" to clients, rather than selling plain vanilla radio inventory. We offer Activations, Concerts, TV impact properties, online radios, videos, international markets and even third-party events. One of our most exciting sales offerings is "multi-media solutions", which combines radio with digital, on-ground and other media. Over several years, our business has grown much beyond radio – we now say Mirchi is "not just radio". In fact, in FY19, radio contributed just 67% of our overall revenues.

In FY19, we continued to push ahead along our chosen strategic direction. We launched Mirchi in the biggest radio market in the world, the United States. More than 90% of Americans consume radio weekly, this number being bigger than even TV viewership there. We launched first in the tri-state area of New York, New Jersey and Connecticut and then expanded rapidly into Philadelphia (PA), Baltimore (MD), Raleigh-Durham (NC), Cleveland (OH), Columbus (OH), Atlanta (GA) and St Louis (MO). We plan to expand further in the US and Canada in the coming years. We have also firmed up plans to enter another country in the Gulf, after having entered the UAE and Bahrain.

On the digital front, we made big moves in FY19. We launched and successfully sold several video shows. We call these shows "Original Content" – web series created by our programming team. We grew our YouTube subscribed base to more than 6.2 million across all our channels put together, a growth of almost 140% over last year. We even launched a new channel, Chilli Flakes, to cater to a younger audience. In all, we got almost 725 million views on YouTube, a jump of 64% over last year. On Social Media, we grew further. Across all social media, Mirchi and its RJs have a fanbase of over 18 million.

We launched our Podcasts business, producing nearly 50 shows. These are hosted on all major platforms like iTunes, Spotify etc. In FY20, and onwards, we plan to significantly grow our Original Content, Podcasts and YouTube video businesses. We have found a profitable way to grow these businesses, tapping both advertisers and streaming platforms for revenues. Overall in FY19, our digital business grew by about 90% and nearly broke even, reporting less than 4% negative margin.

One of the questions I am often asked by investors is about the impact that online streaming apps like Gaana are having on our core FM radio business. The latest IRS report should settle this. Overall monthly radio listenership is up to 216 million, a growth of 6.6% since the last IRS report. Weekly radio listenership is similarly up by 8.3%. A look at devices used shows the reason for this rapid growth. Radio listenership on mobile phones is at 109 million, up 10.2%. As is known, mobile is the most preferred medium for access to the internet also. Here is the most exciting bit though. Car stereo listenership is at 28 million, up 27.9%! Car listenership is concentrated in the biggest cities, and in terms of profile, it represents the most premium audience that advertisers seek. It is no surprise then that private FM grew impressively in FY19, at 9.8% compared to just 5.2% in FY18.

The growth of digital is creating new opportunities for diversified players like Mirchi. Here's how. As mentioned earlier, in FY19, our videos were watched nearly 725 million times on YouTube. We estimate that this created a new audience base of 50-60 million, mostly young consumers. This is higher than our monthly FM audience base of about 40-50 million. Because of the internet, Mirchi's footprint has more than doubled. This is a loyal audience that comes back to us repeatedly. But is this reach monetizable? In the past, it has not been so, but increasingly, advertisers are turning towards digital solutions to reach their audiences. Mirchi is benefitting from this turn. Mirchi is producing native videos for clients, planning digital media for them, integrating them inside original content, providing them sponsorship opportunities on podcasts and creating multimedia solutions for them using digital ideas to reach media dark markets using the reach of mobile phones. This growth is so exciting that we are adding strongly to our team strength in digital, Original Content and Podcasts. We did a modest ₹ 10.3 crores in digital revenues last year, but we see this growing to more than ₹ 75 crores in the next few years.

To end, Mirchi is on an exciting transformational journey. It's pivoting from radio entertainment to multi-media entertainment. From FM to an omni-channel brand. And from plain vanilla air time inventory selling to solutions selling. In this journey, the management team is being guided by the wisdom of our Board, the enthusiasm and passion of our teams, the support of our advertisers and the sustained confidence you, our investors have shown in our strategy. Here's to a happy future!

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. Times Foundation, The Times of India Relief Fund and Times for India Org.

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

Mr. N. Kumar is the Vice Chairman of The Sanmar Group (www.sanmargroup.com), 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.

Mr. N. Kumar is the Honorary Consul General of Greece in Chennai. As a spokesman of Industry and Trade, Mr. N. Kumar had been a President of CII and participated in other apex bodies. He is also the President of the Indo-Japan Chamber of Commerce & Industry.

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, Education, Management and Finance.

Mr. N. 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 one of the Trustees of WWF-India (World Wide Fund for Nature - India). He is the Chairman of Madhuram Narayanan Centre for Exceptional Children and Managing Trustee of The Indian Education Trust which runs two Schools.

Mr. N. Kumar is 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. He is an avid golfer and a patron of cricket and tennis.

Mr. N. Kumar
Independent Non- Executive Director

board of **directors**

Mr. Ravindra Kulkarni is one of the most experienced corporate lawyers in India with over 45 years of practice. He is a senior partner of M/s. Khaitan & Co., one of India's leading law firms and has immense experience of all aspects of law. His practice areas range from mergers & acquisitions, joint ventures, licensing, technology transfers, securities laws, capital markets, both advisory and documentation work relating to domestic IPOs and GDR/ FCCB offerings of securities by Indian companies and project finance. Mr. Kulkarni is also very experienced in transactions involving restructuring, sick companies financial reconstruction, demergers, spin-offs, sales of assets etc. He has advised in several developers and utilities in government bids for development of independent power projects and other projects involving private public partnership.

Mr. Ravindra Kulkarni,
Independent Non- Executive Director

Mr. Saldanha, a graduate Mechanical Engineer, served Hindustan Lever & Unilever plc, 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 Billion $ 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 Chairman of Gokaldas Exports Limited. He also is on the Board of Bennett, Coleman & Company Limited and a few other Times of India Group Cos. and is a member of the Court of Governors of the Administrative Staff College of India.

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

Mr. Richard Saldanha
Independent Non- Executive Director

Ms. Sukanya Kripalu is a graduate from St. Xavier's College and an alumni of the Indian Institute of Management, Calcutta. She is a consultant specializing in the area of marketing, strategy, advertising and market research. Her experience includes working with leading corporates like Nestle India Limited, Cadbury India Limited and Kellogg's India. She was also the CEO of Quadra Advisory – a WPP group company.

Ms. Sukanya Kripalu is on the Board of Directors at Aditya Birla Fashion & Retail Limited, Aditya Birla Health Insurance Company Limited, UltraTech Cement Limited, Colgate-Palmolive (India) Limited and Huhtamaki PPL Limited.

Ms. Sukanya Kripalu
Independent Non-Executive Director

board of **directors**

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 18 years, he has played a significant role in making Mirchi the #1 radio brand in the Country in terms of listenership. In 2008, Mirchi was rated the #1 media brand – ahead of The Times of India and Star Plus – in the IMRB-Pitch survey & in 2017 in the IRS, Mirchi has been recognised as the No 1 FM station of the country with 2.9cr listeners.

Mr. Panday has total experience of over 28 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.

Mr. Prashant Panday
Managing Director & CEO

Mr. N. Subramanian joined the Company in December 2006 and is presently designated as Executive Director & Group Chief Financial Officer of the Company. Apart from the Company, he also serves few other arms of the Times of India Group and is a Director on the Boards of Alternate Brand Solutions (India) Limited, Times Innovative Media Limited, TIM Delhi Airport Advertising Private Limited and TIM Global Private Limited. He is also on the Boards of foreign entities, i.e. TIM Global Private Limited, Entertainment Network, INC and Entertainment Network, LLC. Before joining the Company, he was the Chief Financial Officer of SBI Life Insurance Company Limited.

He has close to 30 years of experience that spans Strategy, managing Early stage Businesses and Turnaround situations, Capital and Debt markets, M&A, Private Equity and Restructuring, Commercial Functions, Accounting, Taxation and Legal Affairs. He has also held senior management positions in the ICICI Group and Dresdner Kleinworth Capital. During the early part of his professional career, he handled a variety of roles in Brooke Bond Lipton (a Hindustan Unilever Group Company). He holds a Graduate Degree in Commerce and is a Chartered Accountant, Cost Accountant and a Company Secretary. He is also an Alumnus of the Harvard Business School.

Mr. N. Subramanian has served on committees/sub committees constituted by SEBI, RBI, IRDA and the Ministry of Finance. He has also received several awards and recognitions in his long professional career and has a deep understanding of consumer markets and financial markets.

Mr. N. Subramanian
Executive Director & Group CFO

notice

NOTICE is hereby given that the **TWENTIETH** Annual General Meeting (AGM) of the Members of **ENTERTAINMENT NETWORK (INDIA) LIMITED** will be held on **Monday, August 5, 2019** at **3.00 p.m.** at Hall of Culture, Ground Floor, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai: 400018, 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, 2019 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, 2019 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. Re-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) and/or re-enactment(s) thereof for the time being in force), S. R. Batliboi & Associates LLP, Chartered Accountants (ICAI Firm Registration number - 101049W/ E300004) be and are hereby re-appointed as the Statutory Auditors of the Company for a second term of five consecutive years, to hold the office commencing from the conclusion of the twentieth Annual General Meeting (AGM) till the conclusion of the twenty fifth AGM of the Company, on such terms and remuneration plus applicable taxes and reimbursement of travelling and out of pocket expenses incurred in connection with the audit, as stated 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 settle any question, difficulty or doubt, that may arise in giving effect to this resolution and 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 and things as may be necessary, expedient and desirable for the purpose of 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 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 made under the Companies Act, 2013 (including any statutory modification(s) and/or re-enactment(s) 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, 2020, 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 settle any question, difficulty or doubt, that may arise in giving effect to this resolution and 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 and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution".

7. Issue of non- convertible debentures, bonds, debt securities, etc. on private placement basis

To consider and, if thought fit, to pass the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 23, 42, 71 and all other applicable provisions of the Companies Act, 2013 and all applicable rules made under the Companies Act, 2013 (hereinafter referred to as 'the Act') (including any statutory modification(s) and/or re-enactment(s) thereof for the time being in force), Securities and Exchange Board of India (Issue and Listing of Debt Securities)

Regulations, 2008, including any amendment, modification, variation or re-enactment thereto and all other applicable provisions and subject to applicable regulations, rules and guidelines prescribed by the Securities and Exchange Board of India and all other regulatory authorities and as per the applicable provisions of the Articles of Association of the Company, the consent of the Company be and is hereby given to the Board of Directors of the Company (hereinafter referred to as 'the Board' which term shall be deemed to include any Committee thereof), for making offer(s) or invitation(s) to subscribe to secured / unsecured redeemable non-convertible debentures including but not limited to senior debentures, subordinated debentures, bonds and / or other debt securities, etc. (hereinafter referred to as 'the Debt Securities') on private placement basis, in one or more tranches, during a period of one year from the date of passing of this resolution, within the overall borrowing limits of the Company approved by the Members of the Company from time to time;

RESOLVED FURTHER THAT the Board be and is hereby authorized to determine the terms of issue of the Debt Securities including the class of investors to whom the Debt Securities are to be issued, time, securities to be offered, number of the Debt Securities, tranches, issue price, tenure, interest rate, premium/ discount, listing, appointment of arranger, debenture trustee, credit rating agency, registrar & transfer agent; to resolve and settle all questions, difficulties that may arise without being required to seek any further consent or approval from the Members and the Members shall be deemed to have given their consent, approval thereto expressly by the authority of this resolution and to do / execute all such acts, deeds, matters and things for giving effect to this resolution;

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized, in its absolute discretion, to execute all such deeds, documents, undertakings, agreements, instruments, writings, etc. as may be required; to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and 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 and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution".

8. **Appointment of Mr. N. Subramanian as the Executive Director & Group CFO**

To consider and, if thought fit, to pass the following resolution as a Special Resolution:

"RESOLVED THAT Mr. Subramanian Narayanan (Mr. N. Subramanian) (DIN: 03083775), who was appointed by the Board of Directors as an Additional Director (Executive Director & Group Chief Financial Officer) of the Company with effect from November 2, 2018 and who holds office up to the date of this Annual General Meeting of the Company ('AGM') in terms of Section 161 and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as 'the Act') (including any statutory modification(s) and/or re-enactment(s) thereof for the time being in force) and who is not disqualified to become a director under the Act and who is eligible for appointment as a director and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act proposing his candidature for the office of the Director (Executive Director & Group Chief Financial Officer) of the Company, being so eligible, be and is hereby appointed as the Director of the Company;

RESOLVED FURTHER THAT based on the evaluation of performance, approval and recommendation of the Nomination and Remuneration Committee and pursuant to the provisions of Sections 152, 196, 197, 203 read with Schedule V and all other applicable provisions of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and other applicable rules made under the Act, and applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'the Listing Regulations') (including any statutory modification(s) and/or re-enactment(s) thereof for the time being in force) and subject to the approvals, consents, permissions, sanctions, etc., of the Central Government and all other concerned statutory, regulatory and other authorities, if and to the extent applicable and required, and subject to such conditions and modifications as may be prescribed, stipulated or imposed by any of them while granting such approvals, consents, permissions, sanctions and the like, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the 'Board' which shall include duly authorized committee thereof for the time being in force exercising the powers conferred upon it by the Board), the Company hereby approves the appointment of Mr. N. Subramanian, on continuation basis, without any interruption/ break in service, as the Executive Director & Group Chief Financial Officer ('ED & Group CFO') of the Company, whose office shall be liable to retire by rotation, for a period of five years commencing from November 2, 2018 to November 1, 2023, upon the terms and conditions including remuneration, as stated in the Statement pursuant to Section 102 of the Act annexed to this Notice;

RESOLVED FURTHER THAT Mr. N. Subramanian will continue to be a key managerial personnel of the Company under the provisions of Section 203 of the Act;

RESOLVED FURTHER THAT where in any financial year during the currency of the tenure of Mr. N. Subramanian as the ED & Group CFO, the Company has no profits or its profits are inadequate, the Company will pay to Mr. Subramanian remuneration by way of salary, benefits, perquisites, allowances, etc. as specified in the Statement annexed herewith as the minimum remuneration for a period not exceeding three years, subject to compliance with the applicable provisions of Sections 196, 197 and all other applicable provisions, if any, of the Act read with Schedule V of the Act as amended from time to time, subject to the approval of the Central Government, if and to the extent necessary and applicable;

RESOLVED FURTHER THAT the Board be and is hereby authorized to take all such steps as may be necessary, proper, expedient or desirable to give effect to this resolution, to make modifications as may be deemed to be in the interest of the Company, with liberty to the Board to alter and vary the designation, terms and conditions of the aforesaid appointment, including but not limited to determine the remuneration payable to Mr. Subramanian and also the types and amount of perquisites, other benefits and allowances, from time to time, in accordance with the provisions of the Act;

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and 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 and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution".

9. Re-appointment of Mr. Richard Saldanha as an Independent Director

To consider and, if thought fit, to pass the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152, read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and Companies (Appointment and Qualification of Directors) Rules, 2014 and all other applicable rules made under the Companies Act, 2013 (hereinafter referred to as 'the Act') (including any statutory modification(s) and/or re-enactment(s) thereof for the time being in force) and the applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'the Listing Regulations') (including any statutory modification(s) and/or re-enactment(s) thereof for the time being in force), Mr. Richard Saldanha (DIN: 00189029), aged 75 years, who was appointed as an Independent Non- executive Director (Independent Director) of the Company at the 15th Annual General Meeting ('AGM') of the Company held on August 12, 2014 and who holds office of the Independent Director up to August 11, 2019 and who is not disqualified to become a director under the Act and who meets the criteria of independence as provided in Section 149 of the Act and the Listing Regulations and who has submitted a declaration to that effect and who is eligible for re-appointment as an independent director and in respect of whom based on his evaluation of performance, the Nomination and Remuneration Committee has recommended his re-appointment to the Board of Directors and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing Mr. Saldanha as a candidate for the office of the independent director of the Company and being eligible, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of five consecutive years commencing from August 12, 2019 to August 11, 2024, as set out in the Statement pursuant to Section 102 of the Act annexed to this Notice;

RESOLVED FURTHER THAT that pursuant to the provisions of Regulation 17 (1A) of the Listing Regulations and all other applicable statutes, if any, consent of the Members of the Company be and is hereby accorded to the re-appointment and continuation of the directorship of Mr. Richard Saldanha as an Independent Non- Executive Director for the second term of five consecutive years commencing from August 12, 2019 to August 11, 2024, who has attained the age of seventy five years on February 3, 2019;

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and 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 and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution".

10. Re-appointment of Mr. Ravindra Kulkarni as an Independent Director

To consider and, if thought fit, to pass the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152, read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and Companies (Appointment and Qualification of Directors) Rules, 2014 and all other applicable rules made under the Companies Act, 2013 (hereinafter referred to as 'the Act') (including any statutory modification(s) and/or re-enactment(s) thereof for the time being in force) and the applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'the Listing Regulations') (including any statutory modification(s) and/or re-enactment(s) thereof for the time being in force), Mr. Ravindra Kulkarni (DIN: 00059367), aged 74 years, who was appointed as an Independent Non- executive Director (Independent Director) of the Company at the 15th Annual General Meeting ('AGM') of the Company held on August 12, 2014 and who holds office of the Independent Director up to August 11, 2019 and who is not disqualified to become a director under the Act and who meets the criteria of independence as provided in Section 149 of the Act and the Listing Regulations and who has submitted a declaration to that effect and who is eligible for re-appointment as an independent director and in respect of whom based on his evaluation of performance, the Nomination and Remuneration Committee has recommended his re-appointment to the Board of Directors and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing Mr. Kulkarni as a candidate for the office of the independent director of the Company and being eligible, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of five consecutive years commencing from August 12, 2019 to August 11, 2024, as set out in the Statement pursuant to Section 102 of the Act annexed to this Notice;

RESOLVED FURTHER THAT that pursuant to the provisions of Regulation 17 (1A) of the Listing Regulations and all other applicable statutes, if any, consent of the Members of the Company be and is hereby accorded to the re-appointment and continuation of the directorship of Mr. Ravindra Kulkarni as an Independent Non- Executive Director for the second term of five consecutive years commencing from August 12, 2019 to August 11, 2024, who shall attain the age of seventy five years on May 23, 2020;

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and 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 and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution".

11. Re-appointment of Mr. N. Kumar as an Independent Director

To consider and, if thought fit, to pass the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152, read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and Companies (Appointment and Qualification of Directors) Rules, 2014 and all other applicable rules made under the Companies Act, 2013 (hereinafter referred to as 'the Act') (including any statutory modification(s) and/or re-enactment(s) thereof for the time being in force) and the applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'the Listing Regulations') (including any statutory modification(s) and/ or re-enactment(s) thereof for the time being in force), Mr. Narayanan Kumar (Mr. N. Kumar) (DIN: 00007848), aged 69 years, who was appointed as an Independent Non-executive Director (Independent Director) of the Company at the 15th Annual General Meeting ('AGM') of the Company held on August 12, 2014 and who holds office of the Independent Director up to August 11, 2019 and who is not disqualified to become a director under the Act and who meets the criteria of independence as provided in Section 149 of the Act and the Listing Regulations and who has submitted a declaration to that effect and who is eligible for re-appointment as an independent director and in respect of whom based on his evaluation of performance, the Nomination and Remuneration Committee has recommended his re-appointment to the Board of Directors and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing Mr. N. Kumar as a candidate for the office of the independent director of the Company and being eligible, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of five consecutive years commencing from August 12, 2019 to August 11, 2024, as set out in the Statement pursuant to Section 102 of the Act annexed to this Notice;

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and 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 and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution".

Notes:

a. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE GENERAL MEETING IS ENTITLED TO APPOINT A PROXY, OR WHERE THAT IS ALLOWED, ONE OR MORE PROXIES, TO ATTEND AND VOTE INSTEAD OF HIMSELF/ HERSELF AND THAT A PROXY NEED NOT BE A MEMBER. 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 companies, societies, etc. must be supported by valid and effective resolution/ authority, as applicable.

b. The Company's Registrar & Share Transfer Agents are Karvy Fintech Private Limited (Formerly known as Karvy Computershare Private Limited), ('**R & TA**'), Unit: Entertainment Network (India) Limited, Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500032. Phone: 040-67162222; Fax: 040-23431551; Toll Free no.: 1800-345-4001. E-mail : *einward.ris@karvy.com* Website : *www.karvyfintech.com*

c. The Register of Members and Share Transfer Books of the Company will remain closed from **Tuesday, July 30, 2019 to Monday, August 5, 2019, both days inclusive**, for taking record of the Members of the Company for the purpose of AGM and determining the names of the Members eligible for dividend on equity shares, if declared at the AGM.

d. The Dividend**,** if declared at the AGM, would be paid/ dispatched on/ after August 6, 2019 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 July 29, 2019 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 July 29, 2019, 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. Such changes are to be intimated by the Members to their depository participants.

In respect of the Members holding shares in the physical form, the bank details obtained from the R & TA will be used for the purpose of distribution of dividend through various approved/ permissible electronic mode of payment. 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.

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 by the Members and same shall be so made available for inspection in physical or in electronic form during the business hours on working day at the Registered Office of the Company and copies thereof shall also be made available for inspection in physical or electronic form at the Corporate Office of the Company and also at the AGM without payment of fee. 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 required under the Secretarial Standard- 2 issued by the Institute of Company Secretaries of India and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ['Listing Regulations'], the details in respect of the directors seeking appointment (including re-appointment) at the AGM, *inter alia*, age, qualifications, experience, details of remuneration last drawn by such person, relationship with other directors and Key Managerial Personnel of the Company, the number of Meetings of the Board attended during the year and other directorships, membership/ chairmanship of the committees of other Boards, shareholding, etc. are annexed to the Notice and form part of the Explanatory Statement. Brief resume of all the Directors of the Company has also been furnished separately in the Annual Report. The directors have furnished the relevant consents, declarations, confirmations etc. for their appointment, re-appointment.

h. Certificate from the Company Secretary in Practice has been attached with the Report on Corporate Governance, confirming that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board (SEBI)/ Ministry of Corporate Affairs or any such statutory authority.

i. As per Sections 101, 136 and all other applicable provisions of the Act, read with the rules made under the Act, companies can 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 registered 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 Fintech 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: 040-23431551; 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.

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.

j. 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 rules made under the Act and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ['the Listing Regulations'], 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, July 29, 2019 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 July 29, 2019. A person who is not a Member as on the cut-off date should treat this Notice for information purpose only.** 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 Fintech Private Limited ('KFPL' / '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 July 29, 2019. Members are eligible to cast vote only if they are holding shares as on July 29, 2019.

The remote e-voting period will commence at 9.00 a.m. (IST) on Wednesday, July 31, 2019 and will end at 5.00 p.m. (IST) on Sunday, August 4, 2019. During this period, the Members of the Company (as on the cut-off date) holding shares in physical form or in dematerialized form may cast their vote through remote e-voting. **At the end of remote e-voting period, the facility of remote e-voting shall forthwith be blocked/ disabled.**

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 who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their 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.

It is not mandatory for the Member to vote using the remote e-voting facility and the Member can exercise his vote 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*.

Person responsible to address the grievances connected with facility for voting by electronic means: Ms. C. Shobha Anand, Karvy Fintech Private Limited, ('R & TA') [Unit: Entertainment Network (India) Limited], Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500032. Email ID: **evoting@karvy.com**, Contact No. 040-67162222; Fax: 040-23431551; Toll Free no.: 1800-345-4001.

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. **July 29, 2019**, he may write to R & TA on the email ID: *evoting@karvy.com* or to Ms. C. Shobha Anand at the aforesaid address, requesting for the User ID and Password.

The Board of Directors of the Company has appointed Mr. Hemanshu Kapadia, Practicing Company Secretary (Membership No: F3477) - proprietor of M/s. Hemanshu Kapadia & Associates, failing him, Mrs. Pooja Jain, Practicing Company Secretary (Membership No: F8160) - Partner of M/s. VPP and Associates as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

k. 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 the 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.

l. 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. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. Nomination form can be obtained from the R & TA. Members are requested to submit the said details to their depository participants in case the shares are held by them in electronic form and to R & TA in case the shares are held by them in physical form.

m. Members/ Proxies should bring their copy of the Annual Report and Attendance Slip sent herein, duly filled in, for attending the Meeting.

n. Corporate Members intending to send their representatives to attend the Meeting are requested to send to the Company a certified copy of the relevant board resolution authorizing their representatives to attend and vote at the Meeting on their behalf.

o. 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.

p. 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.

q. Statutory registers and all other documents relevant to the business as stated in the Notice convening the AGM are open for inspection by the members and such documents shall be so made available for inspection in physical or in electronic form during the business hours on working day at the Registered Office of the Company and copies thereof shall also be made available for inspection in physical or electronic form at the Corporate Office of the Company and also at the AGM without payment of fee.

r. 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 124 of the Companies Act, 2013, dividend 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 (IEPF). Details of the unclaimed dividend amount is available on the Company website- *www.enil.co.in* at the url: *http://www.enil.co.in/unclaimed-dividend.php*

Further, pursuant to the provisions of Section 124 of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, including amendments thereto ('IEPF Rules') all shares on which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to IEPF Authority as notified by Ministry of Corporate Affairs.

The shareholders whose dividend is/ will be transferred to the IEPF Authority can claim the same from IEPF Authority by following the procedure as detailed on the website of IEPF Authority http:/iepf.gov.in/IEPFA/Refund.html.

Calendar for transfer of unclaimed dividend to IEPF:

Financial Year	Date of declaration of dividend	Due for transfer to IEPF
FY2012-13	8-Aug-2013	9-Sep-2020
FY2013-14	12-Aug-2014	13-Sep-2021
FY2014-15	14-Sep-2015	16-Oct-2022
FY2015-16	3-Aug-2016	4-Sep-2023
FY2016-17	30-Aug-2017	1-Oct-2024
FY2017-18	26-Sep-2018	28-Oct-2025

s. The Securities and Exchange Board of India (SEBI) vide its circular dated April 20, 2018 has mandated registration of Permanent Account Number (PAN) and Bank Account Details for all securities holders. Members holding shares in physical form are therefore, requested to submit their PAN and Bank Account Details to R & TA / the Company by sending a duly signed letter along with self-attested copy of PAN Card and original cancelled cheque. The original cancelled cheque should bear the name of the Member. In the alternative, Members are requested to submit a copy of bank passbook/ statement attested by the bank. Members holding shares in demat form are requested to submit the aforesaid information to their respective Depository Participant.

t. In terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, securities of listed companies can only be transferred in dematerialised form with effect from April 1, 2019. In view of the above and to avail various benefits of dematerialisation, members are advised to dematerialise shares held by them in physical form.

u. Annual Report containing *inter alia* the Notice convening the Twentieth Annual General Meeting, the audited financial statements (including audited consolidated financial statements) of the Company for the financial year ended March 31, 2019 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 and such documents shall be so made available for inspection in physical or in electronic form during the business hours on working day at the Registered Office of the Company and copies thereof shall also be made available for inspection in physical or electronic form at the Corporate Office of the Company and also at the AGM without payment of fee.

v. The route map showing directions to reach the venue of the Twentieth AGM is provided at the end of the Notice. The AGM venue itself is a landmark.

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

Mehul Shah
SVP – Compliance & Company Secretary
FCS: 5839

Mumbai, May 30, 2019

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

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

The following Statement sets out all material facts relating to the business mentioned under Item Nos. 5 to 11 of the accompanying Notice dated May 30, 2019.

1. **Item No. 5:** The Members of the Company, at the fifteenth Annual General Meeting (AGM) held on August 12, 2014, had approved the appointment of S. R. Batliboi & Associates LLP, Chartered Accountants (ICAI Firm Registration number - 101049W/ E300004) as the Statutory Auditors of the Company to hold office from the conclusion of the fifteenth AGM till the conclusion of the twentieth AGM, at a remuneration as may be recommended by the Audit Committee and fixed by the Board of Directors of the Company in addition to out of pocket expenses as may be incurred by them during the course of the Audit. The aforesaid term of appointment will expire at the conclusion of the twentieth AGM and as per the provisions of Section 139 of the Companies Act, 2013 ('the Act') (including any statutory modification(s) and/or re-enactment(s) thereof for the time being in force), audit firm can be re-appointed for the second term of five consecutive years, i.e. from the conclusion of the twentieth AGM till the conclusion of the twenty fifth AGM.

2. S. R. Batliboi & Associates LLP, Chartered Accountants have provided their consent for re-appointment as the Statutory Auditors of the Company along with a certificate, under Section 139 of the Act, *inter alia* stating that they satisfy the criteria provided in Section 141 of the Act. 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 Act, read with the applicable rules made under the Act. They have also confirmed that they are not disqualified for appointment under the applicable provisions of the Act.

3. In terms of the Rule 4(1)(d) of the Companies (Audit and Auditors) Rules, 2014, S. R. Batliboi & Associates LLP have confirmed, to the best of their knowledge and belief, that 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 one item related to professional matters of conduct detailed as follows:

   - There is one matter of professional misconduct in respect of a partner of the firm, in relation to the audit conducted by him in his capacity as partner of another firm, where proceedings with the Disciplinary Committee of the Institute of Chartered Accountants of India are currently ongoing.

     Other than the above, there are no proceedings pending against the firm or any of its partners, as of date, with the respect to professional matters of conduct.

4. Basis of recommendation for re-appointment including the details in relation to and credentials of the statutory auditors: S. R. Batliboi & Associates LLP audits various companies listed on stock exchanges in India. Their registered office is situated at 22, Camac Street, Block B, 3rd Floor, Kolkata – 700016. S. R. Batliboi & Affiliates ('SRB') network of firms of Chartered Accountants, started in 1914 and registered with the Institute of Chartered Accountants of India. All the constituent firms of SRB are member firms in India of Ernst & Young Global Limited ('EY'). Their methodology, working environment, compensation strategy and technical resources are designed to attract and retain the best people. SRB network of firms includes S.R. Batliboi & Associates LLP, S.R. Batliboi & Co. LLP, S R B C & Co. LLP, S.V. Ghatalia & Associates LLP and S R B C & Associates LLP. They work with the clients in the Global and Indian Media and Entertainment industry. This broad and deep exposure coupled with their understanding the dynamics and complexities of this sector enables them to leverage their collective knowledge and experience gained across the sector along with the synergies of experience. Their current audit credentials in the media and entertainment sector include Bennett, Coleman & Co. Ltd., TV18 Broadcast, NGC Network, Saavn Media, Spotify, Sun Direct, HBO India, Netflix India, Broadcast Audience Research Council (BARC), Indian Broadcasting Foundation (IBF) etc. Few of their other major audit clients are Reliance Industries, JSW Steel Limited, Vodafone Idea, Bajaj Auto Limited, Sun Pharmaceuticals.

5. Based on the recommendation of the Audit Committee and pursuant to the provisions of Sections 139, 142 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, the Board of Directors has considered and recommended the proposed

re-appointment of S. R. Batliboi & Associates LLP, Chartered Accountants as the Statutory Auditors of the Company for a second term of five consecutive years commencing from the conclusion of the twentieth AGM till the conclusion of the twenty fifth AGM.

6. It is proposed to re-appoint S. R. Batliboi & Associates LLP as the Statutory Auditors at a remuneration of ₹ 42,00,000 (Rupees forty two lakhs only) per annum plus applicable taxes and reimbursement of travelling and out of pocket expenses incurred in connection with the statutory audit with an overall increment not more than 50% in aggregate during their term of five years, as recommended by the Audit Committee and fixed by the Board of Directors of the Company, with liberty to the Audit Committee and Board of Directors of the Company to alter and vary the terms and conditions including remuneration.

7. Relevant documents are available for inspection by the members and such documents shall be so made available for inspection in physical or in electronic form during the business hours on working day at the Registered Office of the Company and copies thereof shall also be made available for inspection in physical or electronic form at the Corporate Office of the Company and also at the AGM without payment of fee.

8. Consent of the Members is sought for passing the ordinary resolution as set out at Item No. 5 of the notice for the re-appointment of the auditors of the Company. None of the Directors, Key Managerial Personnel of the Company or their respective relatives are, in way, 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 of the Members.

9. **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) and/or re-enactment(s) 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, 2020. 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 ₹ 4,75,000 (Rupees four lakhs seventy five thousand only) plus out of pocket expenses and applicable taxes for the aforesaid audit. A Certificate issued by the above firm regarding their independence and eligibility for appointment as the Cost Auditors of the Company and other relevant documents are available for inspection by the members and such documents shall be so made available for inspection in physical or in electronic form during the business hours on working day at the Registered Office of the Company and copies thereof shall also be made available for inspection in physical or electronic form at the Corporate Office of the Company and also at the AGM without payment of fee.

10. 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, 2020.

11. None of the Directors, Key Managerial Personnel of the Company or their respective relatives are, in anyway, 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 of the Members.

12. **Item No. 7:** To augment the long term resources for financing *inter alia* for expansion plans, general corporate purposes, capital expenditure, feasible organic/ inorganic opportunities including mergers, acquisitions, arrangements, etc., the Company may require substantial funds.

13. In terms of Section 42 and all other applicable provisions of the Companies Act, 2013, Rule 14 of the Companies (Prospectus and Allotment of

Securities) Rules, 2014 and all other applicable rules made under the Companies Act, 2013 (hereinafter referred to as 'the Act') (including any statutory modification(s) and/or re-enactment(s) thereof for the time being in force), a company shall not make a private placement of its securities unless the proposed offer of securities or invitation to subscribe securities has been previously approved by the shareholders of the company by a Special Resolution. In case of an offer or invitation to subscribe to non-convertible debentures on private placement, the Company can obtain previous approval of its shareholders by means of a special resolution once in a year for all the offers or invitations for such non-convertible debentures during the year.

14. As stated earlier, to augment the long term resources for financing *inter alia* expansion plans, general corporate purposes, capital expenditure, feasible organic/ inorganic opportunities including mergers, acquisitions, arrangements, etc., the Company may offer or invite subscription to secured / unsecured redeemable non-convertible debentures including but not limited to senior debentures, subordinated debentures, bonds and / or other debt securities, etc. (hereinafter referred to as 'the Debt Securities') on private placement basis, in one or more tranches.

15. Accordingly, approval is being sought for an enabling Special Resolution as set out at Item No. 7 of the Notice to borrow funds by offer or invitation to subscribe to the Debt Securities within the overall borrowing limits of the Company, as approved by the Members of the Company from time to time, with authority to the Board of Directors of the Company (hereinafter referred to as 'the Board' which term shall be deemed to include any Committee thereof) to determine the terms and conditions of issue of the Debt Securities as it may deem expedient in the prevailing market conditions, including the class of investors to whom the Debt Securities are to be issued, number of the Debt Securities, tranches, issue price of the Debt Securities, time, listing, interest rate, premium/ discount, tenure, repayment, securities to be offered or otherwise, appointment of arranger, debenture trustee, credit rating agency, registrar & transfer agent, etc. and to do all such acts, deeds, matters and things in connection therewith and incidental thereto as the Board, in its absolute discretion, deems fit, without being required to seek any further consent or approval of the Members.

16. Accordingly, the approval of the Members is being sought by way of a special resolution under Sections 42, 71 and all other applicable provisions of the Act and rules made thereunder as set out at Item No. 7 of the Notice.

17. This resolution would be valid for a period of one year from the date of passing this Resolution.

18. None of the Directors, Key Managerial Personnel of the Company or their respective relatives are, in any way, concerned or interested, financially or otherwise, in the said Special Resolution at Item No. 7 of the Notice. The Board of Directors accordingly recommends the Special Resolution as set out at Item No. 7 of the accompanying Notice for the approval of the Members.

19. **Item No. 8:** Mr. Subramanian Narayanan (Mr. N. Subramanian) (DIN: 03083775) (Indian, date of birth - August 12, 1967) has been associated with the Company since December 2006 and holding the office of Group Chief Financial Officer and Key Managerial Personnel of the Company. Before joining the Company, he was the Chief Financial Officer of SBI Life Insurance Company Limited. He has close to 30 years of experience that spans Strategy, managing Early stage Businesses and Turnaround situations, Capital and Debt markets, M&A, Private Equity and Restructuring, Commercial Functions, Accounting, Taxation and Legal Affairs. He has also held senior management positions in the ICICI Group and Dresdner Kleinworth Capital. During the early part of his professional career, he handled a variety of roles in Brooke Bond Lipton (a Hindustan Unilever Group Company). He holds a Graduate Degree in Commerce and is a Chartered Accountant, a Cost Accountant and a Company Secretary. He is also an Alumnus of the Harvard Business School.

20. The Company, in compliance with the applicable regulatory requirements requiring it to obtain prior permission of the Ministry of Information & Broadcasting ('MIB') for any appointment of director to its Board of Directors, duly applied to the MIB on July 17, 2018, seeking their permission for appointment of Mr. N. Subramanian as the Executive Director & Group Chief Financial Officer on the Board of Directors of the Company. MIB, vide its letter dated September 25, 2018, conveyed its permission for the said appointment.

21. Post approval received from MIB and based on the outcome of performance evaluation exercise, approval and recommendation of the Nomination and Remuneration Committee and pursuant to the provisions of Sections 152, 161, 196, 197, 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 (hereinafter referred to as 'the Act') (including any statutory modification(s) and/or re-enactment(s) thereof for the time being in force), and all applicable rules made under the Act, the Board of Directors of the Company, at their meeting held on November 2, 2018, unanimously appointed Mr. N. Subramanian as an Additional Director and the Executive Director & Group Chief Financial Officer on the Board of Directors of the Company. He holds the office up to the date of this Annual General Meeting (AGM) pursuant to Section 161 of the Act and is eligible to be appointed as the Director and he is not disqualified to become a director under the Act. His term of appointment is for the five consecutive years commencing from November 2, 2018, on continuation basis, without any interruption/ break in service, liable to retire by rotation, subject to the approval of the Members.

22. In the opinion of the Board of Directors, Mr. Subramanian fulfills the conditions specified under the Act, rules made thereunder, read with the applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'the Listing Regulations') (including any statutory modification(s) and/or re-enactment(s) thereof for the time being in force), for his appointment as the Executive Director & Group Chief Financial Officer ('ED & Group CFO') of the Company and that he is not disqualified to become a director under the Act. Mr. Subramanian does not hold any Equity Share in the Company. Mr. N. Subramanian is not related with other directors or key managerial personnel.

23. The Board of Directors is authorized to take all such steps as may be necessary, proper, expedient or desirable to give effect to this appointment, with liberty to the Board of Directors of the Company to alter and vary the designation, terms and conditions of the aforesaid appointment.

24. The Company has received notice in writing from a Member under Section 160 of the Act, proposing the candidature of Mr. N. Subramanian for the office of the Director (ED & Group CFO) of the Company.

25. The Company has received the consent, declarations and confirmations from Mr. N. Subramanian pursuant to the applicable provisions of the Act and the Listing Regulations and that he is not disqualified to become directors under the Act. He has consented to act as the Executive Director & Group CFO of the Company under the applicable provisions of the Act.

26. As per the requirement of the circular from the stock exchange (no: LIST/COMP/14/2018-19 Dated June 20, 2018), the Board of Directors and its Nomination and Remuneration Committee, while considering the appointment of the said director, have verified that he is not debarred from holding the office of director pursuant to any SEBI order. Accordingly, the Company affirms that the Director proposed to be appointed is not debarred from holding the office of director by virtue of any SEBI order or any other such authority.

27. In terms of Sections 152, 196, 197, 203 read with Schedule V and all other applicable provisions of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and all other applicable rules made under the Act, Mr. N. Subramanian, being eligible and offering himself for appointment, is proposed to be appointed as the ED & Group CFO, whose office shall be liable to retire by rotation, for a period of five years commencing from November 2, 2018 to November 1, 2023. Mr. Subramanian will continue to be a key managerial personnel of the Company under the provisions of Section 203 of the Act.

28. The period of office of Mr. N. Subramanian shall be liable to determination by retirement of directors by rotation. If Mr. Subramanian is re-appointed as a director immediately on retirement by rotation, he shall continue to hold office of ED & Group CFO and such re-appointment as director shall not be deemed to constitute break in his appointment as the ED & Group CFO.

29. Brief resume of Mr. N. Subramanian, 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, etc., as stipulated under the Listing Regulations and Secretarial Standards are set out in the Annexure to the Notice.

30. Mr. N. Subramanian is also holding the office

of the Non-executive Director on the Boards of Directors of Alternate Brand Solutions (India) Limited- subsidiary of the Company and US based subsidiaries, i.e. Entertainment Network, INC. and Entertainment Network, LLC.

31. Mr. N. Subramanian satisfies all the applicable conditions as set out under Section 196 read with Schedule V of the Act for being eligible for the office of the ED & Group CFO.

32. Copies of the relevant resolutions passed by the Board of Directors and other relevant documents relating to the appointment of Mr. Subramanian are available for inspection by the members of the Company and such documents shall be so made available for inspection in physical or in electronic form during the business hours on working day at the Registered Office of the Company and copies thereof shall also be made available for inspection in physical or electronic form at the Corporate Office of the Company and also at the AGM without payment of fee.

33. The material terms and conditions of the appointment of Mr. N. Subramanian, as the ED & Group CFO, are as follows:

    (a) Designation and period of appointment:

    Mr. N. Subramanian has been appointed as the *Executive Director & Group Chief Financial Officer* ['ED & Group CFO'] under the provisions of Section 196 and all other applicable provisions, if any, of the Act. The aforesaid appointment of Mr. Subramanian is for the period of five years commencing from November 2, 2018 and ending on November 1, 2023, on continuation basis, without any interruption/ break in service. His period of office shall be liable to determination by retirement of directors by rotation. He will continue to be the Key Managerial Personnel of the Company.

    (b) Remuneration:

    The terms and conditions of the appointment of Mr. Subramanian, including remuneration, have been approved by a resolution passed by the Nomination & Remuneration Committee. Mr. Subramanian shall be entitled to the remuneration, perquisites, allowances, reimbursement, etc. as listed below:

    (i) Basic Salary: ₹ 5,03,468 (Rupees five lakhs three thousand four hundred sixty eight only) per month with such increments as may be determined by the Board of Directors of the Company (hereinafter referred to as the 'Board' which shall include committee thereof for the time being in force, exercising the powers conferred upon it by the Board), at its sole discretion, based on the performance;

    (ii) House Rent Allowance: Either the Company's owned/ hired/ leased fully furnished residential accommodation or house rent allowance of equivalent amount in lieu thereof or a combination of both, the cost of which shall not exceed 50% of the Basic Salary, with authority to the Board to revise the limit from time to time;

    (iii) Special Pay Allowance: ₹ 8,37,623 (Rupees eight lakhs thirty seven thousand six hundred twenty three only) per month with such increments as may be determined by the Board, at its sole discretion, based on the performance;

    (iv) Other Allowance: Other allowances including but not limited to transportation allowance, medical reimbursement, car allowance/ company car/ monetized value of leased car, leave travel allowance, other allowances, etc. up to 15% of the Basic Salary, as may be determined by the Board;

    (v) Performance Bonus, incentive, deferred cash incentive, ex - gratia payment etc.:

    ₹ 14,33,762 (Rupees fourteen lakhs thirty three thousand seven hundred sixty two only) per annum (payable annually or monthly on pro rata basis at the sole discretion of the Board), based on merit and taking into consideration the Company's performance, with such increments/ revisions as may be determined by the Board;

    (vi) Remuneration / profit related commission as permissible and subject to the provisions of Section 197 and other applicable provisions of the Act, as determined by the Board at its sole discretion;

    (vii) During the tenure of the appointment (i.e.

commencing from November 2, 2018 and ending on November 1, 2023), aggregate increments in the remuneration as referred to at para (b) (i) to (vi) hereof shall be limited to a maximum of 100% (hundred percent) in aggregate;

(viii) Others:

- Contribution to provident fund, superannuation fund, pension scheme, national pension scheme (NPS), annuity fund, payment of gratuity, encashment of leave, etc. shall be subject to the Company's policy/ rules or as may be permitted by the Board;
- Contribution to medical/ accident insurance and such other perquisites and allowances in accordance with the Company's policy/ rules or as may be permitted by the Board;

(ix) Minimum Remuneration:

Where in any financial year during the currency of the tenure of Mr. N. Subramanian as the Executive Director, the Company has no profits or its profits are inadequate, the Company will pay to Mr. Subramanian remuneration by way of salary, benefits, perquisites, allowances, etc. as specified above as the minimum remuneration for a period not exceeding 3 (three) years, subject to compliance with the applicable provisions of Sections 196, 197 and all other applicable provisions, if any, of the Act read with Schedule V of the Act as amended from time to time, subject to the approval of the Central Government, if and to the extent necessary and applicable.

(c) Mr. Subramanian shall be entitled to reimbursement of all expenses relating, including but not limited to traveling, field visits, mobile, e-mail devices, communication facilities, entertainment, other out-of-pocket expenses, etc. incurred by him in connection with or relating to the business of the Company.

(d) Mr. Subramanian shall also be entitled to stock options as per the employees' stock option plan as may be formulated/ amended by the Board from time to time pursuant to the provisions of the Act, read with the applicable rules, regulations and guidelines thereon. As on date, no employees' stock option plan has been formulated.

(e) Mr. Subramanian shall devote his whole time and attention to the business of the Company, and he shall carry out such functions, exercise such powers and perform such duties as the Board shall, from time to time, in its absolute discretion determine and entrust upon him. Mr. Subramanian shall perform all acts and things which, in the ordinary course of business, he may consider necessary or proper in the best interest of the business of the Company and the business of any one or more of its associated companies and/ or subsidiaries, including performing duties as assigned by the Board from time to time by serving on the boards of such associated companies and/ or subsidiaries or any other executive body or any committee of such company.

(f) The aforesaid appointment may be terminated by either party by giving to the other party not less than three months' prior notice in writing of such termination or payment in lieu of notice.

(g) If and when the aforesaid appointment/ employment of Mr. Subramanian expires or is terminated, Mr. Subramanian shall cease to be the Executive Director & Group CFO and also Director of the Company from such date of cessation.

(h) The designation, terms and conditions of the aforesaid appointment/ employment including but not limited to the remuneration payable to Mr. Subramanian may be revised, modified, altered and varied from time to time as may be determined by the Board at its sole discretion.

34. The Special Resolution at Item No. 8 is necessary having regard to the provisions of Sections 196, 197 and other applicable provisions, read with Schedule V of the Act and to allow a certain amount of flexibility to the Board to recognize merit and reward outstanding performance. The Company has not committed any default in payment of undisputed dues to any bank or public financial institution or any other secured creditor.

35. Mr. N. Subramanian is not holding any equity share in the Company as on date of this Notice. He is functioning in a professional capacity. He is not having any interest in the capital of the Company or its holding Company or its subsidiaries, directly or

indirectly or through any other statutory structures and not having any direct or indirect interest or related to the directors or promoters of the Company or its holding Company or its subsidiaries at any time during the last two years before or on the date of the appointment and possesses graduate level qualification with expertise and specialized knowledge in the field in which the Company operates.

36. Taking into consideration the size of the Company, the profile of the incumbent, the responsibilities shouldered by him and the industry benchmark, the remuneration proposed to be paid to the incumbent is commensurate with the remuneration packages paid to similar senior level incumbents in other companies.

37. Mr. N. Subramanian is concerned or interested in the Resolution of the accompanying notice relating to his own appointment. Save and except Mr. Subramanian, and his relatives to the extent of their shareholding interest, if any, in the Company, none of the other Directors, Key Managerial Personnel (KMP) of the Company or their relatives, are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 8 of the Notice.

38. The Board of Directors considers that knowledge, background and experience of Mr. N. Subramanian would be of immense benefit to the Company. Accordingly, the Board of Directors recommends the special resolution, as set out at Item No. 8 of this Notice in relation to the appointment of Mr. N. Subramanian as the ED & Group CFO, for the approval by the Members of the Company.

39. None of the Directors and KMP of the Company are *inter-se* related to each other.

40. This Explanatory Statement together with the accompanying Notice may be considered as the requisite abstract under Section 190 of the Companies Act, 2013, setting out the terms, conditions and limits of remuneration for managerial personnel and may also be regarded as a disclosure under Regulation 36(3) of the Listing Regulations and Secretarial Standard on General Meetings (SS-2) of ICSI.

41. Additional information as per Schedule V of the Companies Act, 2013:

1. General Information:

1.1 Nature of industry:

The Company is in the business of Private FM Radio Broadcasting. Today radio has become an integral part of a media plan due to its phenomenal reach in India. It is the only medium which is local, live and interactive. Advertisers can actually create localized and segmented advertising for their target customers. They can use radio to reach out to specific pockets of audiences and get real time responses to their communication.

The Company is also engaged in providing media solutions to its clients through multiple products such as activations, concerts, brand licensing, multimedia solutions, television and on air intellectual properties, digital solutions etc.

1.2 Date or expected date of commencement of commercial production:

The Company was incorporated as a public limited company on June 24, 1999. The Company has launched its Private FM radio stations under the brand name ‘Radio Mirchi’® at various places in India and first Private FM Radio Station was launched on October 4, 2001.

1.3 In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:

Not Applicable

1.4 Financial performance based on given indicators:

As per published audited financial results of the Company for the financial year ended March 31, 2019;

Particulars	**(₹ in Lakhs)**
Total Income	63,541.52
Net Profit as per the Statement of Profit and Loss	5,391.85
Profit as computed under Section 198 of the Act	9,991.99
Net Worth	93,223.22

1.5 Foreign investments or collaborators, if any:

During the reporting period, no Foreign Direct Investment (FDI) has been made in the Company and foreign investments made in the Company is through Stock Exchanges/ under Portfolio Investment Scheme.

2. Information about the appointee:

2.1 Back ground details, recognition or awards, job profile and his suitability:

During his tenure, Mr. N. Subramanian has played a commendable role in the success and growth achieved by the Company.

For the under mentioned reasons, it is deemed expedient to appoint Mr. N. Subramanian as the Executive Director & Group Chief Financial Officer ('ED & Group CFO') of the Company:

- Mr. Subramanian has excellent academic and professional qualifications. He holds a Graduate Degree in Commerce and is a Chartered Accountant, a Cost Accountant and a Company Secretary. He is also an Alumnus of the Harvard Business School.
- His academic brilliance is combined with rich experience close to thirty years in various industries, including but not limited to marketing, advertising, financial services.
- Prior to joining the Company, he was the Chief Financial Officer of SBI Life Insurance Company Limited.
- Being a people intensive industry, the proposed remuneration is in line with current job market norms.
- Taking into consideration the size of the Company, the profile of Mr. Subramanian, the responsibilities shouldered by him and the industry benchmark, the remuneration proposed to be paid is commensurate with the remuneration packages paid to similar senior level incumbents in other companies.

2.2 Past remuneration (as the Group Chief Financial Officer):

Remuneration	(₹ in Lakhs)
For the financial year 2017-2018	217.92
For the financial year 2016-2017	216.88
For the financial year 2015-2016	244.32

2.3 Remuneration proposed:

The details of the proposed remuneration have been furnished hereinbefore in para 33 of the Explanatory Statement.

2.4 Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person:

Generally, in the Media & Entertainment industry, talent (personnel/ employee) cost forms a large part of overall costs as compared to other industries. Taking into consideration the nature of the industry and size of the Company, the profile of the incumbent, the responsibilities shouldered by him and the industry benchmark, the remuneration proposed to be paid to the incumbent is commensurate with the remuneration packages paid to similar senior executives in other companies. It is therefore necessary to appoint Mr. Subramanian as the 'Executive Director & Group Chief Financial Officer' on the aforesaid terms, conditions and remuneration, which are similar to the industry norms, considering the knowledge domain, skill sets and expertise he brings to the Company.

2.5 Pecuniary relationship, directly or indirectly, with the Company or relationship with the managerial personnel, if any:

Mr. N. Subramanian has no pecuniary relationship, directly or indirectly, with the Company or with any managerial personnel, other than his present office in the Company. He is also designated as the Key Managerial Personnel as per Section 203 of the Act. Mr. Subramanian does not hold any equity share in the Company as on date of this Notice. Mr. Subramanian draws remuneration, as the Executive Director & Group Chief Financial Officer, only from the Company i.e. Entertainment Network (India) Limited. He is holding the office of Non - Executive Director on the Board of Alternate Brand Solutions (India) Limited, subsidiary of the Company and US based subsidiaries, i.e. Entertainment Network, INC. and Entertainment Network, LLC. He does not draw remuneration from the said subsidiaries.

3. Other information:
   - Reasons for loss or inadequate profits, steps taken or proposed to be taken for improvement and expected increase in productivity and profits in measurable terms: As on date, the Company has adequate profit. Industry growth, future outlook, relevant government policies, operating performance, etc. have been discussed at a length in the Management Discussion and Analysis Report which forms part of the Annual Report.

4. Disclosures:

   All the elements of remuneration package of all the directors, etc. have been furnished in the Corporate Governance Report.

   Mr. Subramanian satisfies all the conditions set out in Part - I of Schedule V to the Act as also the conditions set out under Section 196 of the Act for being eligible for his appointment. He is not disqualified from being appointed as Director in terms of Section 164 of the Act.

42. **Item Nos. 9, 10 and 11:** At the 15th AGM of the Company held on August 12, 2014, Mr. Richard Saldanha, Mr. Ravindra Kulkarni and Mr. Narayanan Kumar (Mr. N. Kumar) were, *inter alia*, appointed as the Independent Directors on the Board of the Company for a term of five consecutive years commencing from August 12, 2014 pursuant to the provisions of Sections 149, 152 and Schedule IV of the Companies Act, 2013 (hereinafter referred to as 'the Act') (including any statutory modification(s) and/or re-enactment(s) thereof for the time being in force) read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and the erstwhile Clause 49 of the Listing Agreement with the Stock Exchanges.

43. They hold office as the Independent Directors of the Company up to August 11, 2019 and shall be eligible for re-appointment for the second term of up to five consecutive years on passing of a special resolution by the Company and disclosure of such appointment in the Board's report as per the provisions of Section 149(10) and 149(11) of the Act.

44. The Nomination and Remuneration Committee, based on the outcome of performance evaluation exercise for Mr. Richard Saldanha, Mr. Ravindra Kulkarni and Mr. N. Kumar as the Independent Directors, recommended to the Board of Directors of the Company the re-appointment of the said Independent Directors, for the second term of five consecutive years commencing from August 12, 2019 to August 11, 2024, not liable to retire by rotation.

45. The Board of Directors, at its meeting held on May 30, 2019, based on the outcome of the performance evaluation exercise, recommendations of the Nomination and Remuneration Committee and based on the background, experience, acumen and contributions made by Mr. Richard Saldanha, Mr. Ravindra Kulkarni and Mr. N. Kumar during their tenure, approved the re-appointment (not liable to retire by rotation) of the said Independent Directors, for the second term of five consecutive years commencing from August 12, 2019 to August 11, 2024, subject to approval of the Members of the Company and recommends the same to the Members of the Company. The Board of Directors states that the re-appointment of Mr. Richard Saldanha, Mr. Ravindra Kulkarni and Mr. N. Kumar would be in the interest of the Company and its Members.

46. The performance evaluation of Independent Directors were based on various criteria, *inter-alia*, including attendance and participation at Board and Committee Meetings, skill, experience, constructive deliberation, knowledge acquired with regard to the Company's business, understanding of industry and global trends, etc.

47. As per the Regulation 17 (1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'the Listing Regulations') (including any statutory modification(s) and/ or re-enactment(s) thereof for the time being in force), no listed company shall appoint or continue

the directorship of a person as a non-executive director who has attained age of seventy five years unless a special resolution is passed to that effect. Mr. Saldanha has attained age of seventy five years on February 3, 2019 and Mr. Kulkarni will be attaining age of seventy five years on May 23, 2020. In order to comply with the aforesaid regulation, special resolutions are proposed at the ensuing AGM for reappointing and continuing the directorship of Mr. Richard Saldanha who has exceeded the age of seventy five years in February 2019 and Mr. Ravindra Kulkarni who will be exceeding the age of seventy five years in May 2020, as the Independent Non- Executive Directors of the Company. The Board of Directors recommends the special resolutions as set out at Item nos. 9 and 10 of this Notice for their re-appointment and continuation as the Independent Non-Executive Directors for the justification as stated hereof as per the Regulation 17 (1A) of the Listing Regulations.

48. The Company has received notices in writing from a Member under Section 160 of the Act, proposing the candidature of Mr. Richard Saldanha, Mr. Ravindra Kulkarni and Mr. N. Kumar for the office of the Independent Non- Executive Directors of the Company.

49. The Company has received the consent, declarations and confirmations from Mr. Richard Saldanha, Mr. Ravindra Kulkarni and Mr. N. Kumar pursuant to the provisions of Sections 149, 164 and all other applicable provisions of the Act and the Listing Regulations stating that they meet the criteria of independence as provided under the Act and the Listing Regulations and that they are not disqualified to become directors under the Act. They also confirmed that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence and that they are independent of the management. They have consented to act as the Independent Directors of the Company under the applicable provisions of the Act. The Board of Directors took on record the said consent, declarations and confirmations submitted by them under applicable provisions of the Act and the Listing Regulations after undertaking due assessment of the veracity of the same.

50. In the opinion of the Board of Directors, Mr. Richard Saldanha, Mr. Ravindra Kulkarni and Mr. N. Kumar fulfill the conditions for re-appointment as the Independent Directors as specified under the Act, rules made thereunder, read with the Listing Regulations and they are independent of the management and they are not disqualified to become directors under the Act. They are not related with other directors or key managerial personnel and they do not hold any equity shares in the Company.

51. As per the requirement of the circular from the stock exchange (no: LIST/COMP/14/2018-19 Dated June 20, 2018), the Board of Directors and its Nomination and Remuneration Committee, while considering the re-appointment of the said directors, have verified that they are not debarred from holding the office of director pursuant to any SEBI order. Accordingly, the Company affirms that the Directors proposed to be re-appointed are not debarred from holding the office of director by virtue of any SEBI order or any other such authority.

52. In terms of Sections 149, 150, 152 read with Schedule IV and all other applicable provisions of the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014 and all other applicable rules made under the Act, Mr. Richard Saldanha, Mr. Ravindra Kulkarni and Mr. N. Kumar, being eligible and offering themselves for re-appointment, are proposed to be re-appointed as the Independent Non - executive Directors (Independent Directors) for a for a second term of five consecutive years commencing from August 12, 2019 to August 11, 2024, not liable to retire by rotation.

53. Brief resume of Mr. Richard Saldanha, Mr. Ravindra Kulkarni and Mr. N. Kumar, nature of their expertise in specific functional areas, names of the companies in which they hold directorships and the memberships/ chairmanships of Committees of the Board and their shareholding in the Company, etc., as stipulated under the Listing Regulations and Secretarial Standards are set out in the Annexure to the Notice.

54. Copy of the draft letters of appointment / re-appointment of the directors setting out terms and conditions of appointment and other relevant documents are open for inspection by the members and such documents shall be so made available for inspection in physical or in electronic

form during the business hours on working day at the Registered Office of the Company and copies thereof shall also be made available for inspection in physical or electronic form at the Corporate Office of the Company and also at the AGM without payment of fee.

55. Mr. Richard Saldanha, Mr. Ravindra Kulkarni and Mr. N. Kumar are, respectively, concerned or interested in the Resolutions set out at Item Nos. 9, 10 and 11 of the accompanying notice relating to their own re-appointment. Save and except Mr. Richard Saldanha, Mr. Ravindra Kulkarni and Mr. N. Kumar, and their relatives to the extent of their shareholding interest, if any, in the Company, none of the other Directors, Key Managerial Personnel (KMP) of the Company or their relatives, are, in any way, concerned or interested, financially or otherwise, in the resolutions set out at Item Nos. 9, 10 and 11 of the Notice.

56. The Board of Directors considers that knowledge and experience of Mr. Richard Saldanha, Mr. Ravindra Kulkarni and Mr. N. Kumar would be of immense benefit to the Company. Accordingly, the Board of Directors recommends the special resolutions, as per Section 149(10) of the Act and Listing Regulations as amended from time to time, as set out at Item nos. 9, 10 and 11 of this Notice in relation to their re-appointment as the Independent Directors, for the approval by the Members of the Company.

57. None of the Directors and KMP of the Company are *inter-se* related to each other.

58. This Explanatory Statement together with the accompanying Notice may also be regarded as a disclosure under Regulation 36(3) of the Listing Regulations and Secretarial Standard on General Meetings (SS-2) of ICSI.

By Order of the Board of Directors

For **Entertainment Network (India) Limited**

sd/-

Mehul Shah

SVP – Compliance & Company Secretary

FCS: 5839

Mumbai, May 30, 2019

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

Annexure to Item Nos. 4, 8, 9, 10 and 11 of the Notice (Details as required to be furnished under the Secretarial Standard – 2 – para 1.2.5 and Regulation 36 (3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015)**.**

As per the requirement of the circular from the stock exchange (no: LIST/COMP/14/2018-19 Dated June 20, 2018), the Board of Directors and its Nomination and Remuneration Committee, while considering the appointment, re-appointment of the directors, have verified that they are not debarred from holding the office of director pursuant to any SEBI order. Accordingly, the Company affirms that the Directors proposed to be appointed, re-appointed are not debarred from holding the office of director by virtue of any SEBI order or any other such authority.

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

Name of the Director	Mr. Prashant Panday	Mr. Subramanian Narayanan (Mr. N. Subramanian)	Mr. Richard Saldanha
DIN	02747925	03083775	00189029
Date of Birth and age	July 8, 1965 (age: 53 years)	August 12, 1967 (age: 51 years)	February 3, 1944 (age: 75 years)
Qualifications	Post Graduate Diploma in Management from Indian Institute of Management, Bangalore and Degree of B.E. Electronics and Communication-Gujarat University	Graduate Degree in Commerce and is a Chartered Accountant, a Cost Accountant and a Company Secretary. He is also an Alumnus of the Harvard Business School.	Graduate Mechanical Engineer from College of Engineering-Pune.
Nature of his expertise in specific functional areas/ Experience	As per the resume stated hereof.	As per the resume stated hereof.	As per the resume stated hereof.
Nationality	Indian	Indian	Indian
Terms and conditions of appointment / reappointment	Mr. Panday was re-appointed as the Managing Director & CEO for a term of five years effective from July 1, 2016 at the 17th AGM. His office shall liable to retire by rotation. Other details are stated at para 5 (c) of the Report on Corporate Governance.	Proposed to be appointed for a term of five years effective from November 2, 2018. His office shall liable to retire by rotation. Kindly refer to the Resolution No. 8.	Consent of the Members is being sought for his re-appointment as an Independent Director for a second term of five consecutive years commencing from August 12, 2019 to August 11, 2024, not liable to retire by rotation
Details of remuneration sought to be paid	Since he is proposed to be re-appointed as Director liable to retire by rotation, there is no proposal to change the remuneration which is already approved at the 17th AGM. Details of remuneration were furnished at the Resolution No: 7 of the 17th AGM notice.	Kindly refer to the Resolution No. 8.	As per the Nomination & Remuneration Policy of the Company, Mr. Saldanha would be entitled to the managerial remuneration by way of profit related commission, fees for attending meetings of the Board of Directors and Committee(s) thereof and reimbursement of expenses for participation in the Board and Committee meetings, etc., pursuant to the provisions of Section 197 and all other applicable provisions of the Companies Act, 2013.
Details of remuneration last drawn	₹ 303.62 lakhs	₹ 222.82 lakhs	₹ 15.00 lakhs
Date of first appointment on the Board	July 1, 2010	November 2, 2018	November 23, 2010
Number of board meetings attended during the year	7 out of 7	4 out of 4	7 out of 7

Name of the Director	Mr. Prashant Panday	Mr. Subramanian Narayanan (Mr. N. Subramanian)	Mr. Richard Saldanha
List of Directorships held in other Companies	Unlisted entities: Alternate Brand Solutions (India) Limited, Entertainment Network, INC. and Entertainment Network, LLC.	Unlisted entities: Times Innovative Media Limited, TIM Delhi Airport Advertising Private Limited, TIM Global Private Limited, Alternate Brand Solutions (India) Limited, Entertainment Network, INC. and Entertainment Network, LLC.	Listed entities: Gokaldas Exports Limited. Unlisted entities: Nuziveedu Seeds Limited, Bennett Coleman & Company Limited, Zoom Entertainment Network Limited, Times Global Broadcasting Company Limited and World Wide Media Private Limited.
Committee membership, i.e. Audit Committee (AC); Stakeholders Relationship Committee (SRC); Nomination & Remuneration Committee (NRC); Corporate Social Responsibility Committee (CSRC); Risk Management Committee (RMC)	Entertainment Network (India) Limited: [Member of CSR, Member of SRC, Member of RMC]	1. Entertainment Network (India) Limited: [Member of RMC] 2. Times Innovative Media Limited: [Member of AC, Member of CSRC and Member of NRC]	1. Entertainment Network (India) Limited: [Member of AC, Member of NRC, Chairman of SRC] 2. Times Global Broadcasting Limited: [Member of AC, Member of NRC] 3. Bennett, Coleman & Company Limited: [Member of AC, Chairman of NRC] 4. Zoom Entertainment Network Limited: [Member of AC, Member of NRC] 5. Nuziveedu Seeds Limited: [Member of AC] 6. Gokaldas Exports Limited: [Member of AC, Member of NRC, Member of SRC, Member of CSRC] 7. World Wide Media Private Limited: [Member of AC, Member of NRC]
Shareholding in the Company	21900 equity shares of ₹ 10/- each	Nil	Nil

Name of the Director	Mr. Ravindra Kulkarni	Mr. Narayanan Kumar (Mr. N. Kumar)
DIN	00059367	00007848
Date of Birth and age	May 23, 1945 (age: 74 years)	January 28, 1950 (age: 69 years)
Qualifications	Masters degree in Law from University of Mumbai, also holds a Bachelors degree in Science from University of Mumbai.	Engineering Graduate in Electronics and Communication from Anna University, Chennai.
Nature of his expertise in specific functional areas/ Experience	As per the resume stated hereof.	As per the resume stated hereof.
Nationality	Indian	Indian
Terms and conditions of appointment / reappointment	Consent of the Members is being sought for his re-appointment as an Independent Director for a second term of five consecutive years commencing from August 12, 2019 to August 11, 2024, not liable to retire by rotation.	Consent of the Members is being sought for his re-appointment as an Independent Director for a second term of five consecutive years commencing from August 12, 2019 to August 11, 2024, not liable to retire by rotation.

Name of the Director	Mr. Ravindra Kulkarni	Mr. Narayanan Kumar (Mr. N. Kumar)
Details of remuneration sought to be paid	As per the Nomination & Remuneration Policy of the Company, Mr. Ravindra Kulkarni would be entitled to the managerial remuneration by way of profit related commission, fees for attending meetings of the Board of Directors and Committee(s) thereof and reimbursement of expenses for participation in the Board and Committee meetings, etc., pursuant to the provisions of Section 197 and all other applicable provisions of the Companies Act, 2013.	As per the Nomination & Remuneration Policy of the Company, Mr. N. Kumar would be entitled to the managerial remuneration by way of profit related commission, fees for attending meetings of the Board of Directors and Committee(s) thereof and reimbursement of expenses for participation in the Board and Committee meetings, etc., pursuant to the provisions of Section 197 and all other applicable provisions of the Companies Act, 2013.
Details of remuneration last drawn	₹ 15.80 lakhs (remuneration credited to Khaitan & Co.)	₹ 15.00 lakhs
Date of first appointment on the Board	January 19, 2007	November 5, 2005
Number of board meetings attended during the year	7 out of 7	7 out of 7
List of Directorships held in other Companies	Listed entities: Mahindra & Mahindra Limited, Elantas Beck India Limited, Tech Mahindra Limited and Chowgule Steamships Limited. Unlisted entities: Mahindra Airways Limited, Shamrao Vithal Co-op Bank Limited, Khaitan Consultants Limited, New Democratic Electoral Trust and Landmark Education- India.	Listed entities: Bharti Infratel Limited, MRF Limited, Take Solutions Limited, Mphasis Limited, Larsen & Toubro Limited and L & T Technology Services Limited. Unlisted entities: Times Innovative Media Limited, Aegon Life Insurance Company Limited, eG Innovations Private Limited, N. K. Trading & Consultancy Private Limited, Madhuram Narayanan Centre for Exceptional Children, Singapore India Partnership Foundation, Risk Educators Private Limited and eG Innovations Pte Limited (foreign company).
Committee membership, i.e. Audit Committee (AC); Stakeholders Relationship Committee (SRC); Nomination & Remuneration Committee (NRC); Corporate Social Responsibility Committee (CSRC); Risk Management Committee (RMC)	1. Entertainment Network (India) Limited: [Member of AC, Member of NRC, Member of SRC, Member of CSRC] 2. Elantas Beck India Limited: [Chairman of AC, Member of NRC] 3. Mahindra & Mahindra Limited: [Member of AC, Chairman of SRC, Member of CSRC, Member of RMC] 4. Tech Mahindra Limited: [Chairman of NRC, Member of SRC] 5. Chowgule Steamships Limited: [Member of AC, Member of NRC, Member of SRC]	1. Entertainment Network (India) Limited: [Chairman of AC, Chairman of NRC] 2. Aegon Life Insurance Company Limited: [Member of AC, Member of NRC] 3. Mphasis Limited: [Chairman of AC, Chairman of CSRC] 4. L&T Technology Services Limited: [Chairman of AC] 5. Larsen & Toubro Limited: [Member of AC] 6. Bharti Infratel Limited: [Chairman of NRC, Chairman of CSRC] 7. Take Solutions Limited: [Chairman of SRC] 8. Times Innovative Media Limited: [Member of AC, Member of NRC]
Shareholding in the Company	Nil	Nil

Resume of the directors proposed to be appointed, re-appointed (Covering nature of expertise in specific functional areas/ Experience)

Mr. Prashant Panday (Managing Director & CEO)

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 18 years, he has played a significant role in making Mirchi the #1 radio brand in the Country in terms of listenership. In 2008, Mirchi was rated the #1 media brand – ahead of The Times of India and Star Plus – in the IMRB- Pitch survey & in 2017 in the IRS, Mirchi has been recognised as the No 1 FM station of the country with 2.9 cr listeners.

Mr. Panday has total experience of over 28 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.

Mr. N. Subramanian (Executive Director & Group CFO)

Mr. N. Subramanian joined the Company in December 2006 and is presently designated as Executive Director & Group Chief Financial Officer of the Company. Apart from the Company, he also serves few other arms of the Times of India Group and is a Director on the Boards of Alternate Brand Solutions (India) Limited, Times Innovative Media Limited, TIM Delhi Airport Advertising Private Limited and TIM Global Private Limited. He is also on the Boards of foreign entities, i.e. TIM Global Private Limited, Entertainment Network, INC and Entertainment Network, LLC. Before joining the Company, he was the Chief Financial Officer of SBI Life Insurance Company Limited.

He has close to 30 years of experience that spans Strategy, managing Early stage Businesses and Turnaround situations, Capital and Debt markets, M&A, Private Equity and Restructuring, Commercial Functions, Accounting, Taxation and Legal Affairs. He has also held senior management positions in the ICICI Group and Dresdner Kleinworth Capital. During the early part of his professional career, he handled a variety of roles in Brooke Bond Lipton (a Hindustan Unilever Group Company). He holds a Graduate Degree in Commerce and is a Chartered Accountant, Cost Accountant and a Company Secretary. He is also an Alumnus of the Harvard Business School.

Mr. N. Subramanian has served on committees/sub committees constituted by SEBI, RBI, IRDA and the Ministry of Finance. He has also received several awards and recognitions in his long professional career and has a deep understanding of consumer markets and financial markets.

Mr. Richard Saldanha (Independent Non- Executive Director)

Mr. Saldanha, a graduate Mechanical Engineer, served Hindustan Lever & Unilever plc, 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 Chairman of Gokaldas Exports Limited. He also is on the Board of Bennett, Coleman & Company Limited and a few other Times of India Group Cos. and is a member of the Court of Governors of the Administrative Staff College of India.

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

Mr. Ravindra Kulkarni (Independent Non- Executive Director)

Mr. Ravindra Kulkarni is one of the most experienced corporate lawyers in India with over 45 years of practice. He is a senior partner of M/s. Khaitan & Co., one of India's leading law firms and has immense experience of all aspects of law. His practice areas range from mergers & acquisitions, joint ventures, licensing, technology

notice

transfers, securities laws, capital markets, both advisory and documentation work relating to domestic IPOs and GDR/ FCCB offerings of securities by Indian companies and project finance. Mr. Kulkarni is also very experienced in transactions involving restructuring, sick companies financial reconstruction, demergers, spin-offs, sales of assets etc. He has advised in several developers and utilities in government bids for development of independent power projects and other projects involving private public partnership.

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

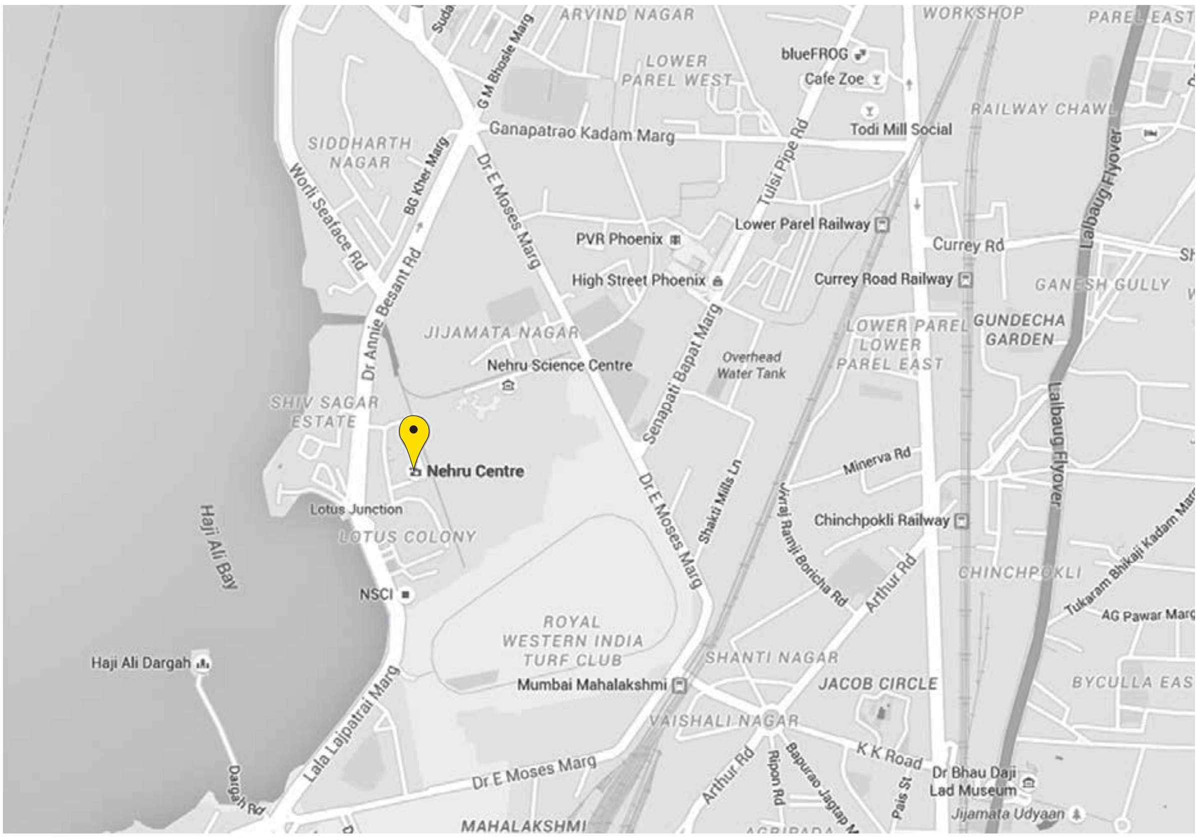
Mr. N. Kumar is the Vice Chairman of The Sanmar Group (*www.sanmargroup.com*), a multinational US $ 1 billion conglomerate headquartered in Chennai, India with manufacturing facilities in India, the US, Mexico, and Egypt. The Group is engaged in key business sectors - Chemicals (including Speciality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

Mr. N. Kumar is the Honorary Consul General of Greece in Chennai. As a spokesman of Industry and Trade, Mr. N. Kumar had been a President of CII and participated in other apex bodies. He is also the President of the Indo-Japan Chamber of Commerce & Industry.

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, Education, Management and Finance.

Mr. N. 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 one of the Trustees of WWF-India (World Wide Fund for Nature - India). He is the Chairman of Madhuram Narayanan Centre for Exceptional Children and Managing Trustee of The Indian Education Trust which runs two Schools.

Mr. N. Kumar is 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. He is an avid golfer and a patron of cricket and tennis.



Route map to the venue of the AGM

board of directors' report

Dear Members,

Your Directors have pleasure in presenting the Twentieth 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, 2019.

The financial statements for the year ended March 31, 2019 are prepared under Indian Accounting Standards (Ind AS).

1. Financial Highlights

₹ in lakhs

	Standalone		Consolidated	
	Financial Year 2018-19	**Financial Year 2017-18**	**Financial Year 2018-19**	**Financial Year 2017-18**
Revenue from operations	62,048.47	53,706.98	62,079.81	53,707.27
Other income	1,492.95	883.54	1,568.88	945.06
Profit before Depreciation, Finance Costs, Exceptional items and Tax Expense	15,474.32	12,542.62	15,483.12	12,602.09
Less: Depreciation/ Amortisation/ Impairment	6,710.74	6,345.05	6,711.14	6,345.05
Profit before Finance Costs, Exceptional items and Tax Expense	8,763.58	6,197.57	8,771.98	6,257.04
Less: Finance Costs	397.43	472.01	397.54	472.01
Profit before Exceptional items and Tax Expense	8,366.15	5,725.56	8,374.44	5,785.03
Add/(less): Exceptional items	–	423.76	–	423.76
Profit before Tax Expense	8,366.15	6,149.32	8,374.44	6,208.79
Less: Tax Expense (Current & Deferred)	2,974.30	2,633.43	2,984.52	2,644.80
Profit for the year (1)	5,391.85	3,515.89	5,389.92	3,563.99
Other Comprehensive Income (2)	(20.15)	17.45	(29.19)	17.45
Total (1+2)	5,371.70	3,533.34	5,360.73	3,581.44
Balance of profit for earlier years	64,807.01	61,847.42	65,127.32	62,119.63
Less: Transfer to Debenture Redemption Reserve	Nil	Nil	Nil	Nil
Less: Transfer to Reserves	Nil	Nil	Nil	Nil
Less: Dividend paid on Equity Shares	476.70	476.70	476.70	476.70
Less: Dividend Distribution Tax	97.99	97.05	97.99	97.05
Balance carried forward	69,604.02	64,807.01	69,922.40	65,127.32

2. Financial Performance, Operations and the state of the Company's affairs

Total income of the Company increased from ₹ 54,590.52 lakhs during the previous year to ₹ 63,541.42 lakhs during the year under review. Profit after tax increased from ₹ 3,515.89 lakhs during the previous year to ₹ 5,391.85 lakhs during the year under review.

On a consolidated basis, total income of the Company increased from ₹ 54,652.33 lakhs during the previous year to ₹ 63,648.69 lakhs during the year under review. Profit after tax increased from ₹ 3,563.99 lakhs during the previous year to ₹ 5,389.92 lakhs during the year under review.

During the year, your Company continued to work in the direction set by its strategy. The strategy looks at the business as two parts, the first being core radio and the second, the solutions business. The solutions business is where we develop solutions to the marketing challenges faced by clients.

board of directors' report

Typically, solutions include core radio, but they go beyond radio and include new media options like social media, native videos on YouTube, original content, podcasts as well as traditional media options like events, Out of Home, newspapers and in some cases, even TV.

In FY19, your Company benefitted from the "strategic pause" it had taken last year. As you may recall, the strategic pause included reducing ad inventory levels by 15% in the legacy stations, keeping a tight ad cap on new stations at 10 minutes, improving the gross margins in the solutions business and rapidly growing news opportunities in the digital space. We are happy to report that the Company has made substantial progress as envisaged last year. As a result of the volume reduction, your Company was able to grow its pricing in legacy stations by a marginal amount, in a weak market, where other players were forced to reduce pricing. As a result of the 10 minute hard cap in new stations, your Batch-1 and Batch-2 stations (Phase-3) have started off with high pricing. In the media business, starting with the right pricing is very important. Further, the gross profit of the solutions business has improved significantly from 30.1% to 32.3%. This is however, excluding concerts featuring international artists. Your Company executed a 5-city concert tour featuring internationally renowned Bryan Adams and a 2-city concert featuring Dutch DJ Martin Garrix, ranked #1 in the world in 2016, 2017 and 2018 as per British magazine DJ Mag. Unfortunately, both concerts made losses. We couldn't raise enough sponsorship revenues in the Bryan Adams concert series, though ticket sales were excellent. In the Martin Garrix concerts however, we couldn't raise enough sponsorship revenues and ticket sales both. Your Company has learnt its lessons – we need to plan much better and ahead of time. In the future, we will ensure that we do such concerts with much better planning.

The digital part of your Company performed exceptionally, reporting revenue growth of 90%, albeit on a low base. Another good point is that the digital business nearly broke even, reporting a small loss of 3.6%.

The core radio also performed very well in FY19, growing by 12.7%. Growth was led by Phase-3 stations. The 17 stations of Batch-1 grew by 33.0% during FY19. 16 of the 21 Batch-2 stations were launched in FY19. Together they also contributed to the radio growth figure. Batch-1 stations reported EBITDA of 12.7% while Batch-2 stations reported an EBITDA loss (since they were operational for only part of the year).

During the year, your Company created a new IP in its TV Impact properties portfolio called Mirchi Cover Star. This was a singing talent hunt and the winner got to perform at the 11th Mirchi Music Awards in Mumbai. The IP was well received by advertisers and in its very first year, it reported a gross profit of 29.7%. Your Company also extended an IP called Mirchi Neon Run that it had created 3 years back to 19 cities (13 last year). It also generated a gross profit margin of nearly 18% on this IP. Overall, your Company's strategy of creating more IPs is showing traction with other IPs like Mirchi Music Awards, Mirchi Rock & Dhol and Mirchi Spell Bee also showing positive movement.

Your Company expanded its international operations by entering the biggest radio market in the world, the United States. We launched in the tri-state area of New York, New Jersey and Connecticut on our Republic Day, January 26th, 2019. We soon expanded into other prominent cities like Philadephia (Pa), Baltimore (Md), Raleigh-Durham (NC), Cleveland (Oh), Columbus (Oh), Atlanta (Ga) and St Louis (Mo). These launches were in a tie-up with a US partner with whom we have a brand licensing agreement. The initial response from listeners to our launch has been amazing. Plans are afoot to launch in many other cities there. Your Company also plans to launch in another country in the Gulf, after having entered the UAE and Bahrain. There is strong demand from other countries for Mirchi as well. To focus on this opportunity, your Company has created a new position of Head – International operations.

In January 2019, the Company fully repaid the Unsecured Commercial Papers (CPs) amounting to ₹ 110 crores. These CPs were issued in January 2018.

One area where progress was not made was in our efforts to acquire TV Today's three metro stations in Delhi, Kolkata and Mumbai. These operate under the Ishq brand name and your Company has an Advertising Sales Agreement with it. Despite the 3-year lock-in period expiring on April 1, 2018, the acquisition could not be completed due to various legal reasons. Your Company is hopeful of completing the acquisition soon.

Given your Company's strong position in the radio as well as solutions business, the future looks very promising.

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 these financial statements relate and the date of this Report. There has been no change in the nature of the business of the Company.

3. Transfer to reserves

The Board of Directors of your Company has decided not to transfer any amount to the reserves for the financial year under review.

4. Dividend

Your Directors are pleased to recommend a dividend @ 10% i.e. ₹ 1.00 (Rupee one only) per equity share of ₹ 10/- each for the financial year ended March 31, 2019, aggregating ₹ 574.69 lakhs including dividend distribution tax of ₹ 97.99 lakhs. The dividend payment is subject to the approval of the shareholders at the ensuing Annual General Meeting (AGM). The dividend payout is in accordance with the Company's Dividend Distribution Policy.

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 July 29, 2019 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 July 29, 2019 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.

As per 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 (IEPF). Details of the unclaimed dividend amount is available on the Company website- *www.enil.co.in* at the url: *http://www.enil.co.in/unclaimed-dividend.php.* Calendar for transfer of unclaimed dividend to IEPF has been stated in the notes to the Notice convening the AGM. Pursuant to the guidelines issued by the IEPF Authority, Company Secretary has been nominated as the Nodal Officer to facilitate the refund of the claims of the unpaid (unclaimed) dividend *(e-mail ID: mehul.shah@timesgroup.com).*

5. Deposits

The Company has not accepted any deposit from the public / members under Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 during the financial year under review. Consequently, there is no requirement of furnishing details related to deposit covered under Chapter V of the Companies Act, 2013.

6. Directors and Key Managerial Personnel

In accordance with the provisions of the Companies Act, 2013 ('the Act') read with the applicable rules thereto, including any statutory modification(s) or re-enactment thereof for the time being in force, Mr. Prashant Panday (DIN: 02747925) retires by rotation at the ensuing AGM and being eligible, offers himself for reappointment.

The Nomination and Remuneration Committee, based on the performance evaluation of Mr. Subramanian Narayanan (Mr. N. Subramanian) (DIN: 03083775), approved and recommended to the Board of Directors his appointment as an Additional Director and the Executive Director & Group Chief Financial Officer of the Company. Board of Directors, at their meeting held on November 2, 2018, unanimously accepted the recommendation of the Nomination and Remuneration Committee and approved the appointment of Mr. N. Subramanian as an Additional Director and the Executive Director & Group Chief Financial Officer.

Mr. N. Subramanian holds the office up to the date of this AGM pursuant to Section 161 of the Act and is eligible to be appointed as the Director and he is not disqualified to become a director under the Act. His term of appointment is for the five consecutive years commencing from November 2, 2018 to November 1, 2023, on continuation basis, without any interruption/ break in service, liable to retire by rotation, subject to the approval of the Members.

board of directors' report

The Board of Directors state that keeping in view the knowledge, background, experience and contribution made by Mr. N. Subramanian during his tenure, his appointment as the Executive Director & Group Chief Financial Officer would be in the interest of the Company. The Company has received relevant declarations and confirmation from Mr. Subramanian to the effect that he is not disqualified to become the director under the Act.

At the 15th AGM of the Company, Mr. Richard Saldanha (DIN: 00189029), Mr. Ravindra Kulkarni (DIN: 00059367) and Mr. Narayanan Kumar (Mr. N. Kumar) (DIN: 00007848) were, *inter alia*, appointed as the Independent Directors on the Board of the Company for a term of five consecutive years commencing from August 12, 2014 pursuant to the provisions of Sections 149, 152 and Schedule IV of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and the erstwhile Clause 49 of the Listing Agreement with the Stock Exchanges.

The Nomination and Remuneration Committee, based on the outcome of performance evaluation exercise for Independent Directors, recommended to the Board of Directors of the Company the re-appointment of the said Independent Directors, for the second term of five consecutive years commencing from August 12, 2019 to August 11, 2024.

The Board of Directors, at its meeting held on May 30, 2019, based on the outcome of the performance evaluation exercise, recommendations of the Nomination and Remuneration Committee, background, experience, acumen and contributions made by Mr. Richard Saldanha, Mr. Ravindra Kulkarni and Mr. N. Kumar during their tenure, approved the re-appointment (not liable to retire by rotation) of the said Independent Directors, for the second term of five consecutive years commencing from August 12, 2019 to August 11, 2024, subject to approval of the Members of the Company. The Board of Directors state that the re-appointment of Mr. Richard Saldanha, Mr. Ravindra Kulkarni and Mr. N. Kumar would be in the interest of the Company.

The Company has received declarations from Mr. Richard Saldanha, Mr. Ravindra Kulkarni and Mr. N. Kumar that they meet the criteria of independence as prescribed under Section 149 of the Act and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations') (including any statutory modification(s) and/or re-enactment(s) thereof for the time being in force). Mr. Richard Saldanha, Mr. Ravindra Kulkarni and Mr. N. Kumar are not disqualified from being appointed as Directors in terms of Section 164 of the Act and have consented to act as Independent Directors of the Company. The Company has received the requisite Notices from a Member in writing proposing their re-appointment as the Independent Directors.

In the opinion of the Board, Mr. Richard Saldanha, Mr. Ravindra Kulkarni and Mr. N. Kumar fulfil the conditions for re-appointment as Independent Directors as specified in the Act and Listing Regulations. Mr. Richard Saldanha, Mr. Ravindra Kulkarni and Mr. N. Kumar are independent of the management.

Further, as per the Regulation 17 (1A) of the Listing Regulations, no listed company shall appoint or continue the directorship of a person as a non-executive director who has attained age of seventy five years unless a special resolution is passed to that effect. Mr. Saldanha has attained seventy five years on February 3, 2019; Mr. Kulkarni will be attaining seventy five years on May 23, 2020. In order to comply with the aforesaid Regulation, special resolutions are proposed at the ensuing AGM for reappointing and continuing the directorship of Mr. Ravindra Kulkarni and Mr. Richard Saldanha as the Independent Non- Executive Directors of the Company with the justification as indicated in the explanatory statement annexed to the Notice convening the AGM.

Justification and rationale for re-appointment of Mr. Richard Saldanha, Mr. Ravindra Kulkarni and Mr. N. Kumar has been stated in the Notice convening the AGM with other relevant disclosures.

The Company has received the consent, declarations and confirmations from all the Independent Directors of the Company pursuant to the provisions of Section 149 and all other applicable provisions of the Act and the Listing Regulations stating that they meet the criteria of independence as provided under the Act and the Listing Regulations and that they are not disqualified to become directors under the Act. All the Independent Directors also confirmed that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence and that they are independent of the management. The Board of Directors took on record the said declarations and confirmations submitted by the Independent Directors under applicable provisions of the Act and the Listing Regulations after undertaking due assessment of the veracity of the same. 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 Listing Regulations and that they are independent of the management.

The Independent Directors have complied with the Code for Independent Directors prescribed in Schedule IV to the Act and the Code of Conduct for directors and senior management personnel formulated by the Company.

The Company has received all the relevant consent, documents, declarations, confirmation from the directors proposed to be appointed, re-appointed and they are not disqualified to become the director under the Act.

As per the requirement of the circular from the stock exchange (no: LIST/COMP/14/2018-19 Dated June 20, 2018), the Board of Directors and its Nomination and Remuneration Committee, while considering the appointment and re-appointment of the directors, have verified that they are not debarred from holding the office of director pursuant to any SEBI order. Accordingly, the Company affirms that the Directors proposed to be appointed, re-appointed are not debarred from holding the office of director by virtue of any SEBI order or any other such authority.

Certificate from the Company Secretary in Practice has been attached with the Report of Corporate Governance, confirming that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board (SEBI)/ Ministry of Corporate Affairs or any such statutory authority.

As stipulated under the Listing Regulations and Secretarial Standards, details in respect of the directors seeking appointment, re-appointment at the AGM, *inter alia*, age, qualifications, experience, details of remuneration last drawn by such person, relationship with other directors and Key Managerial Personnel of the Company, the number of Meetings of the Board attended during the year and other directorships, membership/ chairmanship of the committees of other Boards, shareholding, etc. are annexed to the Notice convening the AGM.

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

The Board recommends the aforesaid re-appointment, appointment and continuation as the Directors of the Company.

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*.

Following persons are designated as the Key Managerial Personnel (KMP):

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

7. Annual evaluation of performance of the Board, its Committees and individual directors

The Board of Directors is committed to continued improvement in its effectiveness. Accordingly, the Board, its Committees and individual directors 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.

Evaluation of the Board, its Committees and individual directors involved structured questionnaire-driven discussions that covered a number of key areas / evaluation criteria including the roles and responsibilities, size and composition of the Board and its Committees, meaningful and constructive contribution and inputs in the meetings, dynamics of the Board and its Committees and the relationship between the Board and management. Chairman of the Board of Directors had meeting with the Independent directors. Chairman of the Nomination & Remuneration Committee had meeting with the Non- Independent 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. The Independent Directors in the said meeting also evaluated the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties. These meetings were intended to obtain Directors' inputs on effectiveness of the Board/ Committee processes. The results of the evaluation were discussed with the relevant Committees and collectively by the Board as a whole. Constructive feedback was also sought on the contributions of individual directors.

Formal Annual Evaluation was made in compliance with all the applicable provisions of the Act and the Listing Regulations. During the Board Evaluation, it was observed that the Board of Directors, as a whole, is functioning as an integrated body helping the board discussion to be rich and value adding. 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 a 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 titled as Nomination & Remuneration Policy, and is available on the Company's website at: *www.enil.co.in* at *http://www.enil.co.in/policies-code-of-conduct.php* and also appended as *Annexure A* to this Report.

10. 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 genuine concerns about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct and seek redressal, in line with the Company's commitment to the highest possible standards of ethical, moral and legal business conduct and fair dealings with all its stakeholders and constituents and its commitment to open communication channels. Vigil Mechanism provides adequate safeguards against victimization of persons who use such mechanism for whistle blowing in good faith. The Board of Directors affirms and confirms that no personnel have 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*

11. Audit Committee

The Audit Committee of the Company presently consists of the following Directors as on the date of this Report:

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

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. Brief description of terms of reference and other relevant details of the Audit Committee have been furnished in the *Report on Corporate Governance*.

12. 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 CSR Committee of the Company presently consists of the following Directors as on the date of this Report:

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

During the financial year under review, the Committee met four times, i.e. on May 23, 2018, August 3, 2018, November 2, 2018 and February 6, 2019.

Brief description of terms of reference of the Committee *inter alia* includes:

- 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;
- To approve CSR activities;
- To recommend to the Board the amount of expenditure to be incurred on the CSR activities;
- To monitor the CSR Policy of the Company from time to time;
- To institute a transparent monitoring mechanism for implementation of the CSR projects or programs or activities undertaken by the Company;
- To carry out any other functions as authorized by the Board of Directors from time to time or as enforced by statutory/ regulatory authorities.

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*

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

13. Nomination and Remuneration Committee

The Nomination and Remuneration Committee of the Company presently comprises of the following Directors as on the date of this 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)

Brief description of 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 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)

Brief description of 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 or disclaimer. The Statutory Auditors of the Company have not reported any details in respect of fraud as specified under Section 143(12) of the Act.

16. Auditors

At the fifteenth AGM held on August 12, 2014, the Members had approved the appointment of S. R. Batliboi & Associates LLP, Chartered Accountants (ICAI Firm Registration number - 101049W/E300004) as the Statutory Auditors of the Company to hold the office from the conclusion of the fifteenth AGM till the conclusion of the twentieth AGM. As per the provisions of Section 139 of the Act, audit firm can be re-appointed for the second term of five consecutive years, i.e. from the conclusion of the twentieth AGM till the conclusion of the twenty fifth AGM.

S. R. Batliboi & Associates LLP, Chartered Accountants have provided their consent for re-appointment as the Statutory Auditors of the Company along with a certificate, under Section 139 of the Act, *inter alia* stating that they satisfy the criteria provided in Section 141 of the Act. Other relevant information has been furnished at the Resolution No. 5 read with the explanatory statement of the Notice convening the AGM proposing re-appointment of S. R. Batliboi & Associates LLP as the Statutory Auditors of the Company.

17. Secretarial Auditor and report

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 2018-19. The Secretarial Audit Report for the financial year ended March 31, 2019 is appended as *Annexure C-1* to this Report. The Secretarial Compliance Report for the financial year ended March 31, 2019 is appended as *Annexure C-2* to this Report.

The Secretarial Audit Report and Secretarial Compliance Report dated May 7, 2019 contain one qualification for not appointing a woman director as per the provisions of Section 149 of the Companies Act, 2013 and Regulation 17 of the Listing Regulations during the financial year under review. The Company wishes to place on record that a woman director (Ms. Punita Lal - DIN: 03412604) was on the Board since March 28, 2016. She resigned from the Board with effect from November 15, 2017. As per the provisions of Section 149 of the Companies Act, 2013 read with the applicable rules thereto, any intermittent vacancy of a woman director shall be filled- up by the Board at the earliest but not later than the immediate next Board meeting or three months from the date of such vacancy whichever is later.

The Board of Directors had identified Ms. Sukanya Kripalu (DIN: 06994202) for her induction as the Independent Non- Executive Director on the Board of the Company and had completed all the regulatory procedures including applying to the Ministry of Information & Broadcasting ('MIB') for their approval/ no objection on February 13, 2018. The Company had thus completed all the regulatory formalities for induction of woman director before the due date.

Post approval received from the MIB, Ms. Sukanya Kripalu was appointed as the Independent Non-Executive Director for a term of five consecutive years commencing from May 23, 2018 to May 22, 2023, in terms of Sections 149, 150, 152, 161 and other applicable provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force), not liable to retire by rotation. With effect from May 23, 2018, composition of the Board of Directors is in compliance with the applicable provisions of the Act and Listing Regulations.

18. Cost Auditor and report

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, 2020. 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 ₹ 4,75,000 (Rupees four lakhs seventy five thousand only) plus out of pocket expenses and applicable taxes for the aforesaid audit. The remuneration payable to the Cost Auditors is required to be ratified subsequently by the shareholders. Accordingly, consent of the members has been sought for passing the resolution as set out at Item No. 6 of the Notice convening the AGM for ratification of the remuneration payable to the Cost Auditors for the financial year ending on March 31, 2020.

Maintenance of cost records as specified by the Central Government under Sub-section (1) of Section 148 of the Companies Act, 2013, is required by the Company and accordingly such accounts and records are made and maintained.

The Cost Audit Report for the financial year 2017-18 was filed on August 30, 2018. The Cost Audit

Report for the financial year 2018-19 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:

- Steps taken or impact on conservation of energy and the steps taken by the Company for utilising alternate sources of energy: Your Company uses energy efficiently in day to day operations. The operations of the Company are not energy intensive. Nevertheless, continuous efforts such as replacement of conventional lighting with LED lighting across all the locations, installation of star-rated energy efficient air conditioners, 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. Your Company has customized and adapted a smart cabinet system for 2 Transmitter setups. The cabinet/ rack has an in-built cooling system that cools the entire rack. This circumvents the need of cooling the entire room and hence will generate potential energy savings. The solution was pioneered by us and innovated along with the OEM. The OEM is now marketing the racks to transmitter suppliers who can offer it as a comprehensive package to FM/AM broadcasters worldwide. The Company has installed State-of-the-art power efficient compact transmitters at 14 new stations.
- Capital investment on energy conservation equipments: ₹ 438.48 lakhs.

ii) Technology absorption:

- The efforts made towards technology absorption and benefits derived like product improvement, cost reduction, product development or import substitution:
  - Implemented the networking model for the Phase 3 Batch 2 project in 14 out of 16 new stations. The content synchronization model (ArcServe) helps replicate the existing (Hub) stations with the transmission (CTI) sites. This resulted in significant Capex and Opex savings in building and maintaining the studios.
  - Installed State-of-the-art power efficient compact transmitters at 14 new stations.
  - Implemented open office design for the new corporate office leading to space optimization and savings in operating expenses.
- Imported technology (imported during last three years reckoned from the beginning of the financial year):

  The Company has not imported any new technology in this financial year. Nevertheless, the Company has continued to use the latest equipment and software for its the business activities.
- The expenditure incurred on Research & Development (*R & D*):

  The Company has not spent any amount towards research and development activities. The Company has been active in harnessing the latest technology available in the industry.

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.

₹ in lakhs

	Financial Year 2018-2019	Financial Year 2017-2018
Foreign exchange earnings	1,044.63	709.50
Foreign exchange outgo	2,074.64	489.56

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 and Executive Director of the Company do not receive any remuneration or commission from the Company's holding or subsidiary companies.

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. In compliance with Section 134(3)(a) of the Act, annual return referred to in Section 92(3) of the Act will be placed at the Company's website: (*www.enil.co.in*) at url: *http://www.enil.co.in/financials-annual-reports.php*.

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. As required under the Listing Regulations, the Company has executed the Uniform Listing Agreement with BSE and NSE.

23. Management Discussion and Analysis Report

Management Discussion and Analysis Report for the financial year under review as stipulated under Regulation 34 of the Listing Regulations is set out in a separate section forming part of this Report.

The Company has adopted the Integrated Reporting. The information related to the Integrated Reporting forms part of the Management Discussion & Analysis and as a green initiative, Integrated Reporting has been hosted on the website of the Company (*www.enil.co.in*) at url: *http://www.enil.co.in/financials-annual-reports.php*.

24. Business Responsibility Report

As per the Regulation 34 of the Listing Regulations, the Company has published a separate *Business Responsibility Report* ('BRR') for the financial year under review. BRR is in line with the key principles stated in the 'National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business' framed by the Ministry of Corporate Affairs and is attached as *Annexure F* to this Report.

25. 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 under the Listing Regulations. A separate *report on Corporate Governance* is enclosed as a part of this Report along with the Certificate from the Practicing Company Secretary.

26. Secretarial Standards

The Company complies with the applicable mandatory Secretarial Standards issued by the Institute of Company Secretaries of India.

27. Directors' Responsibility Statement

Pursuant to the provisions of Section 134 of the

Companies Act, 2013, the Directors hereby confirm that:

a) in the preparation of the annual accounts for the financial year ended on March 31, 2019, the applicable accounting standards have been followed and that there are no material departures from the same;

b) 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, 2019 and of the profit of the Company for that period;

c) 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;

d) they have prepared the annual accounts on a going concern basis;

e) they have laid down internal financial controls for the Company and such internal financial controls are adequate and operating effectively; and

f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

28. 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.

Bennett, Coleman & Company Limited ('BCCL') is the holding company and a related party under Section 2(76) of the Companies Act, 2013 and Regulation 2(1)(zb) of the Listing Regulations. As on date, BCCL holds 33918400 equity shares in the Company (i.e. 71.15% of the paid up capital of the Company).

Pursuant to the provisions of Section 188 of the Act, read with the Companies (Meeting of Board and its Powers) Rules, 2014, related party transactions beyond the prescribed threshold limit require prior approval of the company by a resolution. However, if the proposed transactions with the related parties are at arm's length and in its ordinary course of business, the said approval of the company is not required. Further, in terms of Regulation 23 of the Listing Regulations, transaction with a related party shall be considered material if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds ten percent of the annual consolidated turnover of the company as per the last audited financial statements of the company.

In order to achieve efficiencies in Ad sales, business synergies, economics of scale and also to optimize costs, the Company and BCCL have entered into various contracts/ arrangements/ transactions relating to the transfer and / or availing of resources, services or obligations in the past and propose to continue with such contracts/ arrangements/ transactions in the future too.

In compliance with Regulation 23 of the Listing Regulations, on January 23, 2017, the Company sought the approval from the Members of the Company by way of Postal Ballot for the contracts/ arrangements/ transactions entered into and/ or to be entered into with Bennett, Coleman & Company Limited ('BCCL'), the holding company, relating to the transfer and / or availing of resources, services or obligations for the Financial Year 2016-2017 and subsequent financial years exceeding ten percent but not exceeding twenty five percent of the annual consolidated turnover of the Company, as per the last audited financial statements of the Company relevant for the respective financial years.

Details of the *Material Related Party Transactions*, i.e. transactions exceeding ten percent of the annual consolidated turnover as per the last audited financial statements, entered during the year by the Company, as required under Section 134(3) (h) of the Act (in the Form AOC 2) is attached as *Annexure G* to this Report.

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.

29. Dividend Distribution Policy

The Company has formulated a Dividend Distribution Policy as required under the Regulation 43A of the Listing Regulations. The said Policy is appended as *Annexure H* to this Report and also uploaded on the Company's website at *www.enil.co.in*.

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

The Company has not given any loans, guarantees or provided any securities under Section 186 of the Act. Particulars of investments made by the Company during the financial year 2018-19 are provided in the financial statements. Please refer to the Note no. 8 and 11 to the standalone financial statements for details of investments made by the Company.

31. 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 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 Regulations and also established related procedures to inform Board Members about the risk assessment and minimization procedures. The Company has a strong Enterprise Risk Management framework which is administered by the Senior Management team and monitored by the Risk Management Committee. Major risks are identified, adequately mitigated continuously and the same are reported to the Audit Committee and Board of Directors along with the *action taken report*. Risk Management Policy envisages assessment of strategic risks, operational risks, financial risks, regulatory risks, human resource risks, technological risks.

Risk Management Policy adopted by the Company involves 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 and Risk Mitigation & Control.

The Risk Management Committee of the Company presently comprises of the following members as on the date of this Report:

- Mr. Vineet Jain (Non- Executive Chairman)
- Mr. Prashant Panday (Managing Director & CEO)
- Mr. N. Subramanian (Executive Director & Group CFO)

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 for the financial year under review has been carried out by Deloitte Haskins & Sells LLP ('Deloitte'), the independent Internal 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.

32. Internal Financial Controls

The Company has adopted the policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information.

The Company has in place adequate internal financial controls with reference to the 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.

33. Consolidated Financial Statements

In accordance with the Companies Act, 2013 and applicable accounting standard, the audited

Consolidated Financial Statements are provided and form part of the Annual Report.

34. Subsidiary Companies

Alternate Brand Solutions (India) Limited (ABSL) is the Company's wholly owned subsidiary. ABSL recorded a total income of ₹ 75.62 lakhs during the financial year 2018-19. Profit after Tax stood at ₹ 63.27 lakhs for the financial year under review.

During the financial year under review, the Company set up, in the United States of America (US), a wholly owned subsidiary, Entertainment Network, INC and its step-down subsidiary, Entertainment Network, LLC to commence radio broadcasting related businesses targeting the South Asian community markets. Entertainment Network, INC recorded a total consolidated income of ₹ 34.74 lakhs during the financial year 2018-19. Consolidated loss after Tax stood at ₹ (65.21) lakhs for the financial year under review.

As per Section 129 of the Companies Act, 2013, a separate statement containing the salient features of the financial statements of the Subsidiary Companies is attached along with the financial statements in the prescribed Form AOC-1. The Company does not have any associate company or joint venture. There has been no change in the nature of the business of the subsidiaries.

The Company shall make available the financial statements and the related detailed information of its subsidiaries to any Member of the Company or its subsidiaries 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 Companies.

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.*

35. Significant and 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.

36. 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. The Company has complied with the applicable provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, including having a relevant policy in place and also constitution of the Internal Complaints Committee. During the financial year under review, four complaints pertaining to sexual harassment were reported to the Internal Complaints Committee of the Company. After detailed investigation and following due procedure under the applicable law, guidelines and regulations, said four complaints were appropriately dealt with during the financial year under review and appropriate action was taken.

37. Acknowledgments

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 30, 2019

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

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 the profession, positive attributes, expertise and experience of the person for appointment as a director 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 as a director. 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 fulfil all the criteria of independence as laid down in the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ['Listing Regulations']. 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, submit 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 (b) of sub-regulation (1) of regulation 16 of the Listing Regulations and that he is not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact his ability to discharge his duties with an objective independent judgment and without any external influence and that they are independent of the management.

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 include 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 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

Mumbai, May 30, 2019

(DIN: 00003962)

Annexure B to the Directors' Report

Corporate Social Responsibility (CSR) policy statement

1. **ENIL's Philosophy and Commitment**

   The Times Group, and 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').

2. **Objective**

   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.

3. **Guiding Principles**

   The Times Group and the Company strongly believes that CSR is the process by which an organization thinks about and evolves its relationships with its various stakeholders for the common good of all, and demonstrates its commitment in this regard by adoption of appropriate business processes and strategies. The Company acknowledges CSR to be a way of conducting business, by which corporate entities visibly contribute to the social good. Socially responsible companies do not limit themselves to using resources to engage in activities that increase only their profits. They use CSR to integrate economic, environmental and social objectives with the company's operations and growth. Through this policy, the Company expresses its deep faith in this philosophy.

   As part of its CSR Program, the Company intends to promote initiatives, briefly stated, which:

   - are sustainable and create a long term impact/ change;
   - have specific and measurable goals in alignment with ENIL's philosophy;
   - address the most deserving causes and beneficiaries;
   - are dynamic and responsive to the social environment and the company's business objectives.

4. **Focus areas**

   The scope of the CSR activities of the Company will cover all or some of the areas/ activities/ projects specified in Schedule VII of the Act read with Companies (Corporate Social Responsibility Policy) Rules, 2014 (CSR Rules) as amended from time to time.

5. **CSR Expenditure**

   CSR expenditure shall include all expenditure including contribution to corpus for projects or programs related to CSR activities approved by the Board of Directors of the Company ('Board') on the recommendation of its CSR Committee, but does not include any expenditure on an item not in conformity or not in line with the activities which fall within the purview of Schedule VII of the Act, as amended from time to time. It will include contribution to bona fide charitable and other funds. In compliance with the Act read with the CSR Rules, the Company may build CSR capacities of their own personnel as well as those of their Implementing agencies through Institutions with the prescribed established track records but such expenditure including expenditure on administrative overheads shall not exceed the permissible percent of total CSR expenditure of the company in one financial year.

6. **Composition of the CSR Committee**

   The Company's CSR Committee shall consist of three or more directors, out of which at least one director shall be an independent director. Composition of the CSR Committee shall be in compliance with the Act read with the CSR Rules.

7. **Terms of reference of the CSR committee**

   The terms of reference (responsibilities) of the CSR Committee include:

   - formulate and recommend to the 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 CSR activities
- monitor the CSR Policy of the Company and CSR Sustainability from time to time
- institute a transparent monitoring mechanism for implementation of the CSR projects or programs or activities undertaken by the Company
- carrying out any other functions as authorized by the Board from time to time or as enforced by statutory/ regulatory authorities

The CSR Committee will have the power to:

- Seek periodical Monitoring and Implementation Reports from the organizations receiving funds from the Company;
- Delegate its representatives to co-ordinate with the organizations receiving funds from the Company and to inspect the CSR activities undertaken by them and ensure information in a timely manner.

8. CSR Mainstay

The approved CSR activities shall be carried out as projects or programs or activities (either new or ongoing) through one or more of the following instrumentalities in compliance with the CSR Rules, as amended from time to time:

- Directly by the Company and/ or
- The Board may decide to undertake its CSR activities approved by the CSR Committee, through:
  - a company established under section 8 of the Act or a registered trust or a registered society, established by the Company, either singly or along with any other company or
  - a company established under section 8 of the Act or a registered trust or a registered society, established by the Central Government or State Government or any entity established under an Act of Parliament or a State legislature:

    Provided that if, the Board decides to undertake its CSR activities through a company established under section 8 of the Act or a registered trust or a registered society, other than those specified as above, such company or trust or society shall have the prescribed established track record in undertaking similar programs or projects as per the Act or the CSR Rules; and the Company has specified the projects or programs to be undertaken, the modalities of utilization of funds of such projects and programs and the monitoring and reporting mechanism.
  - Such other company/ companies and/ or body corporate / bodies corporate and/ or entity/ entities and/ or trust(s) and/ or society/ societies and/ or such other mode(s) as may be permissible under the CSR Rules from time to time.
  - Collaboration with other companies (including but not limited to subsidiary companies, affiliate companies and group companies) for undertaking projects/ programs in CSR activities in accordance with Rule 4 of the CSR Rules.
  - Contribution / donation made to such other organizations or institutions or bona fide charitable and other funds, etc. as may be permitted under the applicable laws from time to time.

9. CSR spend

The CSR Committee shall endeavor to spend, in every financial year, at least 2% of the average net profit of the Company made during the 3 immediately preceding financial years in pursuance of the CSR Policy, provided further that if the Company fails to spend such amount, the Company shall specify the reasons for not spending the amount on CSR activities, projects and programs.

10. Implementation

CSR Committee will consider proposals for various CSR activities, projects, programs, etc. and post deliberation and evaluation, CSR Committee will approve the same for its implementation. The time period, implementation schedule, duration of project(s)/ program(s) shall depend on its nature, extend of coverage and intended impact of such activity.

11. **Monitoring and Reporting**

- The CSR Committee Members will receive regular reports of the CSR Spend, the projects/ programs/ activities in hand and their progress/ status.
- Presentation on the progress of the various ongoing CSR projects / programs/ activities will be made to the CSR Committee at the Committee meetings held from time to time.
- Annual presentation will be made to the CSR Committee which will also include the details of the projects / programs/ activities planned for the next year and respective budgets thereto.
- Records relating to the CSR projects/ programs/ activities and the CSR expenditure shall be maintained.
- The Board shall review the implementation of CSR on an annual basis.

For and on behalf of the Board of Directors

sd/-	sd/-
Prashant Panday	**Vineet Jain**
Managing Director & CEO	*Chairman of the CSR Committee*
(DIN: 02747925)	(DIN: 00003962)

Mumbai, May 30, 2019

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. Ravindra Kulkarni and Mr. Prashant Panday.

3. **Average net profit of the company for last three financial years:** ₹ 10,576.78 lakhs.

4. **Prescribed CSR Expenditure** (two per cent of the amount as in item 3 above):

   ₹ 211.54 lakhs.

5. **Details of CSR spent during the financial year.**

   a) Total amount to be spent for the financial year under review: ₹ 211.54 lakhs.

   b) Amount unspent, if any: nil.

   c) Manner in which the amount spent during the financial year under review:

₹ in lakhs

1	2	3	4	5	6	7	8
S. 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	Promoting education, including special education and employment enhancing vocational skills	Clause No. ii	Greater Noida, Uttar Pradesh	211.54	211.54	211.54	Bennett University
	TOTAL			**211.54**	**211.54**	**211.54**	

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

6. **Reasons for not spending the prescribed amount:**

   As mentioned earlier, the amount required to be contributed for CSR initiatives is ₹ 211.54 lakhs. The Company has contributed ₹ 211.54 lakhs towards CSR activities.

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/-	sd/-
Prashant Panday	**Vineet Jain**
Managing Director & CEO	*Chairman of the CSR Committee*
(DIN: 02747925)	(DIN: 00003962)

Mumbai, May 30, 2019

Annexure C-1 to the Directors' Report

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

For the Financial year ended 31st March 2019

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

To,
The Members,
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 2019 ("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 2019, 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;

v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act"):-

   a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

   b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

   c) The Securities and Exchange Board of India (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 Act and dealing with the 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, as informed and certified by the Management of the Company:

a) The Indian Telegraph Act, 1885;

b) The Indian Wireless Telegraphy Act, 1933;

c) The Prasar Bharati (Broadcasting Corporation of India) Act, 1990;

d) The Telecom Regulatory Authority 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 following:

i. Secretarial Standards issued by The Institute of Company Secretaries of India;

ii. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above read with the Companies Act, 1956 (wherever applicable); subject to one observation:

1. *During the financial year under review, the Company did not have a Woman Director on its Board of Directors upto May 22, 2018. Mrs. Sukanya Anand Kripalu (DIN-06994202) was appointed as an Additional Independent Director with effect from May 23, 2018.*

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, Committee 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 carried through with requisite majority 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**
Practicing Company Secretaries

sd/-

Hemanshu Kapadia
Proprietor
C.P. No.: 2285
Membership No.: F3477

Mumbai, May 7, 2019

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

Annexure A

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

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Wherever required we have obtained the Management representation about the compliance of laws, rules and regulations and happenings of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

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

sd/-

Hemanshu Kapadia
Proprietor
C.P. No.: 2285
Membership No.: F3477

Mumbai, May 7, 2019

Annexure C-2 to the Directors' Report

Secretarial Compliance Report of Entertainment Network (India) Limited for the year ended 31st March, 2019

I, Hemanshu Kapadia, Proprietor of **Hemanshu Kapadia & Associates** Practicing Company Secretaries, having office at Office No. 12, 14th Floor, Navjivan Commercial Co-op Soc. Ltd. Building No.3, Lamington Road, Mumbai, Maharashtra 400008, have examined the following as under:

a) all the documents and records made available to me and explanation provided by ENTERTAINMENT NETWORK (INDIA) LIMITED ("the listed entity"),

b) the filings/ submissions made by the listed entity to the stock exchanges,

c) website of the listed entity,

d) any other document/ filing, as may be relevant, which has been relied upon to make this certification,

for the year ended 31st March, 2019 ("Review Period") in respect of compliance with the provisions of :

a) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued there under; and

b) the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made there under and the Regulations, circulars, guidelines issued there under by the Securities and Exchange Board of India ("SEBI");

The specific Regulations, whose provisions and the circulars/ guidelines issued there under, have been examined, include:-

a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (Not Applicable to the Company during the Audit Period);

c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not Applicable to the Company during the Audit Period);

e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (Not Applicable to the Company during the Audit Period);

f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not Applicable to the Company during the Audit Period);

g) Securities and Exchange Board of India(Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations,2013; (Not Applicable to the Company during the Audit Period);

h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015

i) Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996;

and circulars/ guidelines issued thereunder;

and based on the above examination, I hereby report that, during the Review Period:

a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued there under, except in respect of matters specified below:-

Sr. No.	Compliance Requirement (Regulations/circulars/guidelines including specific clause)	Deviations	Observations / Remarks of the Practicing Company Secretary
1.	The Board of Directors shall have an optimum combination of executive and non-executive directors with at least one woman director as per Regulation 17(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015	During the financial year under review, the Company did not have a Woman Director on its Board upto May 22, 2018.	During the financial year under review, the Company did not have a Woman Director on its Board of Directors upto May 22, 2018. Mrs. Sukanya Anand Kripalu (DIN-06994202) was appointed as an Additional Independent Director with effect from May 23, 2018.

b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued there under insofar as it appears from my examination of those records.

c) As confirmed by the management, there were no actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued there under.

d) The listed entity has taken the following actions to comply with the observations made in previous reports:

Sr. No.	Observations of the Practicing Company Secretary in the previous reports	Observation made in the Secretarial Compliance Report for the Year Ended	Action taken by the Listed Entity, If Any,	Comments of the Practicing Company Secretary on the actions taken by the Listed Entity
Not Applicable as this the first year of reporting				

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

sd/-

Hemanshu Kapadia
Proprietor
C.P. No.: 2285
Membership No.: F3477

Mumbai, May 7, 2019

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(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1. 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 2018-2019:

Details for the financial year 2018-2019:

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. N. Kumar- Independent Director	2.71	138.10
3	Mr. Ravindra Kulkarni- Independent Director	2.86	128.99
4	Mr. Richard Saldanha- Independent Director	2.71	78.57
5	Ms. Sukanya Kripalu- Independent Director	1.95	N.A.
6	Mr. Prashant Panday- Managing Director & CEO	54.88	-5.84
7	Mr. N. Subramanian- Executive Director & Group CFO *	40.28	2.25
8	Mr. Mehul Shah- SVP- Compliance & Company Secretary	N.A.	-0.79

* Mr. N. Subramanian was holding the office of Group CFO (and KMP) for the entire financial year and he was appointed as the Executive Director & Group CFO with effect from November 2, 2018. For this calculation, his remuneration for FY 2018-19 has been considered.

2. The percentage increase in the median remuneration of employees in the financial year 2018-19 was 5.60%.

3. The number of permanent employees on the rolls of the Company as on March 31, 2019 were 1105.

4. Average percentage increase in the salaries of employees other than the managerial personnel in the financial year 2018-19 was 0.1%.

   The percentage increase in the managerial remuneration in the financial year 2018-19 was 27.70%. This high increase is due to the inclusion of managerial remuneration of Mr. N. Subramanian with effect from November 2, 2018, but same remuneration was not included in the managerial remuneration for FY 2017-18. On comparable basis increase would have been 3.17%.

   Increase in the remuneration is guided by the Company's Nomination & Remuneration policy.

5. 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 30, 2019

Annexure E to the Directors' Report

FORM NO. MGT-9: EXTRACT OF ANNUAL RETURN

as on the financial year ended on March 31, 2019
[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

1. 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 Fintech Private Limited, Unit: Entertainment Network (India) Limited, Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500032. Phone: 040-67162222; Fax: 040-23431551. Toll Free no.: 1800-345-4001.

2. 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
1	Private FM Radio Broadcasting	60100	67.24%
2	Media Solutions	N.A.	32.76%

3. Particulars of Holding, Subsidiary and Associate Companies

Sl. No.	Name and address of the Company	CIN	% of shares held
Holding Company [Section 2(46)]			
1	Bennett, Coleman & Company Limited [Ultimate Holding Company] The Times of India Building, Dr. D. N. Road, Mumbai- 400001.	U22120MH1913PLC000391	71.15
Subsidiary Companies [Section 2(87)(ii)]			
1	Alternate Brand Solutions (India) Limited 4th 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

Sl. No.	Name and address of the Company	CIN	% of shares held
2	Entertainment Network INC. 1802 Oak Tree Road, Edison, New Jersey(NJ)- 08820.	N.A.	100
3	Entertainment Network LLC 1802 Oak Tree Road, Edison, New Jersey(NJ)- 08820.	N.A.	100

4. 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, 2018)				No. of Shares held at the end of the year (March 31, 2019)				% 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	0.00	0	0	0	0.00	0.00
b) Other – Individuals		0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corp.		0	0	0.00	0	0	0	0.00	0.00
d) Banks / FI		0	0	0.00	0	0	0	0.00	0.00
e) Any Other ..		0	0	0.00	0	0	0	0.00	0.00
Sub-total (A) (2)		**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/UTI/AIF	5292334	0	5292334	11.10	6205932	0	6205932	13.02	1.92
b) Banks / FI	6368	0	6368	0.01	18892	0	18892	0.04	0.03
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) FIIs	4194243	0	4194243	8.80	4174414	0	4174414	8.76	-0.04
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)	**9492945**	**0**	**9492945**	**19.91**	**10399238**	**0**	**10399238**	**21.81**	**1.90**
2) Non Institutions									
a) Bodies Corp.									
i) Indian	1233938	0	1233938	2.59	767781	0	767781	1.61	-0.98
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	1586160	302	1586462	3.33	1224906	244	1225150	2.57	-0.76
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	1106893	0	1106893	2.32	1006159	0	1006159	2.11	-0.21

Category of Shareholders	No. of Shares held at the beginning of the year (April 1, 2018)				No. of Shares held at the end of the year (March 31, 2019)				% Change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
c) Others (specify)									
i) Clearing Members	15484	0	15484	0.03	3605	0	3605	0.01	-0.02
ii) NBFC	550	0	550	0.00	0	0	0	0.00	0.00
iii) Non Resident Indians (NRI)	34169	0	34169	0.07	54824	0	54824	0.12	0.04
iv) NRI- Non repatriation	18517	0	18517	0.04	31465	0	31465	0.07	0.03
v) Trust	263057	0	263057	0.55	263793	0	263793	0.55	0.00
Sub-total (B) (2)	**4258768**	**302**	**4259070**	**8.93**	**3352533**	**244**	**3352777**	**7.03**	**-1.90**
Total Public Shareholding (B)=(B)(1)+ (B)(2)	**13751713**	**302**	**13752015**	**28.85**	**13751771**	**244**	**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)	**47670113**	**302**	**47670415**	**100.00**	**47670171**	**244**	**47670415**	**100.00**	**0.00**

ii) Shareholding of Promoters:

Sl. No	Shareholder's Name	Shareholding at the beginning of the year (April 1, 2018)			Shareholding at the end of the year (March 31, 2019)			% 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	Bennett, Coleman & Company Limited ['BCCL']	33918400	71.15	0.00	33918400	71.15	0.00	0.00
	Total	**33918400**	**71.15**	**0.00**	**33918400**	**71.15**	**0.00**	**0.00**

iii) Change in Promoters' Shareholding:

No change in the Promoter's shareholding during the financial year under review.

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, 2018)/ end of the year (March 31, 2019)	% of total shares of the Company				No. of shares	% of total shares of the Company
1	ICICI Prudentia Business Cycle Fund Series 2	1332821	2.80	1/Apr/18				
				6/Apr/18	19969	Purchase	1352790	2.84
				13/Apr/18	187570	Purchase	1540360	3.23
				13/Apr/18	-349881	Sale	1190479	2.50
				20/Apr/18	174881	Purchase	1365360	2.86
				27/Apr/18	-9004	Sale	1356356	2.85
				4/May/18	20500	Purchase	1376856	2.89
				4/May/18	-6514	Sale	1370342	2.87
				11/May/18	24531	Purchase	1394873	2.93
				18/May/18	53	Purchase	1394926	2.93
				18/May/18	-102	Sale	1394824	2.93
				25/May/18	4770	Purchase	1399594	2.94
				1/Jun/18	-854	Sale	1398740	2.93
				8/Jun/18	347	Purchase	1399087	2.93
				13/Jul/18	-14965	Sale	1384122	2.90

Sl. No.	Name	Shareholding		Date	Increase / Decrease in Shareholding	Reason	Cumulative Shareholding during the year	
		No. of shares at the beginning (April 1, 2018)/ end of the year (March 31, 2019)	% of total shares of the Company				No. of shares	% of total shares of the Company
				20/Jul/18	-22014	Sale	1362108	2.86
				27/Jul/18	25543	Purchase	1387651	2.91
				3/Aug/18	622	Purchase	1388273	2.91
				24/Aug/18	771	Purchase	1389044	2.91
				31/Aug/18	9071	Purchase	1398115	2.93
				7/Sep/18	45652	Purchase	1443767	3.03
				14/Sep/18	100000	Purchase	1543767	3.24
				21/Sep/18	610846	Purchase	2154613	4.52
				30/Nov/18	-1851	Sale	2152762	4.52
				7/Dec/18	-2143	Sale	2150619	4.51
				22/Feb/19	10000	Purchase	2160619	4.53
				8/Mar/19	-20690	Sale	2139929	4.49
				22/Mar/19	-3606	Sale	2136323	4.48
		2136323	4.48	31/Mar/19			2136323	4.48
2	IDFC Premier Equity Fund	1222850	2.57	1/Apr/18				
				25/May/18	6454	Purchase	1229304	2.58
				1/Jun/18	2535	Purchase	1231839	2.58
				8/Jun/18	1989	Purchase	1233828	2.59
				15/Jun/18	44290	Purchase	1278118	2.68
				22/Jun/18	1419	Purchase	1279537	2.68
				29/Jun/18	1209	Purchase	1280746	2.69
				6/Jul/18	6394	Purchase	1287140	2.70
				13/Jul/18	11463	Purchase	1298603	2.72
				15/Mar/19	5000	Purchase	1303603	2.73
				22/Mar/19	8537	Purchase	1312140	2.75
		1312140	2.75	31/Mar/19			1312140	2.75
3	ACACIA Partners, LP	960000	2.01	1/Apr/18		Nil movement during the year		
		960000	2.01	31/Mar/19			960000	2.01
4	ACACIA Institutional Partners, LP	780000	1.64	1/Apr/18	0	Nil movement during the year		
		780000	1.64	31/Mar/19			780000	1.64
5	Reliance Capital Trustee Co. Ltd-A/C Reliances Mall	709000	1.49	1/Apr/18				
				25/May/18	153	Purchase	709153	1.49
				1/Jun/18	30345	Purchase	739498	1.55
				8/Jun/18	10620	Purchase	750118	1.57
				5/Oct/18	-8017	Sale	742101	1.56
				12/Oct/18	-304	Sale	741797	1.56
				19/Oct/18	-2263	Sale	739534	1.55
				2/Nov/18	-1742	Sale	737792	1.55
				9/Nov/18	-400	Sale	737392	1.55
				25/Jan/19	227	Purchase	737619	1.55
		737619	1.55	31/Mar/19			737619	1.55
6	SBI Life Insurance Co. Ltd.	600927	1.26	1/Apr/18				
				6/Apr/18	43326	Purchase	644253	1.35
				13/Apr/18	-14250	Sale	630003	1.32
				18/May/18	-61	Sale	629942	1.32

Sl. No.	Name	Shareholding		Date	Increase / Decrease in Shareholding	Reason	Cumulative Shareholding during the year	
		No. of shares at the beginning (April 1, 2018)/ end of the year (March 31, 2019)	% of total shares of the Company				No. of shares	% of total shares of the Company
				25/May/18	-6894	Sale	623048	1.31
				1/Jun/18	-1548	Sale	621500	1.30
				8/Jun/18	-9482	Sale	612018	1.28
				15/Jun/18	-20000	Sale	592018	1.24
				22/Jun/18	-5672	Sale	586346	1.23
				6/Jul/18	-8597	Sale	577749	1.21
				20/Jul/18	-4824	Sale	572925	1.20
				27/Jul/18	-25000	Sale	547925	1.15
				3/Aug/18	-4164	Sale	543761	1.14
				10/Aug/18	-40	Sale	543721	1.14
				17/Aug/18	-226	Sale	543495	1.14
				24/Aug/18	2170	Purchase	545665	1.14
				5/Oct/18	5000	Purchase	550665	1.16
				19/Oct/18	-5027	Sale	545638	1.14
				2/Nov/18	-2010	Sale	543628	1.14
				16/Nov/18	-475	Sale	543153	1.14
				21/Dec/18	486	Purchase	543639	1.14
				28/Dec/18	1103	Purchase	544742	1.14
				31/Dec/18	1000	Purchase	545742	1.14
				4/Jan/19	2510	Purchase	548252	1.15
				11/Jan/19	8669	Purchase	556921	1.17
				8/Feb/19	-3782	Sale	553139	1.16
				22/Feb/19	-4611	Sale	548528	1.15
				1/Mar/19	-1641	Sale	546887	1.15
				8/Mar/19	-17824	Sale	529063	1.11
				15/Mar/19	-7661	Sale	521402	1.09
				22/Mar/19	-1206	Sale	520196	1.09
				29/Mar/19	-2300	Sale	517896	1.09
		517896	1.09	31/Mar/19			517896	1.09
7	ACACIA Conservation Fund LP	600000	1.26	1/Apr/18	0	Nil movement during the year		
		600000	1.26	31/Mar/19			600000	1.26
8	Aditya Birla Sun Life Trustee Private Limited A/C	500000	1.05	1/Apr/18				
				11/May/18	80000	Purchase	580000	1.22
		580000	1.22	31/Mar/19			580000	1.22
9	Motilal Oswal Focused Emergence Fund	400000	0.84	1/Apr/18				
				13/Apr/18	25000	Purchase	425000	0.89
				27/Apr/18	2894	Purchase	427894	0.90
				13/Jul/18	50000	Purchase	477894	1.00
				20/Jul/18	22106	Purchase	500000	1.05
		500000	1.05	31/Mar/19			500000	1.05
10	ACACIA Banyan Partners	492400	1.03	1/Apr/18	0	Nil movement during the year		
		492400	1.03	31/Mar/19			492400	1.03
11	Franklin India Smaller Companies Fund	484563	1.02	1/Apr/18	0	Nil movement during the year		
		484563	1.02	31/Mar/19			484563	1.02

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, 2018)	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, 2019)	21900	0.05	21900	0.05
2	**Mr. Mehul Shah** (Company Secretary & KMP)				
	At the beginning of the year (April 1, 2018)	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, 2019)	400	0.00	400	0.00

Other directors and KMP do not hold any shares at the beginning, during and at the end of the year.

5. Indebtedness

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

(₹ in lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	0.00	10,263.16	0.00	10,263.16
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	0.00	132.90	0.00	132.90
Total (i+ii+iii)	**0.00**	**10,396.06**	**0.00**	**10,396.06**
Change in Indebtedness during the financial year				
▪ Addition	0.00	0.00	0.00	0.00
▪ Reduction	0.00	(10,396.06)	0.00	(10,396.06)
Net Change	**0.00**	**(10,396.06)**	**0.00**	**(10,396.06)**
Indebtedness at the end of the financial year				
i) Principal Amount	0.00	0.00	0.00	0.00
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	0.00	0.00	0.00	0.00
Total (i+ii+iii)	**0.00**	**0.00**	**0.00**	**0.00**

6. Remuneration of Directors and Key Managerial Personnel

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

(₹ in lakhs)

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total
		Mr. Prashant Panday, Managing Director & CEO	**Mr. N. Subramanian,** Executive Director & Group CFO $	
1	Gross salary			
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	294.32	82.68	377.00
	b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	0.22	0.02	0.24
	c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	0.00	0.00	–
2	Stock Option	0.00	0.00	–
3	Sweat Equity	0.00	0.00	–
4	Commission			–
	– as % of profit	0.00	0.00	–
	– others, specify...	0.00	0.00	–
5	Others	0.00	0.00	–
	Total (A)*	**294.54**	**82.70**	**377.24**
	Ceiling as per the Act [10% of Net Profits as calculated under section 198 of the Companies Act, 2013]	**999.20**		

$ Mr. N. Subramanian held the office of Executive Director with effect from November 2, 2018.

B) Remuneration to other directors:

(₹ in lakhs)

Particulars of Remuneration	Name of Directors				Total amount
	Mr. N. Kumar	**Mr. Ravindra Kulkarni**	**Mr. Richard Saldanha**	**Ms. Sukanya Kripalu**	
1. Independent Directors					
▪ Fee for attending board / committee meetings	3.80	4.60	3.80	1.20	13.40
▪ Commission	11.20	11.20	11.20	9.60	43.20
▪ Others, please specify	0.00	0.00	0.00	0.00	0.00
Total (1)	**15.00**	**15.80**	**15.00**	**10.80**	**56.60**
2. Other Non- Executive Directors	**Mr. Vineet Jain**				
▪ Fee for attending board/committee meetings	0				
▪ Commission	0				
▪ Others, please specify	0				
Total (2)	**0**				**0**
Total (B)=(1+2)*					**56.60**
Total Managerial Remuneration (A)+(B)*					**433.84**
Overall Ceiling as per the Act	**99.92**	[1% of Net Profits as calculated under section 198 of the Companies Act, 2013]			
Overall Ceiling as per the Act	**1,099.12**	[11% of Net Profits as calculated under section 198 of the Companies Act, 2013]			

* Remuneration calculated as per section 197 of the Companies Act, 2013

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

(₹ in lakhs)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		Total
		Company Secretary	CFO @	
1	Gross salary			
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	54.09	132.84	186.93
	b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	0.00	0.03	0.03
	c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	0.00	0.00	0.00
2	Stock Option	0.00	0.00	0.00
3	Sweat Equity	0.00	0.00	0.00
4	Commission			0.00
	– as % of profit	0.00	0.00	0.00
	– others, specify…	0.00	0.00	0.00
5	Others, (Company's contribution to Provident Fund)	1.88	4.27	6.15
	Total	**55.97**	**137.14**	**193.11**

@ Remuneration is stated for the period from April 1, 2018 till November 1, 2018, during which Mr. N. Subramanian was holding the office of Group CFO and thereafter re-designated as the Executive Director & Group CFO.

7. 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 30, 2019

Annexure F to the Directors' Report

Business Responsibility (BR) Report

Section A: General Information about the Company

1. Corporate Identity Number (CIN) of the Company: L92140MH1999PLC120516
2. Name of the Company: Entertainment Network (India) Limited
3. Registered address: 4th Floor, A-Wing, Matulya Centre, Senapati Bapat Marg, Lower Parel (West), Mumbai - 400 013.
4. Website: *www.enil.co.in*
5. E-mail id: *enil.investors@timesgroup.com*
6. Financial Year reported: April 1, 2018 to March 31, 2019
7. Sector(s) that the Company is engaged in (industrial activity code-wise): Private FM Radio Broadcasting: NIC Code: 60100
8. List three key products/services that the Company manufactures/provides (as in balance sheet): Private FM Radio Broadcasting
9. Total number of locations where business activity is undertaken by the Company:
   i) Number of International Locations (Provide details of major 5): The Company has set up two US based companies, i.e. Entertainment Network, INC - wholly owned subsidiary of the Company, and Entertainment Network, LLC - wholly owned subsidiary of Entertainment Network, INC.
   ii) Number of National Locations: 68 radio stations (58 locations) as on March 31, 2019 and 73 radio stations (63 locations) as on date of the Report.
10. Markets served by the Company - Local/State/National/International: India (Nationally)

Section B: Financial Details of the Company

1. Paid up Capital (INR): ₹ 4,767.04 lakhs
2. Total Turnover (INR): ₹ 63,541.42 lakhs
3. Total profit after taxes (INR): ₹ 5,391.85 lakhs
4. Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%): 2% of the average net profit of the company for last three financial years.
5. List of activities in which expenditure in 4 above has been incurred: Details have been furnished separately at *Annexure B* to the Directors' Report (Annual Report on CSR activities).

Section C: Other Details

1. Does the Company have any Subsidiary Company/ Companies?

   Yes, the Company has one India based subsidiary– Alternate Brand Solutions (India) Limited. With effect from January 9, 2019, the Company has set up two US based companies, i.e. Entertainment Network, INC - wholly owned subsidiary of the Company, and Entertainment Network, LLC - wholly owned subsidiary of Entertainment Network, INC.
2. Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s): The Company has a code of conduct for directors and employees of the Company and various other *in house* policies. The code and other *in house* policies are followed by the subsidiary companies [Alternate Brand Solutions (India) Limited, Entertainment Network, INC and Entertainment Network, LLC].
3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]:

   The Company has adopted Supplier / Vendor code of conduct requiring the service providers and vendors to adhere to with the said code. The code emphasizes on various parameters like conducting business in ethical manner, compliance with the law of the land, respect for human rights, corruption free business practices and many more. All the service providers and vendors registered during the financial year 2016-17 and thereafter have been roped in with the said code and all other service providers and vendors registered prior to the financial year 2016-17 have been duly communicated about the said code.

Section D: Business Responsibility (BR) Information

1. Details of Director/Directors responsible for BR

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

- DIN: 02747925
- Name: Mr. Prashant Panday
- Designation: Managing Director & Chief Executive Officer

b) Details of the BR head: Mr. Prashant Panday (Managing Director & Chief Executive Officer)

S. No.	Particulars	Details
1.	DIN Number	02747925
2.	Name	Mr. Prashant Panday
3.	Designation	Managing Director & CEO
4.	Telephone number	022 67536983
5.	e-mail id	*prashant.panday@timesgroup.com*

2. Principle-wise (as per NVGs) BR Policy/policies (Reply in Y/N):

The Company has adopted the Business Responsibility Policy ('BRR') based on the nine (9) key principles and core elements of National Voluntary Guidelines on Social, Environmental & Economics Responsibilities of Business ('NVG') issued by the Ministry of Corporate Affairs. BRR is applicable to the Company and its subsidiaries. This Policy is supported by various Policies and Guidelines already adopted by the Company:

Principle 1: Business should conduct and govern themselves with ethics, transparency and accountability; (P1)

Principle 2: Business should provide goods and services that are safe and contribute to sustainability throughout their life cycle; (P2)

Principle 3: Business should promote the wellbeing of all employees; (P3)

Principle 4: Business should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized; (P4)

Principle 5: Business should respect and promote human rights; (P5)

Principle 6: Business should respect, protect and make efforts to restore the environment; (P6)

Principle 7: Business, when engaged in influencing public and regulatory policy, should do so in a responsible manner; (P7)

Principle 8: Business should support inclusive growth and equitable development; (P8)

Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner. (P9)

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

S. No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1.	Do you have a policy/policies for....	Y	Y	Y	Y	Y	Y	Y	Y	Y
2.	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3.	Does the policy conform to any national /international standards? If yes, specify? (50 words): The Company has various policies in place in compliance with the applicable laws, rules, regulations, guidelines, standards, etc.	Y	Y	Y	Y	Y	Y	Y	Y	Y

S. No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
4.	Has the policy being approved by the Board? If yes, has it been signed by MD/owner/CEO/appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5.	Does the company have a specified committee of the Board/ Director/Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6.	Indicate the link for the policy to be viewed online?	*http://www.enil.co.in/policies-code-of-conduct.php* All the policies required to be hosted on the website are available on the aforesaid link. Internal policies applicable to the employees of the Company are hosted on the intranet accessible to the employees.								
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8.	Does the company have in-house structure to implement the policy/policies.	Y	Y	Y	Y	Y	Y	Y	Y	Y
9.	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10.	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	Y	Y	Y	Y	Y	Y

(b) If answer to S. No. 1 against any principle, is 'No', please explain why: (Tick up to 2 options): N.A.

3. Governance related to BR

- Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year.

  Managing Director & CEO, supported by the functional heads, has initiated to review the implementation of the BR Policy and we plan to review the same on a yearly basis. Corporate Social Responsibility Committee is entrusted to monitor the implementation of the BR Policy and same is reviewed on a yearly basis.

- Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

  The Company has published a separate *Business Responsibility Report* ('BRR') for the financial year under review and is attached as *Annexure F* to the Board of Director's Report. BRR is published annually.

Section E: Principle-wise performance

Principle 1: Business should conduct and govern themselves with ethics, transparency and accountability:

1. Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ ~~No~~. Does it extend to the Group/Joint Ventures/ Suppliers/ Contractors/ NGOs/ Others?

   The Company has adopted the Code of Conduct, ethics and business principles for directors and team members and Whistle Blower Policy. The said policies are extended at the group level. The Company has also adopted Supplier / Vendor code of conduct requiring the service providers and vendors to adhere to with the said code. The code emphasizes on various parameters like conducting business in ethical manner, compliance with the law of the land, respect for human rights, corruption free business practices and many more.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? *If so, provide details thereof, in about 50 words or so.*

   - During the financial year under review, four complaints pertaining to sexual harassment were reported to the Internal Complaints Committee of the Company. After detailed investigation and following due procedure under the applicable law, guidelines and regulations, said complaints were appropriately dealt with during the financial year under review and appropriate action was taken.
   - During the financial year under review, 21 shareholders' complaints/ queries, etc. received and same were resolved as on March 31, 2019.

Principle 2: Business should provide goods and services that are safe and contribute to sustainability throughout their life cycle:

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

   The Company is engaged in the business of Private FM Radio Broadcasting and is complying with the guidelines issued by the Ministry of Information & Broadcasting and advertising code as amended from time to time.

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):

   i) Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?

   ii) Reduction during usage by consumers (energy, water) has been achieved since the previous year?

   The Company is not engaged in the manufacturing activities and therefore this para is not applicable.

3. Does the company have procedures in place for sustainable sourcing (including transportation)?

   i) If yes, what percentage of your inputs was sourced sustainably?

      Also, provide details thereof, in about 50 words or so.

      The Company is engaged in the business of Private FM Radio broadcasting. The broadcast predominantly consists of music in different genres. For broadcast of music, the Company has entered into voluntary license agreements with certain music labels across the country on mutually acceptable terms and in some cases the Company has obtained and complied with the Hon'ble Courts/ Copyright Board orders to broadcast music of labels on terms stipulated by them.

4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?

   If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

   The Company is engaged in the business of Private FM Radio broadcasting. Wherever possible, the Company encourages local artists and promotes them by broadcasting their musical work/ their performance. The Company has a system in place at group level for vendor registration before sourcing any goods or procuring any services. Dealing with the vendors is purely on competitive basis and priority is given for local sourcing provided other attributes are competitive.

5. Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

   Since the Company is engaged in the broadcasting activity, no specific mechanism is required to recycle products and waste.

Principle 3: Business should promote the wellbeing of all employees:

1. Please indicate the Total number of employees. 1105 (as on March 31, 2019)
2. Please indicate the Total number of employees hired on temporary/ contractual/ casual basis. Over and above 1105 employees on the rolls, 23 persons were hired on contractual basis (as on March 31, 2019)
3. Please indicate the Number of permanent women employees: 350 (as on March 31, 2019)
4. Please indicate the Number of permanent employees with disabilities: Nil

5. Do you have an employee association that is recognized by management: No

6. What percentage of your permanent employees is members of this recognized employee association? Not applicable

7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

S. No.	Category	No. of complaints filed during the financial year	No. of complaints pending as on end of the financial year
1.	Child labour/ forced labour/involuntary labour	Nil	Nil
2.	Sexual harassment	Four	Nil
3.	Discriminatory employment	Nil	Nil

8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?

   - Permanent employees: 95%
   - Permanent women employees: 94%
   - Casual/ temporary/ contractual employees: 96%
   - Employees with disabilities: Not applicable

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

1. Has the company mapped its internal and external stakeholders? Yes ~~/No~~

   The Company has mapped its internal and external stakeholders, which includes employees, suppliers, vendors, service providers, investors, industry association, etc. Through Annual General Meetings, studio visits, the shareholders get an opportunity to interact with the directors and senior management team. Through investors' calls, print and electronic media, the Company furnishes all the relevant information to the stakeholders.

2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders?

   ENIL continues its commitment to the visually challenged. In FY 2018-19, ENIL continued towards providing audio support recorded 'talking books for Children's Book Trust, Tulika Publishers, Pratham Books and White Print. Not only did ENIL produce audio books but also an e-magazine for the visually challenged. ENIL efforts have been recognized by the Lok Sabha secretariat with the recording of a Government sanctioned book "Directions by the Lok Sabha Speaker". This book is now available in the Secretariat Library as well as Sugamaya Pustakalaya. ENIL also organized writer volunteers for visually challenged student appearing for the Class X board exams.

   ENIL believes that the visually challenged should be able to fully enjoy mainstream entertainment. Accordingly, two movie, Dangal and Sholay were audiolized & screened at schools for the visually challenged in various cities. The films were produced by our knowledge partner Saksham.

3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.

   Kindly refer to para 2 above.

Principle 5: Business should respect and promote human rights:

1. Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/ Contractors/NGOs/Others?

   The BR Policy and other policies relating to the human rights cover the Company as well as other relevant stakeholders.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

   Grievance redressal mechanism is in place to receive and address the stakeholders' complaints. During the financial year under review, 21 shareholders' complaints/ queries, etc. received and same were resolved as on March 31, 2019.

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

1. Does the policy relate to Principle 6 cover only the company or extends to the Group/ Joint Ventures/ Suppliers/ Contractors/ NGOs/ others.

   Business activities of the Company and its subsidiaries are not energy intensive. To the extent applicable, the Company consciously attempts to protect the environment in terms of energy consumption, electronic communication, etc.
2. Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.

   Yes, the Company has taken environmental friendly initiatives like installation of energy efficient LED lamps, power saver cooling installation, DG sets, etc.
3. Does the company identify and assess potential environmental risks? Y/N. Yes.
4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?

   No.
5. Has the company undertaken any other initiatives on - clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.: Same as stated at para 2 above.
6. Are the Emissions/ Waste generated by the company within the permissible limits given by CPCB/ SPCB for the financial year being reported? Not applicable.
7. Number of show cause/ legal notices received from CPCB/ SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year. Nil

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

1. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:
   a) Association of Radio Operators for India
   b) Media Research Users Council
2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/~~No~~; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others):

   Working along with Association of Radio Operators for India (AROI), the Company has engaged with the government to plan for faster growth of the FM radio medium. The Company and AROI have also provided support to the government for any special initiatives that it has taken, especially during times of crises like floods, terrorist attacks etc.

Principle 8: Business should support inclusive growth and equitable development:

1. Does the company have specified programmes/ initiatives/ projects in pursuit of the policy related to Principle 8? If yes details thereof.

   Details have been furnished separately at *Annexure B* to the Directors' Report (Annual Report on CSR activities).
2. Are the programmes/ projects undertaken through in-house team/ own foundation/ external NGO/ government structures/any other organization?

   Programmes/ projects are undertaken through in-house team. Details have been furnished separately at *Annexure B* to the Directors' Report (Annual Report on CSR activities).
3. Have you done any impact assessment of your initiative?

   Impact assessment of CSR initiatives is carried out by in house team regularly and same is presented before the CSR Committee.
4. What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken.

   Details have been furnished separately at *Annexure B* to the Directors' Report (Annual Report on CSR activities).
5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

   Yes, the Company has internal reporting mechanism followed by regular presentation before the CSR Committee to assess the CSR contribution. Follow up field visits are also undertaken to drive and monitor the CSR initiatives.

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

1. What percentage of customer complaints/ consumer cases are pending as on the end of financial year.

   Dedicated e-mail ID has been provided to address any business enquiry, grievances etc. Senior Management Team promptly and adequately responses to such enquiry, grievances. No investor complaint is pending for the financial year under review.

2. Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. / Remarks (additional information)

   The Company is in the business of Private FM Radio Broadcasting and therefore this para is not applicable.

3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so: No.

4. Did your company carry out any consumer survey/ consumer satisfaction trend?

   Yes, the Company carries out listenership surveys across markets on a monthly basis to understand and monitor trends in listenership shares across India. Apart from this, we keep a close watch on brand health metrics (benchmarked against the industry) by conducting regular brand tracks in several key markets. The results of these research initiatives give us insights on performance of RJs, on-air characters and any new innovations we have tried on radio.

   Regular research is also conducted to stay updated with the changing musical tastes and preferences of listeners. This is done to ensure that the music we play is in-sync with what the listeners want.

   Detailed qualitative & quantitative research is conducted to understand the leisure, entertainment and pastime habits of people in markets where we want to enter for the first time.

For and on behalf of the Board of Directors

sd/-

Vineet Jain
Chairman
(DIN: 00003962)

Mumbai, May 30, 2019

Annexure G to the Directors' Report

Form AOC 2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis: There were no contracts or arrangements or transactions entered into during the financial year ended March 31, 2019, which were not at arm's length basis.

2. Details of material contracts or arrangement or transactions at arm's length basis (Transaction with a related party shall be considered material if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds ten percent of the annual consolidated turnover of the Company as per the last audited financial statements of the Company).

   a) Name(s) of the related party and nature of relationship: Bennett, Coleman & Company Limited ['BCCL'] – Holding Company.

   b) Nature of contracts/arrangements/transactions: transactions/ arrangements of shared services including sale and purchase of advertisement, sharing of common cost, services, payment and receipt of office rent and maintenance, Leasing and/or sale and/ or purchase of assets, etc.

(₹ in lakhs)

Nature of arrangements / transactions	Value
Sales	10,809.47
Rendering of services	5.85
Receiving of services	1,273.28
Recovery of expenses	0.38
Total	**12,088.98**

   c) Duration of the contracts / arrangements/transactions: ongoing.

   d) Salient terms of the contracts or arrangements or transactions including the value, if any: The related party transactions (RPTs) entered during the year were in the ordinary course of business and on an arm's length basis.

   e) Date(s) of approval by the Board, if any: November 8, 2016.

   f) Amount paid as advances, if any: Nil.

For and on behalf of the Board of Directors

sd/-

Vineet Jain
Chairman
(DIN: 00003962)

Mumbai, May 30, 2019

Annexure H to the Directors' Report

Dividend Distribution Policy

1. **Background & Intent**

   The Securities Exchange Board of India ("SEBI") on July 8, 2016 inserted Regulation 43A in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), which requires the top five hundred listed companies (based on market capitalization of every financial year) to formulate and adopt a Dividend Distribution Policy, which shall be disclosed in its Annual Report and on its website. The regulation also encourages other listed companies to disclose their dividend distribution policies on a voluntary basis in their annual reports and on their websites.

   The Company being one of the top five hundred listed companies as per the market capitalization as on the last day of the immediately preceding financial year, has framed this Policy to comply with the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015. This Policy was approved and adopted by the Company's Board of Directors at its meeting held on May 23, 2017.

   The intent of the Policy is to broadly specify the philosophy, external and internal factors including financial parameters that shall be considered while declaring dividend and the circumstances under which the shareholders of the Company may or may not expect dividend and how the retained earnings shall be utilized.

2. **Dividend Philosophy**

   The Company believes that driving growth creates maximum shareholder value. Accordingly, the Company will first utilize its profits to secure the long term growth objectives of the Company and retire debt. Since the business is sensitive to economic conditions and has a high operating leverage, the Company will continue to maintain a conservative stance on liquidity and financial leverage. Within this overarching context, the Company's Dividend Distribution Policy shall ensure that it returns cash from operations that is in excess of its current and foreseeable requirements back to the shareholders over the long term. The Company shall endeavour to declare a steady and sustainable stream of dividends to the shareholders.

3. **Scope and applicable laws**

   - While the Policy set out herein generally relates to final Dividend, certain principles also apply to Interim Dividend declared by the Board.
   - The Policy set out herein is in respect of Dividend as it relates to a going concern.
   - Presently, the issued and paid up share capital of the Company comprises only equity shares. Accordingly, the Policy set out herein relate to Equity Shares only. However, the Board of Directors of the Company (hereinafter referred to as the 'Board' which shall include duly authorized committee thereof), reserves the right to modify this Policy as and when the Company issues preference or other classes of shares.
   - The declaration and payment of dividend is governed by various applicable provisions of the Companies Act, 2013 and rules thereto read with the Listing Regulations requirements and compliances related to dividend, Secretarial Standards, Security Contract Regulation Act, 1956, Income Tax Act, 1961, RBI guidelines, circulars, notifications to the extent applicable, FEMA, 1999, SEBI Guidelines Circulars etc.
   - Title to dividends: It shall be governed by the provisions of section 27 of Securities Contracts (Regulation) Act, 1956 and other applicable laws, rules and regulation as amended and enforced from time to time.
   - This Policy is intended to comply with the Companies Act, 2013 and the Listing Regulations. Notwithstanding anything herein to the contrary, this Policy will be interpreted only in such manner so as to comply with the Companies Act, 2013 and the Listing Regulations. Any word not defined in this Policy shall have the same meaning as defined under the Companies Act, 2013 and the Listing Regulations, including any amendments thereto. In case any word or provision as appearing in this Policy is contrary to the meaning or provision as provided under the Companies Act, 2013 or the Listing Regulations, then the meaning or provision as provided under the Companies Act, 2013 /

the Listing Regulations shall prevail, and any amendments thereto shall be deemed to form part of this Policy.

4. **Parameters and factors for declaration of dividend**

Based on the philosophy outlined in item (2) above, the Board shall consider the following parameters and factors before declaring or recommending dividend:

Financial parameters and internal factors:

- Business operations
- Operating cash flow of the Company
- Profit earned during the year
- Accumulated reserves
- Earnings Per Share (EPS)
- Earning stability
- Working capital requirements
- Capital expenditure requirements
- Business expansion and growth
- Likelihood of crystallization of contingent liabilities, if any
- Contractual restrictions
- Additional investment in subsidiaries and associates of the company
- Upgradation of technology and physical infrastructure
- Creation of contingency fund
- Acquisition of brands and business
- Past dividend pay-out ratio

External Factors:

- Economic environment
- Capital markets
- Global conditions
- Statutory provisions and guidelines
- Legal and regulatory framework
- Applicable taxes (including tax on dividend)
- Cost of borrowing and raising funds
- Dividend pay-out ratio of competitors / peer groups
- Investors' expectations
- Reinvestment opportunities

The Board may additionally recommend special dividend in special circumstances.

5. **Circumstances under which shareholders of the Company may or may not expect dividend**

The shareholders of the Company may not expect dividend under the following circumstances,

- The Company has adequate avenues to generate significantly higher returns on such surplus than what a common shareholder can reasonably expect to generate himself
- The Company needs funds for M&As joint ventures, new product launch, business expansion, investment opportunities, deleveraging etc.
- The Company proposes to utilize surplus cash entirely for alternate forms of shareholder distribution such as share buybacks etc.
- In the event of loss or inadequacy of profit

6. **Utilization of the retained earnings**

The retained earnings of the Company may be used in any of the following ways:

- Organic and inorganic growth
- Investment in new businesses
- Declaration of Dividend
- Buyback of shares
- Capitalisation of shares
- Correcting the capital structure
- General corporate purposes, including contingencies
- Any other permitted usage as per the Companies Act, 2013.

7. **Manner of dividend payout**

In case of final dividend:

- Recommendation, if any, shall be made by the Board, usually in the Board meeting that considers and approves the annual financial statements.
- The dividend as recommended by the Board shall be approved/ declared at the annual general meeting of the Company.

- The payment of dividends shall be made within the statutorily prescribed period from the date of declaration, to those shareholders who are entitled to receive the dividend on the record date/book closure period, as per the applicable law.

In case of interim dividend:

- Interim dividend, if any, shall be declared by the Board.
- Before declaring interim dividend, the Board shall consider whether the financial position of the Company permits the payment of such dividend.
- The payment of dividends shall be made within the statutorily prescribed period from the date of declaration to those shareholders who are entitled to receive the dividend on the record date, as per the applicable laws.
- In case no final dividend is declared, interim dividend paid during the year, if any, will be regarded as final dividend in the annual general meeting.

8. Parameters to be adopted with regard to various classes of shares

Since the Company has issued only one class of equity shares with equal voting rights, all the members of the Company are entitled to receive the same amount of dividend per share. The Policy shall be suitably revisited at the time of issue of any new class of shares depending upon the nature and guidelines thereof.

For and on behalf of the Board of Directors

sd/-

Vineet Jain

Chairman

(DIN: 00003962)

Mumbai, May 30, 2019

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 Regulation 34 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ['Listing Regulations'], a report on Corporate Governance for the financial year ended March 31, 2019 is furnished below:

1. **Brief statement on the 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 and codes in accordance with the applicable provisions of the Companies Act, 2013 ('the Act') and Listing Regulations:

   - Archival Policy
   - Business Responsibility Policy, principles and guidelines
   - Code of Conduct, Ethics and Business Principles
   - 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
   - Corporate Social Responsibility Policy
   - Dividend Distribution Policy
   - Nomination and Remuneration Policy
   - Policy for determination of materiality
   - Policy for determining material subsidiaries
   - Policy for preservation of documents
   - Policy on diversity of the Board of Directors
   - Policy on materiality of related party transactions and Policy on dealing with Related party transactions
   - Risk Management Policy
   - Whistle-Blower Policy/ Vigil Mechanism

   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**

   a) **Composition and category of the Board of Directors and number of other board of directors or committees in which a director is a member or chairperson:**

      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 of 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 of seven 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 and 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.

Details relating to the composition of the Board of Directors, number of directorships, memberships and chairmanships of the Committees of the Directors of the Company in other public limited companies are as follows:

Name of the Directors	Category	No. of other Directorships@	Committee positions @		List of Directorship held in other listed companies and category of directorship
			Member	Chairman	
Mr. Vineet Jain [DIN: 00003962]	Non- Executive Chairman	6	0	0	–
Mr. N. Kumar [DIN: 00007848]	Independent Non- Executive	9	3	4	Independent Non – Executive Director on the Board of Bharti Infratel Limited, MRF Limited, Take Solutions Limited, Mphasis Limited, Larsen & Toubro Limited and L & T Technology Services Limited
Mr. Ravindra Kulkarni [DIN: 00059367]	Independent Non- Executive	6	6	2	Independent Non – Executive Director on the Board of Mahindra & Mahindra Limited, Elantas Beck India Limited, Tech Mahindra Limited and Chowgule Steamships Limited
Mr. Richard Saldanha [DIN: 00189029]	Independent Non- Executive	5	8	1	Independent Non – Executive Director on the Board of Gokaldas Exports Limited
Ms. Sukanya Kripalu # [DIN: 06994202]	Independent Non- Executive	5	4	1	Independent Non – Executive Director on the Board of Aditya Birla Fashion & Retail Limited, Huhtamaki PPL Limited, Ultratech Cement Limited and Colgate-Palmolive (India) Limited
Mr. Prashant Panday [DIN: 02747925]	Managing Director & CEO	1	1	0	–
Mr. N. Subramanian $ [DIN: 03083775]	Executive Director & Group CFO	3	1	0	–

\# Appointed on the Board of the Company with effect from May 23, 2018.

$ Appointed on the Board of the Company with effect from November 2, 2018.

@ 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.

b) **Attendance of each director** at the meetings of the Board of Directors and Board Committees held during the financial year under review and at the last Annual General Meeting (AGM) is as follows:

Name of the Directors	Last AGM	For the Financial Year 2018 – 2019 Attendance at				
		Board Meeting	Audit Committee Meeting	Nomination & Remuneration Committee Meeting	Stakeholders Relationship Committee Meeting	CSR Committee Meeting
Mr. Vineet Jain	Yes	6 of 7	N. A.	5 of 6	N. A.	3 of 4
Mr. N. Kumar	Yes	7 of 7	6 of 6	6 of 6	N. A.	N. A.
Mr. Ravindra Kulkarni	Yes	7 of 7	6 of 6	6 of 6	4 of 4	4 of 4
Mr. Richard Saldanha	Yes	7 of 7	6 of 6	6 of 6	4 of 4	N. A.
Ms. Sukanya Kripalu #	Yes	6 of 6	N. A.	N. A.	N. A.	N. A.
Mr. Prashant Panday	Yes	7 of 7	N. A.	N. A.	4 of 4	4 of 4
Mr. N. Subramanian $	Yes	4 of 4	N. A.	N. A.	N. A.	N. A.

\# Appointed on the Board of the Company with effect from May 23, 2018; hence, number of Board Meetings entitled to attend has been mentioned accordingly.

$ Appointed on the Board of the Company with effect from November 2, 2018; hence, number of Board Meetings entitled to attend has been mentioned accordingly.

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

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.

c) **Number of meetings of the Board of Directors held and dates on which held and date of the last AGM held:**

Seven Board Meetings were held during the financial year under review, the dates of which were: 4 April 2018, 23 May 2018, 3 August 2018, 2 November 2018, 6 February 2019, 17 March 2019 and 18 March 2019.

The Nineteenth Annual General Meeting was held on 26 September 2018.

d) **Disclosure of relationships between directors *inter-se***: None of the Directors are related with each other or key managerial personnel (*inter-se*) within the meaning of the Listing Regulations.

e) **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 March 31, 2019 and as on the date of this Report.

f) **Weblink where details of familiarization programmes imparted to independent directors is disclosed:** *http://www.enil.co.in/policies-code-of-conduct.php*

g) The Board has identified the following skill set with reference to its Business and Industry which are available with the Board:

Name of the Director	Expertise in specific functional area
Mr. Vineet Jain	Leadership, Global business, Financial, Business strategy, Media & Entertainment expertise, Understanding Company's business, policies, culture, Behavioral & HR skills
Mr. N. Kumar	Global business, Financial, strategy
Mr. Ravindra Kulkarni	Legal expertise including international law, corporate law, Governance, Financial, Mergers & acquisitions,
Mr. Richard Saldanha	Business strategy, Financial
Ms. Sukanya Kripalu	Business strategy, Sales & Marketing, advertising and market research
Mr. Prashant Panday	Media & Entertainment expertise, Business strategy, Financial, Understanding Company's business, policies, culture, Behavioral & HR skills, stakeholder engagement, commercial experience
Mr. N. Subramanian	Financial skills, Understanding Company's business, policies, culture, capital markets, wealth management, stakeholder engagement, commercial experience

h) **Confirmation about the Independent Directors:**

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149 of the Companies Act, 2013 and Regulation 16(1) (b) of the Listing Regulations. In the opinion of the Board, the Independent Directors fulfil the conditions of independence specified in Section 149(6) of the Companies Act, 2013 and Regulation 16(1) (b) of the Listing Regulations and they are independent of the management.

i) Declaration by the Managing Director & Chief Executive Officer under Regulation 34(3) of the Listing Regulations regarding adherence to the Code of Conduct is forming part of the Report on Corporate Governance.

j) A certificate as stipulated under Regulation 17(8) of the Listing Regulations was placed before the Board of Directors.

k) 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 of Directors, 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, 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 Listing Regulations (including any statutory modification(s) or re-enactment or amendments thereof).

a) **Brief description of terms of reference *inter alia* includes:**

- 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
- 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 including granting omnibus approval for related party transactions
- 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
- authority to investigate into any matter in relation to aforesaid items or referred to it by the Board and for this purpose shall have power to obtain professional advice from external sources and have full access to information contained in the records of the Company
- oversee the vigil mechanism and to ensure that the vigil mechanism shall

provide for adequate safeguards against victimisation of persons who use such mechanism and make provision for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases and in case of repeated frivolous complaints being filed by a director or an employee, the audit committee may take suitable action against the concerned director or employee including reprimand

- to formulate the scope, functioning, periodicity and methodology for conducting the internal audit in consultation with the Internal Auditor
- to take into consideration the qualifications and experience of the individual or the firm proposed to be considered for appointment as auditor and whether such qualifications and experience are commensurate with the size and requirements of the Company, provided that while considering the appointment, the Audit Committee shall have regard to any order or pending proceeding relating to professional matters of conduct against the proposed auditor before the Institute of Chartered Accountants of India or any competent authority or any Court
- may call for such other information from the proposed auditor as it may deem fit
- 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
- to appoint registered valuers as prescribed under the Companies Act, 2013
- may invite such of the executives, as it considers appropriate (and particularly the head of the finance function) to be present at the meetings of the committee, but on occasions it may also meet without the presence of any executives of the Company. The finance director, head of internal audit and a representative of the statutory auditor may be present as invitees for the meetings of the audit committee
- 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
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors
- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
  a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013
  b) Changes, if any, in accounting policies and practices and reasons for the same
  c) Major accounting entries involving estimates based on the exercise of judgment by management
  d) Significant adjustments made in the financial statements arising out of audit findings
  e) Compliance with listing and other legal requirements relating to financial statements
  f) Disclosure of any related party transactions
  g) Modified opinion(s) in the draft audit report
- Reviewing, with the management, the quarterly financial statements before submission to the Board for approval
- Reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus/ notice and the report submitted by the monitoring agency monitoring the utilisation of

proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter

- 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 chief financial officer after assessing the qualifications, experience and background, etc. of the candidate
- Monitoring and review of the statement of deviation(s) or variation(s) as per Regulation 32 of the Listing Regulations
- carrying out any other functions as authorized by the Board of Directors from time to time or as enforced by statutory/ regulatory authorities

Audit Committee shall mandatorily review the following information:

- Management discussion and analysis of financial condition and results of operations
- Statement of significant related party transactions (as defined by the Audit Committee), submitted by management
- Management letters / letters of internal control weaknesses issued by the statutory auditors
- Internal audit reports relating to internal control weaknesses
- The appointment, removal and terms of remuneration of the chief internal auditor
- statement of deviations:
  - quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
  - Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/ notice in terms of Regulation 32(7).
- Financial statements, in particular, the investments made by the unlisted subsidiary

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

b) **Composition, names of members and chairperson:**

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)

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 Regulation 18 of the Listing Regulations. The Company Secretary acts as the Secretary of the Audit Committee.

c) **Meetings and attendance during the year:**

During the financial year under review, the Audit Committee met six times, i.e. on 4 April 2018, 23 May 2018, 3 August 2018, 2 November 2018, 6 February 2019 and 18 March 2019. Details of attendance are furnished at Para (2) (b) ('Board of Directors') of this report.

4. **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 Regulations, as amended from time to time, the scope and the terms of reference of the Nomination and Remuneration Committee have been adopted by the Board of Directors. 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 Regulations (including any statutory modification(s) or re-enactment or amendments thereof).

a) **Brief description of terms of reference *inter alia* includes:**

- 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
- while formulating the policy as aforesaid, to ensure that:

  a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;

  b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

  c) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals, : provided that such policy shall be disclosed in the Board's report.
- 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 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
- Formulation of criteria for evaluation of performance of independent directors and the Board of Directors
- Devising a policy on diversity of the Board of Directors
- Identifying 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 their appointment and removal

- whether to extend or continue the term of appointment of independent director, on the basis of the report of performance evaluation of independent director
- Recommend to the Board, all remuneration, in whatever form, payable to senior management
- Aligning key executive and board remuneration with the longer term interests of the Company and its shareholders
- Ensuring 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

b) Composition, names of members and chairperson:

The 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)

c) Meetings and attendance during the year:

During the financial year under review, the Committee met six times, i.e. on 4 April 2018, 23 May 2018, 3 August 2018, 2 November 2018, 6 February 2019 and 18 March 2019. Details of attendance are furnished at Para (2) (b) ('Board of Directors') of this report.

d) Performance evaluation criteria for independent directors:

The remuneration policy followed by the Company rewards people based on criteria such as the responsibilities shouldered by the person, his/ her academic and 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, which also covers the performance evaluation criteria is appended as Annexure A to the Board of Directors' Report.

5. Remuneration of Directors

a) Pecuniary relationship or transactions of the non– executive directors vis-à-vis the Company:

During the financial year under review, the Company has paid ₹ 22.42 lakhs as fees for professional services to Khaitan & Co., a firm in which the Company's Director, Mr. Ravindra Kulkarni is a partner. However, the association of Khaitan & Co. cannot be said to be a material association as the fees paid by the Company to Khaitan & Co. was considerably less than 1% of the total professional fees earned by the Khaitan & Co. during the financial year 2018-19. There were no other pecuniary relationships or transactions of Non-Executive Directors vis-à-vis the Company.

b) 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.

Profit related commission amount has been provided for the financial year 2018-2019 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 and Remuneration Policy as annexed to the Board of Directors' Report.

c) **Disclosures with respect to remuneration:**

Details of sitting fees and commission for the financial year 2018-2019:

(₹ in lakhs)

Name of the Non - Executive Directors	Sitting Fees for FY 2018-2019	Profit related Commission for FY 2018-2019
Mr. Vineet Jain @	Nil	Nil
Mr. N. Kumar *	3.80	11.20
Mr. Ravindra Kulkarni *	4.60	11.20
Mr. Richard Saldanha *	3.80	11.20
Ms. Sukanya Kripalu #	1.20	9.60

@ liable to retire by rotation

* Appointed for a term of five consecutive years commencing from August 12, 2014

Appointed for a term of five consecutive years commencing from May 23, 2018

Independent Directors are not liable to retire by rotation under the Companies Act, 2013.

During the financial year under review, the Company does not have any scheme for grant of stock options.

Details of remuneration paid to Mr. Prashant Panday, Managing Director & CEO and Mr. N. Subramanian, Executive Director & Group CFO during the year 2018-2019 are given below:

(₹ in lakhs)

Particulars	Mr. Prashant Panday	Mr. N. Subramanian
Salary	294.32	215.52
Benefits *	9.09	7.25
Perquisites	0.21	0.05
Total	**303.62**	**222.82**

*Company's contribution to provident fund

Notes:

- Present term of appointment of Mr. Prashant Panday is for a period of five years with effect from July 1, 2016 till June 30, 2021 on various terms and conditions including remuneration as approved by the members at their meeting held on August 3, 2016. Mr. N. Subramanian was appointed as the Additional Director and re-designated as Executive Director & Group CFO of the Company with effect from November 2, 2018. He will hold the office upto the next AGM of the Company as an additional director (re-designated as Executive Director & Group CFO) and thereafter, subject to the approval by the Members of the Company at the next AGM, as the Executive Director & Group CFO for a term of five consecutive years commencing from November 2, 2018, liable to retire by rotation.
- Appointment, terms, conditions and payment of remuneration to the Managing/ Whole-time Director is governed by the resolution(s) passed by the Nomination and 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, bonus, profit related commission, deferred cash incentive, performance based remuneration, contribution to provident fund, pension scheme, national pension scheme, annuity fund, superannuation fund, 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. Mr. N. Subramanian does not hold any equity shares of the Company as on the date of this Report.
- The Company does not have any scheme for grant of stock options to the employees or directors of the Company.
- Mr. Prashant Panday or Mr. N. Subramanian does not receive any remuneration or commission from the Company's holding or subsidiary companies.
- Their period of office shall be liable to determination by retirement of directors by rotation.

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 Regulations (including any statutory modification(s) or re-enactment or amendments thereof).

a) Name of the non – executive director heading the Committee:

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)

b) 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)*

c) Details of the shareholders' complaints:

Number of shareholders' complaints/ queries, etc. received during the financial year 2018-2019	21
Number of complaints/ queries, etc. not resolved to the satisfaction of shareholders as on March 31, 2019	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

d) Brief description of terms of reference *inter alia* includes:

- To resolve the grievances of the security holders of the Company including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- To review the measures taken for effective exercise of voting rights by shareholders.
- To review the adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
- To review the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/ statutory notices by the shareholders of the company.
- To supervise the process relating to transfer, transmission, transposition, split, consolidation of securities
- To issue the duplicate share certificate(s) and supervise the process
- To supervise the process relating

to consider re-materialization / de-materialization requests

- To implement and monitor the Company's Code of Conduct for Prohibition of Insider Trading in conformity with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended
- 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

e) **Meetings during the year:**

During the financial year under review, the Committee met four times, i.e. on 23 May 2018, 3 August 2018, 2 November 2018 and 6 February 2019. Details of attendance are furnished at Para (2) (b) ('Board of Directors') of this report.

7. **General Body Meetings**

a) **Annual General Meetings:**

Details of the location and time, where last three Annual General Meetings (AGMs) held and the special resolutions passed thereat are as follows:

Year, date and time	Location	Special Resolution(s) passed
FY 2017-2018 Nineteenth AGM held on September 26, 2018 at 3.00 p.m.	Hall of Culture, Ground Floor, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai: 400018	▪ Regarding issue of non- convertible debentures, bonds, debt securities, etc. on private placement basis. ▪ Regarding approval of levying charges for service of documents to the members of the Company as requested by them. ▪ Regarding approval for continuation of holding the office of Independent Non-Executive Director by Mr. Richard Saldanha (DIN: 00189029).
FY 2016-2017 Eighteenth AGM held on August 30, 2017 at 3.00 p.m.	Hall of Culture, Ground Floor, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai: 400018	▪ Regarding issue of non- convertible debentures, bonds, debt securities, etc. on private placement basis.
FY 2015-2016 Seventeenth AGM held on August 3, 2016 at 3.00 p.m.	Hall of Culture, Ground Floor, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai: 400018	▪ To approve the re-appointment and relevant terms and conditions thereof including remuneration payable to Mr. Prashant Panday, Managing Director & CEO of the Company for a period of five years with effect from July 1, 2016 till June 30, 2021. ▪ To enable payment of profit related commission/ remuneration to non- executive directors of the Company pursuant to Section 197 of the Companies Act, 2013.

b) **Resolutions passed last year through Postal Ballot:**

No resolution was passed through postal ballot voting process during the financial year under review and last year.

c) **Person who conducted the aforesaid postal ballot exercise:**

Not applicable.

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

e) **Procedure for postal ballot:**

The Company will comply with the requirements relating to the postal ballot process as and when such matter arises requiring approval of the Members by such process as per Section 110 and other applicable provisions of the Companies Act, 2013, read with the Companies (Management and Administration) Rules, 2014, read with the Listing Regulations, as amended from time to time.

8. **Means of Communication**

a) **Quarterly 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 Regulations requirements and are published in the newspapers. The financial results are also displayed on the Company's website i.e. *www.enil.co.in*

b) **Newspapers wherein results normally published:**

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

c) **Any Website, where displayed:**

www.enil.co.in

d) **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.

e) **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*

9. **General Shareholder Information**

a) **Annual General Meeting (AGM):**

Day, Date and time : Monday, August 5, 2019; 3.00 p.m.

Venue : Hall of Culture, Ground Floor, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai: 400018.

b) **Financial year:** April 1, 2018 to March 31, 2019.

c) **Dividend Payment Date :** The Dividend, if declared at the AGM, would be paid/ dispatched on / after August 6, 2019 and within thirty days from the date of declaration of dividend. The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, July 30, 2019 to Monday, August 5, 2019, 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) **Name and address of stock exchanges at which the Company's securities are listed:** 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 for the financial year 2018-19 to BSE and NSE.

e) **Stock code :**

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

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

The performance of the equity shares of the Company on BSE and NSE depicting the liquidity of the Company's equity shares for the financial year ended on March 31, 2019, on the said exchanges, is as follows:

Stock Market data – BSE

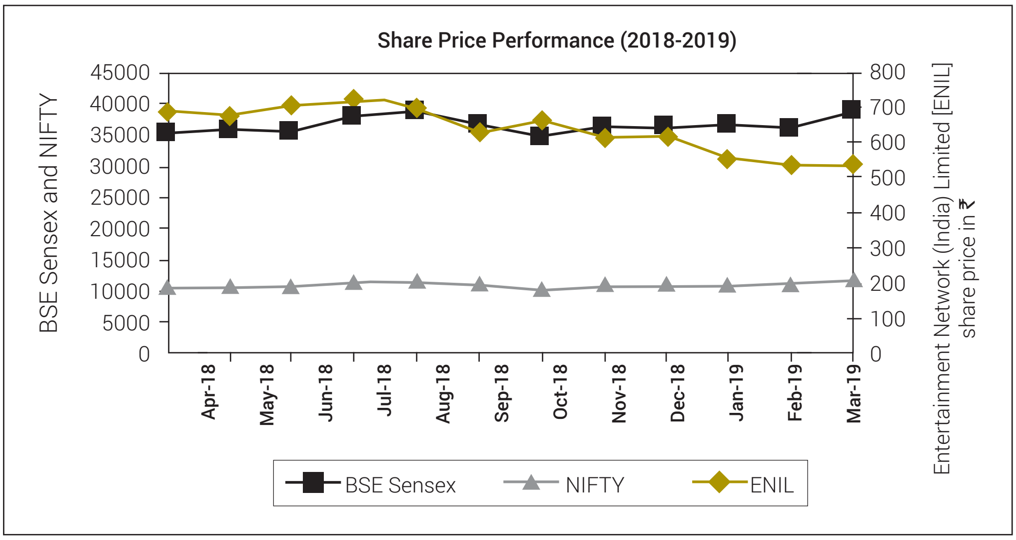
Month	Open Price (₹)	High Price (₹)	Low Price (₹)	Close Price (₹)	No. of shares	Total Turnover (₹ in lakhs)
April-18	735.35	748.90	677.00	689.80	377111	2,660.12
May-18	689.90	690.00	610.35	675.35	7814	51.48
June-18	660.00	705.00	638.05	702.60	8063	55.06
July-18	695.00	736.00	673.00	720.00	3390	24.02
August-18	720.10	751.80	661.20	699.90	22353	160.37
September-18	700.20	700.20	617.00	630.20	207204	1,306.78
October-18	630.00	678.00	551.05	665.75	13817	88.76
November-18	659.95	674.95	603.20	613.00	5382	34.54
December-18	603.00	649.95	582.00	623.10	4949	29.95
January-19	605.00	631.00	543.50	551.10	5714	33.60
February-19	553.80	582.95	510.10	537.45	11589	62.88
March-19	540.00	554.00	508.00	538.35	8156	43.45

Stock Market data – NSE

Month	Open Price (₹)	High Price (₹)	Low Price (₹)	Close Price (₹)	No. of shares	Total Turnover (₹ in lakhs)
April-18	731.15	735.70	677.95	689.60	174186	1,219.62
May-18	689.85	693.00	627.10	671.30	315171	2,052.42
June-18	669.40	714.90	639.00	701.05	121285	826.23
July-18	702.25	731.00	671.15	719.90	217860	1,538.25
August-18	725.35	764.50	679.00	699.50	131102	934.89
September-18	688.40	701.80	613.30	636.70	644473	4,147.02
October-18	630.75	678.95	600.10	660.20	54183	342.23
November-18	650.50	666.00	602.05	613.85	40281	253.06
December-18	614.05	627.85	582.00	615.70	45079	273.65
January-19	619.95	620.00	542.30	549.55	81859	484.44
February-19	544.00	580.00	511.55	529.05	72069	385.72
March-19	532.55	554.40	505.05	538.20	211076	1,123.39

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

g) **Performance in comparison to broad-based indices:**



h) **In case the securities are suspended from trading, reason thereof:**

Not applicable, since the securities of the Company have not been suspended from trading.

i) **Registrar and Share Transfer Agents (R&TA):**

Karvy Fintech 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.

j) **Share Transfer System:**

Pursuant to the Listing Regulations, 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 under the Listing Regulations and other applicable provisions of the Companies Act, 2013. 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 Regulation 40 of the Listing Regulations and submitted a copy of the certificate to the Stock Exchanges where the securities of the Company are listed.

k) **Distribution of shareholding as on March 31, 2019:**

Category	No. of Members	% of Members	Total Shares	% of shares
1 - 5000	12345	96.35	799351	1.68
5001 - 10000	234	1.83	171454	0.36
10001 - 20000	98	0.76	137715	0.29
20001 - 30000	42	0.33	102671	0.21
30001 - 40000	14	0.11	48313	0.10
40001 - 50000	21	0.16	97937	0.21
50001 - 100000	15	0.12	105320	0.22
100001 & Above	44	0.34	46207654	96.93
Total	**12813**	**100.00**	**47670415**	**100.00**

Shareholding pattern of the Company (as on March 31, 2019):

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) *	1	33918400	71.15
2)	Foreign	0	0	0
	Total Shareholding of Promoter and Promoter Group	**1**	**33918400**	**71.15**
B.	**Public shareholding**			
1)	Institutions	34	10399238	21.82
2)	Non-institutions	12778	3352777	7.03
	Total Public Shareholding	**12812**	**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)	**12813**	**47670415**	**100.00**

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

As on March 31, 2019 and as on the date of this report, none of the Promoter or Promoter's Group of the Company have pledged any shares of the Company.

l) **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, 2019. 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 (f) hereinbefore.

m) **Outstanding global depository receipts or american depository receipts or warrants or any convertible instruments, conversion date and likely impact on Equity :** Nil.

n) **Commodity price risk or foreign exchange risk and hedging activities:** Not applicable.

o) **Location of Radio stations:**

1.	Ahmedabad-1 (98.3)	Times of India Press Premises, Vejalpur, Ahmedabad – 380015.
2.	Ahmedabad -2 (104)	Ahmedabad Hub
3.	Akola - (95)	Aurangabad Hub
4.	Amravati - (92.1)	Aurangabad Hub
5.	Amritsar - (104.8)	Signature Tower, 6th Floor, SCO No. 93, Amritsar Dist. Shopping Complex, Ranjit Avenue, Near Passport Office, Amritsar, Punjab – 143001.
6.	Asansol - (95)	Kolkota Hub
7.	Aurangabad - (98.3)	F8, 9, 10, 5th floor, Aurangabad Business Centre Adalat road, Opp. Session court, Aurangabad – 431005.
8.	Bangalore -1 (98.3)	39/2, 3rd Floor, Sagar Building, Bannerghatta Road, Bangalore-5600029.
9.	Bangalore - 2 (95)	Bangalore Hub
10.	Bharuch - (92.3)	Ahmedabad Hub
11.	Bhavnagar - (95)	Ahmedabad Hub
12.	Bhopal - (98.3)	2nd Floor, C P Square, 2 Malviya Nagar, Opp.Raj Bhawan, Bhopal – 462003.
13.	Chandigarh - (98.3)	Plot No 149, 3rd floor, Industrial Area Phase-1, Chandigarh, Pin – 160002.
14.	Chennai - (98.3)	No. 453, 6th & 7th floor, Fathima Akhtar Court, Anna Salai, Teynampet, Chennai – 600 018.
15.	Coimbatore - (98.3)	1547, 8th Floor, Classic Towers, Trichy Road, Coimbatore - 641018.
16.	Delhi - (98.3)	Times Center, Plot No.6, 3rd floor, sector 16 A, Film city Noida, Uttar Pradesh – 201301.

17.	Durg - Bhillainagar (91.9 FM)	Raipur Hub
18.	Guwahati - (95)	705, 706, 707, 708, 709, Protech Centre, 7th floor, Ganeshguri, G.S.Road, Guwahati- 781006, Assam.
19.	Hubli Dharwad - (98.3)	301, 3rd Floor, Nirvana Tradewinds,Opposite Hosur Bus Depot, P.B. Road Huballi- 580029
20.	Hyderabad -1 (98.3)	Office No 909 - 910 Manjeera trinity, K P H B Phase 3, Kukatpally, Hyderabad, Telangana 500072.
21.	Hyderabad-2 (95)	Hyderabad Hub
22.	Hyderabad-3 (104)	Hyderabad Hub
23.	Indore - (98.3)	9th Floor, Industry House, 15 A.B. Road, Indore-452001.
24.	Jabalpur - (98.3)	2nd Floor, Parvati Plaza, 89 BCD ,Scheme No. 5 Vijay Nagar, Jabalpur-482002.
25.	Jaipur -1 (98.3)	6th Floor, Prestige Tower, Amrapali Road, Amrapali Circle, Vaishali Nagar, Jaipur – 302021.
26.	Jaipur -2 (104)	Jaipur Hub
27.	Jalandhar - (98.3)	6th Floor, Shakti Towers, Adjoining Swani Motors, GT Road, Near BMC Chowk, Jalandhar-144001.
28.	Jammu - (98.3)	3rd floor, Sai Plaza Opp. KC Motors, NH1A Bye Pass Road Channi Rama Jammu 180010, Jammu & Kashmir.
29.	Jamnagar - (95)	Rajkot Hub
30.	Jhansi - (104.8)	Lucknow Hub
31.	Jodhpur - (104.8)	Man Meera Tower, Akhalia Circle, Chopasni Road, Jodhpur-342001.
32.	Junagadh - (95)	Rajkot Hub
33.	Kanpur -1 (98.3)	6th Floor, Kan Chambers, 14/113 Civil lines, Kanpur – 208001.
34.	Kanpur -2 (91.9)	6th Floor, Kan Chambers, 14/113 Civil lines, Kanpur – 208001.
35.	Kochi - (104)	2nd Floor, KBS Safa Plaza, Geethanjali Junction, Vyttila P.O, Cochin – 682019.
36.	Kolhapur - (98.3)	301, 3rd Floor, Eternity Square, C.S. No. 2150 A/1A, Tarabai Park, Near R.T.O. Office, E Ward, Kolhapur – 416003.
37.	Kolkata - (98.3)	Merlin Acropolis Mall, 1858/1 Rajdanga Main Road, Sector-I, East Kolkata Township, PO & PS – KASBA, Kolkata-700107, West Bengal.
38.	Kozhikode - (92.7)	1st Floor, Ashwathy Building, Stadium Puthiyara Road, Calicut – 674003.
39.	Lucknow -1 (98.3)	6th floor, Shalimar Tower, Vibhuti Khand, Gomti nagar Lucknow- 226010.
40.	Lucknow -2 (107.2)	Lucknow Hub
41.	Madurai - (98.3)	2nd Floor, Natraj Complex, Opp New District Court, 128, Melur Road, K.K.Nagar, Madurai-625020.
42.	Mangalore - (98.3)	Inland Ornate, #206, 2nd Floor, Navbharath Circle, Mangalore – 575003.
43.	Mehsana - (91.9)	Ahmedabad Hub
44.	Mumbai - (98.3)	3rd & 4th floor A-wing Matulya Centre, Senapati Bapat Marg, Lower Parel (West), Mumbai-400013.
45.	Mysuru - (104.8)	Bangalore Hub
46.	Nagpur -1 (98.3)	2nd floor, Narang Towers, 27 Palm Road, Civil Lines, Nagpur – 440001.
47.	Nagpur -2 (91.9)	Nagpur Hub
48.	Nashik - (98.3)	Office No 305 and 306, 3rd Floor,B-Square, Survey No 726 /1,Yeolekar Mala, Near BYK college of commerce Off college road, Nashik-422005.
49.	Palanpur - (93.7)	Ahmedabad Hub
50.	Patiala - (104.8)	Chandigarth Hub
51.	Patna - (98.3)	4th floor, Lakshmi Apartment , Times of India Building, Frazer road, Patna – 800 001.
52.	Puducherry - (104)	Private FM Transmitter Complex, All India radio campus, Indira Nagar, Gorimabu, Puducherry - 605602.
53.	Pune -1 (98.3)	10th Floor, The Business Plaza, Koregaon Park Annex, Adj. Hotel Westin, Mundwa Road, Ghorpadi, Pune 411001.
54.	Pune -2 (104.2)	Pune Hub
55.	Raigarh - (91.9)	Raipur Hub

56.	Raipur - (98.3)	1st Floor, Chawla Towers, Shankar Nagar, Near Bottle House, Raipur, Chhattisgarh -492007.
57.	Rajahmundry - (91.1)	Hyderabad Hub
58.	Rajkot - (98.3)	Property No. 23-24/P, Radhika House, 3rd Floor, Near Kinnari Flats, Opp. Princess School, Kalawad Road, Rajkot – 360007.
59.	Shillong - (91.1)	2nd Floor, Hariketi Building, Lummawrie, Laitumkhrah, Shillong – 793003.
60.	Shimla - (104.8)	Chandigarth Hub
61.	Siliguri - (98.3)	Kolkota Hub
62.	Srinagar - (98.3)	Hyderpora Complex, Hyderpora, NH 1A Bye Pass Road, Opposite Jamkash Vehicleades, Srinagar - 190014.
63.	Surat -1 (98.3)	601 - A International Trade Centre, Majura Gate Crossing| Ring Road, Surat - 395 002.
64.	Surat -2 (91.9)	Surat Hub
65.	Trivandrum - (98.3)	3rd Floor, Andoor Buildings, General Hospital Road, Trivandrum – 695035.
66.	Tiruchirappalli - (95)	SH1, Sanjay Arcade, Indian Bank Colony, K. K. Nagar Main Road,Trichy – 620021.
67.	Tirunelveli - (95)	Madhurai Hub
68.	Ujjain - (91.9)	Indore Hub
69.	Vadodra - (98.3)	Property No. 1001/1002, 10th Floor, Gunjan Tower, Near Inorbit mall, Off. Alembic Gorwa Road, Subhanpura, Vadodara – 390 023.
70.	Varanasi - (98.3)	2nd Floor, Unit # 201-A & 204, RH Tower, The Mall, Cantt, Varanasi-221002.
71.	Vijaywada - (98.3)	4th Floor, Matha Towers, Bishop House, Door No. 59 A1-7, Vijayawada -520008.
72.	Vishakapatnam - (98.3)	5th Floor, ELBEE Classic, D No: 49-24-55, Shankarmatam Road, Visakhapatnam-530016.
73.	Warangal - (91.9)	Hyderabad Hub

p) **Address for correspondence:**

Investor Correspondence:

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

Karvy Fintech 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*,

Corporate Office: 14th Floor, Trade World, D Wing, 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.*

q) **Credit ratings:** CRISIL has assigned credit ratings as under:

Bank Loan Facilities Rated	₹ 50 Crores
Long - Term Rating	CRISIL AA+/Stable (Reaffirmed)
Short - Term Rating	CRISIL A1+ (Reaffirmed)
₹ 50 Crores Non Convertible Debentures	CRISIL AA+/Stable (Reaffirmed)
₹ 400 Crores Commercial Paper	CRISIL A1+ (Reaffirmed)

10. Other Disclosures

a) **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.

Details of the *Material Related Party Transactions*, i.e. transactions exceeding ten percent of the annual consolidated turnover as per the last audited financial statements, entered by the Company during the financial year under review is attached as *Annexure G* to the Board of Directors' Report in the Form AOC 2, as required under Section 134(3) (h) of the Act. The said transactions were entered into in the ordinary course of business and were at an arm's length basis.

b) **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.

c) **Details of establishment of vigil mechanism, 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.

d) **Details of compliance with mandatory requirements and adoption of the non-mandatory requirements:**

The Company has complied with all the mandatory requirements of the Schedule V of the Listing Regulations, except compliance relating to the composition of the Board of Directors. Kindly refer to para (13) of this report regarding explanation note on the composition of the Board of Directors. The status of compliance with the non-mandatory requirements of this clause has been detailed herein.

e) **Web link where policy for determining 'material' subsidiaries is disclosed:**

http://www.enil.co.in/policies-code-of-conduct.php

f) **Web link where policy on dealing with related party transactions:**

http://www.enil.co.in/policies-code-of-conduct.php

g) **Disclosure of commodity price risks and commodity hedging activities:**

Not applicable.

h) **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 Regulations. The Company has a strong Enterprise Risk Management framework which is administered by the Senior Management team and monitored by the Risk Management Committee. This team and Risk Management Committee periodically review 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. During the financial year under review, Risk Management Committee met on February 6, 2019.

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

Not applicable.

j) Certificate from Mr. Hemanshu Kapadia, Practising Company Secretary, is attached herewith, which forms part of this report, confirming that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board (SEBI)/ Ministry of Corporate Affairs or any such statutory authority.

k) During the financial year 2018-19, all the recommendations of the Committees of the Board which were mandatorily required have been accepted by the Board of Directors.

l) Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part:

(₹ In lakhs)

Type of services	FY 2018-19	FY 2017-18
Audit Fees (including audit related services)	44.03	37.00
Other services	4.25	1.00
Reimbursement of expenses	2.19	2.83
Fees paid to network firm/ network entities (Ernst & Young ('EY'))	49.00	30.93
Total	**99.47**	**71.76**

m) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

a. number of complaints filed during the financial year: four

b. number of complaints disposed of during the financial year: four

c. number of complaints pending as on end of the financial year: Nil

n) 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.

11. Non-compliance of any requirement of corporate governance report of sub-paras (2) to (10) above, with reasons thereof shall be disclosed

The Company has complied with the requirements of corporate governance report of Para C; sub paras (2) to (10) of the Schedule V of the Listing Regulations except compliance relating to the composition of the Board of Directors. Kindly refer to para (13) of this report regarding explanation note on the composition of the Board of Directors.

12. Adoption of the discretionary requirements as specified in Part E of the Schedule II of the Listing Regulations

a) The Board:

The Company does not defray any expenses of the Chairman's Office.

b) 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.*

c) Modified opinion(s) in audit report:

The Company is in the regime of financial statements with unmodified audit opinion.

d) 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.

e) Reporting of Internal Auditor:

The Internal Auditor reports directly to the Audit Committee.

13. Disclosures of the compliance with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub - regulation (2) of regulation 46

The Company has complied with the corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub - regulation (2) of regulation 46, except the compliance relating to the composition of the Board of Directors.

Note relating to the composition of the Board of Directors:

The Company wishes to place on record that a woman director (Ms. Punita Lal - DIN: 03412604) was on the Board since March 28, 2016. She resigned from the Board with effect from November 15, 2017. As per the provisions of Section 149 of the Companies Act, 2013 read with the applicable rules thereto, any intermittent vacancy of a woman director shall be filled- up by the Board at the earliest but not later than the immediate next Board meeting or three months from the date of such vacancy whichever is later.

The Board of Directors had identified Ms. Sukanya Kripalu (DIN: 06994202) for her induction as the Independent Non- Executive Director on the Board of the Company and had completed all the regulatory procedures including applying to the Ministry of Information & Broadcasting ('MIB') for their approval/ no objection on February 13, 2018. The Company had thus completed all the regulatory formalities for induction of woman director before the due date.

Post approval received from the MIB, Ms. Sukanya Kripalu was appointed as the Independent Non-Executive Director for a term of five consecutive years commencing from May 23, 2018 to May 22, 2023, in terms of Sections 149, 150, 152, 161 and other applicable provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force), not liable to retire by rotation. With effect from May 23, 2018, composition of the Board of Directors is in compliance with the applicable provisions of the Act and Listing Regulations.

Particulars	Regulation Number	Compliance status (Yes/No/NA)
Independent director(s) have been appointed in terms of specified criteria of 'independence' and/or 'eligibility'	16(1)(b) & 25(6)	Yes
Board composition	17(1)	No
Meeting of Board of directors	17(2)	Yes
Review of Compliance Reports	17(3)	Yes
Plans for orderly succession for appointments	17(4)	Yes
Code of Conduct	17(5)	Yes
Fees/compensation	17(6)	Yes
Minimum Information	17(7)	Yes
Compliance Certificate	17(8)	Yes
Risk Assessment & Management	17(9)	Yes
Performance Evaluation of Independent Directors	17(10)	Yes
Composition of Audit Committee	18(1)	Yes
Meeting of Audit Committee	18(2)	Yes
Composition of nomination & remuneration committee	19(1) & (2)	Yes
Composition of Stakeholder Relationship Committee	20(1) & (2)	Yes
Composition and role of risk management committee	21(1),(2),(3),(4)	Not Applicable
Vigil Mechanism	22	Yes
Policy for related party Transaction	23(1),(5),(6),(7) & (8)	Yes
Prior or Omnibus approval of Audit Committee for all related party transactions	23(2), (3)	Yes
Approval for material related party transactions	23(4)	Yes
Composition of Board of Directors of unlisted material Subsidiary	24(1)	Not Applicable
Other Corporate Governance requirements with respect to subsidiary of listed entity	24(2),(3),(4),(5) & (6)	Yes
Maximum Directorship & Tenure	25(1) & (2)	Yes
Meeting of independent directors	25(3) & (4)	Yes

Particulars	Regulation Number	Compliance status (Yes/No/NA)
Familiarization of independent directors	25(7)	Yes
Memberships in Committees	26(1)	Yes
Affirmation with compliance to code of conduct from members of Board of Directors and Senior management personnel	26(3)	Yes
Disclosure of Shareholding by Non- Executive Directors	26(4)	Yes
Policy with respect to Obligations of directors and senior management	26(2) & 26(5)	Yes
Other corporate governance requirements	27	Yes

Disclosure on website in terms of Listing Regulations

Item	Compliance status (Yes/ No/ NA)
Details of business	Yes
Terms and conditions of appointment of independent directors	Yes
Composition of various committees of board of directors	Yes
Code of conduct of board of directors and senior management personnel	Yes
Details of establishment of vigil mechanism/ Whistle Blower policy	Yes
Criteria of making payments to non-executive directors	Yes
Policy on dealing with related party transactions	Yes
Policy for determining 'material' subsidiaries	Yes
Details of familiarization programmes imparted to independent directors	Yes
Contact information of the designated officials of the listed entity who are responsible for assisting and handling investor grievances	Yes
email address for grievance redressal and other relevant details	Yes
Financial results	Yes
Shareholding pattern	Yes
Details of agreements entered into with the media companies and/or their associates	Not Applicable
New name and the old name of the listed entity	Not Applicable

For and on behalf of the Board of Directors

sd/-

Vineet Jain
Chairman
(DIN: 00003962)

Mumbai, May 30, 2019

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

CEO & CFO Certificate

The Board of Directors
Entertainment Network (India) Limited

In terms of the Regulation 17(8) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ['Listing Regulations'], 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 2018-2019 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 2018-2019 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 2018-2019;

   2) That there are no significant changes in accounting policies during the financial year 2018-2019; and

   3) That there are no instances of significant fraud of which we have become aware.

sd/-
Prashant Panday
Managing Director & CEO
(DIN: 02747925)

sd/-
N. Subramanian
Executive Director & Group CFO
(DIN: 03083775)

Mumbai, May 30, 2019

DECLARATION BY THE CEO UNDER SCHEDULE V (D) OF THE LISTING REGULATIONS 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, 2019.

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

sd/-

Prashant Panday
Managing Director & CEO
(DIN: 02747925)

Mumbai, May 30, 2019

COMPLIANCE CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To the Members of ENTERTAINMENT NETWORK (INDIA) LIMITED

We have examined the compliance of conditions of Corporate Governance, as stipulated in Regulations 17 to 27 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ['Listing Regulations'] by **ENTERTAINMENT NETWORK (INDIA) LIMITED** ("the Company") for the financial year ended March 31, 2019.

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 under the above mentioned Listing Regulations, as applicable. 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 under the Listing Regulations, except *during the financial year under review, the Company did not have a Woman Director on its Board of Directors upto May 22, 2018*.

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**
Practicing Company Secretaries
sd/-

Hemanshu Kapadia
Proprietor
C.P. No. 2285
Membership No.: F3477

Mumbai, May 7, 2019

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To the Members of ENTERTAINMENT NETWORK (INDIA) LIMITED

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **ENTERTAINMENT NETWORK (INDIA) LIMITED** having CIN L92140MH1999PLC120516 and having registered office at 4th Floor, Matulya Centre, A-Wing, S. B. Marg, Lower Parel (W), Mumbai-400 013 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my/our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on **31st March, 2019** have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	Mr. Vineet Jain	00003962	19/01/2007
2.	Mr. Narayanan Kumar (Mr. N. Kumar)	00007848	05/11/2005
3.	Mr. Ravindra Krishna Kulkarni	00059367	19/01/2007
4.	Mr. Richard Blaise Saldanha	00189029	23/11/2010
5.	Ms. Sukanya Kripalu Anand	06994202	23/05/2018
6.	Mr. Prashant Babulal Panday	02747925	01/07/2010
7.	Mr. Subramanian Narayanan (Mr. N. Subramanian)	03083775	02/11/2018

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate 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**
Practicing Company Secretaries

sd/-

Hemanshu Kapadia
Proprietor
C.P. No.: 2285
Membership No.: F3477

Mumbai, May 7, 2019

DISCLOSURE WITH RESPECT TO DEMAT SUSPENSE ACCOUNT / UNCLAIMED SUSPENSE ACCOUNT UNDER SCHEDULE V (F) OF THE LISTING REGULATIONS

Disclosure pursuant to the Schedule V (F) of the Listing Regulations in relation to the unclaimed shares, based on the disclosure furnished by Karvy Fintech Private Limited, the Registrar and Share Transfer Agent (R&TA) of the Company, for the financial year ended March 31, 2019, is as below:

Sr. No.	Particulars	Remarks
a)	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year i.e. on April 1, 2018;	Number of Shareholders – 41 and Number of Outstanding shares – 1746 equity shares.
b)	Number of shareholders who approached issuer for transfer of shares from suspense account during the year 2018-2019;	Nil
c)	Number of shareholders to whom shares were transferred from suspense account during the year 2018-2019;	Nil
d)	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.
e)	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.	

For and on behalf of the Board of Directors
sd/-

Vineet Jain
Chairman
(DIN: 00003962)

Mumbai, May 30, 2019

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 in principal markets 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

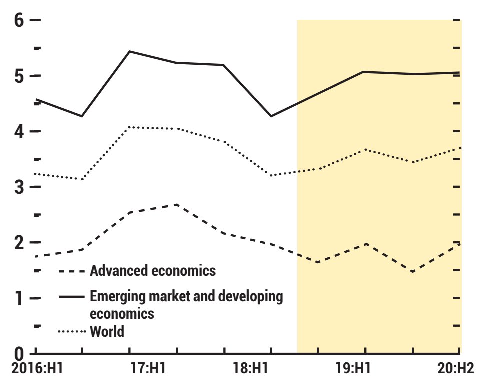
1) Global Economy- A weak expansion:

As per the World Economic Outlook published by the IMF in March 2019[1], after a strong growth in 2017 and early 2018, global economic activity slowed notably in the second half of 2018, reflecting a confluence of factors affecting major economies. China's growth declined following a combination of much needed regulatory tightening to rein in shadow banking and an increase in trade tensions with the United States. The euro area economy lost more momentum than expected as consumer and business confidence weakened and car production in Germany was disrupted by the introduction of new emission standards; investments dropped in Italy as sovereign spreads widened; and external demand, especially from emerging Asia, softened. Natural disasters hurt activity in Japan. Trade tensions increasingly took a toll on business confidence and, so, financial market sentiment worsened, with financial conditions tightening for vulnerable emerging markets in the spring of 2018 and then in advanced economies later in the year, weighing on global demand.

As a result, global growth is now projected to slow from 3.6% in 2018 to 3.3% in 2019, before returning to 3.6% in 2020. Growth for 2018 was revised down by 0.1 percentage point relative to the October 2018 World Economic Outlook (WEO), reflecting weakness in the second half of the year, and the forecasts for 2019 and 2020 are now marked down by 0.4 percentage points and 0.1 percentage point, respectively. The current forecast envisages that global growth will level off in the first half of 2019 and firm up after that.

Half-Yearly Growth Rates
(Annualized semiannual percent change)

Global growth is expected to level off in the first half of 2019 and firm up after that.



Source: IMF staff estimates.

2) Indian Economy – Global risks impacting India:

The IMF estimates India's economy to grow at 7.1% in FY19, in FY20 it is expected to accelerate to 7.3% and to 7.5% in FY21. All the estimates are 0.2 percentage points less than its previous assessment in January. IMF said the reduction is on account of the "the recent revision to the national account statistics that indicated somewhat softer underlying momentum".

The IMF numbers are higher than those of the Reserve Bank of India, which in April 2019 cut its growth forecast for FY20 to 7.2% and to 7.4% for FY21. In February 2019, the Central Statistics Office, revised the growth estimate for FY19 to 7% from 7.2%, slowest in the last five years.

"In India, growth is projected to pick up to 7.3% in 2019 and 7.5% in 2020, supported by the continued recovery of investment and robust consumption amid a more expansionary stance of monetary policy and some expected impetus from fiscal policy," the World Economic

[1] World Economic Outlook, March 2019 - Exec Summary

management discussion & analysis

Outlook noted.

Over the medium term, growth is expected to stabilize at just under 7.75%, based on continued implementation of structural reforms and easing of infrastructure bottlenecks.

Source: *https://economictimes.indiatimes.com/news/economy/indicators/india-to-grow-at-7-3-in-2019-and-7-5-in-2020-international-monetary-fund/articleshow/68797821.cms*

3) **Global Advertising Spends:**

Global ad spends are likely to experience healthy growth in 2019. Global advertising is forecast to hit $616 billion in 2019, according to a report released by World Advertising Research Center. However, the projected 4.3% rise this year would be lower than last year's uplift of 5.4%.

Spending on the online ad duopoly - Google and Facebook is expected to rise by 22%. The internet is likely to have a 46.7% share of media spend internationally and 54% share of media spend in the US if digital ad spend goes up by the expected 12.1%. This would result in worldwide internet ad spend of $287.4 billion.

As the second largest ad channel across the globe, mobile is predicted to grow by 21.9% in 2019, bringing in $165.7 billion. Illustrating mobile's continued strength in acquiring ad dollars, mobile made up almost two-thirds of total US ad spend for H1 2018. Hence, in several markets, the US included, mobile may very well become the largest advertising medium in 2019, a place that has long been occupied by TV. This year, TV is expected to see a decrease globally of 1.3%, to $195.5 billion. This would be in contrast to 2017 and 2018 when television ad revenues remained steady .

Another medium expected to lose ad share is print, which is forecast to fall by 9.5%. While media consumption globally is on the rise, consumer time spent with print publications has almost halved since 2011, indicating that digital continues to eat into this once dominant space. However, despite the rise of Netflix, cinema advertising is expected to see healthy growth of 7.7%. The other traditional channels with a positive outlook are out-of-home (OOH) – though its predicted growth of 2.3% owes entirely to digital OOH – and radio, which will also see a small uplift of 1%.

source: *https://www.marketingcharts.com/advertising-trends/spending-and-spenders-107665*

4) **Indian Advertising Industry Growth Forecasts:**

Digital will continue to lead the growth in the advertising expenditure in India, which is expected to touch ₹ 80,678 crore as per the latest forecast by GroupM. The 'This Year, Next Year' (TYNY) report estimates that the total ad spends in India will grow by 14.3%.While the organic growth in India is expected to be just over 11%, special events like the general elections and ICC Cricket World Cup, will contribute 3% to the overall advertising growth (AdEx).

Sectors such as FMCG, Auto, retail, e-commerce, technology and telecom are expected to contribute to two-thirds of the Adex. India will be third highest contributor to incremental ad spends globally with 7% incremental share. India also tops the list of the fastest growing major ad markets in the World, while remaining in the top 10 largest markets in terms of absolute ad spends.

In 2019, 37% of incremental ad spends will go towards digital advertising including mobile. Given the scale at which the country is witnessing this digital transformation, GroupM estimates the Digital Adex to continue to grow by 30% in 2019 to ₹ 16,038 crores.

"Indian ad spends CAGR between 2014-2018 was at 13% and 2019 expected to witness a higher growth. India is unique among key markets and will witness growth in all media segments and not just digital. Offline media is poised to continue to grow and will contribute to being around 80% of ad spends in 2019," said Prasanth Kumar, COO, GroupM South Asia.

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According to EY-FICCI's Indian Media and Entertainment Industry Report 2019[2], released in March 2019, the growth forecast upto 2021 is at 12% CAGR. Segment-wise growth trends are tabulated as follows:

Indian Advertising Revenue (INR bn)

Segment	2017	2018	2019 (E)	2021 (E)	CAGR 2018-2021 (P)
TV	660	740	815	955	8.8%
Print	303	306	317	338	3.4%
Filmed Entertainment	156	175	194	236	10.6%
Digital Media	119	169	223	354	28.0%
Animation & VFX	67	79	93	128	17.4%
Live Events	65	75	86	112	14.0%
Online Gaming	30	49	68	120	35.4%
Out of Home Media	34	37	41	49	9.2%
Radio	29	31	34	39	8.0%
Music	13	14	16	19	10.8%
Total	**1,476**	**1,674**	**1887**	**2349**	**12.0%**

Source: *https://economictimes.indiatimes.com/industry/services/advertising/india-remains-fastest-growing-ad-market-in-the-world-with-adex-growth-estimate-of-14-in-2019-groupm/articleshow/67963748.cms*

5) The Indian Radio Industry[3]:

As per EY's report, radio grew 7.5% in 2018 to reach INR 31.3 billion, taking its share in total advertising to 4.2%. Growth was driven by a 3% ad volume growth, inventory growth from newly operationalized Phase-III stations and non-FCT revenues from digital, content production, events, etc.

The skew of advertising continued towards the metros, with the top seven cities contributing around 53% of ad volumes. These cities also benefited from the operationalization of second frequencies. The local-national split of advertising generated was 40:60. Stations in tier-II and III towns relied more on retail / local advertising and added "sales feet on the street" to generate higher revenues from SME and retail advertisers.

New business offerings like concerts, activations, digital communities, music streaming – which could collectively constitute up to 20% of radio company revenues today – are natural extensions for radio & EY believes this will grow in future.

Forty-seven new radio stations were operationalised in 2018 across 35 cities, taking the total private FM stations count in India to 386. Private FM was finally permitted to air news, but only in the form or replays of news broadcasts created by Prasar Bharti, without any modifications. No such restrictions exist on other media like television, digital or print in India. Over 70% of radio is consumed on mobile phones in India. However, many popular new smartphones do not now have FM receivers, and this could pose an issue given how much radio is consumed on mobile platforms. Listenership measurement remains a challenge – the efforts of Market Research Users Council (MRUC) to create a large-scale currency for the radio industry failed to take off.

Ad spends in the upcoming general and state elections, non-FCT revenues and firming of ad rates in regional markets will fuel growth in 2019. Radio will enable more growth through brand leverage, across concerts, branded content, digital content and delivery, events and activations, podcasts, etc. The industry would drive up to 20% of topline from non-FCT

[2] EY-FICCI Report 2019 – A billion screens of opportunity
[3] EY-FICCI Report 2019 – A billion screens of opportunity

revenues by 2021.

B. Radio Industry – Future Outlook, Opportunities and Threats

The radio industry was impacted by a host of macro and micro economic factors during FY19. Many of these factors would continue to have an impact on the performance of the sector in the years to come.

1) TRAI order:

Telecom Regulatory Authority of India (TRAI) implemented a new regulatory framework for the television broadcast industry - the New Tariff Order (NTO). The NTO mandates that customers select the channels and bouquets they want to subscribe to and broadcasters announce the MRP of the same. The new regulatory framework was implemented on February 1, 2019.

Financial services company Nomura[4] thinks the tariffs order will impact advertising revenue as well as subscription growth for Indian media companies. According to the EY- FICCI report, OTT platforms are sure to benefit due to increased parity between television and OTT consumption – both in terms of content choice and costs. Also, if broadcasters subsequently continue to provide pay content on FreeDish, it has the potential to grow significantly and can reach upwards of 50 million homes. If, however, large broadcasters continue to keep their content off FreeDish, television advertising revenues would be impacted and FreeDish's future will be determined by the number of new channels which come onto the platform. More regional, news and niche channels – particularly those impacted negatively by the TRAI order – will try to build audiences through FreeDish subject to auction base prices being feasible. Smaller channel networks and niche channels may be negatively impacted due to limited marketing capability and less bouquet strength. A lot will finally depend on the channel prices at which the market settles – which can take six-nine months. A lot of experimentation is expected in 2019.

TV being the largest media segment, the ongoing flux has opened many questions. Will the advertiser reduce his overall spend if TV reach reduces or will the spends be redirected to other segments? Which segment will benefit the most? Digital, as it's an audio-visual medium? Or print as it is the next biggest? Or radio due to its advantageous cost/reach

Source : *https:/www.afaqs.com/news/story/54736_TRAIs-New-Tariff-Order-An-Analysis*

2) Phase 3 fuels growth:

As per the earlier quoted EY report, one of the factors for revenue growth in Radio in 2018 was addition of Phase- III ad inventory. With the Phase III significantly increasing the reach of the medium, several players of the industry are upbeat about its growth. Growth has been good outside the metros where people are more receptive towards engaging with the medium. In the smaller markets where revenues come largely from retail, players are more confident about growth.

3) IRS shows radio has grown rapidly in last one year:

After more than a year's gap, Market Research User's Council (MRUC) released the 2019 IRS report. The IRS is the most comprehensive research with a sample size upwards of 3 lakhs respondents. It covers all media, including, apart from newspapers and magazines, TV, digital and radio. The IRS report shows radio grew strongly since the last report.

Monthly radio listenership across the country grew by 6.6% to 216 million people. Weekly listenership grew strongly by 8.3% to 119 million and yesterday listenership also grew strongly by 7.7% to 63 million. Penetration of radio increased from 19.4% last year to 20.0% now. Since radio is not available all over the country, it is better to look at listenership numbers by town class. In the metros (population more than 50 lakhs), monthly radio listenership grew 5.2% to 33 million, hitting a penetration level of an impressive 39%. In the fast growing mini-metros (population between 10-50 lakhs), monthly radio listenership grew strongly by 7.4% to 28.9 million, hitting a penetration of 40%. Considering most revenues for radio broadcasters comes from metros and mini-metros, these growth numbers are very promising. They also show that FM radio has not been adversely impacted by the growth of digital music streaming.

What is also very encouraging is the growth of radio listenership in cars. As is known, more than 3 million cars are sold every year in India. Cars represent affluence and car owners are the target that advertisers like to put their monies on. Radio has always been strong in cars, since owners/drivers have no other option but FM radio. The IRS report backs this by reporting a super strong 27.9% growth in listenership and reaching a level of 27.4 million people. India is following in the steps of other developed countries where the in-car dominance of radio has remained unwavering despite digital streaming services being around for 19 years (Pandora was launched in the year 2000).

There are other interesting data points emerging from the IRS report as well. Growth of radio listenership in the South is the highest at 10%, followed by the West at 6.4%. The Eastern part of India lags with 4% growth rate. The time spent on radio has also increased significantly. The number of people tuning into radio at least 3 times a week is now nearly 86 million, a growth of 7% in just the last one year.

Overall, IRS data is expected to boost radio growth in the years to come.

4) **Digital leading growth:**

The intensity of competition has increased in the digital music streaming space. There were two new launches in the Indian market this year – Spotify with a high decibel marketing push, and YouTube music services. Both of these launched with a subscription model. These along with the current incumbents (Gaana, Saavn, Apple Music, Wynk, Amazon Music), have made the music streaming business cluttered. Most of these players are using the Music streaming business as a loss-leaders for their other products.

5) **Video OTT success story- It's a Content game:**

Video OTT is the biggest success story in Indian entertainment industry, according EY-FICCI. If 2018 saw OTT players like Amazon Prime Video, Netflix and Zee5 making bold moves, 2019 will witness an explosion of big screen viewing and players experimenting with Artificial Intelligence and Machine Learning.

Video OTT usage increased by almost 42 per cent in 2018. Thanks to improved broadband speeds and slashing of data prices, India had an internet entertainment boom of sorts in 2018. OTT platforms like Hotstar rode the popularity of IPL which it streamed live to millions of devices, while others like Hoichoi (Bengali entertainment), Zee5 and the global leader, Netflix all capitalized on an increasingly aspirational user base which wanted better quality programming at their convenience, and without the bother (mostly) of ad-breaks.

Digital subscription grew by a whopping 262%, with users paying as much as a cumulative ₹ 4 billion for video content subscription. Telecom operators bundling OTT services was key in helping this growth.

Going forward, OTT space is likely to see some consolidation. A recent report by consulting firm BCG expects OTT market to be $5 bn by 2023. It also noted that the number of players in Indian OTT increased from 9 in 2012 to 32 in 2018. These platforms will struggle to retain consumers as, on an average, 50% of OTT apps installed are uninstalled in the first 7 days. The big challenge for OTT, which is also the litmus test of entertainment - does the content appeal to the sensibilities of the audience? An EY-FICCI report found that just seven percent of the total time spent on OTT platforms is spent on viewing English language content. In comparison, Hindi makes up for 63 percent, and other regional languages together count for 30 percent. The scope in growth of Indian language content, therefore, is huge.

For OTT platforms to survive and thrive, they need to conquer one important audience – Bharat – or the next 500 million consumers. The power of OTT is its personalized content and experiences, and this personalization will make sense to the Indian audience if it is in a language they are comfortable in. Currently there is heavy investment happening in content and content creation in different Indian languages. As per reports, Hotstar has a 70% share when it comes to video streaming app downloads, Voot has 11%, Amazon Prime 5%, and Netflix 1.4%. Understandably so, Hotstar has a mix of both Hindi and English content, a strong focus on cricket, and shows from the Star TV network. A Deloitte report suggests OTT players have set aside a cumulative budget of ₹ 3,300 crore to invest in original

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content programming in Hindi and other regional languages.

Sources: *https://www.theweek.in/news/biz-tech/2019/03/ 26/over-the-top-usage-india-ficci-report-2018.html.*

https://timesofindia.indiatimes.com/business/india-business/ott-platforms-may-see-consolidation-over-next-five-years/articleshow/68393067.cms

https://yourstory.com/2019/01/content-language-india-ott-bharat

C. Operating Performance

1) FY19 - A strong performance:

FY19 was a year of strong operating performance for your Company. Overall revenues grew by 15.5% to touch ₹ 620.5 crores. This makes your Company an estimated 30% bigger than the 2nd biggest radio broadcaster. EBITDA grew by 19.9% to touch ₹ 139.8 crores. Three years after we began our investments into Phase-3, the returns have started to show. FY19 EBITDA is just shy of the FY15 number. By next year, EBITDA should go ahead of our highest previous number of ₹ 158.5 crores hit in FY16. PAT grew by an impressive 53.4% to ₹ 53.9 crores.

The Company's strategy of building its "solutions" business – comprising products like activations, concerts, TV impact properties, original content, podcasts, YT videos, multi-media solutions and 3rd party sponsorships– plus its international business – paid rich returns. Revenues (including Other Operating Income) grew by 21.7% to hit ₹ 208.0 crores. Core radio grew by 12.7% to hit ₹ 412.5 crores. In line with strategy, share of core radio dropped by 170 basis points to 66.5%. As the strategy develops more fully in the years to come, we expect the share of the solutions business to continue to rise, possibly hitting 45% or so in the next five years.

Your Company has always built its business on the back of strong programming and marketing efforts. During FY19, we launched several high-impact programs such as Tech Makhani– a show based on technology – hosted by tech guru Rajeev Makhani. The category of technology is hugely popular amongst the youth. We also produced the super successful show called "What Women Want" with Kareena Kapoor Khan for our Mirchi Love network. There was a request from TV Today, owners of Ishq FM, to buy the show for their network in Delhi, Mumbai and Kolkata. The show thus ran in all the major markets in the country. In line with our new strategy, we produced the show in both audio and video formats. The audio show went on radio. The video show was given to Ishq to run on its YouTube channel. The show generated a strong viewership of upwards of 31 million views. Ishq's YouTube channel's subscriber base went up from 30K to 300K purely on account of this show. We also produced the 2nd season of Calling Karan, featuring the brilliant Karan Johan. The show is all about Karan Johar giving his bold advice on relationships between the sexes. Again, the show was extended to the Ishq network. We also launched a new "funny" called "What the Farhan" and we extended the ever popular Mirchi Murga into video. The Mirchi Murga YouTube channel today has nearly 1.3 million subscribers. Programming innovations were supported by smart marketing using social media and influencers in addition to traditional forms of media.

The results of our Phase-3 expansion are encouraging. In 17 stations acquired under Batch-1 of Phase-3, we have grown our revenues by 53% in FY19. EBITDA margin for these stations has turned around from negative 5.5% to +12.7%. In FY19, the capacity utilization (amount of ad inventory sold) was 35.2% compared to 26.0% in FY18. The low capacity utilization shows that there is a lot of room left to grow and, in the years to come, Batch-1 station revenues can triple from present levels. Sixteen Batch-2 stations were launched during FY19, between July 2018 and March 2019. Five more stations have been subsequently launched in FY20. Since Batch-2 stations are still in their first few months of operation, they have reported a negative EBITDA. We expect that Batch-2 stations will turn around in another 4-6 quarters of FY20/21.

During the year, your Company organized two concerts featuring international artists. The first was a 5-city tour of Bryan Adam's "The Ultimate Tour" in Delhi, Mumbai, Bangalore, Hyderabad and Ahmedabad. The other one was a 2-city tour of renowned DJ Martin Garrix in Delhi and Mumbai. Unfortunately, because of poor sponsorship revenues in the case of the Bryan Adam's concerts, we made a loss. However, ticket sales were extremely

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encouraging. We sold tickets at price points going as high as ₹ 12,000 per ticket. Tables with 10 seats were sold for as much as ₹ 3 lakhs. In the case of the Martin Garrix concerts also, we made a loss on account of poor traction with sponsors and ticket sales. Ticket sales were impacted possibly due to exams around that time. Both these concerts taught us many lessons. Planning 8-9 months ahead is critical. Tying up anchor sponsors in advance is critical. And listing the show for ticket sales 3-4 months ahead is also critical. Going forward we plan to consolidate our learnings and go ahead with international artists only if we can assure ourselves of profits.

The focus on margins in the solutions business was one of the reasons for the strategic pause we took last year. Except for the concerts featuring international artists, our focus yielded results in FY19. Our margins improved from 30.1% in FY18 to 32.3% during FY19. We plan to continue this focus in the coming years as well.

As is known, your Company undertakes revenue generation for TV Today's radio business, Ishq FM also. During FY19, the radio revenues of Ishq increased by 26.0%.

During FY19, the Company launched a new TV impact property "Mirchi Cover Star". This was a talent hunt in which budding singers competed to get the honour to perform at the 11th Mirchi Music Awards (Hindi) function in Mumbai. In its very first year of operation, Mirchi Cover Star reported a gross margin of 29.7%. FY19 also saw the 11th Mirchi Music Awards (Hindi) take place in Mumbai. The award function was held in the backdrop of the Pulwama attacks in J&K. Your Company decided to contribute a part of the revenues generated by ticket sales to the CRPF martyrs through their fund "Bharat ke Veer".

2) Phase-3 stations operationalized in FY19:

Of the 162 stations allotted in Phase III (Batch-1 and Batch-2 together), 38 were acquired by ENIL, 17 stations in the first batch and 21 in the second. 33 of these became operational in FY19 and the remaining 5 in April 2019. ENIL now stands at 73 stations across 63 cities and is India's largest radio network. The newer stations have started contributing to ENIL's growth in FY19. In FY20 ENIL expects substantial growth to come from Phase III stations.

3) Digital:

Radio Mirchi is truly transforming itself into a more digital centric company. The year 2018-19 was a landmark year for Mirchi, when our digital monthly reach shot up dramatically and possibly crossed the overall reach of FM. This has allowed Mirchi to connect in a deeper way with the youth, and to reach new audiences. Our RJs are transforming from being just a voice on FM, to becoming social media influencers and video content creators.

Mirchi has always been ahead of the trends. We continue to work in partnerships with the music streaming platforms and continue to watch the evolution of the market. We launched India's first Youth online-radio station in partnership with Gaana and Britannia, called 'Campus Radio', which already reaches over a Million listeners per month, and generates an average engagement of over 45 mins per user. Our creative talent gives us the edge over other players in this space, the others being more technology led than creative led.

Some of the digital highlights for Mirchi were –

- Mirchi's YouTube channels get an estimated 50-60 million views every month.
- The subscriber base across all Mirchi YouTube channels is already at 6.2 million.
- Across all social media, Mirchi and its RJs have a fanbase of over 18 million.

Mirchi made significant progress in developing its digital business by growing its digital revenues, while improving its profitability margins at the same time. Our revenues growth was achieved on the back of creating digital-solutions for our clients. We are helping clients take their brand stories to consumers across all of our digital footprint, on Youtube, mobile and on social media. Mirchi has been able to monetize the social footprint of its RJs, and its large YT network as part of multi-media-solutions to client too. We have developed the unique ability to help brands connect with their audiences across the entire spectrum of rural/ media dark markets, to digitally savvy consumers in urban markets.

We have going beyond just the music

streaming business and are creating original video content for video OTTs also. We have also taken a lead in podcasts, which is still a nascent market in India. We are already publishing our podcasts across all the leading platforms across the world.

Our work was recognized by the entire industry too – we won Mobby awards for "Best Mobile Marketing Solution" (Asian Paints), Mobby award for "Best use of Video" (B Natural), Radio Connesx award for "Best Digital/ online Campaign" (Dr Fixit) & Golden Mikes award for "Sadak Pe Dikhegi" a social media and video campaign (Hero Cycles) A testimony to the high quality of our digital solutions.

4) Mirchi's international presence:

USA: Mirchi launched its first station in the US on our Republic Day, Jan 26, 2019. Mirchi was heard in the tri-state area of New York, New Jersey and Connecticut. It further extended into Raleigh-Durham, Philadelphia and Baltimore through a licensing arrangement with a US partner. The positioning for the brand across the US is "South Asia's No. 1 Radio Station, Now in America". Since then, four more stations have been launched in Cleveland and Columbus in Ohio in Mar'19 and in Atlanta, Georgia and St. Louis, Missouri in May'19. Mirchi's stations are also available online on *www.radiomirchiusa.com* and Amazon Alexa.

Targeted at the South Asian diaspora, which forms a significant portion of the 'immigrant' population in these cities, the content that plays is the winning combination of the best in Bollywood music, infotainment and comedy that Mirchi is known for. Some shows on the network are done by popular radio presenters from "back home", like Mirchi Sayema, Mirchi Rochie and Mirchi Shruti, to give the audience a "slice of their country". People can also tune in to sample the wildly popular Mirchi Murgas by RJ Naved and dance mixes on Club Mirchi on these stations.

There are exciting expansion plans for the network in the US with more stations planned on the West Coast and other areas. We plan to extend into Canada as well in the years to come.

UAE: We launched Radio Mirchi in the UAE with a brand licensing agreement with our partners Abu Dhabi Media Corporation (ADMC) in Jan 2012. We have been voted UAE's most loved Hindi Station thrice as per Masala Awards, which is a testimony to our exceptional programming and marketing efforts.

In listenership also, we are the number 1 brand across the UAE, based on Nielsen research. This leadership position is across languages – Arabic, Hindi, English, Malayalam and others.

The top 3 stations nationwide in the UAE incidentally are all Hindi Stations (source: Nielsen, Q4, 2018):

Radio Mirchi	: 2.28 million
Radio4FM	: 1.33 million
City FM	: 1.20 million

Not only is our reach the highest, our time-spent-listening (TSL) also is the highest amongst all Hindi station at 4 hours 17 minutes per week.

Bahrain: We entered into an agreement with Adline Media Network in Bahrain for licensing brand Mirchi. Like our agreement in UAE we provide complete programming and marketing support to our partners.

Our experience in these two markets has reinforced our belief that Mirchi is a very strong brand amongst Indian diaspora and there is a demand for our content.

5) Awards & Recognition:

- **Radio Connex-2018 (October 2018):**
  - Radio Mirchi won a Gold for "RJ Naved" under the award-category "Best RJ- North Zone".
  - Radio Mirchi won a Gold for "RJ Mir" under the award-category "Best RJ-East Zone".
  - Radio Mirchi won a Gold for "Mirchi Power of Two" under the award-category "Best 360 degree Client Solution".
  - Radio Mirchi won a Silver for "Mirchi Flat 983" under the award-category "Best CSR Initiative".
  - Radio Mirchi won a Bronze for "Nirbhaya" under the award-category "Best interstitial".

- Radio Mirchi won a Bronze for "Radio Mixit" under the award-category "Best Online/Digital Initiative".

▪ **Golden Mikes – 2019 (Radio Advertising Awards):**

- Radio Mirchi won a Gold for "RJ Naved" under the award category "Excellence" and sub-category "RJ of the year"
- Radio Mirchi won a Gold for "The Manual Scavenging Special" under the award category "Creativity" and sub-category "Best Single Commercial-Public Service, CSR & Social Welfare
- Radio Mirchi won a Gold for "Wrong Side Not Okay Please" under the award category "Creativity" and sub-category "Best Campaign"
- Radio Mirchi won a Gold for "Road pe Dikhegi Tabhi toh Chalegi" under the award category "Promotions" and sub-category "Best On ground promotion by a single radio station for a client"
- Radio Mirchi won a Gold for "Vishwas Ki Tijori" under the award category "Promotions" and sub-category "Best On ground promotion by a network of Radio Stations for a client"
- Radio Mirchi won a Gold for "The Manual Scavenging Special" under the award category "Broadcasters" and sub-category "Best On Air Promotion by a Single Radio Station for self not sponsored"
- Radio Mirchi won a Silver for "Jai Shree Ravan" under the award category "Broadcasters" and sub-category "Best On-Air Promotion by a Network of Radio Stations for self not sponsored"
- Radio Mirchi won a Bronze for "Jai Shree Ravan" under the award category "Broadcasters" and sub-category "Most Unique Programming Concepts/Ideas"
- Radio Mirchi won a Bronze for "Nando's Mirchi Murga Party" under the award category "Effectiveness" and sub-category "Most effective Ad/ Campaign on Radio"
- Radio Mirchi won a Bronze for "Nando's Mirchi Murga Party" under the category "Creativity" and sub-category "Best first time creative"
- Radio Mirchi won a Bronze for "RCB Junior Fan Party" under the award category "Promotions" and sub-category "Best On ground promotion by a network of Radio Stations for a client"
- Radio Mirchi won a Bronze for "Road Pe Dikhegi Tabhi toh Chalegi" under the award category "Promotions" and sub-category "Best Promotion on digital for a client"

▪ **Global Customer Engagement Award (Asia Customer Engagement Forum-2019):**

- Radio Mirchi won a Gold for "The RCB Junior fan party" under the category 360-degree solution in radio
- Radio Mirchi won a Gold for "Zero Day on Mirchi" under the category Best use of celebrity endorsement in Online Media
- Radio Mirchi won a Gold for "Road Pe Dikhegi Tabhi Toh Chalegi" under the category creativity in Radio for Customer Engagement
- Radio Mirchi won a Gold for "Tirange ki Tarangein" under the category Creativity with a difference in Radio for Customer Engagement
- Radio Mirchi won a Gold for "Kick the plastic" under the category Effectiveness in Radio for Customer Engagement
- Radio Mirchi won a Gold for "No Tobacco Day" under the category Successful use of CSR activity (Innovative approach) in Radio for Customer Engagement
- Radio Mirchi won a Gold for "The

Naved Khan Show" under the category Best Use of Humor for Customer Engagement in Special Award

- Radio Mirchi won a Gold for "Mirchi 98.3 presents Philips Fresh Express" under the category Promotions in BTL Activities
- Radio Mirchi won a Silver for "RJ Naved" under the category RJ of the year in Individual award
- Radio Mirchi won a Silver for "Naved Ne Chai Chhod di" under the category Best use of celebrity endorsement in Events & Promotions
- Radio Mirchi won a Bronze for "Mirchi 98.3 presents Philips Fresh Express" under the category Successful use of CSR activity in BTL Activities
- Radio Mirchi won a Bronze for "Nando's Mirchi Murga Party" under the category Effectiveness in Events & Promotions
- Radio Mirchi won a Bronze for "Mirchi 98.3 presents Philips Fresh Express" under the category Best use of celebrity endorsement in Events & Promotions
- Radio Mirchi won a Bronze for "Children's day spot" under the category Creativity in Radio for Customer Engagement
- Radio Mirchi won a Bronze for "Me for My City" under the category Promotions in Radio for Customer Engagement

▪ **ABBYS Goa fest:**

- Radio Mirchi won a Silver for "Vishwas Ki Tijori" under the category Best Activation OOH

▪ **Corporate social responsibility awards:**

- ACEF-Asian Corporate Social Responsibility Awards-Best Employee Volunteer Program Category
- The Social and Corporate Governance Awards, Mumbai-Best Audio Support and Entertainment Award for Blind and Visually Impaired category
- Sabera Awards-Shiksha (Education) category

We also got a special Jury mention in the Sabera awards, Sashaktikaran (Empowerment) category.

6) **CSR Initiatives:**

As part of CSR initiatives, our Company reached out to the visually impaired and blind friends by way of production of audio books, audio films and making museums blind friendly.

With Pratham,we conducted 5000 "One day, One story" sessions on International Literacy Day. Mirchi Cares gave voice to White Print (India's First English Lifestyle magazine in Braille). In synergy with Children's Book Trust of India we recorded more than 25 audio books in English and Hindi. We also recorded a series of jingles and poems for Tulika publishers for both the blind children as well as those in the rural areas.

Audio descriptive films were regularly screened in various Radio Mirchi stations from Dangal and Sholay that were produced by Saksham.

In terms of financial contribution, your Company has decided to pool its efforts with the parent Bennett Coleman. All contributions are being made to Bennett University and is our effort at furthering the cause of education in the country.

7) **HR Initiatives:**

Your Company continuously strives to employ and retain top talent. One out of every 3 new employees continues to be referred to us by our existing team members, indicative of an engaged workforce and increasing the probability of a top-quality hire. We continue to focus on a "Build" vs a "Buy" approach to talent, hence, we regularly visit top B-schools and media campuses for hiring our management trainees.

We continue to increase our training expenses with an intention of ensuring best in class talent & improving their productivity. We clocked nearly 1800 person-days of classroom training, amounting to almost 1.7 person-days of training per person in FY19.

This year we launched our e-learning platform 'Mirchi Classroom' to increase functional knowledge and soft skills. To facilitate

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knowledge consumption on the go, Mirchi classroom has been enabled as an app & is available to all our team members. In keeping with our demographics, a lot of learning content is being designed in short snackable video form that can be consumed in less than 25-30 minutes. This is available both on our intranet & also as an app. Around 600 people have consumed various courses via this platform. We also use other learning pedagogies like web session-based learning in which the subject matter experts conduct sessions on various topics. We are fully committed to create a culture of learning at ENIL, knowing fully well that this is an ongoing journey.

D. Risks, Concerns and Challenges Facing the Company

1) Macroeconomic risk:

The radio industry depends largely advertising spends. It is a derivative industry in that sense. If advertisers do well, the media sector does well. If there are economic headwinds, then the overall media sector would get negatively affected. At Mirchi, we have created a solid portfolio of sales offerings (solutions) which gives us a degree of protection against economic headwinds.

2) Changing business environment:

As internet usage expands, a huge opportunity is being created for a diversified company like Mirchi. We are tapping into this opportunity through several new products – original content, YouTube videos, podcasts, native videos for clients etc. We are also making our own programming content in video as well as audio formats. We believe we are very placed to take advantage of this changing business environment.

3) 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 periodically reviewed, added to and deleted. Process owners take responsibility for the risks and brief management and the Board about the same. The Risk Management process has been outlined in the Directors' Report at para 31 (Risk Management).

4) Consolidation in the radio industry:

Two big deals were announced in the last one year. One is the take over of Radio One by HT Media, owners of Fever FM. The other is the acquisition of a substantial part of Big FM by Music Broadcast Ltd, owners of Radio City. This is good for the radio industry because it reduces the total number of small players and consolidates operations with 4-5 big groups, like in TV. This will hopefully help in reducing the tendency amongst some players to drop prices to secure deals. At the same time, consolidation increases competition amongst those who remain in the game. We continue to keep a close eye on developments.

E. Segment- Wise Financial Performance

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

1) ENIL – Radio Mirchi:

ENIL's revenue from operations grew 15.5% to ₹ 620.5 crores, EBITDA from operations grew 19.9% to ₹ 139.8 crores and PAT grew by 53.4% to ₹ 53.9 crores. Cash and Cash equivalents of the Company (including Investments) as on March 31, 2019 was ₹ 156.6 crores.

2) Subsidiary Companies:

- Alternate Brand Solutions (India) Limited (ABSL) is the Company's wholly owned subsidiary. ABSL recorded a total income of ₹ 75.6 lakhs during the financial year 2018-19. Profit after Tax stood at ₹ 63.3 lakhs for the financial year under review.
- During the financial year under review, the Company set up, in the United States of America (US), a wholly owned subsidiary, Entertainment Network, INC and its step-down subsidiary, Entertainment Network, LLC to commence radio broadcasting related businesses targeting the South Asian community markets. Entertainment Network, INC recorded a total consolidated income of ₹ 34.7 lakhs during the financial year 2018-19. Consolidated loss after Tax stood at ₹ (65.2) lakhs for the financial year under review.

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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 Risk Management Committee, 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 audit findings on the various segments of the business, the financial information and other issues related to the Company's operations.

The Company has adopted Integrated Reporting. The information related to the Integrated Reporting forms part of the Management Discussion & Analysis.

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

Specific need based training and development programs for of employees at all levels 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, 2019, the employee strength (on permanent roll) of the Company was 1105.

Details of significant changes in key financial ratios (i.e. change of 25% or more as compared to the immediately previous financial year):

	FY 2018-19	FY 2017-18
i. Debtors Turnover	3.91	3.71
ii. Inventory Turnover	N.A.	N.A.
iii. Interest Coverage Ratio	41.84	27.42
iv. Current Ratio	2.32	1.55
v. Debt Equity Ratio	Nil	0.12
vi. Operating Profit Margin (%)	22.53%	21.71%
vii. Net Profit Margin (%)	8.49%	6.44%
viii. Return on Net worth (%)	5.91%	4.06%

Debtors Turnover ratio: The ratio improved during the current year due to better collection efficiency.

Inventory Turnover ratio: Not applicable to the Company.

Interest Coverage Ratio: During the current financial year, cash generated from operations improved. Further, interest expense also declined due to the repayment of the Commercial Papers. This led to a significant improvement in the Interest Coverage ratio.

Current Ratio: Cash generated from operations improved during the current financial year. This has led to an improvement in the Current Ratio.

Debt Equity Ratio: The Company has fully repaid the Commercial Papers it had issued in last financial year. The Company had no debt as on March 31, 2019.

Operating Profit Margin: Higher radio revenue and higher margin in the Media Solutions business resulted in an improvement in the Operating Profit Margin.

Net profit Margin: Despite higher Depreciation and Amortisation, Net Profit Margin witnessed a significant improvement due to higher EBITDA and other income.

Return on Net Worth (RONW): The Company has invested close to ₹ 900 crores for migrating 35 Phase 2 stations and acquiring stations in Batch 1 and Batch 2. The migrated stations are very profitable. Batch 1 stations achieved profit at EBITDA level in the current financial year. Batch 2 stations were launched in the current financial year. We expect this ratio to significantly improve when Batch 1 and Batch 2 stations stabilize.

For and on behalf of the Board of Directors

sd/-

Vineet Jain
Chairman
[DIN: 00003962]

Mumbai, May 30, 2019

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

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Integrated Reporting

As per the circular dated February 6, 2017 issued by Securities and Exchange Board of India ('SEBI'), Integrated Reporting may be adopted on a voluntary basis from the financial year 2017-18 by top 500 companies which are required to prepare Business Responsibility Report ('BRR') under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

Integrated reporting refers to representation of the financial and non-financial performance of a company in a single report. This helps in providing a greater context to the non-financial data such as how the company performs on environmental, social and governance (ESG) parameters, how sustainability is embedded in the core business strategy etc.

Integrated Report of the Company is for the financial year ended March 31, 2019 and forms part of the Management Discussion & Analysis report. This report is based on the Integrated Reporting (IR) framework prescribed by the International Integrated Reporting Council (IIRC) and the Company has followed the applicable guiding principles as prescribed by IIRC, while presenting this integrated report. This report primarily captures the business model of the Company and how does the Company create, sustain and enhance the value.

About the purpose of the business and business model

1) **Purpose of the business:**

   Entertainment Network (India) Limited ['the Company'/ 'ENIL'/ 'Radio Mirchi'] is, as the name suggests, in the business of *Entertainment* primarily but not exclusively, on FM radio through its brands Radio Mirchi, Mirchi Love, Mirchi 95 and Kool FM. After the hygiene needs of food, shelter and clothing, human beings from historical times have always felt the need to be entertained. For millenia, music, drama or theatre, and in the last hundred or so years movies have all met this need. While music, primarily film music, is Radio Mirchi's core offering, it is embellished by talk, humour through characters like Mirchi Murga, and utilities like traffic updates, weather, sensex, information about local happenings in the city etc. There is also a powerful online presence on social media like Facebook, Instagram, YouTube etc.

2) **Business model:**

   The core of our business model involves monetizing our listenership base by providing a connect with advertisers. Radio Mirchi is the No. 1 private FM radio network in India in terms of listeners as reported by the IRS 2017 report, released in January 2018. Monetization happens not just on the back of our listenership, but also on the back of the ability to provide solutions to the advertisers using the assets we have created beyond radio– the aforementioned social media assets as well as properties like Mirchi Music Awards, various On-ground activations, concerts etc. The business model also involves a delicate balance between entertaining listeners and monetizing the same i.e. there has to be a balance between the number of minutes of advertising per hour and the need of listeners for more content. Too much advertising will drive away listeners, while too little advertising (which meets the entertainment needs of the listeners), will not help in meeting the financial goals of the business.

3) **Resources needed to carry out the business:**

   The single most important resource in our business is the creative talent i.e. the Human Capital. The model is thus "physical" asset-light but intellectual capital-heavy. It is the managerial ability to create, monitor and manage the intangible process of creating and delivering entertainment every minute that is the key to carrying out the business. This has to be further coupled with the ability to monetize the listenership that accrues that will ultimately result in value to the stakeholders.

4) **Along the way – in doing business how does it impact the 6 capitals:**

   The most important capital as mentioned earlier is human capital. ENIL has approximately 300 creative people working in the creative field. Human capital goes beyond creative and covers the revenue generating teams as well. We have more than 500 people responsible for revenue generation, and each one of them has the creative capability to design solutions for clients and thus raise revenues for the Company. In addition to human capital, there is intellectual capital that is an important asset of the Company. The Company's brand name– Mirchi – is of tremendous brand value, as reflected in the market capitalization, the P/E ratio, and the sustained interest of shareholders and investors in our stock. In addition to the brand name itself, there are several IPs the Company has created in the

management discussion & analysis

form of Mirchi Music Awards, Mirchi Top 20, Mirchi Neon Run, Mirchi Rock & Dhol and many more. The third capital that is vital for the Company is financial capital. Our ability to take risks has helped us to expand our business beyond core FM radio and into new exciting products like activations, concerts, TV properties, digital streaming, etc. It is because of the strength of our brand, and our ability to invest financial resources, that we have been able to set up the largest and most profitable network in the country. As on date, the ENIL network has 73 stations spread across 63 cities. We have also been able to roll out the brand to countries like the USA, UAE and Bahrain and there are plans to roll out to other countries as well. All this is thanks to the financial capital at the Company's disposal.

5) **Inputs: most material for the organization:**

   As covered above, human capital, intellectual capital and financial capital are the most important "materials" for the organization.

Kind of capital we depend upon and how we delivered value

1) **Financial capital and Manufactured capital:**

   Financial capital refers to the pool of funds available to an organization for use in the production of goods or provision of services, which is obtained through financing, such as equity, debt or generated through operations or investments. Manufactured capital refers to the manufactured physical objects that are available to an organization for use in the production of goods or the provision of services, including building, equipment, infrastructure, etc. Kindly refer to the Board of Directors' Report (Para 1: Financial Highlights, Para 2: Financial Performance, Operations and State of the Company's affairs), Financial Statements; read with the Management Discussion & Analysis report (Para C: Operating Performance).

2) **Intellectual capital:**

   Intellectual capital refers to the knowledge based intangibles, including intellectual properties, copyrights, patents, rights, licenses, etc. ('IP'). The Company owns various IP properties. Radio Mirchi made a focused effort in Video content development and original IP creation and built on the work done last year. It created 3 news shows, one each in Gujarati, Marathi and Tamil and licensed the same to a leading OTT player, while retaining all rights in the shows. In addition, it created a comedy show with popular ex-cricketer Virender Sehwag and released the same on the company's YouTube channel. All the shows have been well received. The business is now all set to be quickly scaled to newer heights, for which a concrete plan has been put together and is being implemented. Kindly refer to the Management Discussion & Analysis report (Para C: Operating Performance, Sub-para: 3) Digital).

3) **Human Capital:**

   As on March 31, 2019, the employee strength (on permanent roll) of the Company was 1105. 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. The Company constantly focuses on various measures in providing training & development, employees empowerment, constructive evaluation and employees engagement. Kindly refer to the Management Discussion & Analysis report (Para C: Operating Performance, Sub-para: 7) HR Initiatives).

4) **Social and Relationship Capital:**

   This relates to the relationships within and between communities, group of stakeholders and other networks, and ability to share information to enhance individual and collective well-being. Kindly refer to the Management Discussion & Analysis report (Para C: Operating Performance).

5) **Natural Capital:**

   The Company is in the business of Media & Entertainment. 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.

How we create value

1) ENIL is a non-hierarchy driven organization. Reasonable level of independence is given to the functional heads for taking day to day business decisions in alignment with the Company's core values and vision.

2) Business model of ENIL has been outlined hereof.

management discussion & analysis

3) **CSR initiatives:** Relevant details regarding CSR Policy development and implementation has been stated in the Directors' Report at para 12 (CSR Committee) read with the as *Annexure B* to the Board of Directors' Report.

4) **Awards received by the Company:** Kindly refer to the Management Discussion & Analysis report (Para C: Operating Performance, Sub-para: 5) Awards & Recognition).

How we sustain and enhance the value

1) **Application of good corporate governance practices:** 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 under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ['Listing Regulations']. Kindly refer to the separate *report on Corporate Governance*, enclosed as a part of the Board of Directors' Report.

2) **Set of various Policies and Code of Conducts:** In compliance with the regulatory requirements and effective implementation of Corporate Governance practices, the Company has adopted various policies and codes in accordance with the applicable provisions of the Companies Act, 2013 and Listing Regulations. Kindly refer to the separate *report on Corporate Governance*, enclosed as a part of the Board of Directors' Report.

3) **Risk Management:** Kindly refer to the Board of Directors' Report (para 31 – Risk Management).

For and on behalf of the Board of Directors

sd/-

Vineet Jain
Chairman
[DIN: 00003962]

Mumbai, May 30, 2019

independent auditor’s report

To the Members of Entertainment Network (India) Limited

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying standalone Ind AS financial statements of Entertainment Network (India) Limited (“the Company”), which comprise the Balance sheet as at March 31 2019, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013 (“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, 2019, its profit including other comprehensive income its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements for the financial year ended March 31, 2019. These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor’s responsibilities for the audit of the standalone Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone Ind AS financial statements.

independent auditor’s report

Key audit matters	How our audit addressed the key audit matter
Revenue recognition for Branded and Managed Solutions	
The Company earns revenue from providing branded and managed solutions. Revenue from these contracts is recognized over a period of time in accordance with the requirements of Ind AS 115, Revenue from Contracts with Customers. These services involve multiple performance obligations and revenue is recorded at fair value of the performance obligations completed as on a given date. Given the nature of these contracts, revenue recognition involves estimation to the extent of performance obligations satisfied and the proportion of contract costs incurred to date, which involves significant judgments, identification of contractual obligations and recognition of the liability for loss making contracts/ onerous obligations. Given the significant estimation, we have identified this as a key audit matter.	Our audit procedures included the following procedures: • We evaluated the Company’s accounting policies pertaining to revenue recognition and assessed compliance with the policies in terms of Ind AS 115 - Revenue from Contracts with Customers. • We understood the management’s process to evaluate the revenue to be recognized over the period of contract and the fair valuation of revenue for each performance obligation, including underlying supporting documents for allocation of transaction price towards various performance obligations of these contracts. We have examined contracts with low or negative margins to determine the provisions required for onerous obligations, if any. • We identified and tested controls related to revenue recognition and our audit procedures focused on, identification of contractual obligations/deliverables to the customers, determination of progress of completion of these deliverables and recording of related revenues and costs incurred along with the estimation of balance performance obligations and related revenues and costs to complete the remaining contractual obligations through inspection of evidence of performance of these obligations.
Provision for allowance for bad and doubtful debts	
The Company assesses impairment provision for doubtful receivables basis the guidance provided on the Expected Credit Loss (ECL), as per Ind AS 109, Financial Instruments to state the entity’s trade receivables to their carrying amount, which approximates their fair value. Management evaluates and calculates the expected credit losses using a provision matrix based on historical credit loss experience, specific reviews of customer accounts as well as experience with such customers, current economic and business conditions. The Company has trade receivables of ₹ 22,605.04 lakhs and provision of ₹ 2,589.44 lakhs as on balance sheet date. The appropriateness of the impairment provision for doubtful receivables is subjective due to the high degree of judgment applied by management in determining the provision matrix. Due to the significance of trade receivables and the related estimation uncertainty this is considered a key audit matter.	Our audit approach included the following procedures: ▪ We understood the design and tested the operating effectiveness of key controls over the identification and calculation of the provision matrix and the management’s process of identification of impairment provision indicators. ▪ We evaluated management’s continuous assessment of the assumptions used in the impairment provision matrix. These considerations include whether there are regular receipts from the customers, Company’s past collection history as well as an assessment of the customers’ credit ability to make payments. ▪ We obtained the aging analysis of trade receivables. Tested on a sample basis, the aging of trade receivables at year end and discussed with management the reasons of any long outstanding amounts. We also evaluated management’s assumptions used in determining the impairment provision matrix, through detailed analyses of ageing of receivables, assessment of material overdue individual trade receivables and past trends of bad debts charged to the statement of profit and loss.

Provisioning for Royalty cost	
Royalty expense is recoded basis the consumption of music and the contractual terms in the MOU / agreement with respective music labels/ music consortiums. Total royalty expense for the year and liability as at March 31, 2019 are ₹ 2,221.20 lakhs and ₹ 3,111.79 lakhs respectively. Given that the royalty payable is subject to different contractual terms and the Company's negotiations with respective music labels/ music consortiums, the computation of royalty provision requires the management to apply its judgment in determining the amount of provision to be recorded based on the likelihood of the liability eventually crystallizing on the Company. Given the significant judgement involved, we have identified this as a key audit matter.	▪ We performed test of controls (assisted by IT specialists) and tested the computation and arithmetical accuracy of royalty expense based on a sample test of the log of actual music played out and the contractual rates mentioned in the agreements. ▪ We assessed management's estimate of provision to be recorded basis the management's judgement regarding the likelihood of the liability crystallizing.

Other Information

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

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

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

Responsibilities of Management for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors are also responsible for overseeing the Company's financial reporting process.

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

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

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

- Identify and assess the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind AS financial statements for the financial year ended March 31, 2019 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("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 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.

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 purposes of our audit;

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

   (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

   (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   (e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act;

   (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these standalone Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in “Annexure 2” to this report;

   (g) In our opinion, the managerial remuneration for the year ended March 31, 2019 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;

   (h) 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, as amended 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 standalone Ind AS financial statements – Refer Note 43 to the standalone Ind AS 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 has been no delay in transferring amounts, 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/E300004

per Govind Ahuja
Partner
Membership Number: 48966

Place of Signature: Mumbai
Date: May 30, 2019

Annexure 1 to the Independent Auditor's Report of even date on the Standalone Financial Statements of Entertainment Network (India) Limited

Re: Entertainment Network (India) Limited ("the Company")

Referred to in Paragraph 1 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.

(c) According to the information and explanations given by the management, the title deeds of immovable properties included in property, plant and equipment are held in the name of the Company.

(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) (a) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) 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, provisions of section 186 of the Act, in respect of investment made in subsidiaries have been complied with, by the Company. There are no other loans, investments, guarantees, and securities granted in respect of which provisions of section 185 and 186 of the Companies Act, 2013 are applicable and hence not commented upon.

(v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

(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 section 148(1) of the Companies Act, 2013, related to the radio broadcasting services, and are of the opinion that prima facie, the specified 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, goods and service tax, duty of custom, cess and other statutory dues applicable to it. The provisions relating to duty of excise are not applicable to the Company.

(b) According to the information and explanations given to us, there are no undisputed dues in respect of provident fund, employees' state insurance, income-tax, goods and service tax, duty of custom, cess and other statutory dues which were outstanding, at the year end, for a period of more than six months from the date they became payable. The provisions relating to duty of excise are not applicable to the Company.

(c) According to the records of the Company, the dues of income-tax, sales-tax, service tax, duty of custom, value added tax and cess on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount (₹)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	248,038,401	Assessment Year 2013-14	Commissioner of Income Tax (Appeals)

(viii) Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to banks. The Company did not have any outstanding dues in respect of a financial institution or government. The Company has not issued any debentures.

(ix) According to the information and explanations given by the management, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and term loans hence, reporting under clause (ix) is not applicable to the Company and hence not commented upon.

(x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the company or no fraud on the company by the officers and employees of the Company has been noticed or reported during the year.

(xi) According to the information and explanations given by the management, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

(xii) In our opinion, the Company is not a Nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.

(xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the company and, not commented upon.

(xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.

(xvi) According to the information and explanations given to us, to provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Govind Ahuja
Partner
Membership Number: 48966

Place of Signature : Mumbai
Date : May 30, 2019

Annexure 2 to the independent auditor's report of even date on the Standalone Financial Statements of Entertainment Network (India) Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Entertainment Network (India) Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting With Reference to these Financial Statements

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting With Reference to these Standalone Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting with reference to these standalone financial statements and such internal financial controls over financial reporting with reference to these standalone financial statements were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Govind Ahuja
Partner
Membership Number: 48966

Place of Signature : Mumbai
Date : May 30, 2019

balance sheet

As at March 31, 2019

(₹ in lakhs)

	Notes	March 31, 2019	March 31, 2018
ASSETS			
Non-current assets			
Property, plant and equipment	3	8,063.67	5,775.43
Capital work-in-progress	4	2,195.22	6,258.81
Investment properties	5	208.24	85.94
Goodwill	6	46.49	46.49
Other intangible assets	7	60,959.75	61,522.06
Financial assets			
Investments	8	1,058.50	702.50
Others	9	2,307.06	2,228.24
Other non-current assets	10	977.36	2,212.57
Total non-current assets		**75,816.29**	**78,832.04**
Current assets			
Financial assets			
Investments	11	13,518.76	15,528.98
Trade receivables	12	20,015.60	17,019.90
Cash and cash equivalents	13	2,141.39	1,792.13
Other bank balances	14	1.18	4.90
Others	15	301.55	234.96
Other current assets	16	2,437.58	2,106.83
Total current assets		**38,416.06**	**36,687.70**
TOTAL ASSETS		**114,232.35**	**115,519.74**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	17	4,767.04	4,767.04
Other equity	18	88,456.18	83,659.17
Total Equity		**93,223.22**	**88,426.21**
Liabilities			
Non-current liabilities			
Provisions	19	1,011.14	917.35
Deferred tax liabilities (net)	20	3,460.85	2,455.12
Total non-current liabilities		**4,471.99**	**3,372.47**
Current liabilities			
Financial liabilities			
Short-term borrowings	21	–	10,396.06
Trade payables	22		
(A) total outstanding of micro enterprises and small enterprises		12.94	–
(B) total outstanding dues of creditors other than micro enterprises and small enterprises		12,619.53	10,486.84
Others	23	23.96	23.40
Other current liabilities	24	3,695.81	2,650.73
Provisions	25	184.90	164.03
Total current liabilities		**16,537.14**	**23,721.06**
TOTAL EQUITY AND LIABILITIES		**114,232.35**	**115,519.74**
NOTES FORMING PART OF THE FINANCIAL STATEMENTS	1-49		

The above Balance Sheet should be read with the accompanying notes.

As per our report of even date.

For **S. R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration No.: 101049W/E300004

Govind Ahuja
Partner
Membership No. 48966

Place : Mumbai
Dated : May 30, 2019

For and on behalf of the Board of Directors

Vineet Jain
Chairman
[DIN: 00003962]

Richard Saldanha
Director
[DIN: 00189029]

Prashant Panday
Managing Director & CEO
[DIN: 02747925]

N. Subramanian
Executive Director and Group CFO
[DIN: 03083775]

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

statement of **profit & loss**

For the year ended March 31, 2019

(₹ in lakhs)

	Notes	For the year ended March 31	
		2019	**2018**
Revenue from operations	**26**	61,344.58	52,674.95
Other operating income	**26**	703.89	1,032.03
Other income	**27**	1,492.95	883.54
Total Income		**63,541.42**	**54,590.52**
Expenses:			
Employee benefits expense	**28**	12,618.04	11,853.98
Finance cost	**29**	397.43	472.01
Depreciation and amortisation	**30**	6,710.74	6,345.05
Operating and other expenses	**31**	35,449.06	30,193.92
Total Expenses		**55,175.27**	**48,864.96**
Profit before taxation and exceptional Item		**8,366.15**	**5,725.56**
Add: Exceptional Item	**48**	–	423.76
Profit before tax		**8,366.15**	**6,149.32**
Tax expense : (Refer Note (2)(xiv))	**32**		
Current tax		1,957.58	1,483.00
Deferred tax		1,016.72	766.75
Deferred tax of earlier years		–	383.68
Total tax expenses		**2,974.30**	**2,633.43**
Profit for the year		**5,391.85**	**3,515.89**
Other Comprehensive Income (OCI)			
Items that will not be reclassified to profit or loss			
– Remeasurement of post employment benefit obligations		(30.97)	26.69
– Income tax relating to items that will not be reclassified to profit or loss		10.82	(9.24)
Other comprehensive income for the year, net of tax		**(20.15)**	**17.45**
Total comprehensive income for the year		**5,371.70**	**3,533.34**
Earnings per equity share [nominal value per share: ₹ 10 (2017-18: ₹ 10)] (Refer Note (2)(xiii))			
– Basic	**40**	11.31	7.38
– Diluted		11.31	7.38
NOTES FORMING PART OF THE FINANCIAL STATEMENTS	**1-49**		

The above statement of Profit and Loss should be read with the accompanying notes.

As per our report of even date.

For **S. R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration No.: 101049W/E300004

Govind Ahuja
Partner
Membership No. 48966

Place : Mumbai
Dated : May 30, 2019

For and on behalf of the Board of Directors

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[DIN: 00003962]

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Prashant Panday
Managing Director & CEO
[DIN: 02747925]

N. Subramanian
Executive Director and Group CFO
[DIN: 03083775]

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

statement of changes in equity
As on March 31, 2019

(₹ in lakhs)

A.	Equity Share capital	
	Balance as at April 1, 2017	**4,767.04**
	Changes in equity share capital during the year	–
	Balance as at March 31, 2018	**4,767.04**
	Changes in equity share capital during the year	–
	Balance as at March 31, 2019	**4,767.04**

B. Other Equity (₹ in lakhs)

	Reserves and Surplus		
	Securities premium	**Retained earnings**	**Total**
Balance as at April 1, 2017	**18,852.16**	**61,847.42**	**80,699.58**
Profit for the year	–	3,515.89	3,515.89
Other comprehensive income	–	17.45	17.45
Dividends paid	–	(476.70)	(476.70)
Dividend distribution tax	–	(97.05)	(97.05)
Balance as at March 31, 2018	**18,852.16**	**64,807.01**	**83,659.17**
Profit for the year	–	5,391.85	5,391.85
Other comprehensive income	–	(20.15)	(20.15)
Dividends paid	–	(476.70)	(476.70)
Dividend distribution tax	–	(97.99)	(97.99)
Balance as at March 31, 2019	**18,852.16**	**69,604.02**	**88,456.18**

Nature and purpose of reserves

a) Securities premium

Securities premium is used to record the premium on issue of shares. The reserve will be utilised in accordance with the provisions of section 52 of the Companies Act, 2013.

As per our report of even date.

For **S. R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration No.: 101049W/E300004

Govind Ahuja
Partner
Membership No. 48966

Place : Mumbai
Dated : May 30, 2019

For and on behalf of the Board of Directors

Vineet Jain
Chairman
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[DIN: 03083775]

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

statement of **cash flows**

For the year ended March 31, 2019

(₹ in lakhs)

	For the year ended March 31	
	2019	**2018**
A) CASH FLOW FROM OPERATING ACTIVITIES :		
Profit before taxation	**8,366.15**	**6,149.32**
Adjustments for :		
Depreciation and amortisation	6,710.74	6,345.05
Interest income on investments	(58.40)	(22.09)
Finance cost	397.43	472.01
Provision no longer required written back	(537.52)	(945.84)
Unclaimed credit written back	(133.50)	(1.62)
Profit on fair value of investment	(470.14)	(674.92)
Profit on sale of current investments	(759.61)	(139.28)
Exchange (gain) / loss	(9.20)	(0.88)
(Profit)/ Loss on sale of tangible assets	(8.89)	33.70
Tangible assets written off	17.81	39.73
(Reversal) of impairment recognised in earlier years	(3.42)	–
Provision for doubtful debts (net)	616.03	107.89
Bad debts written off	230.93	429.99
Operating profit before working capital changes	**14,358.41**	**11,793.06**
Adjustments for changes in working capital :		
(Increase)/ Decrease in trade receivables	(3,833.46)	(1,341.46)
(Increase)/ Decrease in other non current financial assets	(44.22)	(327.97)
(Increase)/ Decrease in other bank balances	3.72	0.03
(Increase)/ Decrease in other current financial assets	(66.59)	75.66
(Increase)/ Decrease in other non current assets	14.87	(1.62)
(Increase)/ Decrease in other current non financial assets	(330.75)	648.26
Increase/ (Decrease) in other current financial liabilities	0.56	(0.01)
Increase/ (Decrease) in trade payables	2,661.42	261.47
Increase/ (Decrease) in other current liabilities	1,178.58	127.66
Increase/ (Decrease) in short term provisions	83.69	67.70
Cash generated from operations	**14,026.23**	**11,302.78**
Taxes paid (net)	(1,985.97)	(1,501.09)
Net cash generated from Operating Activities (A)	**12,040.26**	**9,801.69**

statement of **cash flows**

For the year ended March 31, 2019

(₹ in lakhs)

	For the year ended March 31	
	2019	**2018**
B) CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of tangible assets, including capital work in progress and capital advances	(2,927.26)	(2,602.41)
Investment in Equity Shares of Entertainment Network, INC	(356.00)	–
Proceeds from sale of tangible assets	29.15	14.08
Interest received	23.80	3.59
Purchase of investment property	(120.07)	–
Purchase of current investments	(57,646.00)	(39,995.00)
Proceeds from sale of current investments	60,885.97	36,034.66
Net cash from / (used in) Investing Activities (B)	**(110.41)**	**(6,545.08)**
C) CASH FLOW FROM FINANCING ACTIVITIES :		
Amount received on issue of commercial papers	–	10,257.27
Amount repaid on issue of commercial papers	(11,000.00)	(13,000.00)
Dividend paid	(476.70)	(476.70)
Dividend distribution tax paid	(97.99)	(97.05)
Interest paid	(5.90)	(2.44)
Net cash (used in)/ from Financing Activities (C)	**(11,580.59)**	**(3,318.92)**
Net Increase in Cash and Cash Equivalents (A)+(B)+(C)	**349.26**	**(62.31)**
Cash and Cash Equivalents as at the beginning of the year	**1,792.13**	**1,854.44**
Cash and Cash Equivalents as at the end of the year	**2,141.39**	**1,792.13**
Balance as per Statement of Cash flows	**349.26**	**(62.31)**
NOTES ON CASH FLOW STATEMENT :		
1. Cash and cash equivalents at the end of the year as per Balance Sheet (Refer Notes 2(xii) and 13 in the Financial Statements).	2,141.39 **2,141.39**	1,792.13 **1,792.13**
2. Previous year's figures have been regrouped and rearranged wherever necessary.		

The above statement of cash flows should be read with the accompanying notes. **1-49**

As per our report of even date.

For **S. R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration No.: 101049W/E300004

Govind Ahuja
Partner
Membership No. 48966

Place : Mumbai
Dated : May 30, 2019

For and on behalf of the Board of Directors

Vineet Jain
Chairman
[DIN: 00003962]

Richard Saldanha
Director
[DIN: 00189029]

Prashant Panday
Managing Director & CEO
[DIN: 02747925]

N. Subramanian
Executive Director and Group CFO
[DIN: 03083775]

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

1. **Corporate 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 and has its registered office at Mumbai, Maharashtra, India. The Company operates FM radio broadcasting stations in 63 Indian cities under the brand names 'Radio Mirchi', 'Mirchi Love', 'Mirchi 95' and 'Kool FM'.

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, concerts and monetization of Company's digital and other media properties.

These financial statements were approved for issue by the Company's Board of Directors on May 30, 2019.

2. **Significant Accounting Policies**

i. **Basis of preparation**

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendments issued thereafter. The financial statements have been prepared on an accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements except where a newly issued accounting standard has been adopted or a revision to an existing accounting standard requires a consequent change in the accounting policy hitherto in use.

Current versus non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle.

An asset is treated as current when it is:

a) Expected to be realised or intended to be sold or consumed in the normal operating cycle

b) Held primarily for the purpose of trading

c) Expected to be realised within twelve months after the reporting period, or

d) A cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

a) It is expected to be settled in the normal operating cycle

b) It is held primarily for the purpose of trading

c) It is due to be settled within twelve months after the reporting period, or

d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Based on the nature of services and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities. The financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities which are measured at fair value (refer note ix below)

The Functional Currency of the Company is the Indian Rupee (₹). These financial statements are presented in Indian Rupees (rounded off to lakhs; one lakh equals one hundred thousand).

ii. **Revenue Recognition**

Effective April 1, 2018, the Company has applied Ind AS 115 which establishes a comprehensive framework for determining recognition, measurement and disclosure of revenue.

The core principle of the new standard is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers. The impact of adoption of the new standard on the financial statements on the Company is insignificant.

Revenue from contracts with customers is recognised when control of services is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those services. Revenue is measured at the fair value of the consideration received or receivable. The revenue recognised is net of discounts, volume rebate and any taxes or duties collected on behalf of the government which are levied on revenue such as service tax, goods and services tax (GST), etc.

The Company provides radio advertising services and Media Solutions to clients. The Company classifies its Media Solutions as under:

i. Branded Solutions: The Company provides various branded services which include Concerts, Award Shows, On-Air properties, Brand Licensing, Multi Media and Digital services.

ii. Managed Solutions: The Company provides services to manage the intellectual properties, activities or events of Clients.

I) Revenue from Radio Broadcasting and other services

a. Revenue from radio broadcasting is recognised on an accrual basis on the airing of client's commercials.

b. Revenue from solutions business is recognised, in the period in which the performance obligations are satisfied.

Contract balances

Contract assets

A contract asset is the right to consideration in exchange for services transferred to the customer. If the Company performs by transferring services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional. Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled revenues (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms

Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Contract Liability

A contract liability is the obligation to transfer services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract. Unearned and deferred revenue is recognised when there is billings in excess of revenues.

The Company disaggregates revenue from contracts with customers by the nature of services it provided to the customer.

The billing schedules agreed with customers include periodic performance based payments. Invoices are payable within contractually agreed credit period.

Use of significant judgements in revenue recognition

a. The Company's contracts with customers could include promises to transfer multiple services to a customer. The Company assesses the services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

b. Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume rebates and discount. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period. The Company allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.

c. The Company uses judgement to determine an appropriate standalone selling price for a performance obligation. The Company allocates the transaction price to each performance obligation on the basis of the relative stand-alone selling price of each distinct service promised in the contract.

d. The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or existence of enforceable right to payment for performance to date and alternate use of such service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.

II. Other Income

a. Dividends, if any are recognised in statement of profit or loss only when:

   i. the right to receive payment is established;

   ii. it is probable that the economic benefits associated with the dividend will flow to the Company; and

   iii. the amount of the dividend can be measured reliably.

b. Interest income from financial assets is recognised using the effective interest rate method. The effective interest rate is the rate that discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

iii. Business Combinations

Business combinations, if any are accounted by using the acquisition method as per Ind AS 103 'Business Combination'. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at fair value on acquisition date and the amount of any non-controlling interests in the acquiree. Acquisition related costs are expensed as incurred.

Goodwill is initially measured at cost, being the excess of the net acquisition cost and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the net cost of acquisition, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the Company recognises the gain directly in equity as capital reserve, without routing the same through OCI.

iv. Property, Plant and Equipment

Property, Plant and Equipment are stated at acquisition cost less accumulated depreciation and impairment losses, if any. Cost of Property, Plant and Equipment comprises purchase price, duties, levies (excluding input tax credit), and any directly attributable cost of bringing the asset to its working condition and location for the intended use.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. The present value of the expected cost for the decommissioning of an asset (after its use) is included in the cost of the respective asset if the recognition criteria for a provision are met.

Cost incurred on Property, Plant and Equipment not ready for their intended use is disclosed as Capital Work-in-Progress. Advances paid towards the acquisition of Property, Plant and Equipment outstanding at each balance sheet date are classified as capital advances under other non-current assets.

Depreciation on Property, Plant and Equipment other than leasehold improvements, is provided on written down value method as per the useful life and in the manner specified in Schedule II to the Act. Leasehold improvements are depreciated on straight line basis, over the lease period.

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

Asset class	Useful lives estimated by the management (in years)
Building (Including compensation paid for use of land)	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

Depreciation methods, useful lives and residual values are reviewed periodically, including at each financial year end.

An item of Property, Plant & Equipment is derecognised upon disposal and any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised. Assets to be disposed off are reported at the lower of the carrying value or the fair value less cost to sell.

v. Intangible assets

a. Frequency Module (FM) Radio Licenses

Non-Refundable One Time Migration Fee paid by the Company for existing FM Radio licenses upon migration to Phase III of the Licensing policy and Non-Refundable One Time Entry Fee paid by the Company for acquiring new FM radio licenses have been capitalised as an intangible asset. These assets are stated at cost less accumulated amortisation and impairment losses, if applicable.

A summary of amortisation policies applied to the licenses is tabulated below:

Asset class	Useful lives estimated by the management (in years)
Non-Refundable One Time Migration Fee	15 years with effect from April 1, 2015
Non-Refundable One Time Entry Fee	15 years from the date of operationalisation of the respective stations

The amortisation period and the amortisation method for finite-life intangible assets is reviewed at each financial year end and adjusted prospectively, if appropriate.

b. Goodwill

Goodwill represents the cost of business acquisition in excess of the Company's interest in the net fair value of identifiable assets and liabilities of the acquisition. Goodwill is measured at cost less accumulated impairment losses, if any.

c. Software

a. Software acquired 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 to the statement of profit and loss account in the year of purchase.

b. Expenditure on Enterprise Software such as SAP, Sales CRM and Performance Appraisal Software etc. where the economic benefit is expected to be more than a year is recognised as an "Intangible Asset" and are amortised over a period of 45 to 60 months.

vi. Investment property

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. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any. All repairs and maintenance costs incurred for the investment properties are charged to statement of profit and loss account when incurred.

Investment properties are depreciated using the written down value method over their estimated useful lives. Investment properties generally have a useful life of 60 years.

Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes (Refer note 5). Fair values are determined based on an annual evaluation performed by an accredited external independent valuer. 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 carrying value.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

vii. Borrowing cost

Borrowing cost directly attributable to qualifying assets, which take substantial period to get ready for its intended use, are capitalized to the extent they relate to the period until such assets are ready to be put to use. Other borrowing costs are recognised as an expense in the period in which they are incurred.

viii. 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.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

ix. Financial instruments

a. Recognition and initial measurement

The Company recognizes trade receivables, trade payables, cash and cash equivalents and debt securities when they are originated at transaction price. All other financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognised at fair value. Fair value of cash and cash equivalents, other bank balances, trade and other current financial assets, trade and other payables and short term borrowings approximate their carrying amounts due to the short maturities of these instruments. In case of financial assets and liabilities that are not measured at fair value through profit or loss, directly attributable transaction costs are added to the fair value on initial recognition.

b. Classification and subsequent measurement

i. Financial assets

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

- those to be measured at fair value through profit or loss; and
- those measured at amortised cost.

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

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.

Realised and unrealised gains/ losses arising from changes in the fair value of the "financial assets at fair value through profit or loss" investment category are included in the statement of profit and loss in the period in which they arise.

ii. Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest rate method. For trade and other payables, the carrying amounts represents the fair value due to the short maturity of these instruments.

Realised and unrealised gains/ losses arising from changes in the fair value of the "financial liabilities at fair value through profit or loss" are included in the statement of profit and loss in the period in which they arise.

iii. Investment in subsidiary

Investment in subsidiary is carried at cost.

c. Derecognition of financial instruments

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109- 'Financial Instruments'. A financial liability (or part of a financial liability) is derecognised from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

d. Impairment of financial assets

The Company assesses on a forward-looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in the credit risk.

For trade receivables, the Company applies the simplified approach permitted by Ind AS 109- 'Financial Instruments', which requires expected lifetime losses to be recognised from initial recognition of the receivables. Lifetime losses are the expected credit losses resulting from all possible default events over the expected life of a trade receivables.

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. Every year, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

x. Employee benefits

a. Defined Contribution Plans:

The Company has defined contribution plans for post-employment benefits such as Provident Fund, National Pension Scheme, Employee's State Insurance and Employee's Pension Scheme, 1995. The Company contributes to a government administered Provident Fund, state plan namely Employee's Pension Scheme, 1995, Employee's State Insurance Scheme and National Pension Scheme on behalf of its employees and has no further obligation beyond making its contribution.

The Company's contributions to the above funds are recognised in the statement of profit and loss every year.

b. Defined Benefit Plans:

The Company has defined benefit plans namely gratuity for all its employees. Liability for defined benefit plans is provided based on 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 and gains are recognised in other comprehensive income and shall not be reclassified to the statement of profit and loss in a subsequent period.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the statement of profit or loss as past service costs.

c. Other Long term benefits

The Company has other long term benefits namely compensated absences for all its employees. The liabilities in respect of compensated absences which are expected to be encashed / utilised before twelve months from the balance sheet date are short term. Other such liabilities are considered long term.

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

xi. 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 net off any lease incentives received from the lessor are charged to the statement of profit and loss on a straight line basis over the period of the lease unless the increase in payments is in line with the expected general inflation.

xii. Cash and cash equivalents

Cash and cash equivalents include cash in hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts, if any are shown as borrowings under current liabilities in the balance sheet.

xiii. 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. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events (such as bonus shares), if any other than the conversion of potential equity shares that have changed the number of equity shares outstanding without a corresponding change in resources. For 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.

xiv. 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

Current tax in the Statement of Profit and Loss is provided as the amount of tax payable in respect of taxable income for the period using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Minimum Alternate Tax (MAT)

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 a deferred tax 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. The Company reviews the 'Minimum Alternate Tax (MAT) Credit Entitlement' asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period i.e. the period for which MAT credit is allowed to be carried forward.

Deferred tax assets and liabilities

Deferred tax assets and liabilities are recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. 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.

Tax assets and liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets, if any are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Current and deferred tax is recognised in the statement of profit and loss, except to the extent that it relates to the items recognised in other comprehensive income or directly in equity. In such situations, the tax is also recognised in other comprehensive income or directly in equity, as the case may be.

Service tax/GST paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the amount of service tax/ GST, except

a. When the tax incurred on purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.

b. The net amount of tax receivable/ payable is included as part of receivables/payables, as the case may be, in the balance sheet.

xv. Impairment of non-financial assets

The Company assesses at each balance sheet date whether there is any indication that a non-financial asset, other than goodwill, may be impaired. If any such indication exists, the Company estimates the recoverable amount of such asset. If recoverable amount of such 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 carrying value.

Goodwill is not subject to amortisation and is tested for impairment on each reporting date. An impairment loss recognised for goodwill shall not be reversed in a subsequent period.

xvi. 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 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. If the effect of time value of money is material, provisions are discounted. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

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.

xvii. Dividends

Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of approval by the Company's Board of Directors.

xviii. License Fees

As per the applicable Frequency Module (FM) broadcasting policy, license fees is recognised in statement of profit and loss at the rate of 4% of gross revenue or minimum fixed fee for the concerned city, whichever is higher. Minimum fixed fee is 2.5% of the Non-Refundable One Time Entry Fee (NOTEF).

However, for the first three years of operations in the States of North East (i.e. Assam and Meghalaya) and Jammu & Kashmir the rate of License fee is 2% of Gross Revenue or 1.25% of NOTEF, whichever is higher.

Gross Revenue for this purpose shall mean revenue on the basis of billing rates inclusive of any taxes. Barter advertising contracts are also included in the gross revenue on the basis of relevant billing rates. NOTEF means the successful bid amount arrived at through an ascending e-auction process for private FM Radio Phase-III Channels conducted by the Ministry of Information & Broadcasting ('MIB').

2A. Critical estimates and / or judgements

The preparation of financial statements requires the use of accounting estimates, which will seldom equal the actual results. Management also needs to exercise judgement in applying the Company's accounting policies. This note provides an overview of the areas that involved more judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates or judgements are:

a. Measurement and likelihood of occurrence of provisions & contingencies - Refer Note 32 and Note 43
b. Useful life of intangible asset- Refer Note 7
c. Defined benefit obligation- Refer Note 37
d. Impairment of trade receivables- Refer Note 12
e. Recognition of deferred tax assets- Refer Note 20 and Note 32
f. Recognition of Revenue from contracts with customers – Refer Note 26 and Note 2(ii)

Estimates and judgements are continuously evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company. The estimates and judgments made by the management are believed to be reasonable under the prevailing circumstances.

NOTE 3 : PROPERTY, PLANT AND EQUIPMENT

(Refer Notes 2(iv) and (xv))

(₹ in lakhs)

Particulars	GROSS CARRYING VALUE				DEPRECIATION				NET CARRYING VALUE
	Carrying value as at April 1, 2017	Additions	Disposals	As at March 31, 2018	As at April 1, 2017	For the year	Disposals	As at March 31, 2018	As at March 31, 2018
Tangible Assets									
Building (Including compensation paid for use of land)	58.83	–	–	58.83	10.46	8.44	–	18.90	39.93
Leasehold Improvements	2,060.37	469.76	69.48	2,460.65	519.50	290.62	63.57	746.55	1,714.10
Office Equipments	221.37	82.95	16.38	287.94	56.07	46.45	5.00	97.51	190.43
Plant and Machinery (Refer Note A)	4,637.62	738.19	128.81	5,247.00	1,138.29	847.42	66.36	1,919.35	3,327.65
Computers	994.31	179.11	12.74	1,160.68	501.31	278.49	6.22	773.58	387.10
Furniture and Fixtures	102.77	48.01	2.09	148.69	48.33	18.69	0.84	66.19	82.50
Motor Vehicles	43.03	11.82	–	54.86	9.13	12.00	–	21.13	33.73
Total	**8,118.30**	**1,529.84**	**229.50**	**9,418.65**	**2,283.09**	**1,502.11**	**141.99**	**3,643.22**	**5,775.43**

Particulars	GROSS CARRYING VALUE				DEPRECIATION				NET CARRYING VALUE
	Carrying value as at April 1, 2018	Additions	Disposals	As at March 31, 2019	As at April 1, 2018	For the year	Disposals	As at March 31, 2019	As at March 31, 2019
Tangible Assets									
Building (Including compensation paid for use of land)	58.83	–	–	58.83	18.90	8.39	0.00	27.29	31.54
Leasehold Improvements	2,460.65	1,063.13	53.15	3,470.63	746.55	285.42	53.14	978.82	2,491.80
Office Equipments	287.94	133.54	11.86	409.62	97.51	99.61	4.78	192.34	217.29
Plant and Machinery (Refer Note A)	5,247.00	2,234.45	53.76	7,427.69	1,919.35	900.29	30.96	2,788.68	4,639.01
Computers	1,160.68	504.42	24.74	1,640.36	773.58	348.47	18.71	1,103.35	537.01
Furniture and Fixtures	148.69	50.76	9.73	189.72	66.19	23.88	8.01	82.06	107.66
Motor Vehicles	54.86	19.50	2.22	72.14	21.13	13.43	1.78	32.78	39.36
Total	**9,418.65**	**4,005.80**	**155.46**	**13,268.99**	**3,643.22**	**1,679.49**	**117.38**	**5,205.32**	**8,063.67**

Note :

A. Net carrying value of Plant and Machinery includes jointly held assets at Common Transmission Infrastructure (CTI) amounting to ₹ 1,329.98. Lakhs (as at March 31,2018- ₹ 815.62 Lakhs).

NOTE 4 : CAPITAL WORK IN PROGRESS

(₹ in lakhs)

Particulars	Amount
Carrying value as at March 31, 2017	**6,643.82**
Add: Additions for the year	2,024.94
Less: Amount Capitalized out of the same	2,409.95
Carrying value as at March 31, 2018	**6,258.81**
Add: Additions for the year	4,409.94
Less: Amount Capitalized out of the same	8,473.53
Closing balance as on March 31, 2019	**2,195.22**

Note : Capital Work in Progress includes, inter alia, Non refundable One Time Entry Fees (NOTEF) for stations yet to be launched, borrowing cost capitalised on the same and the other assets necessary for getting the stations operationalised. Additions for the year includes borrowing cost of ₹ 234.19 lakhs (March 31, 2018 ₹ 362.26 lakhs)

NOTE 5 : INVESTMENT PROPERTIES

(Refer Note 2(vi))

(₹ in lakhs)

Particulars	Amount
Gross Block as on March 31, 2017	**103.04**
Less : Depreciation	1.58
Less : Impairment	15.52
Net Block as on March 31, 2018	**85.94**
Add : Additions	120.08
Add : Impairment reversal of earlier year included in other income	3.42
Less : Depreciation	1.20
Less : Impairment	–
Net Block as on March 31, 2019	**208.24**

Note: Company's Investment Property consists of commercial properties whose fair value is as tabulated below. These valuations are based on valuations performed by independent valuer.

Fair value	
As at March 31, 2018	85.94
As at March 31, 2019	210.92

NOTE 6 : GOODWILL

(Refer Note 2 (v)(b))

(₹ in lakhs)

Particulars	Amount
Carrying value as on March 31,2017	**46.49**
Less: Impairment	–
Carrying value as on March 31, 2018	**46.49**
Less: Impairment	–
Carrying value as on March 31, 2019	**46.49**

Note : The Company tests whether goodwill has suffered any impairment at each reporting date. The recoverable amount of a cash generating unit (CGU) is determined based on value-in-use calculations which require the use of assumptions. The calculations use cash flow projections based on financial budgets approved by the management covering a five-year period. This is discounted at the borrowing cost of the Company.

NOTE 7 : OTHER INTANGIBLE ASSETS

(Refer Notes 2(v)(a), 2(v)(c), and (xv))

(₹ in lakhs)

Particulars	GROSS CARRYING VALUE				AMORTISATION				NET CARRYING VALUE
	Carrying value as at April 1, 2017	Additions	Disposals	As at March 31, 2018	As at April 1, 2017	For the year	Disposals	As at March 31, 2018	As at March 31, 2018
Computer Software	80.21	–	–	80.21	71.60	2.46	–	74.06	6.15
Migration Fees (Refer Note A)	36,804.74	–	–	36,804.74	4,871.54	2,456.63	–	7,328.17	29,476.57
One Time Entry Fees (Refer Note B and C)	35,185.72	880.11	–	36,065.84	1,659.50	2,367.00	–	4,026.50	32,039.34
Total	**72,070.67**	**880.11**	**–**	**72,950.79**	**6,602.64**	**4,826.09**	**–**	**11,428.73**	**61,522.06**

Particulars	GROSS CARRYING VALUE				AMORTISATION				NET CARRYING VALUE
	Carrying value as at April 1, 2018	Additions	Disposals	As at March 31, 2019	As at April 1, 2018	For the year	Disposals	As at March 31, 2019	As at March 31, 2019
Computer Software	80.21	220.73	-	300.94	74.06	45.72	-	119.78	181.16
Migration Fees (Refer Note A)	36,804.74	-	-	36,804.74	7,328.17	2,456.63	-	9,784.80	27,019.94
One Time Entry Fees (Refer Note B and C)	36,065.84	4,247.00	40.46	40,272.39	4,026.50	2,527.70	40.46	6,513.74	33,758.65
Total	**72,950.79**	**4,467.73**	**40.46**	**77,378.07**	**11,428.73**	**5,030.05**	**40.46**	16,418.32	60,959.75

Notes:

A) As per the modified policy for expansion of FM Radio Broadcasting Services through Private Agencies (Phase III), effective April 1, 2015 the Company was given the option to migrate all its existing licenses from Phase II regime to Phase III regime on payment of Non Refundable One Time Migration Fee ('NOTMF'). NOTMF for each station was determined based on the prescribed formula by the MIB vide its order dated January 21, 2015. The Company had exercised the option to migrate 35 out of its 36 stations from Phase II to Phase III for which the gross migration fee was ₹ 36,558.51 Lakhs and the net migration fee after taking into account the residual value of the Phase II licenses was ₹ 34,082.48 lakhs . NOTMF has a remaining amortisation period of eleven years.

B) In the Financial year 2015-16, the Company had won 17 new licenses in the Phase III auctions. The Company paid ₹ 33,924.23 Lakhs Non Refundable One Time Entry Fees ('NOTEF') for these stations. The NOTEF was partially funded through borrowings. During the year 2016-17 the Company had won 21 new licenses in the Batch 2 of Phase III auctions. The Company paid Non-refundable One Time Entry Fee ("NOTEF") of ₹ 5140.43 lakhs for these licenses. The NOTEF was funded through borrowings. All the Phase III licenses have a tenure of 15 years from the date of operationalization of such licenses.

C) Addition to gross carrying value Includes borrowing cost of ₹ 431.56 lakhs (As at March 31, 2018: ₹ 77.03 lakhs) on account of NOTEF for stations launched during the year.

NOTE 8 : NON-CURRENT INVESTMENTS

(Refer Note 2(ix))

(₹ in lakhs)

Particulars	Figures as at March 31, 2019		Figures as at March 31, 2018	
	Nos. of Shares	Amount	Nos. of Shares	Amount
Unquoted Equity Investments in Subsidiary Companies at cost:				
Equity Shares of Alternate Brand Solutions (India) Limited of ₹ 10 each fully paid-up	1,600,000	702.50	1,600,000	702.50
Equity Shares of Entertainment Network, INC of US$ 1 each fully paid-up (Refer Note below)	500,000	356.00	–	–
Total equity investments		**1,058.50**		**702.50**
Total Non-Current Investments		**1,058.50**		**702.50**

Note : During the current year, the Company incorporated in the United States of America (US), a wholly owned subsidiary, Entertainment Network, INC and its step-down subsidiary, Entertainment Network, LLC to commence radio broadcasting related businesses targeting the South Asian community markets. Further, the Company has entered into brand and content license arrangement with another radio broadcaster catering to the South Asian diaspora in the US.

NOTE 9 : OTHERS (Refer Note 2 (ix))

(₹ in lakhs)

	Figures as at March 31, 2019	Figures as at March 31, 2018
(Unsecured, considered good, unless otherwise stated)		
Security Deposits	2,307.06	2,227.24
Employee loans	–	1.00
Total	**2,307.06**	**2,228.24**
NOTE 10 : OTHER NON-CURRENT ASSETS		
Capital advances	496.05	1,744.61
Advance tax and tax deducted at source	480.51	452.29
[Net of provision of ₹ 7,091.69 Lakhs (Previous Year : ₹ 6,813.46 Lakhs)]		
Other Non Current Assets	0.80	15.67
Total other non current assets	**977.36**	**2,212.57**

NOTE 11 : CURRENT INVESTMENTS
(Refer Note 2(ix))

(₹ in lakhs)

Particulars	Figures as at March 31, 2019		Figures as at March 31, 2018	
	Nos. of Units	Amount	Nos. of Units	Amount
Non-Trade, Current (Quoted - Mutual Funds) at Fair value through profit and loss				
DHFL Pramerica Insta Cash Plus Fund - Bonus, of ₹ 100 each (March 31, 2018 - ₹ 100 each)	323,887	535.87	323,887	498.19
Invesco India Treasury Advantage Fund (Formerly Ultra Short Term Fund) - Direct Plan Bonus, of ₹ 1,000 each (March 31, 2018 - ₹ 1,000 each)	67,228	986.01	67,228	913.54
Edelweiss India Liquid Fund -Direct Plan - Bonus, of ₹ 1,000 each (March 31, 2018 - ₹ 1,000 each)	61,218	855.99	61,218	795.71
DHFL Pramerica Ultra Short Term Fund - Direct Plan - Growth, of ₹ 10 each (March 31, 2018 - ₹ 10 each) (formerly DWS Ultra Short Term Fund)	–	–	9,541,135	2,035.37
DHFL Pramerica Short Maturity Fund - Direct Plan - Annual Bonus, of ₹ 10 each (March 31, 2018 - ₹ 10 each) (formerly DWS Short Maturity Fund)	–	–	1,154,308	255.88
DHFL Pramerica Low Duration Fund - Annual Bonus, of ₹ 10 each (March 31, 2018 - ₹ 10 each) (formerly DWS Cash Opportunities Fund)	–	–	4,161,594	586.55
ICICI Prudential Liquid - Direct Plan - Growth, of ₹ 100 each (March 31, 2018 - ₹ 100 each)	2,694,278	7,447.43	2,238,490	5,755.98
Sundaram Low Duration Fund - Direct Growth, of ₹ 10 each (March 31, 2018 - ₹ 10 each)	1,149,826	302.56	1,149,826	279.95
Sundaram Short Term Debt Fund Direct Bonus (Bonus Units), of ₹ 10 each (March 31, 2018 - ₹ 10 each)	2,404,436	401.64	2,404,436	372.86
Sundaram Banking and PSU Debt Fund Direct Plan Bonus, of ₹ 10 each (March 31, 2018 - ₹ 10 each)	5,105,654	751.35	5,105,654	698.71
DSP BlackRock Liquidity Fund - Direct Plan - Growth, of ₹ 1,000 each (March 31, 2018 - ₹ 1,000 each)	83,711	2,237.91	134,238	3,336.24
Total Current Investments		**13,518.76**		**15,528.98**

Aggregate amount of quoted instruments is ₹ 13,518.76 Lakhs (March 31 2018: ₹ 15,528.98 Lakhs)

(₹ in lakhs)

	Figures as at March 31, 2019	Figures as at March 31, 2018
NOTE 12 : TRADE RECEIVABLES (Refer Note 2 (ix))		
Unsecured, considered good		
From related parties (Refer Note 39)	3,881.58	1,389.02
From others	16,134.02	15,630.88
Total Trade Receivables (net)	**20,015.60**	**17,019.90**
Breakup of Security Details		
Secured, considered good	–	–
Unsecured considered good	20,015.60	17,019.90
Trade Receivables which have significant increase in credit risk	–	–
Trade Receivables - Credit Impaired	2,589.44	1,973.41
	22,605.04	**18,993.31**
Less: Allowance for doubtful trade receivables		
Unsecured considered good	–	–
Trade Receivables which have significant increase in credit risk	–	–
Trade Receivables - Credit Impaired	(2,589.44)	(1,973.41)
Total Receivables (net)	**20,015.60**	**17,019.90**

Note:

A) No trade or other receivables are due from directors or other officers of the Company either severally or jointly with any other person. Further, no trade or other receivables are due from firms or Private Companies respectively in which any director is a partner, a director or a member.

B) Trade receivables are non-interest bearing and are generally on terms of credit.

NOTE 13 : CASH AND CASH EQUIVALENTS (Refer Note 2 (xii))		
Cheques on hand	488.81	22.99
Balances with banks :		
Current Accounts	1,652.58	1,769.14
Total cash and cash equivalents	**2,141.39**	**1,792.13**
NOTE 14 : OTHER BANK BALANCES (Refer Note 2 (xii))		
On Unpaid dividend account	1.18	0.62
Balances with bank held as security against guarantees issued by banks		
Margin money deposits	–	4.28
Total Other Bank Balances	**1.18**	**4.90**
NOTE 15 : OTHER CURRENT FINANCIAL ASSETS		
(Unsecured, considered good unless otherwise stated)		
Due from related parties	34.71	5.86
Security Deposits	109.61	117.94
Interest accrued on deposits	0.02	0.02
Contract assets	157.21	111.14
Total other current financial assets	**301.55**	**234.96**
NOTE 16: OTHER CURRENT ASSETS		
(Unsecured, considered good unless otherwise stated)		
Prepaid expenses	1,561.04	1,542.90
Advances recoverable in cash or in kind or for value to be received	851.54	529.67
Other Current Assets	25.00	34.26
Total other current assets	**2,437.58**	**2,106.83**

(₹ in lakhs)

	Figures as at March 31, 2019	Figures as at March 31, 2018
NOTE 17 : EQUITY SHARE CAPITAL		
Authorised Capital		
12,00,00,000 (Previous Year : 12,00,00,000) Equity Shares of ₹ 10 each	**12,000.00**	**12,000.00**
Issued and Subscribed		
4,76,70,415 (Previous Year : 4,76,70,415) Equity Shares of ₹ 10 each fully paid-up		
Share Capital	4,767.04	4,767.04
	4,767.04	**4,767.04**

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**	**No. of Shares**	**No. of Shares**
i) Equity Shares of ₹ 10 each held by Bennett, Coleman & Company Limited, the Holding Company.	33,918,400	33,918,400
(c) **Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company**	**No. of Shares (in %)**	**No. of Shares (in %)**
i) Bennett, Coleman & Company Limited, the Holding Company.	33,918,400 (71.15%)	33,918,400 (71.15%)

	Figures as at March 31, 2019	Figures as at March 31, 2018
NOTE 18 : OTHER EQUITY		
Securities Premium Account	18,852.16	18,852.16
Retained Earnings	69,604.02	64,807.01
	88,456.18	**83,659.17**
Retained Earnings		
Balance as at beginning of the year	64,807.01	61,847.42
Add : Profit for the year	5,391.85	3,515.89
Add : Other comprehensive income for the year	(20.15)	17.45
Less: Dividend on equity shares (Refer Note 36)	(476.70)	(476.70)
[per share ₹ 1.00 (Previous Year: ₹ 1.00)]		
Less: Dividend distribution tax (Refer Note 36)	(97.99)	(97.05)
Closing Balance as at the end of the year	**69,604.02**	**64,807.01**
NOTE 19: PROVISIONS (Non Current)		
Provision for employee benefits		
Provision for gratuity (Refer Notes 2(x) and 37)	796.04	722.27
Provision for compensated absences (Refer Notes 2(x))	215.10	195.08
Total provision (Non Current)	**1,011.14**	**917.35**

(₹ in lakhs)

	Figures as at March 31, 2019	Figures as at March 31, 2018
NOTE 20 : DEFERRED TAX LIABILITIES (NET) (Refer Note 2(xiv))		
Deferred tax assets and liabilities are attributable to the following items :		
Assets:		
Provision for bad and doubtful debts	904.85	689.59
Provision for compensated absences	109.89	100.01
Provision for gratuity	308.06	277.86
Deferred rent	11.30	15.35
MAT credit entitlement	5,629.51	3,740.99
Business loss carried forward	–	1,536.24
Others	544.29	547.11
	7,507.90	**6,907.15**
Liabilities:		
Depreciation	10,011.20	8,197.36
Income on fair value of investments	946.91	1,150.15
Others	10.64	14.76
	10,968.75	**9,362.27**
Total deferred tax liabilities (net)	**3,460.85**	**2,455.12**
NOTE 21: SHORT TERM BORROWINGS (Refer Note 2 (ix))		
Unsecured Loans		
Commercial Papers	–	10,396.06
Total Short Term Borrowings	**–**	**10,396.06**

In the previous year, Commercial Papers having maturity value of ₹ 11,000 lakhs were issued on January 23, 2018 for a tenure of 364 days at a yield of 7.20% p.a. on the issue price. These were repaid in the current year.

	Figures as at March 31, 2019	Figures as at March 31, 2018
NOTE 22 : TRADE PAYABLES		
(A) total outstanding of micro enterprises and small enterprises (Refer Note 35)	12.94	–
	12.94	**–**
(B) total outstanding dues of creditors other than micro enterprises and small enterprises		
Payable to related parties (Refer Note 39)	24.53	56.79
Other Trade payables	12,595.00	10,430.05
	12,619.53	**10,486.84**
Total Trade Payables	**12,632.47**	**10,486.84**
NOTE 23: OTHER CURRENT FINANCIAL LIABILITIES		
Unpaid dividend	1.18	0.62
Security deposit	22.78	22.78
Total Other Current Financial Liabilities	**23.96**	**23.40**

(₹ in lakhs)

	Figures as at March 31, 2019	Figures as at March 31, 2018
NOTE 24 : OTHER CURRENT LIABILITIES		
Contract liabilities	1,045.30	508.90
Statutory dues	1,088.05	863.07
Employee dues	1,482.05	1,205.44
Provision for bonus	61.52	61.52
Other Current Liabilities	18.89	11.80
Total Other Current Liabilities	**3,695.81**	**2,650.73**
NOTE 25 : PROVISIONS (CURRENT)		
Provision for employee benefits		
Provision for gratuity (Refer Notes 2(x) and 37)	85.53	72.91
Provision for compensated absences (Refer Notes 2(x))	99.37	91.12
Total Provisions (Current)	**184.90**	**164.03**

(₹ in lakhs)

	2018-19	2017-18
NOTE 26 : REVENUE FROM CONTRACT WITH CUSTOMERS AND OTHER OPERATING INCOME		
A) Revenue from contracts with customers		
Revenue disaggregation by type of service		
I) Radio Advertising Services (FCT)	41,245.40	36,618.80
Total (A)	**41,245.40**	**36,618.80**
II) Solutions business		
a) Branded Solutions	13,352.25	10,848.65
b) Managed Solutions	6,746.93	5,207.50
Total (B)	**20,099.18**	**16,056.15**
Total Revenue (A+B)	**61,344.58**	**52,674.95**

While disclosing the aggregate amount of transaction price yet to be recognised as revenue towards unsatisfied (or partially satisfied) performance obligations, along with the broad time band for the expected time to recognise those revenues, the Company has applied the practical expedient in Ind AS 115 as unsatisfied (or partially satisfied) performance obligation are parts of contracts that have an original expected duration of one year or less. Accordingly, the Company has not disclosed the aggregate transaction price allocated to unsatisfied (or partially satisfied) performance obligations which pertain to contracts where revenue recognised corresponds to the value transferred to customer typically involving time and material, outcome based and event based contracts.

Changes in contract assets are as follows:		
Balance at the beginning of the year	111.14	
Less : Invoices raised during the year	(111.14)	
Add: Revenue recognised during the year	157.21	
Balance at the end of the year	**157.21**	
Changes in contract liabilities are as follows:		
Balance at the beginning of the year	(508.90)	
Less: Revenue recognised that was included in the contract liabilities balance at the beginning of the year	375.40	
Less: Unclaimed credit written back	133.50	
Add: Increase due to invoicing during the year, excluding amounts recognised as revenue during the year	(1,045.30)	
Balance at the end of the year	**(1,045.30)**	
B) Other operating income		
Provision no longer required written back	537.52	945.84
Other Operating Income	166.37	86.19
	703.89	**1,032.03**

(₹ in lakhs)

	2018-19	2017-18
NOTE 27 : OTHER INCOME		
Interest income (Refer Note 2(ix)		
– On fixed deposits	0.18	0.26
– On fair valuation of deposits	34.60	18.51
– On others	23.62	3.33
Profit on sale of current investments (Refer Note 2(ix))	759.61	139.28
Gain on fair value of investment (Refer Notes 2(ix))	470.14	674.92
Profit on Sale of Fixed Assets (net)	8.89	–
Management Fees	16.80	–
Rent Income	41.86	45.06
Unclaimed credit written back	133.50	1.62
Miscellaneous Income	3.75	0.56
	1,492.95	**883.54**
NOTE 28 : EMPLOYEE BENEFITS EXPENSE		
Salaries, wages and bonus	11,699.60	10,823.60
Contributions to provident and other funds (Refer Notes 2(x))	390.50	375.22
Gratuity (Refer Notes 2(x) and 37)	155.64	149.72
Staff welfare expenses	372.30	505.44
	12,618.04	**11,853.98**
NOTE 29 : FINANCE COST		
Interest expense:		
On Commercial papers	369.81	457.44
On Others	27.62	14.57
	397.43	**472.01**
NOTE 30 : DEPRECIATION AND AMORTISATION		
Depreciation on Property plant & equipment (Refer Note 2(iv))	1,679.49	1,502.11
Depreciation on Investment Property (Refer Note 2(vi))	1.20	1.33
Impairment of Investment Property (Refer Note 2(vi))	–	15.52
Amortisation (Refer Note 2(v))	5,030.05	4,826.09
	6,710.74	**6,345.05**

(₹ in lakhs)

	2018-19	2017-18
NOTE 31 : OPERATING AND OTHER EXPENSES		
Royalty	2,221.20	1,943.32
Programming and production expenses	16,144.87	12,281.12
Technical costs	166.69	129.09
License fees (Refer Note 2(xviii))	3,641.58	3,469.01
Rent	3,465.07	3,006.93
Rates and taxes	70.01	68.36
Power and fuel	1,468.41	1,365.58
Marketing	1,442.42	2,038.88
Travelling and Conveyance	1,362.08	1,189.37
Insurance	77.64	65.34
Communication	195.02	194.14
Repairs and maintenance on :		
– Buildings	22.11	20.43
– Plant and Machinery	958.20	900.53
– Others	536.33	467.17
Legal and professional fees	1,252.17	980.37
Software expenses (Refer Note 2(v)(c))	332.37	385.24
Payments to auditors		
As Auditors:		
– Audit fee	40.00	36.00
– Other services	4.25	1.00
– Reimbursement of expenses	2.19	2.80
	46.44	**39.80**
Bad debts written off	230.93	429.99
Provision for doubtful debts	616.03	308.12
Provision for doubtful debts withdrawn	–	(200.23)
	616.03	**107.89**
Loss on sale of tangible assets	–	33.70
Tangible assets written off	17.81	39.73
Director's sitting fees and commission	56.60	26.70
Expenditure towards Corporate Social Responsibility Activities (Refer Note 41)	211.54	211.00
Miscellaneous expenses	913.54	800.23
	35,449.06	**30,193.92**

32. INCOME TAX EXPENSE

a. The major components of income tax expense for the years ended March 31, 2019 and March 31, 2018 are:

(₹ in lakhs)

Particulars	March 31, 2019	March 31, 2018
Income tax expense		
Current tax	1,957.58	1,483.00
Deferred tax		
Decrease / (increase) in deferred tax assets	1,287.94	(506.36)
Unused tax credits (MAT)	(1,888.52)	(1,483.00)
(Decrease) / increase in deferred tax liabilities	1,606.48	2,765.35
Total deferred tax expense	**1,005.90**	**775.99**
Deferred Tax of earlier years	–	383.68
Income tax expense	**2,963.48**	**2,642.67**
Out of the above recognised in:		
Statement of profit and loss as total tax expenses	**2,974.30**	**2,633.43**
Other Comprehensive Income	**(10.82)**	**9.24**

b. Reconciliation of income tax expenses and the accounting profit multiplied by tax rate for the year ended:

(₹ in lakhs)

Particulars	March 31, 2019	March 31, 2018
Profit before taxation	8,366.15	6,149.32
Tax at the maximum tax rate of 34.94%	2,923.47	2,128.16
Reconciling items		
Tax saving due to Capital Gains	(22.28)	(9.93)
Disallowances	73.92	73.01
Tax on Other comprehensive income	(10.82)	9.24
Increase in Rate	–	59.58
Prior Year Tax Expenses	–	383.68
Others	(0.81)	(1.07)
Tax expenses as per profit and loss account	**2,963.48**	**2,642.67**

33. COMMITMENTS TO THE EXTENT NOT PROVIDED FOR

Estimated amount of capital expenditure contracted for at the end of the reporting period but not recognised as liabilities are as follows:

(₹ in lakhs)

Particulars	2018-19	2017-18
Property, Plant and Equipment	519.82	885.72
Total	**519.82**	**885.72**

34. DISCLOSURES FOR OPERATING LEASES

Disclosure in respect of lease arrangements entered by the Company are as follows:-

a. The Company has entered into agreements for transmission towers and office and residential premises taken on lease.

b. Lease payments recognised in the statement of profit and loss ₹ 3,430.28 lakhs (March 31, 2018 - ₹ 2,987.78 lakhs).

c. Of the total leases, eighteen lease licenses have a lock in period ranging from two years to five years. All the other agreements are cancellable at the option of the Company.

Future minimum rentals payable under non-cancellable operating leases are as follows:

(₹ in lakhs)

Particulars	March 31, 2019	March 31, 2018
Within one year	459.37	766.69
After one year but not more than five years	332.80	778.81
Total	**792.17**	**1,545.50**

35. TRADE PAYABLES

Details of Micro, Small & Medium Enterprises

Information as per the requirement of Section 22 of The Micro, Small and Medium Enterprises Development Act, 2006:

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
a. The principal amount remaining unpaid to any supplier at the end of accounting year included in		
i. trade payables	11.24	–
ii. The interest due on above	1.70	–
The total of (i) & (ii)	**12.94**	**–**
b. The amount of interest paid by the buyer in terms of section 16 of the Act	–	–
c. The amount of the payment made to the supplier beyond the appointed day during the accounting year	–	–
d. The amounts of interest accrued and remaining unpaid at the end of financial year	1.70	–
e. The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the due date during the year) but without adding the interest specified under this Act.	–	–

36. DIVIDEND PAID AND PROPOSED

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Dividends declared and paid on equity shares:		
Dividend for the year ended on March 31, 2018 - ₹ 1 per share (March 31, 2017 - ₹ 1 per share)	476.70	476.70
Dividend distribution tax on above	97.99	97.05
Proposed Dividend on equity shares: (Refer Note below)		
Dividend for the year ended on March 31, 2019 - ₹ 1 per share (March 31, 2018- ₹ 1 per share)	476.70	476.70
Dividend distribution tax on above (DDT)	97.99	97.99

Note : Proposed dividends on equity shares are subject to approval at the annual general meeting and are not recognised as a liability (including DDT thereon) as at March 31, 2019.

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

I) Defined Contribution Plans

a) Provident Fund

b) Employee's Pension Scheme

c) Employee State Insurance Scheme

d) National Pension Scheme

During the year, the Company has recognised the following amounts in the statement of profit and loss: -

(₹ in lakhs)

Particulars	2018-2019	2017-2018
– Employers' Contribution to Provident Fund*	231.22	229.92
– Employers' Contribution to Employee's Pension Scheme 1995*	143.73	130.75
– Employers' Contribution to Employee State Insurance Scheme*	3.43	3.59
– Employers' Contribution to National Pension Scheme*	12.12	10.96

* Included in Contributions to Provident and Other Funds (Refer Note 28)

II) Defined Benefit Plans

Post-employment obligations

Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees' last drawn basic salary per month computed proportionately for 15 days' salary multiplied for the number of years of service. The liability in respect of gratuity is uncapped and is not restricted to ₹ 20 lakhs.

These plans typically expose the Company to actuarial risks such as interest risk and salary inflation risk.

a) Interest risk – A decrease in the discount rate will increase the plan liability.

b) Salary inflation risk – The present value of the defined plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

In accordance with Ind AS 19, actuarial valuation was done in respect of the aforesaid Defined Benefit

Plan of gratuity (unfunded) based on the following assumptions: -

Particulars	As at March 31, 2019	As at March 31, 2018
Discount Rate (per annum)	7.22%	7.65%
Rate of increase in Compensation levels	8.00%	8.00%
Rate of Employee Turnover	For service 2 years and below 25% p.a., For service 3 years to 4 years 20% p.a., For service 5 years and above 10% p.a.	For service 2 years and below 25% p.a., For service 3 years to 4 years 20% p.a., For service 5 years and above 10% p.a.
Mortality rate during employment	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate

A) Changes in the Present Value of Obligation

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Present Value of Obligation at the beginning of the year	795.18	775.88
Interest Cost	60.83	52.84
Past Service Cost	–	–
Current Service Cost	94.81	96.88
Benefits Paid	(100.21)	(103.73)
Actuarial (Gain) / Loss on obligations	30.97	(26.69)
Effect of Transfer In / (Transfer Out)	–	–
Present Value of Obligation as at the year end	**881.58**	**795.18**

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

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
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	881.58	795.18
Unrecognised Actuarial (Gains) / Losses	–	–
Unfunded (Liability) recognised in Balance Sheet	**881.58**	**795.18**

C) Amount recognised in the Balance Sheet

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Present Value of Defined Benefit Obligation at the end of the year	881.58	795.18
Fair Value of Plan Assets as at the end of the year	–	–
Liability recognised in the Balance Sheet	881.58	795.18
Recognised under:		
Long term provisions	796.05	722.27
Short term provisions	85.53	72.91

D) **Expenses recognised in the Statement of Profit and Loss**

(₹ in lakhs)

Particulars	2018-2019	2017-2018
Current Service Cost	94.81	96.88
Past Service Cost	–	–
Interest Cost	60.83	52.84
Total amount recognised in profit or loss	**155.64**	**149.72**
(Gain)/loss from change in demographic assumptions	–	–
(Gain)/loss from change in financial assumptions	23.51	(45.16)
Experience (gains)/losses	7.46	18.48
Total Expenses recognised in the statement of Profit and Loss	**186.61**	**123.04**

E) **Experience Adjustment**

(₹ in lakhs)

Particulars	2018-2019	2017-2018
Defined Benefit Obligation	881.58	795.18
Plan Assets	–	–
Deficit / (Surplus)	881.58	795.18
Experience Adjustment on Plan Liabilities (Gain) / Loss	30.97	(26.69)

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.

F) **Sensitivity Analysis**

Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity of the defined benefit obligation to changes in the principal assumptions:

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Projected Benefit Obligation on Current Assumptions	881.58	795.18
Delta Effect of +1% Change in Rate of Discounting	(52.87)	(48.08)
Delta Effect of -1% Change in Rate of Discounting	59.75	54.31
Delta Effect of +1% Change in Rate of Salary Increase	58.71	53.60
Delta Effect of -1% Change in Rate of Salary Increase	(52.98)	(48.36)
Delta Effect of +1% Change in Rate of Employee Turnover	(5.24)	(3.19)
Delta Effect of -1% Change in Rate of Employee Turnover	5.62	3.38

G) **Maturity analysis of Projected Benefit Obligation from the employer**

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
1st Following Year	85.53	72.91
2nd Following Year	77.48	80.01
3rd Following Year	86.73	72.72
4th Following Year	80.33	79.52
5th Following Year	132.17	72.77
Sum of Years 6 To 10	388.49	409.07
Sum of Years 11 and above	721.18	697.33

H) **Other details**

Weighted Average Duration of the Projected Benefit Obligation as on March 31, 2019 is 8 years (March 31, 2018 - 8 years).

38. SEGMENT INFORMATION

In accordance with Accounting Standard Ind AS 108 'Operating Segment' segment information has been disclosed in the consolidated financial statements of Entertainment Network (India) Limited, and therefore, no separate disclosure on segment information is given in these financial statements.

39. RELATED PARTY DISCLOSURES

i. **Parties where control exists**

Bennett, Coleman & Company Limited (BCCL) – Holding Company

ii. **Subsidiary Companies**

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

Entertainment Network, INC (EN INC) – Subsidiary Company (w.e.f January 9, 2019)

Entertainment Network, LLC (EN LLC) – Subsidiary of EN INC (w.e.f January 9, 2019)

iii. **Fellow Subsidiary Companies**

Mirchi Movies Limited (MML)#*

Grade Stack Learning Private Limited (GSLPL)

Times Innovative Media Limited (TIM)

TIM Delhi Airport Advertising Private Limited (TIMDA)*

Times Internet Limited (TIL) #

Zoom Entertainment Network Limited (ZENL)*

Gamma Gaana Limited (GGL)

Metropolitan Media Company Limited (formerly Times VPL Limited) (MMCL)

Vardhaman Publishers Limited (VPL)

Magic Bricks Reality Services Limited (MBRSL)

Brand Equity Treaties Limited (BETL)

BCCL Media International FZ- LLC (BCCL MI)

Worldwide Media Private Limited (WWM)

MX Media and Entertainment Pte Ltd (MX Media)

Quickleap Solutions Limited (QSPL)

iv. Related Parties of Ultimate Holding Company

Aegon Life Insurance Company Limited (ALIC)*
Inventz Life Science Pvt.Ltd (ILS)
OML Entertainment Private Limited (OMLEPL)

v. Key Management Personnel

Managing Director & Chief Executive Officer
Mr. Prashant Panday

Executive Director & Group CFO
Mr. N Subramanian (w.e.f November 2, 2018)

Non-Executive Directors
Mr. Vineet Jain
Mr. N.Kumar
Mr. Richard Saldanha
Mr. Ravindra Kulkarni
Ms. Punita Lal (from March 28, 2016 to November 15, 2017)
Ms. Sukanya Kripalu (w.e.f May 23, 2018)

Mirchi Movies Limited (MML) has been merged into Times Internet Limited (TIL) in the previous year.

* There are no transactions with the entities during the year.

notes

Forming part of the Financial Statements

vi. Transactions with Related Parties

(₹ in lakhs)

Particulars	2018-2019																			
	Holding Company	Subsidiary Company	Subsidiary of EN INC	Fellow Subsidiary Companies														Related Parties of the Holding Company		
	BCCL	EN INC	EN LLC	GLSPL	TIM	TIMDA	TIL	ZENL	GGL	MMCL	VPL	MBRSL	BETL	BCCL MI	WWM	MX Media	QSPL	OMLEPL	ILS	ALIC
Transactions with Related Parties :																				
Revenue from contract with customers	10,809.47	–	3.03	1.85	4.00	–	219.25	–	748.37	17.85	–	54.78	685.84	167.39	45.12	129.49	23.82	2.40	1.00	–
Rendering of services	5.85	–	–	–	52.81	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Receiving of services	1,273.28	–	–	–	95.63	–	133.69	–	452.19	8.50	1.58	–	–	–	74.96	–	–	2.40	–	–
Recovery of Expenses	0.38	–	–	–	81.58	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Equity Contribution	–	356.00	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Dividend paid	339.18	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Year end Balances with Related Parties :																			–	
Trade Receivables	2,918.47	–	3.03	–	–	–	87.19	–	418.05	6.57	–	6.59	210.56	77.04	–	129.49	27.63	–	–	–
Non-trade Receivables (net)	–	–	–	–	34.71	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Payables (net)	–	–	–	–	–	–	2.30	–	–	–	–	–	–	–	22.23	–	–	–	–	–

(₹ in lakhs)

Particulars	2017-2018																			
	Holding Company	Subsidiary Company	Subsidiary of EN INC	Fellow Subsidiary Companies														Related Parties of the Holding Company		
	BCCL	EN INC	EN LLC	GLSPL	TIM	TIMDA	TIL	ZENL	GGL	MMCL	VPL	MBRSL	BETL	BCCL MI	WWM	MX Media	QSPL	OMLEPL	ILS	ALIC
Transactions with Related Parties :																				
Revenue from contract with customers	6,784.31	–	–	–	–	–	206.35	7.27	208.39	6.94	–	65.61	116.47	–	79.71	–	–	–	–	8.00
Rendering of services	7.02	–	–	–	36.80	1.23	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Receiving of services	581.44	–	–	–	136.93	–	141.67	–	423.71	12.14	1.59	–	–	–	79.66	–	–	–	–	–
Recovery of Expenses	1.66	–	–	–	109.86	0.78	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Equity Contribution	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Dividend paid	339.18	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Year end Balances with Related Parties :																				
Trade Receivables	1,312.02	–	–	–	–	–	17.19	36.62	–	–	–	–	11.20	–	12.00	–	–	–	–	–
Non-trade Receivables (net)	–	–	–	–	5.86	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Payables (net)	–	–	–	–	–	–	0.90	–	50.52	5.37	–	–	–	–	–	–	–	–	–	–

vii. Details relating to Persons referred to in 39(v) above

I. A. **Mr. Prashant Panday**

(₹ in lakhs)

Particulars	2018-2019	2017-2018
Short-term employee benefits	303.62	322.47
Post Employment Benefit Obligation	8.16	4.88
Other Long Term Benefit Obligation	0.39	0.21
Total Compensation	**312.17**	**327.56**

B. **Mr. N Subramanian (w.e.f. Nov 2, 2018)**

(₹ in lakhs)

Particulars	2018-2019
Short-term employee benefits	85.68
Post Employment Benefit Obligation	2.19
Other Long Term Benefit Obligation	0.17
Total Compensation	**88.04**

II. **Non-executive directors**

(₹ in lakhs)

Particulars	2018-2019	2017-2018
Director sitting fees	56.60	26.70
Total Compensation	**56.60**	**26.70**

Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions.

There have been no guarantees provided or received for any related party receivables and payables for the year ended March 31, 2019 and for the year ended March 31, 2018.

40. 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.

Particulars	2018-2019	2017-2018
Profit for the year (₹ in lakhs) (A)	5,391.85	3,515.89
Weighted average number of Equity shares (B) (Nos.)	4,76,70,415	4,76,70,415
Earnings per share – basic and diluted (₹) (A/B)	11.31	7.38
Nominal value of an equity share (₹)	10.00	10.00

41. Gross amount required to be spent by the Company during the year for Corporate Social Responsibility (CSR) activities was ₹ 211.54 lakhs (March 31, 2018 - ₹ 211.00 lakhs). Amount spent during the year by the Company is as follows:

(₹ in lakhs)

Particulars	2018-2019	2017-2018
(i) Construction/acquisition of an asset	–	–
(ii) On purposes other than (i) above	211.54	211.00

42. The Company had entered into a non-binding Memorandum of Understanding (MOU) with TV Today Network Limited (TVTN) on March 16, 2018 to acquire three stations viz. Mumbai, Delhi and Kolkata stations. The MOU continues to be in effect. The Company and TVTN had filed an application with the Ministry of Information and Broadcasting (MIB) seeking approval for a slump sale of the three stations by TVTN to ENIL. Since the slump sale structure has not yet been approved by the MIB, both the parties are in discussions with MIB to explore potential alternate structures that may be acceptable to MIB. Any alternate structure may entail a fresh application to MIB.

43. PROVISIONS AND CONTINGENT LIABILITIES:

a. The Company has reviewed pending litigations and proceedings and has adequately provided for where provisions are required in its financial statements. The Company has provided for an amount of ₹ 2,986.43 lakhs as at March 31, 2019 (March 31, 2018 - ₹ 2,123.70 lakhs) against various pending litigations and claims.

b. 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 ₹ 19.00 lakhs as at March 31, 2019 (March 31, 2018 - ₹ 13.97 lakhs). The management does not expect the liability from these claims to crystallize and accordingly, no provision has been recognised in the financial statements for the same.

44. CAPITAL MANAGEMENT

For the purpose of the Company's capital management, capital includes issued equity capital and other equity reserves attributable to the equity holders of the Company. The Company's objective is to maintain a strong capital base to ensure a sustainable future growth, maintain a strong credit rating and provide adequate returns to the shareholders. The Funding requirements of the Company are not large and are generally met through internal accruals and short-term borrowings. The Company monitors capital using a capital gearing ratio. Capital gearing ratio is computed as net debt divided by shareholders' funds.

The net debt of the Company as on March 31, 2019 was Nil (March 31, 2018 - Nil).

45. FAIR VALUE

The fair values of financial assets and liabilities are included at the amount at which the instrument can be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

a. Fair value of cash and cash equivalents, other bank balances, trade and other current financial assets, trade and other payables and short term borrowings approximate their carrying amounts due to the short maturities of these instruments.

b. The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities – Investment in Mutual funds

Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

Fair Value measurement

Financial instruments by category

(₹ in lakhs)

Particulars	March 31, 2019			
	Carrying amount	Fair Value		
		Level 1	Level 2	Level 3
Financial assets at amortised cost				
Others -Deposit non-current	2,307.06	–	–	–
Employee loans current	–	–	–	–
Trade receivables	20,015.60	–	–	–
Cash and cash equivalents	2,141.39	–	–	–
Other bank balances	1.18	–	–	–
Deposit current	109.61	–	–	–
Other current financial assets	191.94	–	–	–
Total	**24,766.78**	**–**	**–**	**–**
Financial assets at fair value through profit or loss				
Short term investments in mutual funds	13,518.76	13,518.76	–	–
Total	**13,518.76**	**13,518.76**	**–**	**–**
Total financial assets	**38,285.54**	**13,518.76**	**–**	**–**
Financial liabilities at amortised cost (current)				
Borrowings	–	–	–	–
Trade payables	12,632.47	–	–	–
Unpaid dividend	1.18	–	–	–
Security Deposits Payable	22.78	–	–	–
Total financial liabilities	**12,656.43**	**–**	**–**	**–**

(₹ in lakhs)

Particulars	March 31, 2018			
	Carrying amount	Fair Value		
		Level 1	Level 2	Level 3
Financial assets at amortised cost				
Others -Deposit non-current	2,227.24	–	–	–
Employee loans current	1.00	–	–	–
Trade receivables	17,019.90	–	–	–
Cash and cash equivalents	1,792.13	–	–	–
Other bank balances	4.90	–	–	–
Deposits	117.94	–	–	–
Other current financial assets	117.02	–	–	–
Total	**21,280.13**	**–**	**–**	**–**
Financial assets at fair value through profit or loss				
Short term investments in mutual funds	15,528.98	15,528.98	–	–
Total	**15,528.98**	**15,528.98**	**–**	**–**
Total financial assets	**36,809.11**	**15,528.98**	**–**	**–**
Financial liabilities at amortised cost (current)				
Borrowings	10,396.06	10,396.06	–	–
Trade payables	10,486.84	–	–	–
Unpaid dividend	0.62	–	–	–
Security Deposits Payable	22.78	–	–	–
Total financial liabilities	**20,906.30**	**10,396.06**	**–**	**–**

Assets for which fair values are disclosed (₹ in lakhs)

Particulars	March 31, 2019			
	Carrying amount	Fair Value		
		Level 1	Level 2	Level 3
Investment properties (Note 5)	208.24	–	210.92	–
Total	**208.24**	**–**	**210.92**	**–**

Particulars	March 31, 2018			
	Carrying amount	Fair Value		
		Level 1	Level 2	Level 3
Investment properties (Note 5)	85.94	–	85.94	–
Total	**85.94**	**–**	**85.94**	**–**

During the reporting period ended March 31, 2019 and March 31, 2018 , there were no transfers between Level 1, Level 2 and Level 3 fair value instruments.

46. Financial risk management

The Company's principal financial liabilities comprise trade and other payables. The main purpose of these financial liabilities is to finance and support the Company's operations. The Company's principal financial assets include security deposits, investment in mutual funds, trade receivables, other receivables and cash and cash equivalents that derive directly from its operations. The Company's senior management oversees the management of these risks. The Company's activities expose it to a variety of credit risks, market risks and liquidity risks. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk in the financial statements.

a. Credit risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including investments in debt mutual funds, deposits with banks and foreign exchange transactions.

Trade Receivables

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. The Company undertakes a detailed review of the credit worthiness of clients before extending credit. Outstanding customer receivables are regularly monitored. Management monitors the Company's net liquidity position through rolling forecasts based on expected cash flows.

Trade receivables comprise a large number of customers. The Company has credit evaluation policy for each customer and based on the evaluation, credit limit of each customer is defined. Net Trade receivables as on March 31, 2019 is ₹ 20,015.60 lakhs (March 31, 2018 - ₹ 17,019.90 lakhs). The Company believes the concentration of risk with respect to trade receivables is low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

The Company uses the expected credit loss model as per Ind AS 109 – 'Financial Instruments' to assess the impairment loss or gain. The Company uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix considers available external and internal credit risk factors and the Company's historical experience in respect of customers. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 12.

Movement in provision for doubtful debts are as follows: -

Particulars	As at March 31, 2019	As at March 31, 2018
Opening provision	1,973.41	2,316.23
Add: Additional provision made	616.03	308.12
Less: Provision withdrawn	–	(200.23)
Less: Provision reversed	–	(450.71)
Closing provisions	**2,589.44**	**1,973.41**

Investments in debt mutual funds and balances with banks

Credit risk from balances with banks and investments in debt mutual funds is managed by the Company's treasury department in accordance with the Company's policy. The Company believes the concentration of risk with respect to Investment in debt mutual funds and balances with banks is low, as the investments of surplus funds are made only with approved counterparties.

b. Liquidity Risk

Liquidity risk is defined as a risk that the Company will not be able to settle or meet its obligations on time. The Company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by the Senior Management.

The Company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The Company had short term borrowings in the form of Commercial Papers. The Company believes that the working capital is sufficient to meet its current requirements. Accordingly, no liquidity risk is perceived.

At the end of the reporting period the Company held Mutual fund investments of ₹ 13,518.76 lakhs (March 31, 2018 ₹ 15,528.98 lakhs) that are expected to readily generate cash inflows for managing liquidity risk.

Maturities of financial liabilities

The tables below analyze the Company's Financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows.

(₹ in lakhs)

Contractual maturities of financial liabilities	March 31, 2019		March 31, 2018	
	Less than 6 months	6 months to 1 year	Less than 6 months	6 months to 1 year
Borrowings	–	–	–	11,000.00
Trade payables	12,632.47	–	10,486.84	–
Other financial liabilities	23.96	–	23.40	–

c. Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk currency risk, interest rate risk and other price risk such as equity price risk and commodity risk.

The Financial instruments affected by market risk include mutual fund investments. The analysis exclude the impact of movements in market variables on: the carrying values of gratuity and other post retirement obligations and provisions. The analysis for the contingent consideration liability is provided in Note 43.

Foreign Currency risk

Foreign currency risk arises due to the fluctuations in foreign currency exchange rates. The Company does not have any material transactions in foreign currencies. Accordingly, its exposure to the foreign currency risk is limited.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company does not have any financial instruments that are subject to fluctuation on account of change in market interest rates.

Price risk

The Company's exposure to mutual fund securities arises from investments held by the Company and classified in the balance sheet at fair value through profit or loss. To manage its price risk arising from investments in Mutual funds, the Company diversifies its portfolio. Diversification of the portfolio is done in accordance with the framework and policies set by the Board of Directors.

47. STANDARDS ISSUED BUT NOT EFFECTIVE

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified the following new and amendments to Ind AS which the Company has not applied as they are effective from April 1, 2019:

A. IND AS 116 : Leases

Ind AS 116 will replace the existing leases standard, Ind AS 17 Leases. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lessee accounting model for lessees. A lessee recognises right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. The standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The standard permits two possible methods of transition:

a. Full retrospective - Retrospectively to each prior period presented applying Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors.

b. Modified retrospective - Retrospectively, with the cumulative effect of initially applying the Standard recognized at the date of initial application.

   Under modified retrospective approach, the lessee records the lease liability at the present value of the remaining lease payments discounted at the incremental borrowing rate and the right of use asset either at:

   i. Its carrying amount as if the standard had been applied since the commencement date, but discounted at lessee's incremental borrowing rate at the date of initial application, or

   ii. An amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments related to that lease recognized under Ind AS 17 immediately before the date of initial application.

The Company is in the process of evaluating the impact of transitioning from old standard i.e. Ind AS 17 to new standard i.e. Ind AS 116 and the transition approach.

B. Ind AS 12 : Income taxes

The amendment to Appendix C of Ind AS 12 specifies that the amendment is to be applied to the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. It outlines the following:

1. The entity has to use judgement, to determine whether each tax treatment should be considered separately or whether some can be considered together. The decision should be based on the approach which provides better predictions of the resolution of the uncertainty.

2. The entity is to assume that the taxation authority will have full knowledge of all relevant information while examining any amount.
3. Entity has to consider the probability of the relevant taxation authority accepting the tax treatment and the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates would depend upon the probability. The Company does not expect any significant impact of the amendment on its financial statements.

48. Exceptional items in the previous year consists of write back of provisions for expenses recorded in earlier years and no longer required. The write back amounted to ₹ 423.76 lakhs for the year ended March 31, 2018.

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

Signatures to notes "1" to "49" forming part of the financial statements.

For and on behalf of the Board of Directors

For **S. R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration No.: 101049W/E300004

Vineet Jain
Chairman
[DIN: 00003962]

Richard Saldanha
Director
[DIN: 00189029]

Prashant Panday
Managing Director & CEO
[DIN: 02747925]

Govind Ahuja
Partner
Membership No. 48966

N. Subramanian
Executive Director and Group CFO
[DIN: 03083775]

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

Place : Mumbai
Dated : May 30, 2019

form **AOC-1**

FORM AOC-1

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

STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENTS OF SUBSIDIARIES

(₹ in lakhs)

Sr. No.	Name of the Subsidiary Company	Entertainment Network, INC. (Consolidated)	Alternate Brand Solutions (India) Limited (ABSL)
	Particulars		
1	Reporting Period	March 31, 2019	March 31, 2019
2	Share Capital	356.00	160.00
3	Reserves & Surplus	(74.25)	924.84
4	Total Assets	319.36	1,087.28
5	Total Liabilities	37.61	2.44
6	Investments	–	1,015.85
7	Turnover (Total Income)	34.74	75.62
8	Profit before taxation	(65.21)	73.48
9	Provision for taxation	–	10.21
10	Profit after taxation	(65.21)	63.27
11	Other comprehensive income before tax	(9.04)	–
12	Tax on other comprehensive income	–	–
13	Other comprehensive income	(9.04)	–
14	Proposed Dividend	Nil	Nil
15	% of shareholding	100%	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]

Richard Saldanha
Director
[DIN: 00189029]

Prashant Panday
Managing Director & CEO
[DIN: 02747925]

N. Subramanian
Executive Director and Group CFO
[DIN: 03083775]

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

Place : Mumbai
Dated : May 30, 2019

independent auditor's report

on Consolidated Financial Statements

To the Members of Entertainment Network (India) Limited

Report on the Audit of the Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying consolidated Ind AS financial statements of Entertainment Network (India) Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") comprising of the consolidated Balance sheet as at March 31 2019, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated Ind AS financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, , the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("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, 2019, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated Ind AS financial statements for the financial year ended March 31, 2019. These matters were addressed in the context of our audit of the consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated Ind AS financial statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated Ind AS financial statements.

independent auditor's report

on Consolidated Financial Statements

<table>
<tr><th>Key audit matters</th><th>How our audit addressed the key audit matter</th></tr>
<tr><td colspan="2">Revenue recognition for Branded and Managed Solutions</td></tr>
<tr><td>The Group earns revenue from providing branded and managed solutions. Revenue from these contracts is recognized over a period of time in accordance with the requirements of Ind AS 115, Revenue from Contracts with Customers. These services involve multiple performance obligations and revenue is recorded at fair value of the performance obligations completed as on a given date.

Given the nature of these contracts, revenue recognition involves estimation to the extent of performance obligations satisfied and the proportion of contract costs incurred to date, which involves significant judgments, identification of contractual obligations and recognition of the liability for loss making contracts/ onerous obligations. Given the significant estimation, we have identified this as a key audit matter.</td><td>Our audit procedures included the following procedures:
• We evaluated the Company's accounting policies pertaining to revenue recognition and assessed compliance with the policies in terms of Ind AS 115 - Revenue from Contracts with Customers.
• We understood the management's process to evaluate the revenue to be recognized over the period of contract and the fair valuation of revenue for each performance obligation, including underlying supporting documents for allocation of transaction price towards various performance obligations of these contracts. We have examined contracts with low or negative margins to determine the provisions required for onerous obligations, if any.
• We identified and tested controls related to revenue recognition and our audit procedures focused on, identification of contractual obligations/deliverables to the customers, determination of progress of completion of these deliverables and recording of related revenues and costs incurred along with the estimation of balance performance obligations and related revenues and costs to complete the remaining contractual obligations through inspection of evidence of performance of these obligations.</td></tr>
<tr><td colspan="2">Provision for allowance for bad and doubtful debts</td></tr>
<tr><td>The Company assesses impairment provision for doubtful receivables basis the guidance provided on the Expected Credit Loss (ECL), as per Ind AS 109, Financial Instruments to state the entity's trade receivables to their carrying amount, which approximates their fair value.

Management evaluates and calculates the expected credit losses using a provision matrix based on historical credit loss experience, specific reviews of customer accounts as well as experience with such customers, current economic and business conditions.

The Company has trade receivables of

₹ 22,634.82 lakhs and provision of

₹ 2,589.44 lakhs as on balance sheet date.

The appropriateness of the impairment provision for doubtful receivables is subjective due to the high degree of judgment applied by management in determining the provision matrix. Due to the significance of trade receivables and the related estimation uncertainty this is considered a key audit matter.</td><td>Our audit approach included the following procedures:
▪ We understood the design and tested the operating effectiveness of key controls over the identification and calculation of the provision matrix and the management's process of identification of impairment provision indicators.
▪ We evaluated management's continuous assessment of the assumptions used in the impairment provision matrix. These considerations include whether there are regular receipts from the customers, Company's past collection history as well as an assessment of the customers' credit ability to make payments.
▪ We obtained the aging analysis of trade receivables. Tested on a sample basis, the aging of trade receivables at year end and discussed with management the reasons of any long outstanding amounts. We also evaluated management's assumptions used in determining the impairment provision matrix, through detailed analyses of ageing of receivables, assessment of material overdue individual trade receivables and past trends of bad debts charged to the statement of profit and loss.</td></tr>
</table>

Key audit matters	How our audit addressed the key audit matter
Provisioning for Royalty cost (as described in note XX of the standalone Ind AS financial statements)	
Royalty expense is recoded basis the consumption of music and the contractual terms in the MOU / agreement with respective music labels/ music consortiums. Total royalty expense for the year and liability as at March 31, 2019 are ₹ 2,221.20 lakhs and ₹ 3,111.79 lakhs respectively. Given that the royalty payable is subject to different contractual terms and the Company's negotiations with respective music labels/ music consortiums, the computation of royalty provision requires the management to apply its judgment in determining the amount of provision to be recorded based on the likelihood of the liability eventually crystallizing on the Company. Given the significant judgement involved, we have identified this as a key audit matter.	▪ We performed test of controls (assisted by IT specialists) and tested the computation and arithmetical accuracy of royalty expense based on a sample test of the log of actual music played out and the contractual rates mentioned in the agreements. ▪ We assessed management's estimate of provision to be recorded basis the management's judgement regarding the likelihood of the liability crystallizing.
Amount of recoverable deferred tax assets (including MAT credit) with respect to tax loss carry forwards	
Deferred tax assets and liabilities are recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. 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. The Company's ability to recognize deferred tax assets is assessed on the management's future business plans and tax forecasts of future taxable profits. As on March 31, 2019, deferred tax asset recognized in the Company's consolidated financial statements is of Rs. 59.88 lakhs which is arising from its subsidiary Alternate Brand Solutions (India) Limited (hereinafter referred to as ABSIL). Considering that the Group plans to resume operations in this subsidiary for over two years, there is a high degree of judgement on assessing the recoverability of the said deferred tax asset and hence the same has been considered as a key audit matter.	Our audit approach to test the recognition of deferred tax (including MAT credit) included the following procedures: ▪ We considered the Company's accounting policies with respect to recognition of deferred taxes and for assessing compliance with Ind AS 12 "Income Taxes". ▪ We involved tax specialists who evaluated the Company's tax positions by assessing the prevalent tax laws and compared the current position with prior years, past precedents. ▪ We assessed the disclosures in note xx of the Ind AS financial statements in accordance with the requirements of Ind AS 12 "Income Taxes". ▪ We obtained the management plans for the next 5 years for ABSIL and observed that the Company has plans to resume operations in this subsidiary. ▪ We discussed with the management about the viability of these plans and enquired of the reasonable certainty of the subsidiary's ability to earn future taxable income against which the said deferred tax asset can be realized.

Other Information

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the consolidated Ind AS financial statements and our auditor's report thereon.

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

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

Responsibilities of Management for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated Ind AS financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 of the assets of the Group 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 controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS 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 Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based

on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors, to express an opinion on the consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated Ind AS financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated Ind AS financial statements for the financial year ended March 31, 2019 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

We did not audit the financial statements and other financial information, in respect of 2 subsidiaries, whose Ind AS financial statements include total assets of ₹ 458.12 lakhs as at March 31, 2019, and total revenues of ₹ 36.18 lakhs and net cash inflows of Rs 251.33 lakhs for the year ended on that date. These Ind AS financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. Our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of such other auditors.

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

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, and based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

(a) We & the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements;

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;

(d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

(e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2019 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act of its subsidiary companies, none of the directors of the Group's companies incorporated in India is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements of the Holding Company and its subsidiary company incorporated in India, refer to our separate Report in "Annexure" to this report;

(g) In our opinion, the managerial remuneration for the year ended March 31, 2019 has been paid / provided by the Holding Company to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;

(h) 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, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries, as noted in the 'Other matter' paragraph:

    i. The consolidated Ind AS financial statements disclose the impact of pending litigations on its consolidated financial position of the Group, in its consolidated Ind AS financial statements – Refer Note 44 to the consolidated Ind AS financial statements;

    ii. The Group, did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2019;

    iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company during the year ended March 31, 2019.

For S.R.Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Govind Ahuja
Partner
Membership Number: 48966

Place of Signature: Mumbai
Date: May 30, 2019

ANNEXURE TO THE
independent auditor's report

Annexure to the Independent Auditor's Report of even date on the Consolidated Financial Statements of Entertainment Network (India) Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of Entertainment Network (India) Limited as of and for the year ended March 31, 2019, we have audited the internal financial controls over financial reporting of Entertainment Network (India) Limited (hereinafter referred to as the "Holding Company") and one of its subsidiary company which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these consolidated financial statements.

Meaning of Internal Financial Controls Over Financial Reporting With Reference to these Consolidated Financial Statements

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting With Reference to these Consolidated Financial Statements

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

Opinion

In our opinion, the Holding Company and its subsidiary company, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls over financial reporting with reference to these consolidated financial statements and such internal financial controls over financial reporting with reference to these consolidated financial statements were operating effectively as at March 31,2019, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S.R.Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Govind Ahuja
Partner
Membership Number: 48966

Place of Signature: Mumbai
Date: May 30, 2019

CONSOLIDATED
balance sheet
As at March 31, 2019

(₹ in lakhs)

	Notes	March 31, 2019	March 31, 2018
ASSETS			
Non-current assets			
Property, plant and equipment	3	8,073.89	5,775.43
Capital work-in-progress	4	2,195.22	6,258.81
Investment properties	5	208.24	85.94
Goodwill	6	46.27	46.27
Other intangible assets	7	60,959.75	61,522.06
Financial assets			
Investments	8	1,015.85	952.90
Others	9	2,337.30	2,228.24
Other non-current assets	10	987.98	2,234.82
Deferred tax assets (net)	11	59.88	46.34
Total non-current assets		**75,884.38**	**79,150.81**
Current assets			
Financial assets			
Investments	12	13,518.76	15,528.98
Trade receivables	13	20,045.38	17,019.90
Cash and cash equivalents	14	2,384.68	1,794.45
Other bank balances	15	1.18	4.90
Others	16	299.06	234.96
Other current assets	17	2,443.78	2,106.86
Total current assets		**38,692.84**	**36,690.05**
TOTAL ASSETS		**114,577.22**	**115,840.86**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	18	4,767.04	4,767.04
Other equity	19	88,764.06	83,978.02
Total Equity		**93,531.10**	**88,745.06**
Liabilities			
Non-current liabilities			
Provisions	20	1,011.14	917.35
Deferred tax liabilities (net)	21	3,460.85	2,455.12
Total non-current Liabilities		**4,471.99**	**3,372.47**
Current liabilities			
Financial liabilities			
Short-term borrowings	22	–	10,396.06
Trade payables	23		
(A) total outstanding of micro enterprises and small enterprises		12.94	–
(B) total outstanding dues of creditors other than micro enterprises and small enterprises		12,656.52	10,489.11
Others	24	23.96	23.40
Other current liabilities	25	3,695.81	2,650.73
Provisions	26	184.90	164.03
Total current liabilities		**16,574.13**	**23,723.33**
TOTAL EQUITY AND LIABILITIES		**114,577.22**	**115,840.86**
NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS	1-50		
The above balance sheet should be read with the accompanying notes.			

As per our report of even date.

For **S. R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration No.: 101049W/E300004

Govind Ahuja
Partner
Membership No. 48966

Place : Mumbai
Dated : May 30, 2019

For and on behalf of the Board of Directors

Vineet Jain
Chairman
[DIN: 00003962]

Richard Saldanha
Director
[DIN: 00189029]

Prashant Panday
Managing Director & CEO
[DIN: 02747925]

N. Subramanian
Executive Director and Group CFO
[DIN: 03083775]

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

CONSOLIDATED

statement of **profit & Loss**

For the year ended March 31, 2019

(₹ in lakhs)

	Notes	For the year ended March 31 2019	2018
Revenue from operations	27	61,375.92	52,674.95
Other operating income	27	703.89	1,032.32
Other income	28	1,568.88	945.06
Total Income		**63,648.69**	**54,652.33**
Expenses:			
Employee benefits expense	29	12,618.04	11,853.98
Finance cost	30	397.54	472.01
Depreciation and amortisation	31	6,711.14	6,345.05
Operating and other expenses	32	35,547.53	30,196.26
Total Expenses		**55,274.25**	**48,867.30**
Profit before taxation and exceptional item		**8,374.44**	**5,785.03**
Add: Exceptional Item	49	-	423.76
Profit before tax		**8,374.44**	**6,208.79**
Tax expense: (Refer Note (2)(xv))	33		
Current tax		1,981.33	1,502.31
Deferred tax		1,003.19	758.26
Deferred tax of earlier years		–	384.23
Total tax expenses		**2,984.52**	**2,644.80**
Profit for the year		**5,389.92**	**3,563.99**
Other Comprehensive Income (OCI)			
Items that will not be reclassified to profit or loss			
– Remeasurement of post employment benefit obligations		(30.97)	26.69
– Income tax relating to items that will not be reclassified to profit or loss		10.82	(9.24)
Items that will be reclassified to profit or loss			
– Exchange differences on translation of foreign operations		(9.04)	–
– Income tax relating to items that will be reclassified to profit or loss		–	–
Other comprehensive income for the year, net of tax		**(29.19)**	**17.45**
Total Comprehensive Income for the year		**5,360.73**	**3,581.44**
Earnings per equity share [nominal value per share: ₹ 10 (2017-18: ₹ 10)] (Refer Note (2)(xiv))			
– Basic	41	11.31	7.48
– Diluted		11.31	7.48
NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS	1-50		

The above statement of Profit and Loss should be read with the accompanying notes.

As per our report of even date.

For **S. R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration No.: 101049W/E300004

Govind Ahuja
Partner
Membership No. 48966

Place : Mumbai
Dated : May 30, 2019

For and on behalf of the Board of Directors

Vineet Jain
Chairman
[DIN: 00003962]

Richard Saldanha
Director
[DIN: 00189029]

Prashant Panday
Managing Director & CEO
[DIN: 02747925]

N. Subramanian
Executive Director and Group CFO
[DIN: 03083775]

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

CONSOLIDATED

statement of changes in equity

For the year ended March 31, 2019

(₹ in lakhs)

A.	**Equity Share capital**	
	Balance as at April 1, 2017	**4,767.04**
	Changes in equity share capital during the year	–
	Balance as at March 31, 2018	**4,767.04**
	Changes in equity share capital during the year	–
	Balance as at March 31, 2019	**4,767.04**

B. Other Equity (₹ in lakhs)

	Reserves and Surplus			
	Securities premium	Foreign curreny translation reserve	Retained earnings	Total Equity
Balance as at April 1, 2017	**18,850.70**	**–**	**62,119.63**	**80,970.33**
Profit for the year	–	–	3,563.99	3,563.99
Other comprehensive income	–	–	17.45	17.45
Dividends paid	–	–	(476.70)	(476.70)
Dividend distribution tax	–	–	(97.05)	(97.05)
Balance as at March 31, 2018	**18,850.70**	**–**	**65,127.32**	**83,978.02**
Profit for the year	–	–	5,389.92	5,389.92
Other comprehensive income	–	(9.04)	(20.15)	(29.19)
Dividends paid	–	–	(476.70)	(476.70)
Dividend distribution tax	–	–	(97.99)	(97.99)
Balance as at March 31, 2019	**18,850.70**	**(9.04)**	**69,922.40**	**88,764.06**

Nature and purpose of reserves

a) Securities premium

Securities premium is used to record the premium on issue of shares. The reserve will be utilised in accordance with the provisions of section 52 of the Companies Act, 2013.

b) Foreign currency translation reserve

Exchange differences arising on translation of the foreign operations are recognised in other comprehensive income as described in accounting policy and accumulated in a separate reserve within equity. The cumulative amount will be reclassified to profit or loss when the net investment is disposed-off.

As per our report of even date.

For **S. R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration No.: 101049W/E300004

Govind Ahuja
Partner
Membership No. 48966

Place : Mumbai
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Executive Director and Group CFO
[DIN: 03083775]

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

CONSOLIDATED

statement of **cash flows**

For the year ended March 31, 2019

(₹ in lakhs)

	For the year ended March 31	
	2019	**2018**
A) CASH FLOW FROM OPERATING ACTIVITIES :		
Profit before taxation	**8,374.44**	**6,208.79**
Adjustments for :		
Depreciation and amortisation	6,711.14	6,345.05
Interest income on investments	(62.22)	(22.15)
Finance cost	397.54	472.01
Provision no longer required written back	(537.52)	(946.13)
Unclaimed credit written back	(133.50)	(1.62)
Profit on fair value of investment	(541.48)	–
Profit on sale of current investments	(759.61)	–
Exchange (gain) / loss	(9.20)	(0.88)
(Profit)/ Loss on sale of tangible assets	(8.89)	33.70
Tangible assets written off	17.81	39.73
Reversal of impairment recognised in earlier years	(3.42)	–
Provision for doubtful debts (net)	616.03	107.89
Bad debts written off	230.93	429.99
Operating profit before working capital changes	**14,292.04**	**12,666.37**
Adjustments for changes in working capital :		
(Increase)/ Decrease in trade receivables	(3,872.29)	(1,341.46)
(Increase)/ Decrease in other non current financial assets	(74.19)	(327.97)
(Increase)/ Decrease in other bank balances	3.72	0.03
(Increase)/ Decrease in other current financial assets	(64.10)	75.66
(Increase)/ Decrease in other non current assets	14.87	(1.62)
(Increase)/ Decrease in other current non financial assets	(336.92)	648.23
Increase/ (Decrease) in other current financial liabilities	0.56	(0.01)
Increase/ (Decrease) in trade payables	2,696.15	260.05
Increase/ (Decrease) in other current liabilities	1,178.58	127.66
Increase/ (Decrease) in short term provisions	83.69	67.70
Cash generated from operations	**13,922.11**	**12,174.65**
Taxes paid (net)	(1,998.12)	(1,540.87)
Net cash generated from Operating Activities (A)	**11,923.99**	**10,633.78**

CONSOLIDATED

statement of **cash flows**

For the year ended March 31, 2019

(₹ in lakhs)

	For the year ended March 31	
	2019	**2018**
B) CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of tangible assets, including capital work in progress and capital advances	(2,937.85)	(2,602.39)
Proceeds from sale of tangible assets	29.16	14.07
Interest received	27.35	3.64
Purchase of investment property	(120.08)	–
Purchase of current investments	(57,646.00)	(26,000.00)
Proceeds from sale of non-current investments	9.15	39.00
Proceeds from sale of current investments	60,885.21	21,168.00
Net cash from / (used in) Investing Activities (B)	**246.94**	**(7,377.68)**
C) CASH FLOW FROM FINANCING ACTIVITIES :		
Amount received on issue of commercial papers	-	10,257.26
Amount repaid on issue of commercial papers	(11,000.00)	(13,000.00)
Dividend paid	(476.70)	(476.70)
Dividend distribution tax paid	(97.99)	(97.05)
Interest paid	(6.01)	(2.44)
Net cash (used in)/ from Financing Activities (C)	**(11,580.70)**	**(3,318.93)**
Net Increase in Cash and Cash Equivalents (A)+(B)+(C)	**590.23**	**(62.83)**
Cash and Cash Equivalents as at the beginning of the year	**1,794.45**	**1,857.28**
Cash and Cash Equivalents as at the end of the year	**2,384.68**	**1,794.45**
Balance as per Statement of Cash flows	**590.23**	**(62.83)**
NOTES ON CASH FLOW STATEMENT :		
1. Cash and cash equivalents at the end of the year as per Balance Sheet (Refer Notes 2(xiii) and 14 in the Financial Statements).	2,384.68 **2,384.68**	1,794.45 **1,794.45**
2. Previous year's figures have been regrouped and rearranged wherever necessary.		

The above statement of cash flows should be read with the accompanying notes. **1-50**

As per our report of even date.

For **S. R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration No.: 101049W/E300004

Govind Ahuja
Partner
Membership No. 48966

Place : Mumbai
Dated : May 30, 2019

For and on behalf of the Board of Directors

Vineet Jain
Chairman
[DIN: 00003962]

Richard Saldanha
Director
[DIN: 00189029]

Prashant Panday
Managing Director & CEO
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N. Subramanian
Executive Director and Group CFO
[DIN: 03083775]

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

1. Corporate 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 and has its registered office at Mumbai, Maharashtra, India. The Company operates FM radio broadcasting stations in 63 Indian cities under the brand names 'Radio Mirchi' , 'Mirchi Love', 'Mirchi 95' and 'Kool FM'.

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, concerts and monetization of Company's digital and other media properties.

These financial statements were approved for issue by the Company's Board of Directors on May 30, 2019.

2. Significant Accounting Policies

i. Basis of preparation

These consolidated financial statements of Entertainment Network (India) Limited (the Company), Alternate Brand Solutions (India) Limited and Entertainment Network INC, (collectively referred to as 'the Group') have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendments issued thereafter. The financial statements have been prepared on an accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements except where a newly issued accounting standard has been adopted or a revision to an existing accounting standard requires a consequent change in the accounting policy hitherto in use.

Current versus non-current classification

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle.

An asset is treated as current when it is:

a) Expected to be realised or intended to be sold or consumed in the normal operating cycle

b) Held primarily for the purpose of trading

c) Expected to be realised within twelve months after the reporting period, or

d) A cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

a) It is expected to be settled in the normal operating cycle

b) It is held primarily for the purpose of trading

c) It is due to be settled within twelve months after the reporting period, or

d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Based on the nature of services and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities. The financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities which are measured at fair value (refer note ix below)

The Functional Currency of the Group is the Indian Rupee (₹). These financial statements are presented in Indian Rupees (rounded off to lakhs; one lakh equals one hundred thousand).

ii. Revenue Recognition

Effective April 1, 2018, the Group has applied Ind AS 115 which establishes a comprehensive framework for determining recognition, measurement and disclosure of revenue.

The core principle of the new standard is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers. The impact of adoption of the new standard on the financial statements of the Group is insignificant.

Revenue from contracts with customers is recognised when control of services is transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those services. Revenue is measured at the fair value of the consideration received or receivable. The revenue recognised is net of discounts, volume rebate and any taxes or duties collected on behalf of the government which are levied on revenue such as service tax, goods and services tax (GST), etc.

The Group provides radio advertising services and Media Solutions to clients. The Group classifies its Media Solutions as under:

i. Branded Solutions: The Group provides various branded services which include Concerts, Award Shows, On-Air properties, Brand Licensing, Multi Media and Digital services.

ii. Managed Solutions: The Group provides services to manage the intellectual properties, activities or events of Clients.

I) Revenue from Radio Broadcasting and other services

a. Revenue from radio broadcasting is recognised on an accrual basis on the airing of client's commercials.

b. Revenue from solutions business is recognised, in the period in which performance obligations are satisfied.

Contract balances

Contract assets

A contract asset is the right to consideration in exchange for services transferred to the customer. If the Group performs by transferring services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional. Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled revenues (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Trade receivables

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Contract Liability

A contract liability is the obligation to transfer services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract. Unearned and deferred revenue is recognised when there is billings in excess of revenues.

The Group disaggregates revenue from contracts with customers by the nature of services it provided to the customer.

The billing schedules agreed with customers include periodic performance based payments. Invoices are payable within contractually agreed credit period.

Use of significant judgements in revenue recognition

a. The Group's contracts with customers could include promises to transfer multiple services to a customer. The Group assesses the services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

b. Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume rebates and discount. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period. The Group allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.

c. The Group uses judgement to determine an appropriate standalone selling price for a performance obligation. The Group allocates the transaction price to each performance obligation on the basis of the relative stand-alone selling price of each distinct service promised in the contract.

d. The Group exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Group considers indicators such as how customer consumes benefits as services are rendered or existence of enforceable right to payment for performance to date and alternate use of such service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.

II) Other Income

a. Dividends, if any are recognised in statement of profit or loss only when:

   i) the right to receive payment is established;

   ii) it is probable that the economic benefits associated with the dividend will flow to the Group; and

   iii) the amount of the dividend can be measured reliably.

b. Interest income from financial assets is recognised using the effective interest rate method. The effective interest rate is the rate that discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

iii. Principles of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at March 31, 2019. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

a. Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee).

b. Exposure, or rights, to variable returns from its involvement with the investee, and

c. The ability to use its power over the investee to affect its returns.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

The consolidated financial statements have been prepared on the following basis:

– The financial statements of the Company and its subsidiaries have been combined on a line-by-line basis by adding together the reported 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.

The relevant details in respect of the subsidiaries considered in the consolidated financial statements are summarized below:

Name of the entity	% of holding	Net Assets i.e total assets minus total liabilities		Share in profit or loss		Share in Other comprehensive income (OCI)	
		As % of Consolidated net assets	Amount (₹ In lakhs)	As % of Consolidated net profit or loss	Amount (₹ In lakhs)	As % of Consolidated OCI	Amount (₹ In lakhs)
Alternate Brand Solutions (India) Limited (ABSL) from April 1, 2018 to March 31, 2019	100	0.41	382.34	1.17	63.27	–	–
Entertainment Network INC from January 9, 2019 to March 31, 2019	100	(0.08)	(71.15)	(1.15)	(62.11)	30.97	(9.04)

iv. Business Combinations

Business combinations, if any are accounted by using the acquisition method as per Ind AS 103 'Business Combination'. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at fair value on acquisition date and the amount of any non-controlling interests in the acquiree. Acquisition related costs are expensed as incurred.

Goodwill is initially measured at cost, being the excess of the net acquisition cost and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the net cost of acquisition, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the Group recognises the gain directly in equity as capital reserve, without routing the same through OCI.

v. Property, Plant and Equipment

Property, Plant and Equipment are stated at acquisition cost less accumulated depreciation and impairment losses, if any. Cost of Property, Plant and Equipment comprises purchase price, duties, levies (excluding input tax credit), and any directly attributable cost of bringing the asset to its working condition and location for the intended use.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. The present value of the expected cost for the decommissioning of an asset (after its use) is included in the cost of the respective asset if the recognition criteria for a provision are met.

Cost incurred on Property, Plant and Equipment not ready for their intended use is disclosed as Capital Work-in-Progress. Advances paid towards the acquisition of Property, Plant and Equipment outstanding at each balance sheet date are classified as capital advances under other non-current assets.

Depreciation on Property, Plant and Equipment other than leasehold improvements, is provided on written down value method as per the useful life and in the manner specified in Schedule II to the Act. Leasehold improvements are depreciated on straight line basis, over the lease period.

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

Asset class	Useful lives estimated by the management (in years)
Building (Including compensation paid for use of land)	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

Depreciation methods, useful lives and residual values are reviewed periodically, including at each financial year end.

An item of Property, Plant & Equipment is derecognised upon disposal and any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised. Assets to be disposed off are reported at the lower of the carrying value or the fair value less cost to sell.

vi. Intangible assets

a. Frequency Module (FM) Radio Licenses

Non-Refundable One Time Migration Fee paid by the Group for existing FM Radio licenses upon migration to Phase III of the Licensing policy and Non-Refundable One Time Entry Fee paid by the Group for acquiring new FM radio licenses have been capitalised as an intangible asset. These assets are stated at cost less accumulated amortisation and impairment losses, if applicable.

A summary of amortisation policies applied to the licenses is tabulated below:

Asset class	Useful lives estimated by the management (in years)
Non-Refundable One Time Migration Fee	15 years with effect from April 1, 2015
Non-Refundable One Time Entry Fee	15 years from the date of operationalisation of the respective stations

The amortisation period and the amortisation method for finite-life intangible assets is reviewed at each financial year end and adjusted prospectively, if appropriate.

b. Goodwill

Goodwill represents the cost of business acquisition in excess of the Group's interest in the net fair value of identifiable assets and liabilities of the acquisition. Goodwill is measured at cost less accumulated impairment losses, if any.

c. **Software**

a. Software acquired 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 to the statement of profit and loss account in the year of purchase.

b. Expenditure on Enterprise Software such as SAP, Sales CRM and Performance Appraisal Software etc. where the economic benefit is expected to be more than a year is recognised as an "Intangible Asset" and are amortised over a period of 45 to 60 months.

vii. Investment property

Investment in buildings that is not intended to be occupied substantially for use by, or in the operations of the Group, have been classified as investment property. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any. All repairs and maintenance costs incurred for the investment properties are charged to statement of profit and loss account when incurred.

Investment properties are depreciated using the written down value method over their estimated useful lives. Investment properties generally have a useful life of 60 years.

Though the Group measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes (Refer note 5). Fair values are determined based on an annual evaluation performed by an accredited external independent valuer. 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 carrying value.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

viii. Borrowing cost

Borrowing cost directly attributable to qualifying assets, which take substantial period to get ready for its intended use, are capitalized to the extent they relate to the period until such assets are ready to be put to use. Other borrowing costs are recognised as an expense in the period in which they are incurred.

ix. 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.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

Assets and liabilities of entities with functional currency other than the functional currency of the Company have been translated using exchange rates prevailing on the balance sheet date. Statement of profit and loss of such entities has been translated using weighted average exchange rates. Translation adjustments have been recognised in Other Comprehensive Income in the statement of Profit and Loss and reported as foreign currency translation reserve in the statement changes in equity.

x. Financial instruments

a. **Recognition and initial measurement**

The Group recognizes trade receivables, trade payables, cash and cash equivalents and debt securities when they are originated at transaction price. All other financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognised at fair value. Fair value of cash and cash equivalents, other bank balances, trade and other current financial assets, trade and other payables and short term borrowings approximate their carrying amounts due to the short maturities of these instruments. In case of financial assets and liabilities that are not measured at fair value through profit or loss, directly attributable transaction costs are added to the fair value on initial recognition.

b. **Classification and subsequent measurement**

i. Financial assets

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

- those to be measured at fair value through profit or loss; and
- those measured at amortised cost.

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

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.

Realised and unrealised gains/ losses arising from changes in the fair value of the "financial assets at fair value through profit or loss" investment category are included in the statement of profit and loss in the period in which they arise.

ii. Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest rate method. For trade and other payables, the carrying amounts represents the fair value due to the short maturity of these instruments.

Realised and unrealised gains/ losses arising from changes in the fair value of the "financial liabilities at fair value through profit or loss" are included in the statement of profit and loss in the period in which they arise.

c. **Derecognition of financial instruments**

The Group derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109- 'Financial Instruments'. A financial liability (or part of a financial liability) is derecognised from the Group's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

d. **Impairment of financial assets**

The Group assesses on a forward-looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in the credit risk.

For trade receivables, the Group applies the simplified approach permitted by Ind AS 109- 'Financial Instruments', which requires expected lifetime losses to be recognised from initial recognition of the receivables. Lifetime losses are the expected credit losses resulting from all possible default events over the expected life of a trade receivables.

As a practical expedient, the Group uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. Every year, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

xi. **Employee benefits**

a. Defined Contribution Plans:

The Group has defined contribution plans for post-employment benefits such as Provident Fund, National Pension Scheme, Employee's State Insurance and Employee's Pension Scheme, 1995. The Group contributes to a government administered Provident Fund, state plan namely Employee's Pension Scheme, 1995, Employee's State Insurance Scheme and National Pension Scheme on behalf of its employees and has no further obligation beyond making its contribution.

The Group's contributions to the above funds are recognised in the statement of profit and loss every year.

b. Defined Benefit Plans:

The Group has defined benefit plans namely gratuity for all its employees. Liability for defined benefit plans is provided based on 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 and gains are recognised in other comprehensive income and shall not be reclassified to the statement of profit and loss in a subsequent period.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the statement of profit or loss as past service costs.

c. Other Long term benefits

The Group has other long term benefits namely compensated absences for all its employees. The liabilities in respect of compensated absences which are expected to be encashed / utilised before twelve months from the balance sheet date are short term. Other such liabilities are considered long term.

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

xii. **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 net off any lease incentives received from the lessor are charged to the statement of profit and loss on a straight line basis over the period of the lease unless the increase in payments is in line with the expected general inflation.

xiii. **Cash and cash equivalents**

Cash and cash equivalents include cash in hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts, if any are shown as borrowings under current liabilities in the balance sheet.

xiv. **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. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events (such as bonus shares), if any other than the conversion of potential equity shares that have changed the number of equity shares outstanding without a corresponding change in resources. For 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.

xv. **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

Current tax in the Statement of Profit and Loss is provided as the amount of tax payable in respect of taxable income for the period using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Minimum Alternate Tax (MAT)

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 a deferred tax 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. The Group reviews the 'Minimum Alternate Tax (MAT) Credit Entitlement' asset at each reporting date and writes down the asset to the extent the Group does not have convincing evidence that it will pay normal tax during the specified period i.e. the period for which MAT credit is allowed to be carried forward.

Deferred tax assets and liabilities

Deferred tax assets and liabilities are recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. 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.

Tax assets and liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets, if any are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Current and deferred tax is recognised in the statement of profit and loss, except to the extent that it relates to the items recognised in other comprehensive income or directly in equity. In such situations, the tax is also recognised in other comprehensive income or directly in equity, as the case may be.

Service tax/GST paid on acquisition of assets or on incurring expenses:-

Expenses and assets are recognised net of the amount of service tax/ GST, except

a. When the tax incurred on purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.

b. The net amount of tax receivable/ payable is included as part of receivables/payables, as the case may be, in the balance sheet.

xvi. Impairment of non-financial assets

The Group assesses at each balance sheet date whether there is any indication that a non-financial asset, other than goodwill, may be impaired. If any such indication exists, the Group estimates the recoverable amount of such asset. If recoverable amount of such 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 carrying value.

Goodwill is not subject to amortisation and is tested for impairment on each reporting date. An impairment loss recognised for goodwill shall not be reversed in a subsequent period.

xvii. **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 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. If the effect of time value of money is material, provisions are discounted. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

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.

xviii. **Dividends**

Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of approval by the Group's Board of Directors.

xix. **License Fees**

As per the applicable Frequency Module (FM) broadcasting policy, license fees is recognised in statement of profit and loss at the rate of 4% of gross revenue or minimum fixed fee for the concerned city, whichever is higher. Minimum fixed fee is 2.5% of the Non-Refundable One Time Entry Fee (NOTEF).

However, for the first three years of operations in the States of North East (i.e Assam and Meghalaya) and Jammu & Kashmir the rate of License fee is 2% of Gross Revenue or 1.25% of NOTEF, whichever is higher.

Gross Revenue for this purpose shall mean revenue on the basis of billing rates inclusive of any taxes. Barter advertising contracts are also included in the gross revenue on the basis of relevant billing rates. NOTEF means the successful bid amount arrived at through an ascending e-auction process for private FM Radio Phase-III Channels conducted by the Ministry of Information & Broadcasting ('MIB').

2A. Critical estimates and / or judgements

The preparation of financial statements requires the use of accounting estimates, which will seldom equal the actual results. Management also needs to exercise judgement in applying the Group's accounting policies. This note provides an overview of the areas that involved more judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates or judgements are:

a. Measurement and likelihood of occurrence of provisions & contingencies - Refer Note 33 and Note 44
b. Useful life of intangible asset- Refer Note 7
c. Defined benefit obligation- Refer Note 38
d. Impairment of trade receivables- Refer Note 13
e. Recognition of deferred tax assets & liabilities- Refer Note 11, Note 21 and Note 33
f. Recognition of revenue from contracts with customers – Refer Note 27 and Note 2(ii)

Estimates and judgements are continuously evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Group. The estimates and judgments made by the management are believed to be reasonable under the prevailing circumstances.

NOTE 3 : PROPERTY, PLANT AND EQUIPMENT

(Refer Notes 2(v) and (xvi)) (₹ in lakhs)

Particulars	GROSS CARRYING VALUE				DEPRECIATION				NET CARRYING VALUE
	Carrying value as at April 1, 2017	Additions	Disposals	As at March 31, 2018	As at April 1, 2017	For the year	Disposals	As at March 31, 2018	As at March 31, 2018
Tangible Assets									
Building (Including compensation paid for use of land)	58.83	–	–	58.83	10.46	8.44	–	18.90	39.93
Leasehold Improvements	2,060.37	469.76	69.48	2,460.65	519.50	290.62	63.57	746.55	1,714.11
Office Equipments	221.37	82.95	16.38	287.94	56.07	46.45	5.00	97.51	190.42
Plant and Machinery (Refer Note A)	4,637.62	738.19	128.81	5,247.00	1,138.29	847.42	66.36	1,919.35	3,327.65
Computers	994.31	179.11	12.74	1,160.68	501.31	278.49	6.22	773.58	387.09
Furniture and Fixtures	102.77	48.01	2.09	148.69	48.33	18.69	0.84	66.19	82.51
Motor Vehicles	43.03	11.82	–	54.86	9.13	12.00	–	21.13	33.72
Total	**8,118.30**	**1,529.84**	**229.50**	**9,418.65**	**2,283.09**	**1,502.11**	**141.99**	**3,643.22**	**5,775.43**

Particulars	GROSS CARRYING VALUE				DEPRECIATION				NET CARRYING VALUE
	Carrying value as at April 1, 2018	Additions	Disposals	As at March 31, 2019	As at April 1, 2018	For the year	Disposals	As at March 31, 2019	As at March 31, 2019
Tangible Assets									
Building (Including compensation paid for use of land)	58.83	–	–	58.83	18.90	8.39	0.00	27.29	31.54
Leasehold Improvements	2,460.65	1,063.13	53.15	3,470.63	746.55	285.42	53.14	978.82	2,491.81
Office Equipments	287.94	133.54	11.86	409.62	97.51	99.60	4.78	192.33	217.29
Plant and Machinery (Refer Note A)	5,247.00	2,235.66	53.76	7,428.90	1,919.35	900.30	30.95	2,788.70	4,640.20
Computers	1,160.68	514.06	24.74	1,650.00	773.58	348.88	18.71	1,103.75	546.25
Furniture and Fixtures	148.69	50.76	9.73	189.72	66.19	23.88	8.01	82.06	107.66
Motor Vehicles	54.86	19.50	2.22	72.14	21.13	13.43	1.78	32.78	39.36
Translation difference	–	(0.23)	–	(0.23)	–	(0.01)	–	(0.01)	(0.22)
Total	**9,418.65**	**4,016.42**	**155.46**	**13,279.61**	**3,643.21**	**1,679.89**	**117.37**	**5,205.72**	**8,073.89**

Note :

A. Net carrying value of Plant and Machinery includes jointly held assets at Common Transmission Infrastructure (CTI) amounting to ₹ 1,329.98. Lakhs (as at March 31,2018- ₹ 815.62 Lakhs).

B. Translation difference is on account of conversion of the tangible assets held by the Company's foreign subsidiary into the Company's functional currency.

NOTE 4 : CAPITAL WORK IN PROGRESS

(₹ in lakhs)

Particulars	Amount
Carrying value as at March 31, 2017	**6,643.82**
Add: Additions for the year	2,024.94
Less: Amount Capitalized out of the same	2,409.95
Carrying value as at March 31, 2018	**6,258.81**
Add: Additions for the year	4,420.56
Less: Amount Capitalized out of the same	8,484.15
Closing balance as on March 31, 2019	**2,195.22**

Note : Capital Work in Progress includes ,inter alia, Non refundable One Time Entry Fees (NOTEF) for stations yet to be launched, borrowing cost capitalised on the same and the other assets necessary for getting the stations operationalised. Additions for the year includes borrowing cost of ₹ 234.19 lakhs (March 31, 2018 ₹ 362.26 lakhs)

NOTE 5 : INVESTMENT PROPERTIES

(Refer Note 2(vii))

(₹ in lakhs)

Particulars	Amount
Gross Block as on March 31, 2017	**103.04**
Less : Depreciation	1.58
Less : Impairment	15.52
Net Block as on March 31, 2018	**85.94**
Add : Additions	120.08
Add : Impairment reversal of earlier year included in other income	3.42
Less : Depreciation	1.20
Less : Impairment	–
Net Block as on March 31, 2019	**208.24**

Fair value	
As at March 31, 2018	85.94
As at March 31, 2019	210.92

NOTE 6 : GOODWILL

(Refer Note 2 (vi)(b))

(₹ in lakhs)

Particulars	Amount
Carrying value as on March 31,2017	**46.27**
Less: Impairment	–
Carrying value as on March 31, 2018	**46.27**
Less: Impairment	–
Carrying value as on March 31, 2019	**46.27**

Note : The Group tests whether goodwill has suffered any impairment at each reporting date. The recoverable amount of a cash generating unit (CGU) is determined based on value-in-use calculations which require the use of assumptions. The calculations use cash flow projections based on financial budgets approved by the management covering a five-year period. This is discounted at the borrowing cost of the Group.

NOTE 7 : OTHER INTANGIBLE ASSETS

(Refer Notes 2(vi)(a), 2(vi)(c), and (xvi))

(₹ in lakhs)

Particulars	GROSS CARRYING VALUE				AMORTISATION				NET CARRYING VALUE
	Carrying value as at April 1, 2017	Additions	Disposals	As at March 31, 2018	As at April 1, 2017	For the year	Disposals	As at March 31, 2018	As at March 31, 2018
Computer Software	80.21	–	–	80.21	71.60	2.46	–	74.06	6.15
Migration Fees (Refer Note A)	36,804.74	–	–	36,804.74	4,871.54	2,456.63	–	7,328.17	29,476.57
One Time Entry Fees (Refer Note B and C)	35,185.72	880.11	–	36,065.84	1,659.50	2,367.00	–	4,026.50	32,039.34
Total	**72,070.67**	**880.11**	**–**	**72,950.79**	**6,602.64**	**4,826.09**	**–**	**11,428.73**	**61,522.06**

Particulars	GROSS CARRYING VALUE				AMORTISATION				NET CARRYING VALUE
	Carrying value as at April 1, 2018	Additions	Disposals	As at March 31, 2019	As at April 1, 2018	For the year	Disposals	As at March 31, 2019	As at March 31, 2019
Computer Software	80.21	220.73	–	300.94	74.06	45.72	–	119.78	181.16
Migration Fees (Refer Note A)	36,804.74	–	–	36,804.74	7,328.17	2,456.63	–	9,784.80	27,019.94
One Time Entry Fees (Refer Note B and C)	36,065.84	4,247.00	40.46	40,272.39	4,026.50	2,527.70	40.46	6,513.74	33,758.65
Total	**72,950.79**	**4,467.73**	**40.46**	**77,378.07**	**11,428.73**	**5,030.05**	**40.46**	16,418.32	60,959.75

Notes:

A) As per the modified policy for expansion of FM Radio Broadcasting Services through Private Agencies (Phase III) , effective April 1, 2015 the Group was given the option to migrate all its existing licenses from Phase II regime to Phase III regime on payment of Non Refundable One Time Migration Fee ('NOTMF'). NOTMF for each station was determined based on the prescribed formula by the MIB vide its order dated January 21, 2015. The Group had exercised the option to migrate 35 out of its 36 stations from Phase II to Phase III for which the gross migration fee was ₹ 36,558.51 Lakhs and the net migration fee after taking into account the residual value of the Phase II licenses was ₹ 34,082.48 lakhs . NOTMF has a remaining amortisation period of eleven years.

B) In the Financial year 2015-16, the Group had won 17 new licenses in the Phase III auctions. The Group paid ₹ 33,924.23 Lakhs Non Refundable One Time Entry Fees ('NOTEF') for these stations. The NOTEF was partially funded through borrowings. During the year 2016-17 the Group had won 21 new licenses in the Batch 2 of Phase III auctions. The Group paid Non-refundable One Time Entry Fee ("NOTEF") of ₹ 5140.43 lakhs for these licenses. The NOTEF was funded through borrowings. All the Phase III licenses have a tenure of 15 years from the date of operationalization of such licenses.

C) Addition to gross carrying value Includes borrowing cost of ₹ 431.56 lakhs (As at March 31, 2018: ₹ 77.03 lakhs) on account of NOTEF for stations launched during the year.

NOTE 8 : NON-CURRENT INVESTMENTS

(Refer Note 2(x))

(₹ in lakhs)

Particulars	Figures as at March 31, 2019		Figures as at March 31, 2018	
	Nos. of Shares	Amount	Nos. of Shares	Amount
Non-Trade, Non-Current (Quoted - Mutual Funds) at Fair value through profit and loss				
Reliance Liquid Fund - Growth Plan - Growth Option - (LFIGG), of ₹ 1,000 each (March 31, 2018 - ₹ 1,000 each)	9,306	422.40	9,533	402.52
Reliance Liquid Fund - Direct Plan - Growth Plan - Growth Option (LFAGG) of ₹ 1,000 each (March 31, 2018 - ₹ 1,000 each)	5,175	236.07	5,146	218.18
Reliance Low Duration Fund - Growth Plan - Growth Option - (LPIGG), of ₹ 1,000 each (March 31, 2018 - ₹ 1,000 each)	4,729	122.22	4,729	113.24
Reliance Prime Debt Fund - Growth Plan - Growth Option - (IPGPG), of ₹ 10 each (March 31, 2018 - ₹ 10 each)	600,872	235.16	600,872	218.96
Total Non-Current Investments		**1,015.85**		**952.90**

NOTE 9 : OTHERS (Refer Note 2 (x))

(₹ in lakhs)

	Figures as at March 31, 2019	Figures as at March 31, 2018
(Unsecured, considered good, unless otherwise stated)		
Security Deposits	2,337.30	2,227.24
Employee loans	–	1.00
	2,337.30	**2,228.24**
NOTE 10 : OTHER NON-CURRENT ASSETS		
Capital advances	496.05	1,744.61
Advance tax and tax deducted at source	491.13	474.54
[Net of provision of ₹ 7,163.54 Lakhs (Previous Year: ₹ 6,861.56 Lakhs)]		
Other Non Current Assets	0.80	15.67
Total Other Non Current Assets	**987.98**	**2,234.82**
NOTE 11 : DEFERRED TAX ASSET (NET)		
Deferred tax assets and liabilities are attributable to the following items :		
Assets:		
MAT credit entitlement	90.86	68.36
Business loss carried forward	4.45	4.45
Other	0.19	0.25
	95.50	**73.06**
Liability:		
Income on fair value of investments	35.62	26.72
	35.62	**26.72**
Total Deferred Tax Assets (Net)	**59.88**	**46.34**

NOTE 12 : CURRENT INVESTMENTS

(Refer Note 2(x))

(₹ in lakhs)

Particulars	Figures as at March 31, 2019		Figures as at March 31, 2018	
	Nos. of Units	Amount	Nos. of Units	Amount
Non-Trade, Current (Quoted - Mutual Funds) at Fair value through profit and loss				
DHFL Pramerica Insta Cash Plus Fund - Bonus, of ₹ 100 each (March 31, 2018 - ₹ 100 each) (formerly DWS Insta Cash fund)	323,887	535.87	323,887	498.19
Invesco India Treasury Advantage Fund (Formerly Ultra Short Term Fund) - Direct Plan Bonus, of ₹ 1,000 each (March 31, 2018 - ₹ 1,000 each)	67,228	986.01	67,228	913.54
Edelweiss India Liquid Fund -Direct Plan - Bonus, of ₹ 1,000 each (March 31, 2018 - ₹ 1,000 each)	61,218	855.99	61,218	795.71
DHFL Pramerica Ultra Short Term Fund - Direct Plan - Growth, of ₹ 10 each (March 31, 2018 - ₹ 10 each) (formerly DWS Ultra Short Term Fund)	–	–	9,541,135	2,035.37
DHFL Pramerica Short Maturity Fund - Direct Plan - Annual Bonus, of ₹ 10 each (March 31, 2018 - ₹ 10 each) (formerly DWS Short Maturity Fund)	–	–	1,154,308	255.88
DHFL Pramerica Low Duration Fund - Annual Bonus, of ₹ 10 each (March 31, 2018 - ₹ 10 each) (formerly DWS Cash Opportunities Fund)	–	–	4,161,594	586.55
ICICI Prudential Liquid - Direct Plan – Growth, of ₹ 100 each (March 31, 2018 - ₹ 100 each)	2,694,278	7,447.43	2,238,490	5,755.98
Sundaram Low Duration Fund - Direct Growth, of ₹ 10 each (March 31, 2018 - ₹ 10 each)	1,149,826	302.56	1,149,826	279.95
Sundaram Short Term Debt Fund Direct Bonus (Bonus Units), of ₹ 10 each (March 31, 2018 - ₹ 10 each)	2,404,436	401.64	2,404,436	372.86
Sundaram Banking and PSU Debt Fund Direct Plan Bonus, of ₹ 10 each (March 31, 2018 - ₹ 10 each)	5,105,654	751.35	5,105,654	698.71
DSP BlackRock Liquidty Fund - Direct Plan - Growth, of ₹ 1,000 each (March 31, 2018 - ₹ 1,000 each)	83,711	2,237.91	134,238	3,336.24
Total Current Investments (C)		**13,518.76**		**15,528.98**

Aggregate amount of quoted instruments is ₹ 13,518.76 Lakhs (March 31 2018: ₹ 15,528.98 Lakhs)

(₹ in lakhs)

	Figures as at March 31, 2019	Figures as at March 31, 2018
NOTE 13 : TRADE RECEIVABLES (Refer Note 2 (x))		
Unsecured, considered good		
From related parties (Refer Note 40)	3,881.58	1,389.02
From others	16,163.80	15,630.88
Total Trade Receivables (net)	**20,045.38**	**17,019.90**
Breakup of Security Details		
Secured, considered good	–	–
Unsecured considered good	20,045.38	17,019.90
Trade Receivables which have significant increase in credit risk	–	–
Trade Receivables - Credit Impaired	2,589.44	1,973.41
	22,634.82	**18,993.31**
Less: Allowance for doubtful trade receivables		
Unsecured considered good	–	–
Trade Receivables which have significant increase in credit risk	–	–
Trade Receivables - Credit Impaired	(2,589.44)	(1,973.41)
Total Receivables (net)	**20,045.38**	**17,019.90**

Note:

A) No trade or other receivables are due from directors or other officers of the Group either severally or jointly with any other person. Further, no trade or other receivables are due from firms or Private Companies respectively in which any director is a partner, a director or a member.

B) Trade receivables are non-interest bearing and are generally on terms of credit.

	Figures as at March 31, 2019	Figures as at March 31, 2018
NOTE 14 : CASH AND CASH EQUIVALENTS (Refer Note 2 (xiii))		
Cheques on hand	488.81	22.99
Cash on hand	–	–
Balances with banks :		
Current Accounts	1,895.87	1,771.46
Total Cash and Cash Equivalents	**2,384.68**	**1,794.45**
NOTE 15 : OTHER BANK BALANCES (Refer Note 2 (xiii))		
On Unpaid dividend account	1.18	0.62
Balances with bank held as security against guarantees issued by banks		
Margin money deposits	–	4.28
Total Other Bank Balances	**1.18**	**4.90**
NOTE 16 : OTHER CURRENT FINANCIAL ASSETS		
Due from related parties	34.71	5.86
Security Deposits	109.61	117.94
Interest accrued on deposits	0.06	0.02
Contract assets	154.68	111.14
Total other current financial assets	**299.06**	**234.96**

(₹ in lakhs)

	Figures as at March 31, 2019	Figures as at March 31, 2018
NOTE 17: OTHER CURRENT ASSETS		
(Unsecured, considered good unless otherwise stated)		
Prepaid expenses	1,562.39	1,542.90
Other Current Assets	25.00	34.26
Advances recoverable in cash or in kind or for value to be received	856.39	529.70
Total Other Current assets	**2,443.78**	**2,106.86**
NOTE 18 : EQUITY SHARE CAPITAL		
Authorised Capital		
12,00,00,000 (Previous Year : 12,00,00,000) Equity Shares of ₹ 10 each	**12,000.00**	**12,000.00**
Issued and Subscribed		
4,76,70,415 (Previous Year : 4,76,70,415) Equity Shares of ₹ 10 each fully paid-up		
Share Capital	4,767.04	4,767.04
	4,767.04	**4,767.04**

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.

	March 31, 2019	March 31, 2018
(b) Shares held by Holding company and Ultimate holding company	**No. of Shares**	**No. of Shares**
i) Equity Shares of ₹ 10 each held by Bennett, Coleman & Company Limited, the Holding Company.	33,918,400	33,918,400
(c) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company	**No. of Shares (in %)**	**No. of Shares (in %)**
i) Bennett, Coleman & Company Limited, the Holding Company.	33,918,400 (71.15%)	33,918,400 (71.15%)

(₹ in lakhs)

	Figures as at March 31, 2019	Figures as at March 31, 2018
NOTE 19 : OTHER EQUITY		
Securities Premium Account	18,850.70	18,850.70
Retained Earnings	69,922.40	65,127.32
Foreign Currency Translation Reserve	(9.04)	–
	88,764.06	**83,978.02**
Retained Earnings		
Balance as at beginning of the year	65,127.32	62,119.63
Add : Profit for the year	5,389.92	3,563.99
Add : Other comprehensive income for the year	(20.15)	17.45
Less: Dividend on equity shares	(476.70)	(476.70)
[per share ₹ 1.00 (Previous Year: ₹ 1.00)]		
Less: Dividend distribution tax	(97.99)	(97.05)
Closing Balance as at the end of the year	**69,922.40**	**65,127.32**
Foreign Currency Translation Reserve		
Balance as at beginning of the year	–	–
Add: Other comprehensive income for the year	(9.04)	–
Closing Balance as at the end of the year	**(9.04)**	**–**
NOTE 20: PROVISIONS (NON CURRENT)		
Provision for employee benefits		
Provision for gratuity (Refer Notes 2(xi) and 38)	796.04	722.27
Provision for compensated absences (Refer Notes 2(xi))	215.10	195.08
Total Provisions (Non Current)	**1,011.14**	**917.35**
NOTE 21 : DEFERRED TAX LIABILITIES (NET) (Refer Note 2(xv))		
Deferred tax assets and liabilities are attributable to the following items :		
Assets:		
Provision for bad and doubtful debts	904.85	689.59
Provision for compensated absences	109.89	100.01
Provision for gratuity	308.06	277.86
Deferrred rent	11.30	15.35
MAT credit entitlement	5,629.51	3,740.99
Business loss carried forward	–	1,536.24
Others	544.29	547.11
	7,507.90	**6,907.15**
Liabilities:		
Depreciation	10,011.20	8,197.36
Income on fair value of investments	946.91	1,150.15
Others	10.64	14.76
	10,968.75	**9,362.27**
Total Deferred Tax Liabilities (net)	**3,460.85**	**2,455.12**

(₹ in lakhs)

	Figures as at March 31, 2019	Figures as at March 31, 2018
NOTE 22: SHORT TERM BORROWINGS (Refer Note 2 (x))		
Unsecured Loans		
Commercial Papers	–	10,396.06
Total Short Term Borrowings	**–**	**10,396.06**
In the previous year, Commercial Papers having maturity value of ₹ 11,000 lakhs were issued on January 23, 2018 for a tenure of 364 days at a yield of 7.20% p.a. on the issue price. These were repaid in the current year.		
NOTE 23 : TRADE PAYABLES		
(A) total outstanding of micro enterprises and small enterprises (Refer Note 36)	12.94	–
	12.94	**–**
(B) total outstanding dues of creditors other than micro enterprises and small enterprises		
Payable to related parties (Refer Note 40)	46.83	56.79
Other Trade payables	12,609.69	10,432.32
Total Trade Payables	**12,656.52**	**10,489.11**
NOTE 24: OTHER CURRENT FINANCIAL LIABILITIES		
Unpaid dividend	1.18	0.62
Security deposit	22.78	22.78
Total Other Current Financial Liabilities	**23.96**	**23.40**
NOTE 25 : OTHER CURRENT LIABILITIES		
Contract Liabilities	1,045.30	508.90
Statutory dues	1,088.05	863.07
Employee dues	1,482.05	1,205.44
Provision for bonus	61.52	61.52
Other Current Liabilities	18.89	11.80
Total Other Current Liabilities	**3,695.81**	**2,650.73**
NOTE 26 : PROVISIONS (CURRENT)		
Provision for employee benefits		
Provision for gratuity (Refer Notes 2(xi) and 38)	85.53	72.91
Provision for compensated absences (Refer Notes 2(xi))	99.37	91.12
Total Provisions (Current)	**184.90**	**164.03**

(₹ in lakhs)

	2018-19	2017-18
NOTE 27 : REVENUE FROM CONTRACT WITH CUSTOMERS AND OTHER OPERATING INCOME		
A) Revenue from contracts with customers		
Revenue disaggregation by type of service		
I) Radio Advertising Services (FCT)	41,276.74	36,618.80
Total (A)	**41,276.74**	**36,618.80**
II) Solutions business		
a) Branded Solutions	13,352.25	10,848.65
b) Managed Solutions	6,746.93	5,207.50
Total (B)	**20,099.18**	**16,056.15**
Total Revenue (A+B)	**61,375.92**	**52,674.95**

While disclosing the aggregate amount of transaction price yet to be recognised as revenue towards unsatisfied (or partially) satisfied performance obligations, along with the broad time band for the expected time to recognise those revenues, the Group has applied the practical expedient in Ind AS 115 as unsatisfied (or partially satisfied) performance obligation are parts of contracts that have an original expected duration of one year or less. Accordingly, the Group has not disclosed the aggregate transaction price allocated to unsatisfied (or partially satisfied) performance obligations which pertain to contracts where revenue recognised corresponds to the value transferred to customer typically involving time and material, outcome based and event based contracts.

Changes in contract assets are as follows:		
Balance at the beginning of the year	111.14	
Less : Invoices raised during the year	(111.14)	
Add: Revenue recognised during the year	154.68	
Balance at the end of the year	**154.68**	
Changes in contract liabilities are as follows:		
Balance at the beginning of the year	(508.90)	
Less : Revenue recognised that was included in the contract liabilities balance at the beginning of the year	375.40	
Less : Unclaimed credit write back	133.50	
Add: Increase due to invoicing during the year, excluding amounts recognised as revenue during the year	1,045.30	
Balance at the end of the year	**(1,045.30)**	
B) Other operating income		
Provision no longer required written back	537.52	946.13
Other Operating Income	166.37	86.19
	703.89	**1,032.32**

(₹ in lakhs)

	2018-19	2017-18
NOTE 28 : OTHER INCOME		
Interest income (Refer Note 2(x))		
– On fixed deposits	0.18	0.26
– On fair valuation of deposits	34.87	18.51
– On others	27.17	3.40
Profit on sale of current investments (Refer Note 2(x))	759.61	139.28
Profit on sale of non current investments (net) (Refer Note 2(x))	0.77	8.50
Gain on fair value of investment (Refer Notes 2(x))	541.48	727.88
Profit on Sale of Fixed Assets (net)	8.89	–
Management Fees	16.80	–
Rent Income	41.86	45.05
Unclaimed credit written back	133.50	1.62
Miscellaneous Income	3.75	0.56
	1,568.88	**945.06**
NOTE 29 : EMPLOYEE BENEFITS EXPENSE		
Salaries, wages and bonus	11,699.60	10,823.60
Contributions to provident and other funds (Refer Notes 2(xi))	390.50	375.22
Gratuity (Refer Notes 2(xi) and 38)	155.64	149.72
Staff welfare expenses	372.30	505.44
	12,618.04	**11,853.98**
NOTE 30 : FINANCE COST		
Interest expense:		
On Commercial papers	369.81	457.44
On Others	27.73	14.57
	397.54	**472.01**
NOTE 31 : DEPRECIATION AND AMORTISATION		
Depreciation on Property plant & equipment (Refer Note 2(v))	1,679.89	1,502.11
Depreciation on Investment Property (Refer Note 2(vii))	1.20	1.33
Impairment of Investment Property (Refer Note 2(vii))	–	15.52
Amortisation (Refer Note 2(vi))	5,030.05	4,826.09
	6,711.14	**6,345.05**

(₹ in lakhs)

	2018-19	2017-18
NOTE 32 : OPERATING AND OTHER EXPENSES		
Royalty	2,221.98	1,943.32
Programming and production expenses	16,144.87	12,281.12
Technical costs	166.69	129.09
License fees (Refer Note 2(xix))	3,641.58	3,469.01
Rent	3,511.82	3,006.93
Rates and taxes	70.03	68.44
Power and fuel	1,468.41	1,365.58
Marketing	1,442.42	2,038.88
Travelling and Conveyance	1,362.08	1,189.37
Insurance	77.64	65.34
Communication	195.02	194.14
Repairs and maintenance on :		
– Buildings	22.11	20.43
– Plant and Machinery	958.20	900.51
– Others	536.44	467.17
Legal and professional fees	1,297.14	981.61
Software expenses (Refer Note 2(vi)(c))	332.37	385.24
Payments to auditors		
As Auditors:		
– Audit fee	44.03	37.00
– Other services	4.25	1.00
– Reimbursement of expenses	2.19	2.83
	50.47	**40.83**
Bad debts written off	230.93	429.99
Provision for doubtful debts	616.03	308.12
Provision for doubtful debts withdrawn	–	(200.23)
	616.03	**107.89**
Loss on sale of tangible assets	–	33.70
Tangible assets written off	17.81	39.73
Director's sitting fees and commission	56.60	26.71
Expenditure towards Corporate Social Responsibility Activities (Refer Note 42)	211.54	211.00
Miscellaneous expenses	915.35	800.23
	35,547.53	**30,196.26**

33. INCOME TAX EXPENSE

a. The major components of income tax expense for the years ended March 31, 2019 and March 31, 2018 are:

(₹ in lakhs)

Particulars	March 31, 2019	March 31, 2018
Income tax expense		
Current tax	1,981.33	1,502.31
Deferred tax		
Decrease / (increase) in deferred tax assets	1,287.94	(500.77)
Unused tax credits (MAT)	(1,911.01)	(1,501.95)
(Decrease) / increase in deferred tax liabilities	1,615.44	2,770.22
Total deferred tax expense	**992.37**	**767.50**
Deferred Tax of earlier years	-	384.23
Income tax expense	**2,973.70**	**2,654.04**
Out of the above recognised in:		
Statement of profit and loss as total tax expenses	**2,984.52**	**2,644.80**
Other Comprehensive Income	**(10.82)**	**9.24**

b. Reconciliation of income tax expenses and the accounting profit multiplied by tax rate for the year ended:

(₹ in lakhs)

Particulars	March 31, 2019	March 31, 2018
Profit before taxation	8,374.44	6,208.79
Tax at the maximum tax rate as applicable	2,946.40	2,148.74
Reconciling items		
Tax saving due to Capital Gains	(35.02)	(23.95)
Brought Forward Loss adjusted	–	6.33
Disallowances	73.92	73.02
Tax on Other comprehensive income	(10.82)	9.24
Increase in Rates	–	57.58
Prior Year Tax Expenses	–	384.23
Others	(0.78)	(1.15)
Tax expenses as per profit and loss account	**2,973.70**	**2,654.04**

34. COMMITMENTS TO THE EXTENT NOT PROVIDED FOR

Estimated amount of capital expenditure contracted for at the end of the reporting period but not recognised as liabilities are as follows:

(₹ in lakhs)

Particulars	2018-19	2017-18
Property, Plant and Equipment	519.82	885.72
Total	**519.82**	**885.72**

35. DISCLOSURES FOR OPERATING LEASES

Disclosure in respect of lease arrangements entered by the Group are as follows:-

a. The Group has entered into agreements for transmission towers, office and residential premises taken on lease

b. Lease payments recognised in the statement of profit and loss ₹ 3,476.74 lakhs (March 31, 2018 - ₹ 2,987.78 lakhs).

c. Of the total leases, nineteen lease licenses have a lock in period ranging from two years to five years. All the other agreements are cancellable at the option of the Group.

Future minimum rentals payable under non-cancellable operating leases are as follows:

(₹ in lakhs)

Particulars	March 31,2019	March 31,2018
Within one year	839.81	766.69
After one year but not more than five years	1,093.67	778.81
Total	**1,933.48**	**1,545.50**

36. TRADE PAYABLES

Details of Micro, Small & Medium Enterprises

Information as per the requirement of Section 22 of The Micro, Small and Medium Enterprises Development Act, 2006:

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
a. The principal amount remaining unpaid to any supplier at the end of accounting year included in		
i. trade payables	11.24	–
ii. The interest due on above	1.70	–
The total of (i) & (ii)	**12.94**	**–**
b. The amount of interest paid by the buyer in terms of section 16 of the Act	–	–
c. The amount of the payment made to the supplier beyond the appointed day during the accounting year	–	–
d. The amounts of interest accrued and remaining unpaid at the end of financial year	1.70	–
e. The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the due date during the year) but without adding the interest specified under this Act.	–	–

37. DIVIDEND PAID AND PROPOSED

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Dividends declared and paid on equity shares:		
Dividend for the year ended on March 31, 2018 - ₹ 1 per share (March 31, 2017 - ₹ 1 per share)	476.70	476.70
Dividend distribution tax on above	97.99	97.05
Proposed Dividend on equity shares: (Refer Note below)		
Dividend for the year ended on March 31, 2019 - ₹ 1 per share (March 31, 2018- ₹ 1 per share)	476.70	476.70
Dividend distribution tax on above (DDT)	97.99	97.99

Note : Proposed dividends on equity shares are subject to approval at the annual general meeting and are not recognised as a liability (including DDT thereon) as at March 31, 2019.

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

I) Defined Contribution Plans

a) Provident Fund

b) Employee's Pension Scheme

c) Employee State Insurance Scheme

d) National Pension Scheme

During the year, the Group has recognised the following amounts in the statement of profit and loss:

(₹ in lakhs)

Particulars	2018-2019	2017-2018
– Employers' Contribution to Provident Fund*	231.22	229.92
– Employers' Contribution to Employee's Pension Scheme 1995*	143.73	130.75
– Employers' Contribution to Employee State Insurance Scheme*	3.43	3.59
– Employers' Contribution to National Pension Scheme*	12.12	10.96

* Included in Contributions to Provident and Other Funds (Refer Note 29)

II) Defined Benefit Plans

Post-employment obligations

Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees' last drawn basic salary per month computed proportionately for 15 days' salary multiplied for the number of years of service. The liability in respect of gratuity is uncapped and is not restricted to ₹ 20 lakhs.

These plans typically expose the Group to actuarial risks such as interest risk and salary inflation risk.

a) Interest risk - A decrease in the discount rate will increase the plan liability.

b) Salary inflation risk – The present value of the defined plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

In accordance with Ind AS 19, actuarial valuation was done in respect of the aforesaid Defined Benefit Plan of gratuity (unfunded) based on the following assumptions: -

Particulars	As at March 31, 2019	As at March 31, 2018
Discount Rate (per annum)	7.22%	7.65%
Rate of increase in Compensation levels	8.00%	8.00%
Rate of Employee Turnover	For service 2 years and below 25%p.a., For service 3 years to 4 years 20%p.a., For service 5 years and above 10% p.a.	For service 2 years and below 25%p.a., For service 3 years to 4 years 20%p.a., For service 5 years and above 10% p.a.
Mortality rate during employment	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate

A) Changes in the Present Value of Obligation

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Present Value of Obligation at the beginning of the year	795.18	775.88
Interest Cost	60.83	52.84
Past Service Cost	–	–
Current Service Cost	94.81	96.88
Benefits Paid	(100.21)	(103.73)
Actuarial (Gain) / Loss on obligations	30.97	(26.69)
Effect of Transfer In / (Transfer Out)	–	–
Present Value of Obligation as at the year end	**881.58**	**795.18**

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

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
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	881.58	795.18
Unrecognised Actuarial (Gains) / Losses	–	–
Unfunded (Liability) recognised in Balance Sheet	**881.58**	**795.18**

C) Amount recognised in the Balance Sheet

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Present Value of Defined Benefit Obligation at the end of the year	881.58	795.18
Fair Value of Plan Assets as at the end of the year	-	-
Liability recognised in the Balance Sheet	881.58	795.18
Recognised under:		
Long term provisions	796.05	722.27
Short term provisions	85.53	72.91

D) **Expenses recognised in the Statement of Profit and Loss**

(₹ in lakhs)

Particulars	2018-2019	2017-2018
Current Service Cost	94.81	96.88
Past Service Cost	–	–
Interest Cost	60.83	52.84
Total amount recognised in profit or loss	**155.64**	**149.72**
(Gain)/loss from change in demographic assumptions	–	–
(Gain)/loss from change in financial assumptions	23.51	(45.16)
Experience (gains)/losses	7.46	18.48
Total Expenses recognised in the statement of Profit and Loss	**186.61**	**123.04**

E) **Experience Adjustment**

(₹ in lakhs)

Particulars	2018-2019	2017-2018
Defined Benefit Obligation	881.58	795.18
Plan Assets	–	–
Deficit / (Surplus)	881.58	795.18
Experience Adjustment on Plan Liabilities (Gain) / Loss	30.97	(26.69)

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.

F) **Sensitivity Analysis**

Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity of the defined benefit obligation to changes in the principal assumptions:

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Projected Benefit Obligation on Current Assumptions	881.58	795.18
Delta Effect of +1% Change in Rate of Discounting	(52.87)	(48.08)
Delta Effect of -1% Change in Rate of Discounting	59.75	54.31
Delta Effect of +1% Change in Rate of Salary Increase	58.71	53.60
Delta Effect of -1% Change in Rate of Salary Increase	(52.98)	(48.36)
Delta Effect of +1% Change in Rate of Employee Turnover	(5.24)	(3.19)
Delta Effect of -1% Change in Rate of Employee Turnover	5.62	3.38

G) **Maturity analysis of Projected Benefit Obligation from the employer**

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
1st Following Year	85.53	72.91
2nd Following Year	77.48	80.01
3rd Following Year	86.73	72.72
4th Following Year	80.33	79.52
5th Following Year	132.17	72.77
Sum of Years 6 To 10	388.49	409.07
Sum of Years 11 and above	721.18	697.33

H) **Other details**

Weighted Average Duration of the Projected Benefit Obligation as on March 31, 2019 is 8 years (March 31, 2018 - 8 years).

39. SEGMENT INFORMATION

In accordance with Ind AS-108, 'Operating Segments', the Group'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, 2018. The Group primarily caters to the domestic market and hence there are no reportable geographical segments.

A) **Disclosure of geographical information**

Particulars	2018-19	2017-18
Revenue from operations		
Outside India	1,261.97	687.83
India	60,817.84	53,019.44
Total	**62,079.81**	**53,707.27**

	As at March 31, 2019	As at March 31, 2018
Non - Current assets		
Outside India	10.21	–
India	72,461.14	75,923.33
Total	**72,471.35**	**75,923.33**

As per Ind AS 108 - Operating Segments, Non-Current assets include assets other than financial instruments, deferred tax assets, post-employment benefit assets, and rights arising under insurance contracts if any,

(i) located in the entity's country of domicile and

(ii) located in all foreign countries in total in which the entity holds assets.

40. RELATED PARTY DISCLOSURES

i. **Parties where control exists**

Bennett, Coleman & Company Limited (BCCL) – Holding Company

ii. **Fellow Subsidiary Companies**

Mirchi Movies Limited (MML)#*
Grade Stack Learning Private Limited (GSLPL)
Times Innovative Media Limited (TIM)
TIM Delhi Airport Advertising Private Limited (TIMDA)*
Times Internet Limited (TIL) #
Zoom Entertainment Network Limited (ZENL)*
Gamma Gaana Limited (GGL)
Metropolitan Media Company Limited (formerly Times VPL Limited) (MMCL)
Vardhaman Publishers Limited (VPL)
Magic Bricks Reality Services Limited (MBRSL)
Brand Equity Treaties Limited (BETL)
BCCL Media International FZ (BCCL MI)
Worldwide Media Private Limited (WWM)
MX Media and Entertainment PTE Ltd (MX Media)
Quickleap Solutions Limited (QSPL)
BCCL Worldwide Inc. (BWI)

iii. **Related Parties of Ultimate Holding Company**

Aegon Life Insurance Company Limited (ALIC)*
Inventz Life Science Pvt.Ltd (ILS)
OML Entertainment Private Limited (OMLEPL)

iv. **Key Management Personnel**

Managing Director & Chief Executive Officer

Mr. Prashant Panday

Executive Director & Group CFO

Mr. N Subramanian (w.e.f November 2, 2018)

Non-Executive Directors

Mr. Vineet Jain
Mr. N.Kumar
Mr. Richard Saldanha
Mr. Ravindra Kulkarni
Ms. Punita Lal- (from March 28, 2016 to November 15, 2017)
Ms. Sukanya Kripalu (w.e.f May 23, 2018)

Mirchi Movies Limited (MML) has been merged into Times Internet Limited (TIL) in the current year.

* There are no transactions with the entities during the year.

v. Transactions with Related Parties

(₹ in lakhs)

Particulars	2018-2019																		
	Holding Company	Fellow Subsidiary Companies														Related Parties of the Holding Company			
	BCCL	GLSPL	TIM	TIMDA	TIL	ZENL	GGL	MMCL	VPL	MBRSL	BETL	BCCL MI	WWM	MX Media	QSPL	BWI	OMLEPL	ILS	ALIC
Transactions with Related Parties :																			
Revenue from contract with customers	10,809.47	1.85	4.00	–	219.25	–	748.37	17.85	–	54.78	685.84	167.39	45.12	129.49	23.82	–	2.40	1.00	–
Rendering of services	5.85	–	52.81	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Receiving of services	1,273.28	–	95.63	–	133.69	–	452.19	8.50	1.58	–	–	–	74.96	–	–	22.31	2.40	–	–
Recovery of Expenses	0.38	–	81.58	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Dividend paid	339.18	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	—
Year end Balances with Related Parties :																		–	
Trade Receivables	2,918.47	–	–	–	87.19	–	418.05	6.57	–	6.59	210.56	77.04	–	129.49	27.63	–	–	–	–
Non-trade Receivables (net)	–	–	34.71	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Payables (net)	–	–	–	–	2.30	–	–	–	–	–	–	–	22.23	–	–	22.31	–	–	–

(₹ in lakhs)

Particulars	2017-2018																		
	Holding Company	Fellow Subsidiary Companies														Related Parties of the Holding Company			
	BCCL	GLSPL	TIM	TIMDA	TIL	ZENL	GGL	MMCL	VPL	MBRSL	BETL	BCCL MI	WWM	MX Media	QSPL	BWI	OMLEPL	ILS	ALIC
Transactions with Related Parties :																			
Revenue from contract with customers	6,784.31	–	–	–	206.35	7.27	208.39	6.94	–	65.61	116.47	–	79.71	–	–	–	–	–	8.00
Rendering of services	7.02	–	36.80	1.23	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Receiving of services	581.44	–	136.93	–	141.67	–	423.71	12.14	1.59	–	–	–	79.66	–	–	–	–	–	–
Recovery of Expenses	1.66	–	109.86	0.78	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Dividend paid	339.18	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Year end Balances with Related Parties :																			
Trade Receivables	1,312.02	–	–	–	17.19	36.62	–	–	–	–	11.20	–	12.00	–	–	–	–	–	–
Non-trade Receivables (net)	–	–	5.86	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Payables (net)	–	–	–	–	0.90	–	50.52	5.37	–	–	–	–	–	–	–	–	–	–	–

vi. **Details relating to Persons referred to in 40(iv) above**

I. A) **Mr. Prashant Panday**

(₹ in lakhs)

Particulars	2018-2019	2017-2018
Short-term employee benefits	303.62	322.47
Post Employment Benefit Obligation	8.16	4.88
Other Long Term Benefit Obligation	0.39	0.21
Total Compensation	**312.17**	**327.56**

B. **Mr. N Subramanian (w.e.f. Nov 2, 2018)**

(₹ in lakhs)

Particulars	2018-2019
Short-term employee benefits	85.68
Post Employment Benefit Obligation	2.19
Other Long Term Benefit Obligation	0.17
Total Compensation	**88.04**

II. **Non-executive directors**

Particulars	2018-2019	2017-2018
Director sitting fees	56.60	26.70
Total Compensation	**56.60**	**26.70**

Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions.

There have been no guarantees provided or received for any related party receivables and payables for the year ended March 31, 2019 and for the year ended March 31, 2018.

41. 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.

Particulars	2018-2019	2017-2018
Profit for the year (₹ in lakhs) (A)	5,389.92	3,563.99
Weighted average number of Equity shares (B) (Nos.)	4,76,70,415	4,76,70,415
Earnings per share – basic and diluted (Rupees) (A/B)	11.31	7.48
Nominal value of an equity share (Rupees)	10.00	10.00

42. Gross amount required to be spent by the Group during the year for Corporate Social Responsibility (CSR) activities was ₹ 211.54 lakhs (March 31, 2018 - ₹ 211.00 lakhs). Amount spent during the year by the Group is as follows:

(₹ in lakhs)

Particulars	2018-2019	2017-2018
(i) Construction/acquisition of an asset	–	–
(ii) On purposes other than (i) above	211.54	211.00

43. The Group had entered into a non-binding Memorandum of Understanding (MoU) with TV Today Network Limited (TVTN) on March 16, 2018 to acquire three stations viz. Mumbai, Delhi and Kolkata stations. The MOU continues to be in effect. The Group and TVTN had filed an application with the Ministry of Information and Broadcasting (MIB) seeking approval for a slump sale of the three stations by TVTN to ENIL. Since the slump sale structure has not yet been approved by the MIB, both the parties are in discussions with MIB to explore potential alternate structures that may be acceptable to MIB. Any alternate structure may entail a fresh application to MIB

44. PROVISIONS AND CONTINGENT LIABILITIES:

a. The Group has reviewed pending litigations and proceedings and has adequately provided for where provisions are required in its financial statements. The Group has provided for an amount of ₹ 2,986.43 lakhs as at March 31, 2019 (March 31, 2018 - ₹ 2,123.70 lakhs) against various pending litigations and claims.

b. Taxation

The Group is contesting certain disallowances to the taxable income and demands raised by the Income tax authorities, the estimated tax liability of which is ₹ 19.00 lakhs as at March 31, 2019 (March 31, 2018 - ₹ 13.97 lakhs). The management does not expect the liability from these claims to crystallize and accordingly, no provision has been recognised in the financial statements for the same.

45. CAPITAL MANAGEMENT

Capital includes issued equity capital and other equity reserves attributable to the equity holders of the the parent Company.The Group's objective is to maintain a strong capital base to ensure a sustainable future growth, maintain a strong credit rating and provide adequate returns to the shareholders. The Funding requirements of the Group are not large and are generally met through internal accruals and short term borrowings. The Group monitors capital using a capital gearing ratio. Capital gearing ratio is computed as net debt divided by shareholders' funds.

The net debt of the Group as on March 31, 2019 was Nil (March 31, 2018 - Nil).

46. FAIR VALUE

The fair values of financial assets and liabilities are included at the amount at which the instrument can be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

a. Fair value of cash and cash equivalents, other bank balances, trade and other current financial assets, trade and other payables and short term borrowings approximate their carrying amounts due to the short maturities of these instruments.

b. The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities – Investment in Mutual funds

Level 2 : other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3 : techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

Fair Value measurement

Financial instruments by category (₹ in lakhs)

Particulars	**March 31, 2019**			
	Carrying amount	**Fair Value**		
		Level 1	**Level 2**	**Level 3**
Financial assets at amortised cost				
Others -Deposit non-current	2,337.30	–	–	–
Employee loans current	–	–	–	–
Trade receivables	20,045.38	–	–	–
Cash and cash equivalents	2,384.68	–	–	–
Other bank balances	1.18	–	–	–
Deposit current	109.61	–	–	–
Other current financial assets	189.45	–	–	–
Total	**25,067.60**	**–**	**–**	**–**
Financial assets at fair value through profit or loss				
Long term investments in mutual funds	1,015.85	1,015.85	–	–
Short term investments in mutual funds	13,518.76	13,518.76	–	–
Total	**14,534.61**	**14,534.61**	–	**–**
Total financial assets	**39,602.21**	**14,534.61**	–	**–**
Financial liabilities at amortised cost (current)				
Borrowings	–	–	–	–
Trade payables	12,669.46	–	–	–
Unpaid dividend	1.18	–	–	–
Security Deposits Payable	22.78	–	–	–
Total financial liabilities	**12,693.42**	–	–	–

(₹ in lakhs)

Particulars	**March 31, 2018**			
	Carrying amount	**Fair Value**		
		Level 1	**Level 2**	**Level 3**
Financial assets at amortised cost				
Others -Deposit non-current	2,227.24	–	–	–
Employee loans current	1.00	–	–	–
Trade receivables	17,019.90	–	–	–
Cash and cash equivalents	1,794.45	–	–	–
Other bank balances	4.90	–	–	–
Deposits	117.94	–	–	–
Other current financial assets	117.02	–	–	–
Total	**21,282.45**	**–**	**–**	**–**
Financial assets at fair value through profit or loss				
Long term investments in mutual funds	952.90	952.90		
Short term investments in mutual funds	15,528.98	15,528.98	–	–
Total	**16,481.88**	**16,481.88**	–	**–**
Total financial assets	**37,764.33**	**16,481.88**	–	**–**
Financial liabilities at amortised cost (current)				
Borrowings	10,396.06	10,396.06	–	–
Trade payables	10,489.12	–	–	–
Unpaid dividend	0.62	–	–	–
Security Deposits Payable	22.78	–	–	–
Total financial liabilities	**20,908.58**	**10,396.06**	–	–

Assets for which fair values are disclosed **(₹ in lakhs)**

Particulars	March 31, 2019			
	Carrying amount	Fair Value		
		Level 1	Level 2	Level 3
Investment properties (Note 5)	208.24	–	210.92	–
Total	**208.24**	**–**	**210.92**	**–**

Particulars	March 31, 2018			
	Carrying amount	Fair Value		
		Level 1	Level 2	Level 3
Investment properties (Note 5)	85.94	–	85.94	–
Total	**85.94**	**–**	**85.94**	**–**

During the reporting period ended March 31, 2019 and March 31, 2018 , there were no transfers between Level 1, Level 2 and Level 3 fair value instruments.

47. Financial risk management

The Group's principal financial liabilities comprise trade and other payables. The main purpose of these financial liabilities is to finance and support the Group's operations. The Group's principal financial assets include security deposits, investment in mutual funds, trade receivables, other receivables and cash and cash equivalents that derive directly from its operations. The Group's senior management oversees the management of these risks. The Group's activities expose it to a variety of credit, risks market risks and liquidity risks. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk in the financial statements.

a. **Credit risk**

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including investments in debt mutual funds, deposits with banks and foreign exchange transactions.

Trade Receivables

Customer credit risk is managed by each business unit subject to the Group's established policy, procedures and control relating to customer credit risk management. The Group undertakes a detailed review of the credit worthiness of clients before extending credit. Outstanding customer receivables are regularly monitored. Management monitors the Group's net liquidity position through rolling forecasts based on expected cash flows.

Trade receivables comprise a large number of customers. The Group has credit evaluation policy for each customer and based on the evaluation, credit limit of each customer is defined. Total Trade receivables as on 31st March, 2019 is ₹ 20,045.38 lakhs (31st March, 2018: ₹ 17,019.90 lakhs). The Group believes the concentration of risk with respect to trade receivables is low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

The Group uses the expected credit loss model as per Ind AS 109 – 'Financial Instruments' to assess the impairment loss or gain. The Group uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix considers available external and internal credit risk factors and the Group's historical experience in respect of customers. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 12.

Movement in provision for doubtful debts are as follows :-

Particulars	As at March 31, 2019	As at March 31, 2018
Opening provision	1,973.41	2,316.23
Add: Additional provision recorded	616.03	308.12
Less: Provision withdrawn	–	(200.23)
Less: Provision reversed	–	(450.71)
Closing provisions	**2,589.44**	**1,973.41**

Investments In debt mutual funds and balances with banks

Credit risk from balances with banks and investments in debt mutual funds is managed by the Group's treasury department in accordance with the Group's policy. The Group beleives the concentration of risk with respect to Investment in debt mutual funds and balances with banks is low, as the investments of surplus funds are made only with approved counterparties.

b. Liquidity Risk

Liquidity risk is defined as a risk that the Group will not be able to settle or meet its obligations on time. The Group's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by the Senior Management.

The Group's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The Group has short term borrowings in the form of Commercial Papers. The Group believes that the same can be paid out of from internal accruals and mutual fund investments. The Group believes that the working capital is sufficient to meet its current requirements. Accordingly, no liquidity risk is perceived.

At the end of the reporting period the Group held Mutual fund investments of ₹ 14,534.61 lakhs (March 31, 2018 ₹ 16,481.88 lakhs) that are expected to readily generate cash inflows for managing liquidity risk.

Maturities of financial liabilities

The tables below analyze the Group's Financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows.

(₹ in lakhs)

Contractual maturities of financial liabilities	March 31, 2019		March 31, 2018	
	Less than 6 months	6 months to 1 year	Less than 6 months	6 months to 1 year
Borrowings	–	–	–	11,000.00
Trade payables	12,669.46	–	10,489.11	–
Other financial liabilities	23.96	–	23.40	–

c. Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk currency risk, interest rate risk and other price risk such as equity price risk and commodity risk.

Financial instruments affected by market risk include loans and borrowings. The analysis exclude the impact of movements in market variables on the carrying values of gratuity and other post retirement obligations and provisions. The analysis for the contingent consideration liability is provided in Note 44.

Foreign Currency risk

Foreign currency risk arises due to the fluctuations in foreign currency exchange rates. The Group does not have any material transactions in foreign currencies. Accordingly, its exposure to the foreign currency risk is limited.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group does not have any financial instruments that are subject to fluctuation on account of change in market interest rates.

Price risk

The Group's exposure to mutual fund securities arises from investments held by the Group and classified in the balance sheet at fair value through profit or loss. To manage its price risk arising from investments in Mutual funds, the Group diversifies its portfolio. Diversification of the portfolio is done in accordance with the framework and policies set by the Board of Directors.

48. STANDARDS ISSUED BUT NOT EFFECTIVE

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified the following new and amendments to Ind AS which the Group has not applied as they are effective from April 1, 2019:

A. IND AS 116 : Leases

Ind AS 116 will replace the existing leases standard, Ind AS 17 Leases. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lessee accounting model for lessees. A lessee recognises right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. The standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The standard permits two possible methods of transition:

a. Full retrospective - Retrospectively to each prior period presented applying Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors.

b. Modified retrospective - Retrospectively, with the cumulative effect of initially applying the Standard recognized at the date of initial application.

   Under modified retrospective approach, the lessee records the lease liability at the present value of the remaining lease payments discounted at the incremental borrowing rate and the right of use asset either at:

   i. Its carrying amount as if the standard had been applied since the commencement date, but discounted at lessee's incremental borrowing rate at the date of initial application, or

   ii. An amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments related to that lease recognized under Ind AS 17 immediately before the date of initial application.

   The Group is in the process of evaluating the impact of transitioning from old standard i.e. Ind AS 17 to new standard i.e. Ind AS 116 and the transition approach.

B. Ind AS 12 : Income taxes

The amendment to Appendix C of Ind AS 12 specifies that the amendment is to be applied to the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. It outlines the following:

1. The entity has to use judgement, to determine whether each tax treatment should be considered separately or whether some can be considered together. The decision should be based on the approach which provides better predictions of the resolution of the uncertainty.
2. The entity is to assume that the taxation authority will have full knowledge of all relevant information while examining any amount.
3. Entity has to consider the probability of the relevant taxation authority accepting the tax treatment and the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates would depend upon the probability. The Group does not expect any significant impact of the amendment on its financial statements.

49. Exceptional items in the previous year consists of write back of provisions for expenses recorded in earlier years and no longer required. The write back amounted to ₹ 423.76 lakhs for the year ended March 31, 2018.

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

Signatures to notes "1" to "50" forming part of the financial statements.

For and on behalf of the Board of Directors

For **S. R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration No.: 101049W/E300004

Vineet Jain
Chairman
[DIN: 00003962]

Richard Saldanha
Director
[DIN: 00189029]

Prashant Panday
Managing Director & CEO
[DIN: 02747925]

Govind Ahuja
Partner
Membership No. 48966

N. Subramanian
Executive Director and Group CFO
[DIN: 03083775]

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

Place : Mumbai
Dated : May 30, 2019

Entertainment Network (India) Limited

CIN : L92140MH1999PLC120516

Website: *www.enil.co.in* e-mail ID: *enil.investors@timesgroup.com* Ph: 022-6662 0600

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 20th Annual General Meeting (AGM) of the Company to be held on **Monday, August 5, 2019** at **3.00 p.m.** at Hall of Culture, Ground Floor, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai: 400018.

....

Signature of shareholder/ proxy holder(s)

Applicable for investors holding shares in electronic form.

Entertainment Network (India) Limited

CIN : L92140MH1999PLC120516

Website: *www.enil.co.in* e-mail ID: *enil.investors@timesgroup.com* Ph: 022-6662 0600

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

Form No.MGT-11

PROXY FORM

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

Name of the member(s) :..

Registered address:..

....

E-mail ID :...

Folio No./ Client ID: ....

DP ID:...

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

1. Name: .... Address...

   ....

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

2. Name: .... Address...

   ....

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

3. Name: .... Address...

   ....

   E-mail ID :.. signature: ....

as my/ our proxy to attend and vote (on a poll) for me/ us and on my/ our behalf at the 20th Annual General Meeting of the Company to be held on **Monday, August 5, 2019** at **3.00 p.m.** at Hall of Culture, Ground Floor, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai: 400018 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.	Brief description of resolutions (Kindly refer to the AGM notice for complete resolutions)	For *	Against *
1	Ordinary Resolution: Adoption of the audited financial statements of the Company for the financial year ended March 31, 2019 and the Reports of the Board of Directors and Auditors thereon.		
2	Ordinary Resolution: Adoption of the audited consolidated financial statements of the Company for the financial year ended March 31, 2019 and the Report of the Auditors thereon.		
3	Ordinary Resolution: To declare dividend on equity shares.		
4	Ordinary Resolution: Re-appointment of Mr. Prashant Panday (DIN: 02747925), as a Director, liable to retire by rotation.		
5	Ordinary Resolution: Re-appointment of S. R. Batliboi & Associates LLP, Chartered Accountants (ICAI Firm Registration number - 101049W/ E300004), as the Statutory Auditors of the Company and to fix their remuneration.		
6	Ordinary Resolution: Ratification of remuneration payable to the Cost Auditors, M/s. R. Nanabhoy & Co., Cost Accountants (Firm registration number- 00010).		
7	Special Resolution: Issue of non- convertible debentures, bonds, debt securities, etc. on private placement basis.		
8	Special Resolution: Appointment of Mr. N. Subramanian (DIN: 03083775) as an Executive Director & Group Chief Financial Officer.		
9	Special Resolution: Re-appointment of Mr. Richard Saldanha (DIN: 00189029) as an Independent Director.		
10	Special Resolution: Re-appointment of Mr. Ravindra Kulkarni (DIN: 00059367) as an Independent Director.		
11	Special Resolution: Re-appointment of Mr. N. Kumar (DIN: 00007848) as an Independent Director.		

Affix Revenue Stamp

Signed this.........day of......................... 2019.

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.

www.radiomirchi.com

ENTERTAINMENT NETWORK (INDIA) LTD.

Entertainment
Network (India)
Limited

REGISTERED OFFICE

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