



*The People's Channel*

## 21<sup>st</sup> Annual Report 2014 - 2015

**RAJ TELEVISION NETWORK LTD.,**

32, Poes Road, 2<sup>nd</sup> Street, Teynampet, Chennai - 600 018.

Tel : 044 - 24334149/50/51, 24351898/2926 Fax : 91-44-24341260 Web: [www.rajtvnet.in](http://www.rajtvnet.in)



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## FORWARD LOOKING STATEMENT

In this Annual Report, we have disclosed forward looking information to enable investors to comprehend our prospects and take investment decisions. This report and other statements - written and oral - that we periodically make contain forward looking statements that set out anticipated results based on the management's plans and assumptions. We have tried, wherever possible, to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward looking statements will be realised, although we believe we have been prudent in our assumptions. The achievements of results are subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should keep this in mind. We undertake no obligation to publicly update any forward looking statement, whether as a result of new information, future events or otherwise.

# RAJ TELEVISION NETWORK LIMITED



Raj Television Network Ltd., South India's largest media conglomerate has powerpacked 13 TV Channels with the reach of more than 95 million households in India. RAJ TV Network's Channels can be viewed in all countries.

## RAJ DIGITAL PLUS



Raj Digital Plus is a Tamil Based Movie Channel.

## RAJ NEWS TAMIL



Raj News is a Tamil Based 24/7 News Channel.

## RAJ MUSIX TAMIL



Raj Musix is a Tamil Based Music Channel.

## VISSA TV



Vissa TV is a Family Entertainment Channel in Telegu.

## RAJ NEWS KANNADA



Raj News Kannada is a Kannada Based 24/7 News Channel.

## RAJ MUSIX KANNADA



Raj Musix Kannada is a Kannada Based Music channel.

## RAJ NEWS TELUGU



Raj Musix Telugu is a Telugu Based Music Channel.

## RAJ MUSIX TELUGU



Raj Musix Telugu is a Telugu Based Music Channel.

## RAJ NEWS MALAYALAM



Raj News Malayalam is a Malayalam Based 24/7 News Channel.

## RAJ MUSIX MALAYALAM



Raj Musix Malayalam is a Malayalam Based Music Channel.

## RAJ ASIA



Raj Asia is a GEC in Tamil Telecasted in Overseas.

## RAJ PARIVAAR



Raj Parivaar is a GEC in Hindi.

43

COUNTRIES

13

CHANNELS

04

INTERNATIONAL BEAMS

# ABOUT US



Raj Television Network Ltd., incorporated on June 3, 1994 to provide wholesome entertainment for the entire family and it is the largest Television satellite broadcasters in South India.

Currently operating 13 Channels and owns over 2641 Film Rights, hidden value worth more than Rs.400 Crores. Owns Land and building with 75,000 Sq feet in Chennai and Hyderabad and the First 24 hours Tamil Movie Channel 'Raj Digital Plus'. Having Sales and marketing offices across India.

## Business Activities:

Broadcasting Southern Entertainment Channels. Channel content Include Movies, Comedy Shows, Game shows, Music shows, News time, etc. Export of content in foreign market and Web casting movie content over the Internet, IP TV, OTT Technologies and various mediums of Infotainment. A lot of effort is being taken to ensure that the programming mix appeals to people of all ages, of all background making it truly a PEOPLE'S CHANNEL.

## BOARD OF DIRECTORS

|                        |                        |
|------------------------|------------------------|
| MR. M. RAJENDRAN       | MANAGING DIRECTOR      |
| MR. M. RAJARATHNAM     | DIRECTOR- DISTRIBUTION |
| MR. M. RAVINDRAN       | DIRECTOR- OPERATIONS   |
| MR. M. RAGHUNATHAN     | DIRECTOR-MARKETING     |
| MR. D. R. KAARTHIKEYAN | INDEPENDENT DIRECTOR   |
| MR. R. RAJAGOPALAN     | INDEPENDENT DIRECTOR   |
| MR. A. ARJUNA PAI      | INDEPENDENT DIRECTOR   |
| MR. MOHAN KAMESWARAN   | INDEPENDENT DIRECTOR   |

## CHIEF FINANCIAL OFFICER

MR. S. JEYASEELAN.

## COMPANY SECRETARY & COMPLIANCE OFFICER

MR. JOSEPH CHERIYAN: (ACS)

## AUDIT COMMITTEE

MR. A. ARJUNA PAI (CHAIRMAN)

MR. R. RAJAGOPALAN

MR. M. RAVINDRAN

## NOMINATION AND REMUNERATION COMMITTEE

MR. R. RAJAGOPALAN (CHAIRMAN)

MR. D. R. KAARTHIKEYAN

MR. A. ARJUNA PAI

## SHAREHOLDERS & INVESTORS RELATIONSHIP COMMITTEE

MR. D. R. KAARTHIKEYAN (CHAIRMAN)

MR. M. RAJENDRAN,

MR. M. RAVINDRAN

## CSR COMMITTEE

MR. D. R. KAARTHIKEYAN (CHAIRMAN)

MR. R. RAJAGOPALAN

MR. M. RAGHUNATHAN

## STATUTORY AUDITORS

M/S PRATAPKARAN PAUL & CO,  
CHARTERED ACCOUNTANTS  
B-8, GEMS COURT, NO.25/14,  
KHADER NAWAZ KHAN ROAD,  
NUNGAMBAKKAM, CHENNAI - 600 006.

## SECRETARIAL AUDITORS

M/S NAGARAJAN & CO.,  
NEW NO. 29 KAVARAI STREET,  
WEST MAMBALAM, CHENNAI 600 033

## INTERNAL AUDITORS

SARAVANAN AND CO.,  
CHARTERED ACCOUNTANTS.  
KGEYES SRINIVASS FLATS, NO.7, SRINIVASAPURAM 1<sup>ST</sup> ST,  
THIRUVANMIYUR, CHENNAI - 600 041.

## LEGAL COUNCIL

HSB PARTNERS  
CAPITALE, 9<sup>TH</sup> FLOOR,  
555 ANNA SALAI ,  
TEYNAMPET, CHENNAI 600 018

## RAJ TELEVISION NETWORK LIMITED

32, Poes Road, 2<sup>nd</sup> Street,  
Teynampet, Chennai - 600 018

Tel: +91- 44 -24334149 – 51,

Fax: +91- 44 - 24341260

Email : administrator@rajtvnet.in,

Website: www.rajtvnet.in, www.rajtv.tv

## REGISTRAR AND SHARE TRANSFER AGENT

CAMEO CORPORATE SERVICES LIMITED  
SUBRAMANIAN BUILDING,  
NO.1, CLUB HOUSE ROAD, CHENNAI - 600 002,  
PHONE NO. 044-28460390-94, FAX NO. 28460129  
EMAIL: CAMEOSYS@CAMEOINDIA.COM

## STOCK EXCHANGE(S) & STOCK CODE(S)

NATIONAL STOCK EXCHANGE OF INDIA LIMITED (RAJTV)  
BSE LIMITED (532826)

## BANKERS

CANARA BANK - TEYNAMPET BRANCH  
STATE BANK OF INDIA - OVERSEAS BRANCH  
INDIAN BANK - ANNA SALAI  
ICICI BANK LIMITED

## REGIONAL OFFICES

### DELHI

1407-08, ANSAL TOWERS , 14<sup>TH</sup> FLOOR,  
38, NEHURU PLACE , NEW DELHI -110 019

### HYDERABAD

FLAT NO. 8-2-293/82/A/656/1, ROAD NO. 32,  
JUBILEE HILL, HYDERABAD, 500 033.

### MUMBAI

NO. 105, SWAPNA CO-OP HSG SOCIETY,  
1<sup>ST</sup> FLR, S.K. Bhole Marg, DADAR WEST,  
MUMBAI - 400 028.

### BANGALORE

K.K.M.P BUILDING, SECOND FLOOR,  
NO.16/1, MILLER TANK NAGAR,  
BANGALORE-560 052.

## Channels

### Tamil Language

Raj TV, Raj Musix, Raj Digital Plus  
and Raj News

### Kannada Language

Raj Musix Kannada &  
Raj News Kannada

### Telugu Language

Raj Musix Telugu, Raj News Telugu  
and Vissa TV

### Hindi Language

Raj Parivaar

### Malayalam Language

Raj Musix Malayalam &  
Raj News Malayalam.

### Upcoming Channels

Raj Nagaichuvai (Tamil),

Raj Kids (Tamil) &

Raj Movies (Kannada) are in pipe line.

## CHANNELS



## FIVE YEAR FINANCIAL HIGHLIGHTS

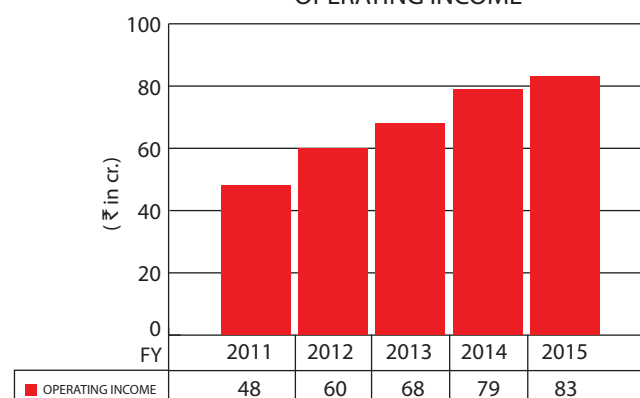
(Amounts in Rs. Crores)

| FIVE YEAR FINANCIAL HIGH LIGHTS    Year Ending 31 <sup>st</sup> March |     | 2011              | 2012              | 2013              | 2014              | 2015              |
|---|-----|-------------------|-------------------|-------------------|-------------------|-------------------|
| <b>REVENUE ACCOUNT</b>  |     |                   |                   |                   |                   |                   |
| REVENUE FROM OPERATIONS   |     | 44.55             | 54.06             | 67.54             | 79.48             | 83.01             |
| OTHER INCOME  |     | 0.55              | 0.68              | 0.73              | 1.06              | 0.88              |
| <b>TOTAL INCOME</b>   |     | <b>45.10</b>      | <b>54.74</b>      | <b>68.27</b>      | <b>80.54</b>      | <b>83.89</b>      |
| % to Income from Operations   | %   | 99%               | 99%               | 99%               | 99%               | 99%               |
| Operation Expenses  | ₹   | 18.20             | 18.23             | 26.82             | 23.72             | 21.24             |
| Employee Benefit Expenses   | ₹   | 7.09              | 10.12             | 11.68             | 17.60             | 22.90             |
| Depreciation and Amortisation Expenses                                | ₹   | 4.31              | 3.29              | 3.68              | 3.96              | 6.47              |
| Finance Cost  | ₹   | 1.15              | 1.88              | 3.87              | 4.68              | 6.33              |
| Administrative and other Expenses                                     | ₹   | 24.37             | 11.36             | 12.57             | 14.69             | 13.97             |
| <b>TOTAL EXPENDITURE</b>  | ₹   | <b>55.12</b>      | <b>44.89</b>      | <b>58.61</b>      | <b>64.65</b>      | <b>70.93</b>      |
| PBDIT   | ₹   | -4.56             | 15.03             | 17.21             | 24.52             | 25.77             |
| PBT   | ₹   | -10.02            | 9.86              | 9.66              | 15.89             | 12.97             |
| TAX EXPENSES  | ₹   | -0.21             | 0.64              | 0.37              | 2.98              | 4.81              |
| PAT   | ₹   | -9.81             | 9.21              | 9.29              | 12.91             | 8.16              |
| <b>% TO TOTAL INCOME</b>  | %   | <b>-22%</b>       | <b>17%</b>        | <b>14%</b>        | <b>16%</b>        | <b>10%</b>        |
| Dividend  | ,   | -                 | 1.30              | 1.30              | 1.95              | 2.60              |
| Dividend Rate   | %   |                   | <b>10%</b>        | <b>10%</b>        | <b>15%</b>        | <b>10%</b>        |
| Number of Employees   |     | 267               | 317               | 365               | 515               | 625               |
| <b>CAPITAL ACCOUNT</b>  |     |                   |                   |                   |                   |                   |
| Share Capital   | ₹   | 12.98             | 12.98             | 12.98             | 25.96             | 25.96             |
| Reserve and surplus   | ₹   | 74.01             | 81.72             | 89.50             | 131.37            | 129.34            |
| <b>BANK BORROWINGS</b>  |     |                   |                   |                   |                   |                   |
| Long Term Borrowings  | ₹   | 1.27              | 9.74              | 7.05              | 12.49             | 1.38              |
| Short Term Borrowings   | ₹   | 6.97              | 7.69              | 7.09              | 24.97             | 24.40             |
| <b>TOTAL BANK BORROWINGS</b>  | ₹   | <b>8.23</b>       | <b>17.43</b>      | <b>14.15</b>      | <b>37.47</b>      | <b>25.79</b>      |
| Other Long term Liabilities   | ₹   | 8.22              | 9.11              | 9.90              | 9.31              | 9.10              |
| Current Liabilities Excluding short term borrowings                   | ₹   | 4.33              | 5.52              | 19.75             | 12.42             | 10.02             |
| <b>CAPITAL EMPLOYED</b>   | ₹   | <b>107.77</b>     | <b>126.75</b>     | <b>139.18</b>     | <b>216.52</b>     | <b>200.20</b>     |
| Current Assets  | ₹   | 41.77             | 50.39             | 53.45             | 77.65             | 76.10             |
| Fixed Assets  | ₹   | 45.39             | 52.68             | 64.18             | 113.99            | 102.72            |
| Other Non Current Assets  | ₹   | 20.61             | 23.68             | 21.54             | 24.89             | 21.38             |
| <b>CAPITAL DEPLOYED</b>   | ₹   | <b>107.77</b>     | <b>126.75</b>     | <b>139.18</b>     | <b>216.52</b>     | <b>200.20</b>     |
| Closing market price per share  |     | -                 | -                 |                   |                   |                   |
| Face Value (Rs.)  | ₹   | <b>10.00</b>      | <b>10.00</b>      | <b>10.00</b>      | <b>5.00</b>       | <b>5.00</b>       |
| <b>Market Price</b>   | ₹   | <b>47.45</b>      | <b>153.30</b>     | <b>195.00</b>     | <b>147.00</b>     | <b>114.00</b>     |
| <b>No of shares</b>   | ₹   | <b>12,978,336</b> | <b>12,978,336</b> | <b>12,978,336</b> | <b>51,913,344</b> | <b>51,913,344</b> |
| <b>MARKET CAPITALISATION</b>  | ₹   | <b>61.58</b>      | <b>198.96</b>     | <b>253.08</b>     | <b>763.13</b>     | <b>591.81</b>     |
| <b>Performance Ratios    an    Analysis</b>                           |     |                   |                   |                   |                   |                   |
| <b>FINANCIAL PERFORMANCE</b>  |     |                   |                   |                   |                   |                   |
| Advertisement Income/Income from Operations                           | %   | 40.44             | 55.62             | 57.69             | 44.28             | 60.81             |
| Airtime Selling income / income From operations                       | %   | 28.29             | 24.89             | 19.38             | 17.43             | 21.19             |
| Subscription Income/Income from Operations                            | %   | 31.27             | 19.50             | 22.93             | 38.29             | 17.99             |
| Operating Profit/Income from Operations                               | %   | -10.23            | 27.80             | 25.47             | 30.86             | 31.05             |
| Other Income/Total Income   | %   | 1.22              | 1.26              | 1.08              | 1.33              | 1.06              |
| Programming Cost/Income from Operations                               | %   | 40.85             | 33.72             | 39.71             | 29.85             | 25.59             |
| Personnel Cost/Income from Operations                                 | %   | 15.92             | 18.72             | 17.29             | 22.15             | 27.59             |
| Selling and Admin Expenses/Income from Operations                     | %   | 54.69             | 21.02             | 18.61             | 18.48             | 16.83             |
| Total Operating Cost/Income from Operations                           | %   | 122.22            | 81.99             | 85.86             | 80.27             | 84.54             |
| Financial Expenses/Income from Operations                             | %   | 2.54              | 3.43              | 5.67              | 5.81              | 7.55              |
| Tax/Income from Operations  | %   | -0.46             | 1.18              | 0.54              | 3.70              | 5.73              |
| Tax/PBT   | %   | 2.07              | 6.53              | 3.84              | 18.74             | 37.08             |
| Dividend Payout/PAT for the year                                      | %   | -                 | 14.09             | 13.98             | 15.08             | 31.82             |
| Dividend Payout/Effective Networkth                                   | %   | -                 | 1.37              | 1.27              | 1.72              | 2.34              |
| <b>EFFECTIVE NETWORTH</b>   |     | <b>86.99</b>      | <b>94.7</b>       | <b>102.47</b>     | <b>113.12</b>     | <b>111.09</b>     |
| <b>BALANCE SHEET</b>  |     |                   |                   |                   |                   |                   |
| Debt-Equity ratio (Total loans/Eff. Networkh)                         | %   | 9.47              | 18.40             | 13.8              | 33.12             | 23.21             |
| Current ratio (Current assets/Current liabilities)                    | (x) | 9.65              | 9.13              | 4.22              | 6.25              | 7.6               |
| Capital Output Ratio (Inc from Ops/Eff. Capital employed)             | (x) | 0.41              | 0.43              | 0.47              | 0.37              | 0.41              |
| Fixed assets Turnover (Inc from Ops/Fixed assets)                     | (x) | 0.98              | 1.03              | 1.05              | 0.70              | 0.81              |
| RONW (PAT for the year/Eff. Networkh)                                 | %   | -11.28            | 9.73              | 9.06              | 11.41             | 7.34              |
| ROCE (PBIT/Eff. Capital employed)                                     | %   | -10.20            | 12.39             | 13.20             | 13.07             | 12.43             |
| <b>PER SHARE DATA</b>   |     |                   |                   |                   |                   |                   |
| Revenue per share   | ₹   | 34.75             | 42.18             | 52.60             | 15.51             | 16.16             |
| Dividend per share  | ₹   | -                 | 1.00              | 1.00              | 0.38              | 0.50              |
| Indebtedness per share  | ₹   | 6.34              | 13.43             | 10.90             | 7.22              | 4.97              |
| Book value per share  | ₹   | 83.04             | 72.9              | 78.96             | 30.30             | 29.91             |
| Earnings per share (after prior period adjustments)                   | ₹   | -7.56             | 7.10              | 7.16              | 2.49              | 1.57              |
| <b>PE RATIO -PRICE/EPS RATIO (SHARE PRICE AS OF MARCH 31,)</b>        | ₹   |                   | <b>21.59</b>      | <b>27.25</b>      | <b>59.10</b>      | <b>72.54</b>      |



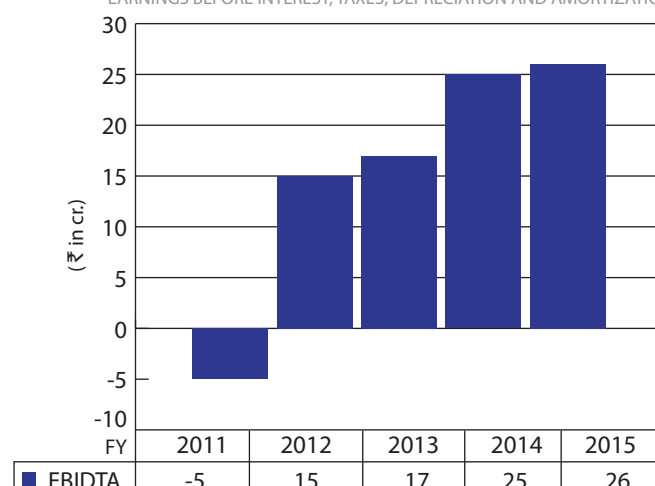
# FINANCIAL GRAPHS

OPERATING INCOME



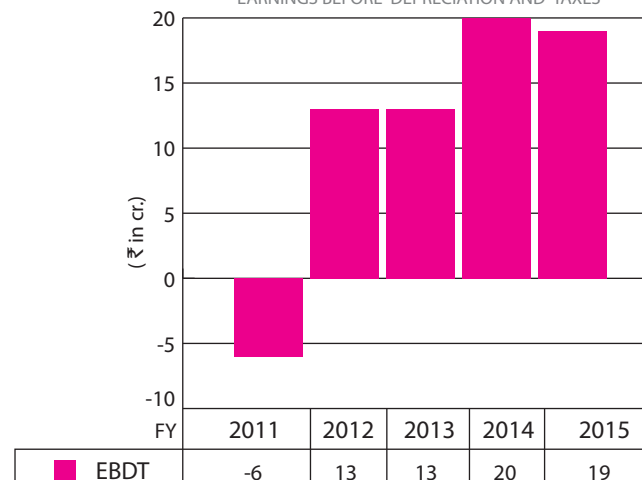
EBIDTA

EARNINGS BEFORE INTEREST, TAXES, DEPRECIATION AND AMORTIZATION

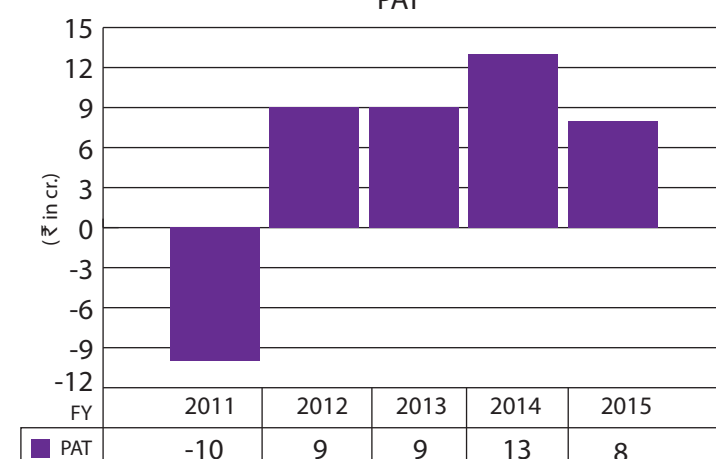


EBDT

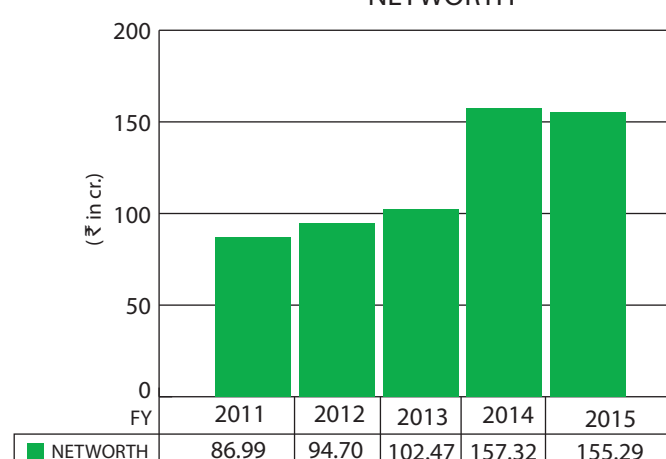
EARNINGS BEFORE DEPRECIATION AND TAXES



PAT



NETWORTH



## GROWTH DRIVERS

### ESTABLISHED NAME IN THE SOUTHERN TV INDUSTRY

The Raj TV brand is one of the most prominent and visible entertainment franchises in South India. Its strength lies in its diverse content and a range of 13 channels that reach out to all segments of society and appeals to all age groups and demographic sections. Currently it is the second largest television broadcasters in South India. It has its sales and marketing offices across India.

### ONE OF THE LARGEST CONTENT LIBRARIES IN THE COUNTRY

The Company has a bank of 2,641 movie titles, comprising a rich repertoire ranging from latest blockbusters to old classics, to cater to the diverse tastes of the audience. The Company's Film Satellite Rights can be conservatively valued more than Rs.400 crores. The library of Raj TV has excellent re-run revenue generating capabilities and export revenues.

### IN-HOUSE INTELLECTUAL PROPERTY RIGHTS (IPR)

Most of the content on Raj Television Network's channels is produced by the Company in-house team. Hence the Company enjoys proprietary right over the content. The Company also purchases certain rights to programmes, produced by external producers, for its channels and incorporates them in its IPR archives. This strategy has helped build its intellectual property asset base and is a potential revenue generator through sale/use of such content. The IPR asset base shall provide the necessary backup for future expansions in India and abroad.

### ROBUST SUPPORT INFRA-STRUCTURE

The Company has developed a strong back-end infrastructure in the form of production facilities, studios and related amenities to create its own content without having to depend on external providers of these services.

### ESTABLISHED DISTRIBUTION AND CLIENT NETWORK

Raj TV has already entered into agreements for distribution of its content over the internet with youtube.com and IPTV Technology service providers across the world in offering its content over new mediums. The Raj Group is at various levels of negotiations with various Telco and VOD service providers in offering its content on pay per view basis. It highlights the company's ability to explore and take advantage of new technologies for increasing their viewership and revenues. The Company has, over the last 20 years, developed a strong distribution team for ground level interface with MSOs and cable operators on a day to day basis. The marketing team of the Company has effectively built a strong relationship network amongst major advertisers and media buying agencies.

### PROSPECTS TO SERVE THE SOUTH INDIAN DIASPORA

The South Indian Diaspora forms an affluent consumer base and is an attractive target audience for

the content created for television by the Company. Raj TV has a rich and diverse content library that can be leveraged to reach out to this large and growing market through tie-up with overseas broadcasters/media agencies. The Company has commenced distribution of its content in overseas markets in South East Asia recently and plans to ramp up this activity shortly.

### STRONG AND SUSTAINED GROWTH TRENDS IN THE SOUTH INDIAN M&E MARKET

The South Indian television market is one of the most flourishing regional media segment in terms of availability of content, reach and distribution. Over the years, it has seen increased action from regional as well as national advertisers. In fact, regional advertisers now contribute almost 40% of the industry's advertisement revenues in states such as Tamil Nadu and Kerala. The South Indian media & entertainment market is worth approx. Rs. 24,000 crores with television accounting for close to 60% of

the size of the industry. As per a Deloitte estimate the overall media & entertainment market in South India will grow at a CAGR of 16% between 2013 and 2017, while the television industry is expected to register a CAGR of 20% during the same period.

### DIGITIZATION HAS BEEN A GAME CHANGER FOR BROADCASTERS

Subscription revenues currently represent 66% of the television industry revenue in the South Indian markets and advertisement revenues represent about 30%. With digitization of cable and the resulting shift from analog to digital ARPU levels, the share of subscription revenues in overall industry revenue is expected to rise to 73% in FY 2017. Digitization is also expected to boost the share of broadcasters in subscription revenues and reduce their dependence on advertising revenues. This would be particularly useful in the context of the TRAI mandated 12-minute ad cap per clock hour.

# LEADING SERIALS



Spearheading with a new-dimensional theme in the history of Tamil serials, Sindhu Bhairavi has been colossally acclaimed for its uniqueness. The plot revolves around the bittersweet experiences of two friends hailing from families of different social criteria. The story proceeds with gripping moments that involve the encounters between these families. Projecting the characters and plot with naturalness has indeed garnered good reception among Tamilians across the world for the past five years. This series has splendidly been connecting RAJTV with Tamil viewers as Sindhu and Bhairavi have already become an integral part of their families.



This TV series has been setting an unparalleled status in the world of small screens for a revolutionary theme. RAJTV has been feeling an immense feel of pride presenting this series to Tamil audiences that rigidly lashes out the practice of child marriage. This radical series has been gliding with great response from everyone from the time it commenced in July 2011. The story is about an innocent 11-yr old girl Anandhi who has been forced into child marriage and its topsy-turvy effect on her. Presented with an emotional essence, Mann Vaasanai generated a sensational wave in the charts.





## LEADING SERIALS

# என் தங்கை

The series marks the debut of actor-director Pandiarajan into the small screen, who plays the role of ordinary man, a brother to four younger sisters trying to get them settled with a good marital life. The sisters adoring their brothers exert their best efforts in getting their brother settled as well. The affectionate bonding between these siblings are narrated with hilarious quotients by director Hari Rajan. En Thangai has been garnering a heavy rush of acclaims from all groups of audiences.





## LEADING SERIALS

# Alaipayuthey

A soothing breeze of serenity – Alaipayuthey travels into the life of beautiful girl Alia (Played by Chikku Bhukku fame Preethika Rao) set in the backdrops of Islamism. For the first ever time, a TV series has been set in the new backdrops that offers a refreshing experience to everyone. The series commenced in September 2014 and played a vital part in the growth of RAJTV. The visual grandeur and technical brilliance blended with elegant story and characters make 'Alaipayuthey' a wonderful experience.





# LEADING SERIALS



En Iniya Thozhiye, It is a story about the whole hearted affection of two friends and an unique distinction of the participation of leading small and big screen artists like V S Raghavan, Nalini, Kannan, Apsar, Shrutika, Apsara and Swapna. RAJTV with the Tamil peoples of this series will also have confirmed binding. RAJTV offering this series of En Iniya Thozhiye every Tamil family has to become members.



The series has apparently set a benchmark in small screens with a compelling plot of romance that prevails between childhood friends Parvathy (Sania Rani), a beautiful girl and Rudra (Ashish Varma), a military officer who later develop a strong bonding of unconditional love and affinity. Shot against the backdrops of mammoth Rajasthan palace and many exotic locales, the series has left the viewers in awe struck. It has precisely redefined RAJTV in a much great manner.





## LEADING SERIALS

# பூவழி வாசலிலே

(POOVIZHII VAASALILEY)

கைவீசும் தென்றல்...

An emotional journey of a beautiful girl child Then Mozhi, who gets mortgaged by her father to a Zamindar due to financial crisis... Her father passes away without rescuing her and after years, she unites with her mother. The journey unfolds the hardships and challenges Then Mozhi faces, which is a reflection of many women in the society who undergo problems, but overcome them with will power, self confidence and persuasion. There has been a great appreciation for this series across both male and female cohorts as it adores the greatness of women in a wonderful way.





## LEADING SERIALS



# காஞ்சனா

Kanjana is a story about four sisters - Kanjana, Akila, Devyani and Priya, from a middle class family, who've lost their mother at a very young age.

The story moves with showing how they share and care for each other along with their father. Further the story depicts how each one faces their personal struggles and fight with circumstances.



# LEADING PROGRAMS



An investigative take on crimes happening across city and surrounding locales and offering a solid solution, which in more ways evokes the social awareness among the Tamil audiences. RAJTV has been extending its social consciousness through this program, which is very well received by viewers with decent feedbacks.



The show brings the best 10 movies recently released, rated based on the reception among the audiences. Although, this rating show has been a part of almost all the Tamil satellite channels, RAJTV holds a prominent place in the hearts of viewers for its authentic reports and ratings.



One of the recent Tamil releases are analysed and reviewed with more perfection. The show hasn't just grabbed the attention of viewers, but has been highly appreciated by the Tamil film fraternity as well. The show doesn't offend or criticise the films, but instead extends an additional support in vitalising the hard work of industry members.



A token of adornment to the Tamil Nadu Superstar Rajnikanth – Rajnikanth Film Festival has been a favourite among all age groups from children to adults. Every December during the month of the star's birthday, his greatest movies are screened every day. Thalaivar fans have been greatly rejoicing over this film festival as they get to watch the masterpieces of their matinee idol.

# LEADING PROGRAMS



Who doesn't love Ulaga Nayagan Kamal Haasan, an encyclopaedia of acting. During his birth month of November, RAJTV brings an array of his wonderful films screened throughout. This movie special has been getting the best reviews that RAJTV alone is capable of bringing such immense spell.



The legend gladly ennobled as the saviour and hero of millions has been unceasingly dwelling in our hearts. He has been immortal through his great films and social contribution. RAJTV on its part has been enlivening his followers by screening some of his best films during his birth month of January.



A beautiful way to adore the Goddess Amman and RAJTV brings the spiritual showers of experience to the viewers. During the month of 'Aadi', the films based on 'Amman' would be screened and has been greatly revered by the women for the pious moments. A noteworthy fact is that RAJTV has a collection of more than 4000 movies that has been offering a huge platform for hosting many film festivals.



RAJTV attempts to educate and enlighten women in science and arts through this show – Pengal Neram. Especially, more spotlights are turned towards Beauty, Health remedies, Food Recipes, etc that has been benefitting the women with more information. The show is scheduled on five days during a week and has been helping the women gain more knowledge on various aspects of house management and their interests as well.



# MEGA EVENT

## KODAI KONDATTAM



As the summer seasons pop up, RAJTV brings showers up an unlimited entertainment of musical extravaganzas across six cities of Tamil Nadu. For the past 10 years, this event has been spangled with immense response that brings some of the best entertainment from renowned playback singers, eminent personalities of film and TV industry. In fact, many cities inquisitively get into celebration mode with the summer in accordance to this beautiful amusement offered by RAJTV.





# MEGA EVENT

## ENDRENDRUM RAVIKUMAR



The master of commercial hit movies – KS Ravikumar owns a great status in Tamil industry and RAJTV takes pride in felicitating this great personality through 'Endrendrum Ravi Kumar'. The show was held in grandeur at Nehru Indoor Stadium with industry's most prominent personalities like Superstar Rajnikanth and Kamal Haasan have been a part of this show. RAJTV had hosted this show in a grandeur that turned the global spotlights decorously.





# MEGA EVENT

## RAJAVIN SANGEETHA THIRUNAAL

Isaignani Ilayaraja - The musical virtuoso has been bestowing the world of music with splendid gifts. RAJTV has been embellishing our hearts with an unforgettable experience of his live performance. It happened recently in Madurai, where the crowd went crazy over his magnetising show along with 100 plus musicians and orchestra. Earlier, RAJTV had hosted a similar in Chennai that was decorated with soulful hearts of thousands of peoples listening to Isaignani Ilayaraja music.





# REALITY SHOW

## RAJAGEETHAM

It's been an integral part of RAJTV family and has been constantly gaining everyone's attention from the time of its launch. The reality TV show based on music has established a prominent platform for many aspiring singers scale greater heights. Hosted by the most celebrated B.H. Hameed, the show holds a great eminence for viewers decide the winners based on their votes, where talented singers are acclaimed as winners and given a key to gateway of film industry.





# CORPORATE SOCIAL RESPONSIBILITY



It can't get better than this for school toppers! RAJ TV Network, one of the leading Tamil Television Channels has been hosting the Mudhalvan Awards consecutively for the past 16 years.... Mudhalvan - as the name suggests, RAJ TV will honour the top ranking students of 10<sup>th</sup> & 12<sup>th</sup> standards every year, from every district of Tamil Nadu... The Students will be presented with "Medals".

We make it a memorable evening not only for the students, parents but also to the connoisseurs & celebrities who attend the event...





# CORPORATE SOCIAL RESPONSIBILITY



RAJ TV celebrates "International Women's Day" in a colourful way as women would always like anything & everything to be. As a prime player in media, we think it is our duty & responsibility to identify & bring to lime light those women who are real role models to the younger generation.

We award 5 Women Achievers from different walks of life for their contribution to their respective fields.





# DIGITALIZATION OF MOVIES

## DIGITAL CINEMAS

RAJTV is the only channel which highlight the evergreen movies of all times. After the successfull release of master piece Evergreen Tamil Movies **KARNAN** and **NINATHALE INIKKUM**, as part of Company's Digitization of Movie Project, The Company proposed to release the New Version of Restored Digital Color DTS Sound Format Movie - **VEERA PAANDIYA KATTAPOMMAN**, Again Block Buster of Chevalier DR. Shivaji Ganesan starrer. RAJTV plans to digitalize more evergreen movies of the past, From its Movie Library.





# CHAIRMAN'S MESSAGE

From the desk of the  
MANAGING DIRECTOR



Chairman's Message .....

Dear Shareholders,

It's my pleasure to extend Warm Greetings to you all!

I take the pleasant privilege of addressing you on the occasion of the 21<sup>st</sup> Annual General meeting of our Company.

At RAJTV, F.Y. 2014-15 has been a year of achievement and accomplishments. We have always believed in striving for the best and playing a proactive role in defining the industry's best practices and striving harder.

We maintained a steady progress across all quarters, and reported revenue of Rs. 83.89 Crores (Y-o-Y growth of 4.6 per cent) with EBITDA of Rs.25.77 Crores (Y-o-Y growth of 5.09 per cent) and net post-tax profit of Rs.8.15 Crores. Despite pricing challenges, and increasing costs, we were able to maintain the performance level compared to the PY. This outcome indicates that our operations were based on a prudent strategy, and bear testimony to our know-how

and expertise. We are confident that we will be able to continue on the path of augmenting shareholder value.

During the Current year, your company plans to increase our offering in Telugu and Malayalam Languages covering different Genres. Healthy advertising revenues are expected from the new channels. Your company is exploring various other delivery platforms such as direct to handheld and various other OTT technologies. All these new initiatives are expected to augment the income substantially and help to post better results in future.

I take this opportunity to thank all our valued customers, business associates and vendors for your support. I place on record the appreciation of the contribution made by employees of the Company at all levels that has contributed to our Company's success and remain in the forefront of media and entertainment business.

I thank and express my gratitude for the support and co-operation received from the Central and State Governments / regulatory authorities viz. the Ministry of Information & Broadcasting, the Department of Telecom, Ministry of Corporate Affairs, Reserve Bank of India, Securities and Exchange Board of India, Foreign Investment Promotion Board, the Stock

Exchanges and Depositories and other stakeholders including viewers, producers, vendors, financial institutions, banks, investors, Service providers and all our stakeholders. I also place on record our appreciation of the tireless efforts of Team RAJTV, a dedicated and loyal band of people who have displayed unswerving commitment to their work in these challenging times and helped the Company deliver good results.

I thank our Board of Directors for their support and exemplary guidance. I also take this opportunity to express my gratitude to all our stakeholders, who continue to repose faith and trust in us over the years. Further with my whole heart I sincerely thank all our shareholders who continued their support over these years, without which our company would not have grown to this size.

Warm Regards

**(Rajendran. M)**

**RAJ TELEVISION NETWORK LIMITED**  
(CIN: L92490TN1994PLC027709)

Regd. Office:

No.32, Poes Road, II<sup>nd</sup> Street,  
Teynampet Chennai- 600 018,

Tel: 044-24334149/50

Email: [redressal@rajtvnet.in](mailto:redressal@rajtvnet.in),

Website: [www.rajtvnet.in](http://www.rajtvnet.in)



# NOTICE

Notice is hereby given that the Twenty First Annual General Meeting of the Company will be held on Wednesday , 30<sup>th</sup> September, 2015 at Bharatiya Vidya Bhavan, 18-22, East Mada Street, Mylapore, Chennai-600 004, at 10.00 A.M. to transact the following business:-

## ORDINARY BUSINESS

1. To receive, consider, approve and adopt the Financial Statements of the Company for the year ended 31<sup>st</sup> March, 2015 including audited Balance Sheet as at 31<sup>st</sup> March, 2015, the Statement of Profit and Loss and Cash Flow Statement for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.

2. To declare Final Dividend of Rs.0.50 paise per equity shares ( 10% on the face value of Rs. 5 ) for the year ended 31<sup>st</sup> March, 2015.

3. To appoint a Director in place of Mr. M. Raghunathan, (Holding DIN: 00662769), who retires by rotation and being eligible, offers himself for re-appointment.

4. To appoint a Director in place of Mr.M.Rajaratnam, (Holding DIN:00839174), who retires by rotation and being eligible offers himself for re-appointment.'

5. To appoint M/s. Pratapkaran Paul & Co., Chartered Accountants (ICAI firm Registration No.002777S) as statutory auditors of the Company and fix their remuneration.

"RESOLVED THAT M/s. Pratapkaran Paul & Co., Chartered Accountants, Chennai – 600 020, the retiring auditors be and are hereby appointed as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting on such remuneration as may be decided by the Board of Directors".

## SPECIAL BUSINESS

6. Appointment of Smt. Vijayalakshmi Ravindran (DIN 00716224), as the woman director of the Company, pursuant to provisions of Section 149, 150, 152 and any other applicable and related provisions of the Companies Act, 2013.

To consider and if thought fit, to pass with or without modification(s), the following resolution as a **ORDINARY RESOLUTION**.

RESOLVED THAT pursuant to the provisions of Section 149, 150, 152 and any other applicable and related provisions of the Companies Act, 2013, read with Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modifications or reenactment thereof for the time being in force), Schedule IV to the Companies Act, 2013 and Clause 49 of the Listing Agreement , Smt.Vijayalakshmi Ravindran (DIN 00716224) in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act proposing her candidature for the office of Director, be and is hereby appointed as an Woman Director of the Company liable to retire by rotation."

7. Reappointment of Mr. M. Rajendran (DIN 00821144) as Chairman and Managing Director of the Company for a period of five (5) years commencing from 01<sup>st</sup> April 2016 and ending 31<sup>st</sup> March 2021.

To consider, and if thought fit, to pass with or without modifications(s) the following resolution as a **SPECIAL RESOLUTION**.

"RESOLVED THAT in accordance with the provisions of section 196, 197 and 203 read with Schedule V and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 and rules there under (including statutory modification(s) thereof, for the time being in force) ('the said act") and that of Articles of Association of the Company, the consent of the Company be and is hereby accorded for re-appointment of Mr. M. Rajendran, Managing Director (Holding DIN 00821144) , of the Company, for a further period of 5 (five) years with effect from April 01, 2016, on the following terms and conditions:

Salary: Rs 1,20,00,000/- (Rupees One Crore and Twenty lacs only) per annum, effect from 01<sup>st</sup> day of April, 2016, with a provision for increase in salary of not exceeding 12% per annum over the previous year. The exact percentage of increment to be given in each year shall be decided by the Board based on the performance of the Company.

Performance Incentive: A sum not exceeding one-month salary as the performance incentive

RESOLVED FURTHER THAT the above said remuneration and such terms and conditions, as recommended by the Nomination and Remuneration Committee and the Board of Directors of the Company, with a liberty to the Board of Directors to alter and vary the terms and conditions of his appointment and remuneration subject to the same not exceeding the limits specified in Schedule V of the said act or any amendments thereto and as may be agreed to between the Board of Directors and of Mr.M. Rajendran.

RESOLVED FURTHER THAT the aggregate of salary, commission, allowances and perquisites ("Remuneration") in any financial year shall not exceed the overall ceilings laid down in Sections 197, 198 and other applicable provisions of the said act read with Schedule V of the said act as may, for the time being in force.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year, the Remuneration as set out above be paid to Mr.M. Rajendran, Managing Director, as minimum Remuneration provided that the total Remuneration shall not exceed the ceilings provided in Section II and III of the Part II of Schedule V of the said act as may for the time being in force.

RESOLVED FURTHER THAT the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall be deemed to include any Committee thereof which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this resolution) be and is hereby authorised to do all such acts, deeds, matters and things and to delegate all or any of the powers vested in the Board to any Director(s), Officer(s) of the Company as may be required to give effect to this resolution."

8. Reappointment of Mr. M. Rajaratnam (DIN 00839174) as Whole Time Director of the Company for a period of five (5) years commencing from 01<sup>st</sup> April 2016 and ending 31<sup>st</sup> March 2021.

To consider, and if thought fit, to pass with or without modifications(s) the following resolution as a **SPECIAL RESOLUTION**.

"RESOLVED THAT in accordance with the provisions of section 196, 197 and 203 read with Schedule V and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 and rules there under (including statutory modification(s) thereof, for the time being in force) ('the said act") and that of Articles of Association of the Company, the consent of the Company be and is hereby accorded for re-appointment of Mr. M. Rajaratnam, Whole Time Director (Holding DIN 00839174) , of the company, for a further period of 5 (five) years with effect from April 01, 2016, on the following terms and conditions:

Salary: Rs 1,20,00,000/- (Rupees One Crore and Twenty lacs only) per annum, effect from 01<sup>st</sup> day of April, 2016, with a provision for increase in salary of not exceeding 12% per annum over the previous year. The exact percentage of increment to be given in each year shall be decided by the Board based on the performance of the Company.

Performance Incentive: A sum not exceeding one-month salary as the performance incentive

RESOLVED FURTHER THAT the above said remuneration and such terms and conditions, as recommended by the Nomination and Remuneration Committee and the Board of Directors of the Company, with a liberty to the Board of Directors to alter and vary the terms and conditions of his appointment and remuneration subject to the same not exceeding the limits specified in Schedule V of the said act or any amendments thereto and as may be agreed to between the Board of Directors and of Mr. M. Rajaratnam.

RESOLVED FURTHER THAT the aggregate of salary, commission, allowances and perquisites ("Remuneration") in any financial year shall not exceed the overall ceilings laid down in Sections 197, 198 and other applicable provisions of the said act read with Schedule V of the said act as may, for the time being in force.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year, the Remuneration as set out above be paid to Mr. M. Rajaratnam, Whole Time Director , as minimum Remuneration provided that the total Remuneration shall not exceed the ceilings provided in Section II and III of the Part II of Schedule V of the said act as may for the time being in force.

RESOLVED FURTHER THAT the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall be deemed to include any Committee thereof which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this resolution) be and is hereby authorised to do all such acts, deeds, matters and things and to delegate all or any of the powers vested in the Board to any Director(s), Officer(s) of the Company as may be required to give effect to this resolution."



## NOTICE

9. Reappointment of Mr. M. Ravindran (DIN 00662830) as Whole Time Director of the Company for a period of five (5) years commencing from 01<sup>st</sup> April 2016 and ending 31<sup>st</sup> March 2021.

To consider, and if thought fit, to pass with or without modifications(s) the following resolution as a **SPECIAL RESOLUTION**.

"RESOLVED THAT in accordance with the provisions of section 196, 197 and 203 read with Schedule V and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 and rules there under (including statutory modification(s) thereof, for the time being in force) ('the said act') and that of Articles of Association of the Company, the consent of the Company be and is hereby accorded for re-appointment of Mr. M. Ravindran, Whole Time Director (Holding DIN 00662830), of the company, for a further period of 5 (five) years with effect from April 01, 2016, on the following terms and conditions:

Salary: Rs 1,20,00,000/- (Rupees One Crore and Twenty lacs only) per annum, effect from 01<sup>st</sup> day of April, 2016, with a provision for increase in salary of not exceeding 12% per annum over the previous year. The exact percentage of increment to be given in each year shall be decided by the Board based on the performance of the Company.

Performance Incentive: A sum not exceeding one-month salary as the performance incentive

RESOLVED FURTHER THAT the above said remuneration and such terms and conditions, as recommended by the Nomination and Remuneration Committee and the Board of Directors of the Company, with a liberty to the Board of Directors to alter and vary the terms and conditions of his appointment and remuneration subject to the same not exceeding the limits specified in Schedule V of the said act or any amendments thereto and as may be agreed to between the Board of Directors and of Mr. M. Ravindran.

RESOLVED FURTHER THAT the aggregate of salary, commission, allowances and perquisites ("Remuneration") in any financial year shall not exceed the overall ceilings laid down in Sections 197, 198 and other applicable provisions of the said act read with Schedule V of the said act as may, for the time being in force.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year, the Remuneration as set out above be paid to Mr. M. Ravindran, Whole Time Director, as minimum Remuneration provided that the total Remuneration shall not exceed the ceilings provided in Section II and III of the Part II of Schedule V of the said act as may for the time being in force.

RESOLVED FURTHER THAT the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall be deemed to include any Committee thereof which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this resolution) be and is hereby authorised to do all such acts, deeds, matters and things and to delegate all or any of the powers vested in the Board to any Director(s), Officer(s) of the Company as may be required to give effect to this resolution."

10. Reappointment of Mr. M. Raghunathan (DIN 00662769) as Whole Time Director of the Company for a period of five (5) years commencing from 01<sup>st</sup> April 2016 and ending 31<sup>st</sup> March 2021.

To consider, and if thought fit, to pass with or without modifications(s) the following resolution as a **SPECIAL RESOLUTION**.

"RESOLVED THAT in accordance with the provisions of section 196, 197 and 203 read with Schedule V and Companies (Appointment and Remuneration of (Managerial Personnel) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 and rules there under (including statutory modification(s) thereof, for the time being in force) ('the said act') and that of Articles of Association of the Company, the consent of the Company be and is hereby accorded for re-appointment of Mr. M. Raghunathan, Whole Time Director (Holding DIN 00662769), of the company, for a further period of 5 (five) years with effect from April 01, 2016, on the following terms and conditions:

Salary: Rs 1,20,00,000/- (Rupees One Crore and Twenty lacs only) per annum, effect from 01<sup>st</sup> day of April, 2016, with a provision for increase in salary of not exceeding 12% per annum over the previous year. The exact percentage of increment to be given in each year shall be decided by the Board based on the performance of the Company.

Performance Incentive: A sum not exceeding one-month salary as the performance incentive

RESOLVED FURTHER THAT the above said remuneration and such terms and conditions, as recommended by the Nomination and Remuneration Committee and the Board of Directors of the Company, with a liberty to the Board of Directors to alter and vary the terms and conditions of his appointment and remuneration subject to the same not exceeding the limits specified in Schedule V of the said act or any amendments there to and as may be agreed to between the Board of Directors and of Mr. M. Raghunathan.

RESOLVED FURTHER THAT the aggregate of salary, commission, allowances and perquisites ("Remuneration") in any financial year shall not exceed the overall ceilings laid down in Sections 197, 198 and other applicable provisions of the said act read with Schedule V of the said act as may, for the time being in force.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year, the Remuneration as set out above be paid to Mr. M. Raghunathan, Whole Time Director, as minimum Remuneration provided that the total Remuneration shall not exceed the ceilings provided in Section II and III of the Part II of Schedule V of the said act as may for the time being in force.

RESOLVED FURTHER THAT the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall be deemed to include any Committee thereof which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this resolution) be and is hereby authorised to do all such acts, deeds, matters and things and to delegate all or any of the powers vested in the Board to any Director(s), Officer(s) of the Company as may be required to give effect to this resolution."

### NOTES TO NOTICE CALLING THE ANNUAL GENERAL MEETING:

1. The Register of Members and Share Transfer Books of the Equity Shareholders of the Company will remain closed from Tuesday, 22<sup>nd</sup> September 2015 to Wednesday, 30<sup>th</sup> September 2015 (both days inclusive). Share Transfers received in order at the Registered Office of the Company or at the office of the Registrar of the Company, by 5.30 p.m. on Tuesday, 22<sup>nd</sup> September 2015 will be processed for payment of equity dividend, if declared, to the transferees or their mandates.

Equity Dividend, if approved by Members at the ensuing Annual General Meeting, will be paid on or after 5<sup>th</sup> October 2015, to all those equity shareholders whose name appear in the Register of Members of the Company, after giving effect to all valid share transfers in physical form lodged with the Company or its Registrar on or before Tuesday, 22<sup>nd</sup> September 2015 and in the list of beneficial owners furnished by National Securities Depository Limited and/or Central Depository Services (India) Limited, in respect of shares held in electronic form, as at the end of the business day on Wednesday, 23<sup>rd</sup> September 2015 being the e-voting cut off date for 21<sup>st</sup> AGM.

2. A member entitled to attend and vote at the meeting may appoint a proxy to attend and vote on a poll on his behalf. A proxy need not be a member of the Company. A person can act as proxy on behalf of not exceeding fifty Members and holding in the aggregate not more than 10% of the total Equity Share Capital of the Company. Any Member holding more than 10% of the total Equity Share Capital of the Company may appoint a single person as proxy and in such a case, the said person shall not act as proxy for any other person or member. The instrument appointing proxy should, however, be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.

3. Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Annual General Meeting is annexed hereto.

4. Corporate Members are requested to send to the Registered Office of the Company, a duly certified copy of the Board Resolution, pursuant to Section 113 of the Companies Act, 2013, authorising their representative to attend and vote at the Annual General Meeting.

5. Additional information, pursuant to Clause 49 of the Listing Agreement with Stock Exchanges on Directors recommended by the Board for appointment / re-appointment at the Annual General Meeting forms part of the Report on Corporate Governance in the Annual Report.

6. Members who wish to obtain further information on the Financial Statements for the year ended March 31, 2015, may send their queries at least seven days before the Annual General Meeting to the Chief Compliance Officer & Company Secretary at the registered office of the Company or at Email ID comp\_sec@rajtvnet.in.

7. Equity Dividend for the financial year ended as per table below, declared by the Company which remains unpaid or unclaimed, will be due for transfer to the Investor Education and Protection Fund of the Central Government ('IEPF'). Members, who have not encashed their dividend warrants, issued by the Company, for the financial year ended (details below), are requested to lodge their claims with the Company's Registrar and Share Transfer Agent. Members are advised that in terms of provisions of Section 125 of the Companies Act, 2013, any person whose unclaimed dividend is transferred to IEPF, shall be entitled to get refund out of the fund in accordance with rules made under Section 125 of Companies Act, 2013.



## NOTICE

## UNPAID DIVIDEND DETAILS AS ON 31.03.2015

| NATURE OF DIVIDEND     | DIVIDEND WARRANTY DATE | UNPAID DIVIDEND AMOUNT (Rs) | DUE FOR IEPF TRANSFER |
|------------------------|------------------------|-----------------------------|-----------------------|
| Final Dividend 2007-08 | 10.10.2007             | 54,355                      | TRANSFERRED TO IEPF   |
| Final Dividend 2008-09 | 10.10.2008             | 93,546                      | 28.10.2015            |
| Final Dividend 2011-12 | 10.08.2012             | 47,279                      | 29.08.2019            |
| Final Dividend 2012-13 | 10.10.2013             | 43,381                      | 09.11.2020            |
| Final Dividend 2013-14 | 20.02.2014             | 15,273                      | 26.02.2021            |
| Final Dividend 2013-14 | 10.10.2014             | 21,904                      | 09.11.2021            |

8. Electronic Copy of the Annual Report for 2014-15 is being sent to all the members whose email IDs are registered with the Company/ Depository Participant(s) for communication. For members who have not registered their email address, physical copies of the Annual Report for 2014-15 is being sent. The Annual Report may also be accessed on the Company's Corporate Website [www.rajtvnet.in](http://www.rajtvnet.in).

9. Members are requested to notify immediately about any change in their address / e-mail address /dividend mandate / bank details to their Depository Participants (DP) in respect of their shareholding in Demat mode and in respect of their physical shareholding to the Company's Registrar and Share Transfer Agent, CAMEO CORPORATE SERVICES LIMITED, Subramanian Building, No.1, Club House Road, Chennai - 600 002, Phone: 044-28460390-94, Fax: 28460129 , Email: [cameosys@cameoindia.com](mailto:cameosys@cameoindia.com). Shareholders holding Equity Shares of the Company in physical form may register their email address with the Registrar and Share Transfer Agent of the Company to receive all communications by the Company including Annual Report and Notice of Meeting(s) by email, by sending appropriate communication on [cameosys@cameoindia.com](mailto:cameosys@cameoindia.com) / [comp\\_sec@rajtvnet.in](mailto:comp_sec@rajtvnet.in).

10. E-Voting - In compliance with Section 108 of the Companies Act, 2013 and Companies (Management and Administration) Rules, 2014 & clause 35B of the Listing Agreement, the Company is pleased to provide members facility to exercise their right to vote at the 21<sup>st</sup> Annual General Meeting (AGM) by electronic means. The facility of casting votes by a member using an electronic voting system (remote e-voting) from a place other than venue of the AGM will be provided by Central Depository Services (India) Limited (CDSL) for all the business as detailed in this notice. **The remote e-voting period for all items of business contained in this notice shall commence from the Sunday the 27<sup>th</sup> day of September 2015 at 9.00 a.m. and will end on Tuesday, the 29<sup>th</sup> of September 2015 at 5.00 p.m.** During this period equity shareholders of the Company holding shares either in physical form or in dematerialized form as on the cutoff date of 23<sup>rd</sup> September 2015, may cast their vote electronically. The E-voting module shall be disabled by CDSL for voting

thereafter. Once the vote on a resolution is cast by any Member, he/she shall not be allowed to change it subsequently.

The facility for voting by way of Ballot / Poll paper shall also be made available at the venue of the meeting and members attending the meeting who have not already cast their vote by remote E-voting shall be able to exercise their right at the meeting.

11. The Members who have cast their vote by remote E-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.

12. The voting rights of Members either by way of remote e-voting prior to the meeting or by way Ballot / Poll paper at the meeting shall be in proportion to their equity shareholding in the paid up equity share capital of the Company as on the Cut-off date of September 23<sup>rd</sup>, 2015.

13. At the AGM the Chairman of the meeting shall after discussions on all the resolutions on which voting is to be held, allow voting by use of Ballot / Poll Paper by all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

14. The Company shall appoint an Independent Professional as Scrutinizer to conduct remote E-Voting process as well as Ballot/Poll Paper voting process at the Annual General Meeting in a fair and transparent manner.

15. The Scrutinizer shall, after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated 21<sup>st</sup> Annual Report 2014-15 notice Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman, who shall countersign the same and declare the result of the voting forthwith.

16. The results declared along with the Scrutiniser's report shall be placed on the website of the Company [www.rajtvnet.in](http://www.rajtvnet.in) and shall also be

communicated to the Stock Exchanges. The resolutions, if approved, shall be deemed to be passed on the date of AGM.

### 17. The instructions for members for voting electronically are as under:-

In case of members receiving e-mail:

(i) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)

(ii) Click on "Shareholders" tab.

(iii) Now, select the "COMPANY NAME" from the drop down menu and click on "SUBMIT"

(iv) Now Enter your User ID (For CDSL: 16 digits beneficiary ID, For NSDL: 8 Character DP ID followed by 8 Digits Client ID, Members holding shares in Physical Form should enter Folio Number registered with the Company and then enter the Captcha Code as displayed and Click on Login.

(v) If you are holding shares in Demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used. If you are a first time user follow the steps given below.

(vi) Now, fill up the following details in the appropriate boxes:

#### For Members holding shares in Demat Form

PAN - Enter your 10 digit alpha-numeric \*PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)

Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of your name followed by last 8 digits of Folio No in the PAN Field. In case the Folio No is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name. Eg. If your name is Ramesh Kumar with Folio number 1 then enter RA00000001 in the PAN field.

DOB# - Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.

Dividend Bank Details#- Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. # Please enter any one of the details in order to login. In case either of the details are not recorded with the depository or Company please enter the folio number in the Dividend Bank details field.

(vii) After entering these details appropriately, click on "SUBMIT" tab.



## NOTICE

**For Members holding shares in Physical Form**

(viii) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(x) Click on <Company Name> on which you choose to vote.

(xi) On the voting page, you will see Resolution Description and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xii) Click on the "Resolutions File Link" if you wish to view the entire Resolutions.

(xiii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

(xvi) If Demat account holder has forgotten the changed password then Enter the User ID and Captcha Code click on Forgot Password & enter the details as prompted by the system.

(xvii) Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates. After receiving the login details they have to link the account(s) which they wish to vote on and then cast their vote. They should upload a scanned copy of the Board Resolution and Power of Attorney (POA)

which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

In case of members receiving the physical copy:

(A) Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.

(B) The voting period begins on <Date and Time> and ends on <Date and Time>. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of <Record Date>, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(C) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.co.in](http://www.evotingindia.co.in) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

**EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT 2013 Item No. 6**

In terms of Clause 49(II)(A)(1) of the Listing Agreement, the Company was needed to have at least one woman director on its board. Hence at the AGM held on 19<sup>th</sup> September 2014 in view of notice received from a member of the Company in terms of Section 160 of the Companies Act, 2013 had appointed Smt. Amudha Rajendran as a Director (Woman Director). As the appointment of Smt. Amudha Rajendran as a Director of the Company had happened due to the proposal obtained from a member of the Company in terms of the provisions of the Companies Act, 2013 the Company had not obtained the prior approval from the Ministry of Information and Broadcasting, New Delhi for appointing herself as a Director of the Company as required in term of Clause 5.10 of the "Guidelines for uplinking of News and Current affairs TV Channels from India" and also in term of Clause 5.11 of the "Policy Guidelines for Downlinking of Television Channels". As the prior permission and approval of the Ministry of Information and Broadcasting and Ministry of Home Affairs, New Delhi was not obtained by the Company, Smt. Amudha Rajendran had resigned from the office of the directorship of the Company with effect from 31-01-2015. Presently the Board of Directors of the Company submitted application prior approval from Ministry of Information and Broadcasting, New Delhi for co-opting Smt. Vijayalakshmi Ravindran an Additional Director (Woman Director) by the Board. Appropriate notice has been received from a member proposing appointment of Smt. Vijayalakshmi Ravindran as Additional Director (Woman Director) of the Company and requisite consent has been received from Smt. Vijayalakshmi Ravindran pursuant to provisions of Section 154 of the Companies Act 2013. As per the provisions of Section 149(1) of the Act and amended Clause 49 of the Listing Agreement, the Company should have atleast one woman director. Keeping in view the above legal requirements and Company's shareholders' wishes, the Board of Directors have proposed that Smt. Vijayalakshmi Ravindran be appointed as a Director of the Company. The Company has received a notice in writing from a member along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of Smt. Vijayalakshmi Ravindran for the office of Director of the Company. Smt. Vijayalakshmi Ravindran is not disqualified from being appointed as a Director in terms of Section 164 of the Act. Brief profile and other details of Smt. Vijayalakshmi Ravindran forms part of the corporate governance report. Your Board recommends the special resolution as set out in Item No 6 for your approval. None of the directors and Key Managerial Personnel are interested or concerned with Resolution except Mrs. Vijayalakshmi Ravindran, Mr. M. Rajendran, Mr. M. Rajarathnam, Mr. M. Ravindran and Mr. M. Raghunathan.

**FOR ITEM NOS.7,8,9 AND 10 OF NOTICE CALLING THE ANNUAL GENERAL MEETING THE FOLLOWING EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013, SETS OUT ALL THE MATERIAL FACTS RELATING TO THE PROPOSED SPECIAL RESOLUTION MENTIONED IN THE ACCOMPANYING 21<sup>st</sup> ANNUAL GENERAL MEETING NOTICE DATED 27<sup>th</sup> MAY 2015.**

In conformity with the provisions of Section 102 of the Companies Act, 2013, the following Explanatory Statement sets out all material facts relating to the special business mentioned in the accompanying Notice and should be taken as forming part of this Notice. In accordance with the provisions of Companies Act, 1956, the Members of the Company had, at their 17<sup>th</sup> Annual General Meeting (AGM) held on 30-09-2011, approved the re-appointment Mr. M. Rajendran as the Managing Director and Mr. M. Rajarathnam, Mr. M. Ravindran and Mr. M. Raghunathan, as Whole Time Directors of the Company for a period of five years with effect from April 1, 2011 and the said term shall expire on 31-03-2016. Further considering their long term association with the company since the date of incorporation, the board of directors at their meeting held on 21-07-2015 had recommended for re-appointment of them for a further period of five years with effect from 01<sup>st</sup> April, 2016 on the terms & conditions as stated in the resolution. During the tenure as Managing Director, Mr. M. Rajendran led and accompanied by Mr. M. Rajarathnam, Mr. M. Ravindran and Mr. M. Raghunathan, as Whole Time Directors the company had excelled to greater heights in terms of revenue and profit and also poised the Company for higher growth. With their combined strong entrepreneurial skills, greater insight of the Business, visionary approach and strategic thinking, the Company achieved several milestones and growth in every segment in which it operates. The achievements of the Company and the Managing Director and Whole Time Directors of the company have been recognised by the industry, in which it operates, by the Governments and various organisations of national and international repute. Considering their outstanding contribution in developing and expanding the business of the Company and in development of trade and the industry in which it operates, the Board of Directors of the Company has decided to re-appoint Mr. M. Rajendran as the Managing Director and Mr. M. Rajarathnam, Mr. M. Ravindran and Mr. M. Raghunathan, as Whole Time Directors, as Whole Time Directors of the Company subject to approval of the Members of the Company, for a further period of five years effective from April 1, 2016 on the terms & conditions as stated out in the notice and recommended by the Nomination and Remuneration Committee of the Company. None of the directors and Key Managerial Personnel are interested or concerned with Resolution except Mr. M. Rajendran, Mr. M. Rajarathnam, Mr. M. Ravindran and Mr. M. Raghunathan.

Regd. Office:  
32, Poes Road,  
II<sup>nd</sup> St, Teynampet,  
Chennai-600 018  
Date: 27<sup>th</sup> May 2015

By Order of the Board of Directors

-Sd/-  
Joseph Cheriyan  
Company Secretary



NOTICE

THE ADDITIONAL INFORMATION AS REQUIRED UNDER PART I, II and III OF SCHEDULE V OF THE COMPANIES ACT, 2013 IS GIVEN AS UNDER:-

I-INFORMATION AMOUNT THE APPOINTEE

| NAME OF THE MANAGERIAL PERSON AND DESIGNATION   | M. RAJENDRAN<br>MANAGING DIRECTOR   | M. RAJARATHNAM<br>WHOLE TIME DIRECTOR   | M .RAVINDRAN<br>WHOLE TIME DIRECTOR  | M .RAGHUNATHAN<br>WHOLE TIME DIRECTOR  |
|---|---|---|--|--|
| BACKGROUND DETAILS:   | He has been the Managing Director of the company since inception and adopts hands on style of management. With a modest beginning in the family business of a video publishing house and selling consumer electronics items and audiotapes, he has developed extensive knowledge on retail marketing. A visionary with strong business acumen, he formed this Company in the year 1994 and has been a major force behind the success of all channels. | He has been a Whole Time Director of the company since the date of incorporation. He has a long career in retailing of the contents and rights. He has, over a period of two decades, built and nurtured an extensive network of both domestic and overseas clients. He is actively involved in content acquisition for the Company's Channel and distributing the channels in various territories. | He has been a Whole Time Director of the company since the date of incorporation. He is in charge of the in house production of various programs and overall operation of the Channels. He is equipped with technical expertise in the entertainment field, he looks after the technical aspects of the Company's operation.   | He has been a Whole Time Director of the company since the date of incorporation. He is heading the marketing Department of the Company. He is equipped with technical expertise in the entertainment field, he also looks after the sales and Distribution of Channels (DTH and Cable Platforms) and various Digital Platforms.                                       |
| PAST REMUNERATION   | Rs. 1,20,00,000/- per annum   | Rs. 1,20,00,000/- per annum   | Rs. 1,20,00,000/- per annum  | Rs. 1,20,00,000/- per annum  |
| RECOGNITION OR AWARDS   | NIL   | NIL   | NIL  | NIL  |
| JOB PROFILE AND SUITABILITY   | Subject to the superintendence, direction and control of the Board, strategic management and financial control of the Company is vested on the Managing Director.<br>Mr. M. Rajendran, Managing Director of the company is instrumental to the strategic decision and guidance to the entire team of Raj TV Team and has been responsible for monitoring the performance of the company on regular basis.   | The Whole time Directors oversees the operations of the company on various aspects under the supervision of the Managing Director and Board of directors of the company. Mr. M. Rajarathnam, Whole Time Director of the company is actively involved in content acquisition for the Company's Channel and distributing the channels in various territories  | The Whole time Directors oversees the operations of the company on various aspects under the supervision of the Managing Director and Board of directors of the company. Mr. Ravindran, equipped with technical expertise in the entertainment field, he looks after the technical aspects of the Company's operation. He is a member of Audit Committee of the Board of Directors of the company. | The Whole time Directors oversees the operations of the company on various aspects under the supervision of the Managing Director and Board of directors of the company. Mr. Raghunathan, with strong client network and strategic plans, has developed business relationship with large number of corporate Houses and advertising clients across India and overseas. |
| REMUNERATION PROPOSAL   | Rs.1,20,00,000/-per annum. (Rupees One Crore Twenty lakhs only)   | Rs.1,20,00,000/- per annum. (Rupees One Crore Twenty lakhs only)  | Rs.1,20,00,000/-per annum. (Rupees One Crore Twenty lakhs only)  | Rs.1,20,00,000/-per annum. (Rupees One Crore Twenty lakhs only)  |
| COMPARATIVE REMUNERATION  | The proposed remuneration is in line with the remuneration prevailing in the industry.  | The proposed remuneration is in line with the remuneration prevailing in the industry.  | The proposed remuneration is in line with the remuneration prevailing in the industry.   | The proposed remuneration is in line with the remuneration prevailing in the industry.   |
| PECUNIARY RELATIONSHIP DIRECTLY OR INDIRECTLY WITH THE COMPANY, OR RELATIONSHIP WITH MANAGERIAL PERSONNEL, IF ANY:- | He being promoter Directors is the relative of the whole time directors. Besides, the remuneration proposed, Mr. M. Rajendran do not have any other pecuniary relationship with the Company.  | He being promoter Directors is the relative of the whole time Directors & Managing Director. Besides, the remuneration proposed, Mr. M. Rajarathnam do not have any other pecuniary relationship with the Company.  | He being promoter Directors is the relative of the whole time Directors & Managing Director. Besides, the remuneration proposed, Mr. M. Ravindran do not have any other pecuniary relationship with the Company.   | He being promoter Directors is the relative of the whole time Directors & Managing Director. Besides, the remuneration proposed, Mr. M. Raghunathan do not have any other pecuniary relationship with the Company.   |



## NOTICE

## II -GENERAL INFORMATION

| NAME OF THE MANAGERIAL PERSON AND DESIGNATION | M. RAJENDRAN<br>MANAGING DIRECTOR   | M. RAJARATHNAM<br>WHOLE TIME DIRECTOR   | M .RAVINDRAN<br>WHOLE TIME DIRECTOR   | M. RAGHUNATHAN<br>WHOLE TIME DIRECTOR   |
|---|---|---|---|---|
| NATURE OF INDUSTRY                            | Media and Entertainment   | Media and Entertainment   | Media and Entertainment   | Media and Entertainment   |
| DATE OF COMMENCEMENT OF COMMERCIAL PRODUCTION | The company commenced its operation w. e. f. 14 <sup>th</sup> October 1994.   | The company commenced its operation w. e. f. 14 <sup>th</sup> October 1994.   | The company commenced its operation w. e. f. 14 <sup>th</sup> October 1994.   | The company commenced its operation w. e. f. 14 <sup>th</sup> October 1994.   |
| FINANCIAL PERFORMANCE OF THE COMPANY          | The turnover of the company is Rs.83.89 crores and Profit After Tax is Rs.8.16 crores for the year ended 31.03.2015 | The turnover of the company is Rs.83.89 crores and Profit After Tax is Rs.8.16 crores for the year ended 31.03.2015 | The turnover of the company is Rs.83.89 crores and Profit After Tax is Rs.8.16 crores for the year ended 31.03.2015 | The turnover of the company is Rs.83.89 crores and Profit After Tax is Rs.8.16 crores for the year ended 31.03.2015 |
| EXPORT PERFORMANCE                            | The company has achieved direct export turnover of Rs.5.08 crore for the year Ended 31.03.2015.                     | The company has achieved direct export turnover of Rs.5.08 crore for the year Ended 31.03.2015.                     | The company has achieved direct export turnover of Rs.5.08 crore for the year Ended 31.03.2015.                     | The company has achieved direct export turnover of Rs.5.08 crore for the year Ended 31.03.2015.                     |
| FOREIGN EXCHANGE COLLABORATIONS & INVESTMENTS | The Company does not have any Foreign collaboration.  | The Company does not have any Foreign collaboration   | The Company does not have any Foreign collaboration   | The Company does not have any Foreign ollaboration  |

## III-OTHER INFORMATION

| NAME OF THE MANAGERIAL PERSON AND DESIGNATION                        | M. RAJENDRAN<br>MANAGING DIRECTOR   | M. RAJARATHNAM<br>WHOLE TIME DIRECTOR  | M. RAVINDRAN<br>WHOLE TIME DIRECTOR  | M. RAGHUNATHAN<br>WHOLE TIME DIRECTOR   |
|--|---|--|--|---|
| REASONS OF LOSS OR INADEQUATE PROFITS:                               | The Company proposes to give remuneration as minimum Remuneration within the limits as prescribed in the Schedule V the Companies Act, 2013.The company is taking all steps and efforts to increase the profitability of the company by increasing the market share and to increase the advertisement revenue of the company. | The Company proposes to give remuneration as minimum Remuneration within the limits as prescribed in the Schedule V the Companies Act, 2013. The company is taking all steps and efforts to increase the profitability of the company by increasing the market share and to increase the advertisement revenue of the company. | The Company proposes to give remuneration as minimum Remuneration within the limits as prescribed in the Schedule V the Companies Act, 2013.The company is taking all steps and efforts to increase the profitability of the company by increasing the market share and to increase the advertisement revenue of the company | The Company proposes to give remuneration as minimum Remuneration within the limits as prescribed in the Schedule V the Companies Act, 2013.The company is taking all steps and efforts to increase the profitability of the company by increasing the market share and to increase the advertisement revenue of the company. |
| STEPS TAKEN / TO BE TAKEN FOR IMPROVEMENT                            | The Company has taken steps to Diversify the area of operation outside the state and improve the content, viewer ship and revenue.  | The Company has taken steps to Diversify the area of operation outside the state and improve the content, viewer ship and revenue.   | The Company has taken steps to Diversify the area of operation outside the state and improve the content, viewer ship and revenue.   | The Company has taken steps to Diversify the area of operation outside the state and improve the content, viewer ship and revenue.  |
| EXPECTED INCREASE IN THE PRODUCTIVITY AND PROFIT IN MEASURABLE TERMS | Company Expects 25% growth as against year ended 31.03.2016   | Company Expects 25% growth as against year ended 31.03.2016  | Company Expects 25% growth as against year ended 31.03.2016  | Company Expects m 25% growth as against year ended 31.03.2016   |



## NOTICE

**BRIEF PROFILE OF THE DIRECTOR SEEKING RE-APPOINTMENT AT THE ENSUING ANNUAL GENERAL MEETING AS REQUIRED TO BE FURNISHED PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT WITH THE STOCK EXCHANGES IN INDIA****(I) Mr. M. Rajendran, Managing Director**

Mr. M. Rajendran, aged 65 years has been a director of the company since the date of incorporation and is responsible for its day-to-day management. He had a long and successful career in media and entertainment industry. With a modest beginning in the family business of a video publishing house, he started his career at any early age, by joining his father in the family business. The family set up Raj Video Vision in 1983 which started as a video cassette lending library and selling consumer electronics items and audio tapes. With keen sense of business and vision, he formed this Company in the year 1994 and has been a major force behind the success of all channels. He is responsible for providing strategic direction to the company and manages the overall operation and financial affairs of the company. He is the one of the founder promoter of the company who has overseen the growth of the organization from a Small Business to a successful and leading south Indian Entertainment and Broadcasting company and having Eleven channels.

**(II) Mr. M. Rajarathnam, Whole time Director**

Mr. M. Rajarathnam, aged 62 years has been a Whole Time Director of the company since the date of incorporation. He has a long career in retailing of the contents and rights. He has, over a period of two decades, built and nurtured an extensive network of both domestic and overseas clients through the sale of pre-recorded video cassettes and also exploit the same in other electronic and digital media like Compact Disk, Video Cd, Digital Video Disk etc. He is actively involved in content acquisition for the Company's Channel and distributing the channels in various territories.

**(III) Mr. M. Ravindran, Whole time Director**

Mr. M. Ravindran, aged 55 years has been a Whole Time Director of the company since the date of incorporation. He is in charge of the in house production of various programs and overall operation of the Channels. Mr. Ravindran, equipped with technical expertise in the entertainment field, he looks after the technical aspects of the Company's operation. He is responsible for the launching of new channels and day to day programming of all channels. He is also responsible for the other day to day administrative and establishment affairs of the Company.

**(IV) Mr. M. Raghunathan, Whole Time Director**

Mr. M. Raghunathan, aged 52 years has been a Whole Time director of the company since the date of incorporation and is heading the marketing efforts of the Company. Mr. Raghunathan, with strong client network and strategic plans, has developed business relationship with large number of corporate Houses and advertising clients across India and overseas. He has been instrumental in sustaining the broadcasting business and has contributed significantly towards the growth of advertisement revenues of the Company.

**(V) Mr. Mohan Kameswaran, (Non Executive independent Director)**

Mr. Mohan Kameswaran, is graduated from Madras Medical College. He got his MS from Madras Medical College, Chennai and his Fellowship at the Royal College of Surgeons, Edinburgh. Dr. Kameswaran is Consultant & Managing Director of Madras ENT Research Foundation Pvt. Ltd. Dr. Mohan Kameswaran is a highly acclaimed surgeon both nationally and internationally. He has been awarded Padmashri from the Government of India in 2006 for his long service in Medical Science. He was also awarded Indo-Australian award for his remarkable contribution in the medical science He is also an active writer in both national & international journals. He does not hold any share in the Company.

**(VI) Mr. A. Arjuna Pai, (Non Executive independent Director)**

Shri. A. Arjuna Pai -a senior Fellow Member of The Institute of the Chartered Accountants of India, he is a partner in M/s Menon & Pai, a firm of Chartered Accountants engaged in audit and corporate advisory services. Before associating with M/s Menon & Pai he had occupied various key positions in some of the reputed organizations in Chennai with both financial advisory and administrative role. He is the Chairman of the Audit Committee of the Board of Directors of the Company.

**(VII) Mr. D.R.Karthikeyan (Non Executive independent Director)**

Mr. D.R. Karthikeyan, retired from Indian Police Service after holding eminent positions like Director CBI and Director General of National Human Rights Commission. He holds a graduation degree in Science (Chemistry and Agriculture) and is also a Bachelor of Law. He began his career as a lawyer before he was selected for appointment in the Indian Police Service and in that capacity has held several positions including Director of Police, Academy, Mysore, Karnataka. He has been awarded the President's Police Medal and the Indian Police Medal for Meritorious Service, Delhi Ratna by the All India Conference of Intellectuals, New Delhi, Humanitarian Award from Internal Yoga International, USA for outstanding achievement in service to Humanity. At present he is the torchbearer on matters related to Law, Human Rights and Corporate Affairs. He is the Chairman of the Audit Committee of the Board of Directors of the Company. He is the Chairman of the Stake holders grievance Committee and member of Corporate Nomination and Remuneration Committee of the Board of Directors of the Company.

**(VIII) Mr. R. Rajagopalan (Non Executive independent Director)**

A retired Director General of Police, Tamil Nadu, he commenced his career in the Indian Army in October 1963. After joining the Indian Police Service in 1968, he had a distinguished career spanning over three decades with the police department. He has held senior positions such as Deputy Inspector General, CBI during 1983 – 1988. He was the Commissioner of Police from 1991 – 1995 and the Director General of National Security Guard during 2001 – 2002. He has held four posts of DGP in Tamil Nadu and was awarded seven medals including President's Police Medal (1992) and the Indian Police Medal for Meritorious Service (1983) He holds a Masters in Business Administration and Law. He is the Chairman Corporate Nomination and Remuneration Committee of the Board of Directors of the Company and member of the Audit Committee of the Board of Directors of the Company.

**(IX) Profile of Proposed Director - Smt M. Vijayalakshmi Ravindran (Woman Director)**

Smt Vijayalakshmi Ravindran, aged 50, D/o of Perumbakam Shanmugam and Padma Shanmugam, born at Villupuram, Tamil Nadu, is a graduate in English Literature, residing at O No.28A, N No.29A, ABM Avenue, R A Puram, Chennai- 600 028, Tamil Nadu, India. She was a director in Main Business entity RAJ TELEVISION NETWORK LIMITED from 1999 to 2006.

|                                   |   |   |   |
|-----------------------------------|---|---|---|
| 1. Name (in full):                | VIJAYALAKSHMI RAVINDRAN   | 10. Occupation :                                    | EMPLOYMENT  |
| 2. Director Identification Number | 00716224  | 11. Date of Birth & Place of Birth :                | 04/02/1965/ VILLUPURAM , TAMILNADU  |
| 3. Father's Name (in full)        | PERUMBAKAM SHANMUGAM  | 12. Nationality:                                    | INDIAN  |
| 4. Mother's Name:                 | PADMA SHANMUGAM   | 13. Educational Qualification :                     | Graduate in English Literature  |
| 5. Name of Spouse                 | M Ravindran   | 14. Experience:                                     | Worked in the company as a director from 1999 to 2006.  |
| 6. Address:                       | O No.28A, N No.29A, ABM Avenue,<br>R A Puram, Chennai- 600 028, Tamil Nadu, India | 15. Shareholding (31.03.2015) :                     | Holds 4.84% shares in Raj Television Network Ltd and she is a promoter of the company.        |
| 7. E-mail id:                     | vijayalakshmi@rajtvnet.in   | 16. Relationship with existing Director/Promoters : | Related to existing Whole-time Directors and Managing Director of the company.                |
| 8. Contact:                       | 044 - 24334376  | 17. Directorship in other companies                 | Smt.Vijayalakshmi Ravindran is a Whole Time Director in M/s Vissa Television Network Limited. |
| 9. Income-tax PAN.                | ABXPV2884R  |   |   |

**IV- DISCLOSURE**

1. The remuneration payable to Mr. M. Rajendran , Mr. M. Rajarathnam ,Mr. M. Ravindran & Mr. M. Raghunathan are detailed in the resolution.
2. Considering their experience and contribution by them towards the company's workings in all these years the remuneration proposed by the Board of directors of the company is considered moderate when compared with other media companies and hence the company recommended the proposed resolution for your consideration and approval.
3. These details may also be treated as the abstract of the terms and conditioned for the appointment of the Managing Director and Whole Time Director in compliance of the provisions of the Companies Act, 2013.
4. Mr. M. Rajendran , Mr. M. Rajarathnam ,Mr. M. Ravindran, Mr. M. Raghunathan & Mrs. Vijayalakshmi Ravindran are deemed to be interested in the resolutions.

Regd. Office:  
32, Poes Road,  
II<sup>nd</sup> St, Teynampet,  
Chennai-600 018  
Date: 27<sup>th</sup> May 2015

By Order of the Board of Directors

-Sd/-  
Joseph Cheriyan  
Company Secretary



# DIRECTOR'S REPORT

Dear Members,

The Directors take pleasure in presenting the 21<sup>st</sup> Annual Report of the Company together with the Audited Statements of Accounts for the year ended 31<sup>st</sup> March 2015 as under:-

(Rs in Lakhs)

| <b>1. FINANCIAL SUMMARY/HIGHLIGHTS OF THE COMPANY:</b>    |   |   |
|---|---|---|
| <b>Particulars</b>  | <b>Year ended 31<sup>st</sup> March, 2015</b> | <b>Year ended 31<sup>st</sup> March, 2014</b> |
| Revenue from Operations                                   | 8,250.11                                      | 7,946.55                                      |
| Other Income  | 139.09  | 107.26  |
| Total Income  | 8,389.20                                      | 8,053.81                                      |
| Total Expenditure   | 5,811.98                                      | 5,601.44                                      |
| Profit / (Loss) before Interest, Depreciation & Tax       | 2,577.23                                      | 2,452.37                                      |
| Interest  | 647.14  | 467.59  |
| Profit / (Loss) before Depreciation & Tax (PBDT)          | 1,930.09                                      | 1,984.77                                      |
| Depreciation  | 633.47  | 395.71  |
| Profit / (Loss) before Tax (PBT)                          | 1,296.62                                      | 1,589.06                                      |
| Provision for Taxation                                    | 480.79  | 297.85  |
| Profit / (Loss) After Tax (PAT)                           | 815.83  | 1,291.22                                      |
| Balance brought forward                                   | 4016.42                                       | 3081.18                                       |
| Adjustment of Depreciation as per transitional provisions | 707.1   |   |
| Amount available for appropriations                       | 4125.15                                       | 4372.4  |
| Appropriations:   |   |   |
| <b>Dividend</b>   |   |   |
| Equity Shares   | 259.56  | 194.67  |
| <b>Tax on Dividend</b>                                    |   |   |
| Equity Shares   | 51.89   | 32.07   |
| General Reserve   | --  | 129.78  |
| Balance carried forward                                   | 3813.7  | 4016.52                                       |

## 2. EVENTS SUBSEQUENT TO THE DATE OF FINANCIAL STATEMENTS:

There have been no material changes and commitments that have occurred after close of the financial year till the date of this report, which affect the financial position of the Company. Based on internal financial control framework and compliance systems established in the Company, the work performed by statutory, internal and secretarial auditors and reviews performed by the management and/or relevant Audit and other Committees of the Board, your Board is of the opinion that the Company's internal financial controls were adequate and effective during the Financial Year 2014-15.

## 3. DIVIDEND:

**Equity Shares :** Your Directors recommend final dividend at the rate of Rs .50 paise per equity share of Rupees 5 paid up for the Financial year ended 31<sup>st</sup> March 2015. Equity Dividend, upon approval by members if approved by Members of the Company at the ensuing Annual General Meeting, shall be payable on the outstanding equity capital as at the book closure date. The outflow on account of Equity Dividend and the tax on such dividend distribution, based on current paid-up capital of the Company would aggregate to Rs. 3.11 crores, resulting in a payout of 38 % of the profits of the Company on a stand-alone basis.

Equity dividend payout for the year under review has been formulated in accordance with the Company's policy to pay sustainable dividend linked to long term growth objectives of the Company to be met by internal cash accruals.

## 4. RESULT OF OPERATIONS AND THE STATE OF COMPANY'S AFFAIRS, CHANGE IN THE NATURE OF BUSINESS, IF ANY:

- Your Company achieved revenue from operations Rs. 8389.20 lakhs as against Rs.8053.81 lakhs in the P.Y. The Total Expenditure for the period is Rs.7092.58 lakhs as against Rs.6464.75 lakhs in the Previous Year.

- The performance of the Company is mainly affected by increased spent for launch of the Kannada News Channels and change in the depreciation policies adopted by the Company as per the new Companies Act 2013 and other administrative expenses.

- Net Profit after tax stood at **Rs.815.83** lakhs as compared to Net profit after tax **Rs.1291.22** lakhs in the Previous Year.

## 5. BUSINESS OVERVIEW

Your Company had a successful F.Y.2014-15 with good financial results, reflecting our focus on regional market consolidation and exploring various new platforms of revenue generation.

### Business Description

Your Company, today, is an established Television Company in the Tamil broadcasting industry in South India. The network is presently runs 13 Channels and has 13 Channel licenses in various languages and genre and 3 more licenses are in the pipeline to launch 3 more channels. Your Company has own uplinking station and Exclusive Transponder facility. Your Company broadcasts the channels in whole of India, as well as parts of South East Asia, and the Middle East.

## Future Projects

Your Company undertakes several production projects with the right mix of self produced and outsourced productions, to mitigate financial risk and obtain large revenues. With self-produced content, the Company gets complete right over the content, and can build its own intellectual property base.

Your Company has an advantage of being a mass channel with its extensive line up of attractive programming to cater the entire family. The channels of the network reach a wide variety of audiences as it satisfies people of all ages, The Channel offers a right mix of movies, serials, debates, cultural, educational, cookery, handicrafts and religious programmes satisfying the needs of the entire community ranging from Urban to the rural audience.

During the Current Year, Company plan to increase our offering in Telugu and Malayalam languages covering different genres. Healthy advertising revenues are expected from the new Channels. Your Company is exploring various other delivery platforms such as direct to handheld and various other OTT technologies. All these new initiatives are expected to augment the income substantially and help to post better results in this year. This will give the Company a place in the minds of people leading to numbers provided by recognized rating agencies and increase fund flow from the operations. There are no significant changes in nature of business during the Financial Year 2014-15.

## 6. SHARE CAPITAL

During the year under review , Company has not issued any shares or any other securities including DR/GDR/FCCB/ WARRANTS/BONDS, ESOP during the year.



# DIRECTOR'S REPORT

## 7. PUBLIC DEPOSITS:

During the year, the Company has neither invited nor accepted any deposits from the public or its employees.

## 8. CORPORATE GOVERNANCE & POLICIES

Your Company has been constantly reassessing and benchmarking itself with well-established Corporate Governance practices besides strictly complying with the requirements of Clause 49 of the Listing Agreement and applicable provisions of Companies Act, 2013.

A detailed report on Corporate Governance together with the Statutory Auditors' Certificate on compliance is attached to this Annual Report. Management's Discussion and Analysis Report for the year under review as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges are presented in separate sections forming part of the Annual Report. The Audit Committee of the Board has been vested with powers and functions relating to Risk Management which inter alia includes (a) review of risk management policies and business processes to ensure that the business processes adopted and transactions entered into by the Company are designed to identify and mitigate potential risk; (b) laying down procedures relating to Risk assessment and minimization; and (c) formulation, implementation and monitoring of the risk management plan. In compliance with the requirements of section 178 of the Companies Act, 2013, the Nomination & remuneration Committee of your Board had fixed various criteria for nominating a person on the Board which inter alia include desired size and composition of the Board, age limits, qualification / experience, areas of expertise and independence of individual. Your Company has also adopted a Remuneration Policy, salient features whereof is annexed to this report. Your Board has in accordance with the requirements of Companies Act, 2013 and Clause 49 of the Listing Agreement has adopted new policies and amended existing policies such as policy on Related Party Transaction, Code of Conduct for Directors and Senior Management, Corporate Social Responsibility Policy and Whistle Blower and Vigil Mechanism Policy.

## 9. LISTING AGREEMENT

The Company has complied with all the requirements of the listing agreements of BSE & NSE except compliance to clause 49(II)(A)(1) of equity listing agreement as entered by the issuer Company (appointment of Woman Director) – as the issuer Company requires the prior permission and approval of the Ministry of Information and Broadcasting and Ministry of Home Affairs, and the approval was in process as at 31<sup>st</sup> March 2015.

In terms of Clause 49 (II)(A)(1) of the Listing Agreement, the Company was needed to have at least one woman director on its board. Hence at the AGM held on 19-09-2014 in view of notice received from a member of the Company in terms of Section 160 of the Companies Act, 2013 had appointed Smt. Amudha Rajendran as a Director (Woman Director). As the appointment of Smt. Amudha Rajendran as a Director of the Company had happened due to the proposal obtained from a member of the Company in terms of the provisions of the Companies Act, 2013 the Company had not obtained the prior approval from the Ministry of Information and Broadcasting, New Delhi for appointing herself as a Director of the Company as required in terms of Clause 5.10 of the "Guidelines for uplinking of News and Current affairs TV Channels from India" and also in terms of Clause 5.11 of the "Policy Guidelines For Downlinking of Television Channels".

As the prior permission and approval of the Ministry of Information and Broadcasting and Ministry of Home Affairs, New Delhi was not obtained by the Company, Smt. Amudha Rajendran had resigned from the office of the directorship of the Company with effect from 31-01-2015. Presently the Board of Directors of the Company had applied to Ministry of Information and Broadcasting, New Delhi for co-opting Smt. Vijayalakshmi Ravindran as an Additional Director (Woman Director) by the Board and accordingly had authorized its officials to make necessary steps in this connection.

## 10. CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. During the year, the Company had not entered into any contract / arrangement / transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions.

## 11. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Your Board comprises of 8 Directors including 4 Independent Directors. Independent Directors provide their declarations both at the time of appointment and annually confirming that they meet the criteria of independence as prescribed under Companies Act, 2013 and Clause 49 of the Listing Agreement. During F.Y. 2014-15 your Board met 5 (Five) times details of which are available in Corporate Governance Report annexed to this report. Mr. M. Rajarathnam and Mr. M. Raghunathan Executive Directors are liable to retire by rotation at the ensuing Annual General Meeting and, being eligible, offers themselves for re-appointment. Your Board recommends their re-appointment. In compliance with the requirements of Section 203 of the Companies Act, 2013, Mr. Jeyaseelan, Chief Finance Officer and Mr. Joseph Cheriyan - Company Secretary & Compliance Officer of the Company were nominated as Key Managerial personnel.



# DIRECTOR'S REPORT

### DIRECTORS SEEKING FOR RETIREMENT BY ROTATION

Directors **Shri. M. Raghunathan** (Holding DIN 00662769) and **Shri. M. Rajarathnam** (Holding DIN 00839174), who retires by rotation and being eligible, offers themselves for re-appointment.

### BOARD MEETINGS

The Board of Directors met 5 times during this financial year. The Board meetings were held on 28<sup>th</sup> April 2014, 13<sup>th</sup> May 2014, 29<sup>th</sup> July 2014, 27<sup>th</sup> October 2014 and 21<sup>st</sup> January 2015.

### BOARD EVALUATION

In a separate meeting of Independent Directors held during the F.Y. 2014-15, performance of non-independent directors, performance of the board as a whole and performance of the Chairman was evaluated.

The details about the appointment, re-appointment, change in Designation, resignation of Directors (along with fact of resignation), Managing Directors, Whole Time Directors, KMP, Independent Directors is annexed to this report.

### 12. DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS

The Company has received necessary declaration from each Independent Directors of the Company under Section 149(7) of the Companies Act, 2013 that the Independent Directors of the Company meet with the criteria of their Independence laid down in Section 149(6).

### 13. BOARD & AUDIT COMMITTEE

The details regarding number of board meetings held during the financial year and composition of Audit Committee is furnished in the Corporate Governance Report.

### 14. AUDITORS AND AUDITORS' REPORT

#### I. Statutory Auditors

M/s. Pratapkaran Paul & Co., Chartered Accountants, having Firm Registration No. 0027775, Chennai – 600 034, the retiring auditors holds office until the conclusion of the ensuing Annual General Meeting and is eligible for reappointment.

Your Company has received confirmation from the Auditors to the effect that their appointment, if made, will be in accordance with the limits specified under the Companies Act, 2013 and the firm satisfies the criteria specified in Section 141 of the Companies Act, 2013 read with Rule 4 of Companies (Audit & Auditors) Rules 2014. Your Board is of the opinion that continuation of M/s. Pratapkaran Paul & Co., Chartered Accountants, as Statutory Auditors during F.Y.2015- 16 will be in the best interests of the Company and therefore, Members are requested to consider their re-appointment as Statutory Auditors of the Company from the conclusion of ensuing Annual General Meeting till next Annual General Meeting at remuneration be decided by the Board.

The Notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation or adverse remark.

### II. Secretarial Auditor

The Members has appointed CS.V. Nagarajan & Co., Practising Company Secretary, to conduct Secretarial Audit for the F.Y. 2014-15. The Secretarial Audit Report for the financial year ended March 31, 2015 is annexed to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

### III. Internal Auditor

The Board of Directors has appointed M/s. Saravanan & Co., Practising Chartered Accountant as Internal Auditors for the F.Y. 2014-15.

### 15. DISCLOSURES

#### I.PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS :

During the period under review, Company has no transactions to be reported under the disclosure of Particulars of loans, guarantees and investments made by the Company required under section 186 (4) of the Companies Act, 2013.

#### II.TRANSACTIONS WITH RELATED PARTIES:

None of the transactions with related parties fall under the scope of Section 188(1) of the Act. Information on material transactions with related parties pursuant to Section 134(3)(h) of the Act, read with rule 8(2) of the Companies (Accounts) Rules, 2014, in form AOC-2 is annexed to this report.

#### III.DEPOSITS & UNCLAIMED DIVIDEND :

Your Company has not accepted any public deposit under Chapter V of the Companies Act, 2013. During the year under review, in terms of provisions of Investors Education and Protection Fund (Awareness and Protection of Investors) Rules, 2014, unclaimed dividend declared by the Company for financial year 2007-08, aggregating to Rs.54,355/-and Unclaimed IPO refund amount Rs. 1,20,904/- was transferred to Investors Education and Protection Fund.

### IV. Extract of Annual Return :

The Extract of Annual Return in Form MGT-9 as required under Section 92(3) of the Act read with Companies (Management & Administration) Rules, 2014 is annexed to this report.

### V. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. No complaints were received during the year 2014-15.

### VI. REGULATORY ORDERS:

No significant or material orders were passed by the regulators or courts or tribunals which impact the going concern status and Company's operations in future.

### VII .CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

Your Company is into the business of Broadcasting of General Entertainment Television Channels. Since this business does not involve any manufacturing activity, most of the information required to be provided under Section 134(3) (m)) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, are Nil / Not Applicable.

| ANNEXURE TO VII ABOVE - the information, as applicable, is given here under:   |   |   |  |  |  |
|--|---|---|--|--|--|
| a) Conservation of Energy:   |   |   |  |  |  |
| (i) the steps taken or impact on conservation of energy  | Your Company, being a service provider, requires minimal energy consumption and every endeavour is made to ensure optimal use of energy, avoid wastages and conserve energy as far as possible. | Your Company uses latest technology and equipment's into its Broadcasting business. However since the Company is not engaged in any manufacturing, the information in connection with technology absorption is Nil. |  |  |  |
| (ii) the steps taken by the Company for utilizing alternate sources of energy  |   |   |  |  |  |
| ( iii ) the capital investment on energy conservation equipments   |   |   |  |  |  |
|  |   |   |  |  |  |
| (i) the efforts made towards technology absorption   |   |   |  |  |  |
| (ii) the benefits derived like product improvement, cost reduction,product development or import substitution  |   |   |  |  |  |
| (iii) in case of imported technology (imported during the last threeyears reckoned from the beginning of the financial year)-  |   |   |  |  |  |
| (a) the details of technology imported.  |   |   |  |  |  |
| (b) the year of import;  |   |   |  |  |  |
| (c) whether the technology been fully absorbed.  |   |   |  |  |  |
| (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof.  |   |   |  |  |  |
| (iv) the expenditure incurred on Research and Development  |   |   |  |  |  |
| c) Foreign Exchange Earnings and Outgo:  |   |   |  |  |  |
| Particulars of foreign currency earnings and outgo during the year are given in Notes to the Accounts forming part of the Financial Statement (Annexure A & B - Additional Information in Notes ). |   |   |  |  |  |



# DIRECTOR'S REPORT

## VIII) HUMAN RESOURCES & PARTICULARS OF EMPLOYEES

Being in the business of creativity and business of people, to ensure sustainable business growth and become future ready, over the years your Company has been focusing on strengthening its talent management and employee engagement processes and through the year, organisation's engagement scores has improved to highest percentile in the entertainment sector.

### PARTICULARS OF EMPLOYEES

Your Company had 625 employees as of March 31, 2015 as against 515 employees as of March 31, 2014 and your Company provided additional employment opportunity to 112 people and empowered the human resource assets during the year. Requisite disclosures in terms of the provisions of Section 197 (12) of the Act read with Rule 5 (2) and 5 (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 along with statement showing names and other particulars of the employees drawing remuneration in excess of the limits prescribed under the said rules requires your Company to disclose the particulars of employees who are in receipt of remuneration of Rs. 60 lakhs or more per annum and those who were in receipt of remuneration of Rs. 5 lakhs or more per month. Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in the Annual Report.(Director's Report Annexure V -B).

## IX. VIGIL MECHANISM AND WHISTLE BLOWER POLICY

Section 177 of the Companies Act, 2013 requires every listed Company and such class or classes of companies, as may be prescribed to establish a vigil mechanism for the directors and employees to report genuine concerns in such manner as may be prescribed.

The Company has adopted a Code of Conduct for Directors and Senior Management Personnel ("the Code"), which lays down the principles and standards that should govern the actions of the Directors and Senior Management Personnel.

Any actual or potential violation of the Code, however insignificant or perceived as such, is a matter of serious concern for the Company. Such a Vigil Mechanism shall provide for adequate safeguards against victimization of persons who use such mechanism and also make provision for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases. Effective October 1, 2014, Clause 49 of the Listing Agreement between listed companies and the Stock Exchanges, inter alia, provides for a mandatory requirement for all listed companies to establish a

mechanism called 'Whistle Blower Policy' for employees to report to the management instances of unethical behaviour, actual or suspected, fraud or violation of the company's code of conduct. The Company has laid down code of conduct for Board of Directors and senior management personnel. Report details of establishment of vigil mechanism (for directors and employees to report genuine concerns) pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013 and as per Clause 49 of the Listing Agreement.

## 16. DETAILS OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS

### Internal Control:

The Company has a defined management reporting system and periodic reviews of it business to ensure timely check and decision-making. The Management Information System (MIS) forms an integral part of the Company's control mechanism. Any material change in the business process is reported to the Board regularly.

## 19. PLEDGING OF THE SHARES BY THE PROMOTERS:

As required under SEBI (Substantial Acquisition and Takeover) Regulation, 1997, the Promoters, promoter group and the Persons acting in concert representing Promoters and promoter Group pledged shares during the financial year.

### Details Pledging of the Shares by the Promoters

| Sl. No | Particulars  | Year Ended March 31, 2015 |
|--------|--|---------------------------|
| A      | <b>PARTICULARS OF SHAREHOLDING</b>   | <b>No of Shares</b>       |
| 1      | <b>Public Share Holding</b>  |                           |
|        | - Number of Shares   | 16122857                  |
|        | - Percentage of Shareholding   | 31.06                     |
| 2      | <b>Promoter and Promoter Group Shareholding</b>                                      |                           |
|        | <b>a) Pledged / Encumbered</b>   |                           |
|        | Number of Shares   | 2500000                   |
|        | Percentage of Shares (as a % of total share holding of promoter and promote group)   | 6.99                      |
|        | Percentage of Shares (as a % of total share capital of the Company)                  | 4.82                      |
|        | <b>b) Non - Pledged / Non -Encumbered</b>  |                           |
|        | - Number of Shares   | 33290487                  |
|        | - Percentage of Shares (as a % of total shareholding of promoter and promoter group) | 93.01                     |
|        | - Percentage of Shares (as a % of total share capital of the Company)                | 64.13                     |
|        | <b>Total Promoter Holding</b>  | <b>68.94</b>              |

## 17. DISCLOSURES IN TERMS OF THE PROVISIONS OF SECTION 197 (12) OF THE ACT READ WITH RULE 5 (1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONAL) RULES, 2014 ARE PROVIDED IN THE ANNUAL REPORT.

## 18. SHAREHOLDING OF DIRECTORS/ PROMOTERS AND PROMOTER GROUP:

The Managing Director and other whole time Directors along with their spouse and dependent children constituting promoters and Promoter group hold more than two percent of the equity share of the Company in their individual capacity. Independent Directors do not hold any share in the Company.



# DIRECTOR'S REPORT

## 20. FORMAL ANNUAL EVALUATION:

The performance evaluation of the Board, its Committees and individual Directors was conducted and the same was based on questionnaire and feedback from all the Directors on the Board as a whole, its Committees and self-evaluation. The Chairperson of the Board Nomination and Remuneration Committee (BNRC) held separate discussions with each of the Directors of the Company and obtained their feedback on overall Board effectiveness as well as on each of the other Directors. Based on the questionnaire and feedback, the performance of every Director was evaluated in the meeting of the BNRC.

## 21. DISCLOSURE ABOUT COST AUDIT

During the F.Y. 2014-15, the Provision of cost audit requirements is not applicable to the Company.

## 22. RATIO OF REMUNERATION TO EACH DIRECTOR:

Details / Disclosures of Ratio of Remuneration to each Director to the median employee's remuneration as per Section 197(12) read with Rule 5 (1) (2) & (3) of Cos (Appointment & Remuneration) Rules, 2014 is annexed to this report.

## 23. LISTING WITH STOCK EXCHANGES:

The Company confirms that it has paid the Annual Listing Fees for the year 2015-2016 to NSE & BSE where the Company's Shares are listed.

## 24. SHARES IN SUSPENSE ACCOUNTS:

As required under Clause 5A of the Listing Agreement, 2 shareholders and 116 numbers of outstanding shares are lying in the suspense account at the beginning and end of the year. The Company has not been approached by any of these shareholders. The voting rights on the shares outstanding in the suspense account as on March 31, 2015 shall remain frozen till the rightful owner of such shares claims the shares. In compliance with the said requirements, these shares will be transferred into one folio in the name of 'Unclaimed Suspense Account' in due course.

## 25. DIRECTORS' RESPONSIBILITY STATEMENT:

PURSUANT TO SECTION 134 OF THE COMPANIES ACT, 2013 ('THE ACT'), IN RELATION TO THE AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR 2014-2015, YOUR DIRECTORS CONFIRM THAT:

(a) The Financial Statements of the Company comprising of the Balance Sheet as at March 31, 2015 and the Statement of Profit & Loss for the year ended on that date, have been prepared on a going concern basis following applicable accounting standards and that no material departures have been made from the same;

(b) Accounting policies selected were applied consistently and the judgments and estimates related to the financial statements have been made on a prudent and reasonable basis, so as to give a true and fair view of the state of affairs of the Company as at March 31, 2015, and, of the profit of the Company for the year ended on that date;

(c) Proper and sufficient care has been taken for maintenance of adequate accounting records in accordance with the provisions of the Act, to safeguard the assets of the Company and for preventing and detecting fraud and other irregularities;

(d) Requisite internal financial controls were laid down and that such financial controls are adequate and operating effectively; and

(e) Proper systems have been devised to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

## 26. ACKNOWLEDGEMENT:

The Directors take this opportunity to thank all their valued customers, business associates and vendors for their kind support. The Directors also record their appreciation for the sincere and dedicated efforts put in by all Employees. Employees are our vital and most valuable assets. Your Directors value the professionalism and commitment of all employees of the Company and place on record their appreciation of the contribution made by employees of the Company at all levels that has contributed to your Company's success and remain in the forefront of media and entertainment business. Your Directors thank and express their gratitude for the support and co-operation received from the Central and State Governments / regulatory authorities viz. the Ministry of Information & Broadcasting, the Department of Telecommunication, Ministry of Corporate Affairs, Reserve Bank of India, Securities and Exchange Board of India, Foreign Investment Promotion Board, the Stock Exchanges and Depositories and other stakeholders including viewers, producers, vendors, financial institutions, banks, investors, service providers and all our stakeholders. Your directors also place on record their appreciation of the tireless efforts of Team RAJTV, a dedicated and loyal band of people who have displayed unswerving commitment to their work in these challenging times and helped the Company deliver good results.

For and on behalf of the Board of Directors

Sd/-  
**M. Rajendran**  
Chairman & Managing Director

-Sd/-  
**M Ravindran,**  
Director

Place: Chennai  
Date: 27<sup>th</sup> May 2015



# MANAGEMENT DISCUSSION AND ANALYSIS

## Industry Overview:

The Media and Entertainment is one of the fastest growing sectors in India. While most sectors witnessed double-digit growth, the film industry witnessed a decline in revenues owing to content that failed to make a strong run at the box office. Television and print resumed their pace of growth as did radio and out of home. Meanwhile, with the growing popularity of digital platforms, content creators looked to build strong foundations to prepare themselves for the exciting road ahead. The type of expansion being witnessed in digital media is expected to continue at an increased rate. Television, radio, CAS, and DTH have already made their presence felt. IPTV and mobile TV are still in the nascent stage and are yet to make a major mark on the broadcast arena. The broadcast segment is on a high growth path. New channels, new content, and new formats proliferate. In the last few years, a lot of development is happening in the broadcast segments.

## Company Overview:

### Brief Description of the Company

Raj Television Network Limited (BSE: 532826 and NSE: RAJTVEQ) is one of the largest Tamil television and broadcasting Company in southern region. The Company incorporated in 1994, broadcasts twelve channels presently in various southern languages. Raj TV, its flagship television channel launched in 1994 was the first general entertainment channel of the Company. Besides Raj TV, the

Company promotes Raj digital plus, an exclusive movie channel, three Raj Musix, Music Channels, one in each southern regional languages and three 24X7 News Channel. The Company gets its revenue primarily from advertisement and subscription of channels. The Company has also rolled into movie production and distribution business

### Business of the Company

Raj TV currently operates 13 television channels in five languages including Tamil, Telugu, Kannada, Malayalam, etc. The company earns its revenue from following main segments:-

- a. Advertisement
- b. Air Time Charges
- c. Pay Channel Distribution Revenue
- d. Subscription Revenue
- e. Sales export Revenue

### Business Description

Raj TV, today, is an established Television Company in the Tamil broadcasting industry in South India. The Network is presently runs 13 Channels and has 13 Channel licenses in various languages and genre and 3 more licenses are in the pipeline to launch 3 more channels. Raj TV has its own uplinking station and Exclusive Transponder facility. The broadcast of these two channels can be received in the whole of India, as well as parts of South East Asia, and the Middle East.

The company undertakes several production

projects with the right mix of self produced and outsourced productions, to mitigate financial risk and obtain large revenues. With self-produced content, the company gets complete right over the content, and can build its own intellectual property base.

RAJ Network has an advantage of being a mass channel with its extensive line up of attractive programming to cater the entire family. The channels of the network reach a wide variety of audiences as It satisfies people of all ages, The Channel offers a right mix of movies, serials, debates, cultural, educational, cookery, handicrafts and religious programmes satisfying the needs of the entire community ranging from Urban to the rural audience.

## Opportunities:

The subscription revenue of the Company are expected to grow because of availability of various distribution platforms like cable, CAS, DTH, IPTV, OTT, VOD etc. Further, the increasing spends on advertisement by the industry houses will boost the further growth.

The Group is organized around following major business lines as demonstrated in the following schematic:

### A Snapshot of the Businesses of the RAJ Group

| Broadcasting Entertainment Channels  | Movies, game shows,music shows etc.  | Web Casting movie content over internet   |
|--|--|---|
| RAJ Network has an advantage of being a mass channel with its extensive line up of attractive programming to cater the entire family   | Over the years RAJTV has extensively put together one of the largest movie database in tamilnadu. RAJTV holds the rights for around 2641 Tamil films comprising of old classics to recent blockbuster movies   | RTNL has now forayed into online broadcasting of television programmes and is garnering huge demand in the online platform for watching the tv programmes |
| The Channel offers the right mix of movies, serials, debates, cultural, educational, cookery, handicrafts and religious programmes satisfying the needs of the entire community ranging from Urban to the rural audience | RAJTV over the years has aggregated more than 50000 hours of content with a potential to telecast 3,000 hours of content every year. The Network offers some of the best classical concerts and religious destination in and around Tamil Nadu apart from discourses by spiritual gurus. | The company's move towards video on demand format, IPTV (broadband) OTT and mobile telephony renstates the confidence in their foresight.                 |



## MANAGEMENT DISCUSSION AND ANALYSIS

## RAJ TV CHANNELS



*The People's Channel*

## RAJ DIGITAL PLUS



Raj Digital Plus is a Tamil Based Movie Channel.

## RAJ NEWS TAMIL



Raj News is a Tamil Based 24/7 News Channel.

## RAJ MUSIX TAMIL



Raj Musix is a Tamil Based Music Channel.

## VISSA TV



Vissa TV is a Family Entertainment Channel in Telegu.

## RAJ NEWS KANNADA



Raj News Kannada is a Kannada Based 24/7 News Channel.

## RAJ MUSIX KANNADA



Raj Musix Kannada is a Kannada Based Music channel.

## RAJ NEWS TELUGU



Raj Musix Telugu is a Telugu Based Music Channel.

## RAJ MUSIX TELUGU



Raj Musix Telugu is a Telugu Based Music Channel.

## RAJ NEWS MALAYALAM



Raj News Malayalam is a Malayalam Based 24/7 News Channel.

## RAJ MUSIX MALAYALAM



Raj Musix Malayalam is a Malayalam Based Music Channel.

## RAJ ASIA



Raj Asia is a GEC in Tamil Telecasted in Overseas.

## RAJ PARIVAAR



Raj Parivaar is a GEC in Hindi.

### Background of South Indian M&E Market

The South Indian Media and Entertainment (M&E) industry is growing in size, driven by the popularity of vernacular content among the region's populace. While the popularity of film stars remains the most powerful trigger for films, digitization in the television sector is providing consumers access to a higher number of

TV channels, a better viewing experience, and other value added services. Print, both in its English and vernacular forms, is widening its portfolio and markets to capitalize on the readership base in South India. As listeners become more selective, the radio industry in the South is tuning its programming towards local preferences, thus becoming a more integral part of life in South India. In fact, listeners in South India spend more time on radio as com-

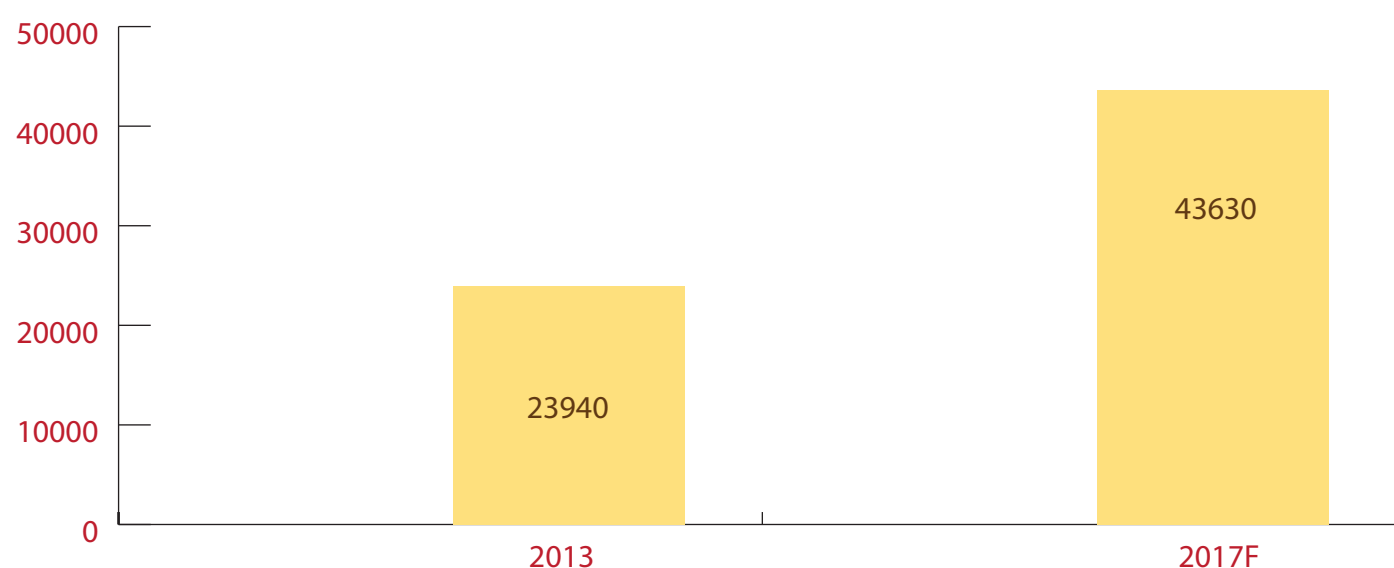
pared to those in other parts of the country. With a rich M&E industry driven by strong local demand, South India is poised to attain a greater position of strength in the coming years. Converting this potential into reality depends on the industry's ability to continue to develop quality content as well as to deliver it through best-in-class platforms, both within India and abroad.



# MANAGEMENT DISCUSSION AND ANALYSIS

## OVERVIEW OF SOUTH INDIAN TELEVISION MARKET

In FY 2013, the overall South India M&E industry was pegged at RS. 23,900 Crores. Owing to the evolving ecosystem and demand, the market is expected to grow at a CAGR of 16% to reach RS. 43,600 Crores by FY 2017



South India Media and Entertainment market 2013-17- Media wise(Rs in Crores)

| Particulars  | 2013         | 2014         | 2015         | 2016E        | 2017E        | CAGR<br>(2013-2017) |
|--------------|--------------|--------------|--------------|--------------|--------------|---------------------|
| Film         | 2680         | 3010         | 3370         | 3780         | 4220         | 12%                 |
| Television   | 13470        | 16540        | 20180        | 24090        | 27960        | 20%                 |
| Print        | 6680         | 6950         | 7540         | 8260         | 9020         | 8%                  |
| Radio        | 420          | 460          | 560          | 690          | 830          | 19%                 |
| New Media    | 690          | 850          | 1050         | 1290         | 1600         | 23%                 |
| <b>Total</b> | <b>23940</b> | <b>27810</b> | <b>32700</b> | <b>38110</b> | <b>43630</b> | <b>16.4%</b>        |

South India Media and Entertainment market 2013-17- State wise(Rs in crores)

| Particulars    | 2013         | 2014         | 2015         | 2016E        | 2017E        | CAGR<br>(2013-2017) |
|----------------|--------------|--------------|--------------|--------------|--------------|---------------------|
| Tamil Nadu     | 28420        | 9970         | 11800        | 13810        | 15850        | 17%                 |
| Andhra Pradesh | 7140         | 8210         | 9620         | 11180        | 12740        | 16%                 |
| Karnataka      | 4340         | 4980         | 5850         | 6780         | 7710         | 15%                 |
| Kerala         | 3350         | 3800         | 4380         | 5050         | 5730         | 14%                 |
| <b>Total</b>   | <b>43250</b> | <b>26960</b> | <b>31650</b> | <b>36820</b> | <b>42030</b> | <b>15.5%</b>        |

The South Indian television (TV) industry is continuously evolving and innovating in response to its environment, be it the Government's digitization drive, the impending ad-cap regulation or the demands of its viewers. It is attracting national advertisers, while helping local players to reach their target audience. Broadcasters are creating in-house non-fiction formats to counter the increasing production costs across the industry. They are also investing in niche content to cater to specific needs of the viewers. Players are investing in high

definition (HD) technology as well as digital content viewing platforms, in order to meet the demands of today's discerning consumers. While industry participants agree that on-demand 'anytime anywhere' content is a key growth area, and even as the ecosystem to deliver such content is rapidly developing, effective monetization of such content remains a challenge. HD may present a more immediate revenue enhancement opportunity.

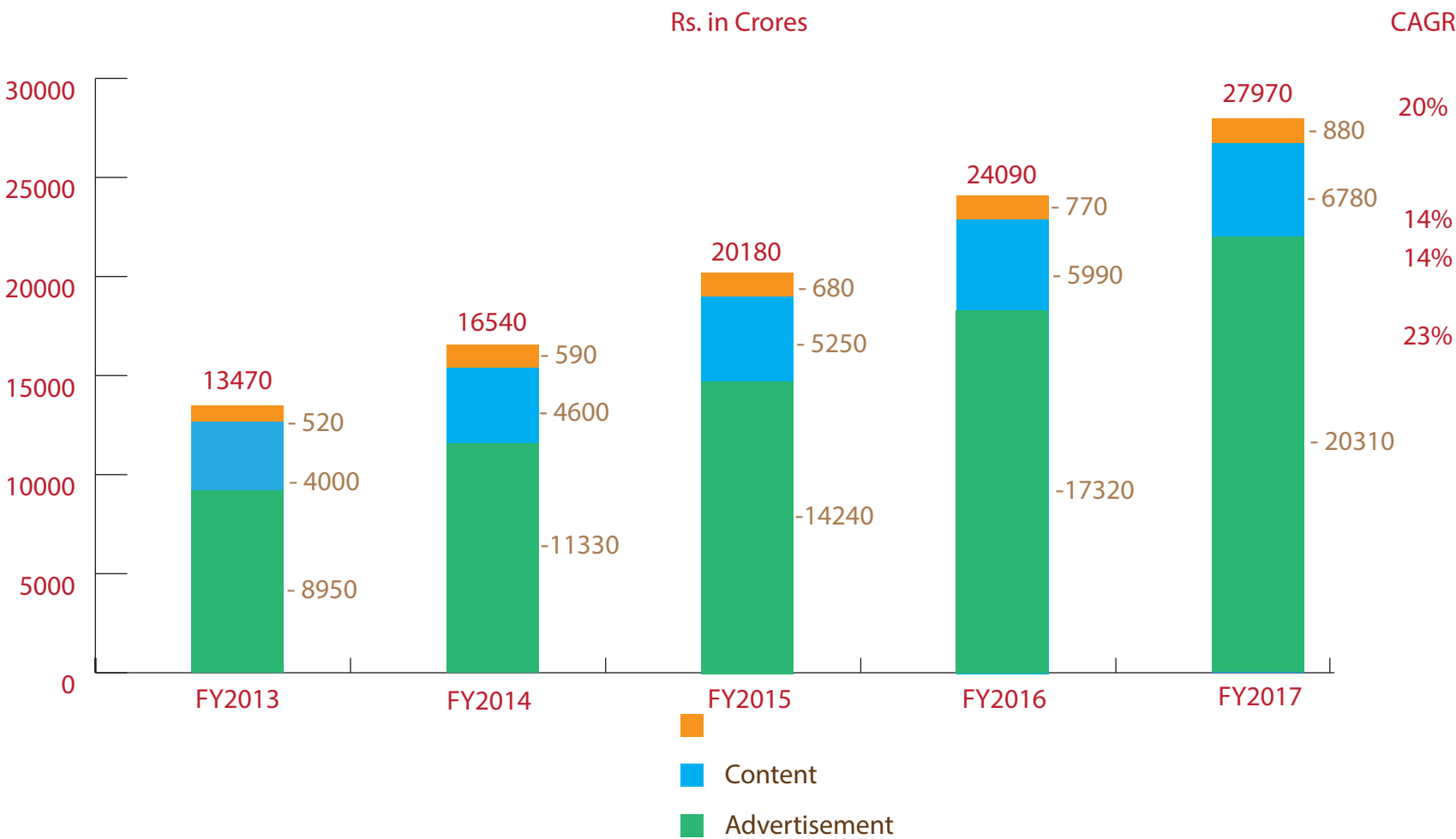
The South Indian TV industry was valued at RS. 13,470 Crores in FY 2013. Against

the backdrop of sluggish economic growth, the industry grew at a lower-than-expected rate of 11% during FY 2013 (14% in FY 2012). The South Indian TV industry is estimated to grow at a CAGR of about 20% over the next 4 years, driven by subscription revenue growth; as consumers shift from analog to digital TV, and ARPU levels raise correspondingly.

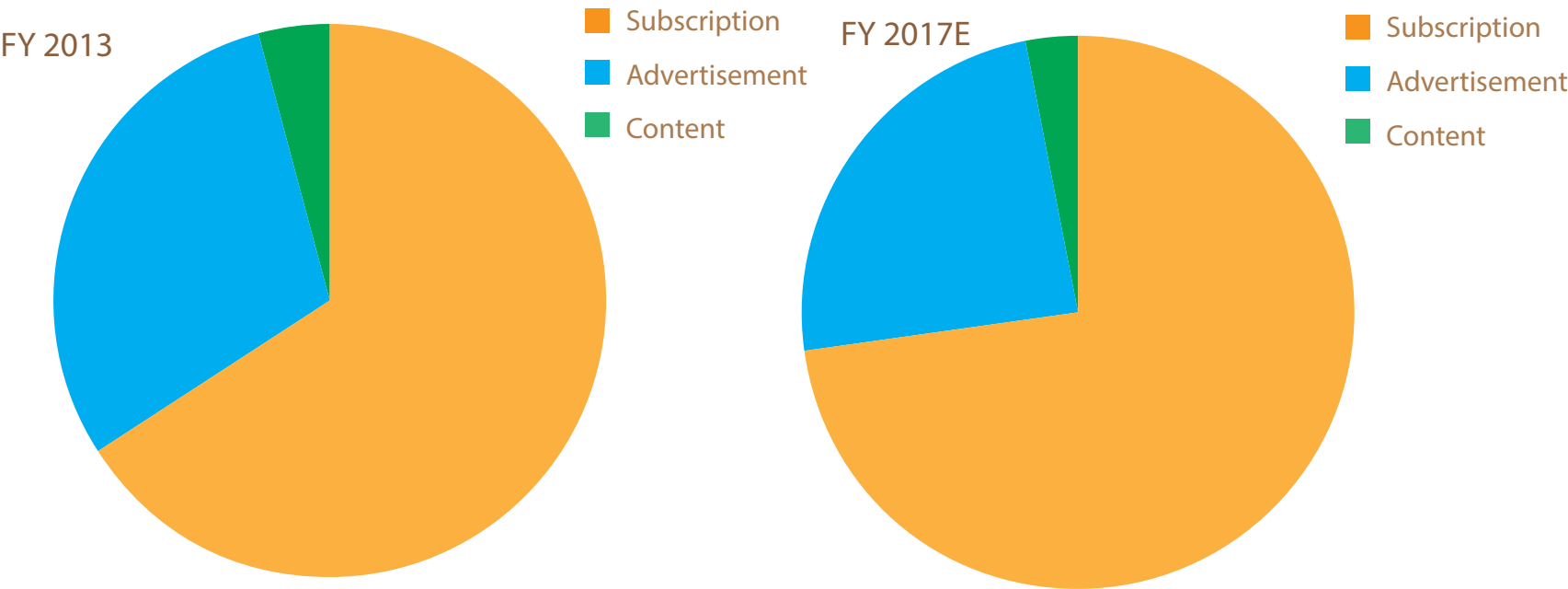


MANAGEMENT DISCUSSION AND ANALYSIS

OVERVIEW OF SOUTH INDIAN TELEVISION MARKET



Share of various constituents of South TV Industry in FY 2013 and FY 2017E



Subscription  
Market Size

TV subscription market in the South was valued at RS. 8,960 Crore in FY 2013, and is expected to grow at a CAGR of about 23% to reach RS. 20,310 Crore in 2017. Subscription revenues grew at a rate of 11% during FY 2013 driven by a rise in the subscriber base, as well as an increase in ARPU levels, partly owing to digitization.

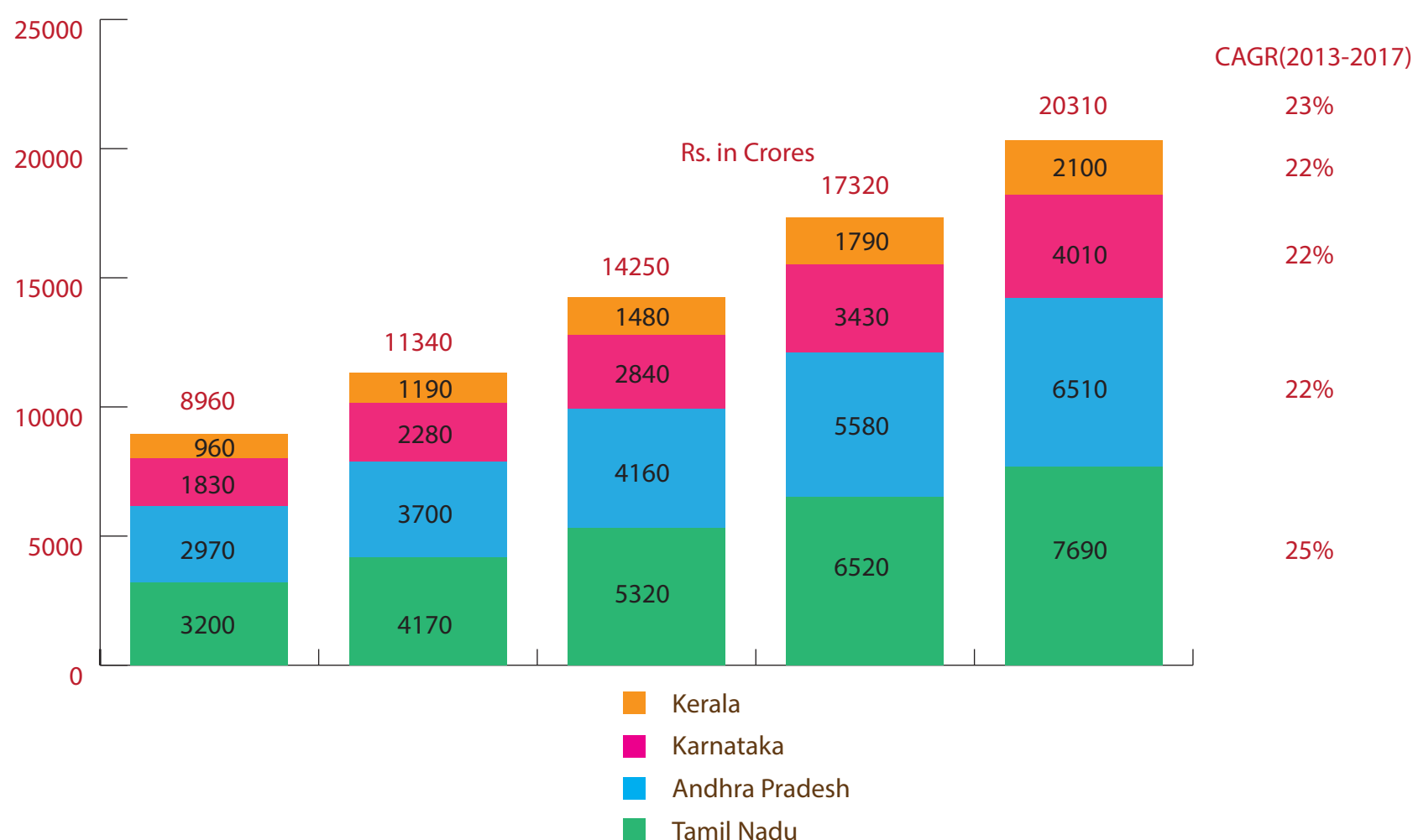
Tamil Nadu and Andhra Pradesh represent around 70% of the total South TV subscription market. Although Andhra Pradesh is the most populous state in South India, Tamil Nadu contributes the largest portion of subscription revenues owing to the high C&S penetration of about 90% in the state. This is much higher than Andhra Pradesh’s C&S penetration of about 70%.



## MANAGEMENT DISCUSSION AND ANALYSIS

## OVERVIEW OF SOUTH INDIAN TELEVISION MARKET

TV Subscription Market in South India

**Digitization**

India's large analog cable market is in the process of getting digitized in four Phases, driven by a government mandate. While Phase 1 (four metro cities) have largely been digitized (except for Chennai), Phase 2 cities (38 cities with >1 Million population) are in focus currently.

Cable TV digitization level has reportedly touched 90% across 38 cities. 5 out of these 38 cities are in South India. Months after the Union Government's deadline for Phase II (March 31<sup>st</sup> 2013) has passed, cities of Bengaluru and Hyderabad in South India are said to have achieved 100% digitization, while others are in various stages of completion. The city of Mysore had achieved 80% digitization by the end of May 2013, while Coimbatore and Vishakhapatnam appear to be lagging, with only 30% digitization achieved by the end of March and April 2013 respectively. Even as DTH operators and MSOs continue to convert subscribers, as well as gradually increase ARPU levels, the industry faces challenges in achieving

the deadlines set for digitization.

**Impact of Digitization****Consumers**

Digitization has led to an enhanced TV viewing experience for consumers. They can watch a greater variety of channels in digital quality and have the option of choosing and paying only for their favorite channels. It has also led to niche channels being launched by broadcasters in order to woo their consumers.

**Distributors**

Due to strong regulatory push for digitization, distributors are experiencing increasing traction with viewers for conversion to digital TV. MSOs are seeing assured monetary benefits with the help of revenue sharing agreements being entered into with LCOs. For example, Siti Cable Network Limited has signed a DAS interconnect agreement with 55% of its LCOs, working on a revenue-sharing basis of the carriage fee<sup>46</sup>. The cable TV

distribution space in India is getting increasingly structured with monitoring mechanisms like KYC, CAF being put in place, as well as with consolidation into fewer and more efficient players.

**Broadcasters**

Broadcasters stand to gain an increased share of subscription revenues with all subscribers being accounted for. Digitization has also led to a reduction in the carriage fee to be paid by broadcasters to distributors. Regional as well as national broadcasters have seen a decline of about 30-40% in carriage fee post digitization (in digitized areas).



# MANAGEMENT DISCUSSION AND ANALYSIS

## OVERVIEW OF SOUTH INDIAN TELEVISION MARKET

### Way Forward

The third Phase of digitization, including all urban areas not covered in Phase 1 or 2 is to be implemented by 30th September 2014, while the last Phase covering rest of India is to be implemented by 31<sup>st</sup> December 2014. Digitization of cable will bring in several benefits to the ecosystem, as described earlier, and successful execution of digitization is key for the industry. At the same time, addressability needs to go hand-in-hand with digitization (i.e. seeding of STBs). MSOs are currently focusing on Phases 1 and 2 of digitization. As digitization

moves into Phase 3 and 4, where subscriber density is typically low (weakening the business case for the setup of a head-end and other infrastructure for an MSO), other models for delivering cable may emerge, such as Head-end In The Sky (HITS). A HITS model would allow local cable operators to directly downlink content from a satellite, rather than source content through fibre, thus bypassing the need for a head-end on the ground. Various models of digitization are thus available, and the ingredients seem to be in place to convert India into a fully digital C&S country.

### Advertisement

#### Market Size

TV advertising market in South India was valued at RS. 4,000 Crore during FY 2013, a growth of about 11% over FY 2012. Over 60% of TV ad revenues were garnered from the States of Tamil Nadu and Andhra Pradesh, with the rest being equally contributed by Karnataka and Kerala. Even though the South market is said to have grown at a rate higher than the national average in FY 2013, it is lesser than the growth rate attained during FY 2012 (15%). Reasons for this muted growth vary by State. For example, there were power cuts in Tamil Nadu which is estimated to have decreased TV consumption in the State.

TV Subscription Market in South India



Going forward, TV ad revenues are estimated to grow at a CAGR of 14% to reach RS. 6,780 Crores in 2017. Growth is expected to be driven by both volume (new channel launches) and inflation in ad rates, against the backdrop of the 12 minute ad cap per clock hour being implemented. In South India, in fact, players have already started hiking ad rates.

# MANAGEMENT DISCUSSION AND ANALYSIS

## OVERVIEW OF SOUTH INDIAN TELEVISION MARKET

### Impact of ad – cap regulation

#### The regulation

Recently, there has been increased spotlight around a TRAI regulation for TV channels. As per the regulation, a channel is allowed 10 minutes of commercials along with an additional 2 minutes for in-house ads per clock hour. The regulation requires time gap between an ad break and programming to be at least 15 minutes, except in the case of a live sports event. This time gap needs to be a minimum of 30 minutes while telecasting films. Popups, part screen, or drop-down advertisements are not allowed. The regulation also requires broadcasters to ensure that advertisement audio levels do not exceed the regular audio levels of the channel.

#### Response of broadcasters

The upcoming regulation, while being beneficial for viewers, will cause broadcasters and advertisers alike to

re-think their strategies. Currently, news channels sometimes have 30 minutes of advertising per clock hour, and Hindi film channels have around 20-22 minutes. Hindi GECs have about 14-16 minutes of ad breaks per clock hour<sup>50</sup>. As the supply of ad inventory reduces, broadcasters expect ad rates to rise, though it may not fully compensate for the loss of revenue. Broadcasters may also launch new channels to compensate for the lost inventory – which entails some cost, and brings in some element of risk in terms of garnering viewership.

The Government however recognizes that implementation of the ad-cap regulation must be in sync with the digitization process taking place, so that potential loss of ad revenue may be compensated for by an increase in subscription revenue and / or decrease in carriage. The MIB has indicated that news channels may get an extension on implementation of the 12 minute ad-cap, at least till the final Phase of digitization is complete<sup>51</sup>. TDSAT has also stayed the implementation of the

ad-cap regulation till the next date of hearing on October 21, 2013 and/ or November 11, 2013. This is expected to give broadcasters time to decrease ad inventory / increase ad rates in a gradual manner.

### Content

#### Market Size

Content revenues in the South Indian TV industry were valued at RS. 510 Crore during FY 2013, a growth of 11% over the last fiscal. Content revenues are estimated to grow at a CAGR of 14% to reach RS. 879 Crore in 2017.





# MANAGEMENT DISCUSSION AND ANALYSIS

## OVERVIEW OF SOUTH INDIAN TELEVISION MARKET

### The era of niche channels

With digitization providing a platform for a large number of channels, and consumers being able to exercise their choice about what kind of content they want to watch, broadcasters are investing in niche content. Higher channel carrying capacity, and the (expected) resulting lower carriage would make it cheaper for broadcasters to launch new channels in a digitized world.

### Technology

#### HD – High Definition

HD or High Definition is a video content format with a resolution typically of 1920 X 1080 and an aspect ratio of 16:9, versus the conventional 720 X 480 or 720 X 576 4:3 TV format. HD pictures are much sharper and clearer, with 1080 rows of pixels available as compared to SD pictures which display only 480 rows of pixels. For optimal picture quality, content needs to be shot and edited in HD and then broadcast to HDTVs via HD-enabled STBs. This may also be termed as 'true HD content' as opposed to 'HD content' that is broadcast in HD but is shot in SD. In this case, content is shot in SD but "upgraded" to HD either during the postproduction process or even at the broadcast stage.

Interestingly, the next generation of HD is already rolling out to consumers. Described as 4K UHD or 'Ultra High Definition', the video format offers a minimum resolution of 3840 pixels × 2160 lines; nearly twice the horizontal and vertical resolution of the 1080p HDTV format, with four times as many pixels overall.

#### Current Scenario

Even though consumers in India have had access to HDTVs for a few years now, there has been little motivation for the industry to provide content in HD. This is due to high capital investment required across the production, post-production, broadcasting, and distribution stages. However, with increasing consumer awareness and their willingness to pay for a better TV viewing experience, and with HD even acting as a differentiator, the industry has begun to showcase HD channels. About 35 HD channels are available for viewing in India and many more are in the process of being rolled out. Channels in other South Indian languages have also been made available in HD.

#### Way Forward

As the penetration of HD-enabled TV sets increases, and as income levels increase, the ecosystem is expected to move gradually towards greater HD penetration. Industry discussions suggest that broadcasters and distributors view HD as a key driver to raise subscription revenue, and most industry participants appear to have plans to expand their portfolio of HD channels.

# MANAGEMENT DISCUSSION AND ANALYSIS

## OVERVIEW OF SOUTH INDIAN TELEVISION MARKET

### Implications for Indian M&E Industry

Coming to the Indian Television industry, the main players in the TV value chain constitute content creators, broadcasters and distributors, while consumers are the end users. Content creators produce the TV programming which is aggregated by broadcasters and aired to the end user through the distributors or pipe providers i.e., cable, DTH.

With digital TV moving towards wider adoption on the back of government mandate, the onus to provide the consumers, the programs of their choice lies heavily with the broadcasters, distributors and content creators as well. With the government's mandate to digitize the distribution of TV signals, in the entire country by Dec, 2014, the number of DTH connections and Set Top Boxes will rise tremendously. With this, the user base that would be ready to pay a premium for value added services like recommended TV shows, films will also increase. With appropriate consumer analysis, such new age consumer demand may be addressed leading to improved consumer satisfaction and retention.

Also, the distributors could make strategic alliances with online shopping sites, retailers and may be, even, grocery shopping websites, so that orders can be made through the interactive selection facility on TV screen. This can not only provide a happy consumer base, but also, a source of revenue to the broadcasters whose primary source of revenue, as of now, happens to be advertising. With more user generated content available, the content creators may be able to understand the consumers' preferences and accordingly create content targeting a particular group of the viewers. The media companies which realize this potential of consumer analytics and effectively make use of it may be able to attract a loyal consumer base and also a larger portion of the revenues.

Sluggishness in the economy and valuations still being relatively high, investors are safeguarding themselves by undertaking all-encompassing robust due diligence processes. Indian corporate sector has been recently hit by frauds of large magnitude and hence investors are not leaving anything to trust. In addition to the traditional due diligence around financial, tax and legal matters, which by themselves have

become more intense, other due diligence areas are also being looked at, in specific, Anti-Corruption and compliance, Human Resources, Information Technology and Regulatory. These are making the duration taken to close a transaction much longer.

In addition to heightened professional skepticism there are certain issues that have plagued this sector and make the investors weary of fresh investments. We have summarized some of these.

Business practices and structures are yet to become completely transparent and organized Media industry in India opened up in late nineties and has been growing and evolving since then. Media sector is still represented by numerous mid-size and small players which are operated as family businesses. Though there has been a momentum towards having a corporate structure, there are still very few players who are organized. Consequently, industry follows business practices which are not very transparent and structured. On account of this investors are skeptical to provide investment. They tend to seek several guarantees and impose usage restrictions on proceeds invested in the Company. Since the companies reported balance sheets are lighter as compared to their operations providing collaterals and security for funding received also becomes a challenge.

Disparate accounting policies followed by various players which makes comparing peer performance a challenge. Many matters pertaining to the Media sector are peculiar in nature and Indian accounting standards are not prescriptive about how to cater to these situations. This leads to potentially more than one interpretation of the accounting rules.

### M&A in Media-Key opportunities and challenges

#### Overview

Mergers and acquisition (M&A) in the Media industry has been quite buoyant with help of some large transactions in recent times despite muted overall M&A activity. M&A activity in media industry has been mainly driven by opportunities in the television distribution space, regional media (broadcasting and print) and film exhibition. Implementation of digitization of Cable and Satellite (C&S) homes has resulted in large capital requirements for the

operators to procure backend equipment's and Set Top Boxes (STBs). This has been facilitated by increased FDI limits in distribution segment which were changed to 74% last year. Consequently, we have seen higher private equity interest levels in this segment. This was evidenced by Goldman Sach's 15% acquisition in DEN Networks, Providence Equity Partner's acquisition of 17.3% in Hathway Cable and Datacom and Sahara Groups acquisition of 90% in Digicable. Television distribution would be a growth space in near term. Some of the DTH players have already filed prospectus for IPOs and some others are planning to go public in coming future in India or abroad. Having said that the success of these would be subject to markets rebounding and being conducive for public offering.

Expansion and potential of regional media (television and print) has been a big factor for many of the large M&A transactions in recent times. National players are looking to increase their regional footprints as growth experienced by vernacular press or regional media has been higher than those of national players. This was evidenced by acquisition of Eenadu TV by Network 18 group and Nai Dunia Media Private Limited by Dainik Jagran.

Tremendous growth in Film exhibition space mainly driven by box office successes of films (Regional and Bollywood) has made the segment attractive for investors. L Capital's and Multiples investment of 31.6% in PVR Cinemas and PVR Cinemas acquisition of Cinemax for USD 119 million in turn was a proof of ongoing interest of the financial investor community for further consolidation and fund raises to scale up.

Despite opportunities presented by certain segments of the industry there is an overall uncertainty in view of the current macro environment. This could result in investors being very selective about their investments.

### Steps to make companies more M&A friendly

Some of the issues identified above are macro issues where an individual Company may have little wherewithal to effect any major changes. However, based on our interaction with the investor community, we understand that following steps if taken by media companies can facilitate M&A process and spur investments:



# MANAGEMENT DISCUSSION AND ANALYSIS

## OVERVIEW OF SOUTH INDIAN TELEVISION MARKET

### Implement strong financial systems with a professional set up

Perhaps the single biggest fillip for an M&A would be the appointment of a professional CFO and Financial controller. While financial discipline is usually an issue in any promoter-driven Company, this is much more pressing in the media space. In a sector driven primarily by creative impulses, the lack of financial controls is usually a major deal breaker. This could be avoided by having in place a competent finance person and empowering him with the right to question creative decisions that have a huge financial implication.

### Institutionalize processes

It may sound counter-intuitive but there is a scope for a lot of science in what is essentially an art-driven industry. There needs to be strong processes in place to green light a film project. Extensive analytics needs to be undertaken on past collections in different geographies at different theatre classes and price points. As the industry evolves, there is a great need to treat this as a consumer product subject to the same rigors of process and analysis as the consumer goods industries. It is no surprise that most of the organized media companies in Mumbai are headed by professionals from the FMCG sector.

### Create strong IP's

Ultimately, content sells. Media companies must recognize that as a service provider, the optimal levels of service excellence and track record will still get them only to a certain extent. The key value driver would be the IP that a Company holds. For example, in the western markets, TV production houses do not tend to make a profit on the initial show of their programs. It is only through multiple syndication (made possible by their ownership of IP) that they generate returns on their programs and several go on to become cash cows for the creators.

### SCOT Analysis

#### Strengths:

RAJ TV has an advantage of being a mass channel with its extensive line up of attractive programming to cater the entire family. The channels of the network reach a wide variety of audiences as it satisfies people of all ages. The Channel offers a right mix of movies, serials, debates, cultural, educational, cookery, handicrafts and religious programmes satisfying the needs of the entire community ranging from Urban to the rural audience.

Over the years RAJ TV has extensively put together one of the largest movie database in Tamil Nadu. RAJTV holds the rights for around 2641 Tamil films comprising of old classics to recent blockbuster movies. Raj devotes most of its resources in producing its own popular range of serials, films / non film based programmes and in the process employs some of the best directors & productions houses to deliver top quality programmes to the viewers.

The Company is led by a knowledgeable team of senior management professional under the guidance of our experienced directors each one focusing on core business functions. Most of our employees including the technical and non-technical Staff have been since inception and has one of the lowest attrition rates in the industry. Raj values its staff as its major asset and offers various schemes / incentives in return to their loyalty.

#### Concerns

Recently, there has been increased spotlight around a TRAI regulation for TV channels. As per the regulation, a channel is allowed 10 minutes of commercials along with an additional 2 minutes for in-house ads per clock hour. The regulation requires time gap between an ad break and programming to be at least 15 minutes, except in the case of a live sports event. This time gap needs to be a minimum of 30 minutes

while telecasting films. Pop ups, part screen, or drop-down advertisements are not allowed. The regulation also requires broadcasters to ensure that advertisement audio levels do not exceed the regular audio levels of the channel. This will impact the revenue stream in the advertisement segment.

#### Mitigants

In South India, in fact, players have already started hiking ad rates. The developments suggest that leading broadcasters in South India have some degree of pricing power.

#### Opportunities

The Company has till date emphasized its market position as a regional player and a 'people's channel', delivering the required regional flavour. It has an ample scope to venture out in other regions and languages which will enhance their brand value and in turn the popularity of the network. The Company is actively exploring opportunities on web platform, mobile television. This will help the Company to generate incremental revenue to the Company. Digitization era will augment more subscription revenue. Movie bank will contribute all kind of future revenues from present and Future Internet Platforms. RAJ TV has 21 years Experience in regional market with no political flavour.

#### Threats

The company's immediate competitors pose the threat of eating up its market share in the market and for that Raj Network will have to continuously upgrade its programme content and needs to venture out in different genres of entertainment to stay at par with its competitors.

# MANAGEMENT DISCUSSION AND ANALYSIS

## EXPANSION PROPOSALS

### **RAJTV proposes to roll out future growth plan that comprises the following components**

Strengthening the market position through better and captively produced content, Attract better revenues through better Advertisements and increased Subscriptions, Expand RAJTV reach through geographical expansions and Strengthening RAJTV's base by engaging in Technological Up gradation. Strengthening the market position through better and captively produced content RAJTV intends to set up a new production facility through by investing in new production studio to better the quality of content in our channels. RAJTV will invest in the production of new game shows, and live participatory talk shows, serials and movies to reinvigorate interest from past viewers and simultaneously entice new viewers from the market. It also intends to also increase the spectrum of its broadcast offerings by initiating new channels to appeal to particular segments of the audience. RAJTV would be restructuring our content base to arrive at new and improved production of movies and serials to provide better quality viewing. RAJTV also intends to undertake the production of short films, which can be viewed through both theatre and TV alike.

### **Attract better revenues through better Advertisements and increased Subscriptions**

RAJTV believes that with sound marketing strategy applied in the past and with new distribution strategies, it will be able to garner a large share in the Indian and overseas Tamil viewing market, which will push our subscription revenues. RAJTV believes that with the economy heading in the right direction,

there will be a surge of advertisement revenues attributable to us. It also believes that the TV medium will surge and reach out to a larger mass in the years to come, and regional programming and viewing will further strengthen. Better penetration into market will also strengthen the subscriber's base which will in turn increase our subscription revenues as we are a pay channel. In addition, regulatory reforms such as the expansion of Digital access systems and direct-to-home ("DTH") broadcasting will help address the currently prevalent underreporting of subscribers, which would have a positive effect on our revenues from viewers.

### **Expand Raj TV reach through geographical expansions**

RAJTV intends to look international opportunities to expand its geographic coverage. It hopes to expand its viewership in the overseas market by catering to audiences demand regional channels such as theirs. This will entail entering into new markets in which there are large numbers of South Indian Audience across the world. Tamil audience today is not restricted to Tamil Nadu; they are available in substantial population in Sri Lanka, Singapore, Malaysia, Europe, South Mauritius, Australia and Fiji. RAJTV plans to distribute its channels in these territories with local flavor and culture. It would like to enter into international distribution or our channels to cater to foreign markets. Nationally, it will also consider acquiring some other regional channels to expand into other language markets. New mediums of distribution platforms via Internet will augment a big expansion and currently the Network is fully available in electronic platforms and IPTV Platforms across the world.

### **Strengthening Raj TV's base by undertaking technological up gradation**

RAJTV would be upgrading its current technological competence by investing in new technologies to help in archiving and digitizing its content assets. The Broadcasting Technology is changing very dynamically year to year and the New Digital Platforms requires complete change in technology to cater the requirements. RAJTV will be investing in new 3D camera setups, New Digital Studio and Broadcasting setup, ERP software for Integrated billing platforms. A new Air-conditioned studio with better equipment would be set up and also would be equipped in technologies such as digital play-out server and digital archiving systems, for better preservation and retrieval of its valuable content.

RAJTV also plans to exploit its content base through various new technological advancements such as broadband, IPTV and mobile apart from cable and DTH in India & overseas, which will enable them to reach and target new audience.

### **Threats**

There may be a fall in margin on account of non-payment of debts, business risk, other legal risks, slow down of general economic trends and other macro and micro economic factors.

### **Outlook**

As the Company's channels are now available in DTH, IPTV and other digital platforms besides cable distribution, the Company is hopeful of adding more subscription revenue. The Company is also expecting growth in advertisement revenue due to increase in advertisement spends by the business houses.



# MANAGEMENT DISCUSSION AND ANALYSIS

## EXPANSION PROPOSALS

### Segment

The Company operates in "Broadcasting" segment.

### Company Financials

The total turnover of the Company for the Financial Year 2014-15 is Rs. 8250.11 lakhs. The Profit before tax (PBT) and the Profit after tax (PAT) of the Company are Rs. 2577.23 lakhs and Rs. 815.83 lakhs respectively.

### Earnings Per Share (EPS)

Earning per share for the financial year 2014-15 is Rs 1.57 on face value of Rs.5 per equity share

### Human Resource

The Company firmly believes that human resources is an important instrument to provide proper communication of the Company's growth story to its stake holders and plays vital role in the overall prospects of the Company. So the Company takes possible steps for the welfare of its manpower. The employee relationship is cordial throughout the year.

### Risk Analysis and Management

Like all business enterprise, the Company also operates in both risk and opportunity environment. Various risks which may affect the Company's performance and Company's preventive measures to avoid such risks are enumerated below:

### Operational Risk

The Company's operational performance may be affected because of increasing competition in the market and more and more new players entering this industry.

### Financial Risk

Cost of programming and content acquisition may affect its bottom line. The Company may from time to time launch new channels and may require more and more funds. The Company may need further funds for programming, contents for the new channels and movie production and distribution. So, the financial performance of the Company may slow down unless the Company becomes successful in its business strategies. Decrease in advertisement expenditure can impact the revenue of the Company.

### Strategic and other Risks

It is very much unpredictable to figure out the consumer's choice and taste. If the Company's strategy does not meet the consumer's expectation, then the Company's performance may be affected. Other risks like change in Government's policy, Exchange rate fluctuation, seasonal risks etc may affect the growth pattern of the Company. The Company continuously reviews the existing system of operation and upgrades any change in technology from time to time. It will help the Company to give good quality program for its viewers and maintain its subscription base in spite of competition.

### Internal Control

The Company has a defined management reporting system and periodic reviews of its business to ensure timely check and decision-making. The Management Information System (MIS) forms an integral part of the Company's control mechanism. Any material change in the business process is reported to the Board regularly.

### FORWARD LOOKING STATEMENT

Members are cautioned that this discussion contains forward looking statement that involve risk and uncertainties including but not limited to risk inherent in the Company's growth strategy, development plan, market position, expenditure and financial results etc. This statement is based on certain assumptions and expectation of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realized. The Company's actual results and performance could thus differ materially from those projected in any such statement. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statement on the basis of any subsequent developments, information or events.

# DIRECTOR'S REPORT ANNEXURES

## ANNEXURES TO DIRECTORS REPORT

### 1. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

Company has no Subsidiary, Joint Ventures or Associate Companies and same status is maintained during the F.Y.2014-15.

### 2. CORPORATE SOCIAL RESPONSIBILITY

The Corporate Social Responsibility and Governance Committee (CSR&G Committee) has formulated and recommended to the Board, a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, which has been approved by the Board. The CSR Policy may be accessed on the Company's website at the link: [www.rajtvnet.in](http://www.rajtvnet.in). Your Company has always responded in a responsible manner to the growing needs of the society. A number of enriching and enlivening activities that contribute to the community in the areas of health, education, environment and preservation of the country's rich culture and heritage have been taken up. Annual Report on CSR Activities undertaken by the Company for the Financial Year 2014-15, is annexed to this report.

#### ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES FOR FY 2014-2015

|   |   |  |                |               |               |
|---|---|--|----------------|---------------|---------------|
| 1 | A brief outline of the Company's CSR Policy including overview of projects or programs proposed to be undertaken and a reference to the web link to the CSR policy and projects or programs | Pursuant to Section 135 of the Companies Act, 2013, the Corporate Social Responsibility Committee of the Board had approved a CSR Policy with primary focus on Education, Healthcare, Women empowerment and Sports. Besides these focus areas the Company shall also undertake any other CSR activities listed in Schedule VII of the Companies Act, 2013. The CSR Policy of the Company can be viewed on <a href="http://www.rajtvnet.in">www.rajtvnet.in</a> |                |               |               |
| 2 | The Composition of the CSR Committee  | The CSR Committee of the Board comprises of 3 Directors. Shri.D R Kaarthikeyan-Non Executive independent Director as the Chairman of the Committee, Shri R Rajagopalan-Non Executive Independent Director, and Shri M Regunathan- Executive Director as the Members of the Committee.  |                |               |               |
| 3 | Average net profit of the Company for last three financial years  | Particulars  | FY             | FY            | FY            |
|   |   | FINANCIAL YEARS  | 2014           | 2013          | 2012          |
|   |   | Net profit   | 12,91,21,886/- | 9,28,62,371/- | 9,21,31,563/- |
| 4 | Prescribed CSR expenditure (two percent of the average net profits for last three years)  | 10,11,89,172/- ( average net profits for last three years)   |                |               |               |
| 5 | Details of CSR to be spent during FY  | 20,23,783/- (two percent of the average net profits for last three years)  |                |               |               |

#### ANNEXURE A- DETAILS OF CSR SPENT DURING THE FINANCIAL YEAR.

| S.No | 1   | 2                                      | 3   | 4   | 5  | 6  | 7   |
|------|---|--|---|---|--|--|---|
| 1    | CSR project or activity identified  | Sector in which the Project is covered | Projects or programs<br>(1) Local area or other<br>(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 Sub – heads:<br>(1) Direct expenditure on projects or programs<br>(2) Overheads | Cumulative expenditure up to to the reporting period | Amount spent : Direct or through implementing agency                    |
| 2    | Promoting education, including special education & promoting preventive health care | EDUATION AND HEALTH                    | Local Area  | Over All Rs. 75,00,000/- towards Education and Health Projects undertaken by third party recognized Trust | Direct Expenditure   | Over All Rs. 75,00,000                               | Through implementing Agency being trust which Undertook the activities. |

#### DETAILS OF IMPLEMENTING AGENCY.

During the year 2014-15 - Company Spent Rs. 75,00,000/- towards CSR activities by way of contribution to Vael's Educational Trust – Shri Isari Velan Mission Hospital

Vael's Educational Trust, established in 1992, with two prolonged mission focused on Health Care and Education. The priority of Trust's health care initiative is to harness developments in technology for the economically marginalized section of the rural population, provide free vaccination for life threatening diseases, provide subsidized surgical treatments and diagnostics.

In field of Education the Trust continue to address the challenges of poverty and unemployment by providing scholarships to deserving students. Vael's Educational Trust has always served to take education to the thresholds of first generation learners and weaker sections of the society. The trust runs CBSE School and Colleges in Pallavaram and Shri Isari Velan Mission Hospital at Thalambur, (a free comfort care center) OMR Chennai.

Vael's Educational Trust is registered under section 12A of the Income Tax Act, 1961 and authorised to collect donations under 80G vide approval No. DIT (E) No. 2 (102) /92-93 dated 06.05.2008 from Income Tax Department, Government of India. Vael's Educational Trust is also registered under Foreign Contribution (Regulation) Act, 2010 with Registration number: 075820404.

Shri Isari Velan Mission Hospital mission is to provide compassionate care for those individuals living with a life-limiting illness and their families, through quality medical, emotional, spiritual, and social support. Hospital offers low cost dialysis and free dialysis (CMC Scheme) for qualified patients and runs free palliative care hospital, where patients suffering from serious illness are taken care of by a specialized team of doctor free of charges. Hospital patients include those suffering from cancer, heart disease, pulmonary disease, liver failure, kidney failure, neurological disorders, stroke, dementia, paraplegia, HIV etc, and are provided with comfort, compassion and (personalised) care at our hospital. Hospital is accessible thorough free transport from various parts of City.

In case the Company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board report:- NA

CSR Committee states that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

**For and on behalf of Corporate Social Responsibility Committee of the Board of Directors of RAJ TELEVISION NETWORK LTD.,**

Sd/-  
Managing Director

Sd/-  
Chairman CSR Committee



# DIRECTOR'S REPORT ANNEXURES

## 3. EXTRACT OF REMUNERATION POLICY

### RAJ TELEVISION NETWORK LIMITED

### Nomination and Remuneration Committee and Nomination and Remuneration Policy

The Board of Directors of RAJ TELEVISION NETWORK LIMITED ("the Company") re-constituted the "Nomination and Remuneration Committee" by way of renaming the existing Remuneration Committee, at the Meeting held on May 13, 2014 with existing members and chairman, consisting of three (3) Non-Executive Directors of which all are Independent Directors.

#### 1. OBJECTIVE

The Nomination and Remuneration Committee and this Policy shall be in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Clause 49 under the Listing Agreement.

#### The Key Objectives of the Committee would be:

1. To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
2. To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.
3. To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.
4. To provide to Key Managerial Personnel and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
5. To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.
6. To devise a policy on Board diversity
7. To develop a succession plan for the Board and to regularly review the plan;

#### 2. RAJ TELEVISION NETWORK LIMITED – NOMINATION AND REMUNERATION POLICY

##### 2.1. DEFINITIONS

- a) Act means the Companies Act, 2013 and Rules framed there under, as amended from time to time.
- b) Board means Board of Directors of the Company.
- c) Directors mean Directors of the Company.
- d) Key Managerial Personnel means
  - i) Chief Executive Officer or the Managing Director or the Manager;
  - ii) Whole-time director;
  - iii) Chief Financial Officer;
  - iv) Company Secretary; and
  - v) such other officer as may be prescribed.
- e) Senior Management means Senior Management means personnel of the Company who are members of its core management team excluding the Board of Directors including Functional Heads.

#### 3. ROLE OF COMMITTEE

Matters to be dealt with, perused and recommended to the Board by the Nomination and Remuneration Committee.

##### 3.1-THE COMMITTEE SHALL:

- a) Formulate the criteria for determining qualifications, positive attributes and independence of a director.
- b) Identify persons who are qualified to become Director and persons who may be appointed in Key Managerial and Senior Management positions in Accordance with the criteria laid down in this policy.
- c) Recommend to the Board, appointment and removal of Director, KMP and Senior Management Personnel.
- d) Policy for appointment and removal of Director, KMP and Senior Management appointment criteria and qualifications.
- i) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.
- ii) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.
- iii) The Company shall not appoint or continue the employment of any person as Whole-time 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 shareholders 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.

##### 3.2. Term / Tenure

- a) Managing Director/Whole-time Director:  
The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term. At this AGM, the tenure of MD/WTG are extended for a further period of 5 years.
- b) Independent Director:  
An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment

on passing of a ordinary resolution by the Company and disclosure of such appointment in the Board's report.

##### 3.3. Evaluation

The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel at regular interval (yearly).

##### 3.4. Removal

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations there under, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

##### 3.5. Retirement

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

##### 3.6. Policy relating to the Remuneration for the Whole-time Director, KMP and Senior Management Personnel

###### 1. General:

- a) The remuneration / compensation / commission etc. to the Whole-time Director, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.
- b) The remuneration to be paid to the Whole-time Director shall be in accordance with the percentage / slabs / conditions laid down in the Articles of Association of the Company and as per the provisions of the Act.
- c) Increments to the existing remuneration/ compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Whole-time Director.

# DIRECTOR'S REPORT ANNEXURES

## 2. Remuneration to Whole-time / Executive / Managing Director, KMP and Senior Management Personnel:

### a) Fixed pay:

The Whole-time Director/ KMP and Senior Management Personnel shall be eligible for a monthly remuneration 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 P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board/ the Person authorized by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.

### b) Minimum Remuneration:

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-time Director in accordance with the provisions of Schedule V of the Act and if it is not able to comply with such provisions, with the previous approval of the Central Government.

### c) Provisions for excess remuneration:

If any Whole-time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

## 3. Remuneration to Non- Executive / Independent Director:

### a) Remuneration:

i) No remuneration is payable to Independent Director.

ii) The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed Rs. One Lac per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

### b) Commission:

Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Act.

### c) Stock Options:

An Independent Director shall not be entitled to any stock option of the Company.

## 4. MEMBERSHIP

4.1 The Committee shall consist of a minimum 3 non-executive directors, majority of them being independent.

4.2 Minimum Two (2) members shall constitute a quorum for the Committee meeting.

4.3 Membership of the Committee shall be disclosed in the Annual Report.

4.4 Term of the Committee shall be continued unless terminated by the Board of Directors.

## 5. CHAIRPERSON

5.1 Chairperson of the Committee shall be an Independent Director.

5.2 Chairperson of the Company may be appointed as a member of the Committee but shall not be a Chairman of the Committee.

5.3 In the absence of the Chairperson, the members of the Committee present at the meeting shall choose one amongst them to act as Chairperson.

5.4 Chairman of the Nomination and Remuneration Committee meeting could be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

## 6. FREQUENCY OF MEETINGS

The meeting of the Committee shall be held at such regular intervals as may be required.

## 7. COMMITTEE MEMBERS' INTERESTS

7.1 A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.

7.2 The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

## 8. SECRETARY

The Company Secretary of the Company shall act as Secretary of the Committee.

## 9. VOTING

9.1 Matters arising for determination at Committee meetings shall be decided by a majority of votes of Members present and voting and any such decision shall for all purposes be deemed a decision of the Committee.

9.2 In the case of equality of votes, the Chairman of the meeting will have a casting vote.

## 10. NOMINATION DUTIES

The duties of the Committee in relation to nomination matters include:

10.1 Ensuring that there is an appropriate

induction in place for new Directors and members of Senior Management and reviewing its effectiveness;

10.2 Ensuring that on appointment to the Board, Non-Executive Directors receive a formal letter of appointment in accordance with the Guidelines provided under the Act;

10.3 Identifying and recommending Directors who are to be put forward for retirement by rotation.

10.4 Determining the appropriate size, diversity and composition of the Board;

10.5 Setting a formal and transparent procedure for selecting new Directors for appointment to the Board;

10.6 Developing a succession plan for the Board and Senior Management and regularly reviewing the plan;

10.7 Evaluating the performance of the Board members and Senior Management in the context of the Company's performance from business and compliance perspective;

10.8 Making recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract.

10.9 Delegating any of its powers to one or more of its members or the Secretary of the Committee;

10.10 Recommend any necessary changes to the Board; and

10.11 Considering any other matters, as may be requested by the Board.

## 11. REMUNERATION DUTIES

The duties of the Committee in relation to remuneration matters include:

11.1 To consider and determine the Remuneration Policy, based on the performance and also bearing in mind that the remuneration is reasonable and sufficient to attract retain and motivate members of the Board and such other factors as the Committee shall deem appropriate all elements of the remuneration of the members of the Board.

11.2 To approve the remuneration of the Senior Management including key managerial personnel of the Company maintaining a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company.

11.3 To delegate any of its powers to one or more of its members or the Secretary of the Committee.

11.4 To consider any other matters as may be requested by the Board.

11.5 Professional indemnity and liability insurance for Directors and

## 12. MINUTES OF COMMITTEE MEETING

Proceedings of all meetings must be minute and signed by the Chairman of the Committee at the subsequent meeting. Minutes of the Committee meetings will be tabled at the subsequent Board and Committee meeting.



DIRECTOR’S REPORT ANNEXURES

4. FORM No.MGT-9 - Extract of Annual Return as on the financial year ended on 31<sup>st</sup> March 2015.

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

I. REGISTRATION AND OTHER DETAILS

|       |   |  |
|-------|---|--|
| (i)   | CIN   | L92490TN1994PLC027709  |
| (ii)  | Registration Date   | 03/06/1994   |
| (iii) | Name of the Company   | RAJ TELEVISION NETWORK LIMITED   |
| (iv)  | Category/ Sub-Category of the Company                                     | Company LIMITED BY SHARES/ INDIAN-NON GOVERNMENT Company   |
| (v)   | Address of the Registered office and Contact Details                      | 32,POES ROAD, II <sup>nd</sup> STREET, TEYNAMPET, CHENNAI, TAMIL NADU, INDIA. 600018.<br>rajtv@rajtvnet.in   |
| (vi)  | Whether Listed Company- Yes/No  | Yes –Listed Company  |
| (vii) | Name, Address and Contact details of Registrar and Transfer Agent, if any | M/s Cameo Corporate Services Ltd, ‘ Subramanian Building’, No.1, Club House Road, Chennai- 600 002. Ph : 044 28460390 to 0395<br>Email : investor@cameoindia.com |

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the Company shall be stated.

| Name and Description of main products/services | NIC Code of the Product/ Service (As per 2004) | % to total turnover of the Company |
|--|--|------------------------------------|
| Broadcasting Services                          | 92132  | 100                                |

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

| Sl. No.                                   | Name, Address & CIN of the Company | % of shares held | Applicable Section |
|---|------------------------------------|------------------|--------------------|
| A . Holding Company                       |                                    | NIL              |                    |
| B Subsidiary Companies – Indian& Overseas |                                    | NIL              |                    |
| C Associate Companies                     |                                    | NIL              |                    |

IV. SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)

I. Category wise Shareholding

|                                 |                                       |
|---------------------------------|---------------------------------------|
| Name of the Company             | RAJ TELEVISION NETWORK LTD FV Rs. 5/- |
| Face Value                      | 5 /-                                  |
| Paidup Shares as on 01-Apr-2014 | 51913344                              |
| Paidup Shares as on 31-Mar-2015 | 51913344                              |
| For the Period From             | 01-Apr-2014 To : 31-Mar-2015          |

CATEGORY OF SHARE HOLDER

A. SHAREHOLDING OF PROMOTER AND PROMOTER

|  | No. of shares held at the beginning of the year |          |          |                   | No. of shares held at the end of the year |          |          |                   | % Change during the year |
|--|---|----------|----------|-------------------|---|----------|----------|-------------------|--------------------------|
|  | Demat   | Physical | Total    | % of Total Shares | Demat                                     | Physical | Total    | % of Total Shares |                          |
| INDIAN   |   |          |          |                   |   |          |          |                   |                          |
| INDIVIDUALS/HINDU UNDIVIDED  | 34868320  | 0        | 34868320 | 67.1663           | 35790487                                  | 0        | 35790487 | 68.9427           | 1.7763                   |
| FAMILY   |   |          |          |                   |   |          |          |                   |                          |
| CENTRAL GOVERNMENT/ STATE GOVERNMENT(S)                                | 0   | 0        | 0        | 0.0000            | 0   | 0        | 0        | 0.0000            | 0.0000                   |
| BODIES CORPORATE   | 0   | 0        | 0        | 0.0000            | 0   | 0        | 0        | 0.0000            | 0.0000                   |
| FINANCIAL INSTITUTIONS/ BANKS  | 0   | 0        | 0        | 0.0000            | 0   | 0        | 0        | 0.0000            | 0.0000                   |
| ANY OTHER  | 0   | 0        | 0        | 0.0000            | 0   | 0        | 0        | 0.0000            | 0.0000                   |
| SUB - TOTAL (A)(1)   | 34868320  | 0        | 34868320 | 67.1663           | 35790487                                  | 0        | 35790487 | 68.9427           | 1.7763                   |
| FOREIGN  |   |          |          |                   |   |          |          |                   |                          |
| INDIVIDUALS (NON- RESIDENT INDIVIDUALS/ FOREIGN INDIVIDUALS)           | 0   | 0        | 0        | 0.0000            | 0   | 0        | 0        | 0.0000            | 0.0000                   |
| BODIES CORPORATE   | 0   | 0        | 0        | 0.0000            | 0   | 0        | 0        | 0.0000            | 0.0000                   |
| INSTITUTIONS   | 0   | 0        | 0        | 0.0000            | 0   | 0        | 0        | 0.0000            | 0.0000                   |
| QUALIFIED FOREIGN INVESTOR   | 0   | 0        | 0        | 0.0000            | 0   | 0        | 0        | 0.0000            | 0.0000                   |
| ANY OTHER  | 0   | 0        | 0        | 0.0000            | 0   | 0        | 0        | 0.0000            | 0.0000                   |
| SUB - TOTAL (A)(2)   |   |          |          |                   |   |          |          |                   |                          |
| TOTAL SHARE HOLDING OF PROMOTER AND PROMOTER GROUP (A) = (A)(1)+(A)(2) | 34868320  | 0        | 34868320 | 67.1663           | 35790487                                  | 0        | 35790487 | 68.9427           | 1.7763                   |

DIRECTOR’S REPORT ANNEXURES

| B. PUBLIC SHAREHOLDING                     |          |     |          |         |          |     |          |         |         |
|--|----------|-----|----------|---------|----------|-----|----------|---------|---------|
| 1. INSTITUTIONS                            |          |     |          |         |          |     |          |         |         |
| a. MUTUAL FUNDS/UTI                        | 328      | 0   | 328      | 0.0006  | 0        | 0   | 0        | 0.0000  | -0.0006 |
| b. FINANCIAL INSTITUTIONS/ BANKS           | 1704     | 0   | 1704     | 0.0032  | 85624    | 0   | 85624    | 0.1649  | 0.1616  |
| c. CENTRAL GOVERNMENT/ STATE GOVERNMENT(S) | 0        | 0   | 0        | 0.0000  | 0        | 0   | 0        | 0.0000  | 0.0000  |
| d. VENTURE CAPITAL FUNDS                   | 0        | 0   | 0        | 0.0000  | 0        | 0   | 0        | 0.0000  | 0.0000  |
| e. INSURANCE COMPANIES                     | 0        | 0   | 0        | 0.0000  | 0        | 0   | 0        | 0.0000  | 0.0000  |
| f. FOREIGN INSTITUTIONAL INVESTORS         | 656368   | 0   | 656368   | 1.2643  | 0        | 0   | 0        | 0.0000  | -1.2643 |
| g. FOREIGN VENTURE CAPITAL INVESTORS       | 0        | 0   | 0        | 0.0000  | 0        | 0   | 0        | 0.0000  | 0.0000  |
| h. QUALIFIED FOREIGN INVESTOR              | 0        | 0   | 0        | 0.0000  | 0        | 0   | 0        | 0.0000  | 0.0000  |
| i. ANY OTHER                               | 0        | 0   | 0        | 0.0000  | 9687     | 0   | 9687     | 0.0186  | 0.0186  |
| Foreign Portfolio                          |          |     |          |         |          |     |          |         |         |
| Investor (Corporate) Category II           |          |     |          |         |          |     |          |         |         |
| SUB - TOTAL (B)(1)                         | 658400   | 0   | 658400   | 1.2682  | 95311    | 0   | 95311    | 0.1835  | -1.0846 |
| NON-INSTITUTIONS                           |          |     |          |         |          |     |          |         |         |
| BODIES CORPORATE                           | 4978251  | 0   | 4978251  | 9.5895  | 4183011  | 0   | 4183011  | 8.0576  | -1.5318 |
| 2. INDIVIDUALS                             |          |     |          |         |          |     |          |         |         |
| a. I INDIVIDUAL SHAREHOLDERS HOLDING       | 1775404  | 458 | 1775862  | 3.4208  | 1730732  | 453 | 1731185  | 3.3347  | -0.0860 |
| b. NOMINAL SHARE CAPITAL UPTO RS. 1 LAKH   |          |     |          |         |          |     |          |         |         |
| II INDIVIDUAL SHAREHOLDERS HOLDING NOMINAL |          |     |          |         |          |     |          |         |         |
| SHARE CAPITAL IN EXCESS OF RS. 1 LAKH      | 7533748  | 0   | 7533748  | 14.5121 | 8467035  | 0   | 8467035  | 16.3099 | 1.7977  |
| QUALIFIED FOREIGN INVESTOR                 | 0        | 0   | 0        | 0.0000  | 0        | 0   | 0        | 0.0000  | 0.0000  |
| ANY OTHER                                  |          |     |          |         |          |     |          |         |         |
| CLEARING MEMBERS                           | 479015   | 0   | 479015   | 0.9227  | 203179   | 0   | 203179   | 0.3913  | -0.5313 |
| c. HINDU UNDIVIDED FAMILIES                | 1530797  | 0   | 1530797  | 2.9487  | 1416410  | 0   | 1416410  | 2.7284  | -0.2203 |
| d. NON RESIDENT INDIANS                    | 18947    | 0   | 18947    | 0.0364  | 26726    | 0   | 26726    | 0.0514  | 0.0149  |
| TRUSTS                                     | 70004    | 0   | 70004    | 0.1348  | 0        | 0   | 0        | 0.0000  | -0.1348 |
| SUB - TOTAL (B)(2)                         | 2098763  | 0   | 2098763  | 4.0428  | 1646315  | 0   | 1646315  | 3.1712  | -0.8715 |
| TOTAL PUBLIC SHAREHOLDING                  | 16386166 | 458 | 16386624 | 31.5653 | 16027093 | 453 | 16027546 | 30.8736 | -0.6916 |
| (B) = (B)(1)+(B)(2)                        |          |     |          |         |          |     |          |         | -       |
| TOTAL (A)+(B)                              | 17044566 | 458 | 17045024 | 32.8336 | 16122404 | 453 | 16122857 | 31.0572 | 1.7763  |

| I SHARES HELD BY CUSTODIANS AND AGAINSTWHICH DEPOSITORY RECEIPTS HAVE BEEN |          |     |          |          |          |     |          |          |        |
|--|----------|-----|----------|----------|----------|-----|----------|----------|--------|
| Promoter and Promoter Group  | 0        | 0   | 0        | 0.0000   | 0        | 0   | 0        | 0.0000   | 0.0000 |
| Public   | 0        | 0   | 0        | 0.0000   | 0        | 0   | 0        | 0.0000   | 0.0000 |
| TOTAL CUSTODIAN (C)  | 0        | 0   | 0        | 0.0000   | 0        | 0   | 0        | 0.0000   | 0.0000 |
| GRAND TOTAL (A)+(B)+(C)  | 51912886 | 458 | 51913344 | 100.0000 | 51912891 | 453 | 51913344 | 100.0000 | 0.0000 |

| II PROMOTER & PROMOTER GROUP SHAREHOLDING |                    |   |                                  |   |                                     |                                  |   |  |   |                                   |
|---|--------------------|---|----------------------------------|---|-------------------------------------|----------------------------------|---|--|---|-----------------------------------|
| SI No                                     | Shareholder's Name | Shareholding at the beginning of the year |                                  |   | Shareholding at the end of the year |                                  |   | % change in shareholding during the year | Pledged Shares at beginning of the Year | Pledged Shares at end of 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 share pledged / encumbered to total shares |  |   |                                   |
| 1   | M. RAJENDRAN       | 5863808                                   | 11.2953                          | 0.9631  | 5863808                             | 11.2953                          | 0.9631  | 0.0000                                   | 500000                                  | 500000                            |
| 2   | M. RAJARATHAM      | 5863808                                   | 11.2953                          | 0.0000  | 5863808                             | 11.2953                          | 0.0000  | 0.0000                                   | 0                                       | 0                                 |
| 3   | M. RAVINDRAN       | 4303808                                   | 8.2903                           | 0.0000  | 5056000                             | 9.7393                           | 0.0000  | 1.4489                                   | 0                                       | 0                                 |
| 4   | M. RAGHUNATHAN     | 5863808                                   | 11.2953                          | 0.0000  | 5863808                             | 11.2953                          | 0.0000  | 0.0000                                   | 0                                       | 0                                 |
| 5   | R. AMUDHA          | 3543284                                   | 6.8253                           | 0.0000  | 3543284                             | 6.8253                           | 0.0000  | 0.0000                                   | 0                                       | 0                                 |
| 6   | R. ARUNA           | 3543268                                   | 6.8253                           | 0.0000  | 3543268                             | 6.8253                           | 0.0000  | 0.0000                                   | 0                                       | 0                                 |
| 7   | R. VIJAYALAKSHMI   | 2343268                                   | 4.5138                           | 0.0000  | 2513243                             | 4.8412                           | 3.8525  | 0.3274                                   | 0                                       | 2000000                           |
| 8   | R. USHA RANI       | 3543268                                   | 6.8253                           | 0.0000  | 3543268                             | 6.8253                           | 0.0000  | 0.0000                                   | 0                                       | 0                                 |
|   | Total              | 34868320                                  | 67.1659                          | 0.9631  | 35790487                            | 68.9423                          | 4.8156  | 1.7763                                   | 500000                                  | 2500000                           |



DIRECTOR’S REPORT ANNEXURES

| III CHANGE IN PROMOTERS' SHAREHOLDING |  |              |                                  |              |                                  |
|---------------------------------------|--|--------------|----------------------------------|--------------|----------------------------------|
| SI No                                 | Name of the Promoter                     | No of Shares | % of total shares of the company | No of Shares | % of total shares of the company |
| 1                                     | M. RAJENDRAN                             |              |                                  |              |                                  |
|                                       | At the beginning of the year 01-Apr-2014 | 5863808      | 11.2953                          | 5863808      | 11.2953                          |
|                                       | At the end of the Year 31-Mar-2015       | 5863808      | 11.2953                          | 5863808      | 11.2953                          |
| 2                                     | M. RAJARATHNAM                           |              |                                  |              |                                  |
|                                       | At the beginning of the year 01-Apr-2014 | 5863808      | 11.2953                          | 5863808      | 11.2953                          |
|                                       | At the end of the Year 31-Mar-2015       | 5863808      | 11.2953                          | 5863808      | 11.2953                          |
| 3                                     | M. RAVINDRAN                             |              |                                  |              |                                  |
|                                       | At the beginning of the year 01-Apr-2014 | 4303808      | 8.2903                           | 4303808      | 8.2903                           |
|                                       | Purchase 05-Dec-2014                     | 3691         | 0.0071                           | 4307499      | 8.2974                           |
|                                       | Purchase 12-Dec-2014                     | 2501         | 0.0048                           | 4310000      | 8.3022                           |
|                                       | Purchase 19-Dec-2014                     | 130192       | 0.2507                           | 4440192      | 8.553                            |
|                                       | Purchase 31-Dec-2014                     | 521100       | 1.0037                           | 4961292      | 9.5568                           |
|                                       | Purchase 02-Jan-2015                     | 8518         | 0.0164                           | 4969810      | 9.5732                           |
|                                       | Purchase 30-Jan-2015                     | 6000         | 0.0115                           | 4975810      | 9.5848                           |
|                                       | Purchase 13-Mar-2015                     | 30190        | 0.0581                           | 5006000      | 9.6429                           |
|                                       | Purchase 27-Mar-2015                     | 50000        | 0.0963                           | 5056000      | 9.7393                           |
|                                       | At the end of the Year 31-Mar-2015       | 5056000      | 9.7393                           | 5056000      | 9.7393                           |
| 4                                     | M. RAGHUNATHAN                           |              |                                  |              |                                  |
|                                       | At the beginning of the year 01-Apr-2014 | 5863808      | 11.2953                          | 5863808      | 11.2953                          |
|                                       | At the end of the Year 31-Mar-2015       | 5863808      | 11.2953                          | 5863808      | 11.2953                          |
| 5                                     | R. AMUDHA                                |              |                                  |              |                                  |
|                                       | At the beginning of the year 01-Apr-2014 | 3543284      | 6.8253                           | 3543284      | 6.8253                           |
|                                       | At the end of the Year 31-Mar-2015       | 3543284      | 6.8253                           | 3543284      | 6.8253                           |
| 6                                     | R. ARUNA                                 |              |                                  |              |                                  |
|                                       | At the beginning of the year 01-Apr-2014 | 3543268      | 6.8253                           | 3543268      | 6.8253                           |
|                                       | At the end of the Year 31-Mar-2015       | 3543268      | 6.8253                           | 3543268      | 6.6417                           |
| 7                                     | R. VIJAYALAKSHMI                         |              |                                  |              |                                  |
|                                       | At the beginning of the year 01-Apr-2014 | 2343268      | 4.5138                           | 2343268      | 4.5138                           |
|                                       | Purchase 13-Jun-2014                     | 31732        | 0.061125                         | 2375000      | 4.574932                         |
|                                       | Purchase 30-Jun-2014                     | 25000        | 0.048157                         | 2400000      | 4.623089                         |
|                                       | Purchase 18-Jul-2014                     | 9000         | 0.017337                         | 2409000      | 4.640425                         |
|                                       | Purchase 14-Aug-2014                     | 95211        | 0.183404                         | 2504211      | 4.823829                         |
|                                       | Purchase 9 -Dec-2014                     | 8032         | 0.015472                         | 2512243      | 4.839301                         |
|                                       | Purchase 27 -Feb-2015                    | 1000         | 0.001926                         | 2513243      | 4.841227                         |
|                                       | At the end of the Year 31-Mar-2015       | 2513243      | 4.841221                         | 2513243      | 4.841227                         |
| 8                                     | R. USHA RANI                             |              |                                  |              |                                  |
|                                       | At the beginning of the year 01-Apr-2014 | 3543268      | 6.8253                           | 3543268      | 6.8253                           |
|                                       | At the end of the Year 31-Mar-2015       | 3543268      | 6.8253                           | 3543268      | 6.8253                           |

# DIRECTOR'S REPORT ANNEXURES

## IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity) (Contd.)

### Shareholding Pattern of top ten shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Name of the Company - RAJ TELEVISION NETWORK LTD.,

| SI No | Name                                      | At the beginning of the year 01-Apr-2014 | Percentage to total Share capital | At the end of the Year 31-Mar-2015 | Percentage to total Share capital | Change In holding | Change In % of holding |
|-------|---|--|-----------------------------------|------------------------------------|-----------------------------------|-------------------|------------------------|
| 1     | KIRAN KUMAR M                             | 1944692                                  | 3.75                              | 2315404                            | 4.46                              | 3,70,712          | 0.71                   |
| 2     | SANGEETHA .                               | 683821                                   | 1.32                              | 875304                             | 1.69                              | 1,91,483          | 0.37                   |
| 3     | HEMA KIRAN KUMAR                          | 808000                                   | 1.56                              | 808000                             | 1.56                              | -                 | -                      |
| 4     | F6 FINSERVE PVT LTD                       | 1400                                     | 0.00                              | 734961                             | 1.42                              | 7,33,561          | 1.41                   |
| 5     | RAVINDRAKUMAR BOTHRA                      | 6201                                     | 0.01                              | 519546                             | 1.00                              | 5,13,345          | 0.99                   |
| 6     | UDIT BHATT                                | 93000                                    | 0.18                              | 493666                             | 0.95                              | 4,00,666          | 0.77                   |
| 7     | NARESH KUMAR CHHAJER HUF .                | 446896                                   | 0.86                              | 446729                             | 0.86                              | -167              | -0.00                  |
| 8     | LALIT KUMAR CHORDIA & SONS(HUF) .         | 423272                                   | 0.82                              | 422201                             | 0.81                              | -1,071            | -0.00                  |
| 9     | SUNITHA DEVI CHORDIA .                    | 381800                                   | 0.74                              | 415378                             | 0.80                              | 33,578            | 0.06                   |
| 10    | SAGAR TEX CREATION PRIVATE LIMITED        | 373204                                   | 0.72                              | 373572                             | 0.72                              | 368               | 0.00                   |
| 11    | SUNTECK WEALTHMAX CAPITAL PRIVATE LIMITED | 410660                                   | 0.79                              | 358168                             | 0.69                              | -52,492           | -0.10                  |
| 12    | MAVERICK SHARE BROKERS LIMITED            | 1239840                                  | 2.39                              | 6400                               | 0.01                              | -12,33,440        | -2.38                  |
| 13    | SRI BABA THEATRES PRIVATE LIMITED         | 600000                                   | 1.16                              | 0                                  | -                                 | -6,00,000         | -1.16                  |

#### Note :

1. The shares of the Company are substantially held in dematerialised form and are traded on a daily basis and hence date wise increase/decrease in shareholding is not indicated

2. \$ denotes common top 10 shareholders as on April 1, 2014 and March 31, 2015 # denotes top 10 shareholders only as on April 1, 2014 @ denotes top 10 shareholders only as on March 31, 2015

## V Shareholding of Directors and Key Managerial Personnel:

| SI No | Name of the Share holder                 | 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     | <b>M. RAJARATHNAM</b>                    |   |                                  |   |                                  |
|       | At the beginning of the year 01-Apr-2014 | 5863808                                   | 11.2953                          | 5863808                                 | 11.2953                          |
|       | At the end of the Year 31-Mar-2015       | 5863808                                   | 11.2953                          | 5863358                                 | 11.2945                          |
| 2     | <b>M. RAJENDRAN</b>                      |   |                                  |   |                                  |
|       | At the beginning of the year 01-Apr-2014 | 5863808                                   | 11.2953                          | 5863808                                 | 11.2953                          |
|       | At the end of the Year 31-Mar-2015       | 5863808                                   | 11.2953                          | 5863808                                 | 11.2953                          |
| 3     | <b>M. RAGHUNATHAN</b>                    |   |                                  |   |                                  |
|       | At the beginning of the year 01-Apr-2014 | 5863808                                   | 11.2953                          | 5863808                                 | 11.2953                          |
|       | At the end of the Year 31-Mar-2015       | 5863808                                   | 11.2953                          | 5863808                                 | 11.2953                          |
| 4     | <b>M. RAVINDRAN</b>                      |   |                                  |   |                                  |
|       | At the beginning of the year 01-Apr-2014 | 4303808                                   | 8.2903                           | 4303808                                 | 8.2903                           |
|       | Purchase 05-Dec-2014                     | 3691                                      | 0.0071                           | 4307499                                 | 8.2974                           |
|       | Purchase 12-Dec-2014                     | 2501                                      | 0.0048                           | 4310000                                 | 8.3022                           |
|       | Purchase 19-Dec-2014                     | 130192                                    | 0.2507                           | 4440192                                 | 8.5530                           |
|       | Purchase 31-Dec-2014                     | 521100                                    | 1.0037                           | 4961292                                 | 9.5568                           |
|       | Purchase 02-Jan-2015                     | 8518                                      | 0.0164                           | 4969810                                 | 9.5732                           |
|       | Purchase 30-Jan-2015                     | 6000                                      | 0.0115                           | 4975810                                 | 9.5848                           |
|       | Purchase 13-Mar-2015                     | 30190                                     | 0.0581                           | 5006000                                 | 9.6429                           |
|       | Purchase 27-Mar-2015                     | 50000                                     | 0.0963                           | 5056000                                 | 9.7393                           |
|       | At the end of the Year 31-Mar-2015       | 5056000                                   | 9.7393                           | 5056000                                 | 9.7393                           |
| 5     | <b>S. JEYASEELAN</b>                     |   |                                  |   |                                  |
|       | At the beginning of the year 01-Apr-2014 | 48  | 0.0000                           | 48                                      | 0.0000                           |
|       | At the end of the Year 31-Mar-2015       | 48  | 0.0000                           | 48                                      | 0.0000                           |
| 6     | <b>JOSEPH CHERIYAN</b>                   |   |                                  |   |                                  |
|       | At the beginning of the year 01-Apr-2014 | NIL                                       | NIL                              | NIL                                     | NIL                              |
|       | At the end of the Year 31-Mar-2015       | NIL                                       | NIL                              | NIL                                     | NIL                              |

## V. INDEBTEDNESS

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

(In million)

| Indebtedness at the beginning of the financial year | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtness |
|---|----------------------------------|-----------------|----------|------------------|
| i) Principal Amount                                 | 374.66                           | -               | -        | 374.66           |
| ii) Interest due but not paid                       | -                                | -               | -        | -                |
| iii) Interest accrued but not                       | -                                | -               | -        | -                |
| Total(i+ii+iii)                                     | 374.66                           | -               | -        | 374.66           |
| Change in Indebtedness during the financial year    |                                  |                 |          |                  |
| - Addition  |                                  |                 |          |                  |
| - Reduction   | 116.79                           | -               | -        | 116.79           |
| Net Change  | 116.79                           | -               | -        | 116.79           |
| Indebtedness at the end of the financial year       |                                  |                 |          |                  |
| i) Principal Amount                                 | 257.87                           | -               | -        | 257.87           |
| ii) Interest due but not paid                       |                                  |                 |          |                  |
| iii) Interest accrued but not due                   |                                  |                 |          |                  |
| Total (i+ii+iii)                                    | 257.87                           | -               | -        | 257.87           |



# DIRECTOR'S REPORT ANNEXURES

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to Managing Director, Whole-time Directors and/or Manager

| Sl. No. | Particulars of Remuneration   | Name of MD/WTD/ Manager |               |              |               | Total Amount<br>(In Million) |
|---------|---|-------------------------|---------------|--------------|---------------|------------------------------|
|         |   | M Rajendran             | M Rajarathnam | M Ravindran  | M Raghunathan |                              |
| 1       | Name  |                         |               |              |               |                              |
| 2       | Designation   | MD                      | WTD           | WTD          | WTD           |                              |
| 3       | Gross salary (a)Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | 12.00                   | 12.00         | 12.00        | 12.00         | 48.00                        |
| 4       | (b)Value of perquisites u/s 17(2)Income-tax Act, 1961   | NIL                     | NIL           | NIL          | NIL           | NIL                          |
| 5       | (c)Profits in lieu of salary under section 17(3) Income-tax Act, 1961                           | NIL                     | NIL           | NIL          | NIL           | NIL                          |
| 6       | Stock Option  | NIL                     | NIL           | NIL          | NIL           | NIL                          |
| 7       | Sweat Equity  | NIL                     | NIL           | NIL          | NIL           | NIL                          |
| 8       | Commission<br>- as % of profit<br>- others, specify...  | NIL                     | NIL           | NIL          | NIL           | NIL                          |
| 9       | Others, specify   | NIL                     | NIL           | NIL          | NIL           | NIL                          |
|         | <b>Total(A)</b>   | <b>12.00</b>            | <b>12.00</b>  | <b>12.00</b> | <b>12.00</b>  | <b>48.00</b>                 |
| 10      | Ceiling as per the Act  | 12.00                   | 12.00         | 12.00        | 12.00         | 48.00                        |

Note: During the 20<sup>th</sup> AGM held on 19<sup>th</sup> September 2014, As per approval from the Members of the company Pursuant to provisions of Section 196, 197, 198, 203 read with Schedule V and other applicable provisions if any of the companies Act, 2013, for varying the terms and conditions of remuneration being paid/payable to Managing Director and Whole Time Directors of the company as enumerated here in below for the period from 01-04-2014 to 31-03-2016:

Salary: Rs 1,20,00,000/- (Rupees One Crore and Twenty lacs only) per annum, effect from 01<sup>st</sup> day of April, 2014, with a provision for increase in salary of not exceeding 12% per annum over the previous year. The exact percentage of increment to be given in each year shall be decided by the Board based on the performance of the Company.

The above said remuneration and perquisites shall be fixed for a period of two years as permitted by Schedule V of the Companies Act, 2013 and shall be revised by the Board of Directors within the limits as mentioned in Part II of Schedule V of the Companies Act, 2013.

The remuneration payable to Whole time directors and managing Director is governed by and subject to the ceilings provided under Part II of Schedule V to the Companies Act, 2013 or such other limits as may be prescribed by the Central Government from time to time as minimum remuneration.

### B. Remuneration to other directors:

Details of the remuneration paid/payable to the Non-Executive Directors of the Company for Financial year 2014-2015 are as under:

| Independent Directors  | Sitting fees paid for attending Board Meetings held during the year (Amounts in Rupees) |
|------------------------|---|
| Mr. D. R. Kaarthikeyan | 135000  |
| Mr. A. Arjuna Pai      | 255000  |
| Mr. R. Rajagopalan     | 270000  |
| Mr. Mohan Kameswaran   | 60000   |
| <b>Total</b>           | <b>720000</b>   |
| Non-Executive Director |   |
| Smt Amuda Rajendran    | 45000   |
| Total                  | 45000   |
| <b>Grand Total</b>     | <b>765000</b>   |

Overall Ceiling as per Act 1% of Net Profits as per Section 198 of the Companies Act, 2013 is Rs.8.15 Lakhs

### C. Remuneration to Key Managerial Personnel Other Than MD/Manager/WTD

| Sl.No | Particulars of Remuneration  | Key Managerial Personnel |             |             |
|-------|--|--------------------------|-------------|-------------|
|       |  | Company Secretary        | CFO         | Total       |
| 1.    | Gross salary   |                          |             |             |
| 2.    | (a)Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | 2.60                     | 0.85        | 3.45        |
| 3.    | (b)Value of perquisites u/s 17(2)Income-tax Act, 1961                              | NIL                      | NIL         | NIL         |
| 4.    | (c)Profits in lieu of salary under section 17(3)Income-tax Act, 1961               | NIL                      | NIL         | NIL         |
| 5.    | Stock Option   | NIL                      | NIL         | NIL         |
| 6.    | Sweat Equity   | NIL                      | NIL         | NIL         |
| 7.    | Commission<br>- as% of profit<br>- others, specify...                              | NIL                      | NIL         | NIL         |
| 8.    | Others, please specify   | NIL                      | NIL         | NIL         |
|       | <b>Total</b>   | <b>2.60</b>              | <b>0.85</b> | <b>3.45</b> |

## VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES UNDER PROVISIONS OF COMPANIES ACT 2013: None

Regd. Office:  
32, Poes Road,  
II<sup>nd</sup> St, Teynampet,  
Chennai-600 018  
Date: 27<sup>th</sup> May 2015

By Order of the Board of Directors

-Sd/-  
Joseph Cheriyan  
Company Secretary

# DIRECTOR'S REPORT ANNEXURES

## 5. Annexure

### PARTICULARS OF REMUNERATION OF EMPLOYEES

(Pursuant to Section 197 read with Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014)

The information required under Section 197 of the Act read with rule 5(1) of the Companies

(Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

A. Remuneration of each Director and Key Managerial Personnel (KMP) along with particulars of increase in remuneration during the financial year, ratio of remuneration of Directors to the Median remuneration of employees and comparison of remuneration of each KMP against Company's standalone performance:

| Name of the Director / Key Managerial Personnel | #Remuneration (In Million) | % Increase in Remuneration | Ratio of Director's Remuneration to median remuneration | Comparison of remuneration of each KMP against Company's performance |           |
|---|----------------------------|----------------------------|---|--|-----------|
| <b>Non-Executive Directors</b>                  |                            |                            |   | % of Turnover  | % of NPBT |
| Mr. D. R. Kaarthikeyan                          | Nil                        | NA                         | NA  | NA   | NA        |
| Mr. A. Arjuna Pai                               | Nil                        | NA                         | NA  | NA   | NA        |
| Mr. R. Rajagopalan                              | Nil                        | NA                         | NA  | NA   | NA        |
| Mr. Mohan Kameswaran                            | Nil                        | NA                         | NA  | NA   | NA        |
| Mrs Amuda Rajendran *                           | Nil                        | NA                         | NA  | NA   | NA        |
| <b>Executive Directors</b>                      |                            |                            |   |  |           |
| Mr. M Rajendran                                 | 12                         | 294 %                      | 41.3 : 1  | 1.43%  | 9.25%     |
| Mr. M Rajarathnam                               | 12                         | 294 %                      | 41.3 : 1  | 1.43%  | 9.25%     |
| Mr. M Ravindran                                 | 12                         | 294 %                      | 41.3 : 1  | 1.43%  | 9.25%     |
| Mr. M raghunathan                               | 12                         | 294 %                      | 41.3 : 1  | 1.43%  | 9.25%     |
| <b>Key Managerial Personnel</b>                 |                            |                            |   |  |           |
| Mr. Joseph Cheriyan                             | 2.60                       | 33.33%                     | NA  | 0.31%  | 2.00%     |
| Mr. Jeyaseelan                                  | 0.85                       | 35.41%                     | NA  | 0.10%  | 0.65%     |

\* Resigned as Woman Director as at close of March 31, 2015.

| Sr. No | Requirement   | Disclosure   |  |                      |
|--------|---|--|--|----------------------|
| 1      | The Percentage increase in median remuneration of employees in FY 2014-15   | 10%  |  |                      |
| 2      | Number of permanent employees on the rolls of the Company   | 625  |  |                      |
| 3      | The explanation on the relationship between average increase in remuneration and Company's performance  | The average increment of 10 % during the year was in line with the market trend. In order to ensure that remuneration reflects Company performance, the performance incentive is also linked to organization performance, apart from individual performance. |  |                      |
| 4      | Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company (Standalone)                            | The aggregate remuneration of Executive Directors & Key Managerial Personnel was 6.13% of turnover and 39.7% of net profit (before tax) during financial year.   |  |                      |
| 5      | Variations in the market capitalization of the Company price earning ration as at the closing date of the current and previous financial year | Particulars  | Market Capitalization Ratio (Rs. In Mio) | Price Earnings Ratio |
|        |   | 31.03.2015   | 5949                                     | 72.54                |
|        |   | 31.03.2014   | 7527                                     | 59.17                |
|        |   | Change % +1+   | -21%                                     | 22.74%               |
| 6      | Percentage increase or decrease in the market quotation or the shares of the Company in comparison to the rate at which the Company came out  | Closing Market Price   |  |                      |
|        |   |  | <b>BSE</b>                               | <b>NSE</b>           |
|        |   | 31.03.2015   | 114.60                                   | 114.60               |
|        |   | 31.03.2014   | 145.50                                   | 145.60               |
|        |   | Change %   | -21%                                     | -21%                 |

\* IPO for equity shares of face value of Rs.10 each was @ Rs. Value per share Rs.257 per share. The value is adjusted for sub-division in from Rs. 10 to Rs.5 per equity share Bonus declared in FY 31.03.2014 @ 1:1. It may be noted that no adjustment has been made on account of issuance of bonus equity shares in ratio of 1:1 i.e. One fully paid up Bonus Equity shares for 1 Equity shares held during FY 2013-14.

|    |  |   |
|----|--|---|
| 7  | Average percentile increase already made in the salaries of the employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration | The average annual increase of employees during the year was 10% while the increase in managerial remuneration during the year was 294%. The Company increased the managerial remuneration as minimum Remuneration within the limits as prescribed in the Schedule V the Companies Act, 2013. |
| 8  | Key parameters for any variable component of remuneration availed by the Directors   | There are no variable component of remuneration in the Managerial Remuneration  |
| 9  | The ratio of the remuneration of the highest paid Director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year.   | Not Applicable  |
| 10 | Affirmation that the remuneration is as per the remuneration policy of the Company.  | The Company affirms that the remuneration is as per the remuneration policy of the Company.   |



# DIRECTOR'S REPORT ANNEXURES

## B. PARTICULARS OF EMPLOYEES WHOSE REMUNERATIONS EXCEEDED RS.60 LACS PER ANNUM OR RS.5 LACS PER MONTH DURING THE FINANCIAL YEAR 2014-2015

1. Employed though out the year and in receipt of remuneration aggregating Rs. 60 Lacs per annum. None of the Employees are covered under the limit of receipt of remuneration aggregating Rs.60 Lacs per annum except the Managing Director and Whole Time Directors.

| Sl.No. | Name               | Age | Designation         | Remuneration (Rs. per annum) | Qualification |
|--------|--------------------|-----|---------------------|------------------------------|---------------|
| 1      | Mr. M. Rajendran   | 65  | Managing Director   | 1,20,00,000/-                | Graduate      |
| 2      | Mr. M. Rajarathnam | 62  | Whole Time Director | 1,20,00,000/-                | Graduate      |
| 3      | Mr. M. Ravindran   | 55  | Whole Time Director | 1,20,00,000/-                | Graduate      |
| 4      | Mr. M. Raghunathan | 52  | Whole Time Director | 1,20,00,000/-                | Graduate      |

2. Employed for part of the year and in receipt of remuneration aggregating Rs.5 Lacs per month. None of the Employees are covered under the limit of receipt of remuneration aggregating Rs.5 Lacs per month except the Managing Director and Whole Time Directors.

| Sl.No. | Name               | Age | Designation         | Remuneration(Rs. per annum) | Qualification |
|--------|--------------------|-----|---------------------|-----------------------------|---------------|
| 1      | Mr. M. Rajendran   | 65  | Managing Director   | 1,20,00,000/-               | Graduate      |
| 2      | Mr. M. Rajarathnam | 62  | Whole Time Director | 1,20,00,000/-               | Graduate      |
| 3      | Mr. M. Ravindran   | 55  | Whole Time Director | 1,20,00,000/-               | Graduate      |
| 4      | Mr. M. Raghunathan | 52  | Whole Time Director | 1,20,00,000/-               | Graduate      |

Notes: 1. All appointments are contractual and terminable by notice on either side.

2. None of the employees, except Mr. R. Nachiappan and Mr. Chinna Nachiappan - Chief Business Development Officer – Internet Business are related to any of the Directors.

3. Remuneration includes Salary, Allowances, Company's contribution to Provident Fund, Medical Benefits, Leave Travel Allowances & other perquisites and benefits valued on the basis of the provisions of Income Tax Act, 1961.

### Annexure - II

#### PARTICULARS OF RELATED PARTY TRANSACTIONS Form No. 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 arms-length transactions under third proviso thereto:

1. Details of contracts or arrangements or transactions not at arm's length basis: The Company has not entered into any contract or arrangement or transaction with its related parties during financial year 2014-15.

2. Details of material contracts or arrangement or transactions at arm's length basis:

a. Name(s) of the related party and nature of relationship – Not applicable

b. Nature of contracts / arrangements / transactions: Not applicable

c. Duration of the contracts / arrangements / transactions: Not applicable

d. Salient terms of the contracts or arrangements or transactions including the value, if any -NIL

e. Date(s) of approval by the Board, if any: Not applicable, since the no contract was entered into during the FY 2014-15.

f. Amount paid as advances, if any: Nil

For and on behalf of the Board of Directors

-Sd/-  
M Rajendran  
Managing Director

Place: Chennai  
Date: 27<sup>th</sup> May, 2015

# SECRETARIAL AUDIT REPORT

## SECRETARIAL AUDIT REPORT

Form No. MR-3

### FOR THE FINANCIAL YEAR ENDED MARCH 31, 2015

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

To,

The Members,  
RAJ TELEVISION NETWORK LIMITED,  
NO.32, POES ROAD, SECOND STREET,  
TEYNAMPET,  
CHENNAI - 600 018.

We were appointed by the Board of Directors RAJ TELEVISION NETWORK LIMITED (CIN L92490TN1994PLC027709) hereinafter called the Company) to conduct Secretarial Audit for the financial year ended 31<sup>st</sup> March, 2015.

We have conducted the Secretarial Audit in respect of compliance with applicable statutory provisions and adherence to good corporate practices by 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.

#### Management's Responsibility for Secretarial Compliances

The Company's Management is responsible for preparation and maintenance of secretarial records and for devising proper systems to ensure compliance with the provisions of applicable laws and regulations.

#### Auditor's Responsibility

Our Responsibility is to express on the Secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.

We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us provide a basis for our opinion.

#### Opinion

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 March 31, 2015 according to the provisions of:

i) The Companies Act, 2013 (the Act) and the rules made there under, as applicable;

ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder, as applicable;

iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder – Not Applicable  
iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment, as applicable;

v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):- (As amended from time to time)

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

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosures Requirements), 2009 – Not applicable as the Company did not issue any security during the financial year under review;

(d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999/ The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (Effective 28th October 2014) – Not applicable as the Company has not granted any Options to its employees during the financial year under review;

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 – Not applicable as the Company has not issued any debt securities during the financial year under review;

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act

and dealing with client;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - Not applicable as the Company has not delisting of equity shares during the financial year under review;

(h) The Securities and Exchange Board of India (Buy back of Securities) Regulations, 1998 – Not applicable as the Company has not bought back any of its securities during the financial year under review.

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

i) Secretarial Standards issued by The Institute of Company Secretaries of India (not applicable as yet to be notified).

ii) The Listing Agreements entered into by the Company with BSE Limited and NSE Limited.

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 financial year ended on March 31, 2015 complied with the aforesaid laws. Material compliances are listed in the Annexure attached to this Report.

Based on information received and records maintained, We further report that:

1. 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 year under review were carried in compliance with the provision of the act.

2. Adequate notice was given to all directors to schedule the Board Meetings. Agenda and detailed notes on agenda were sent 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.

3. Decisions at the Board Meeting, as represented by the management and recorded in minutes, were taken unanimously.

Based on the compliance mechanism established by the Company and on the basis of the Compliance Certificate(s) issued by the Company Secretary in practice and taken on record by the Board of Directors at their meeting(s), we are of the opinion that the management has:-

(a) Adequate system and process commensurate with its size and operations, to monitor and ensure compliance with applicable laws, rules, regulations and guidelines; and

(b) Complied with the following other laws specifically applicable to the Company:-

1. Employees Provident Fund and Miscellaneous Provisions Act, 1952

2. Employees State Insurance Act, 1948

3. Factories Act, 1948

4. Income Tax Act, 1961 and Indirect Tax Laws

5. Minimum Wages Act, 1948

6. Payment of Bonus Act, 1965

7. Payment of Gratuity Act, 1972

8. Payment of Wages Act, 1936 and other applicable labour laws

9. Uplinking / downlinking policy/guidelines issued by Ministry of Information and Broadcasting;

10. The Cable Television Network (Regulations) Act, 1995 and rules framed thereunder;

11. Intellectual Property Rights related laws;

12. Standards of Quality of Service (Duration of Advertisements in Television Channels) (Amendment) Regulations, 2013 issued by Telecom Regulatory Authority of India; and

13. The Telecommunication (Broadcasting and Cable Services) Interconnection (Digital Addressable Cable Television Systems) Regulations, 2012.

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

We further report that compliance of applicable financial laws including direct and indirect Tax laws by the Company has not been reviewed in this Audit since the same has been subject to review by the Statutory Auditors and other designated professionals.

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 the company has no instances of:

(i) Public/Right/Preferential issue of shares / debentures/sweat equity, etc.

(ii) Redemption / buy-back of securities

(iii) Major decisions taken by the members in pursuance to section 180 of the Companies Act, 2013.

(iv) Merger / amalgamation / reconstruction, etc.

#### V.NAGARAJAN & CO

PRACTISING COMPANY SECRETARIES

V.NAGARAJAN-PROPRIETOR

FCS No: 5626

C P No: 3288

Place: CHENNAI

Date: 27<sup>th</sup> May 2015



## REPORT ON CORPORATE GOVERNANCE FOR THE YEAR 2014-2015

**RAJ TELEVISION NETWORK LIMITED**

(In accordance with clause 49 of the listing agreement with Indian Stock Exchanges)

**REPORT ON CORPORATE GOVERNANCE FOR THE YEAR 2014-2015**

The Corporate Governance Report for the year under Review from 1<sup>st</sup> April, 2014 to 31<sup>st</sup> March, 2015.

Corporate Governance is about promoting corporate fairness, transparency and accountability. The corporate governance structure specifies the distribution of rights and responsibilities of the Board, managers, shareholders and other stakeholders, and spells out the rules and procedures for making decisions on corporate affairs.

**COMPANY'S PHILOSOPHY:**

The corporate governance of the Company is based on the principles of good corporate citizenship which includes transparency, accountability and commitment to the organization and stake holders. The Company always commits and obliges to values, ethical business conduct and making a distinction between personal & corporate funds in the management of a Company. The Company as ongoing concern basis takes continuous steps for corporate excellence and continuous value addition to its overall growth. In this pursuit, Company's philosophy is led by strong emphasis on human values, individual dignity and adherence to honest, ethical and professional conduct.

**POLICIES**

In compliance with the requirements of Clause 49 of the Listing Agreement, SEBI regulations and Companies Act, 2013, Board of Directors of the Company has approved various policies, as detailed herein:

**WHISTLE BLOWER & VIGIL MECHANISM POLICY**

As per Section 177 of the Companies Act, 2013 and Clause 49 of the Listing Agreement, a comprehensive Whistle Blower and Vigil Mechanism Policy has been approved and implemented within the organization. The policy enables the employees and directors to report instances of any unethical act or suspected incidents of fraud or violation of Companies Code of conduct or ethics policy. This Policy (copy of which is uploaded on the website of the Company) safeguards whistleblowers from reprisals or victimization.

**CODE OF CONDUCT**

The Company has also adopted a Code of Conduct for the Members of the Board of Directors and Senior Management and all the Directors and senior functionaries as defined in the Code provide their annual confirmation of compliance with the Code. Copy of the Code is available on the website of the Company [www.rajtvnet.in](http://www.rajtvnet.in). Besides the Code, the Company has also put in place a policy on Ethics at Work place, applicable to all employees.

A declaration affirming compliance with the Code of Conduct by the Members of the Board and Senior Management Personnel is given below

**DECLARATION**

I confirm that the Company has obtained from all Directors and Senior Management Personnel of the Company their affirmation of compliance with the Code of Conduct for Members of the Board and Senior Management of the Company for the financial year ended March 31, 2015.

-Sd/-  
M RAJENDRAN  
Managing Director

Chennai,  
May 27, 2015

**RELATED PARTY TRANSACTION POLICY**

In compliance with the requirements of Clause 49 of the Listing Agreement, the Board of Directors of the Company has approved a Related Party Transaction Policy, to facilitate management to report and seek approval for any Related Party Transaction proposed to be entered into by the Company. The said Related Party Transaction Policy can be viewed on [www.rajtvnet.in](http://www.rajtvnet.in).

**POLICIES & CODE AS PER SEBI INSIDER TRADING REGULATIONS**

Pursuant to SEBI (Prohibition of Insider Trading) Regulations, 2015 and SEBI Circular no CIR/ISD/01/2015 dated May 11, 2015, the Company has:

- i) Formulated a Code of Practices & Procedures for Fair Disclosure of Unpublished Price Sensitive Information in accordance with Regulation 8 (Code of fair disclosure) and published the same on its website at [www.rajtvnet.in](http://www.rajtvnet.in).
  - ii) Formulated a Code of Conduct for Regulating, Monitoring and Reporting of Trading by insiders in accordance with Regulation 9 (Code of Conduct).
- Mr. Joseph Cheriyan, Compliance Officer & Company Secretary of the Company is Compliance officer for the purposes of Insider Trading Code, and the Investor Relations Officer for the purpose of Fair Disclosure policy.

**FAMILIARISATION PROGRAM FOR INDEPENDENT DIRECTORS**

Independent Directors are familiarized with their roles, rights and responsibilities in the Company as well as with the nature of industry and business model of the Company through induction programs at the time of their appointment as Directors. While review and approval of quarterly and annual financial statements of the Company are taken up detailed presentation covering inter alia economy and industry overview, key regulatory developments, strategy and performance of individual channels / profit centres is made to the Board.

**BOARD OF DIRECTORS:****Board Composition:**

Composition and Category of Directors.

Board of Directors of the Company has an ideal combination of Executive and Non-Executive Directors to ensure independent functioning. The Board consists of eight Directors including Non- Executive Directors of eminent personalities with expertise in business, finance, taxation, legal and administration. The current composition of the Board is in conformity with Clause 49 (II)(A) of the Listing Agreements. Mr. M. Rajendran, Managing Director is the Chairman of the Board who acts under guidance and supervision of the Board. Independent Directors of the Company provide appropriate annual certifications to the Board confirming satisfaction of the conditions of their being independent as laid down in Section 149 (6) of the Companies Act, 2013 and Clause 49.

The composition of the Board and their directorship in other Indian Public Companies as on March 31, 2015 are given below:

| Category of Directors               | No of Directors | Percentage total no of Directors |
|-------------------------------------|-----------------|----------------------------------|
| Executive Director(s)               | 4               | 50%                              |
| Non-Executive Independent Directors | 4               | 50%                              |
| Total                               | 8               | 100%                             |

## REPORT ON CORPORATE GOVERNANCE FOR THE YEAR 2014-2015

**DIRECTOR'S REPORT**

During the Financial Year under review, 5 (Five) meetings of the Board were held on April 28- 2014, May 13 - 2014, July 29- 2014, October 27 -2014, January 21- 2015. The annual calendar of meetings is broadly determined at the beginning of each Financial Year.

Chairmanship held in Indian Public Companies and Membership/Chairmanship of various Board Committees of other Indian Public Companies as at March 31, 2015 are as under:

| Name of the Director   | Category       | No. of Board Meetings held during the year |          | Attendance at the 20 <sup>st</sup> AGM held on 19 <sup>th</sup> September 2014 | No. of Directorship held in other public Comp. | Number of Committee membership held in other Companies |
|------------------------|----------------|--|----------|--|--|--|
|                        |                | Held                                       | Attended |  |  |  |
| Mr. M. Rajendran       | MD             | 5  | 5        | Yes  | 1  | Nil  |
| Mr. M. Rajarathnam     | WTD            | 5  | 5        | Yes  | 1  | Nil  |
| Mr. M. Ravindran       | WTD            | 5  | 5        | Yes  | 1  | Nil  |
| Mr. M. Raghunathan     | WTD            | 5  | 5        | Yes  | 1  | Nil  |
| Mr. D. R. Kaarthikeyan | NEID           | 5  | 3        | Yes  | 8  | 5  |
| Mr. A. Arjuna Pai      | NEID           | 5  | 5        | Yes  | Nil  | Nil  |
| Mr. R. Rajagopalan     | NEID           | 5  | 5        | Yes  | Nil  | Nil  |
| Mr. Mohan Kameswaran   | NEID           | 5  | 2        | No   | Nil  | Nil  |
| Mrs Amudha Rajendran   | Woman Director | 5  | 1        | Yes  | 1  | Nil  |

Note: MD- Managing Director, WTD- Whole Time Director, NEID- Non Executive and Independent Director.

**BOARD PROCEDURE:**

Board Meetings of the Company are duly called and held by giving proper notice. The Company Secretary in consultation with Chairman and other Directors drafts agenda of the Board meetings. All major agenda items along with comprehensive notes on each item in agenda are sent well in advance of the date of the Board meetings to enable the Board to take informed decision. Any Board member may in consultation with the Chairman bring up other additional matter for consideration by the Board. Heads of Departments of Finance and Strategic Planning are normally invited to the Board meetings to provide necessary insights into the working of the Company and for discussing corporate strategies and other related matters. The Board also reviews the minutes of the Audit Committee and other committees. The Board periodically reviews Compliance Reports in respect of laws and regulations applicable to the Company in succeeding meeting. A certificate signed by the Managing Director and Whole Time Director is placed before the Board on compliance with the financial disclosure as provided under clause 49 (V). During the financial year under review, Board met 05 (five) times on April 28- 2014, May 13 - 2014, July 29- 2014, October 27 -2014, January 21- 2015. The maximum gap between two Board Meetings was four months as prescribed under Listing Agreement. The Board periodically reviews Compliance Reports in respect of various laws and regulations applicable to the Company.

**BRIEF PROFILE OF THE DIRECTOR SEEKING RE-APPOINTMENT AT THE ENSUING ANNUAL GENERAL MEETING AS REQUIRED TO BE FURNISHED PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT WITH THE STOCK EXCHANGES IN INDIA****(I) Mr. M. Rajendran, Managing Director**

Mr. M. Rajendran, aged 65 years has been a director of the company since the date of incorporation and is responsible for its day-to-day management. He had a long and successful career in media and entertainment industry. With a modest beginning in the family business of a video publishing house, he started his career at any early age, by joining his father in the family business. The family set up Raj Video Vision in 1983 which started as a video cassette lending library and selling consumer electronics items and audio tapes. With keen sense of business and vision, he formed this Company in the year 1994 and has been a major force behind the success of all channels. He is responsible for providing strategic direction to the company and manages the overall operation and financial affairs of the company. He is the one of the founder promoter of the company who has overseen the growth of the organization from a Small Business to a successful and leading south Indian Entertainment and Broadcasting company and having Eleven channels.

**(II) Mr. M. Rajarathnam, Whole Time Director**

Mr. M. Rajarathnam, aged 62 years has been a Whole Time Director of the company since the date of incorporation. He has a long career in retailing of the contents and rights. He has, over a period of two decades, built and nurtured an extensive network of both domestic and overseas clients through the sale of pre-recorded video cassettes and also exploit the same in other electronic and digital media like Compact Disk, Video Cd, Digital Video Disk etc. He is actively involved in content acquisition for the Company's Channel and distributing the channels in various territories.

**(III) Mr. M. Ravindran, Whole Time Director**

Mr. M. Ravindran, aged 55 years has been a Whole Time Director of the company since the date of incorporation. He is in charge of the in house production of various programs and overall operation of the Channels. Mr. Ravindran, equipped with technical expertise in the entertainment field, he looks after the technical aspects of the Company's operation. He is responsible for the launching of new channels and day to day programming of all channels. He is also responsible for the other day to day administrative and establishment affairs of the Company.

**(IV) Mr. M. Raghunathan, Whole Time Director**

Mr. M. Raghunathan, aged 52 years has been a Whole Time director of the company since the date of incorporation and is heading the marketing efforts of the Company. Mr. Raghunathan, with strong client network and strategic plans, has developed business relationship with large number of corporate Houses and advertising clients across India and overseas. He has been instrumental in sustaining the broadcasting business and has contributed significantly towards the growth of advertisement revenues of the Company.

**(V) Profile of Proposed Director - Smt M. Vijayalakshmi Ravindran (Woman Director)**

Smt Vijayalakshmi Ravindran, aged 50, d/o of Perumbakam Shanmugam and Padma Shanmugam, born at Villupuram, Tamil Nadu, is a graduate in English Literature, residing at No.28A, N No.29A, ABM Avenue, R A Puram, Chennai- 600 028, Tamil Nadu, India. She was a director in Main Business entity RAJ TELEVISION NETWORK LIMITED from 1999 to 2006.

|                                   |  |   |   |
|-----------------------------------|--|---|---|
| 1. Name (in full):                | VIJAYALAKSHMI RAVINDRAN  | 10. Occupation :                                    | EMPLOYMENT  |
| 2. Director Identification Number | 00716224   | 11. Date of Birth & Place of Birth :                | 04/02/1965/ VILLUPURAM , TAMILNADU  |
| 3. Father's Name (in full)        | PERUMBAKAM SHANMUGAM   | 12. Nationality:                                    | INDIAN  |
| 4. Mother's Name:                 | PADMA SHANMUGAM  | 13. Educational Qualification :                     | Graduate in English Literature  |
| 5. Name of Spouse                 | M Ravindran  | 14. Experience:                                     | Worked in the company as a director from 1999 to 2006.  |
| 6. Address:                       | O No.28A, N No.29A, ABM Avenue, R A Puram, Chennai- 600 028, Tamil Nadu, India | 15. Shareholding (31.03.2015) :                     | Holds 4.84% shares in Raj Television Network Ltd and she is a promoter of the company.        |
| 7. E-mail id:                     | vijayalakshmi@rajtvnet.in  | 16. Relationship with existing Director/Promoters : | Related to existing Whole-time Directors and Managing Director of the company.                |
| 8. Mobile no.:                    | 044 - 24334376   | 17. Directorship in other companies                 | Smt.Vijayalakshmi Ravindran is a Whole Time Director in M/s Vissa Television Network Limited. |
| 9. Income-tax PAN.                | ABXPV2884R   |   |   |



## REPORT ON CORPORATE GOVERNANCE FOR THE YEAR 2014-2015

**BOARD COMMITTEES**

Particulars of Meetings of Board Committees held during the year along with details of Directors attendance at such Committee Meeting(s) are detailed herein:

| Particulars of Committee Meetings | Audit Committee | Nomination & Remuneration Committee | Share holders and inverstors Relationship Committee | Corporate Social Responsibility Committee |
|-----------------------------------|-----------------|-------------------------------------|---|---|
| No of Meetings                    | 5               | 1                                   | 1   | 1   |
| <b>Directors Attendance</b>       |                 |                                     |   |   |
| Mr. M. Rajendran                  | NA              | NA                                  | 1/1   | NA  |
| Mr. M. Rajarathnam                | NA              | NA                                  | NA  | NA  |
| Mr. M. Ravindran                  | 5/5             | NA                                  | 1/1   | NA  |
| Mr. M. Raghunathan                | NA              | NA                                  | NA  | 1/1                                       |
| Mr. D. R. Kaarthikeyan            | NA              | 1/1                                 | 1/1   | 1/1                                       |
| Mr. A. Arjuna Pai                 | 5/5             | 1/1                                 | NA  | NA  |
| Mr. R. Rajagopalan                | 5/5             | 1/1                                 | NA  | 1/1                                       |
| Mr.Mohan Kameswaran               | NA              | NA                                  | NA  | NA  |
| Smt Amuda rajendran               | NA              | NA                                  | NA  | NA  |

Note: NA denotes that the director is not a Member of such Committee. Nil denotes that the director has not attended any meeting of such Committee during the year.

In compliance with the requirements of Clause 49 of the Listing Agreement and Section 149 read with Schedule IV of the Companies Act, 2013, the Independent Directors of the Company met on January 21, 2015 to review performance of the Chairman and other Non Independent Directors, evaluate performance of the Board and review flow of information between the management and the Board.

**Details of Board Committees are as mentioned herein:**

**A. AUDIT COMMITTEE:****CONSTITUTION**

As at March 31, 2015, the Audit Committee of the Board comprised of three (3) Directors including Mr. A. Arjuna Pai (FCA), Independent Director as Chairman and Mr. R Rajagopalan, Independent Director and Mr. M. Ravindran, Executive Director as its Members.

The Broad terms of reference including the composition, name, number of meetings held and attended during the year is as below:

| Name of the Director | Status and Category                            | No. of Meetings |          |
|----------------------|--|-----------------|----------|
|                      |  | Held            | Attended |
| Mr. A. Arjuna Pai    | Chairman- Independent & Non Executive Director | 5               | 5        |
| Dr. R. Rajagopalan   | Member- Independent & Non Executive Director   | 5               | 5        |
| Mr.M. Ravindran      | Member- Executive Director                     | 5               | 5        |

During the year under review, five (5) meetings of the Audit Committee were held on April 28- 2014, May 13 - 2014, July 29- 2014, October 27 -2014, January 21- 2015.

**TERMS OF REFERENCE**

The Terms of reference and role of the Audit Committee are as per guidelines set out in Clause 49 of the Listing Agreement and Section 178 of Companies Act, 2013. The Committee meets periodically and inter alia reviews:

- Accounting and financial reporting process of the Company;
- Audited and Un-audited financial results;
- Internal Audit reports, risk management policies and reports on internal control system;
- Discusses the larger issues that are of vital concern to the Company including adequacy of internal controls, reliability of financial statements/other management information, adequacy of provisions for liabilities and whether the audit tests are appropriate and scientifically carried out in accordance with Company's current business and size of operations;
- Transactions proposed to be entered into by the Company with related parties and approves such transactions including any subsequent modifications thereto;
- Functioning of Whistle Blower & Vigil Mechanism Policy; and
- Recommends proposals for appointment and remuneration payable to the Statutory Auditor, Internal Auditors and Chief Financial Officer.

The Audit Committee also reviews adequacy of disclosures and compliance with all relevant laws. In addition to these, in compliance with requirements of Clause 49 of the Listing Agreement, the Audit Committee reviews operations of Subsidiary Companies viz., its financial statements, significant related party transactions, statement of investments and minutes of meetings of its Board and Committees. The Audit Committee has been additionally vested with powers and functions of Risk Management Committee which inter alia includes (a) review of risk management policies and business processes to ensure that the business processes adopted and transactions entered into by the Company are designed to identify and mitigate potential risk; (b) laying down procedures relating to Risk assessment and minimization; and (c) formulation, implementation and monitoring of the risk management plan. Audit Committee meetings are generally attended by the Managing Director & Chief Executive Officer, Chief Financial Officer and representative of Statutory Auditors of the Company. Internal Auditors attend Audit Committee Meetings wherein the Internal Audit reports are considered by the Committee. The Company Secretary acts as the Secretary of the Audit Committee.

## REPORT ON CORPORATE GOVERNANCE FOR THE YEAR 2014-2015

**B. NOMINATION AND REMUNERATION COMMITTEE:****CONSTITUTION**

In compliance with requirements of Clause 49 of the Listing Agreement and Section 178 of the Companies Act, 2013, during financial year 2014-15, the Board had combined and renamed the existing Remuneration Committee and Nomination Committee as 'Nomination and Remuneration Committee' which comprises all Non-Executive Independent Directors and comprises of Mr. R. Rajagopalan, as Chairman, Mr. A. Arjuna Pai and Mr. D. R. Kaarthikeyan as member. During the year under review the Committee met once on May 27<sup>th</sup>, 2015.

**TERMS OF REFERENCE**

The terms of reference of the Nomination and Remuneration Committee include:

- Formulation of guidelines for evaluation of candidature of individuals for nominating and/ or appointing as a Director on the Board including but not limited to recommendation on the optimum size of the Board, age / gender / functional profile, qualification / experience, retirement age, number of terms one individual can serve as Director, suggested focus areas of involvement in the Company, process of determination for evaluation of skill sets, etc.
- Formulation of the process for evaluation of functioning of the Board – individually and collectively and making recommendation as to the Board remuneration including the salary and/or commission payable to the Directors;
- Recommend nominations / appointments to the Board, including Executive Directors / Independent Directors and suggest the terms of such appointments;
- Recommend all elements of remuneration package of Whole-time Directors including increment / incentives payable to them within the limits approved by the Board / Members; and
- Decide and approve issuance of Stock Options, including terms of grant etc under the Company's Employee Stock Option Scheme

**REMUNERATION POLICY**

The guiding principle of the remuneration policy of the Company is that the remuneration and other terms of engagement / employment shall be competitive enough to ensure that the Company is in a position to attract, retain and motivate right kind of human resource(s) for achieving the desired growth set by the Company's management year on year thereby creating long-term value for all stakeholders of the Company. An extract of the Remuneration policy approved by the Nomination & Remuneration Committee of the Board has been included as a part of this Annual report.

The remuneration paid to the Managing Director and other Executive Directors during the period under review are as follows:

| Name and Designation                | Period                   | Salary and Allowances (Amount in Rs.) |
|-------------------------------------|--------------------------|---------------------------------------|
| Mr. M. Rajendran, Managing Director | 01-04-2014 to 31-03-2015 | 1,20,00,000/-                         |
| Mr. M. Rajarathnam, Director        | 01-04-2014 to 31-03-2015 | 1,20,00,000/-                         |
| Mr. M. Ravindran, Director          | 01-04-2014 to 31-03-2015 | 1,20,00,000/-                         |
| Mr. M. Raghunathan, Director        | 01-04-2014 to 31-03-2015 | 1,20,00,000/-                         |

The remuneration paid is within the limits prescribed by the provisions of Section 196, 197, 198, 203 read with Schedule V and other applicable provisions if any of the companies Act, 2013, adopt and approved by members during the 20<sup>th</sup> AGM held on 19<sup>th</sup> September 2014.

During the period under review, no increment or variation effected for the remuneration paid to Managing Director and other Executive Directors.

**REMUNERATION PAYABLE TO NON-EXECUTIVE DIRECTORS**

Non Executive Independent Directors on the Board of Directors of the Company has helped the Company to achieve multifold growth. Each independent director brings to the Board vast experience and intellect in multifarious fields relevant to the unique requirements of the Company. In the light of the services rendered by Non Executive Independent Directors for the business of the Company and in keeping with the best corporate governance principles it is considered desirable that they are remunerated for their contribution made to the Company. Further the roles and responsibilities of all directors of the Company have considerably been increased by the provisions of the Companies Act, 2013 and penalty and prosecution proceedings are severe and huge. Considering the contribution made by Non executive directors, Board of Directors approved the that the sitting fees payable to the Directors Independent Directors and other board members be increased to Rs.30,000/= (Rupees Thirty thousand only) on 13<sup>th</sup> May 2014

For Attending Board meeting: Rs.30,000/= (Rupees thirty thousand only)

For attending committee meeting of the Board: Rs.15,000/= (Rupees fifteen thousand only) .

Accordingly during the year under review, the Company has paid sitting fees of Rs. 30,000 per Non Executive Director for attending Board meeting and Rs.15,000 per Non Executive Director for attending Audit Committee and Remuneration Committee Meeting to Non-Executive Directors.

Details of the remuneration paid/payable to the Non-Executive Directors of the Company for Financial year 2014-2015 are as under:

| Particulars                 | Sitting fees paid for attending Board Meetings held during the year | Sitting fees paid for attending Audit Committee | Sitting fees paid for attending Nomination & Remuneration Committee | Sitting fees paid for attending Stakeholders Grievance Committee | Sitting fees paid for attending Corporate Social Responsibility Committee / Others |
|-----------------------------|---|---|---|--|--|
| No of Meetings              | 5   | 5   | 1   | 1  | 1  |
| <b>Directors Attendance</b> |   |   |   |  |  |
| Mr. D. R. Kaarthikeyan      | 90000   | NA  | 15000   | 15000  | 15000  |
| Mr. A. Arjuna Pai           | 150000  | 75000   | 15000   | NA   | 15000  |
| Mr. R. Rajagopalan          | 150000  | 75000   | 15000   | NA   | 30000  |
| Mr. Mohan Kameswaran        | 60000   | NA  | NA  | NA   | NA   |
| Smt Amuda Rajendran         | 30000   | NA  | NA  | NA   | 15000  |

The Non-Executive Independent Directors of the Company do not have any other material pecuniary relationships or transactions with the Company or its directors, senior management, subsidiary or associate, other than in normal course of business.

**C. SHARE HOLDERS AND INVESTORS GRIEVANCE COMMITTEE****CONSTITUTION**

In compliance with Section 178 of the Companies Act, 2013, during financial year 2014-15, the Board had renamed the Share Transfer and Investors Grievance Committee as 'Stakeholders Relationship Committee', which currently comprise of Mr. D. R. Kaarthikeyan, Non Executive Independent Director as Chairman, Mr. M. Rajendran, Managing Director and Mr. M. Ravindran, Executive Director as Member. The Company Secretary is the Secretary of the Committee. The role of the Shareholders and Investor Grievance Committee is to ensure efficient transfer of shares and proper and timely attendance of investors' grievances. The Company Secretary is the Compliance Officer of the Company. During the year under review, Share Transfer and Investor Grievance Committee met once on October 13<sup>th</sup> may 2014. All committee members attended the meeting. The Company has revived the report from M/S Cameo Corporate Services Limited, Chennai, the Registrar and Share transfer Agent for the and observed that no complaints or grievances reported from share holders. The Company has exclusively designated the following email id for the investor relations: redressal@rajtvnet.in.

SEBI launched a centralized web based complaints redress system 'SCORES' in June 2011. The purpose of SCORES is to provide a platform for aggrieved investors, whose grievances, pertaining to securities market, remain unresolved by the concerned listed Company or registered intermediary after a direct approach. Company registered with the complaints redress system 'SCORES' and complied with the SEBI regulation.



# REPORT ON CORPORATE GOVERNANCE FOR THE YEAR 2014-2015

Details of number of requests/complaints received from investors and resolved during the year ended March 31, 2015, are as under:

Complaints Status 01.04.2014 – 31.03.2015

|                                      |     |
|--------------------------------------|-----|
| Total Complaints Received            | NIL |
| Total Pending Complaints             | NIL |
| Total Resolved Complaints            | NIL |
| Total Complaints Withdrawn           | NIL |
| ATR/Reply Sent and Pending with SEBI | NIL |
| New Complaints(For Assessment)       | NIL |
| Action Taken Report Received         | NIL |

## OTHER BOARD COMMITTEES

In addition to the above, the Board has constituted following Committees to exercise powers delegated by the Board as per the scope mentioned herein:

### D. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

In compliance with the requirements of Section 135 read with Schedule VII of the Companies Act 2013, the Board has constituted Corporate Social Responsibility Committee comprising of Mr. D.R. Kaarthikeyan – Non Executive Independent Director as the Chairman of the Committee, Mr. R. Rajagopalan Non-Executive Independent Director as member and Shri.M.Ragunathan – Executive Director as Member. A detailed report on CSR activities undertaken by the Company forms part of this Annual Report.

### E. ETHICS AND COMPLIANCE COMMITTEE

#### CODE OF CONDUCT:

The Company has laid down and adopted Code of Conduct for Members of the Board of Directors and Senior Management of the Company. The Code has been posted on Company's website. All the Directors and employees of the Company strictly adhere to the said code of conduct. A declaration signed by the Managing Director affirming compliance with the code of conduct is annexed herewith and forms part of this report.

#### PREVENTION OF INSIDER TRADING:

The Company has instituted a comprehensive Code of Conduct for the prevention of insider trading for its Directors/Designated employees/officers as laid down under SEBI (Insider trading) Regulation, 1992 on Insider Trading. All the Directors and Designated employees of the Company comply with such guidelines. The Company also maintains proper records with requisite particulars as per procedure and guidelines prescribed under the said regulations.

## GENERAL BODY MEETING:

i) The Company calls and holds the Annual general Meeting of the Shareholders after giving due notice to the members. The location, date and time of the Annual General Meetings held during last 3 years along with Special Resolution(s) passed at these meetings are:

| Financial Year | Location  | Date              | Time       | Special Resolutions passed |
|----------------|---|-------------------|------------|----------------------------|
| 2011-12        | Bharatiya Vidya Bhavan, 18-22, East Mada Street, Mylapore, Chennai-600 004. | September 30,2012 | 10.00 A.M. | YES                        |
| 2012-13        | Bharatiya Vidya Bhavan, 18-22, East Mada Street, Mylapore, Chennai-600 004. | September 30,2013 | 10.00 A.M. | YES                        |
| 2013-14        | Bharatiya Vidya Bhavan, 18-22, East Mada Street, Mylapore, Chennai-600 004. | September 19,2014 | 10.00 A.M. | YES                        |

ii) Whether any special resolution passed at previous 3 AGMs: YES

The Following Special Resolutions were passed at the Previous Year AGM held on 19<sup>th</sup> September 2014:

| Details of Resolutions   | Resolution Passed on | Total No of Votes in Favour | Total No of Votes against | % of votes in favor | % of Votes Against |
|--|----------------------|-----------------------------|---------------------------|---------------------|--------------------|
| Confirmation of the variation of the terms and conditions of remuneration being paid/payable to Mr. M. Rajendran, Managing Director (holding DIN 00821144) of the Company as enumerated in the notice for the period from 01-04-2014 to 31-03-2016.      | 19.09-2014           | 34614795                    | Nil                       | 100                 | Nil                |
| Confirmation of the variation of the terms and conditions of remuneration being paid/payable to Mr. M. Rajarathnam , Whole Time Director (holding DIN 00839174) of the Company as enumerated in the notice for the period from 01-04-2014 to 31-03-2016. | 19.09-2014           | 34614785                    | 10                        | 99.99               | 0.01               |
| Confirmation of the variation of the terms and conditions of remuneration being paid/payable to Mr. M. Ravindran, Whole Time Director (holding DIN 00662830) of the Company as enumerated in the notice for the period from 01-04-2014 to 31-03-2016     | 19.09-2014           | 34614795                    | Nil                       | 100                 | Nil                |
| Confirmation of the variation of the terms and conditions of remuneration being paid/payable to Mr. M. Raghunathan, Whole Time Director (holding DIN 00662769)of the Company for the period from 01-04-2014 to 31-03-2016                                | 19.09-2014           | 34614795                    | Nil                       | 100                 | Nil                |
| Approval of the Borrowing powers of Board of Directors of the Company  | 19.09-2014           | 34614795                    | Nil                       | 100                 | Nil                |
| Approval of the mortgage powers of Board of Directors of the Company   | 19.09-2014           | 34614787                    | 8                         | 99.99               | 0.01               |
| Appointment of Smt Amudha Rajendran (DIN 00716133), as the woman director of the Company, pursuant to provisions of Section 149,150,152 and any other applicable and related provisions of the Companies Act 2013  | 19.09-2014           | 34531512                    | 83283                     | 99.76               | 0.24               |
| Appointment of M/s V.Nagarajan & Co. , Company Secretaries, as Secretarial Auditors of the Company and the Authorisation to the Board of Directors of the Company to fix their remuneration from time to time in consultation with Audit Committee.      | 19.09-2014           | 34614787                    | 8                         | 99.99               | 0.01               |

All the above resolutions were passed with requisite majority.

No Special resolution was passed through Postal Ballot during the Financial Year 2014-15.None of the resolutions proposed at the ensuing Annual General Meeting need to be passed by Postal Ballot.

## REPORT ON CORPORATE GOVERNANCE FOR THE YEAR 2014-2015

### DISCLOSURES:

The Whistle Blower & Vigil Mechanism Policy approved by the Board has been implemented and no personnel have been denied access for making disclosure or report under the Policy to the Vigilance Officer and/or Audit Committee.

There are no Related Party Transactions between the Company and its Promoters, Directors or Key Management Personnel or their relatives, having any potential conflict with interests of the Company at large.

There has not been any non-compliance by the Company and no penalties or strictures imposed by SEBI or Stock Exchanges or any other statutory authority on any matter relating to capital markets, during the last three years.

The Financial Statements of the Company are prepared on accrual system of accountings in accordance with Generally Accepted Accounting Principles in India along with the Accounting Standards issued by the Institute of Chartered Accountants of India and the Provisions of the Companies Act, 2013.

The Company also follows the guidelines laid in the Standards on Secretarial Practice of The Institute of Company Secretaries of India relating to meetings of Board and its Committees, General Meetings etc. as a regular practice.

The Company has complied with all the mandatory requirements of clause 49 of the listing agreement and it has been submitted to Stock Exchanges on quarterly basis.

### COMPLIANCE WITH NON-MANDATORY REQUIREMENTS

The Company has complied with all mandatory requirements of Clause 49 of Listing Agreement(s).

**AUDIT QUALIFICATION** – The financial statements of the Company are unqualified.

### RISK MANAGEMENT:

In compliance with the norms of the Clause 49 of the Listing Agreement, the Company continuously reviews all types of risks and takes possible steps to minimize the existing risk and check the future risk. The Company has also a regular review mechanism to curb out any anticipated risk.

### MEANS OF COMMUNICATION:

The Company regularly sends the Annual Report to the shareholders in their residential address within time before Annual General Meeting of the Company. The Company also promptly intimates the financial results and outcome of the Board and Audit Committee immediately after the meeting for the information of the investors and shareholders. As required under the listing agreement the quarterly results of the Company are published in one English National Daily edition and one Tamil Regional Daily Newspaper. Moreover, all the important announcements and events including financial results are also up loaded regularly on the Company's website. Annual Report containing, inter alia, Audited Annual Accounts, Directors Report, Auditors Report and other important information is circulated to members and others entitled thereto by physical mode and electronic mode (email) as per the circular of Ministry of Corporate Affairs.



## REPORT ON CORPORATE GOVERNANCE FOR THE YEAR 2014-2015

**EXECUTIVE DIRECTORS**

BRIEF PROFILE OF THE DIRECTOR SEEKING RE-APPOINTMENT AT THE ENSUING ANNUAL GENERAL MEETING AS REQUIRED TO BE FURNISHED PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT WITH THE STOCK EXCHANGES IN INDIA.



**Mr. M. Rajendran,**  
Managing Director

**Mr. M. Rajarathnam**, aged 62 years has been a Whole Time Director of the company since the date of incorporation. He has a long career in retailing of the contents and rights. He has, over a period of two decades, built and nurtured an extensive network of both domestic and overseas clients through the sale of pre-recorded video cassettes and also exploit the same in other electronic and digital media like Compact Disk, Video Cd, Digital Video Disk etc. He is actively involved in content acquisition for the Company's Channel and distributing the channels in various territories and various internet based content distribution platforms.



**Mr. M. Rajarathnam**  
Director - Distribution



**Mr. M. Ravindran**  
Director Operations

**Mr. M. Ravindran**, aged 55 years has been a Whole Time Director of the company since the date of incorporation. He is in charge of the in house production of various programs and overall operation of the Channels. Mr. Ravindran, equipped with technical expertise in the entertainment field, he looks after the technical aspects of the Company's operation. He is responsible for the launching of new channels and day to day programming of all channels. He is also responsible for the other day to day administrative and establishment affairs of the Company.



**Mr. M. Raghunathan**  
Director Marketing

**Mr. M. Raghunathan**, aged 52 years has been a Whole Time director of the company since the date of incorporation and is heading the marketing efforts of the Company. Mr. Raghunathan, with strong client network and strategic plans, has developed business relationship with large number of corporate Houses and advertising clients across India and overseas. He has been instrumental in sustaining the broadcasting business and has contributed significantly towards the growth of advertisement revenues of the Company.

**NON-EXECUTIVE ( INDEPENDENT ) DIRECTORS**

IN THE BEST INTERESTS OF SETTING HIGH STANDARDS OF CORPORATE GOVERNANCE, THE COMPANY HAS SOUGHT AND BEEN GRACED BY THE SERVICES OF AN EMINENT BOARD OF INDEPENDENT DIRECTORS.



**Mr. R. Rajagopalan**  
Independent Director

**Mr. R. Rajagopalan**, A retired Director General of Police, Tamil Nadu, he commenced his career in the Indian Army in October 1963. After joining the Indian Police Service in 1968, he had a distinguished career spanning over three decades with the police department. He has held senior positions such as Deputy Inspector General, CBI during 1983 – 1988. He was the Commissioner of Police from 1991 -1995 and the Director General of National Security Guard during 2001 – 2002. He has held four posts of DGP in Tamil Nadu and was awarded seven medals including President's Police Medal (1992) and the Indian Police Medal for Meritorious Service (1983) He holds a Masters in Business Administration and Law. He is the Chairman Corporate Nomination and Remuneration Committee of the Board of Directors of the Company and member of the Audit Committee of the Board of Directors of the Company. He does not hold any share in the Company.

**Mr. A. Arjuna Pai**, A senior fellow member of The Institute of the Chartered Accountants of India, he is a partner in M/s Menon & Pai, a firm of Chartered Accountants engaged in audit and corporate advisory services. Before associating with M/s Menon & Pai he had occupied various key positions in some of the reputed organizations in Chennai with both financial advisory and administrative role. He is the Chairman of the Audit Committee of the Board of Directors of the Company and member of the Corporate Nomination and Remuneration Committee of the Board of Directors of the Company. He does not hold any share in the Company.



**Mr. A. Arjuna Pai**  
Independent Director



**Mr. D.R. Kaarthikeyan**  
Independent Director

**Mr. D.R. Kaarthikeyan**, retired from Indian Police Service after holding eminent positions like Director CBI and Director General of National Human Rights Commission. He holds a graduation degree in Science (Chemistry and Agriculture) and is also a Bachelor of Law. He began his career as a lawyer before he was selected for appointment in the Indian Police Service and in that capacity has held several positions including Director of Police, Academy, Mysore, Karnataka. He has been awarded the President's Police Medal and the Indian Police Medal for Meritorious Service, Delhi Ratna by the All India Conference of Intellectuals, New Delhi, Humanitarian Award from Internal Yoga International, USA for outstanding achievement in service to Humanity. At present he is the torchbearer on matters related to Law, Human Rights and Corporate Affairs. He is the Chairman of the Stake holders grievance Committee and member of Corporate Nomination and Remuneration Committee of the Board of Directors of the Company. He does not hold any share in the Company.



**Mr. Mohan Kameswaran**  
Independent Director

**Mr. Mohan Kameswaran**, is graduated from Madras Medical College. He got his MS from Madras Medical College, Chennai and his Fellowship at the Royal College of Surgeons, Edinburgh. Dr. Kameswaran is Consultant & Managing Director of Madras ENT Research Foundation Pvt. Ltd. Mr. Mohan Kameswaran is a highly acclaimed surgeon both nationally and internationally. He has been awarded Padmashri from the Government of India in 2006 for his long service in Medical Science. He was also awarded Indo-Australian award for his remarkable contribution in the medical science. He is also an active writer in both national & international journals. He does not hold any share in the Company.

## REPORT ON CORPORATE GOVERNANCE FOR THE YEAR 2014-2015

**11. GENERAL SHAREHOLDER INFORMATION**

|  |   |
|--|---|
| Date, Time and Venue of Shareholders' Meeting  | Meeting :Annual General Meeting<br>Day & Date : Wednesday, 30 <sup>th</sup> September 2015<br>Time : 10:00 A M<br>Venue : Bharatiya Vidya Bhavan, 18-22, East Mada Street, Mylapore, Chennai-600 004  |
| Financial Year                                 | 2014-2015   |
| Date of Book Closure                           | Tuesday , 22 <sup>nd</sup> September 2015 to Wednesday, 30 <sup>th</sup> September 2015 (both days inclusive)   |
| Dividend Payment Date                          | On or after October 5, 2015   |
| Registered office & Address for correspondence | Raj Television Network Ltd, 32, Poes Road 2 <sup>nd</sup> Street, Teynampet, Chennai - 600 018.<br>Phone: 044 24334149, 24334150, 24334151, 24351898, 24352926. Fax: 91-44-24341260<br>Email: administrator@rajtvnet.in Website: www.rajtvnet.in, www.rajtv.tv  |
| Corporate Identification Number                | L92490TN1994PLC027709   |
| Listing on Stock Exchanges                     | BSE Limited (BSE) The National Stock Exchange of India Limited (NSE)  |
| Stock Code                                     | BSE— 532826, RAJTV NSE— RAJTV EQ  |
| ISIN No.                                       | INE952H01027  |
| Registrar & Share Transfer Agent               | CAMEO CORPORATE SERVICES LIMITED<br>Subramanian Building, No.1, Club House Road, Chennai-600 002.<br>Phone No. 044-28460390-94, Fax No. 28460129, Email: cameo@cameoindia.com   |
| Depository Platform                            | National Securities Depository Ltd (NSDL) Central Depository Services (India) Ltd, CDSL   |
| Compliance Officer                             | Mr. Joseph Cheriyan, Company Secretary, Email : Comp_sec@rajtvnet.in  |
| Share Transfer System                          | The Company has appointed M/S Cameo Corporate Services Limited as Common Registrar and Share Transfer Agent (RTA) for both physical and dematerialized shares. All requests received by the Company/ RTA for Dematerialization, Rematerialization, Transfer, Transmission, Sub-Division, Consolidation of Shares or any other related matters are disposed off expeditiously within time. |

Unclaimed Shares Pursuant to Clause 5A of the Listing Agreements, details in respect of the physical shares, which were issued by the Company from time to time and lying in the suspense account is as under:

Details of outstanding shares in raj Television Network Limited Unclaimed Shares Suspense Account.

| Particulars   | Aggregate Number of Shareholders | Shares lying in Suspense Account |
|---|----------------------------------|----------------------------------|
| Opening Balance as at 31.03.2014                                    | 2                                | 116                              |
| Bonus & Split Effect resulted in number of shares during 31.03.2014 | 2                                | 456                              |
| Total   | 2                                | 456                              |
| Share holders approached for transfer / delivery during 2014-15     | NIL                              | NIL                              |
| Balance as at 31st march 2015                                       | 2                                | 456                              |

Following Dividend are transferable to the Investor Education and Protection Fund (IEPF) on the respective due dates, as under, in accordance with the provisions of Section 124 (5) of the Companies Act, 2013:

| RAJ TELEVISION NETWORK LIMITED-UNPAID DIVIDEND ACCOUNT |                       |                             |                       |
|--|-----------------------|-----------------------------|-----------------------|
| Nature of Dividend                                     | DIVIDEND WARRANT DATE | UNPAID DIVIDEND AMOUNT (Rs) | DUE FOR IEPF TRANSFER |
| Final Dividend 2007-08                                 | 10.10.2007            | 54,355                      | TRANSFERRED TO IEPF   |
| Final Dividend 2008-09                                 | 10.10.2008            | 93,546                      | 28.10.2015            |
| Final Dividend 2011-12                                 | 10.08.2012            | 47,279                      | 29.08.2019            |
| Final Dividend 2012-13                                 | 10.10.2013            | 43,381                      | 09.11.2020            |
| Final Dividend 2013-14                                 | 20.02.2014            | 15,273                      | 26.02.2021            |
| Final Dividend 2013-14                                 | 10.10.2014            | 21,904                      | 09.11.2021            |

**PAN & Change of Address**

The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding equity share in dematerialized form are requested to submit their PAN, notify the change of address including e-mail address/dividend mandate, if any, to their respective Depository Participant (DP). Members holding shares in physical form can submit their PAN, notify the change of address including e-mail address/dividend mandate, if any, to the Company/Registrar & Share Transfer Agent.

**Share Transfer System**

Equity/Preference Shares sent for physical transfer or for dematerialization are generally registered and returned within a period of 7 days from the date of receipt of completed and validly executed documents.



## REPORT ON CORPORATE GOVERNANCE FOR THE YEAR 2014-2015

**12. Share Holding Pattern:****A- Distribution of Share holding as on 31<sup>st</sup> March 2015.****RAJ TELEVISION NETWORK LTD  
DISTRIBUTION OF HOLDINGS AS ON 31.3.2015**

| Category (Amount)  | No. of Cases | % of Cases | Total Shares    | Amount           | % of Amount |
|--------------------|--------------|------------|-----------------|------------------|-------------|
| 1 - 5000           | 7121         | 95.0988    | 1102567         | 5512835          | 2.1238      |
| 5001 - 10000       | 117          | 1.5625     | 178243          | 891215           | 0.3433      |
| 10001 - 20000      | 76           | 1.0149     | 225885          | 1129425          | 0.4351      |
| 20001 - 30000      | 20           | 0.267      | 95621           | 478105           | 0.1841      |
| 30001 - 40000      | 9            | 0.1201     | 61941           | 309705           | 0.1193      |
| 40001 - 50000      | 15           | 0.2003     | 141026          | 705130           | 0.2716      |
| 50001 - 100000     | 37           | 0.4941     | 567787          | 2838935          | 1.0937      |
| 100001 - And Above | 93           | 1.2419     | 49540274        | 247701370        | 95.4287     |
| <b>Total :</b>     | <b>7488</b>  | <b>100</b> | <b>51913344</b> | <b>259566720</b> | <b>100</b>  |

**B-Market Price Data:**

The monthly high and low quotations of shares traded on the Bombay Stock Exchange Ltd and National Stock Exchange of India Ltd are as follows:

| Month         | Bombay Stock Exchange (Amount in INR) |        |        |        |              | National Stock Exchange (Amount in INR) |        |        |        |              |
|---------------|---------------------------------------|--------|--------|--------|--------------|---|--------|--------|--------|--------------|
|               | Open                                  | High   | Low    | Close  | No Of Shares | Open                                    | High   | Low    | Close  | No Of Shares |
| <b>Apr-14</b> | 149.30                                | 159.50 | 120.00 | 123.90 | 2612941.00   | 151.00                                  | 155.00 | 120.90 | 123.85 | 3031667.00   |
| <b>May-14</b> | 123.15                                | 150.10 | 123.15 | 144.90 | 3829562.00   | 123.00                                  | 150.00 | 123.00 | 144.30 | 4628162.00   |
| <b>Jun-14</b> | 144.50                                | 158.70 | 127.00 | 131.70 | 3958828.00   | 144.15                                  | 149.80 | 128.20 | 130.50 | 4954766.00   |
| <b>Jul-14</b> | 131.00                                | 133.00 | 120.50 | 124.45 | 6181402.00   | 131.00                                  | 132.00 | 100.00 | 123.25 | 7120750.00   |
| <b>Aug-14</b> | 123.50                                | 133.00 | 118.30 | 132.30 | 5792033.00   | 123.25                                  | 134.00 | 117.65 | 132.00 | 6292885.00   |
| <b>Sep-14</b> | 133.00                                | 134.05 | 112.55 | 118.80 | 6923531.00   | 133.95                                  | 134.95 | 113.95 | 118.65 | 6690611.00   |
| <b>Oct-14</b> | 118.60                                | 129.00 | 114.30 | 123.35 | 5110966.00   | 119.80                                  | 124.80 | 112.20 | 123.05 | 5569618.00   |
| <b>Nov-14</b> | 122.30                                | 127.00 | 112.50 | 114.25 | 6062583.00   | 123.00                                  | 126.65 | 111.25 | 114.45 | 5854259.00   |
| <b>Dec-14</b> | 114.50                                | 120.00 | 109.10 | 115.05 | 6386892.00   | 114.55                                  | 116.15 | 108.65 | 115.20 | 6765570.00   |
| <b>Jan-15</b> | 114.90                                | 123.00 | 114.75 | 116.60 | 5589191.00   | 115.40                                  | 123.80 | 114.60 | 116.90 | 6756568.00   |
| <b>Feb-15</b> | 117.05                                | 124.20 | 100.60 | 117.20 | 6996080.00   | 117.00                                  | 122.90 | 106.00 | 117.00 | 8074485.00   |
| <b>Mar-15</b> | 117.20                                | 121.10 | 110.10 | 114.60 | 6422367.00   | 117.10                                  | 120.75 | 112.05 | 114.60 | 7966419.00   |

Source: BSE website and NSE website.

**C-DEMATERIALISATION POSITION AS ON 31<sup>st</sup> MARCH 2015**

Dematerialisation of Shares & Liquidity to facilitate trading of Equity shares of the Company in dematerialised form the Company has made arrangements with both the depositories viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Shareholders can open account with any of the Depository Participant registered with any of these two depositories. Entire equity and Listed preference shareholding of the promoters in the company is held in dematerialized form.

| CODE         | NO OF HOLDERS | TOTAL POSITIONS | TOTAL %       |
|--------------|---------------|-----------------|---------------|
| PHYSICAL     | 48            | 453             | 0.000872      |
| NSDL         | 5139          | 39726459        | 76.524561     |
| CDSL         | 2301          | 12186432        | 23.474565     |
| <b>TOTAL</b> | <b>7488</b>   | <b>51913344</b> | <b>100.00</b> |

**Sub-division of Shares**

Pursuant to the approval of the Members of the company at the Extra Ordinary General Meeting of the Company held Friday, March 14<sup>th</sup> 2014, the Company had subdivided the nominal value of its Equity Shares from the face value of Rs. 10 (Rupees Ten) each into two Equity Shares of Rs. 5 (Rupees Five) each., with effect from March 25, 2015. From this day onwards trading in equity shares of Re 5 each commenced and consequently the equity shares of Rs 10 each ceased to trade on the exchanges.

Shareholders who could not exchange their old Equity certificates earlier for the new certificates and who are desirous of exchanging the same, should write to the Company or its Registrar and Share Transfer agent and request for sub-divided share certificate after returning old share certificate in original.

**Shareholders' Correspondence**

The Company has attended to all the investors' grievances/ queries/ Information requests except for the cases where the company is restrained due to some pending legal proceedings or court/statutory orders. It is the endeavor of the Company to reply all letters / communications received from the shareholders within a period of 5 working days. All correspondence may be addressed to the Registrar & Share Transfer Agent at the address given in this Shareholders Information section. In case any shareholder is not satisfied with the response or do not get any response within reasonable period, they may approach the Investor Relations Officer of the Company.

**Outstanding Convertible Securities**

There are no outstanding Securities including Stock options issued by the Company and convertible into equity shares of the Company as at March 31, 2015

REPORT ON CORPORATE GOVERNANCE FOR THE YEAR 2014-2015

D-CATEGORIES OF SHAREHOLDERS AS ON 31<sup>st</sup> MARCH, 2015 ARE AS UNDER:-

|  | No. of Shareholders | Total No. of Shares | Total No. of Shares held in Dematerialized Form | Total Shareholding as a % of Total No. of Shares |                   | Shares pledged or otherwise encumbered |                               |
|--|---------------------|---------------------|---|--|-------------------|--|-------------------------------|
|  |                     |                     |   | As a % of (A+B)                                  | As a % of (A+B+C) | Number of shares                       | As a % of Total No. of Shares |
| (A) Shareholding of Promoter and Promoter Group                                      |                     |                     |   |  |                   |  |                               |
| Individuals / Hindu Undivided Family   | 8                   | 35790487            | 35790487  | 68.94  | 68.94             | 2500000                                | 6.99                          |
| Sub Total  | 8                   | 35790487            | 35790487  | 68.94  | 68.94             | 2500000                                | 6.99                          |
| (2) Foreign  |                     |                     |   |  |                   |  |                               |
| Total shareholding of Promoter and Promoter Group (A)                                | 8                   | 35790487            | 35790487  | 68.94  | 68.94             | 2500000                                | 6.99                          |
| (B) Public Shareholding  |                     |                     |   |  |                   |  |                               |
| (1) Institutions   |                     |                     |   |  |                   |  |                               |
| Financial Institutions / Banks   | 2                   | 85624               | 85624   | 0.16   | 0.16              | 0                                      | 0                             |
| Any Others (Specify)   | 1                   | 9687                | 9687  | 0.02   | 0.02              | 0                                      | 0                             |
| Foreign Portfolio Investments Corporation  | 1                   | 9687                | 9687  | 0.02   | 0.02              | 0                                      | 0                             |
| Sub Total  | 3                   | 95311               | 95311   | 0.18   | 0.18              | 0                                      | 0                             |
| (2) Non-Institutions   |                     |                     |   |  |                   |  |                               |
| Bodies Corporate   | 185                 | 4183011             | 4183011   | 8.06   | 8.06              | 0                                      | 0                             |
| Individuals  |                     |                     |   |  |                   |  |                               |
| Individual shareholders holding nominal share capital up to Rs. 1 lakh               | 6974                | 1731185             | 1730732   | 3.33   | 3.33              | 0                                      | 0                             |
| Individual shareholders holding nominal share capital in excess of Rs. 1 lakh        | 43                  | 8467035             | 8467035   | 16.31  | 16.31             | 0                                      | 0                             |
| Any Others (Specify)   | 275                 | 1646315             | 1646315   | 3.17   | 3.17              | 0                                      | 0                             |
| Hindu Undivided Families   | 202                 | 1416410             | 1416410   | 2.73   | 2.73              | 0                                      | 0                             |
| Non Resident Indians   | 43                  | 26726               | 26726   | 0.05   | 0.05              | 0                                      | 0                             |
| Clearing Members   | 30                  | 203179              | 203179  | 0.39   | 0.39              | 0                                      | 0                             |
| Sub Total  | 7477                | 16027546            | 16027093  | 30.87  | 30.87             | 0                                      | 0                             |
| Total Public shareholding (B)  | 7480                | 16122857            | 16122404  | 31.06  | 31.06             | 0                                      | 0                             |
| Total (A)+(B)  | 7488                | 51913344            | 51912891  | 100  | 100               | 2500000                                | 4.82                          |
| (C) Shares held by Custodians and against which Depository Receipts have been issued | 0                   | 0                   | 0   | 0  | 0                 | 0                                      | 0                             |
| (1) Promoter and Promoter Group  | 0                   | 0                   | 0   | 0  | 0                 | 0                                      | 0                             |
| (2) Public   | 0                   | 0                   | 0   | 0  | 0                 | 0                                      | 0                             |
| Sub Total  | 0                   | 0                   | 0   | 0  | 0                 | 0                                      | 0                             |
| Total (A)+(B)+(C)  | 7488                | 51913344            | 51912891  | 0  | 100               | 2500000                                | 4.82                          |

SHARE CAPITAL HISTORY

| Particulars   | Allotment Date | No. of Equity Shares | Face value (Rs.)        | Cumulative No of shares | Cumulative No of shares |
|---|----------------|----------------------|-------------------------|-------------------------|-------------------------|
| Subscribers to Memorandum   | 03-06-1994     | 7                    | 10                      | 7                       | 70                      |
| Further Issue of share capital Subscribed by existing share holders           | 14-12-2000     | 1784107              | 10                      | 1784114                 | 17841140                |
| Bonus Issue – I (Bonus issue to Existing Equity Share holders @ rate of 5:1)  | 08-09-2006     | 8920535              | 10                      | 10704649                | 107046490               |
| Public Issue  | 31-03-2008     | 2273687              | 10                      | 12978336                | 129783360               |
| Stock Split (from Face Value Rs. 10 /- to Rs. 5/-                             | 31-03-2014     | 25956672             | 5                       | 25956672                | 129783360               |
| Bonus Issue –II (Bonus issue to Existing Equity Share holders @ rate of 1 :1) | 31-03-2014     | 25956672             | 5                       | 51913344                | 259566720               |
| <b>Issued and Paid-up Capital as at March 31, 2015</b>                        |                |                      | <b>Rs.25,95,66720/-</b> |                         |                         |

CAPITAL STRUCTURE As On Date

| Period |      | Capital Structure (Raj Television Network) |                    |                |                                   |            |         |
|--------|------|--|--------------------|----------------|-----------------------------------|------------|---------|
|        |      | Instrument                                 | Authorized Capital | Issued Capital | - P A I D U P - ( Rs. in Crores ) |            |         |
| From   | To   |  | (Rs. cr)           | (Rs. cr)       | Shares (nos)                      | Face Value | Capital |
| 2014   | 2015 | Equity Share                               | 30                 | 25.96          | 51913344                          | 5          | 25.96   |
| 2013   | 2014 | Equity Share                               | 30                 | 25.96          | 51913344                          | 5          | 25.96   |
| 2012   | 2013 | Equity Share                               | 15                 | 12.98          | 12978336                          | 10         | 12.98   |
| 2011   | 2012 | Equity Share                               | 15                 | 12.98          | 12978336                          | 10         | 12.98   |
| 2010   | 2011 | Equity Share                               | 15                 | 12.98          | 12978336                          | 10         | 12.98   |
| 2009   | 2010 | Equity Share                               | 15                 | 12.98          | 12978336                          | 10         | 12.98   |
| 2008   | 2009 | Equity Share                               | 15                 | 12.98          | 12978336                          | 10         | 12.98   |
| 2007   | 2008 | Equity Share                               | 15                 | 12.98          | 12978336                          | 10         | 12.98   |
| 2006   | 2007 | Equity Share                               | 15                 | 12.98          | 12978336                          | 10         | 12.98   |
| 2005   | 2006 | Equity Share                               | 15                 | 1.78           | 1784107                           | 10         | 1.78    |
| 2004   | 2005 | Equity Share                               | 2                  | 1.78           | 1784107                           | 10         | 1.78    |



## REPORT ON CORPORATE GOVERNANCE FOR THE YEAR 2014-2015

## 11. Shareholding Pattern as on 31st March 2015



## Announcement

## CORPORATE BENEFITS TO INVESTORS DIVIDEND DECLARED FOR THE LAST 10 YEARS

| Announcement Date | Effective Date | Dividend Type | Dividend (%) | Remarks                               |
|-------------------|----------------|---------------|--------------|---------------------------------------|
| *27-05-2015       | 18-09-2015     | Final         | 10           | Rs.0.50 per share(10%)Final Dividend  |
| 14-05-2014        | 08-09-2014     | Final         | 5            | Rs.0.25 share(5%)Final Dividend       |
| 28-01-2014        | 13-02-2014     | Interim       | 5            | Rs.0.50 per share(5%)Interim Dividend |
| 27-05-2013        | 20-09-2013     | Final         | 10           | Rs.1.00 per share(10%)Final Dividend  |
| 30-04-2012        | 20-07-2012     | Final         | 10           | Rs.1.00 per share(10%)Dividend        |
| 29-07-2008        | 19-09-2008     | Final         | 15           | Rs.1.50 per share(15%)Dividend        |
| 30-07-2007        | 17-09-2007     | Final         | 10           | Rs.1.00 per share(10%)Dividend        |

## \* FINAL DIVIDEND FOR THE FY 2014-15

Dividend of Rs. 0.25 per share of face value 5 each, recommended by Directors on 27<sup>th</sup> May 2015 is subject to declaration by shareholders at the ensuing Annual General Meeting.

## BONUS ISSUES OF FULLY PAID-UP EQUITY SHARES

| Financial Year | Ratio |
|----------------|-------|
| 2005-2006      | 5:1   |
| 2013-2014      | 1:1   |

## E.SHAREHOLDING OF PROMOTER &amp; PROMOTER GROUP AS ON MARCH 31, 2015

| Sl. No | Name of the Shareholder | Details of Shares held |                                   | Encumbered shares (*) |                 |  | Details of warrants     |   | Details of convertible securities     |   | Total shares (including underlying shares assuming full conversion of warrants and convertible securities) as a % of diluted share capital |
|--------|-------------------------|------------------------|-----------------------------------|-----------------------|-----------------|--|-------------------------|---|---------------------------------------|---|--|
|        |                         | No. of Shares held     | As a % of grand total (A)+(B)+(C) | No                    | As a percentage | As a % of grand total (A)+(B)+(C) of sub clause (I)(a) | Number of warrants held | As a % total number of warrants of the same class | Number of convertible securities held | As a % total number of convertible securities of the same class |  |
| 1      | M. Rajendan             | 58,63,808              | 11.3                              | 500000                | 8.53            | 0.96   | 0                       | 0   | 0                                     | 0   | 11.3   |
| 2      | M. Rajarathnam          | 58,63,808              | 11.3                              | 0                     | 0               | 0  | 0                       | 0   | 0                                     | 0   | 11.3   |
| 3      | M. Ravindran            | 50,56,000              | 9.74                              | 0                     | 0               | 0  | 0                       | 0   | 0                                     | 0   | 9.74   |
| 4      | M.Raghunathan           | 58,63,808              | 11.3                              | 0                     | 0               | 0  | 0                       | 0   | 0                                     | 0   | 11.3   |
| 5      | R. Amudha               | 35,43,284              | 6.83                              | 0                     | 0               | 0  | 0                       | 0   | 0                                     | 0   | 6.83   |
| 6      | R. Aruna                | 35,43,268              | 6.83                              | 0                     | 0               | 0  | 0                       | 0   | 0                                     | 0   | 6.83   |
| 7      | R. Usha Rani            | 35,43,268              | 6.83                              | 0                     | 0               | 0  | 0                       | 0   | 0                                     | 0   | 6.83   |
| 8      | R. Vijayalakshmi        | 25,13,243              | 4.84                              | 2000000               | 79.58           | 3.85   | 0                       | 0   | 0                                     | 0   | 6.83   |
|        | <b>Total</b>            | <b>3,57,90,48</b>      | <b>68.94</b>                      | <b>2500000</b>        | <b>6.99</b>     | <b>4.82</b>  | <b>0</b>                | <b>0</b>  | <b>0</b>                              | <b>0</b>  | <b>4.84</b>  |

(\*) The term encumbrance has the same meaning as assigned to it in regulation 28(3) of the SAST Regulations, 2011.

## F.Top ten (10) Public Shareholding as on March 31, 2015 Equity Shares

| S.No | Name of Share holder                          | No of shares | As a % of total Share capital |
|------|---|--------------|-------------------------------|
| 1    | KIRAN KUMAR M                                 | 2315404      | 4.46                          |
| 2    | SANGEETHA BETALA .                            | 875304       | 1.69                          |
| 3    | HEMA KIRAN KUMAR                              | 808000       | 1.56                          |
| 4    | F6 FINSERVE PRIVATE LIMITED                   | 734961       | 1.42                          |
| 5    | RAVINDRAKUMAR BOTHRA                          | 519546       | 1.00                          |
| 6    | SUNTECK WEALTHMAX COMMODITIES PRIVATE LIMITED | 499895       | 0.96                          |
| 7    | UDIT BHATT                                    | 493666       | 0.95                          |
| 8    | NARESH KUMAR CHHAJER HUF .                    | 446729       | 0.86                          |
| 9    | LALIT KUMAR CHORDIA & SONS(HUF) .             | 422201       | 0.81                          |
| 10   | SUNITHA DEVI CHORDIA .                        | 415378       | 0.80                          |

## 14. During the year the Company has not issued any securities.

15. Address for Correspondence: Raj Television Network Limited, Regd. Off: 32, Poes Road, Second Street, Teynampet, Chennai-600 018.  
Tel: +91-44-24334149-51 Fax: +91-44-24341260, Email:rajtv@vsnl.com, Website: www.rajtvnet.in.

# CERTIFICATION ON FINANCIAL STATEMENTS

## CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION FOR THE YEAR 2014-2015

To,  
The Board Of Directors  
Raj Television Network Ltd

In relation to the audited accounts of the Company as at 31<sup>st</sup> March, 2015 we hereby certify that:

a. We have reviewed financial statements and the cash flow statement for the financial year ended 31.03.2015 and that to the best of our knowledge and belief :

- i. these statements do not contain any materially untrue statement or omit any material act or contain statements that might be misleading;
- ii. 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 year 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 disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

d) During the year:

- i) there has not been any significant change in internal control over financial reporting;
- ii) there have not been any significant changes in accounting policies except the following:-

Depreciation- In accordance with the requirements of Schedule II of the Companies Act 2013, the company has reassessed the useful life of the fixed asset. The estimation of Useful life of Plant & Machinery has been revised to ensure that "the change would result in a more appropriate presentation of the financial statements of the enterprise". Accordingly the Depreciation figures have been recomputed for the financial year 2014-15.

In respect of Inventory Valuation – Company adopted new policy of Inventory recognition for Film Rights. Film Rights are amortized on a straight-line basis over the licensed period or 48 months from the commencement of rights, whichever is shorter. and

iii) there have been no instances of significant fraud of which we are aware that involve management or other employees having significant role in the Company's internal control system over financial reporting.

For Raj Television Network Ltd

Place: Chennai  
Date: 27<sup>th</sup> May 2015

-Sd/-  
Jeyaseelan  
CFO

-Sd/-  
M. Rajendran  
Managing Director

-Sd/-  
M. Ravindran  
Whole Time Director

## SECRETARY RESPONSIBILITY STATEMENT

The Company Secretary & Chief Legal Officer confirms that the Company has:

- i) maintained all the books of account and statutory registers required under the Companies Act, 1956 ("the Act") and the rules made there under;
  - ii) filed all the forms and returns and furnished all the necessary particulars to the registrar of companies and/or authorities as required by the Act;
  - iii) issued all notices required to be given for convening of board meetings and the general meeting, within the time limit, if any, prescribed by law;
  - iv) conducted the board meetings and annual general meeting as per the Act;
  - v) complied with all the requirements relating to the minutes of the proceedings of the meetings of the directors and the shareholders;
  - vi) made due disclosures required under the act including those required in pursuance of the disclosures made by the directors;
  - vii) obtained all the necessary approvals of directors, shareholders, the central government and other authorities as per the requirements;
  - viii) effected share transfers and dispatched the certificates within the statutory time limit;
  - ix) paid dividend amounts to the shareholders and transferred unpaid amounts, if applicable, to the general revenue account of the central government or the investor education and protection fund within the time limit prescribed;
  - x) complied with the applicable requirements of the listing agreement entered into with the stock exchanges in India.
- The Company has also complied with other statutory requirements under the Companies act, 2013 and other related statutes in force.

Place: Chennai  
Dated: 27<sup>th</sup> May 2015

-Sd/-  
Joseph Cheriyan  
Company secretary & Compliance officer.



# CERTIFICATION ON FINANCIAL STATEMENTS

## **AUDITORS' CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT**

To  
The Members of  
Raj Television Network Limited

We have examined the compliance of conditions of Corporate Governance by Raj Television Network Limited, for the year ended March 31, 2015 as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges. The Compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company. In our opinion and to the best of our information and according to the explanations given to us and the representations made by the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement.

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

27<sup>th</sup> MAY 2015.  
Chennai

For PRATAPKARAN PAUL & CO.,  
Firm Registration Number: 002777S  
Chartered Accountants,

-Sd/-  
Pratapkaran Paul,  
Partner.  
Membership No: 023810

# CERTIFICATION ON FINANCIAL STATEMENTS

## MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT

This is to confirm that the Company has adopted a Code of conduct for its Board Members and senior management of the Company. I confirm that the Company has in respect of the financial year ended March 31, 2015 received from the senior management team of the company and the members of the Board a declaration of compliance with the Code of conduct as applicable to them.

Place: Chennai  
Date: 27<sup>th</sup> May 2015

For Raj Television Network Limited  
-Sd/-  
Rajendran M  
Managing Director

**RAJ TELEVISION NETWORK LIMITED**  
**REGD. OFFICE: NO.32, POES ROAD, SECOND STREET**  
**TEYNAMPET, CHENNAI - 600 018, Tel: 044-24334149/50.**

Date: 27<sup>th</sup> May 2015

Dear Shareholders

Re: Green Initiative in Corporate Governance

The Ministry of Corporate Affairs (MCA) has taken a "Green Initiative in Corporate Governance" (Circular No. 17/2011 dated 21.04.2011 and Circular No. 18/2011 dated 29.04.2011) allowing paperless compliances by Companies through electronic mode. The companies are now permitted to send various notices/documents to its shareholders through electronic mode to the registered e-mail addresses of shareholders. In this regards all the shareholders of the Company holding share(s) in physical form are requested to provide or update their email address with the Company's Registrar and Share Transfer Agents:

CAMEO CORPORATE SERVICES LIMITED,  
Subramanian Building, No.1, Club House Road, Chennai-600 002,  
Phone: 044-28460390-94, Fax: 28460129  
Email: cameosys@cameoindia.com

Shareholders holding Company's share(s) in electronic form and have registered their email address in the records of the Depositories viz. NSDL / CDSL which has been made available to us by them. Please inform any changes in your e-mail address to your Depository Participant from time to time. If any Shareholder is not interested in receiving Balance Sheet through e-mail they can inform the Company well in advance, so that the Company can provide them hard copy. Also if the Shareholders addresses are changed they are requested to update the same. As a Shareholder of the Company, you will be entitled to be furnished, free of cost, a printed copy of the Annual Report of the Company, upon receipt of a requisition from you, at any time. The Annual Report of the Company would also be made available on the Company's website: [www.rajtvnet.in](http://www.rajtvnet.in).

Thanking You

Your Faithfully,  
For Raj Television Network Limited  
- Sd/-  
Joseph Cheriyan  
Company Secretary & Compliance Officer.



# INDEPENDENT AUDITOR'S REPORT

## INDEPENDENT AUDITORS' REPORT

To the members of RAJ TELEVISION NETWORK LIMITED

### Report on the Financial Statements

We have audited the accompanying financial statements of Raj Television Network Limited ('the Company') which comprise the Balance Sheet as at 31<sup>st</sup> March, 2015, Profit and Loss Account and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

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

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- i. in case of Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March 2015
- ii. in case of Profit and Loss Account, of the profit for the year ended on that date; and
- iii. in the case of Cash Flow Statement, of the cash flows for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015, issued by the Central Government of India in terms of section 143(11) of the Companies Act, 2013, we enclose in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the said order.
2. As required by section 143(3) of the Act, we report that:
  - a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - c. the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - d. in our opinion, the Balance Sheet, Profit and Loss Account, and the Cash Flow Statement comply with the Accounting Standards referred Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014
  - e. on the basis of written representations received from the directors as on 31<sup>st</sup> March, 2015, and taken on record by the Board of Directors, none of the Directors are disqualified as on 31<sup>st</sup> March 2015, from being appointed as a Director in terms of Section 164(2) of the Companies Act, 2013.
  - f. with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. the Company does not have any pending litigations which would impact financial position
    - ii. the Company does not have any long term contracts including derivative contracts: as such the question of commenting on any material foreseeable losses thereon does not arise,
    - iii. there has not been an occasion in case of the company during the year under report to transfer any sums to the Investor Education and Protection Fund. The question of delay in transferring sums does not arise.

**For PRATAPKARAN PAUL & CO.,**  
Chartered Accountants,  
Firm Regn No.0027775

27<sup>th</sup> May 2015  
Chennai

-Sd/-  
Pratapkaran Paul  
Partner  
M.No.023810

# INDEPENDENT AUDITOR'S REPORT

## ANNEXURES TO AUDITORS' REPORT

The Annexure referred to in our report to the members of **RAJ TELEVISION NETWORK LIMITED** ("the Company") for the year ended 31<sup>st</sup> March 2015. We report that:

In terms of the information and explanations given to us and the books and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state as under:

- i) a) The company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.  
b) As explained to us, all the assets have been physically verified by the management at a reasonable interval during the year. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
- ii) The Company is a service company, primarily rendering satellite transmission and the company does not carry on any manufacturing activity, the reporting on verification of inventory by the management does not arise. However, film rights purchased and not recognized as expenses during the year are maintained as inventory.
- iii) a) The company has not granted a loan, to companies, firms or other parties covered in the Register maintained under section 189 of the Companies Act, 2013.  
b) As informed to us, the company has not taken any loans, secured or unsecured from Companies, firms or other parties listed in the register maintained under section 189 of the Act.
- iv) In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and the nature of its business with regards to purchase of Fixed Assets and for the sale of Services. We have not observed any major weakness in the internal control system during the course of the audit.
- v) The Company has not accepted any deposits from the public.
- vi) As explained to us, the Central Government has not prescribed maintenance of Cost Record under section 148 (1) of the Act for any of the services rendered by the company.
- vii) a) According to the information and explanation given to us and the basis of our examination of the records of the company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Service Tax, Income tax, Wealth tax, Employees State Insurance, Provident Fund, and other material statutory dues have been regularly deposited during the year by the Company with appropriate authorities.  
b) According to the information and explanation given to us, no undisputed amounts payable in respect of Service Tax, Wealth tax, Employees State Insurance, Provident Fund, and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they become payable. However the following dues of Income Tax have not been deposited by the company for a period of more than six months from the date they became payable.
- | Nature of the dues | Due date                   | Period to which amount relates | Amount (In ₹) |
|--------------------|----------------------------|--------------------------------|---------------|
| Income tax         | 15 <sup>th</sup> June 2014 | F.Y 2014-15                    | 22,21,610     |
| Income tax         | 15 <sup>th</sup> Sept 2014 | F.Y 2014-15                    | 66,64,832     |
| Income tax         | 15 <sup>th</sup> Dec 2014  | F.Y 2014-15                    | 1,11,08,054   |
- c) According to the information and explanation given to us, there are no material dues of Service Tax, Income Tx, Wealth tax, Employees State Insurance, Provident Fund, other material statutory dues, which have not been deposited on account of any dispute.
- d) there has not been an occasion in case of the company during the year under report to transfer any sums to the Investor Education and Protection Fund. The question of delay in transferring sums does not arise.
- viii) The company does not have any accumulated losses at the end of the financial year and has not incurred any cash losses in the financial year and in the immediately preceding financial year.
- ix) According to the information and explanation given to us, the company has not defaulted in repayment of dues to a financial institution or bank or debenture holder during the year.
- x) According to the information and explanation given to us, the company has not given guarantee for loans taken by others from bank or financial institutions.
- xi) In our opinion, term loans are applied for the purpose of which they were obtained.
- xii) According to the information and explanation given to us, no material fraud on or by the Company has been noticed or reported during the course of our audit.

**For PRATAPKARAN PAUL & CO.,**  
Chartered Accountants,  
Firm Regn No.0027775

-Sd/-  
**Pratapkar Paul**  
Partner  
M.No.023810

**27<sup>th</sup> May 2015**  
**Chennai**



# BALANCE SHEET

## RAJ TELEVISION NETWORK LIMITED

No. 32, Poes Road, II<sup>nd</sup> Street, Teynampet, Chennai - 600 018

BALANCE SHEET AS AT 31.03.2015

( Amount in Rs. )

| A | EQUITY AND LIABILITIES                           | S.No. | As at Year end<br>31.03.2015 | As at Year end<br>31.03.2014 |
|---|--|-------|------------------------------|------------------------------|
| 1 | <b>Shareholder' Funds</b>                        |       |                              |                              |
|   | (a) Share Capital                                | 3     | 25,95,66,720                 | 25,95,66,720                 |
|   | (b) Reserve and surplus                          | 4     | 1,29,33,81,146               | 1,31,36,66,034               |
|   | (b) Money Received against Share Warrants        |       | -                            | -                            |
|   |  |       | <b>1,55,29,47,866</b>        | <b>1,57,32,32,754</b>        |
| 2 | <b>Share Application money pending allotment</b> |       | -                            | -                            |
| 3 | <b>Non Current Liabilities</b>                   |       |                              |                              |
|   | (a) Long Term Borrowings                         | 5     | 1,38,30,010                  | 12,49,14,657                 |
|   | (b) Deffered tax Liabilities (Net)               | 6     | 6,61,65,864                  | 6,93,35,602                  |
|   | (c) Other Long Term liabilities                  | 7     | 2,48,53,267                  | 2,37,94,254                  |
|   | (d) Long term provisions                         |       | -                            | -                            |
|   |  |       | <b>10,48,49,141</b>          | <b>21,80,44,513</b>          |
| 4 | <b>Current Liabilities</b>                       |       |                              |                              |
|   | (a) Short Term Borrowings                        | 8     | 24,40,35,484                 | 24,97,42,077                 |
|   | (b) Trade Payables                               | 9     | 42,92,184                    | 2,62,84,133                  |
|   | (c) Other current liabilities                    | 10    | 3,81,49,430                  | 6,65,41,823                  |
|   | (d) Short term provisions                        | 11    | 5,77,13,565                  | 3,13,61,102                  |
|   |  |       | <b>34,41,90,663</b>          | <b>37,39,29,135</b>          |
|   | <b>TOTAL - EQUITY AND LAIBILITIES</b>            |       | <b>2,00,19,87,670</b>        | <b>2,16,52,06,402</b>        |
| B | <b>ASSETS</b>                                    |       |                              |                              |
| 1 | <b>Non - Current Assets</b>                      |       |                              |                              |
|   | (a) Fixed Assets                                 | 12    |                              |                              |
|   | i) Tangible assets                               |       | 1,02,72,19,977               | 1,13,98,53,762               |
|   | ii) In tangible assets                           |       | -                            | -                            |
|   | iii)Capital work in progress                     |       | -                            | -                            |
|   | (b) Non Current Investments                      | 13    | -                            | 1,11,67,665                  |
|   | (c) Deffered Tax assets ( Net)                   |       | -                            | -                            |
|   | (d) Long term Loans and Advances                 | 14    | 17,45,08,637                 | 20,77,86,196                 |
|   | (e) Other Non-Current Assets                     | 15    | 3,92,53,751                  | 2,99,39,677                  |
|   |  |       | <b>1,24,09,82,365</b>        | <b>1,38,87,47,300</b>        |
| 2 | <b>Current Assets</b>                            |       |                              |                              |
|   | (a) Current Investments                          |       | -                            | -                            |
|   | (b) Inventories                                  | 16    | 11,17,46,005                 | 11,65,21,005                 |
|   | (c) Trade Receivables                            | 17    | 62,06,00,134                 | 58,27,04,284                 |
|   | (d) Cash and Cash Equivalents                    | 18    | 2,86,59,165                  | 7,72,33,814                  |
|   | (e) Short term Loans and advances                |       | -                            | -                            |
|   | (f) Other Current Assets                         |       | -                            | -                            |
|   |  |       | <b>76,10,05,304</b>          | <b>77,64,59,103</b>          |
|   | <b>Total</b>                                     |       | <b>2,00,19,87,670</b>        | <b>2,16,52,06,402</b>        |

### Notes Forming Part of the Financial Statements

The schedules referred to the above form an integral part of the Balance sheet

As per our report of even date

**For Pratapkaran Paul & Co.,**

**Chartered Accountants.,**

**Firm Regn No.027775**

-Sd/-

**Pratapkaran Paul**

**Partner**

**Membership No.023810**

**27<sup>th</sup> May 2015**

**Chennai**

**For and on behalf of the Board of directors**

-Sd/-

**M.Rajendran**

**Managing Director**

**DIN: 00821144**

-Sd/-

**M.Ravindran**

**Director**

**DIN:00662830**

-Sd/-

**S.Jeyaseelan**

**CFO**

-Sd/-

**Joseph Cheriyan**

**Company Secretary**

**Membership No:26524**

# PROFIT AND LOSS STATEMENT

## RAJ TELEVISION NETWORK LIMITED

No. 32, Poes Road, II<sup>nd</sup> Street, Teynampet, Chennai - 600 018  
PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31.03.2015

( Amount in Rs. )

| C. | INCOME  | S.No. | For the Year Ended<br>31.03.2015 | For the Year Ended<br>31.03.2014 |
|----|---|-------|----------------------------------|----------------------------------|
|    | (a) Revenue from Operations                                       | 19    | 82,50,11,366                     | 79,46,54,767                     |
|    | (b) Other Income  | 20    | 1,39,08,959                      | 1,07,26,242                      |
|    | <b>Total Income from Operations</b>                               |       | <b>83,89,20,325</b>              | <b>80,53,81,009</b>              |
| D. | <b>EXPENDITURE</b>  |       |                                  |                                  |
|    | (a) Cost of revenue   | 21    | 21,24,04,350                     | 23,72,21,267                     |
|    | (b) Employee Benefit Expenses                                     | 22    | 22,90,47,162                     | 17,60,41,667                     |
|    | (d) Finance Cost  | 23    | 6,47,14,162                      | 4,67,59,401                      |
|    | (c) Depreciation and Amortisation Expenses                        | 12    | 6,33,46,509                      | 3,95,71,017                      |
|    | (e) Administrative and other Expenses                             | 24    | 13,97,46,089                     | 14,68,81,245                     |
|    | <b>Total Expenses</b>   |       | <b>70,92,58,271</b>              | <b>64,64,74,597</b>              |
|    | Profit/ (Loss) before exceptional and extraordinary items and tax |       | <b>12,96,62,054</b>              | <b>15,89,06,412</b>              |
|    | Exceptional Items   |       | -                                | -                                |
|    | <b>Profit/ (Loss) before extraordinary items and tax</b>          |       | <b>12,96,62,054</b>              | <b>15,89,06,412</b>              |
|    | Extraordinary Expenses  |       | -                                | -                                |
|    | Profit / (Loss) before tax  |       | <b>12,96,62,054</b>              | <b>15,89,06,412</b>              |
|    | - Current Year Tax  |       | 5,12,48,532                      | 3,18,84,243                      |
|    | - MAT Credit Entitlement  |       | -                                | (96,50,575)                      |
|    | - Deferred Tax Current Year                                       |       | (31,69,738)                      | 75,50,857                        |
|    | - Current tax Expenses relating to previous years                 |       | -                                | -                                |
|    | <b>Profit / (Loss) After tax</b>                                  |       | <b>8,15,83,260</b>               | <b>12,91,21,886</b>              |
|    | Nominal Value of Share (in Rs)                                    |       | 5.00                             | 5.00                             |
|    | Net profit attributable to equity shareholders                    |       | 8,15,83,260                      | 12,91,21,886                     |
|    | (**) Weighted Average Number of Shares Outstanding                |       | 5,19,13,344                      | 5,19,13,344                      |
|    | Basic and diluted EPS before Extra Ordinary item(in Rs)           |       | 1.57                             | 2.49                             |
|    | Basic and diluted EPS after Extra Ordinary item(in Rs)            |       | 1.57                             | 2.49                             |
|    | (**) Adjusted EPS   |       |                                  |                                  |

### Notes Forming Part of the Financial Statements

The schedules referred to the above form an integral part of the Profit and Loss Account.

As per our report of even date

**For Pratapkar Paul & Co.,**  
**Chartered Accountants.,**  
**Firm Regn No.027775**

**For and on behalf of the Board of directors**

-Sd/-

**Pratapkar Paul**  
**Partner**  
**Membership No.023810**  
**27<sup>th</sup> May 2015**  
**Chennai**

-Sd/-

**M.Rajendran**  
**Managing Director**  
**DIN: 00821144**

-Sd/-

**M.Ravindran**  
**Director**  
**DIN:00662830**

-Sd/-

**S.Jeyaseelan**  
**CFO**

-Sd/-

**Joseph Cheriyan**  
**Company Secretary**  
**Membership No:26524**



# CASH FLOW STATEMENT

## RAJ TELEVISION NETWORK LIMITED

No. 32, Poes Road, II<sup>nd</sup> Street, Teynampet, Chennai - 600 018

CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2015

( Amount in Rs. )

|          | PARTICULARS  | As on 31.03.2015      | As on 31.03.2014     |
|----------|--|-----------------------|----------------------|
| <b>A</b> | <b>CASH FLOW FROM OPERATING ACTIVITIES</b>                       |                       |                      |
| 1        | Net Profit Before Tax and extra Ordinary Items                   | 12,96,62,054          | 15,89,06,412         |
|          | Adjustments for:   |                       |                      |
| 2        | Loss / (Profit) on sale of asset                                 | (1,60,000)            | -                    |
| 3        | Depreciation and amortization                                    | 6,33,46,509           | 3,95,71,017          |
| 4        | Dividend on Long term Investments                                | (71,250)              | (5,61,716)           |
| 5        | Profit/Loss on sale of Long term Investments                     | (41,88,466)           | 28,686               |
| 6        | Interest paid  | 6,47,14,162           | 4,67,59,401          |
|          | <b>Operating Profit before working capital Changes</b>           | <b>25,33,03,008</b>   | <b>24,47,03,800</b>  |
|          | <b>Adjustments for :</b>   |                       |                      |
| 7        | Inventories  | 47,75,000             | (9,63,05,555)        |
| 8        | Trade Receivables  | (3,78,95,850)         | (15,47,18,385)       |
| 9        | Long term Loan and Advances                                      | 45,99,196             | (5,55,50,080)        |
| 10       | Short term Loan and Advances                                     | -                     | -                    |
| 11       | Other Long Term liabilities                                      | 10,59,013             | (1,34,69,742)        |
| 12       | Trade Payables   | (2,19,91,949)         | (85,55,167)          |
| 13       | Other current liabilities  | (2,83,92,393)         | 72,87,402            |
| 14       | Short Term provisions  | 1,02,90,054           | (10,69,474)          |
|          | <b>Cash generated from Operation</b>                             | <b>18,57,46,079</b>   | <b>(7,76,77,202)</b> |
| 15       | Direct Tax   | (3,18,94,975)         | -                    |
|          | <b>Net Cash from Operating Activities</b>                        | <b>15,38,51,104</b>   | <b>(7,76,77,202)</b> |
| <b>B</b> | <b>CASH FLOW FROM INVESTING ACTIVITIES</b>                       |                       |                      |
| 1        | Sale of Assets   | 1,60,000              | 5,01,271             |
| 2        | Purchase of Fixed Assets   | (2,14,23,661)         | (9,60,67,391)        |
| 3        | Purchase of Shares   | -                     | (35,67,159)          |
| 4        | Sale of Shares   | 1,53,56,131           | 33,87,190            |
| 5        | Dividend on long term investments                                | 71,250                | 5,61,716             |
| 6        | Loss on sale of long term investments                            | -                     | -                    |
|          | <b>Net cash from Investing Activities</b>                        | <b>(58,36,280)</b>    | <b>(9,51,84,373)</b> |
| <b>C</b> | <b>CASH FLOW FROM FINANCING ACTIVITIES</b>                       |                       |                      |
| 1        | Borrowal / (Repayment) of long term Borrowings                   | (11,67,91,240)        | 23,31,95,608         |
| 2        | Interest   | (6,47,14,162)         | (4,67,59,401)        |
| 3        | Dividend & dividend tax paid                                     | (1,50,84,071)         | (2,26,75,623)        |
|          | <b>Net cash from Financing Activities</b>                        | <b>(19,65,89,473)</b> | <b>16,37,60,585</b>  |
|          | <b>Net increase/ (decrease) in cash and cash equivalents</b>     | <b>(4,85,74,649)</b>  | <b>(91,00,991)</b>   |
|          | <b>Cash and cash equivalents as at the beginning of the year</b> | <b>7,72,33,814</b>    | <b>8,63,34,805</b>   |
|          | <b>Cash and cash equivalents as at the end of the year</b>       | <b>2,86,59,165</b>    | <b>7,72,33,814</b>   |

### Notes :

1. The above Cash flow statement has been prepared under the indirect method set out in AS-3 prescribed in Companies (Accounting Standards) Rules, 2014.
2. Figures in brackets indicate cash outflow.
3. Previous year figures have been regrouped and recast wherever necessary to conform to the current year classification.
4. During the year fixed deposits amounting to Rs.9.74 crores were utilized for the repayment of long term borrowings.

As per our report of even date

**For Pratapkaran Paul & Co.,**  
**Chartered Accountants.,**  
**Firm Regn No.02777S**

**For and on behalf of the Board of directors**

-Sd/-  
**Pratapkaran Paul**  
**Partner**  
**Membership No.023810**  
**27<sup>th</sup> May 2015**

-Sd/-  
**M.Rajendran**  
**Managing Director**  
**DIN: 00821144**

-Sd/-  
**M.Ravindran**  
**Director**  
**DIN:00662830**

-Sd/-  
**S.Jeyaseelan**  
**CFO**

-Sd/-  
**Joseph Cheriyan**  
**Company Secretary**  
**Membership No:26524**

# NOTES FORMING PART OF THE FINANCIAL STATEMENTS

| Note - 3 Share Capital   | As at March 31 <sup>st</sup> 2015 |                     | As at March 31 <sup>st</sup> 2014 |                     |
|--|-----------------------------------|---------------------|-----------------------------------|---------------------|
|  | No of Shares                      | Amount in Rs        | No of Shares                      | Amount in Rs        |
| <b>a. Authorised Capital</b><br>60,000,000 Equity Shares of Rs.5 each.<br>(Previous year - 60,000,000 Equity Shares of Rs.5 each.)                     | <b>6,00,00,000</b>                | <b>30,00,00,000</b> | <b>6,00,00,000</b>                | <b>30,00,00,000</b> |
| <b>b. Issued, Subscribed and fully paid up</b><br>5,19,13,344 Equity Shares of Rs.5 each.<br>(Previous Year - 5,19,13,344 Equity Shares of Rs.5 each.) | 5,19,13,344                       | 25,95,66,720        | 5,19,13,344                       | 25,95,66,720        |
|  | <b>5,19,13,344</b>                | <b>25,95,66,720</b> | <b>5,19,13,344</b>                | <b>25,95,66,720</b> |

Refer Notes (i) to (iv) below:

Notes:

i) The Company has only one class of equity Share having a par value of Rs.5 per share (Previous year Rs.5 per share). Each Share holder is eligible for one Vote Per Share. The Dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting

ii) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year is as follows:

| Particulars                                 | As at March 31 <sup>st</sup> 2015 |                     | As at March 31 <sup>st</sup> 2014 |                     |
|---|-----------------------------------|---------------------|-----------------------------------|---------------------|
|   | No of Shares                      | Amount in Rs        | No of Shares                      | Amount in Rs        |
| <b>Issued Equity Shares</b>                 |                                   |                     |                                   |                     |
| Opening Balance                             | <b>5,19,13,344</b>                | <b>25,95,66,720</b> | <b>1,29,78,336</b>                | <b>12,97,83,360</b> |
| Changes During the Year                     |                                   |                     |                                   |                     |
| i) Fresh Issue                              | -                                 | -                   | -                                 | -                   |
| ii) Split of shares from Rs.10 to Rs.5 each | -                                 | -                   | 2,59,56,672                       | 12,97,83,360        |
| iii) Bonus Issue                            | -                                 | -                   | 2,59,56,672                       | 12,97,83,360        |
| <b>Closing Balances</b>                     | <b>5,19,13,344</b>                | <b>25,95,66,720</b> | <b>5,19,13,344</b>                | <b>25,95,66,720</b> |

i) 1,29,78,336 shares were originally issued at Rs.10 per share as fully paid towards purchase consideration to the shareholders and in the previous financial year these shares were split into 2,59,56,672 shares of Rs.5 each/-

ii) 2,59,56,672 shares were allotted as Bonus shares for consideration other than cash during the F.Y 2013-14

### iii) Details of shares held by each shareholder holding more than 5% shares in the company

| Particulars      | As at March 31 <sup>st</sup> 2015 |               | As at March 31 <sup>st</sup> 2014 |               |
|------------------|-----------------------------------|---------------|-----------------------------------|---------------|
|                  | No of Shares                      | % of Shares   | No of Shares                      | % of Shares   |
| M. Rajendran     | 58,63,808                         | 11.30%        | 58,63,808                         | 11.30%        |
| M. Raghunathan   | 58,63,808                         | 11.30%        | 58,63,808                         | 11.30%        |
| M. Rajarathnam   | 58,63,808                         | 11.30%        | 58,63,808                         | 11.30%        |
| M. Ravindran     | 50,56,000                         | 9.74%         | 43,03,808                         | 8.29%         |
| R. Amudha        | 35,43,284                         | 6.83%         | 35,43,284                         | 6.83%         |
| R. Aruna         | 35,43,268                         | 6.83%         | 35,43,268                         | 6.83%         |
| R. Usharani      | 35,43,268                         | 6.83%         | 35,43,268                         | 6.83%         |
| R. Vijayalakshmi | 25,13,243                         | 4.84%         | 23,43,268                         | 4.51%         |
| <b>Total</b>     | <b>3,57,90,487</b>                | <b>68.94%</b> | <b>3,48,68,320</b>                | <b>67.16%</b> |

Face Value Rs.5 Per equity Share

As per the records of the company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

### (iv) Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date

| Particulars   | As at March 31 <sup>st</sup> 2015 | As at March 31 <sup>st</sup> 2014 |
|---|-----------------------------------|-----------------------------------|
|   | No of Shares                      | No of Shares                      |
| Equity shares allotted as fully paid up by way of bonus | -                                 | 2,59,56,672                       |



# NOTES FORMING PART OF THE FINANCIAL STATEMENTS

| Note - 4 : Reserves and Surplus   | As at March 31 <sup>st</sup> 2015       | As at March 31 <sup>st</sup> 2014       |
|---|---|---|
| <b>(i) Securities Premium Account</b>   |   |   |
| Balance as per the Last financial statements  | 43,18,19,058                            | 56,16,02,418                            |
| Less: Transferred to share capital towards bonus shares   | -                                       | 12,97,83,360                            |
|   | <b>43,18,19,058</b>                     | <b>43,18,19,058</b>                     |
| <b>(ii) Revaluation Reserve</b>   |   |   |
| Land Revalued   | 44,20,45,618                            | 44,20,45,618                            |
|   | <b>44,20,45,618</b>                     | <b>44,20,45,618</b>                     |
| <b>(iii) Profit and Loss Account</b>  |   |   |
| Balance as per last financial statements  | 40,16,41,693                            | 30,81,18,450                            |
| <b>Add :</b> Profit transferred from Profit & Loss Account  | 8,15,83,260                             | 12,91,21,886                            |
|   | <b>48,32,24,953</b>                     | <b>43,72,40,336</b>                     |
| <b>Less: Appropriations</b>   |   |   |
| Interim Dividend  | -                                       | 64,89,168                               |
| Tax on Interim Dividend   | -                                       | 11,02,384                               |
| Proposed final Dividend (₹ 0.50 per Share)  | 2,59,56,672                             | 1,29,78,336                             |
| Tax on Proposed Dividend  | 51,89,808                               | 21,05,735                               |
| Amount transferred to General Reserve   | -                                       | 1,29,12,189                             |
| (-) Previous year depreciation charged in compliance with Companies Act 2013  | 7,07,10,837                             | -                                       |
| <b>Net surplus in the statement of profit and loss</b>  | <b>38,13,67,636</b>                     | <b>40,16,52,525</b>                     |
| <b>(iv) General reserve Transferred from the profit &amp; loss A/c</b>  |   |   |
| Balance as per the last financial statements  | 3,81,48,834                             | 2,52,36,645                             |
| Add : Amount transferred from Statement of Profit & Loss Account  | -                                       | 1,29,12,189                             |
| <b>Balance at the end of year</b>   | <b>3,81,48,834</b>                      | <b>3,81,48,834</b>                      |
| <b>Total Reserves and Surplus</b>   | <b>1,29,33,81,146</b>                   | <b>1,31,36,66,034</b>                   |
| <b>Note - 5 :Long Term Borrowings</b>   | <b>As at March 31<sup>st</sup> 2015</b> | <b>As at March 31<sup>st</sup> 2014</b> |
| Secured Term Loans from bank  | 1,38,30,010                             | 12,29,24,277                            |
| Secured Vehicle Loan from bank  | -                                       | 19,90,380                               |
| ( Please refer Note below for security and terms of repayment)  |   |   |
| <b>Total</b>  | <b>1,38,30,010</b>                      | <b>12,49,14,657</b>                     |
| <b>Nature of Security &amp; Terms of Repayment</b>  | <b>As at March 31<sup>st</sup> 2015</b> | <b>As at March 31<sup>st</sup> 2014</b> |
| (i) This term loan from Canara Bank carries interest @ 14.25% p.a. and is repayable in 16 Quarterly instalments commencing from May'2012. The term loan is secured primarily by project assets at estimated cost of Rs.1401.76 lakhs, and secured by collateral security of Freehold land situated in New No.26,28,30,32 of Poes Road, IInd street, Teynampet, Chennai 600 018.   | 3,40,76,398                             | 5,63,60,690                             |
| (ii) This term loan from Canara bank carries Base rate + 3.75% interest and repayable in 120 months EMI of Rs.3,27,000/- each. The term loan is secured by mortgage of 2550 sq ft building at Door No.53/1 and 53/2, New No.06, Poes Main Road, Teynampet, Chennai - 600018.  | 1,53,91,547                             | 2,00,32,723                             |
| (iii) This term loan from Canara Bank carries Base Rate + 3.75 % interest and is repayable in 24 monthly installments. The term loan is secured primarily by Hypothecation of machinery proposed to be purchased at a cost of Rs. 7 crores, and EMT of land and building proposed to be purchased at cost of Rs. 11 crores. (Plot no.656/1,no.403/1(old),120(new) of Shaikpet village measuring 683 sq.yards situated at 34 Jubilee Hills, Hyderabad. | -                                       | 2,07,98,650                             |
| (iv) This Vehicle loan from Canara Bank carries interest @ 10% p.a. and is repayable in 60 monthly installments. The term loan is secured primarily by is secured by Hypothecation of Vehicle.  | 2,57,408                                | 7,33,622                                |
| (v) This Vehicle loan from Canara Bank carries interest @ 12% p.a. and is repayable in 60 monthly installments. The term loan is secured primarily by is secured by Hypothecation of Vehicle.   | 22,54,087                               | 53,24,458                               |

# NOTES FORMING PART OF THE FINANCIAL STATEMENTS

| Note - 6 : Deferred Tax Liabilities (Net)  | As at March 31 <sup>st</sup> 2015 | As at March 31 <sup>st</sup> 2014 |
|--|-----------------------------------|-----------------------------------|
| Net deferred tax liability / (asset) represents the aggregate tax effect of the timing difference arising from:  | 6,93,35,602                       | 6,17,84,745                       |
| "Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting"   | (31,69,738)                       | 75,50,857                         |
| <b>Total</b>   | <b>6,61,65,864</b>                | <b>6,93,35,602</b>                |
| Note - 7 : Other Long Term liabilities   | As at March 31 <sup>st</sup> 2015 | As at March 31 <sup>st</sup> 2014 |
| (a) Other Payables<br>(Other Payables comprises of Interest free deposits from customers and Long term Capital under disputes and litigations)   | 2,25,00,000                       | 2,25,00,000                       |
| (b) Provision for gratuity<br>(Refer notes to accounts-Employee benefits)  | 23,53,267                         | 12,94,254                         |
| <b>Total</b>   | <b>2,48,53,267</b>                | <b>2,37,94,254</b>                |
| Note - 8 : Short Term Borrowings   | As at March 31 <sup>st</sup> 2015 | As at March 31 <sup>st</sup> 2014 |
| Secured Working Capital Facility from  |                                   |                                   |
| a)Canara Bank  | 15,16,85,611                      | 14,93,80,351                      |
| b)ICICI Bank   | 9,23,49,873                       | 10,03,61,726                      |
| ( Please refer note below for security details)  |                                   |                                   |
| <b>Total</b>   | <b>24,40,35,484</b>               | <b>24,97,42,077</b>               |
| Nature of Security   | As at March 31 <sup>st</sup> 2015 | As at March 31 <sup>st</sup> 2014 |
| "The working Capital loan from Canara bank(Sanction limit:15 crores) is secured primarily by Hypothecation of Book Debts and collateral securities at:   |                                   |                                   |
| 1. Freehold land (undivided share of land: 3650 Sq ft) and building at New No.32 (old No.13B), Poes Road, II Street, Teynampet, Chennai – 18 in the names of Shri Mani Rajendran, Shri Mani Raveendran, Shri Mani Rajaratnam and Sri Mani Raghunathan.   |                                   |                                   |
| 2. Freehold Land (Extent of site : 5170 Sq Ft) and Shed at New No.26 (Old No.15), Poes Road II Street, Teynampet, Chennai – 18 in the name of M/s. Raj Television Network limited.   |                                   |                                   |
| 3. Land & Building admeasuring 3800 Sq ft at Old No.14, New No.28, Poes Road, II Street, Teynampet, Chennai in the name of the company   | 15,16,85,611                      | 14,93,80,351                      |
| 4. Land & Building admeasuring 3950 Sq ft at Old No. 13, New 30, Block No.28, Poes Road, II Street, Teynampet, Chennai in the name of the company, and personal guarantees of whole time directors.  |                                   |                                   |
| The working Capital loan from ICICI bank(Sanction limit:10 crores) is secured primarily by Pari passu charge in favour of the bank by way of Hypothecation of the company entire stock of raw material ,Semi finished and finished goods ,Consumable stores and such other moveables including book debts,bills whether documentary or clean,outstanding monies,receivables,both present and future and collateral securities at:5. Vacant Land measuring 7647 sq ft located at Old No.51 & 52, New No.10 & 12, Poes Road, Teynampet, Chennai in the name of the company, and personal guarantees of whole time directors. | 9,23,49,873                       | 10,03,61,726                      |



# NOTES FORMING PART OF THE FINANCIAL STATEMENTS

| Note - 9 : Trade Payables   | As at March 31 <sup>st</sup> 2015 | As at March 31 <sup>st</sup> 2014 |
|---|-----------------------------------|-----------------------------------|
| (a) Payable towards Purchases   | 12,41,053                         | 1,32,11,249                       |
| (b) Amount due to Micro,small scale industries  | -                                 | -                                 |
| (According to the records available with the Company, there were no dues payable to entities that are classified as Micro and Small Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 during the year.This has been relied upon by the auditors. Hence disclosures, if any, relating to amounts unpaid as at the year end together with the interest paid / payable as required under the said Act have not been given) | -                                 | -                                 |
| ( c ) Advance received from customers   |                                   | 13,17,891                         |
| ( d ) Payable towards Capital Expenditure   | 30,51,131                         | 1,17,54,993                       |

**Total** **42,92,184** **2,62,84,133**

| Note - 10 : Other current Liabilities                         | As at March 31 <sup>st</sup> 2015 | As at March 31 <sup>st</sup> 2014 |
|---|-----------------------------------|-----------------------------------|
| (a) Current maturities of long-term debt -                    |                                   |                                   |
| (i) On Term Loans   | 3,56,37,935                       | 6,24,74,123                       |
| (ii) On Vehicle Loan  | 25,11,495                         | 40,67,700                         |
| (See note 5 for the details of security & Terms of Repayment) |                                   |                                   |

**Total** **3,81,49,430** **6,65,41,823**

| Note - 11 : Short Term Provisions                       | As at March 31 <sup>st</sup> 2015 | As at March 31 <sup>st</sup> 2014 |
|---|-----------------------------------|-----------------------------------|
| (a) Salaries, wages and other employee benefits payable | 1,45,70,053                       | 1,12,50,524                       |
| (b) Others  |                                   |                                   |
| (i) Proposed final dividend on equity shares            | 2,59,56,672                       | 1,29,78,336                       |
| (ii) Tax on dividend                                    | 51,89,808                         | 21,05,735                         |
| (iii) Statutory Tax and Expenses Payable                | 1,19,97,032                       | 50,26,507                         |

**Total** **5,77,13,565** **3,13,61,102**

| Note - 12 : Fixed Assets |                                     |                       |                    |                  |                       |                     |                     |                                |                  |   |                     |                       |                       |
|--------------------------|-------------------------------------|-----------------------|--------------------|------------------|-----------------------|---------------------|---------------------|--------------------------------|------------------|---|---------------------|-----------------------|-----------------------|
| S. No                    | Particulars                         | GROSS BLOCK           |                    |                  |                       | DEPRECIATION        |                     |                                |                  |   |                     | NET BLOCK             |                       |
|                          |                                     | As on 01.04.2014      | Additions          | Deletions        | As on 01.04.2015      | As on 01.04.2014    | For the period(***) | Adjustment due to revaluations | Deletion         | Previous year depreciation ( In line with Companies act 2013 ) Retained Earnings effect | As on 01.04.2015    | As on 01.04.2015      | As on 01.04.2014      |
| 1                        | LAND **                             | 66,58,04,165          | -                  | -                | 66,58,04,165          | -                   | -                   | -                              | -                | -   | -                   | 66,58,04,165          | 66,58,04,165          |
| 2                        | BUILDING                            | 6,70,91,352           | 85,00,000          | -                | 7,55,91,352           | 58,95,660           | 26,09,628           | -                              | -                | -   | 85,05,288           | 6,70,86,064           | 6,11,95,692           |
| 3                        | PLANT & MACHINERY                   | 57,56,43,209          | 79,32,690          | 10,00,000        | 58,25,75,899          | 21,14,49,186        | 4,39,64,502         | -                              | 10,00,000        | 6,95,73,754   | 32,39,87,441        | 25,85,88,458          | 36,41,94,123          |
| 4                        | COMPUTERS                           | 6,76,88,427           | 20,98,982          | -                | 6,97,87,409           | 4,21,17,998         | 1,21,05,736         | -                              | -                | -   | 5,42,23,734         | 1,55,63,675           | 2,55,70,429           |
| 5                        | VEHICLES                            | 4,59,96,377           | -                  | -                | 4,59,96,377           | 3,53,50,031         | 28,05,924           | -                              | -                | 1,02,011  | 3,82,57,966         | 77,38,411             | 1,06,46,346           |
| 6                        | FURNITURE & FIXTURES                | 2,17,02,752           | 28,91,989          | -                | 2,45,94,741           | 92,59,745           | 18,60,719           | -                              | -                | 10,35,072   | 1,21,55,537         | 1,24,39,204           | 1,24,43,007           |
| 7                        | INTANGIBLE ASSETS                   | -                     | -                  | -                | -                     | -                   | -                   | -                              | -                | -   | -                   | -                     | -                     |
| 8                        | CAPITAL WORK IN PROGRESS            | -                     | -                  | -                | -                     | -                   | -                   | -                              | -                | -   | -                   | -                     | -                     |
| 9                        | INTANGIBLE ASSETS UNDER DEVELOPMENT | -                     | -                  | -                | -                     | -                   | -                   | -                              | -                | -   | -                   | -                     | -                     |
| <b>Total</b>             |                                     | <b>1,44,39,26,282</b> | <b>2,14,23,661</b> | <b>10,00,000</b> | <b>1,46,43,49,943</b> | <b>30,40,72,620</b> | <b>6,33,46,509</b>  | <b>-</b>                       | <b>10,00,000</b> | <b>7,07,10,837</b>  | <b>43,71,29,966</b> | <b>1,02,72,19,977</b> | <b>1,13,98,53,762</b> |

\*\* The land has been revalued on 31<sup>st</sup> March,2014 based on the Chartered Engineer Certificate

\*\*\*Refer Notes to forming part of financial statements (2.4 Depreciation and amortization)

# NOTES FORMING PART OF THE FINANCIAL STATEMENTS

| Note - 13 : Investments                     | As on 01.04.2014 |                    | Purchased during the year |          | Sold during the year |                    | Gain / (Loss)    | As on 31.03.2015 |          |
|---|------------------|--------------------|---------------------------|----------|----------------------|--------------------|------------------|------------------|----------|
|   | No of Shares     | In Rs.             | No of Shares              | In Rs.   | No of Shares         | In Rs.             |                  | No of Shares     | In Rs.   |
| Quoted - Long term in equity shares at cost |                  |                    |                           |          |                      |                    |                  |                  |          |
| Balrampur Chini Mills Limited               |                  |                    |                           |          |                      |                    |                  |                  |          |
| Equity shares Rs. 1 each fully paid up      | 808              | 88,072             | -                         | -        | 808                  | 59,000             | (29,072)         | -                | -        |
| Jaiprakash Power Ventures Limited           |                  |                    |                           |          |                      |                    |                  |                  |          |
| Equity shares Rs. 2 each fully paid up      | 5,259            | 3,93,899           | -                         | -        | 5,259                | 1,26,402           | (2,67,497)       | -                | -        |
| Lanco Infratech limited                     |                  |                    |                           |          |                      |                    |                  |                  |          |
| Equity shares Rs. 1 each fully paid up      | 9,000            | 1,73,340           | -                         | -        | 9,000                | 51,530             | (1,21,810)       | -                | -        |
| SBI Limited,                                |                  |                    |                           |          |                      |                    |                  |                  |          |
| Equity shares Rs. 10 each fully paid up     | 4,750            | 95,28,090          | -                         | -        | 4,750                | 1,40,79,160        | 45,51,070        | -                | -        |
| Strides Arcolab Limited,                    |                  |                    |                           |          |                      |                    |                  |                  |          |
| Equity shares Rs. 10 each fully paid up     | 1,000            | 9,84,264           | -                         | -        | 1,000                | 10,40,037          | 55,773           | -                | -        |
| <b>GRAND TOTAL</b>                          | <b>20,817</b>    | <b>1,11,67,665</b> | <b>-</b>                  | <b>-</b> | <b>20,817</b>        | <b>1,53,56,129</b> | <b>41,88,464</b> | <b>-</b>         | <b>-</b> |
| Market Value of Quoted Investments          |                  | <b>96,81,462</b>   |                           |          |                      |                    |                  |                  |          |

| Note - 14 : Long Term Loans and Advances        | As at March 31 <sup>st</sup> 2015 | As at March 31 <sup>st</sup> 2014 |
|---|-----------------------------------|-----------------------------------|
| Unsecured and Considered Good                   |                                   |                                   |
| (a) Capital Advances                            | 11,52,31,008                      | 12,86,81,008                      |
| (b) Security Deposits                           | 2,37,23,495                       | 2,65,74,069                       |
| (c) Loans and advances to employees             | 3,47,750                          | 8,13,442                          |
| (d) Advance tax (net of provision for taxation) | 2,11,21,833                       | 1,35,87,129                       |
| (e) MAT Credit Entitlement                      | 1,36,64,885                       | 3,77,35,602                       |
| (f) Loans and advances to related parties       | -                                 | -                                 |
| (g) Others                                      | 4,19,666                          | 3,94,946                          |

**Total** **17,45,08,637** **20,77,86,196**

| Note - 15 : Other Non Current Assets | As at March 31 <sup>st</sup> 2015 | As at March 31 <sup>st</sup> 2014 |
|--------------------------------------|-----------------------------------|-----------------------------------|
| Prepaid Expenses                     | 3,92,53,751                       | 2,99,39,677                       |

**Total** **3,92,53,751** **2,99,39,677**

| Note - 16 : Inventories  | As at March 31 <sup>st</sup> 2015 | As at March 31 <sup>st</sup> 2014 |
|--|-----------------------------------|-----------------------------------|
| Film Rights(Refer notes to accounts no 2.8)<br>(At lower of cost and net realisable value) | 11,17,46,005                      | 11,65,21,005                      |

**Total** **11,17,46,005** **11,65,21,005**

| Note - 17 : Trade Receivables   | As at March 31 <sup>st</sup> 2015 | As at March 31 <sup>st</sup> 2014 |
|---|-----------------------------------|-----------------------------------|
| Unsecured and considered good   |                                   |                                   |
| (a) Trade receivables outstanding for a period exceeding six months from the date they were due for payment | 26,83,76,361                      | 29,98,79,523                      |
| (b) Other trade receivables   | 35,22,23,774                      | 28,28,24,761                      |

**Total** **62,06,00,135** **58,27,04,284**

| Note - 18 : Cash and Cash Equivalents | As at March 31 <sup>st</sup> 2015 | As at March 31 <sup>st</sup> 2014 |
|---------------------------------------|-----------------------------------|-----------------------------------|
| (a) Cash in Hand                      | 10,446                            | 65,794                            |
| (b) Balances with Scheduled Bank in-  |                                   |                                   |
| (i) On Deposit Account                | 2,00,00,000                       | 9,74,79,652                       |
| (ii) On Current Account               | 86,48,719                         | (2,03,11,632)                     |
| (Temporary Book Overdraft)            |                                   |                                   |

**Total** **2,86,59,165** **7,72,33,814**

Note:

"Of the above, the balances that meet the definition of Cash and cash equivalents as per AS 3 Cash Flow Statements " .



# NOTES FORMING PART OF THE FINANCIAL STATEMENTS

| Note - 19 : Revenue                        | For the year ended<br>March 31 <sup>st</sup> 2015 | For the year ended<br>March 31 <sup>st</sup> 2014 |
|--|---|---|
| Income from Broadcasting Operations        | 86,99,17,565                                      | 67,65,38,410                                      |
| Income from Other Operations               | 5,07,87,830                                       | 19,40,31,961                                      |
| <b>Gross Revenue</b>                       | <b>92,07,05,395</b>                               | <b>87,05,70,371</b>                               |
| Less : Service Tax                         | 9,56,94,029                                       | 7,59,15,604                                       |
|  | <b>82,50,11,366</b>                               | <b>79,46,54,767</b>                               |
| Note - 20 : Other Income                   | March 31 <sup>st</sup> 2015                       | March 31 <sup>st</sup> 2014                       |
| Interest on Bank Deposits and Income Tax   | 88,00,955   | 90,89,832   |
| Dividend on Non-current Investments        | 71,250  | 5,61,716  |
| Gain on foreign exchange fluctuation (net) | 6,88,288  | 9,34,643  |
| Other Non-Operating Income                 | 43,48,466   | 1,40,051  |
|  | <b>1,39,08,959</b>                                | <b>1,07,26,242</b>                                |
| Note - 21 : Cost of revenue                | March 31 <sup>st</sup> 2015                       | March 31 <sup>st</sup> 2014                       |
| Operation Expenses                         | 21,24,04,350                                      | 23,72,21,267                                      |
|  | <b>21,24,04,350</b>                               | <b>23,72,21,267</b>                               |
| Note - 22 : Employee Benefit Expenses      | March 31 <sup>st</sup> 2015                       | March 31 <sup>st</sup> 2014                       |
| Directors Remuneration                     | 4,80,00,000                                       | 1,63,02,000                                       |
| Salary and Allowances                      | 16,48,78,073                                      | 14,74,53,102                                      |
| Staff Welfare                              | 55,84,098   | 59,02,451   |
| Contribution to Provident and other funds  | 79,24,008   | 45,86,847   |
| Gratuity Expenses                          | 26,60,983   | 17,97,267   |
|  | <b>22,90,47,162</b>                               | <b>17,60,41,667</b>                               |
| Note - 23 : Financial Expenses             | March 31 <sup>st</sup> 2015                       | March 31 <sup>st</sup> 2014                       |
| Interest                                   | 6,42,65,787                                       | 4,31,85,014                                       |
| Others                                     | 4,48,375  | 35,74,387   |
|  | <b>6,47,14,162</b>                                | <b>4,67,59,401</b>                                |

# NOTES FORMING PART OF THE FINANCIAL STATEMENTS

| Note - 24 : Administrative and other Expenses  | March 31 <sup>st</sup> 2015 | March 31 <sup>st</sup> 2014 |
|--|-----------------------------|-----------------------------|
| Advertisement Expenses   | 31,74,338                   | 31,87,180                   |
| Bad Debts written off  | 7,68,917                    | 9,34,086                    |
| Commission   | 25,84,520                   | 24,79,544                   |
| Carriage fee   | 2,56,65,021                 | 2,39,82,103                 |
| Donation   | 45,00,000                   | -                           |
| Electricity Charges  | 1,54,61,283                 | 1,57,65,368                 |
| Entertainment  | 15,85,279                   | 10,63,994                   |
| Insurance  | 11,64,051                   | 13,53,673                   |
| Internet & Website charges   | 34,18,522                   | 33,96,685                   |
| Legal and Professional Fees *  | 1,07,53,593                 | 1,02,66,763                 |
| Membership and subscription  | 17,43,750                   | 18,54,935                   |
| Miscellaneous Expenses   | 22,55,772                   | 58,01,708                   |
| Office Maintenance   | 16,86,793                   | 7,20,446                    |
| Postage and Courier  | 9,54,894                    | 8,74,299                    |
| Printing and Stationery  | 24,83,445                   | 34,75,548                   |
| Rent   | 85,02,308                   | 77,34,805                   |
| Rate and Taxes   | 18,20,064                   | 1,29,09,117                 |
| Repair and Maintenance   |                             |                             |
| - Building   | 21,74,876                   | 51,54,311                   |
| - Plant and Machinery  | 47,96,297                   | 34,89,014                   |
| - Others   | 16,25,708                   | 39,58,950                   |
| Sales Promotion  | 59,92,897                   | 50,39,220                   |
| Security Charges   | 4,60,794                    | 4,18,836                    |
| Sitting Fees   | 7,47,000                    | 1,86,000                    |
| Telephone Charges  | 41,40,982                   | 37,54,778                   |
| Traveling and Conveyance   | 1,14,58,608                 | 1,25,14,395                 |
| Vehicle Maintenance  | 1,23,26,377                 | 1,65,36,801                 |
| Loss on Sale of Non-current Investments  | -                           | 28,686                      |
| Expenses Incurred towards corporate social responsibility<br>( refer notes on accounts - additional information sl.no. I ) | 75,00,000                   | -                           |
| <b>Total</b>   | <b>13,97,46,089</b>         | <b>14,68,81,245</b>         |
| <b>* Payments to the auditors comprises (excluding service tax input credit)</b>   |                             |                             |
| a. Statutory audit fees  | 2,00,000                    | 2,00,000                    |
| b. Tax Audit fees  | 1,50,000                    | 1,50,000                    |
| c. Certification and other matters   | 4,00,000                    | 4,00,000                    |
| <b>Total</b>   | <b>7,50,000</b>             | <b>7,50,000</b>             |



# NOTES ON ACCOUNTS

## RAJ TELEVISION NETWORK LIMITED

### Notes Forming Part of the Financial Statement for the Financial Year ended 31<sup>st</sup> March 2015

#### 1. Company Information

The company was incorporated vide CIN No. L92490TN1994PLC027709 dated 03<sup>rd</sup> June 1994 issued by Registrar of Companies, Chennai, Tamil Nadu.

The Company is listed on the Bombay stock exchange (BSE) and the National stock exchange (NSE) in India. The company currently operates television channels in three south Indian languages predominantly to viewers in Tamil Nadu and Karnataka and also in Andhra Pradesh. The Company's flagship channel is Raj TV.

#### 2. Significant Accounting Policies

##### 2.1 Basis of Preparation of Financial Statements

The financial statements are prepared in accordance with the Generally Accepted Accounting Principles in India to comply with the Accounting Standards notified under Section 133 of the Companies Act 2013 ("the 2013 Act") read with rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provision of Act to the extent notified. The Financial Statements have been prepared on accrual basis under historical cost convention (except on revaluation of land). Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act 2013.

The Financial Statement are Presented in Indian Rupees

##### 2.2. Estimates & Assumption, Accounting Judgments

The preparation of financial requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent gain or loss at the date of financial statements and the reported amounts of revenue and expenses during the reported period. The estimates and assumptions used in the accompanying financial statements are based upon the management's evaluation of the relevant forecast and circumstances as of the date of the financial statements. Actual results could differ from those estimates. Estimates and underlying assumption are reviewed on ongoing basis. Revision of accounting estimates recognized in the year in which estimated revised and future year affected.

#### 2.3 Tangible Fixed Assets

Tangible Fixed Assets are accounted at their original cost inclusive of installation and other incidental expenses directly attributable to the asset till it is put to use. Fixed Assets are stated at cost, after reducing the accumulated depreciation till the balance sheet date. Cost includes taxes, duties, freight and incidental expenses relating to acquisition and installation of fixed assets. Subsequent expenditures related to an item of tangible asset are added to its book value only if they increase the future benefits from existing assets beyond its previously assessed standard of performance.

Assets not ready for their intended use are shown as Capital Work -in-Progress

#### 2.4 Depreciation and Amortization

The company has revised its policy of providing depreciation on fixed assets effective from 1<sup>st</sup> April 2014. The depreciation for the year has been provided on Straight Line Method (SLM) on the basis of useful life specified in the Schedule II to the Companies Act, 2013 as against Straight Line Method (SLM) applying the rates, as prescribed in Schedule XIV to the Companies Act, 1956. The carrying amounts of various tangible fixed assets as at 1<sup>st</sup> April 2014 amount to Rs.707.11 lacs has been recognized in the opening balance of retained earnings where the useful of an asset is Nil. In other cases, the carrying amounts as on 1<sup>st</sup> April 2014 have been depreciated over the remaining useful life of the asset as per Schedule II. As a result of this change, the depreciation charge for the year ended 31<sup>st</sup> March, 2015 is higher by Rs.237.76 lacs

The useful life of the assets as given in the Schedule II to the companies Act, 2013 as follows

| Category of assets     | Useful life |
|------------------------|-------------|
| Plant and machinery    | 13 Years    |
| Vehicles               | 10 Years    |
| Computer               | 3 Years     |
| Building               | 30 Years    |
| Furniture and fixtures | 10 Years    |

Assets costing less than Rs.5, 000 each is fully depreciated in the year of capitalization

#### 2.5 Cash and Cash Equivalents

Cash and Cash equivalent comprises of Cash on Hand, Cash at bank and Demand Deposit with banks.

#### 2.6 Cash Flow Statement

Cash flow statement has been prepared as per Indirect Method set out in AS-3 prescribed in Companies (Accounting Standards) Rules, 2014.

#### 2.7. Inventory

Inventories comprises films not telecast are valued at lower of cost and net realizable value.

#### 2.8. Revenue Recognition

Broadcasting services - Advertisement Revenue is recognized when the related advertisement or commercial is telecast.

Subscription revenue is recognized on completion of service.

Sales comprise amounts invoiced to customers for services provided net of discounts.

Sale is recognized when the risk and rewards of ownership are passed onto the Customers.

Other Revenue/Income is generally accounted in accrual as they are earned.

#### 2.9. Foreign Currency Transactions

Foreign currency transactions are recorded at the exchange rates as on the date of the transaction and the exchange difference arising from foreign currency transaction is dealt with in Profit and Loss account.

The difference between the forward rate and the exchange rate at the inception of a forward exchange contract is recognized as income or expense over the life of the contract.

Monetary items denominated in foreign currency and outstanding at the balance sheet date are translated at the exchange rate ruling on that date. Exchange differences on foreign exchange transactions other than those relating to fixed assets are recognized in the profit and loss account. Any gain/loss on exchange fluctuation on the date of payment of expenditure incurred for acquisition of fixed assets is treated as an adjustment to the carrying cost of such fixed assets.

#### 2.10. Provision and Contingencies

A provision is recognized in the balance sheet when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. These are reviewed at each year end date and adjusted to reflect the best current estimate.

# NOTES ON ACCOUNTS

## 2.11. Earnings Per Share:

Basic earnings per share is arrived at based on net profit / (loss) after taxation available to equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted Earnings per share arrived by dividing the adjusted profit / (loss) after tax by the weighted average number of equity shares for arriving basic earnings per share plus the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares, if any.

## 2.12 Taxes on Income:

Tax expenses provision comprises of Current tax & Deferred Tax.

Current tax is made based on the liability computed in accordance with the relevant tax rates and tax laws and provision of Income Tax Act, 1961.

Deferred tax is recognized, subject to consideration of prudence, on timing difference, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods and measured using relevant enacted tax rates. Deferred tax Assets arising from timing differences are recognized to the extent there is a reasonable certainty that these would be realized in future.

## 2.13 Retirement Benefits:

i. Retirement benefit in the form of provident fund is a defined contribution scheme. The contributions to the provident fund are charged to the statement of profit and loss for the year when the contributions are due. The company has no obligation, other than the contribution payable to the provident fund.

ii. Gratuity liability is a defined benefit obligation. The cost of providing benefits under the plan is determined on the basis of actuarial valuation at each year-end using the projected unit credit method. Actuarial gains and losses are recognized in full in the period in which they occur in the statement of profit and loss.

## 2.14 Prior Period Items:

Income or Expenses which arise in the current period as a result of change in the preparation of the financial statements of one or more prior periods is shown as "Prior Period Item".

## 2.15 Investments:

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue

of shares or other securities, the acquisition cost is the fair value of the securities issued. If an investment is acquired in exchange for another asset, the acquisition is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments. On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

## 2.16 Impairment of Assets:

The Carrying amount of assets are reviewed at Balance Sheet date, if there is any indication of impairment based on internal / external factors. An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to profit and Loss Account in the period in which an asset is identified as impaired. The recoverable amount is greater of the asset's net selling Price and value in use. In assessing value in use, the estimated future cash flows are discounted to the present value. A previously recognized impairment loss is further provided or reversed depending on change in circumstances.

## Additional Information to the Financial Statement for the year ended 31<sup>st</sup> March 2015

### A. Expenditure in Foreign Exchange:

| Particulars              | For the year ended<br>31 <sup>st</sup> March 2015 | For the year ended<br>31 <sup>st</sup> March 2014 |
|--------------------------|---|---|
|                          | Rs.   | Rs.   |
| Travelling               | 18,03,488   | 3,11,749  |
| Production Expenses      | -   | 56,25,000   |
| Purchase of assets       | 6,64,796  | 50,91,703   |
| Repairs and maintenance  | 12,33,250   | 6,99,944  |
| Transponder hire charges | 8,25,16,978                                       | 9,84,44,174                                       |
| <b>Total</b>             | <b>8,62,18,512</b>                                | <b>11,01,72,570</b>                               |

### B. Earnings in Foreign Exchange:

| Particulars            | For the year ended<br>31 <sup>st</sup> March 2015 | For the year ended<br>31 <sup>st</sup> March 2014 |
|------------------------|---|---|
|                        | Rs.   | Rs.   |
| Export of TV Programme | 5,07,87,830                                       | 19,40,31,961                                      |
| <b>Total</b>           | <b>5,07,87,830</b>                                | <b>19,40,31,961</b>                               |



# NOTES ON ACCOUNTS

## C. Earnings Per Share:

During the F.Y 2013-14, 1,29,78,336 shares were split into 2,59,56,672 shares of Rs.5 each/- and 2,59,56,672 shares were allotted as Bonus shares by utilization of Securities Premium Account.

| Particulars  | For the year<br>ended 31 <sup>st</sup> March 2015 | For the year ended<br>31 <sup>st</sup> March 2014 |
|--|---|---|
|  | Rs.   | Rs.   |
| Net Profit Available to Equity Shareholder(Profit After Tax) | 8,15,83,260                                       | 12,91,21,886                                      |
| Weighted Average Number of Equity Shares                     | 5,19,13,344                                       | 5,19,13,344                                       |
| Earnings Per Share (Basic) - in Rs.                          | 1.57  | 2.49  |
| Earnings Per Share (Diluted) - in Rs.                        | 1.57  | 2.49  |

## D. Related Party Disclosures

### I: Directors

|                       |                    |
|-----------------------|--------------------|
| Mr. M.Rajendran       | Managing Director  |
| Mr. M.Ravindran       | Executive Director |
| Mr. M.Rajaratnam      | Executive Director |
| Mr. M.Raghunathan     | Executive Director |
| Mrs. Amudha Rajendran | Woman Director     |

(Amount in Rs.)

| Particulars           | Year ended<br>31.03.2015 | Year ended<br>31.03.2014 |
|-----------------------|--------------------------|--------------------------|
| Director Remuneration | 4,80,00,000              | 1,63,02,000              |
| Sitting Fees          | 45,000                   | -                        |

### II: Relatives of Promoters

(Amount in Rs.)

| Particulars              | Designation                                    | Salary paid Year<br>ended 31.03.2015 | Salary paid Year<br>ended 31.03.2014 |
|--------------------------|--|--------------------------------------|--------------------------------------|
| Mr. Nachiappan Rajendran | Chief Business Development Officer- E-Commerce | 29,25,000                            | 6,00,000/-                           |
| Mr. Chinna Nachiappan    | Chief Business Development Officer- E-Commerce | 50,000                               | 6,00,000/-                           |

## E. Employee benefit plans – Gratuity

The present value of gratuity obligation is determined on an estimated actuarial valuation as per AS-15 (Revised 2005). The summary is as follows:

(Amount in Rs.)

| Particulars                         | Year ended<br>31.03.2015 | Year ended<br>31.03.2014 |
|-------------------------------------|--------------------------|--------------------------|
| Current Service Cost                | 8,66,140                 | 6,26,839                 |
| Present value of Defined obligation | 1,03,09,175              | 76,47,643                |
| Employer contribution               | 14,29,933                | 12,94,254                |
| Accrued Gratuity                    | 1,33,29,593              | 1,01,94,190              |
| <b>Actuarial Assumptions</b>        |                          |                          |
| Discount rate                       | 0.08                     | 0.08                     |
| Expected rate of Salary Increase.   | 0.06                     | 0.06                     |
| Mortality                           | 3.00%                    | 3.00%                    |

# NOTES ON ACCOUNTS

## F. Segment Reporting

The company has no reportable Business or Geographical segment as defined in Accounting Standard 17 "Segment Reporting" issued by the Institute of Chartered Accountants of India.

## G. Deferred Tax

Deferred Tax Liability recognized for the Financial Year is Rs.(1,21,67,452)/-

| Particulars  | Amount      |
|--|-------------|
| Opening Deferred Tax Liability                     | 6,93,35,602 |
| Add: Deferred Tax Liability for 2014-15 recognized | (31,69,738) |
| Closing Deferred Tax Liability                     | 6,61,65,864 |

## H. Revaluation of Land

Accounting Standard (AS) 10 on 'Accounting for Fixed Assets' permits the revaluation of fixed assets and, inter alia, requires that "An increase in net book value arising on revaluation of fixed assets should be credited directly to owners' interests under the head of revaluation reserve, except that, to the extent that such increase is related to and not greater than a decrease arising on revaluation previously recorded as a charge to the profit and loss statement, it may be credited to the profit and loss statement."

During the F.Y 2013-14 – Land was revalued and the increase in Net Book Value arising on revaluation of Land to the extent of Rs.442,045,618/- was credited to Revaluation Reserve.

## I. Corporate Social Responsibility

As per Section 135 of the Companies Act, 2013, a corporate social responsibility (CSR) committee has been formed by the Company. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation and rural development projects. The funds were primarily allocated to a corpus and utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013.

## J. Trade Debtors and Creditors

The balances of sundry creditors and Debtors as shown in the balance sheet are subject to reconciliation & confirmation.

## K. Commitments and Contingencies

There are no Contingent Liabilities as on the Balance sheet date.

## L. Events after Balance Sheet Date

There are no material events occurred after the balance sheet date, which requires adjustment to assets / liabilities as of March 31, 2015.

## M. General Notes

- All Amount mentioned in financial statement represents for the year ended 31.03.2015.
- Previous year figures have been rearranged wherever necessary to conform to Current year Classification of accounts.
- All amounts in the financial statements have been rounded off to the nearest Indian rupee.
- Based on the information and explanation given by the company there were no dues to Micro, small Scale industries.

Vide our report of even Date  
**For Pratapkaran Paul & Co.,**  
**Chartered Accountants.**  
**Firm Registration No.027775**

-Sd/-  
 Rajendran.M  
 Managing Director  
 Din No: 00821144

-Sd/-  
 Ravindran.M  
 Director  
 Din No:00662830

-Sd/-  
 S.Jeyaseelan  
 CFO

-Sd/-  
 Joseph Cheriyan  
 Company Secretary  
 Membership No:26524

-Sd/-  
**Pratapkar Paul**  
**Partner**  
**Membership No 023810**

Place: Chennai  
 Date: 27<sup>th</sup> May 2015

[illegible]



# ATTENDANCE SLIP & PROXY FORM

## RAJ TELEVISION NETWORK LIMITED

CIN : L92490TN1994PLC027709

Registered office: 32, Poes Road 2<sup>nd</sup> Street, Teynampet, Chennai - 600 018.

Web : [www.rajtvnet.in](http://www.rajtvnet.in)

### ATTENDANCE SLIP

#### 21<sup>st</sup> Annual General Meeting

**ATTENDANCE SLIP**

DP ID .....

(To be presented at the entrance)

Folio No./Client ID .....

I / We hereby record my/our presence at the 21<sup>st</sup> Annual general Meeting of the company at Bharatiya Vidya Bhavan, 18-22, East Mada Street, Mylapore, Chennai-600004, on Wednesday, the 30<sup>th</sup> day of September 2015 at 10.00 A.M

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL.  
JOINT SHAREHOLDER(S) MAY OBTAIN ADDITIONAL SLIP AT THE VENUE OF THE MEETING.

.....  
Signature of the Member/ Proxy



## PROXY FORM

[Pursuant to Section 105 (6) of the Companies Act, 2013 read with Rule 19 (3) of the Companies (Management and Administration) Rules, 2014]

## RAJ TELEVISION NETWORK LIMITED

CIN : L92490TN1994PLC027709

Registered office: 32, Poes Road 2<sup>nd</sup> Street, Teynampet, Chennai - 600 018.

Web : [www.rajtvnet.in](http://www.rajtvnet.in)

|                        |  |
|------------------------|--|
| 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: ..... or failing him;

(2) Name: .....

Address: .....

E-mail Id: ..... or failing him;

(3) Name: .....

Address: .....

E-mail Id: .....

as my/ our proxy to attend and vote (on a poll) for me/ us and on my/ behalf at the **21<sup>st</sup> Annual general Meeting** of the company at Bharatiya Vidya Bhavan, 18-22, East Mada Street, Mylapore, Chennai-600 004, on Wednesday, the 30<sup>th</sup> day of September 2015 at 10.00 AM. and at any adjournment thereof in respect of such resolutions as are indicated here.

I WISH MY ABOVE PROXY TO VOTE IN THE MANNER AS INDICATED IN THE BOX

| Resolution No     |    | Resolutions  | For | Against |
|-------------------|----|--|-----|---------|
| ORDINARY BUSINESS | 1  | Consider and adopt the Financial Statements of the Company for the year ended 31 <sup>st</sup> March, 2015 together with the Reports of the Board of Directors and Auditors’ thereon.  |     |         |
|                   | 2  | Declaration of final dividend.   |     |         |
|                   | 3  | To appoint a Director in place of Mr. M. Rajarathnam , Whole-time Director , (holding DIN 00839174) who retires by rotation and being eligible offers himself for reappointment.   |     |         |
|                   | 4  | To appoint a Director in place of Mr. M. Raghunathan- Whole-time Director , (holding DIN 00662769) who retires by rotation and being eligible offers himself for reappointment.  |     |         |
|                   | 5  | Appointment of M/s. Pratapkaran Paul & Co., Chartered Accountants (ICAI Registration No.002777S) as statutory auditors of the Company and fix their remuneration.  |     |         |
| SPECIAL BUSINESS  | 6  | Appointment of Smt. Vijayalakshmi Ravindran (DIN 00716224),as the woman director of the Company, pursuant to provisions of Section 149, 150, 152 and any other applicable and related provisions of the Companies Act, 2013. |     |         |
|                   | 7  | Reappointment of Mr. M. Rajendran as Managing Director of the Company for a period of five (5) years commencing from 01st April 2016 and ending 31st March 2021.   |     |         |
|                   | 8  | Reappointment of Mr. M. Rajarathnam as Whole Time Director of the Company for a period of five (5) years commencing from 01st April 2016 and ending 31st March 2021.   |     |         |
|                   | 9  | Reappointment of Mr. M. Ravindran as Whole Time Director of the Company for a period of five (5) years commencing from 01st April 2016 and ending 31st March 2021.   |     |         |
|                   | 10 | Reappointment of Mr. M. Raghunthan as Whole Time Director of the Company for a period of five (5) years commencing from 01st April 2016 and ending 31st March 2021.  |     |         |

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

Affix  
1Rupee  
revenue  
stamp

Signature of the Shareholder .....

.....  
Signature of first proxy holder

.....  
Signature of second proxy holder

.....  
Signature of third proxy holder

Note: This form in order to be effective should be duly completed and deposited at the Registered Office of the Company at 32, Poes Road 2nd Street, Teynampet, Chennai - 600 018, not less than 48 hours before the commencement of the Meeting.







*The People's Channel*

To.

.....

.....

.....

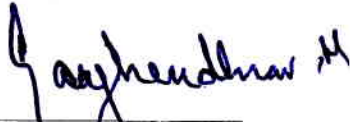
.....

If undelivered please return to :  
**Raj Television Network Ltd.,**  
32, Poes Road, 2<sup>nd</sup> Street,  
Teynampet, Chennai - 600 018.


FORM A

**Covering letter of the Annual Audit Report to be filed with the Stock Exchanges**  
(As per Clause 31(a) of the Listing Agreement)

|   |   |   |
|---|---|---|
| 1 | Name of the Company                           | Raj Television Network Limited<br>BSE Code - 532826 (Equity)<br>NSE Code- RAJTVEQ |
| 2 | Annual Financial Statement for the year ended | 31 <sup>st</sup> March 2015   |
| 3 | Type of Audit Observation                     | None  |
| 4 | Frequency of observation                      | Not Applicable  |

  
(Rajhendran M)  
Managing Director.

  
(A Arjuna Pai)  
Independent Director and Chairman of Audit Committee.

  
(M Ravindran)  
Director and member of Audit Committee.

  
(Pratapkarana Paul)  
Partner, M/s PRATAPKARAN PAUL & CO.,  
Statutory Auditors,  
Firm Regn No.002777S

27<sup>TH</sup> MAY 2015  
CHENNAI

