



**24<sup>th</sup>**  
**Annual Report**

**2017 - 2018**

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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.

### **Statutory Reports**

1. Notice
2. Directors' Report
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## CORPORATE DETAILS

### BOARD OF DIRECTORS:

Shri. M. Raajhendhran : Managing Director  
 Shri. M. Rajrathinam : Director- Distribution  
 Shri. M. Ravindran : Director- Operations  
 Shri. M. Regunathan : Director-Marketing  
 Shri. D. R. Kaarthikeyan : Independent Director  
 Shri. R. Rajagopalan : Independent Director  
 Shri. A. Arjuna Pai : Independent Director  
 Shri. Mohan Kameswaran : Independent Director  
 Smt. Vijayalakshmi Ravindran : Woman Director

### Chief Financial Officer.

Shri. S.Jeyaseelan

### Company Secretary & Compliance Officer

Shri. Joseph Cheriyan: (FCS)

### Audit Committee:

Shri. A. Arjuna Pai (Chairman)  
 Shri. R. Rajagopalan  
 Shri. M. Rajarathinam

### Nomination and Remuneration Committee

Shri. D. R. Kaarthikeyan (Chairman)  
 Shri. A. Arjuna Pai  
 Shri. R. Rajagopalan

### Stakeholders Relationship committee:

Shri. D. R. Kaarthikeyan (Chairman)  
 Shri. M. Raajhendhran,  
 Shri. M. Ravindran

### Corporate Social Responsibility Committee

Shri. D. R. Kaarthikeyan (Chairman)  
 Shri. R Rajagopalan  
 Shri. M Regunathan

### Statutory Auditors:

M/s. N.Naresh & Co., Chartered accountants,

### Secretarial Auditors :

M/s. V. Nagarajan & Co., (Proprietor)  
 Practising Company Secretary

### Internal Auditor :

Mr. Jaganathakannan, B.Com., FCA.,  
 Proprietor, Kannan Associates

### Cost Auditor :

Mrs. S.Subashini, Cost Accountant  
 M/s. S.Subashini & Co,

### Legal Advisors :

HSB Partners, Chennai.

### Registered office:

**RAJ TELEVISION NETWORK LIMITED**  
 32, POES ROAD, SECOND 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

### Regional Offices:

#### DELHI:

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

#### HYDERABAD:

FLAT NO. 8-2-293/82/A/656/1, ROAD NO. 32,  
 JUBILEE HILL, HYDERABAD - 500033.  
 Phone: 040 - 29800105, 106, 107

#### MUMBAI :

No. 105, Swapna Co-Op HSG society,  
 1<sup>st</sup> floor, S.K. Bhole Marg, DADAR WEST,  
 MUMBAI-400028

#### BANGALORE:

K.K.M.P building, Second Floor, No.16/1,  
 Miller Tank Nagar, BANGALORE-560052.

### 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  
 STATE BANK OF INDIA  
 INDIAN BANK,  
 HDFC BANK

**From the desk of the Managing Director**  
**Chairman's Message . . . . .**

Dear Shareholders,

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

I take the pleasant privilege of addressing you on the occasion of the 24<sup>th</sup> Annual General meeting of our company.

The year 2017-18 witnessed the imminent implementation of GST, and the Implementation of GST hampered the growth of M&E industry during the year, just as it was recovering from the lingering impact of demonetisation. These policy actions had a temporary negative impact on the growth trajectory, but we believe that they will aid the long-term growth of the industry. Strong economic growth, rising disposable income and discretionary spends, coupled with low entertainment consumption in the country, presents a favourable landscape for the industry. At Raj Television Network limited, F.Y. 2017-18 we maintained a steady growth across all quarters and reported revenue of Rs.63.40 Crores with EBITDA of Rs.12.16 Crores. Despite pricing challenges, and increasing costs, we were able to maintain the performance level. We are confident that we will be able to continue on the path of augmenting shareholder value.

We are in the midst of refreshing our digital offering, consolidating the learnings from our subscription and advertising-based platforms. During the Current year, your company plan to increase our content contribution In-house Production of Contents majorly Serials, in Tamil language covering different Genres. Healthy advertising revenues are expected from the new content infusion. 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.

I take this opportunity to thank all their valued customers, business associates and vendors for their kind support. I place on record the 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. 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 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. I 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.

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

(Raajhendhran. M)

Chairman and Managing Director

Raj Television Network Limited

(CIN: L92490TN1994PLC027709)

Regd. Office: No.32, Poes Road, Second Street,

Teynampet Chennai - 600 018, Tel: 044-24334149/50

Email: redressal@rajtvnet.in, Website: www.rajtvnet.in

### NOTICE

Notice is hereby given that the **Twenty Fourth Annual General Meeting** of M/s Raj Television Network Limited will be held on Saturday, 29<sup>th</sup> September, 2018 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. **Adoption of Financial Statements:**

To receive, consider, approve and adopt the Audited Financial Statements of the Company prepared under Indian Accounting Standards (Ind-AS) as on a standalone basis, for the financial year ended March 31, 2018 including the Balance Sheet as at March 31, 2018, the Statement of Profit & Loss Account for the financial year ended on that date and the Reports of the Board of Directors (the Board) and Auditors thereon.

2. **To appoint a Director** in place of Smt Vijayalakshmi Ravindran, (Holding DIN: 00716224), who retires by rotation and being eligible, offers herself for re-appointment.

3. **Ratification of the appointment of Auditors.**

To ratify the appointment of Auditors and in this regard to consider and if thought fit, to pass, with or without modifications, the following Resolution as an **Ordinary Resolution**.

**"RESOLVED THAT** pursuant to the provisions of Section 139, 142 and other applicable provisions of the Companies Act, 2013, the rules made thereunder, the resolution earlier passed by the members of the Company in their meeting held on 30-9-2017, appointing **M/s N. Naresh & Co., Chartered Accountants**, (Firm Registraton No. 011293S), as Statutory Auditors of the Company for a term five years and to hold office till conclusion of the Annual General Meeting to be held in the year 2022, subject to Annual ratification, be and is hereby ratified to the extent it is required / applicbale under the provisions of the Companies Act 2013".

#### SPECIAL BUSINESS

4. **Ratification of Remuneration of Cost Auditor:**

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

**"RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any of the Companies Act, 2013 read with the Companies (Audit & Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the company hereby approves and ratifies the remuneration of Rs. 75000/- (Rupees Seventy Five Thousand Only) per year plus applicable taxes and out of pocket expenses payable to M/s. S. Subhashini, Cost Accountant, having Firm Registration Number:100482 and membership, number 22904, and having office at New no.5, First Floor, Alwarpet Street, Alwarpet, Chennai -18, for conducting the audit of cost records of the company for the financial years ending March 31, 2018 and March 31, 2019, as recommended by the Audit Committee and approved by the Board of Directors of the Company, be and is hereby ratified and confirmed."

5. **Re-Appointment of Shri. R. Rajagopalan as an Independent Director of the company:**

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

**"Resolved that** pursuant to Sections 149, 152 and other applicable provisions of Companies Act, 2013 ('Act') and the rules made thereunder read with Schedule IV of the Act, Shri. R. Rajagopalan, (Holding DIN: 00717140) who holds the office of the Independent Directorship of the company and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation for a period of five years from 1<sup>st</sup> October, 2018 until September 30, 2023."

Regd. Office:  
32, Poes Road,  
Ilnd St, Teynampet,  
Chennai-600 018  
Date: 10<sup>th</sup> August 2018

**By Order of the Board of Directors**

**Joseph Cheriyan**  
**Company Secretary and Compliance Officer**

**Notes:**

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.

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.

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, relating to the Special Businesses to be transacted at the Annual General Meeting is annexed.

Additional information, pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, 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

In respect of the proposed re-appointment of Shri. R. Rajagopalan, as an Independent Director not liable to retire by rotation, the Board of Directors have reviewed the declaration submitted by Shri. R. Rajagopalan, confirming that he continues to meet the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and the Board is of the opinion that Shri. R. Rajagopalan, fulfills the conditions specified in the Act and the rules made thereunder and is independent of the management of the Company.

Members who wish to obtain information on the Financial Statements for the year ended March 31, 2018, may send their queries at least seven days before the Annual General Meeting to the Compliance Officer & Company Secretary at the Registered Office of the Company or by e-mail to [redressal@rajtvnet.in](mailto:redressal@rajtvnet.in)

Electronic copy of the Annual Report for 2017-18 is being sent to all the Members whose e-mail addresses are registered with the Company / Depository Participant(s) for communication. For Members who have not registered their e-mail address, physical copies of the Annual Report for 2017-18 is being sent. The Annual Report may also be accessed on the Company's Corporate Website [www.rajtvnet.in](http://www.rajtvnet.in)

*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).*

*Members are requested vide SEBI circular No. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated April 20, 2018, inter-alia, which inter-alia mandate the company/RTAs to send a letter under Registered / Speed post seeking PAN and bank details and hence the Members are requested to furnish the same either to the company or its RTA at the address mentioned above. This intimation may be treated as a compliance issued by SEBI in terms of the above said circular to all companies/RTAs.*

**E-Voting**

In compliance with Section 108 of the Companies Act, 2013 and Companies (Management and Administration) Rules, 2014 & Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Company is pleased to provide members facility to exercise their right to vote at the 24th 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 26<sup>th</sup> day of September 2018 at 9.00 a.m. and will end on the Friday 28<sup>th</sup> day of September 2018 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 22<sup>nd</sup> September 2018, 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.

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.

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 22, 2018.

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.

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.

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 24th Annual Report 2017-18 notice Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or Vice-Chairman, who shall countersign the same and declare the result of the voting forthwith.

The results declared along with the Scrutinizer'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.

Regd. Office:  
32, Poes Road,  
IInd St, Teynampet,  
Chennai-600 018  
Date: 10<sup>th</sup> August 2018

**By Order of the Board of Directors**

**Joseph Cheriyan**  
**Company Secretary**



**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013****ITEM NO 4**

At the board meeting held on May 28, 2018 the Board after reviewing confirmation received and based on the recommendations of the Audit Committee, approved the appointment of M/s. S. Subhashini, Cost Accountant , having Firm Registration Number:100482 and having membership, number 22904, as Cost Auditor of the Company for FY 2017-18 at remuneration of Rs.75,000/- (Rupees Seventy Five Thousand Only) plus taxes and reimbursement of out of pocket expenses.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with Rule 14 of Companies (Audit and Auditors) Rules, 2014, ratification by the Shareholders is sought for the remuneration payable to the Cost Auditor for FY 2017-18.

Your Board recommends the Ordinary Resolution as set out in Item No 5 for your approval. None of the Directors and/or Key Managerial Personnel of the Company or their relatives are in any way concerned or interested in the resolution.

**ITEM NO 5**

Re-Appointment of Shri. R.Rajagopalan as an Independent Director of the company:

Shri. R. Rajagopalan (Holding DIN 00717140) Independent Director of the company who retires by rotation at this Annual General Meeting of the company and as per the provisions of Section 149(5) of the Companies Act, 2013 is required to be appointed as an Independent director for a period of five years with effect from 01<sup>st</sup> October 2018 to 30<sup>th</sup> September 2023 not liable to retire by rotation. Further the said appointment shareholders permission is required by way of special resolution.

In the Opinion of the Board and Based on the declaration of Independence submitted by Shri. R Rajagoapalan, is a person of Integrity, has the necessary knowledge , experience and expertise for being appointed as an independent Director and fulfils the conditions specified in the Companies Act and Securities and Exchange Board of India (Listing obligations and Disclosure Requirements ) Regulations , 2015 (Listing Regulations ) for appointment as an Independent Director of the Company.

Your Board recommends the Special Resolution as set out in **Item No 5** for your approval.

None of the Directors and/or Key Managerial Personnel of the Company or their relatives, except Shri. R. Rajagopalan (whose appointment is proposed in the resolution) are in any way concerned or interested in the resolution.

**Brief Profile of Directors seeking appointment / re-appointment at the Annual General Meeting:****INFORMATION ABOUT THE DIRECTORS RETIRES BY ROTATION AND BEING ELIGIBLE OFFERS HIMSELF FOR RE-APPOINTMENT.****1. Shri. R Rajagopalan**

<b>Name of the Director</b>	<b>Shri R Rajagopalan (DIN 00717140)</b>
<b>Age</b>	<b>75</b>
<b>Date of first Appointment on the Board</b>	<b>14-06-2007</b>
<b>Qualification</b>	<b>Retired from Indian Police Service</b>
<b>Brief resume including Experience</b>	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.
<b>Expertise in specific functional areas</b>	Shri R Rajagopalan has over 5 decades of experience in the Administration, Law & order, Staff selection and recruitments , public administration. He has held various positions over his functional area as an IPS officer and was the Ex DGP for Tamil Nadu State.
<b>Other Directorships</b>	Nil
<b>Chairmanship/Membership Committees in Companies in which position of Director is held</b>	Nil
<b>Relationship with other Directors, managers, and the Key managerial Personnel of the Company</b>	Nil
<b>No. of board meeting attended during the year</b>	5
<b>Terms and conditions of appointment or reappointment including remuneration</b>	Appointed as Independent Director for a term of five years with effect from 01 <sup>st</sup> October 2018 to 30 <sup>th</sup> September 2023 not liable to retire by rotation, subject to approval of share holders. As an independent director, he is entitled to a sitting fee of Rs.30000 for each meeting and Rs.15000/- for each committee meeting. During the FY 2017-18, he was paid Rs.3,00,000/-as sitting fees for his attendance at the Board and Committee meetings.
<b>No. of equity Shares held in the company (As on 30<sup>th</sup> June , 2018)</b>	Nil

**2. Smt. Vijayalakshmi Ravindran**

<b>Name of the Director</b>	Smt Vijayalakshmi Ravindran (DIN: 00717140)
<b>Age</b>	53
<b>Date of first Appointment on the Board</b>	Worked in the company as a director from 1999 to 2006 and further appointed as director by members during the AGM held on 30.09.2014 as woman director of the company w.e.f 01.10.2014
<b>Qualification</b>	Graduate
<b>Brief resume including Experience</b>	A graduate in English Literature University of Madurai, she holds Non -Executive Director of the Company. She is also acting as the Chairman of the "Internal Complaints Committee" constituted as per Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.
<b>Expertise in specific functional areas</b>	She has more than two decades of experience in business management and administration. She holds Directorship in various companies and her vast experience and expertise will support the growth of the Company.
<b>Other Directorships</b>	Smt.Vijayalakshmi Ravindran is a Whole Time Director in M/s Vissa Television Network Limited and Ravin Hotels Private Limited.
<b>Chairmanship/Membership Committees in Companies in which position of Director is held</b>	Nil
<b>Relationship with other Directors, managers, and the Key managerial Personnel of the Company</b>	She is related to existing whole-time directors, relatives who are in employment with the company and the Managing Director of the company
<b>No. of board meeting attended during the year</b>	5
<b>Terms and conditions of appointment or reappointment including remuneration</b>	Appointed as Woman Director of the company liable to retire by rotation, subject to approval of share holders. As a director, she is entitled to a sitting fee of Rs.30000/- for each meeting and Rs.15000/- for each committee meeting. During the FY 2017-18, he was paid Rs.1,50,000/-as sitting fees for her attendance at the Board and Committee meetings.
<b>No. of equity Shares held in the company (As on 30<sup>th</sup> June , 2018)</b>	28,82,101

Regd. Office:  
32, Poes Road,  
Ilnd St, Teynampet,  
Chennai-600 018  
Date: 10<sup>th</sup> August 2018

**By Order of the Board of Directors**

**Joseph Cheriyan**  
**Company Secretary**

**DIRECTOR'S REPORT**

**Dear Members,**

The Board of Directors hereby submits the report of the business and operations of your Company ('the company' or 'RAJTV') along with the audited statements, for the financial year ended March 31<sup>st</sup>, 2018.

**FINANCIAL SUMMARY / HIGHLIGHTS OF THE COMPANY:**

<b>Particulars</b>	<b>Year ended 31<sup>st</sup> March, 2018</b>	<b>Year ended 31<sup>st</sup> March, 2017</b>
Revenue from Operations	6157.48	6120.89
Other Income	182.76	84.58
<b>Total Revenue</b>	<b>6340.25</b>	<b>6205.46</b>
<b>Less : Total Expenses</b>	<b>5123.69</b>	<b>5364.55</b>
<b>Profit/(Loss) before interest, Depreciation &amp; Amortization and Tax</b>	<b>1216.56</b>	<b>840.91</b>
Interest	543.12	483.21
<b>Profit/(Loss) before Depreciation and Tax (PBDT)</b>	<b>673.44</b>	<b>357.70</b>
<b>Depreciation &amp; Amortization</b>	<b>1201.85</b>	<b>1151.35</b>
<b>Profit/(Loss) Before Tax (PBT)</b>	<b>4.01</b>	<b>(304.53)</b>
Provision for taxation	141.26	173.86
<b>Profit/(Loss) After tax (PAT)</b>	<b>(137.25)</b>	<b>(478.40)</b>
<b>Balance brought forward</b>	<b>2082.36</b>	<b>2560.76</b>
Adjustment of depreciation as per Transition provisions	Nil	Nil
<b>Amount available for appropriations</b>	<b>1945.11</b>	<b>2082.36</b>
Final Dividend – on Equity Shares	-	-
Tax on Dividend	-	-
General Reserve	-	-
<b>Surplus carried to Balance Sheet</b>	<b>1945.11</b>	<b>2082.36</b>

**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 2017-18.

**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. 6340.25 lakhs as against Rs.6205.46 lakhs in the P.Y. The Total Expenditure for the period is Rs.6336.24 lakhs as against Rs.6510.00 lakhs in the Previous Year.
- The performance of the Company is marginally affected by downfall in advertisement income due to reduction in the viewership rating for the channels due to the change in the rating parameters by new rating agency.
- Net Loss After Tax stood at Rs.137.25 Lakhs as compared to Net loss after tax Rs.478.40 lakhs in the Previous Year.

**Business Overview**

Your Company one of the leading television broadcasters in India operating Satellite Television Channels across 5 languages of Tamil, Telugu, Kannada, Malayalam & Hindi. Your Company, today, is an established Television Company in the Tamil broadcasting industry in PAN India. The Network is presently runs 13 Channels Your company has own uplinking station and Exclusive Transponder facility. Your company broadcasts the channels in PAN India, as well as parts of South East Asia, and the Middle East. 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. The company plans to have more in house media contents in Tamil language in various genres. 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.

**There are no significant changes in nature of business during the Financial Year 2017-18.**

**DIVIDEND:**

In view of loss incurred in the current year, the Board of Directors does not recommend any dividend for the year ended March 31, 2018.

**TRANSFER TO RESERVES**

During the Financial year 2017-18, no amount has been transferred to the General Reserve.

**SHARE CAPITAL**

The Company has not issued any shares or any other securities including ADR/GDR/FCCB/ WARRANTS/BONDS, ESOP during the year.

**DIRECTORS AND KEY MANAGERIAL PERSONNEL**

None of the Company's Directors are disqualified from being appointed as a Director as specified in Section 164 (2) of the Companies Act, 2013. Your Board comprises of 9 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 SEBI (LODR), 2015. During F.Y. 2017-18 your Board met 5 (Five) times details of which are available in Corporate Governance Report annexed to this report.

**RETIREMENT BY ROTATION**

As per the provisions of the Companies Act, 2013, Shri R. Rajagopalan Director and Smt. Vijayalakshmi Ravindran Director of the Company will retire at the ensuing AGM and being eligible, seeks re-appointment. The Board of Directors recommend their re-appointment. Director Smt. Vijayalakshmi Ravindran, (Holding DIN: 00716224), who retires by rotation and being eligible, offers herself for re-appointment. Shri. R. Rajagopalan (Holding DIN 00717140) who is presently an Independent director of the company who retires by rotation and being recommended for reappointment for a further period of five years wef 01<sup>st</sup> October 2018 to 30<sup>th</sup> September 2023. The details of the appointee is annexed along with the notice calling the annual general meeting of the company.

**KEY MANAGERIAL PERSONNEL**

Pursuant to the provisions of Section 203 of the Companies Act, 2013, the Key Managerial Personnel of the Company are Shri. Raajhendra M - Managing Director and Chief Executive Officer, Shri S. Jeyaseelan - Chief Financial Officer and Shri. Joseph Cheriyan - Company Secretary. There has been no change in the Key Managerial Personnel during the year 2017-18.

**SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES**

Company has no Subsidiary, Joint Ventures or Associate Companies and same status is maintained during the F.Y 2017-18.

**PUBLIC DEPOSITS:**

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

**BOARD COMMITTEES**

In compliance with the requirements of Companies Act, 2013 and Listing Agreements / Listing Regulations, your Board had constituted various Board Committees including Audit Committee, Risk Management Committee, Nomination & Remuneration Committee, Stakeholders Relationship Committee and Corporate Social Responsibility Committee.

Details of the constitution of these Committees, which are in accordance with regulatory requirements, have been uploaded on the website of the Company viz. [www.rajtvnet.in](http://www.rajtvnet.in). Details of scope, constitution, terms of reference, number of meetings held during the year under review along with attendance of Committee Members therein form part of the Corporate Governance Report annexed to this report. A detailed report on Corporate Social Responsibility activities initiated by the Company during the year under review, in compliance with the requirements of Companies Act, 2013, is annexed to this report

**CORPORATE GOVERNANCE REPORT, MANAGEMENT DISCUSSION AND ANALYSIS REPORT AND OTHER INFORMATION REQUIRED UNDER THE COMPANIES ACT, 2013, AND SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS 2015**

As required under Regulation 34 and Schedule V of SEBI (Listing obligations and disclosure requirements) Regulations 2015, (hereinafter referred to as "Listing Regulations") with the Stock Exchanges, we continue to be a pioneer in benchmarking our Corporate Governance policies with the best in media industry. The report on Management Discussion and Analysis, Corporate Governance as well as the Auditor's certificate regarding the compliance of conditions of Corporate Governance forms part of the Annual Report. Compliance reports in respect of all laws applicable to the Company have been reviewed by the Board of Directors.

**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.

**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 2017-18 is annexed with this report vide Annexure III.

**BOARD MEETINGS:**

The Board of Directors met 5 times during this financial year. The Board meeting was on 04.05.2017, 30.06.2017, 13.09.2017, 11.12.2017 and 05.02.2018.

**BOARD EVALUATION**

The Independent Directors of your Company, in a separate meeting held 30.06.2017, without presence of other Directors and management evaluated performance of the Chairman, Managing Director and other Non-Independent Directors along with performance of the Board/Board Committees based on various criteria recommended by Nomination & Remuneration Committee. A report on such evaluation done by Independent Directors was taken on record by the Board and further your Board, in compliance with requirements of Companies Act, 2013, evaluated performance of all Independent Directors based on various parameters including attendance, contribution etc.

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 with this report vide Annexure III.

**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).

**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.

**AUDITORS AND AUDITORS' REPORT**
**I. Statutory Auditors**

The appointment of Auditors and in this regard to consider and if thought fit, to pass, with or without modifications, the following Resolution as an **Ordinary Resolution. RESOLVED THAT** pursuant to the provisions of Section 139, 142 and other applicable provisions of the Companies Act, 2013, the rules made thereunder, the resolution earlier passed by the members of the Company in their meeting held on 30-9-2017, appointing **M/s N. Naresh & Co., Chartered Accountants**, (Firm Registration No. 011293S), as Statutory Auditors of the Company for a term five years and to hold office till conclusion of the Annual General Meeting to be held in the year 2022, subject to Annual ratification, be and is hereby ratified to the extent it is required / applicable under the provisions of the Companies Act 2013, forms part of the notice of ensuing Annual General Meeting.

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 M/s V. Nagarajan & Co., Practising Company Secretary, to conduct Secretarial Audit for the F.Y. 2017-18. The Secretarial Audit Report for the financial year ended March 31, 2018 is annexed herewith marked as Annexure V to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

## **III. Cost Audit**

In pursuance of Section 148 of the Companies Act, 2013, read with Companies (Cost Records and Audit) Rules, 2014 M/s. S. Subashini and Associate - Practising Cost Accountant was engaged to carry out Audit of Cost Records of the Company. Requisite proposal seeking ratification of remuneration payable to the Cost Auditor forms part of the notice of ensuing Annual General Meeting.

## **PARTICULARS OF THE EMPLOYEES**

Raj Television Network Limited had 463 employees as of 31, 2018. In accordance with provisions of Section 197 (12) of Companies Act, 2013, read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the required information is provided in the Annual Report which forms part of this report. However, as per the provisions of 136 of the Companies Act, 2013, the Annual Report is being sent to all the shareholders of the Company excluding the aforesaid information. The said information is available for inspection at the Registered Office of the Company during the working hours and any member interested in obtaining such information may write to the Company Secretary and the same will be furnished on request.

## **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.

## **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.

## **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, NIL unclaimed dividend declared by the Company, liable to be transferred to the Investors Education and Protection Fund within the due date.

## **MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY BETWEEN THE END OF THE FINANCIAL YEAR AND THE DATE OF THE REPORT**

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

## **EXTRACT OF ANNUAL RETURN**

The Extract of Annual Return as provided under Section 92 (3) of the Companies Act, 2013, is disclosed in Annexure in the prescribed Form MGT-9 as forms part of the report.

## **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 2017-18.

## **SIGNIFICANT / MATERIAL ORDERS PASSED BY THE REGULATOR OR COURTS**

There were 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.

**POLICY OF DIRECTORS' APPOINTMENT AND REMUNERATION**

The Company's policy on Directors' appointment and remuneration including criteria for determining qualifications, positive attributes fit and proper, independence of a Director and other matters provided in Section 178(3) of the Companies Act, 2013, forms part of the report as Annexure. Further, information about elements of remuneration package of individual Directors are provided in the extract of Annual Return as provided in the Form MGT-9.

**FAMILIARISATION PROGRAM FOR INDEPENDENT DIRECTORS**

The Company has a practice of conducting structured induction and familiarisation program of the Independent Directors of the Company.

**INDEPENDENT DIRECTORS' MEETING**

As per Regulation 25 of the Listing Regulations, a separate meeting of the Independent Directors was held during the Financial Year 2017-18 details are given in the Corporate Governance Report.

**BOARD EVALUATION**

In terms of the applicable provisions of the Companies Act 2013 and SEBI Listing Regulations, the Board has carried out a formal annual evaluation of its on performance, the Directors individually as well as the functioning of the Committees.

**INFORMATION AS REQUIRED UNDER SECTION 134 (3)(m) OF THE COMPANIES ACT, 2013 READ WITH RULES 8 (3) OF THE COMPANIES (ACCOUNTS) RULES, 2014**

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.

**HOWEVER THE INFORMATION, AS APPLICABLE, IS GIVEN HEREUNDER**
**1. 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. However the information, as applicable, is given hereunder:

**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.
(ii) the steps taken by the company for utilizing alternatesources of energy	
( iii ) the capital investment on energy conservation equipment	

**b) Technology Absorption:**

(i) the efforts made towards technology absorption	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 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 Additional Information to the financial statements forming part of Notes on Accounts of the company.

**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, howsoever 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.

The company had established 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 and the same is available at the website of the company ([www.rajtvnet.in](http://www.rajtvnet.in)).

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 SEBI (LODR), 2015 of the Listing Agreement.

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 Personnel) Rules, 2014 are provided in the annual report.

**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.

**INTERNAL FINANCIAL CONTROL**

The company has an established internal control system on the Financial reporting and this is adequate for the size and nature of our business. The company's Internal Control System is supported by well laid out systems, procedures and policies for each of the functions and these are being followed in the normal course of operations of the Company. The adherence to the established procedures / policies is being audited by firm of Auditors as part of the internal audit. Appropriate actions to correct deviations if any are taken up immediately by the management. The Audit Committee of the Company provides reassurance to the Board on the existence of an effective internal control system in the operations of the Company. The company has established a system of periodic review of the established internal control system and its effectiveness and takes actions for upgrading the same to meet the changing requirements.

**Pledging of the shares by the Promoters**

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

<b>Details Pledging of the Shares by the Promoters</b>		
Sl. No	Particulars	Year Ended March 31, 2018
<b>A</b>	<b>PARTICULARS OF SHAREHOLDING</b>	<b>No. of shares</b>
<b>1</b>	<b>Promoters Share Holding</b>	
	- Number of Shares	<b>36696744</b>
	- Percentage of Shareholding	<b>70.69</b>
<b>2</b>	<b>Promoter and Promoter Group Shareholding</b>	
	<b>a) Pledged / Encumbered</b>	
	Number of Shares	<b>2660000</b>
	Percentage of Shares (as a % of total shareholding of promoter and promoter group)	<b>7.25</b>
	Percentage of Shares (as a % of total share capital of the Company)	<b>5.12</b>
	<b>b) Non - Pledged / Non -Encumbered</b>	
	- Number of Shares	<b>33894244</b>
	- Percentage of Shares (as a % of total shareholding of promoter and promoters group)	<b>92.75</b>
	- Percentage of Shares (as a % of total share capital of the Company)	<b>65.56</b>
	Total Promoter Holding →	<b>70.69</b>

**LISTING WITH STOCK EXCHANGES:**

The Company confirms that it has paid the Annual Listing Fees for the year 2017-18 to NSE & BSE where the Company's Shares are listed.

**SHARES IN SUSPENSE ACCOUNTS:**

As required under Requirements of the Listing Regulations, 464 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, 2018 shall remain frozen till the rightful owner of such shares claims the shares.

**CEO / CFO CERTIFICATION**

The Managing Director and Chief Executive Officer and the Chief Financial Officer have submitted a Certificate to the Board regarding the Financial Statements and other matters as required under Regulation 17 (8) of the Listing Regulation which forms part of the Report.

**TRANSACTION WITH RELATED PARTIES**

The 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.

**DIRECTORS' RESPONSIBILITY STATEMENT:**

**In pursuance of section 134 of the Companies Act, 2013, the Directors hereby confirm that:**

- (a) In the preparation of the Financial Statements of the Company - comprising of the Balance Sheet as at March 31, 2018 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 these 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, 2018, and, of the profits/ (Loss) 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 Companies Act, 2013, to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.
- (d) Requisite internal financial controls to be followed by the Company were laid down and that such internal 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 are operating effectively.

**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

Raajhendra. M  
Chairman & Managing Director

Ravindran M  
Director

Place: Chennai

Date: 10<sup>th</sup> August 2018,

INTENTIONALLY LEFT BLANK

**ANNEXURES TO THE DIRECTORS' REPORT****ANNEXURE I-ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR)**

<b>1</b>	A brief outline of the Company's CSR Policy including overview of projects or programs proposed to be undertaken and a referenceto 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,. Besides these focus areas the Company shall also undertake any other CSR activities listed in Schedule VII of the Companies Act, 2013.
<b>2</b>	The Composition of the CSR Committee The CSR	The CSR Committee of the Board comprises of 3 Directors. Shri . DR Karthikeyan, Independent Director is the Chairman of the Committee while Shri . R Rajagopalan , Independent Director & Shri M Regunathan Executive Director are its Members
<b>3</b>	Average net loss of the Company for last three financial years	<b>Rs. 5.79 million</b>
<b>4</b>	Prescribed CSR expenditure (two percent of the average net profits for last three years)	<b>Nil since the company has incurred losses during the last two out of three financial years</b>
<b>5</b>	Details of CSR spent during FY	
	a) Amount to be spent in FY including unspent amount for FY 2017-18	<b>N.A.</b>
	b) Amount spent	<b>N.A.</b>
	Details of CSR spent during FY	Company spent an amount of Rs. 1.5 lakhs towards the promotion of women empowerment by conducting women's achievers award on Women's day.

**ANNEXURE A**

CSR Projects or Activities Identified	Sector in which the project is Covered	Projects or Programs Local area or other, specify the Stateand district where projects or programs was under-taken	Amount outlay (budget) project or programs wise	Amount spenton the projects or programs	Cumulative expenditure up to the reporting period	Amount spent: Direct or through implementing agency
Empowerment of Women Enterperuners	Promotion of entrepreneurship for improvement of employment in the society	State of Tamil Nadu and awarding the Women entrepreneurs with the motive of promoting the entrepreneurship amongst the women for uplifting of social status of women in the society and generation of employment in society in general.	1.5 lakhs	1.5 lakhs	1.5 lakhs	Direct spent

**DETAILS OF AMOUNT SPENT & DIRECT OR THROUGH IMPLEMENTING AGENCY**

Company spend Rs. 1.5 lakhs towards Promotion of Women entrepreneurship with a motive to uplift the social status and empowerment of women entrepreneurs in building up of the nation and employment generation in society in general.

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.:- Not Applicable.

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

The CSR committee hereby certifies that the implementation and monitoring of the CSR Policy is in compliance with the CSR objectives and Policy of the Company.

Place: Chennai

Date: 10th August, 2018

M. Raajhendhran

Chairman & Manging Director

D.R. Karthikeyan

Chairman of CSR Committee

**ANNEXURE II**  
**FORM MGT - 9 EXTRACT OF ANNUAL RETURN**

As on the financial year ended on March 31, 2018

[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 LTD
iv	Category / Sub-Category of the Company	Company Limited by Shares/Indian Non-Government Company
v	Address of the Registered Office & Contact details	NO.32, POES ROAD, SECOND STREET, TEYNAMPET, CHENNAI, TAMIL NADU, INDIA , PIN 600 018, Ph No 044 24334376, email: admin @rajtvnet.in, www.rajtvnet.in, comp_sec@rajtvnet.in
vi	Whether Listed	Yes
vii	Name, Address and Contact Details of Registrar and Transfer Agent	M/s Cameo Corporate Services Limited "Subramanian Building" No:1, Club House Road Chennai-600002 Ph : 044-28460390

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

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

Sl.No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Programming and Broadcasting Activities	60100	100

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

Company has no Subsidiary, Joint Ventures or Associate Companies and same status is maintained during the Financial Year 2017-18.

**IV. SHARE HOLDING PATTERN - RAJ TELEVISION NETWORK LIMITED**

Face Value Rs. 5/-      Paid up shares as on 01.04.2017 and 31.03.2018 - **51913344**

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

(i) Category-wise Share holding		No. of shares held at the beginning of the year (As on 01/04/2017)				No. of shares held at the end of the year (As on 31/03/2018)				% of change during the year
Category Code	Category of shareholders									
A.	Shareholding of promoter and Promoter group	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
1.	INDIAN									
a.	INDIVIDUALS/HINDU UNDIVIDED FAMILY	36554244	0	36554244	70.4139	36696744	0	36696744	70.6885	0.2746
b.	CENTRAL GOVERNMENT/STATE GOVERNMENT(S)	0	0	0	0.0000	0	0	0	0.0000	0.0000
c.	BODIES CORPORATE	0	0	0	0.0000	0	0	0	0.0000	0.0000
d.	FINANCIAL INSTITUTIONS/BANKS	0	0	0	0.0000	0	0	0	0.0000	0.0000
e.	ANY OTHER									
	<b>SUB - TOTAL (A)(1)</b>	<b>36554244</b>	<b>0</b>	<b>36554244</b>	<b>70.4139</b>	<b>36696744</b>	<b>0</b>	<b>36696744</b>	<b>70.6885</b>	<b>0.2746</b>
2.	FOREIGN									
a.	INDIVIDUALS (NON-RESIDENT INDIVIDUALS/FOREIGN INDIVIDUALS)	0	0	0	0.0000	0	0	0	0.0000	0.0000
b.	BODIES CORPORATE	0	0	0	0.0000	0	0	0	0.0000	0.0000
c.	INSTITUTIONS	0	0	0	0.0000	0	0	0	0.0000	0.0000
d.	QUALIFIED FOREIGN INVESTOR	0	0	0	0.0000	0	0	0	0.0000	0.0000
e.	ANY OTHER									
	<b>SUB - TOTAL (A)(2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0000</b>	<b>0.0000</b>
	<b>TOTAL SHARE HOLDING OF PROMOTER AND PROMOTER GROUP (A) = (A)(1)+(A)(2)</b>	<b>36554244</b>	<b>0</b>	<b>36554244</b>	<b>70.4139</b>	<b>36696744</b>	<b>0</b>	<b>36696744</b>	<b>70.6885</b>	<b>0.2746</b>
B.	PUBLIC SHAREHOLDING									
1.	INSTITUTIONS									
a.	MUTUAL FUNDS/UTI	0	0	0	0.0000	0	0	0	0.0000	0.0000
b.	FINANCIAL INSTITUTIONS/BANKS	6176	0	6176	0.0118	0	0	0	0.0000	(0.0118)
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	0	0	0	0.0000	0	0	0	0.0000	0.0000
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									
	<b>SUB - TOTAL (B)(1)</b>	<b>6176</b>	<b>0</b>	<b>6176</b>	<b>0.0118</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0000</b>	<b>(0.0118)</b>

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

Category Code	Category of shareholders	No. of shares held at the beginning of the year (As on 01/04/2017)				No. of shares held at the end of the year (As on 31/03/2018)				% of change during the year
		Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
2.	NON-INSTITUTIONS									
a.	BODIES CORPORATE	385658	0	385658	0.7428	300058	0	300058	0.5779	-0.1648
b.	INDIVIDUALS -									
	I INDIVIDUAL SHAREHOLDERS HOLDING NOMINAL SHARE CAPITAL UPTO RS. 1 LAKH	1909364	453	1909817	3.6788	1974189	455	1974644	3.8037	0.1248
	II INDIVIDUAL SHAREHOLDERS HOLDING NOMINAL SHARE CAPITAL IN EXCESS OF RS. 1 LAKH	12718242	0	12718242	24.4989	12750312	0	12750312	24.5607	0.0617
c.	QUALIFIED FOREIGN INVESTOR	0	0	0	0.0000	0	0	0	0.0000	0.0000
d.	ANY OTHER									
	CLEARING MEMBERS	33700	0	33700	0.0649	10488	0	10488	0.0202	-0.0447
	Escrow Account	464	0	464	0.0008	464	0	464	0.0008	0.0000
	HINDU UNDIVIDED FAMILIES	286110	1	286111	0.5511	160963	1	160964	0.3100	-0.2410
	NON RESIDENT INDIANS	18932	0	18932	0.0364	19670	0	19670	0.0378	0.0014
		<b>339206</b>	<b>1</b>	<b>339207</b>	<b>0.6534</b>	<b>191585</b>	<b>1</b>	<b>191586</b>	<b>0.3690</b>	<b>-0.2843</b>
	<b>SUB - TOTAL (B)(2)</b>	<b>15352470</b>	<b>454</b>	<b>15352924</b>	<b>29.5741</b>	<b>15216144</b>	<b>456</b>	<b>15216600</b>	<b>29.3115</b>	<b>-0.2625</b>
	<b>TOTAL PUBLIC SHAREHOLDING (B) = (B)(1) + (B)(2)</b>	<b>15358646</b>	<b>454</b>	<b>15359100</b>	<b>29.5860</b>	<b>15216144</b>	<b>456</b>	<b>15216600</b>	<b>29.3115</b>	<b>-0.2744</b>
	<b>TOTAL (A) + (B)</b>	<b>51912890</b>	<b>454</b>	<b>51913344</b>	<b>100.0000</b>	<b>51912888</b>	<b>456</b>	<b>51913344</b>	<b>100.0000</b>	<b>0.0000</b>
C.	SHARES HELD BY CUSTODIANS AND AGAINST WHICH DEPOSITORY RECEIPTS HAVE BEEN ISSUED									
	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
	<b>TOTAL CUSTODIAN (C)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0000</b>	<b>0.0000</b>
	<b>GRAND TOTAL (A)+(B)+(C)</b>	<b>51912890</b>	<b>454</b>	<b>51913344</b>	<b>100.0000</b>	<b>51912890</b>	<b>456</b>	<b>51913344</b>	<b>100.0000</b>	<b>0.0000</b>

**ii) Shareholding of promoters**

Sl No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the 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 shares pledged / encumbered to total shares	% change in share holding during the year	Pledged Shares at beginning of the Year	Pledged Shares at end of the Year
1	M RAAJHENDHRAN	5863808	11.2954	5.12	5863808	11.2954	5.12	0.00	2560000	2560000
2	M RAJARATHINAM	5863808	11.2954	0.0000	5863808	11.2954	0.00	0.00	0	0
3	M RAVINDRAN	5570000	10.7294	0.0000	5600000	10.7872	0.00	0.0578	0	0
4	M REGUNATHAN	5863808	11.2954	0.0000	5863808	11.2954	0.00	0.00	0	0
5	R AMUDHA	3543284	6.8254	0.0000	3543284	6.8254	0.00	0.00	0	0
6	R ARUNA	3543268	6.8254	0.0000	3543268	6.8254	0.00	0.00	0	0
7	R VIJAYALAKSHMI	2763000	5.3223	0.0000	2875500	5.5390	0.00	0.2167	0	0
8	R USHA RANI	3543268	6.8254	0.0000	3543268	6.8254	0.00	0.00	0	0

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

S. No.	Name of the Shareholders	Share holding at the beginning of the year (01-04-17)		Cumulative Share holding end of the year (31-03-18)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	M RAAJHENDHRAN				
	At the beginning of the year 01-Apr-2017	5863808	11.2953	5863808	11.2953
	At the end of the Year 31-Mar-2018	5863808	11.2953	5863808	11.2953
2	M RAJARATHINAM				
	At the beginning of the year 01-Apr-2017	5863808	11.2953	5863808	11.2953
	At the end of the year 31-Mar-2018	5863808	11.2953	5863808	11.2953
3	M RAVINDRAN				
	At the beginning of the year 01-Apr-2017	5570000	10.7294	5570000	10.7294
	Purchase 07-Apr-2017	30000	0.0577	5600000	10.7872
	At the end of the year 31-Mar-2018	5600000	10.7872	5600000	10.7872
4	M REGUNATHAN				
	At the beginning of the year 01-Apr-2017	5863808	11.2953	5863808	11.2953
	At the end of the year 31-Mar-2018	5863808	11.2953	5863808	11.2953



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

S. No.	Name of the Shareholders	Share holding at the beginning of the year (01-04-17)		Cumulative Share holding end of the year (31-03-18)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
5	RAMUDHA				
	At the beginning of the year 01-Apr-2017	3543284	6.8253	3543284	6.8253
	At the end of the year 31-Mar-2018	3543284	6.8253	3543284	6.8253
6	RARUNA				
	At the beginning of the year 01-Apr-2017	3543268	6.8253	3543268	6.8253
	At the end of the year 31-Mar-2018	3543268	6.8253	3543268	6.8253
7	R VIJAYALAKSHMI				
	At the beginning of the year 01-Apr-2017	2763000	5.3223	2763000	5.3223
	Purchase 07-Apr-2017	33000	0.0635	2796000	5.3858
	Purchase 21-Apr-2017	5000	0.0096	2801000	5.3955
	Purchase 19-Jan-2018	5000	0.0096	2806000	5.4051
	Purchase 30-Mar-2018	69500	0.1338	2875500	5.5390
	At the end of the year 31-Mar-2018	2875500	5.5390	2875500	5.5390
8	R USHA RANI				
	At the beginning of the year 01-Apr-2017	3543268	6.8253	3543268	6.8253
	At the end of the year 31-Mar-2018	3543268	6.8253	3543268	6.8253

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

	Name of the Shareholders	Share holding at the beginning of the year (01-04-17)		Cumulative Share holding end of the year (31-03-18)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	M. KIRAN KUMAR				
	At the beginning of the year 01-Apr-2017	9765408	18.8109	9765408	18.8109
	Purchase 12-May-2017	75000	0.1444	9840408	18.9554
	At the end of the Year 31-Mar-2018	9840408	18.9554	9840408	18.9554
	HAVING SAME PAN				

S. No.	Name of the Shareholders	Share holding at the beginning of the year (01-04-17)		Cumulative Share holding end of the year (31-03-18)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	M KIRAN KUMAR				
	At the beginning of the year 01-Apr-2017	444692	0.8566	444692	0.8566
	At the end of the Year 31-Mar-2018	444692	0.8566	444692	0.8566
2	HEMA KIRAN KUMAR				
	At the beginning of the year 01-Apr-2017	813700	1.5674	813700	1.5674
	At the end of the Year 31-Mar-2018	813700	1.5674	813700	1.5674
	HAVING SAME PAN				
2	HEMA KIRAN KUMAR				
	At the beginning of the year 01-Apr-2017	15000	0.0288	15000	0.0288
	Purchase 23-Feb-2018	61150	0.1177	76150	0.1466
	At the end of the Year 31-Mar-2018	76150	0.1466	76150	0.1466
3	UDIT BHATT				
	At the beginning of the year 01-Apr-2017	469666	0.9047	469666	0.9047
	At the end of the Year 31-Mar-2018	469666	0.9047	469666	0.9047
	HAVING SAME PAN				
3	UDIT BHATT				
	At the beginning of the year 01-Apr-2017	24000	0.0462	24000	0.0462
	At the end of the Year 31-Mar-2018	24000	0.0462	24000	0.0462
4	RAVINDRAKUMAR BOTHRA				
	At the beginning of the year 01-Apr-2017	292114	0.5626	292114	0.5626
	At the end of the Year 31-Mar-2018	292114	0.5626	292114	0.5626
	HAVING SAME PAN				
4	RAVINDRAKUMAR BOTHRA				
	At the beginning of the year 01-Apr-2017	6244	0.0120	6244	0.0120
	At the end of the Year 31-Mar-2018	6244	0.0120	6244	0.0120
5	DHANROOP BETALA & SONS				
	At the beginning of the year 01-Apr-2017	92178	0.1775	92178	0.1775
	Sale 05-May-2017	-32000	0.0616	60178	0.1159
	Sale 12-May-2017	-30000	0.0577	30178	0.0581
	Sale 02-Jun-2017	-10000	0.0192	20178	0.0388
	Sale 09-Jun-2017	-10000	0.0192	10178	0.0196
	Sale 23-Jun-2017	-10178	0.0196	0	0.0000
	At the end of the Year 31-Mar-2018	0	0.0000	0	0.0000
6	SHANMUGASUNDARAM SUBRAMANIAN				
	At the beginning of the year 01-Apr-2017	88548	0.1705	88548	0.1705
	Sale 16-Mar-2018	-15000	0.0288	73548	0.1416
	Sale 23-Mar-2018	-22800	0.0439	50748	0.0977

S. No.	Name of the Shareholders	Share holding at the beginning of the year (01-04-17)		Cumulative Share holding end of the year (31-03-18)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	Sale 30-Mar-2018	-7000	0.0134	43748	0.0842
	At the end of the Year 31-Mar-2018	43748	0.0842	43748	0.0842
7	INDERMAL RAMANI				
	At the beginning of the year 01-Apr-2017	82364	0.1586	82364	0.1586
	At the end of the Year 31-Mar-2018	82364	0.1586	82364	0.1586
8	NEELESH KUMARJT1 : BURGEON COMMODITIES PVT LTD				
	At the beginning of the year 01-Apr-2017	79200	0.1525	79200	0.1525
	Sale 20-Oct-2017	-5000	0.0096	74200	0.1429
	Sale 27-Oct-2017	-20000	0.0385	54200	0.1044
	Sale 31-Oct-2017	-20000	0.0385	34200	0.0658
	Sale 03-Nov-2017	-18500	0.0356	15700	0.0302
	Sale 23-Feb-2018	-6500	0.0125	9200	0.0177
	At the end of the Year 31-Mar-2018	9200	0.0177	9200	0.0177
9	A PALANI				
	At the beginning of the year 01-Apr-2017	72688	0.1400	72688	0.1400
	At the end of the Year 31-Mar-2018	72688	0.1400	72688	0.1400
10	MEETA KANTILAL VARDHAN				
	At the beginning of the year 01-Apr-2017	69864	0.1345	69864	0.1345
	At the end of the Year 31-Mar-2018	69864	0.1345	69864	0.1345
	NEW TOP 10 AS ON (31-Mar-2018)				
11	SUNITA KANTILAL VARDHANJT1 : KANTILAL MISHRIMALJI VARDHAN				
	At the beginning of the year 01-Apr-2017	47200	0.0909	47200	0.0909
	Purchase 26-May-2017	14354	0.0276	61554	0.1185
	Purchase 08-Sep-2017	636	0.0012	62190	0.1197
	Purchase 23-Mar-2018	8140	0.0156	70330	0.1354
	Purchase 30-Mar-2018	3459	0.0066	73789	0.1421
	At the end of the Year 31-Mar-2018	73789	0.1421	73789	0.1421
	HAVING SAME PAN				
11	SUNITA VARDHANJT 1 : KANTILAL VARDHAN				
	At the beginning of the year 01-Apr-2017	608	0.0011	608	0.0011
	At the end of the Year 31-Mar-2018	608	0.0011	608	0.0011

**(v) Shareholding of Directors and Key Managerial Personnel:**

SN	Name of the Shareholders	Share holding at the beginning of the year		Cumulative Share holding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	S Jeyaseelan	48	0	48	0

**V. INDEBTEDNESS**

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

Indebtedness at the beginning of the financial year	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Principal Amount	39.24	-	-	39.24
Interest Due but not paid;	-	-	-	-
Interest accrued but not due	0.00	-	-	0.00
Total	39.61	-	-	39.61
Change in Indebtedness during the financial year		-		
Addition	3.66	-	-	3.66
Reduction	2.21	-	-	2.21
Net Change	1.45	-	-	1.45
Indebtedness at the end of the financial year	40.69	-	-	40.69
Principal Amount	40.69	-	-	40.69
Interest due but not paid	-	-	-	-
Interest accrued but not due	0.03	-	-	0.03
Total	<b>40.72</b>	-	-	<b>40.72</b>

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL****A. REMUNERATION TO MANAGING DIRECTOR, WHOLE-TIME DIRECTOR AND/OR MANAGER:**

SN.	Particulars of Remuneration	Name of MD / WTD				Total Amount (in millions)
01	Name	M. Raajhendhran	M Rajarathinam	M Ravindran	M Regunathan	
02	Designation	MD	WTD	WTD	WTD	
03	Gross salary (As per I T Act)	13.00	13.00	13.00	13.00	52.00
04	Perquisites	-	-	-	-	-
05	Profits in lieu of salary	-	-	-	-	-

SN.	Particulars of Remuneration	Name of MD / WTD				Total Amount (in millions)
06	Stock Option	-	-	-	-	-
07	Sweat Equity	-	-	-	-	-
08	Commission (as % of profit and/or otherwise)	-	-	-	-	-
09	Others Contribution to (Provident Fund)	-	-	-	-	-
	Total (A)	13.00	13.00	13.00	13.00	52.00
10	Ceiling as per the Act	13.00	13.00	13.00	13.00	52.00

Note: The above said remuneration and perquisites was fixed for a period of three 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. During year under review there is no revision / increment in the remuneration paid/ payable to the Managing Director / Whole-time Directors of the Company. Further AGM held on 30-09-2015 the Managing Director and Whole Time Directors of the company have been reappointed to hold office for a further period of five years and their remuneration w.e f 01.04.2016 and others have been fixed in line with the requirements of the provisions of the Companies Act, 2013.

**B: REMUNERATION TO OTHER DIRECTORS:**

Amount in Rs.				
Name of the Director	Sitting Fees	Commission	Others	Total
Independent Director				
Shri. A.Arjuna Pai	270000	-	-	270000
Shri. D.R.Karthikeyan	210000	-	-	210000
Shri. Mohan Kameswaran	60000	-	-	60000
Shri. R.Rajagopalan	300000	-	-	300000
Total	8,40,000	-	-	8,40,000
Non-Executive director		-	-	
Smt. Vijayalakshmi Ravindran	1,50,000	-	-	1,50,000
Grand Total	9,90,000	-	-	9,90,000
Overall Ceiling as per Act	NA			

**C: REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD:**

Sl.No	Particulars of Remuneration	KEY MANAGERIAL PERSONNEL OTHER THAN MD / MANAGER / WTD		Total Amount (in Rs. Million )
01	Name	JOSEPH CHERIYAN	S JEYASEELAN	
02	Designation	Company Secretary & Compliance Officer	Chief Financial Officer	
03	Gross salary (As per Income tax Act)	3.315	1.0225	4.162
04	Perquisites	-	-	
05	Profits in lieu of salary	-	-	
06	Stock Option	-	-	
07	Sweat Equity	-	-	
08	Commission (as % of profit and/or otherwise)	-	-	-
09	Others (Contribution to Provident Fund)	-	0.023	0.023
	Total (A)	3.315	1.0458	4.185

**VIII: PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES UNDER PROVISIONS OF COMPANIES ACT : None**

For and on behalf of the Board of Directors

Sd/-

Raajhendran. M  
Chairman & Managing Director  
Place: Chennai  
Date: 10<sup>th</sup> August, 2018

Sd/-

Ravindran M  
Director

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

- 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 Directors remuneration to Median remuneration	Comparison of remuneration of each KMP against Company's performance	
				% of Turnover	% of Net Profit before tax
Executive Directors					
Shri. M. Raajhendran - MD	13.00	NA	41:1	2.11%	-

Name of the Director/ Key managerial Personnel	Remuneration in million	% Increase in Remuneration	Ratio of Directors remuneration to Median remuneration	Comparison of remuneration of each KMP against Company's performance	
				% of Turnover	% of Net Profit before tax
Shri.M Rajarthnam-WTD	13.00	NA	-	-	-
Shri.M Ravindran-WTD	13.00	NA	-	-	-
Shri.M Regunathan-WTD	13.00	NA	-	-	-
Key Managerial Personnel					-
Shri. Joseph Cheriyan	3.32	5 %	NA	0.52%	-
Shri. S. Jeyaseelan	1.10	5 %	NA	0.16%	-

Sr	Requirement	Disclosure
01	The Percentage increase in median remuneration of employees in FY	5%
02	Number of permanent employees on the rolls of the Company	464
03	The explanation on the relationship between average increase in remuneration and Company's performance	The average increment of 5% during the year was in line with the market trend. In order to ensure that the remuneration reflects company performance, the performance incentive is also linked to organization performance apart from Individual performance.
04	Comparison of the remuneration of the key managerial personnel against the Performance of the Company (Standalone)	The aggregate remuneration of Executive Director and Key Managerial personnel was 6.24 % of TURNOVER.

	Requirement	Disclosure		
		Particulars	Market Capitalisation (' In millions)	Price Earning ratio (Consolidated)
05	Variations in the market capitalization of the Company, price earning ratio as at the closing date of the current and previous financial year	31.03.2018	2647	0
		31.03.2017	3055	0
		Change %	-13.35%	0
06	Percentage increase or decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer	Closing Market Price		
			BSE	NSE
		31.03.2018	50.05	51.00
		16.03.2007	56.49	56.50
		Change %	-11.40%	-9.73%

\* IPO for Equity Shares of face value of Rs. 10 each was @ 257 per share. The value is adjusted for sub-division in 2014 & 1:1 Bonus declared in 2014. (Adjusted price is disclosed here)

07	Average percentile increase already made in the salaries of 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 in the salaries of employees during the year was 5% while the average increase in managerial remuneration during the year was NIL.
08	Key parameters for any variable component of remuneration availed by the Directors	Not Applicable
09	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

**A. Particulars of Employees whose remunerations exceeded Rs.60 Lacs per annum or Rs.5 Lacs per month during FY 2017-18.**

**1. Employed throughout the year and in receipt of remuneration aggregating Rs. 60 lacs or more per annum.**

Sr.no.	Name - Executive Directors	Age	Designation	Remuneration Total (Rs.)	Qualification	Exp in Yrs.	Date of Joining	Last Employment
01	Shri. M. Raajhendhran	69	Chairman & Managing Director	1,30,00,000/-	Business	35	Since Inception	NA
02	Shri.M Rajarthnam	66	Executive Director-Head Distribution	1,30,00,000/-	Business	33	Since Inception	NA
03	Shri.M Ravindran	60	Executive Director-Head Operations	1,30,00,000/-	Business	27	Since Inception	NA
04	Shri.M Regunathan	57	Executive Director-Head Marketing	1,30,00,000/-	Business	23	Since Inception	NA

**2. Employed for part of the year and in receipt of remuneration aggregating Rs. 5 lacs or more per month**

Sr.no.	Name - Executive Directors	Age	Designation	Remuneration Total (Rs.)	Qualification	Exp in Yrs.	Date of Joining	Last Employment
01	Shri. M. Raajhendhran	69	Chairman & Managing Director	1,30,00,000/-	Business	35	Since Inception	NA
02	Shri.M Rajarthnam	66	Executive Director-Head Distribution	1,30,00,000/-	Business	33	Since Inception	NA
03	Shri.M Ravindran	60	Executive Director-Head Operations	1,30,00,000/-	Business	27	Since Inception	NA
04	Shri.M Regunathan	57	Executive Director-Head Marketing	1,30,00,000/-	Business	23	Since Inception	NA

- Notes:**
1. All appointments are contractual and terminable by notice on either side.
  2. None of the employees, except Ms. Nandini Ravindran –Head content and Shri. Nachiappan R - 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.



## SECRETARIAL AUDIT REPORT

Form No. MR-3

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2018

[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** (hereinafter called the Company) to conduct Secretarial Audit for the financial year ended 31<sup>st</sup> March, 2018.

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, 2018 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 28<sup>th</sup> 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

- ii) The SEBI (Listing Obligations and Disclosure Requirement), Regulations, 2015 erstwhile 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, 2018 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; TRAI Regulations
    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 as amended from time to time.
    14. Foreign Exchange Management Act, 1999 and RBI Rules and Regulations made thereunder;
- During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards and Listing Regulations 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.

Signature: SD/-  
V. Nagarajan-Proprietor  
V. Nagarajan & Co  
FCS No: 5626  
C P No: 3288

Place: CHENNAI  
Date: 10th August 2018

### ANNEXURE TO SECRETARIAL AUDIT REPORT

In our report and to the best of our information and according to the examinations carried out by us and explanations furnished and representations made to us by the Company, its Officers and agents, We report that the Company has, during the financial year under review, complied with the provisions of the Acts, the Rules made there under and the Memorandum and Articles of Association of the Company with regard to:-

1. Maintenance of various statutory registers and documents and making necessary entries therein;
2. Contracts, Common Seal, Registered Office and publications of name of the Company;
3. Forms, returns, documents and resolutions required to be filed with the Registrar of Companies, Regional Director, Central Government, Company Law Board or such other authorities;
4. Service of documents by the Company to its Members, Directors, Stock Exchanges, Auditors and the Registrar of Companies;
5. Constitution of the Board of Directors, Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Risk Management Committee, Corporate Social Responsibility Committee.
6. Appointment, Reappointment and retirement of Directors including Managing Director and payment of remuneration to them.
7. Disclosure of Interest and concerns in contracts and arrangements, shareholdings and directorships in other Companies and interest in other entities by Directors;
8. Disclosure Requirements in respect to their eligibility for appointment, declaration of their independence, compliance with the code of conduct for Directors and Senior Management Personnel as per Listing Regulations.
9. All transactions with related parties were in the ordinary course of business and arm's length basis and were placed before the Audit Committee periodically.
10. Establishment a Vigil Mechanism and providing to complainants, if any, unhindered access to the Chairman of the Audit Committee.
11. Constituting the Corporate Social Responsibility (CSR) Committee. Formulating and adopting Corporate Social Responsibility Policy indicating the activities to be undertaken by the Company.
12. Appointment and remuneration of Statutory Auditors and Cost Auditors;
13. Appointment of Internal Auditors
14. Notice of meeting of the Board and Committee thereof;
15. Minutes of meeting of the Board and Committees thereof including passing of resolutions by circulations;
16. Notice convening 23rd Annual General Meeting held on 30<sup>th</sup> September, 2017 and holding of the meeting on that date;
17. Minutes of General Meeting;
18. Approvals of members, Board of Directors, Committees of Directors, and government authorities, wherever required;
19. Balance sheet as at 31<sup>st</sup> March 2017 as prescribed under Schedule III of the Companies Act, 2013 and Rules and Regulations made thereunder and requirements as to Profit and Loss Account for the year ended on that date as per the said Schedule;
20. Report of the Board of Directors for the Financial Year ended 31<sup>st</sup> March 2017;
21. Closure of Register of Members/records date for dividend;
22. Transfer and Transmission of equity shares of the Company and issue and delivery of Certificate(s) of such shares within the prescribed time limits;
23. Declaration and payment of dividend.
24. Transfer of amounts as required under the Act to the Investor Education and Protection Fund;
25. Investment of the Company's funds.

Signature:

V.NAGARAJAN-PROPRIETOR

V.NAGARAJAN & CO

FCS No: 5626 / C P No: 3288

Place: CHENNAI / Date: 10-08-2018

### ANNEXURE - REMUNERATION POLICY

This policy on Nomination and Remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Nomination and Remuneration Committee (NRC or the Committee) and has been approved by the Board of Directors in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and the Listing Agreement, as amended from time to time.

**Objective and purpose:**

- i. To guide the board by laying down criteria and terms and conditions in relation to appointment and removal of Directors, Key Management Personnel and Senior Management.
- ii. To evaluate the performance of the members of the Board.
- iii. To recommend to the Board a policy, relating to the remuneration for Directors, Key Managerial Personnel and formulate criteria for remuneration payable to Senior Management Personnel and other employees.
- iv. To provide Key Managerial Personnel and Senior Management performance based incentives / rewards relating to the Company's operations.
- v. To retain, motivate and promote talent and to ensure long-term sustainability of talented Senior Management and create competitive advantage through a structured talent review.

**Definitions:**

**"Remuneration"** means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the income-tax Act, 1961;

**"Key Managerial Personnel"** means:

- i) Managing Director, or Chief Executive Officer or Manager and in their absence, a Whole-time Director;
- ii) Chief Financial Officer;
- iii) Company Secretary; and
- iv) Such other officer as may be prescribed.

**"Senior Manager Personnel"** means the personnel of the company who are members of its core management team excluding Board of Directors. Normally, this would comprise all members of management, or rank equivalent to General Manager and above, including all functional heads.

**APPOINTMENT AND REMOVAL OF DIRECTOR, KEY MANGERIAL PERSONNEL AND SENIOR MANAGEMENT**

- 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 his / her appointment, as per Company's Policy. The Committee has authority to decide whether qualification, expertise and experience possessed by a person is sufficient, satisfactory for the position.
- ii. The Company should ensure that it appoints or continues the employment of any person as Managing Director subject to the conditions laid down under Part I of Schedule V of the Companies Act, 2013.
- iii. To ensure that Company shall appoint or continue the service of any person as Independent Director subject to the provisions of Section 149 read with Schedule IV and other applicable provisions of the Act and Clause 49 of the Listing Agreement.
- iv. Company is into broadcasting sector operated under the licence guidelines stipulated by Ministry of Information Broadcasting (M & IB), which requires a prior permission / approval from the M & IB through Ministry of Home Affairs (MHA) for appointment of Directors, Key Managerial Personnel of the Company and the policies for the appointment of any person will be subject to the guidelines stipulated by MIB as amended from time to time.

**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.

- 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 special resolution by the Company and disclosure of such appointment in the Board's report.

No Independent Director shall hold office for more than two consecutive terms of up to maximum of 5 years each, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director.

Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

At the time of appointment it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act.

#### **EVALUATION**

The Committee shall carry out evaluation of performance of Director, KMP and Senior Management Personnel yearly or at such intervals as may be considered necessary.

#### **REMOVAL**

The Committee may recommend with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the Companies Act, 2013, rules and regulations and policy of the Company.

#### **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.

#### **POLICY FOR REMUNERATION TO DIRECTORS / KMP / SENIOR MANAGEMENT PERSONNEL**

- 1) Remuneration to Managing Director / Whole-time Directors:
  - a) The Remuneration /etc., to be paid to Managing Director / Whole-time Directors, etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force and the approves obtained from the Members of the Company.
  - b) The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration to Managing Director / Whole-time Directors.
- 2) Remuneration to Non- Executive / Independent Directors:
  - a) The Non- Executive / Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of Companies Act, 2013. The amount of sitting fees shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.
  - b) All the remuneration of the Non- Executive / Independent Directors (excluding remuneration for attending meetings as prescribed under Section 197 (5) of the Companies Act 2013) SHALL BE SUBJECT TO CEILING / LIMITS AS PROVIDED UNDER Companies Act, 2013 and rules made there under or any other enactment for the time being in force. The amount of such remuneration shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or shareholders, as the case may be.
  - c) An Independent Director shall not be eligible to get Stock Options and also shall not be eligible to participate in any share based payment schemes of the Company.
  - d) Any remuneration paid to Non – Executive / Independent Directors for services rendered which are of professional in nature shall not be considered as part of the remuneration for the purposes of clause (b) above if the following conditions are satisfied.
    - i. The Services are rendered by such Director in his capacity as the professional; and
    - ii. In the opinion of the Committee, the director possesses the requisite qualification for the practice of the profession.
3. Remuneration to Key Managerial Personnel and Senior Management:
  - a) The remuneration to Key Managerial Personnel and Senior Management shall consist of fixed pay and incentive pay, in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's Policy.
  - b) The Fixed pay shall include monthly remuneration, employer's contribution to Provident Fund, contribution to pension fund, pension schemes, etc, as decided from time to time.
  - c) The incentive pay shall be decided based on the balance between performance of the Company and performance of the Key Managerial Personnel and Senior Management, to be decided annually or at such intervals as may be considered appropriate.

#### **IMPLEMENTATION**

- i. The Committee may issue guidelines, procedures, formats, reporting mechanism and manuals in supplement and for better implementation of this policy as considered appropriate.
- ii. The Committee may delegate any of its powers to one or more of its members.

**ANNEXURE - MANAGEMENT DISCUSSION AND ANALYSIS**

India continues to be one of the fastest growing economies in the world. After the temporary deceleration due to the impact of demonetisation and implementation of Goods and Services Tax (GST), the recovery in economic growth is now largely complete. It is estimated that GDP grew at more than 7% in the second half of fiscal 2018. During FY18, there were several positive developments in the economy, which will further accelerate this growth over the next few years. The long-delayed GST was finally implemented, and it will go a long way in improving the business environment in the country. Government's focus on infrastructure development, banking reforms and affordable housing, amongst others, will support the growth in the medium term. Growth in some segments of the rural economy has been slower in the recent past. However, forecast of a normal monsoon bodes well for the agriculture sector and would drive the rural consumption. While the Indian economy has expanded at an average annualized growth rate of around 7% over the past several years, there have been patches of slower growth in between. However, consumption growth remained quite resilient throughout this period. High frequency data such as automobile sales, air traffic, and credit offtake amongst others, suggests continued strength in discretionary spending. Private final consumption is estimated to have grown at a CAGR of 7.0% over FY13-18 in real terms and 12.0% in nominal terms. This, along with the trend of organized businesses gradually gaining market share in various sectors, bodes well for growth in advertising spends.

**Industry Overview:**

The Indian media and entertainment (M&E) industry witnessed another year of all-round growth. The pace of growth marginally accelerated in CY17, despite the lingering effect of demonetization and the impact of GST roll-out. According to the FICCI-EY Report 2018 (Report), M&E industry grew by 12.6% YoY in CY17, to Rs.1,473 billion. Despite the strong growth over the past several years, India's per capita entertainment consumption is much lower than not only the developed markets but also countries with similar income levels. This provides a significant headroom for sustained growth driven by rising disposable incomes and increasing access to entertainment content. According to the Report, the Indian M&E industry is expected to grow at a CAGR of 11.3% to '2,032 billion over the next three years, driven by growth in all the segments. During the year, television increased its reach and engagement with the audience, further enhancing its reputation as the default entertainment medium. Print media continued to grow, albeit at a slower pace, due to multiple headwinds faced during the year. The movie industry surpassed all previous records riding on a strong performance at both the domestic and the international box office. Online video consumption continued its exponential growth due to the increased availability of affordable data and content on digital platforms. Live Events growth was led by premium properties, activations, and sports events.

**Company Overview:**

**Raj Television Network Ltd (Rajtv)** is one of India's largest entertainment content company. Starting with the launch of India's Second Tamil satellite channel, RAJTV, in 1994, RAJTV has evolved into an integrated entertainment content company over the last two and a half decades. The Company incorporated in 1994, broadcasts thirteen channels presently in various southern languages. Raj TV, its flagship television channel launched in 1994 was the first general entertainment channel of the Company. The Company caters to the entire spectrum of customers' entertainment needs with production of content across different formats and platforms, such as fiction and reality shows for television, movies, music, digital, plays and live events. Over the years, the Company has built strong a content library of 100,000+ hours reaching over a billion viewers globally. Your company has a Strong content creation capability, over the last two and a half decades, we have built strong in-house content creation expertise and developed an eco-system that seamlessly delivers engaging content at a competitive cost. We have long-standing partnership with the artist fraternity and our leadership position makes us their preferred partner. While we work with multiple creative partners, with an in-house TV studio, movie production and distribution company and a music label, we are uniquely positioned to offer a range of content for diverse audience.

**Business of the Company:**

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

- a. Advertisement
- b. Air Time Charges
- c. Pay Channel Distribution Revenue
- d. Subscription Revenue,
- e. Sale of Rights
- f. Sales export Revenue

**Business Description**

Raj Television network content offerings span across the globe. Today, we have a footprint across more than 172 countries with a portfolio of channels catering to the Indian and south Asian diaspora as well as local audiences of the 12 channels in the international markets, 1 Channel is dedicated to non-Indian audience, offering them entertainment content in their native languages. Our network covers USA, EUROPE, MENA, AFRICA AND APAC regions.

Regional Entertainment Channels	Tamil Movie Cluster
<p>RAJTV is one of the largest providers of regional entertainment in India, with a bouquet of <b>13 channels</b> of <b>3 GECs</b> (Tamil, Telugu &amp; Hindi), <b>4 News channels</b> (Tamil, Telugu, Kannada &amp; Malayalam) <b>1 movie channel</b> (Tamil) and <b>4music Channels</b> (Tamil, Telugu, Malayalam, &amp; Kannada) channels. The regional portfolio is spread across 5 languages – Tamil, Telugu, Malayalam, Kannada &amp; Hindi are leaders in their segments,. RAJTV's regional channels uniquely position it as a pan-India provider of high-quality entertainment content, appealing to a wide variety of audiences. International beam through the channel 'RAJ ASIA'.</p>	<p>RAJTV has a portfolio of 1 SD channel (Raj digital plus) catering to different segments of audiences and genres. The flagship channel, raj DIGITAL PLUS, is a family entertainer, with movies that appeal to all age-groups. &amp; pictures caters to the urban audience with edgy content. RAJTV's is India's leading destination of retro Tamil films with an extensive library of all-time hits</p>

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.

The year 2017-18 witnessed the e imminent implementation of GST and the Implementation of GST hampered the growth of M&E industry during the year, just as it was recovering from the lingering impact of demonetisation. These policy actions had a temporary negative impact on the growth trajectory, but we believe that they will aid the long-term growth of the industry. Strong economic growth, rising disposable income and discretionary spends, coupled with low entertainment consumption in the country, presents a favourable landscape for the industry. At Raj Television Network limited, F.Y. 2017-18 we maintained a steady progress across all quarters and reported revenue of Rs.63.40 crores with EBITDA of Rs.12.16 Crores. Despite pricing challenges, and increasing costs, we were able to maintain the performance level. We are confident that we will be able to continue on the path of augmenting shareholder value.

#### Future Outlook

The future outlook for TV is positive, with the industry expected to grow to INR 1,098 billion in 2020, at a CAGR of 15 per cent. The number of TV households is expected to increase to 200 million, with paid C&S subscriber base expected to grow to 174 million by 2020, representing 87 per cent of TV households. TV advertising in India is expected to grow at a CAGR of 15 per cent between 2015-20, to reach INR 365 billion. Subscription revenue for broadcasters is expected to grow at a CAGR of 18 per cent between 2015-20 to INR 203 billion, driven by increase in the declared subscriber base in Phase III and IV, increase in subscription revenues collected on the ground due to channel packaging and increasing HD penetration, and increase in revenue share of broadcasters in the subscription pie. Looking ahead, we remain excited about the growth opportunities for the industry and the Company. As digitisation of analogue subscribers is nearing completion, it will improve monetisation of our viewership in newly digitised areas. This coupled with effective implementation of TRAI's tariff order could lead to acceleration in ARPU growth for the industry, which has been lagging for several years.



**REPORT ON CORPORATE GOVERNANCE FOR THE YEAR 2017-18**

(In accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and erstwhile Schedule V of the SEBI (Listing Obligation and Disclosure Requirements), Regulations, 2015 erstwhile the listing agreement with Stock Exchanges ("Listing Regulations") )

The Corporate Governance Report for the year under Review from 1st April 2017 to 31st March 2018:

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 SEBI (LISTING AND OTHER OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 {Listing 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 as per Listing Regulations, 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 whistle-blowers 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, 2018.

M. Raajhendhran  
Managing Director  
Chennai, 10-08-2018

### RELATED PARTY TRANSACTION POLICY

In compliance with the requirements of Listing Regulations 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).

Shri. 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 reviewing and approving the 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 Nine 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 the Listing Regulations. Shri. M. Raajhendhran, 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 the Listing Regulations.

The composition of the Board of Directors as on March 31, 2018 are given below:

Category of Directors	No of Directors	Percentage total no of Directors
Executive Director(s)	4	44.44%
Relative to Executive Director	1	11.12%
Non-Executive Independent Directors	4	44.44%
Total →	9	100%

During the Financial Year under review, 5 (Five) meetings of the Board were held on **04.05.2017, 30.06.2017, 13.09.2017, 11.12.2017 & 05.02.2018**. 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, 2018 are as under:

Name of the Director	Category	No. of Board Meetings held during the year		Attendance at the 22 <sup>nd</sup> AGM held on 30th September 2017	No. of Directorship held in other public Comp.	Number of Committee membership held in other Companies
		Held	Attended			
Shri. M. Raajhendhran	MD	5	5	Yes	1	Nil
Shri. M. Rajarathinam	WTD	5	5	Yes	1	Nil
Shri. M. Ravindran	WTD	5	5	Yes	1	Nil
Shri. M. Regunathan	WTD	5	5	Yes	1	Nil
Shri. D. R. Kaarthikeyan	NEID	5	4	No	5	5
Shri. A. Arjuna Pai	NEID	5	5	Yes	Nil	Nil
Shri. R. Rajagopalan	NEID	5	6	Yes	Nil	Nil
Shri. Mohan Kameswaran	NEID	5	2	No	Nil	Nil
Smt R. Vijayalakshmi	Woman Director	5	2	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 the Listing Regulations. During the financial year under review, Board met 05 (five) times on 04.05.2017, 30.06.2017, 13.09.2017, 11.12.2017 and 05.02.2018. The maximum gap between two Board Meetings was four months as prescribed under Listing Agreement and is also in compliance of the provisions contained in the Companies Act, 2013 and Secretarial Standards issued by ICSI as notified from time to time. The Board periodically reviews Compliance Reports in respect of various laws and regulations applicable to the Company.

**BRIEF PROFILE OF THE DIRECTORS OF THE COMPANY TO BE APPOINTED/RE-APPOINTED AT THE ANNUAL GENERAL MEETING:-**

#### **Shri R Rajagopalan**

Name of the Director	Shri R Rajagopalan
Age	75
Date of first Appointment on the Board	14.10.2006
Qualification	Retired from Indian police Service
<b>Brief resume including Experience</b>	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.
Expertise in specific functional areas	Shri R Rajagopalan has over 5 decades of experience in the Administration, Law & order, Staff selection and recruitments, public administration. He has held various positions over his functional area as an IPS officer and was the Ex DGP for Tamil Nadu State.
Other Director ships	Nil
Chairmanship/Membership Committees in Companies in which position of Director is held	Nil
Relationship with other Directors, managers, and the Key managerial Personnel of the Company	Nil
No. of board meeting attended during the year	5
<b>Terms and conditions of appointment or reappointment including remuneration</b>	<b>Appointed as Independent Director for a term of five years with effect from 01<sup>st</sup> October 2018 to 30<sup>th</sup> September 2023</b> not liable to retire by rotation, subject to approval of share holders. As an independent director, he is entitled to a sitting fee of Rs.30000 for each meeting and Rs.15000/- for each committee meeting. During the FY 2017-18, he was paid Rs.3,00,000/- as sitting fees for his attendance at the Board and Committee meetings.
No. of equity Shares held in the company (As on 30 <sup>th</sup> June , 2018)	Nil

**Smt Vijayalakshmi Ravindran**

Name of the Director	Smt. Vijayalakshmi Ravindran
Age	53
Date of first Appointment on the Board	Worked in the company as a director from 1999 to 2006 and further appointed as director by members during the AGM held on 30.09.2015 as woman director of the company w.e.f 01.10.2014
Qualification	Graduate
<b>Brief resume including Experience</b>	A graduate in English Literature University of Madurai, she holds Non - Executive Director of the Company. She is also acting as the Chairman of the "Internal Complaints Committee" constituted as per Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.
<b>Expertise in specific functional areas</b>	She has more than two decades of experience in business management and administration. She holds Directorship in various companies and her vast experience and expertise will support the growth of the Company.
Other Directorships	Smt. Vijayalakshmi Ravindran is a Whole Time Director in M/s Vissa Television Network Limited - Company.

Chairmanship/Membership Committees in Companies in which position of Director is held	Nil
Relationship with other Directors, managers, and the Key managerial Personnel of the Company	She is related to existing whole-time directors and Managing Director of the company
No. of board meeting attended during the year	5
Terms and conditions of appointment or reappointment including remuneration	Appointed as Woman Director of the company liable to retire by rotation, subject to approval of share holders. As a director, she is entitled to a sitting fee of Rs.30000/- for each meeting and Rs.15000/- for each committee meeting. During the FY 2017-18, he was paid Rs.1,50,000/-as sitting fees for her attendance at the Board and Committee meetings.
No. of equity Shares held in the company (As on 30 <sup>th</sup> June , 2018)	28,82,101

**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	Stakeholders Grievance Committee	Corporate Social Responsibility Committee
No of Meetings	5	1	2	1
Directors Attendance				
Shri. M. Raajhendra	NA	NA	2/2	NA
Shri. M. Rajarathinam	NA	NA	NA	NA
Shri. M. Ravindran	5/5	NA	2/2	NA
Shri. M. Regunathan	NA	NA	NA	1/1
Shri. D. R. Kaarthikeyan	NA	1/1	2/2	1/1
Shri. A. Arjun Pai	5/5	1/1	NA	NA
Shri. R. Rajagopalan	5/5	1/1	NA	1/1
Shri. Mohan Kameswaran	NA	NA	NA	NA
Smt Vijayalakshmi Ravindran	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 Listing Regulations and Section 149 read with Schedule IV of the Companies Act, 2013, the Independent Directors of the Company met on 4<sup>th</sup> May, 2017 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:

#### **AUDIT COMMITTEE:**

##### **CONSTITUTION**

As at March 31, 2018, the Audit Committee of the Board comprised of three (3) Directors including Shri. A. Arjuna Pai (FCA), Independent Director as Chairman and Shri. R Rajagopalan, Independent Director and Shri. 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
Shri. A. Arjuna Pai	Chairman- Independent & Non Executive Director	5	5
Shri. R. Rajagopalan	Member- Independent & Non Executive Director	5	3
Shri.M. Ravindran	Member- Executive Director	5	5

During the year under review, four (05) meetings of the Audit Committee were held on 04.05.2017, 30.06.2017, 13.09.2017, 11.12.2017, 05.02.2018.

##### **TERMS OF REFERENCE**

The Terms of reference and role of the Audit Committee are as per guidelines set out in the Regulation 18 and Schedule II Part C of the Listing Regulations and Section 177 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
- Recommends proposals for appointment and remuneration payable to the Statutory, and
- The proposal 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 the Listing Regulations, 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.

#### **REMUNERATION COMMITTEE:**

a) Nomination and Remuneration Committee:

#### **CONSTITUTION**

In compliance with requirements of Listing Regulations and Section 178 of the Companies Act, 2013, during financial year 2016-17, 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 Shri. R. Rajagopalan, as Chairman, Shri. A. Arjuna Pai and Shri. D. R. Kaarthikeyan as member. During the year under review the Committee met three times on 04.05.2017.

#### **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

#### **PERFORMANCE EVALUATION CRITERIA FOR INDEPENDENT DIRECTORS**

Performance of each of the Independent Directors are evaluated every year by the entire board with respect to various factors like personal traits which include business understanding, communicate skills, ability to exercise objective judgment in the best interests of the Company and on specific criteria which include commitment, guidance to Management, deployment of knowledge and expertise, management of relationship with various stakeholders, independence of behavior and judgment, maintenance of confidentiality and Contribute to corporate governance practice within the Company.

#### **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.)
Shri. M. Raajhendhran, Managing Director	01-04-2017 to 31-03-2018	1,30,00,000/-
Shri. M. Rajarathinam, Director	01-04-2017 to 31-03-2018	1,30,00,000/-
Shri. M. Ravindran, Director	01-04-2017 to 31-03-2018	1,30,00,000/-
Shri. M. Regunathan, Director	01-04-2017 to 31-03-2018	1,30,00,000/-

At the 21st AGM held on 30th September, 2015, all the above directors have been re-appointed for a further period of Five years starting from 01-04-2016 to 31-03-2021. Due to the inadequacy of profit, the company had adopted for the payment of the remuneration the limits prescribed under Schedule V – Part II based on the effective capital of the company. The committee based on the effective capital of the company, limits of remuneration and other details as specified under Section II and III of the Part of II of the Schedule V of the Companies Act, 2013 the remuneration to the Managing Director and Whole Time Directors of the company have been fixed. 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 21st AGM held on 30th September 2015.

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. The sitting fees for the directors of the company are as under:

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) .

Details of the Sitting Fees paid/payable to the Non-Executive Directors of the Company for Financial year 2017-18 are as under:

Particulars	Sitting fees paid for attending Board Meetings held during the year including Separate meeting of Independent Directors	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
No of Meetings	5 + 1	5	1	2	1
Directors Attendance	Amounts in Rs.				
Shri. A.Arjuna Pai	1,80,000	75000	15000	-	-
Shri. D.R.Karthikeyan	1,50,000	-	15000	30000	15000
Shri. Mohan Kameswaran	60,000	-	-	-	-
Shri. R.Rajagopalan	1,80,000	75000	30000*	-	15,000
Smt. Vijayalakshmi Ravindran	1,50,000	-	-	-	-

\*Sitting fee paid for attending Channel Viewership Monitoring Committee is Rs. 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.

#### STAKEHOLDERS RELATIONSHIP COMMITTEE

##### CONSTITUTION

In compliance with Section 178 of the Companies Act, 2013, during financial year 2017-18, the Board had formed committee as 'Stakeholders Relationship Committee', which currently comprise of Shri. D. R. Karthikeyan, Non Executive Independent Director as Chairman, Shri. M. Raajhendhran, Managing



Director and Shri. 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 Two times on May 04, 2017 and December 11, 2017. All committee members attended the meeting. The Company has received 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 shareholders. The Company has exclusively designated the following email id for the investor relations: redressal@rajtvnet.in.

#### TERMS OF REFERENCE

Terms of reference of the Stakeholders Relationship Committee is to supervise and ensure efficient transfer of equity and preference shares of the Company and proper and timely attendance of investors' grievances. The Committee has delegated the power of approving requests for transfer, transmission, dematerialisation, and dematerialization etc of shares of the Company to the executives in the Secretarial Department of the Company.

Details of number of requests/complaints received from investors and resolved during the year ended March 31, 2018, are as under:

Nature of Correspondence	Received	Replied / Resolved	Pending
Non receipt of Dividend Warrants	0	0	0
Non receipt of Share certificates	0	0	0
Letter received from SEBI/StockExchanges	7	7	0
Non-receipt of Annual Report	6	6	0
Dividend DD Revalidation requests.	2	2	0
Dividend credit Advice request	0	0	0
Letter from shareholders	0	0	0

#### 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:

##### 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 Shri D.R. Kaarthikeyan –Non Executive Independent Director as the Chairman of the Committee, Shri. R. Rajagopalan Non-Executive Independent Director as member and Shri.M.Regunathan – Executive Director as Member. A detailed report on CSR activities undertaken by the Company forms part of this Annual Report. The Corporate Social Responsibility Committee met One during the FY 2017-18 on and 13-09-2017.

#### 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:**

The 24th Annual General Meeting of the Company for the Financial Year 2017-18 will be held on Saturday, 29<sup>th</sup> September 2018 at 10.00 a.m. Bharatiya Vidya Bhavan, 18-22, East Mada Street, Mylapore, Chennai-600 004

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
2014-15	Bharatiya Vidya Bhavan, 18-22, East Mada Street, Mylapore, Chennai-600 004	September 30, 2015	10.00 A.M.	YES
2015-16	Bharatiya Vidya Bhavan, 18-22, East Mada Street, Mylapore, Chennai-600 004	September 30, 2016	10.00 A.M.	No
2016-17	Bharatiya Vidya Bhavan, 18-22, East Mada Street, Mylapore, Chennai-600 004	September 30, 2017	10.00 A.M.	No

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

The Following Special Resolutions were passed in the last 3 years period, AGM held on 30th September 2015:

Details of Resolutions	Resolution Passed on	Total No of Votes in Favour	Total No of Votes against	% of votes in favor	% of Votes Against
Re-appointment of Shri M. Raajhendhran, Managing Director (holding DIN 00821144) for a further period of Five years from 01-04-2016 to 31-03-2021 and fixation his terms and conditions thereof.	30.09.2015	36736828	Nil	100	Nil
Re-appointment of Shri M. Rajarathinam, Whole Time Director (holding DIN 00839174) for a further period of Five years from 01-04-2016 to 31-03-2021 and fixation his terms and conditions thereof.	30.09.2015	36736828	Nil	100	Nil
Re-appointment of Shri M. Ravindran, Whole Time Director (holding DIN 00662830) for a further period of Five years from 01-04-2016 to 31-03-2021 and fixation his terms and conditions thereof.	30.09.2015	36736828	Nil	100	Nil
Re-appointment of Shri M. Regunathan, Whole Time Director (holding DIN 00662769) for a further period of Five years from 01-04-2016 to 31-03-2021 and fixation his terms and conditions thereof.	30.09.2015	36736828	Nil	100	Nil

All the above resolutions were passed with requisite majority.

No resolution was passed through Postal Ballot during the Financial Year 2017-18. None of the resolutions proposed at the ensuing Annual General Meeting need to be passed by Postal Ballot.

**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 Regulation 15(2) of the SEBI (LODR), 2015 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 Listing Regulations. The status of compliance with non-mandatory requirements of the Listing Regulations are as detailed hereunder:

Audit Qualification – The financial statements of the Company are unqualified.

**RISK MANAGEMENT:**

In compliance with the norms of the Listing Regulations, 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. Management Discussions and Analysis Report forming part of annual report are annexed separately.

**GENERAL SHAREHOLDER INFORMATION**

1	Date, Time and Venue of Shareholders' Meeting	Meeting : Annual General Meeting Day & Date : Saturday, 30th September 2018 Time : 10:00 A M Venue : Bharatiya Vidya Bhavan, 18-22, East Mada Street, Mylapore, Chennai-600 004.
2	Financial Year	2017-2018
3	Date of Book Closure Date of E-voting Cut-off Date and E-voting period	21 <sup>st</sup> September 2018 to Saturday, 29th September 2018 (both days inclusive) 22 <sup>nd</sup> September 2018 to Saturday, 29th September 2018 (both days inclusive) From 9 am of 26 <sup>th</sup> September ,2018 to 5 pm on 28 <sup>th</sup> September, 2018.

4	Dividend Payment Date	N.A.
5	Registered office & Address for correspondence	Raj Television Network Ltd, 32, Poes Road 2nd Street, Teynampet, Chennai - 600 018. Phone: 044 24334149, 24334150, 24334151, 24351898, 24352926. Fax: 91-44-24341260 Email: administrator@rajtvnet.in Website: www.rajtvnet.in, www.rajtv.tv
6	Corporate Identification Number	L92490TN1994PLC027709
7	Listing on Stock Exchanges	BSE Limited (BSE) The National Stock Exchange of India Limited (NSE)
8	Stock Code	BSE— 532826, RAJTV NSE— RAJTV EQ
9	ISIN No.	INE952H01027
10	Registrar & 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: cameo@cameoindia.com
11	Depository Platform	National Securities Depository Ltd (NSDL) Central Depository Services (India) Ltd, CDSL
12	Compliance Officer	Shri. Joseph Cheriyan, Company Secretary Email : Comp_sec@rajtvnet.in
13	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.

**Sub-division of Shares :** Pursuant to the approval of the members at the Meeting held on March 14, 2014, the Company had sub-divided the nominal face value of its equity shares from Rs 10 per share to Rs 5 per share, with effect from March 31, 2014. From this day onwards trading in equity shares of Re 1 each commenced and consequently the equity shares of Rs. 10 each ceased to trade on the exchanges. For the shareholders who were holding Equity shares in physical form, the Company had sent intimation to seek exchange of the old certificates of face value of Rs 10 each with new certificate of face value of Rs.5 each. For the shareholders holding shares in demat form, the depositories automatically gave the effect of splitting of face value of shares by way of a Corporate action dated March 25, 2014. 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 requesting for sub -divided share certificate and attaching old share certificate in original

**UNCLAIMED SHARES :** Pursuant to Requirements of Listing Regulations, 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	Shares lying in Suspense Account
Aggregate number of shares in the suspense account as at April 1, 2017	456
Fresh undelivered cases during the financial year 2017-18	Nil
Number of shareholders who approached the Company for transfer of shares from suspense account till March 31, 2018	Nil
Number of shareholders to whom shares were transferred from the Suspense account till March 31, 2018	Not applicable
Aggregate number of shares in the suspense account lying as on March 31, 2018	456

The voting rights on the equity shares outstanding in the suspense account as on March 31, 2018 shall remain frozen till the rightful owner of such shares claims the shares.

#### **DIVIDEND**

The Board of Directors have not recommended payment of Dividend for the equity shares of the company for the FY 2017-18.

#### **DETAILS OF UNPAID DIVIDEND AND IEPF TRANSFER DETAILS**

Dividend for the financial year ended March 31, 2008, which remains unpaid or unclaimed, will be due for transfer to the Investor Education and Protection Fund on completion of seven years. Members who have not encashed their dividend warrant(s) issued by the Company for the financial year ended March 31, 2008, or any subsequent financial year(s), are requested to seek issue of duplicate warrant(s) by writing to the Registrar and Share Transfer Agent of the Company.

Information in respect of unclaimed dividend of the Company for the subsequent financial years and date(s) when due for transfer to Investor Education and Protection Fund is given in company website in accordance with the provisions of Section 124 (5) of the Companies Act, 2013.

#### **PAN & CHANGE OF ADDRESS**

Members holding equity share in physical form are requested to notify the change of address/dividend mandate, if any, to the Company's Registrar & Share Transfer Agent, at the address mentioned above.

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/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/dividend mandate, if any, to the Company/ Registrar & Share Transfer Agent.

#### **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, 2018.

#### **EQUITY SHARE CAPITAL BUILD-UP**

Particulars	Allotment Date	No. of Equity Shares	Face value (Rs.)	Cumulative No of shares	Cumulative Paid up Capital
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

**Issued and Paid-up Capital as at March 31, 2018**
**Rs.25,95,66720/-**
**CAPITAL STRUCTURE As On Date**

<b>Capital Structure (Raj Television Network)</b>							
Period		Instrument	Authorized Capital	Issued Capital	- P A I D U P -		
From	To		(Rs. cr)	(Rs. cr)	Shares (nos)	Face Value	Capital
2017	2018	Equity Share	30	25.96	51913344	5	25.96
2016	2017	Equity Share	30	25.96	51913344	5	25.96
2015	2016	Equity Share	30	25.96	51913344	5	25.96
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

**SHARE HOLDING PATTERN: A- DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH 2018.**

Sl No	Holding	Number of Cases	% of Cases	Amount	% of Amount
1	between 1 and 1000	8393	96.0407	6135365	2.3636
2	between 1001 and 5000	162	1.8537	1202465	0.4632
3	between 5001 and 10000	75	0.8582	1063040	0.4095
4	between 10001 and 20000	28	0.3204	682520	0.2629
5	between 20001 and 30000	9	0.1029	320985	0.1236
6	between 30001 and 40000	13	0.1487	610680	0.2352
7	between 40001 and 50000	22	0.2517	1637515	0.6308
8	between 50001 and 100000	37	0.4233	1637515	0.6308
9	> 100000	37	0.4233	247914150	95.5107
	Total	8739	100	259566720	100

**STOCK MARKET DATA RELATING TO EQUITY SHARES OF THE COMPANY LISTED IN INDIA**

Month	BSE All Prices in ₹			NSE All Prices in ₹		
	High	Low	No. of Shares	High	Low	No of Shares
Apr-17	71.60	59.00	248845	71.50	58.00	1202469
May-17	66.50	57.00	61216	66.50	57.50	664001
Jun-17	60.75	55.20	31486	59.75	54.30	169603
Jul-17	70.00	51.50	60570	67.00	55.50	232599
Aug-17	64.50	56.50	55043	64.10	58.00	139565
Sep-17	72.00	56.20	146358	71.20	54.45	745718
Oct-17	61.60	55.55	36851	62.90	57.20	171891
Nov-17	74.00	55.10	168160	74.70	54.50	1001096
Dec-17	66.00	56.90	107897	66.35	58.05	637088
Jan-18	74.30	55.55	225240	77.70	54.35	1681872
Feb-18	58.35	51.05	83687	58.30	50.30	246474
Mar-18	59.75	50.05	28279	57.60	51.00	315949

Source: BSE website and NSE website. \*basis- Price is on Monthly average

RAJ TELEVISION NETWORK LTD FB Rs. 5/-

**SHAREHOLDING SUMMARY AS ON 31 MARCH, 2018**

CATEGORY	NO.OF HOLDERS	TOTAL POSITIONS	% OF HOLDINGS
PHYSICAL	105	456	0.000878
NSDL	5586	38223095	73.628651
CDSL	3048	13689793	26.37047
TOTAL	8739	51913344	100

**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, 2018

**Annexure****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 2017-18.
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: The company in the usual course of business had employed Shri. Nachiappan R and Ms. Nandhini R **Not applicable**, since the no contract was entered into during the FY 2017-18
  - f. Amount paid as advances, if any: **Nil**

For and on behalf of the Board of Directors

M Raajhendhran

Chairman and Managing Director

Place: Chennai

Date: 10<sup>th</sup> August, 2018

**CERTIFICATION ON FINANCIAL STATEMENTS OF THE COMPANY**

We, M Raajhendhran, Managing Director & CMD and M Ravindran, Whole-time Director of Raj Television Network Limited ('the Company'), certify that:

- a) We have reviewed the financial statements and cash flow statement for the year ended March 31, 2018 and that to the best of our knowledge and belief:
  - i) these statements do not contain any materially untrue statement or omit any material fact or contain any statement that might be misleading;
  - ii) these statements together present a true and fair view of the Company's affairs and are in compliance with Accounting Standards, applicable laws and regulations.
- b) To the best of our knowledge and belief, no transactions entered into by the Company during the year ended March 31, 2018 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 the internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and 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 proposed 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; 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.

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

**10<sup>th</sup> August, 2018**  
 Chennai

**M. Ravindran**  
**Whole-time Director**  
 DIN:00662830



**Independent Auditors' Certificate regarding compliance with the conditions of Corporate Governance**

To

The Members

M/s. Raj Television Network Limited,

- (1) We have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on March 31, 2018, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 42(2) and para C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

**Management Responsibility**

- (2) The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in the SEBI Listing Regulations.

**Auditor's Responsibility**

- (3) Our responsibility is limited to examining the 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.
- (4) We have examined the books of account and other relevant records and documents maintained by the Company for the purpose of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
- (5) We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
- (6) We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

**Opinion**

- (7) Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C, D and E of Schedule V of the SEBI Listing Regulations during the year ended March 31, 2018.
- (8) We state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company

**Restriction on use**

- (9) This certificate is issued solely for the purpose complying with the aforesaid Listing Regulations, and may not be suitable for any other purpose.

**For N.Naresh & Co.,**  
**Chartered Accountants,**  
 Firm Regn No.011293S

**N Ramalingam**  
**Partner**  
 M.No.208992  
 Date 10.08.2018  
 Chennai

### Independent Auditors' Report

To the members of,

**M/s. Raj Television Network Limited,**

#### **Report on the Standalone Financial Statements**

We have audited the accompanying standalone Ind AS financial statements of

**M/s. Raj Television Network Limited** ('the Company') which comprises the Balance Sheet as at

31<sup>st</sup> March 2018, the Statement of Profit and Loss (Including other comprehensive income) & statement of changes in equity and the Statement of Cash Flow for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### **Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting standards (Ind AS) prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on these standalone financial statements based on our audit. In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder and the Order issued under section 143(11) of the Act.

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances.

An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

#### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the standalone Ind AS 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 2018
- ii. In case of Statement of Profit and Loss, of the loss for the year ended on that date; and
- iii. In case of statement of changes in equity for the year ended on that date
- iv. In 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, 2016("Order") issued by the Central Government of India in terms of section 143(11) of the Companies Act, 2013, we enclose in the Annexure A, 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 sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - c. the Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.;
  - d. in our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.
  - e. on the basis of the written representations received from the directors of the Company as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164(2) of the Act.
  - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting. And
  - g. with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements.
    - ii. The Company does not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the company.

**For N.Naresh & Co.,**  
**Chartered Accountants,**  
 Firm Regn No.011293S

**N Ramalingam**  
**Partner**  
 M.No.208992  
 Date 10.08.2018  
 Chennai

### Annexure A to the Independent Auditors' Report

The Annexure referred to in Independent Auditor's Report to the members of

**M/s. Raj Television Network Limited** ("the Company) for the year ended 31<sup>st</sup> March 2018.

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.
- c) According to the information and explanation given to us and on the basis of our examination of the records of the company, the title deeds of immovable property are held in the name of the company.
- ii) The inventory has been physically verified (Serial content verified with reference to title documents/agreements) by the management at reasonable intervals during the year. As explained to us, no discrepancies were noticed on physical verification as compared to book records.
- iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, limited liability Partnerships or other parties covered in the register maintained under Section 189 of the Act.
- iv) In our opinion and according to the information and explanation given to us, and based on the legal opinion obtained by the Company, the Company has not granted any loans, or provided any guarantees or security to the parties covered under Section 185 of the Act. The Company has not made any investments and granted loans in respect of persons covered under the provisions of Section 186 of the Act.
- v) The Company has not accepted any deposits from the public.
- vi) The Central Government has not prescribed the 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, Goods & 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.

According to the information and explanation given to us, no undisputed amounts payable in respect of Service Tax, Goods & Service Tax, Employees State Insurance, Provident Fund, and other material statutory dues were in arrears as at 31<sup>st</sup> March, 2018 for a period of more than six months from the date they become payable.

- b) According to the information and explanation given to us, there are no dues of duty of Customs and Service Tax & GST which have not been deposited with the appropriate authorities on account of any dispute. However, according to the information and explanations given to us, the following dues of Income Tax which have not been deposited by the company on account of disputes:

S.No	Name of the Statute	Nature of dues	Amount	Period to which the amount relates	Forum where dispute is pending	Appellant
1	Income Tax Act, 1961	Income Tax	30,425,910	A.Y.2004-05	High Court of Judicature at Madras	The Income Tax Department

- viii) According to the information and explanation given to us, the company has not defaulted in repayment of dues to a financial institution, bank or debenture holder during the year.
- ix) The Company did not raised any moneys by way of initial public offer or further public offer (including debt instruments).New term loans have been raised by the Company the repayment of which is being made as per the Schedule.
- x) 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.
- xi) In our opinion and according to the information and explanations given to us, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company
- xiii) In our opinion and according to the information and explanations given to us, the Company has not entered into any transactions with related parties and the provisions of Sections 177 and 188 of Companies Act,2013 is not applicable to the company
- xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable to the Company.
- xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.

The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

**For N.Naresh & Co.,**  
**Chartered Accountants,**  
 Firm Regn No.011293S

**N Ramalingam**  
**Partner**  
 M.No.208992  
 Date 10.08.2018  
 Chennai

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**Annexure B to the Independent Auditors' Report**

Report on the Internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

We have audited the internal financial controls over financial reporting of

**M/s. Raj Television Network Limited** ('the Company') as of 31<sup>st</sup> March 2018 in conjunction with our audit of the financial statement of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

### Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For N.Naresh & Co.,**  
**Chartered Accountants,**  
Firm Regn No.011293S

**N Ramalingam**  
**Partner**  
M.No.208992  
Date 10.08.2018  
Chennai

**RAJ TELEVISION NETWORK LIMITED**

No. 32, Poes Road, II Street, Teynampet, Chennai - 600 018

**BALANCE SHEET AS AT 31.03.2018**

PARTICULARS	Note No.	As at 31.03.2018	As at 31.03.2017	As at 31.03.2016
		Rs.	Rs.	Rs.
<b>I - ASSETS</b>				
<b>A. NON - CURRENT ASSETS</b>				
(a) Property, Plant and Equipment	3	966,425,347	1,020,574,595	985,791,103
(b) Capital work-in-progress		—	—	—
(c) Goodwill		—	—	—
(d) Other Intangible assets	4	125,824,763	120,023,673	108,926,866
(e) Intangible assets under development		—	—	—
(f) Financial Assets				
(i) Investments		—	—	—
(ii) Trade receivables		—	—	—
(iii) Loans		—	—	—
(iv) Others - Advances	5	223,021,865	227,277,328	221,337,252
(g) Deferred tax assets (net)	6	2,057,380	16,182,976	33,569,326
(h) Other non-current assets		—	—	—
<b>B. CURRENT ASSETS</b>				
(a) Inventories	7	50,716,105	31,365,750	36,275,950
(b) Financial Assets				
(i) Investments		—	—	—
(ii) Trade receivables	8	488,588,548	431,025,098	481,845,423
(iii) Cash and cash equivalents	9	19,148,205	18,059,283	49,392,029
(iv) Bank balances other than (iii) above		—	—	—
(v) Loans		—	—	—
(vi) Others (to be specified)		—	—	—
(c) Current Tax Assets (Net)		—	—	—
(d) Other current assets	10	14,940,550	4,659,048	6,078,916
<b>TOTAL ASSETS</b>		<b>1,890,722,762</b>	<b>1,869,167,751</b>	<b>1,923,216,865</b>
<b>II - EQUITY AND LIABILITIES</b>				
<b>A. EQUITY</b>				
(a) Equity Share capital	11	259,566,720	259,566,720	259,566,720
(b) Other Equity	12	1,106,524,786	1,120,249,503	1,168,089,174
<b>B. LIABILITIES</b>				
<b>1. NON-CURRENT LIABILITIES</b>				
(a) Financial Liabilities				
(i) Borrowings	13	242,348,404	285,664,115	31,693,861
(ii) Trade payables		—	—	—
(iii) Other financial liabilities (other than those specified in item (b), to be specified)		—	—	—
(b) Provisions		—	—	—
(c) Deferred tax liabilities (Net)		—	—	—
(d) Other non-current liabilities	14	25,915,512	25,915,495	24,395,458
<b>2. CURRENT LIABILITIES</b>				
(a) Financial Liabilities				
(i) Borrowings	15	121,557,223	77,500,974	302,714,335
(ii) Trade payables	16	29,667,969	3,738,801	82,089,938
(iii) Other financial liabilities (other than those specified in item (c))		—	—	—
(b) Other current liabilities	17	61,211,410	44,031,197	8,317,989
(c) Provisions	18	43,930,739	52,500,946	46,349,391
(d) Current Tax Liabilities (Net)		—	—	—
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,890,722,762</b>	<b>1,869,167,750</b>	<b>1,923,216,865</b>

Significant Accounting Policies

The accompanying notes form an integral part of the Financial statements.

As per our report of even date

 For **N.Naresh & Co.,**

Chartered Accountants.,

Firm.Reg.No.011293S

For and on behalf of the Board of Directors

**N Ramalingam**

Partner

M No.208992

Place : Chennai

Date : 10.08.2018

**M. Raajhendhran**

Managing Director

DIN: 00821144

**M. Ravindran**

Director

DIN:00662830

**S.Jeyaseelan**

CFO

**Joseph Cheriyan**

Company Secretary

M No: FCS-9586



**RAJ TELEVISION NETWORK LIMITED**

No. 32, Poes Road, II Street, Teynampet, Chennai - 600 018

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31.03.2018**

		Note No.	As at 31.03.2018	As at 31.03.2017
			Rs.	Rs.
<b>C</b>	<b>INCOME</b>			
	(a) Revenue from Operations	19	615,748,166	612,088,758
	(b) Other Income	20	18,276,469	8,457,648
	<b>Total Income from Operations</b>		<b>634,024,634</b>	<b>620,546,406</b>
<b>D.</b>	<b>EXPENDITURE</b>			
	(a) Cost of revenue	21	164,289,213	185,907,932
	(b) Employee Benefit Expenses	22	227,895,044	235,412,733
	(d) Finance Cost	23	54,312,494	48,321,446
	(c) Depreciation and Amortisation Expenses	24	66,941,943	66,223,065
	(e) Administrative and other Expenses	25	120,185,063	115,134,551
	<b>Total Expenses</b>		<b>633,623,757</b>	<b>650,999,727</b>
	<b>Profit/(Loss) before exceptional and tax</b>		<b>400,877</b>	<b>(30,453,321)</b>
	Exceptional Items		-	-
	<b>Profit / (Loss) before tax</b>		<b>400,877</b>	<b>(30,453,321)</b>
	- Current Year Tax		-	-
	- MAT Credit Entitlement		-	-
	- Deferred Tax Current Year		14,125,595	17,386,350
	- Current tax Expenses relating to previous years		-	-
	<b>Profit / (Loss) After tax</b>		<b>(13,724,718)</b>	<b>(47,839,672)</b>
	<b>Other Comprehensive Income:</b>			
	Other comprehensive income not to be reclassified to profit or loss in subsequent periods		-	-
	<b>Total comprehensive income for the year</b>		<b>(13,724,718)</b>	<b>(47,839,672)</b>

Nominal Value of Share (in Rs)	5.00	5.00
Net profit attributable to equity shareholders	(13,724,718)	(47,839,672)
Weighted Average Number of Shares Outstanding (***)	51,913,344	51,913,344
Basic and diluted EPS before Extra Ordinary item(in Rs)	(0.26)	(0.92)
Basic and diluted EPS after Extra Ordinary item(in Rs)	(0.26)	(0.92)
Adjusted EPS (***)		

**Notes Forming Part of the Financial Statements**

The accompanying notes form an integral part of the Financial statements.

For **N.Naresh & Co.**,  
Chartered Accountants.,  
Firm.Reg.No.011293S

For and on behalf of the Board of Directors

**N Ramalingam**  
Partner  
M No.208992

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

**M. Ravindran**  
Director  
DIN:00662830

**S.Jeyaseelan**  
CFO

**Joseph Cheriyan**  
Company Secretary  
M No: FCS-9586

Place : Chennai  
Date : 10.08.2018

**RAJ TELEVISION NETWORK LIMITED**

No. 32, Poes Road, II Street, Teynampet, Chennai - 600 018

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2018

PARTICULRS		As at 31.03.2018	As at 31.03.2017
A	CASH FLOW FROM OPERATING ACTIVITIES	Rs.	Rs.
1	Net Profit Before Tax and extra Ordinary Items	400,877	(30,453,321)
	Adjustments for:		
2	Loss / (Profit) on sale of asset	(880,000)	(1,743,000)
3	Depreciation and amortization	66,941,943	66,223,065
4	Dividend on Long term Investments	—	—
5	Profit/Loss on sale of Long term Investments	—	—
6	Interest paid	54,312,494	48,321,446
	<b>Operating Profit before working capital Changes</b>	<b>120,775,314</b>	<b>82,348,190</b>
	<b>Adjustments for :</b>		
7	Inventories	(19,350,355)	4,910,200
8	Trade Receivables	(57,563,450)	50,820,326
9	Long term Loan and Advances	4,255,463	(5,940,076)
10	Short term Loan and Advances	(10,281,502)	1,419,868
11	Other Long Term liabilities	17	1,520,037
12	Trade Payables	25,929,168	(78,351,137)
13	Other current liabilities	61,255,278	(178,786,846)
14	Short Term provisions	(8,570,207)	6,151,555
	<b>Cash generated from Operation</b>	<b>116,449,726</b>	<b>(115,907,883)</b>
15	Direct Tax	—	—
	<b>Net Cash from Operating Activities</b>	<b>116,449,726</b>	<b>(115,907,883)</b>
<b>B</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
1	Sale of Assets	880,000	1,743,000
2	Purchase of PPE	(11,434,030)	(94,794,429)
3	Purchase of Intangible Assets	(7,178,569)	(12,401,776)
4	Purchase of Shares	—	—
5	Sale of Shares	—	—
6	Dividend on long term investments	—	—
7	Loss on sale of long term investments	—	—
	<b>Net cash from Investing Activities</b>	<b>(17,732,599)</b>	<b>(105,453,205)</b>
<b>C</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
1	Borrowal / (Repayment) of long term Borrowings	(43,315,711)	253,970,254
2	Interest	(54,312,494)	(48,321,446)
3	Dividend & dividend tax paid	—	(15,620,466)
	<b>Net cash from Financing Activities</b>	<b>(97,628,205)</b>	<b>190,028,342</b>
	<b>Net increase/ (decrease) in cash and cash equivalents</b>	<b>1,088,922</b>	<b>(31,332,746)</b>
	<b>Cash and cash equivalents as at the beginning of the year</b>	<b>18,059,283</b>	<b>49,392,029</b>
	<b>Cash and cash equivalents as at the end of the year</b>	<b>19,148,205</b>	<b>18,059,283</b>

As per our report of even date

 For **N.Naresh & Co.,**  
 Chartered Accountants.,  
 Firm.Reg.No.011293S

For and on behalf of the Board of Directors

**N Ramalingam**  
 Partner  
 M No.208992

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

**M. Ravindran**  
 Director  
 DIN:00662830

**S.Jeyaseelan**  
 CFO

**Joseph Cheriyan**  
 Company Secretary  
 M No: FCS-9586

 Place : Chennai  
 Date : 10.08.2018

**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2018****A. EQUITY SHARE CAPITAL**

Equity shares of Rs.5.00 /- each issued, subscribed and fully paid

As at 31st March, 2016

As at 31st March, 2017

As at 31st March, 2018

**B. Other Equity**

For the year ended 31st March,2018

Attributable to Equity share holders					
Particulars	Profit & Loss Account	Securities Premium Account	General reserve	Revaluation Reserve	Total
As at 1st April,2017	208,235,992	431,819,058	38,148,834	442,045,618	1,120,249,503
Profit for the year	(13,724,718)	-	-	-	(13,724,718)
Other comprehensive income	-	-	-	-	-
Total Comprehensive Income	194,511,274	431,819,058	38,148,834	442,045,618	1,106,524,786
Cash dividends	-	-	-	-	-
Dividend distribution tax (DDT) on cash dividend	-	-	-	-	-
As at March 31, 2018	194,511,274	431,819,058	38,148,834	442,045,618	1,106,524,786

For the year ended 31st March,2016

Attributable to Equity share holders					
Particulars	Profit & Loss Account	Securities Premium Account	General reserve	Revaluation Reserve	Total
As at 1st April,2016	256,075,664	431,819,058	38,148,834	442,045,618	1,168,089,174
Profit for the year	(47,839,672)	-	-	-	(47,839,672)
Other comprehensive income	-	-	-	-	-
Total Comprehensive Income	208,235,992	431,819,058	38,148,834	442,045,618	1,120,249,503
Cash dividends	-	-	-	-	-
Dividend distribution tax (DDT) on cash dividend	-	-	-	-	-
As at March 31, 2017	208,235,992	431,819,058	38,148,834	442,045,618	1,120,249,503

**Significant Accounting Policies**

2

The accompanying notes form an integral part of the Financial statements.

As per our report of even date

For **N.Naresh & Co.,**  
Chartered Accountants.,  
Firm.Reg.No.011293S

For and on behalf of the Board of Directors

**N Ramalingam**  
Partner  
M No.208992  
Place : Chennai  
Date : 10.08.2018

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

**M. Ravindran**  
Director  
DIN:00662830

**S.Jeyaseelan**  
CFO

**Joseph Cheriyan**  
Company Secretary  
M No: FCS-9586

# NOTES FORMING PART OF THE FINANCIAL STATEMENTS

## Note - 03 : Fixed Assets

Depreciation Statement as per the Companies Act, 2013.

SL. NO	PARTICULARS	LAND	BUILDING	PLANT & MACHINERY	COMPUTERS	VEHICLES & FIXTURES	FURNITURE	TOTAL
I	GROSS BLOCK							
	AS ON 1ST APRIL 2016	665,804,165	77,720,901	599,479,140	72,411,832	45,996,377	26,941,035	1,488,353,450
	ADDITIONS		5,144,731	28,133,798	3,615,976	63,452,810		100,347,315
	DELETIONS					5,552,886		5,552,886
	ADJUSTMENT - FOREX TRANSLATION ON CAPITAL ASSET			(645,726)				(645,726)
	AS ON 31ST MARCH 2017	665,804,165	82,865,632	626,967,212	76,027,808	103,896,301	26,941,035	1,582,502,153
	ADDITIONS		3,331,524	6,680,135	2,043,480		24,617	12,079,756
	DELETIONS			5,010,116				5,010,116
	ADJUSTMENT - FOREX TRANSLATION ON CAPITAL ASSET			(664,539)				(664,539)
	AS ON 31ST MARCH 2018	665,804,165	86,197,156	627,972,693	78,071,288	103,896,301	26,965,652	1,588,907,254
II	DEPRECIATION							
	ACCUMULATED DEPRECIATION AS ON 1ST APRIL 2016	-	11,405,746	369,090,389	67,395,674	41,063,890	13,606,648	502,562,347
	CHARGE FOR THE YEAR		2,521,131	44,490,412	6,161,338	9,185,817	2,559,398	64,918,096
	IMPAIRMENT							
	DISPOSALS					5,552,886		5,552,886
	AS ON 31 ST MARCH 2017	-	13,926,877	413,580,801	73,557,012	44,696,822	16,166,046	561,927,557

Unsecured and Considered Good		
Note - 04 : Other Intangible Assets		
SL.NO	PARTICULARS	FILM BORADCASTING RIGHTS
I	<b>GROSS BLOCK</b>	
	AS ON 1ST APRIL 2016	108,926,866
	ADDITIONS	12,401,776
	DELETIONS	-
	AS ON 31ST MARCH 2017	121,328,642
	ADDITIONS	7,178,569
	DELETIONS	-
	AS ON 31ST MARCH 2018	128,507,211
II	<b>DEPRECIATION</b>	
	ACCUMULATED DEPRECIATION AS ON 1ST APRIL 2016	-
	CHARGE FOR THE YEAR	1,304,969
	AS ON 31 ST MARCH 2017	1,304,969
	CHARGE FOR THE YEAR	1,377,479
	AS ON 31 ST MARCH 2018	2,682,448
III	<b>NET BLOCK (III=I-II)</b>	
	<b>AS ON 1ST APRIL,2016</b>	108,926,866
	<b>AS ON 1ST APRIL,2017</b>	120,023,673
	<b>AS ON 1ST APRIL,2018</b>	125,824,763

NOTES FORMING PART OF THE FINANCIAL STATEMENTS			
Note - 5 : Others - Advances	As at March 31st 2018	As at March 31st 2017	As at March 31st 2016
Unsecured and Considered Good			
(a) Capital Advances	123,779,153	135,819,537	129,792,962
(b) Security Deposits	23,840,602	13,840,602	23,832,372
(c) Loans and advances to employees	1,285,370	1,659,554	131,250
(d) Advance tax (net of provision for taxation)	60,422,855	62,263,750	53,883,503
(e) MAT Credit Entitlement	13,664,885	13,664,885	13,664,885
(f) Loans and advances to related parties	-	-	-
(g) Others	29,000	29,000	32,280
<b>Total</b>	<b>223,021,865</b>	<b>227,277,328</b>	<b>221,337,252</b>

<b>Note - 6 : Deferred tax assets (Net)</b>	<b>As at March 31st 2018</b>	<b>As at March 31st 2017</b>	<b>As at March 31st 2016</b>
Balance as per last Financial statements	16,182,976	33,569,326	(25,085,877)
Net deferred tax (liability) / asset represents the aggregate tax effect of the timing difference arising from "Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	(14,125,596)	(17,386,350)	58,655,203
<b>Total</b>	<b>2,057,380</b>	<b>16,182,976</b>	<b>33,569,326</b>

<b>Note -7 : Inventories</b>	<b>As at March 31st 2018</b>	<b>As at March 31st 2017</b>	<b>As at March 31st 2016</b>
Serial Stock (At lower of cost and net realisable value)	50,716,105	31,365,750	36,275,950
<b>Total</b>	<b>50,716,105</b>	<b>31,365,750</b>	<b>36,275,950</b>

<b>Note - 8: Trade Receivables</b>	<b>As at March 31st 2018</b>	<b>As at March 31st 2017</b>	<b>As at March 31st 2016</b>
Unsecured and considered good			
(a) Trade receivables outstanding for a period exceeding six months from the date they were due for payment	156,724,776	245,649,700	145,123,207
(b) Other trade receivables	331,863,772	185,375,399	336,722,217
<b>Total</b>	<b>488,588,548</b>	<b>431,025,098</b>	<b>481,845,423</b>

#### NOTES FORMING PART OF THE FINANCIAL STATEMENTS

<b>Note - 9 : Cash and Cash Equivalents</b>	<b>As at March 31st 2018</b>	<b>As at March 31st 2017</b>	<b>As at March 31st 2016</b>
(a) Cash in Hand	71,441	173,790	20,116
(b) Balances with Scheduled Bank in-			
(i) On Deposit Account	20,000,000	20,000,000	20,000,000
(ii) On Current Account (Temporary Overdraft)	(923,236)	(2,114,507)	29,371,913
Note: Of the above, the balances that meet the definition of Cash and cash equivalents as per AS 3 Cash Flow Statements is	<b>19,148,205</b>	<b>18,059,283</b>	<b>49,392,029</b>
<b>Total</b>	<b>19,148,205</b>	<b>18,059,283</b>	<b>49,392,029</b>

Note - 10 : Other Current Assets	As at March 31st 2018	As at March 31st 2017	As at March 31st 2016
Prepaid Expenses	14,940,550	4,659,048	6,078,916
<b>Total</b>	<b>14,940,550</b>	<b>4,659,048</b>	<b>6,078,916</b>

Note - 11 Equity Share capital	As at March 31st 2018		As at March 31st 2017		As at March 31st 2016	
	No of Shares	Amount in Rupees	No of Shares	Amount in Rupees	No of Shares	Amount in Rupees
<b>a. Authorised Capital</b>						
60,000,000 Equity Shares of Rs.5 each.	60,000,000	300,000,000	60,000,000	300,000,000	60,000,000	300,000,000
(Previous year - 60,000,000 Equity Shares of Rs.5 each.)						
<b>b. Issued, Subscribed and fully paid up</b>						
5,19,13,344 Equity Shares of Rs.5 each.	51,913,344	259,566,720	51,913,344	259,566,720	51,913,344	259,566,720
(Previous Year - 5,19,13,344 Equity Shares of Rs.5 each.)						
	51,913,344	259,566,720	51,913,344	259,566,720	51,913,344	259,566,720

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.

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 31st 2018		As at March 31st 2017		As at March 31st 2016	
	No of Shares	Amount in Rupees	No of Shares	Amount in Rupees	No of Shares	Amount in Rupees
<b>Issued Equity Shares</b>						
Opening Balance	51,913,344	259,566,720	51,913,344	259,566,720	51,913,344	259,566,720
Changes During the Year						
i) Fresh Issue	-	-	-	-	-	-
ii) Split of shares from Rs.10 to Rs.5 each	-	-	-	-	-	-
iii) Bonus Issue	-	-	-	-	-	-
<b>Closing Balances</b>	<b>51,913,344</b>	<b>259,566,720</b>	<b>51,913,344</b>	<b>259,566,720</b>	<b>51,913,344</b>	<b>259,566,720</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 financial year 2013-14 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 31st 2018		As at March 31st 2017		As at March 31st 2016	
No of Shares	% of Shares	No of Shares	% of Shares	No of Shares	% of Shares	No of Shares
M Raajhendhran	5,863,808	11.30%	5,863,808	11.30%	5,863,808	11.30%
M Regunathan	5,863,808	11.30%	5,863,808	11.30%	5,863,808	11.30%
M Rajarathinam	5,863,808	11.30%	5,863,808	11.30%	5,863,808	11.30%
M Ravindran	5,600,000	10.79%	5,570,000	10.33%	5,362,000	10.33%
R Amudha	3,543,284	6.83%	3,543,284	6.83%	3,543,284	6.83%
R Aruna	3,543,268	6.83%	3,543,268	6.83%	3,543,268	6.83%
R Vijayalakshmi	2,875,500	5.54%	2,763,000	5.23%	2,714,000	5.23%
R Usharani	3,543,268	6.83%	3,543,268	6.83%	3,543,268	6.83%
Current Year Rs.5 Per equity Share. (Previous Year 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 31/03/2018						
Particulars	As at March 31st 2018					
	No of Shares					
Equity shares allotted as fully paid up by way of bonus	25,956,672					

Note – 12 : Other Equity	As at March 31st 2018	As at March 31st 2017	As at March 31st 2016
<b>(i) Securities Premium Account</b>			
Balance as per the Last financial statements	431,819,058	431,819,058	431,819,058
Less: Transferred to share capital towards bonus shares	–	–	0
	<b>431,819,058</b>	<b>431,819,058</b>	<b>431,819,058</b>
<b>(ii) Revaluation Reserve</b>			
Land Revalued	442,045,618	442,045,618	442,045,618
	442,045,618	442,045,618	442,045,618
<b>(iii) Profit and Loss Account</b>			
Balance as per last financial statements	208,235,993	256,075,664	381,367,636
Add : Profit transferred from Profit & Loss Account	(13,724,718)	(47,839,672)	(60,494,189)
	<b>194,511,275</b>	<b>208,235,992</b>	<b>271,696,130</b>
<b>Less: Appropriations</b>			
Interim Dividend	–	–	–
Tax on Interim Dividend	–	–	–
Proposed final Dividend (' 0.25 per Share)	–	–	12,978,336
Tax on Proposed Dividend	–	–	2,642,130
Amount transferred to General Reserve	–	–	0
(–) Previous year depreciation charged in compliance with Companies Act 2013	–	–	0
<b>Net surplus in the statement of profit and loss</b>	<b>194,511,276</b>	<b>208,235,993</b>	<b>256,075,664</b>



Note – 12 : Other Equity (Contd.)	As at March 31st 2018	As at March 31st 2017	As at March 31st 2016
(iv) General reserve Transferred from the profit & loss A/c			
Balance as per the last financial statements	38,148,834	38,148,834	38,148,834
Add : Amount transferred from Statement of Profit & Loss Account	–	–	
<b>Balance at the end of year</b>	<b>38,148,834</b>	<b>38,148,834</b>	<b>38,148,834</b>
<b>TTotal Reserves and Surplus</b>	<b>1,106,524,786</b>	<b>1,120,249,503</b>	<b>1,168,089,174</b>

Note - 13 :Borrowings	As at March 31st 2018	As at March 31st 2017	As at March 31st 2016
Secured Term Loans from bank	204,509,492	244,176,669	31,693,861
Secured Vehicle Loans from bank	37,838,912	41,487,446	–
(Please refer Note below for security and terms of repayment)			
<b>Total</b>	<b>242,348,404</b>	<b>285,664,115</b>	<b>31,693,861</b>

Nature of Security & Terms of Repayment	As at March 31st 2018	As at March 31st 2017	As at March 31st 2016
(i) The Corporate loan from Canara Bank availed during the year is secured primarily by Assignment of film acquisition rights and other contents and collateral securities at :	232,880,882	250,000,000	
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 name of M/s. Raj Television Network limited.			
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.Free Land & Building measuring 3800 Sq ft at Old No.14, New No.28, Poes Road, II Street, Teynampet, Chennai in the name of the company			
4. Land & Building measuring 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.			

<b>Nature of Security &amp; Terms of Repayment (contd.)</b>	<b>As at March 31st 2018</b>	<b>As at March 31st 2017</b>	<b>As at March 31st 2016</b>
<p>5. EMT of th property on Plot No.656/1 forming part of the schedule no.403/1 old, 120 New of Shaikpet village &amp; 102/1 of Hakimpt village measuring 683 sq yards situated at 34, Jubilee Hills, Hyderabad at a cost of Rs.11.00 crores and Plant and Machinery like studio equipments, hard wares, vehicles, computer systems and peripherals , DG sets and power equipments at a total cost of Rs.7Croers</p> <p>6.Residential Vacant land situated at old no.51 &amp; 52, New no.10 &amp; 12, Poes Road, Teynampet, Chennai, measuring 7647 Sq.ft in the name of M/s.Raj Television Network Limited.</p>			
(ii) The term loan from Canara bank carries Base rate + 3.75% interest and payable 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 in the name of M/s. Raj Television Network limited.	13,228,610	14,870,745	16,195,671
(iii) This Vehicle loan from Canara Bank availed during the year carries interest @ 9.85% p.a. and is repayable in 72 equated monthly installments. The vehicle loan is secured primarily by Hypothecation of Vehicle.	6,101,345	7,108,051	–
(iv) This Vehicle loan from HDFC Bank availed during the year carries interest @ 9.35% p.a. and is repayable in 60 equated monthly installments. The vehicle loan is secured primarily by Hypothecation of Vehicle.	35,414,760	44,595,916	–
(v) This Vehicle loan from HDFC Bank availed during the year carries interest @ 10.50% p.a. and is repayable in 36 equated monthly installments. The vehicle loan is secured primarily by Hypothecation of Vehicle.	10,588,855	–	–
<b>Note - 14 : Other non-current liabilities</b>			
	<b>As at March 31st 2018</b>	<b>As at March 31st 2017</b>	<b>As at March 31st 2016</b>
(a) Other Payables (Other Payables comprises of Interest free deposits from customers and Long term Capital under disputes and litigations)	22,500,000	22,500,000	22500000
(b) Provision for gratuity (Refer notes to accounts-Employee benefits)	3,415,512	3,415,495	1895458
<b>Total</b>	<b>25,915,512</b>	<b>25,915,495</b>	<b>24,395,458</b>

NOTES FORMING PART OF THE FINANCIAL STATEMENTS			
Note - 15 : Borrowings	As at March 31st 2018	As at March 31st 2017	As at March 31st 2016
Secured Working Capital Facility from a) Canara Bank ( Please refer note below for security details)	121,557,223	77,500,974	302,714,335
<b>Total</b>	<b>121,557,223</b>	<b>77,500,974</b>	<b>302,714,335</b>

Nature of Security	As at March 31st 2018	As at March 31st 2017	As at March 31st 2016
<p>(i) The working Capital loan from Canara bank (Sanction limit:10 crores) is secured primarily by Hypothecation of Book Debts and collateral securities at:</p> <p>1. Commercial land used by Company (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 name of M/s. Raj Television Network limited.</p> <p>2. Commercial land used by Company (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.</p> <p>3. Land &amp; Building measuring 3800 Sq ft at Old No.14, New No.28, Poes Road, II Street, Teynampet, Chennai in the name of the company</p> <p>4. Land &amp; Building measuring 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.</p> <p>5. EMT of th property on Plot No.656/1 forming part of the schedule no.403/1 old, 120 New of Shaikpet village &amp; 102/1 of Hakimpt village measuring 683 sq yards situated at 34, Jubilee Hills, Hyderabad at a cost of Rs.11.00 crores and Plant and Machinery like studio equipments, hard wares, vehicles, computer systems and peripherals , DG sets and power equipments at a total cost of Rs.7Croers</p> <p>6.Commercial land used by Company situated at old no.51 &amp; 52, New no.10 &amp; 12, Poes Road, Teynampet, Chennai, measuring 7647 Sq.ft in the name of M/s.Raj Television Network Limited.</p>	103,686,589	62,792,648	302,714,335
<p>(ii) The working Capital loan from Canara bank (Sanction limit:1.5 crores) is secured same as OD</p>	103,686,589	62,792,648	–

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

<b>Note - 16 : Trade Payables</b>	<b>As at March 31st 2018</b>	<b>As at March 31st 2017</b>	<b>As at March 31st 2016</b>
(a) Payable towards Purchases	29,667,969	3,738,801	82,089,938
(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	-	-	-
(d) Payable towards Capital Expenditure	-	-	-
<b>Total</b>	<b>29,667,969</b>	<b>3,738,801</b>	<b>82,089,938</b>

<b>Note - 17 : Other current Liabilities</b>	<b>As at March 31st 2018</b>	<b>As at March 31st 2017</b>	<b>As at March 31st 2016</b>
(a) Current maturities of long-term debt -			
(i) On Term Loans	46,945,363	33,814,676	8,317,989
(ii) On Vehicle Loan	14,266,047	10,216,521	-
(See note 5 for the details of security & Terms of Repayment)			
<b>Total</b>	<b>61,211,410</b>	<b>44,031,197</b>	<b>8,317,989</b>

<b>Note - 18 : Provisions</b>	<b>As at March 31st 2018</b>	<b>As at March 31st 2017</b>	<b>As at March 31st 2016</b>
(a) Salaries, wages and other employee benefits payable	15,303,617	16,612,113	11,672,026
(b) Others			
(i) Proposed final dividend on equity shares	-	-	12,978,336
(ii) Tax on dividend	-	-	2,642,130
(iii) Statutory Tax and Expenses Payable	22,831,010	12,726,245	7,756,127
<b>Provision for transponder charges</b>	<b>5,796,112</b>	<b>23,162,589</b>	<b>11,300,773</b>
<b>Total</b>	<b>43,930,739</b>	<b>52,500,946</b>	<b>46,349,391</b>

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

<b>Note - 19 : Revenue</b>	<b>For the year ended March 31st 2018</b>	<b>For the year ended March 31st 2017</b>
Income from Broadcasting Operations	505,939,152	453,776,467
Income from Other Operations	86,809,013	98,282,291
Income from Sale of Film rights	23,000,000	60,030,000
<b>Total</b>	<b>615,748,166</b>	<b>612,088,758</b>

<b>Note - 20 : Other Income</b>	<b>For the year ended March 31st 2018</b>	<b>For the year ended March 31st 2017</b>
Interest on Bank Deposits and Income Tax	881,991	1,488,230
Net gain/loss on sales of assets	880,000	1,743,000
Gain on foreign exchange fluctuation (net)	6,911	234,988
Other Non-Operating Income	14,000,000	4,991,430
Insurance Claim	1,503,990	-
Interest on income tax Refund	1,003,577	-
<b>Total</b>	<b>18,276,469</b>	<b>8,457,648</b>

<b>Note - 21 : Cost of revenue</b>	<b>For the year ended March 31st 2018</b>	<b>For the year ended March 31st 2017</b>
Interest on Bank Deposits and Income Tax	881,991	1,488,230
Net gain/loss on sales of assets	880,000	1,743,000
Gain on foreign exchange fluctuation (net)	6,911	234,988
Other Non-Operating Income	14,000,000	4,991,430
Insurance Claim	1,503,990	-
Interest on income tax Refund	1,003,577	-
<b>Total</b>	<b>18,276,469</b>	<b>8,457,648</b>

<b>Note - 22 : Employee Benefit Expenses</b>	<b>For the year ended March 31st 2018</b>	<b>For the year ended March 31st 2017</b>
Directors Remuneration	52,000,000	52,000,000
Salary and Allowances	154,219,271	157,213,163
Staff Welfare	1,863,630	4,897,964
Contribution to Provident and other funds	8,980,457	10,372,509
Gratuity Expenses	3,415,512	3,415,495
Bonus Expenses	7,416,174	7,513,602
<b>Total</b>	<b>227,895,044</b>	<b>235,412,733</b>

<b>NOTES FORMING PART OF THE FINANCIAL STATEMENTS</b>		
<b>Note - 23 : Financial Expenses</b>	<b>For the year ended March 31st 2018</b>	<b>For the year ended March 31st 2017</b>
Interest	53,889,359	42,470,198
Others	423,135	5,851,249
<b>Total</b>	<b>54,312,494</b>	<b>48,321,446</b>

  

<b>Note – 24 : Administrative and other Expenses</b>	<b>For the year ended March 31st 2018</b>	<b>For the year ended March 31st 2017</b>
Advertisement Expenses	858,044	2,662,800
Bad Debts written off	899,562	–
Commission	171,000	–
Carriage fee	23,507,291	17,059,574
Donation	490,750	10,000
Electricity Charges	14,628,862	17,633,310
Entertainment	675,238	1,030,230
Insurance	1,524,962	1,229,418
Internet & Website charges	4,643,556	4,571,842
Legal and Professional Fees *	14,595,234	12,052,248
Miscellaneous Expenses	380,327	85,567
Office Maintenance	390,014	350,020
Postage and Courier	984,855	905,463
Printing and Stationery	1,924,851	2,025,177
Rent	9,899,811	7,523,025
Rate and Taxes	10,242,216	8,805,203
Repair and Maintenance		
– Building	903,452	1,256,127
– Plant and Machinery	3,149,071	2,880,657
– Others	2,912,392	2,995,256
Sales Promotion	5,420,751	5,327,342
Security Charges	112,875	638,247
Sitting Fees	847,500	1,005,000
Telephone Charges	3,755,110	2,793,100
Traveling and Conveyance	6,530,707	8,192,872
Vehicle Maintenance	10,586,631	11,189,470
Expenses Incurred towards Corporate Social Responsibility	150,000	2,912,603
<b>Total</b>	<b>120,185,063</b>	<b>115,134,551</b>
<b>* Payments to the auditors comprises (excluding service tax/gst input credit)</b>		
a. Statutory audit fees	200,000	200,000
b. Tax Audit fees	150,000	150,000
c. Certification and other matters	400,000	400,000
<b>Total</b>	<b>750,000</b>	<b>750,000</b>

## Raj Television Network Limited

### Notes to the Financial Statement for the financial Year ended 31<sup>st</sup> March, 2018

#### 1. Company Overview

The company was incorporated vide CIN. L92490TN1994PLC027709 dated 03<sup>rd</sup> June 1994 issued by Registrar of Companies Chennai, Tamil Nadu.

The Company's shares are listed on the Bombay stock exchange (BSE) and the National stock exchange (NSE) Limited. 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.

The financial statements are approved for issue by the Company's Board of Directors on 28<sup>th</sup> May, 2018.

#### 2. Summary of significant accounting policies

##### a) Basis of preparation of financial statements

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (IndAS) notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Companies (Indian Accounting Standards) Amendment Rules, 2016, as amended. For all periods upto and including the year ended March 31, 2017, the Company has prepared its financial statements to comply in all material respects with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP) and to reflect the financial position and the results of operations of the Company. These financial statements for the year ended March 31, 2018 are the first the Company has prepared in accordance with Ind AS (Refer Annexure attached below for First time adoption of Ind-AS)

The financial statements have been prepared on historical cost basis.

##### b) Current Vs Non-Current Clarification:

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

- Expected to be realized or intended to sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

##### c) Property, plant and equipment and Depreciation

As per the Ind-AS 101 Company can avail the carrying value of assets as recognized in its Indian GAAP or fair value of property, plant & Equipment as on transition date. The Company has elected to continue with the carrying value for all of its property, plant and equipment as recognized in its Indian GAAP financial statements as deemed cost at the transition date, viz., April 1, 2016.

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses, if any.

Cost comprises the purchase price (including all duties and taxes after deducting trade discounts and rebates if any) and any attributable cost of bringing the asset to its working condition for its intended use. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. Likewise, when a major expenditure is incurred, its cost is recognized in the carrying amount of the plant and equipment, if it increases the future benefits from the existing asset. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure, are charged to the statement of profit and loss for the period during which such expenses are incurred.

For depreciation, the Company identifies and determines cost of assets significant to the total cost of the assets having useful life that is materially different from that of the life of the principal asset.

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from de-recognition of Property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

#### Depreciation

Based on a technical assessment and a review of past history of asset usage, management of the Company has not revised its useful lives to those referred to under Schedule II to the Companies Act, 2013 (as amended).

Depreciation is provided on the straight-line method (SLM) using useful life prescribed in Part C of Schedule II of the Companies Act, 2013. The useful life of the following class of assets specified in the Part "C" of Schedule II of the Companies Act, 2013 are as follows:

Sl.No	Category of assets	Useful life
1.	Building	30 years
2.	Plant & Machinery	13 years
3.	Computers	3 years
4.	Vehicles	10 years
5.	Furniture & Fixtures	10 years

The gross value of PPE includes cost of Land & Buildings amount of Rs.75,20,01,321/- (Previous year Rs.74,86,69,797/- and April 1, 2016 Rs.74,35,25,066/-), Plant & Machinery amount of Rs. 62,79,72,693/- (Previous year of Rs.62,69,67,212/- and April 1, 2016 Rs. 59,94,79,140/-), Computer and related assets of Rs. 7,80,71,288/- (Previous year of Rs.7,60,27,808/- and April 1, 2016 Rs. 7,24,11,832/-), Vehicles value of Rs.10,38,96,301/- (Previous year of Rs. 10,38,96,301 and April 1, 2016 is Rs.4,59,96,377) and Furniture & Fixtures of Rs. 2,69,65,652/- (Previous year of Rs. 2,69,41,035/- and April 1, 2016 of Rs. 2,69,41,035/-).

#### d) Intangible assets and amortization

The company has considered Film rights as intangible assets for the first time. The company has considered the value of film rights as on 1<sup>st</sup> April, 2016 as opening value of intangible assets. Intangible assets acquired are measured on initial recognition at cost. Cost of acquisition of intangible assets & any other direct costs incurred in relation to such acquisition are recognized as Intangible assets. Following initial recognition, Intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

Intangible assets with finite lives are amortized over the available useful of film rights acquired while purchase and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as



appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

i) Film and program broadcasting rights ('Satellite Rights')

Acquired Satellite Rights for the broadcast of feature films and other long-form programming such as multi episode television serials are initially stated at cost. Future revenues from use of these Satellite Rights cannot be estimated with any reasonable accuracy as these are susceptible to a variety of factors, such as the level of market acceptance of television products, programming viewership, advertising rates etc., and accordingly cost related to film is fully amortized over the period of life of the asset. And the cost related to program broadcasting rights / multi episodes series are charged as expenses based on telecasted episodes.

ii) Film production costs, distribution and related rights

The cost of production / acquisition of all the rights related to each movie is amortized upon the theatrical release of the movie.

e) Borrowing costs:-

Borrowing costs are expensed in the period in which they are incurred.

f) Revenue recognition:-

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to credit risks.

i) Advertising income and income from sales of broadcast slots are recognized when the related commercial or programme is telecast.

ii) The company has purchased film rights and the same has been sold taking the advantage of the favorable market opportunity.

iii) Subscription income represents subscription fees billed to cable operators and Direct to Home ('DTH') service providers towards pay-channels operated by the Company, and are recognized in the period during which the service is provided. Subscription fees billed to cable operators are determined based on number of subscription points to which the service is provided based on relevant agreements with such cable operators (along with management's best estimates of such subscription points wherever applicable), at contractually agreed rates with the Company's authorized distributor. Subscription income from DTH customers is recognized as and when services are rendered to the customer in accordance with the terms of agreements entered into with the service providers

iv) Interest on fixed deposit recorded accordingly rate of interest applied as per deposit form.

v) Foreign pay channel subscription fee received from different nations according to the agreement entered by the parties.

g) Retirement and other employee benefits

1. Provident Fund:-

Retirement benefit in the form of provident fund is a defined contribution scheme. Eligible employees receive benefits from a provident fund, which is defined benefit plan. Both the eligible employee and the Company make monthly contributions to the provident fund plan equal to a specified percentage of the covered employee's salary. The contributions are made to the Regional Provident Fund which is charged to the Statement of Profit and Loss as incurred.

The Company has no obligation, other than the contribution payable to the provident fund. The Company

recognizes the contribution payable to the provident fund scheme as expenditure when the employee renders the related service.

2. Gratuity:-

- I. The Company provides for gratuity, a defined benefit retirement plan ("the Gratuity Plan") covering eligible employees. The plan provides a lump sum payment to vested employees at retirement, death while in employment or termination of employment of an amount equivalent to 15 days salary payable for each completed year of service or part thereof in excess of six months.
- II. Vesting occurs upon completion of five years of service. The Company has obtained insurance policies with the Life Insurance Corporation of India (LIC) and makes an annual contribution to LIC for amounts notified by LIC. The Company accounts for gratuity benefits payable in future based on an independent external actuarial valuation carried out at the end of the year using the projected unit credit method. Actuarial gains and losses are recognized in the Statement of Profit and Loss in the period in which they arise.

h) Taxes:-

Tax expense comprises current and deferred tax.

1) Current Income Tax:-

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

2) Deferred Tax:-

Deferred income tax is provided in full, using the balance sheet method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled. Deferred tax assets are recognized only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

i) Earnings Per Share:-

Basic earnings per share is computed and disclosed using the weighted average number of equity shares outstanding during the period. Dilutive earnings per share is computed and disclosed using the weighted average number of equity and dilutive equity equivalent shares outstanding during the period, except when the results would be anti-dilutive.

Particulars	For the year ended 31st March 2018 Rs.	For the year ended 31st March 2017 Rs.
Net Profit/(Loss) Available to Equity Share Holder	(1,37,24,718)	(4,78,39,672)
Weighted Average Number of Equity Shares	5,19,13,344	5,19,13,344
Earnings Per Share (Basic) - in Rs.	(0.26)	(0.92)
Earnings Per Share (Diluted) - in Rs.	(0.26)	(0.92)

j) Cash & Cash Equivalents:-

- I. Cash and cash equivalents in the balance sheet comprise cash balance available at both savings & current accounts, Net outstanding Bank overdrafts Cash in hand and long term deposits made in the past years are considered as integral part of the company's cash & cash equivalents.
- II. For the purpose of presentation of cash flow statements, cash & cash equivalents include cash in hand & available cash in the bank, others as defined above.

K) Foreign Currency Transactions:-

The Company operates internationally and is exposed to foreign exchange risk arising from foreign currency transactions. Foreign exchange risk arises from future commercial transactions and recognized assets and liabilities denominated in a currency that is not the company's functional currency (INR). Foreign currency transactions are recorded at the exchange rates as on the date of the transaction and the exchange difference arising from foreign currency transactions is dealt with in both Profit and Loss account and also in Balance sheet as the case may be.

The company has availed a Term loan in Foreign currency whose outstanding as on

31st March, 2018 is Rs.60,09,902/- This amount is not hedged by any derivative instrument. However the company is earning foreign currency on a consistent basis which would be able to cover this risk in unhedged foreign currency exposure.

L) Impairment of Property, plant and equipment / intangible assets:-

The carrying amounts of the Company's property, plant and equipment and intangible assets are reviewed at each reporting date to determine whether there is any indication of impairment. If there are indicators of impairment, an assessment is made to determine whether the asset's carrying value exceeds its recoverable amount. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs.

Impairment is recognized in statement of profit and loss whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. The recoverable amount is the higher of net selling price, defined as the fair value less costs to sell, and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market rates and risks specific to the asset.

An impairment loss for an individual asset or cash generating unit are reversed if there has been a change in estimates used to determine the recoverable amount since the last impairment loss was recognized and is only reversed to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized. Impairment losses were recognized in the statement of profit and loss.

M) Inventory:-

Usually company having inventory in serial content procured from the other parties. The value of inventory includes cost of content bought from the content provider & cost of dubbing charges for conversion of content in to local regional language. Company has calculated the value of inventory based on the available period of usage of serial content as per the agreement entered by the service provider & Raj Television Network Limited.

N) Intangible Assets:-

Cost of acquisition of intangible & any other direct costs measured at initial recognition cost of intangible asset. Usually the value of intangible asset calculated at initial recognition cost other impairment loss, if any. As per Ind AS, value of film rights considered as intangible from the FY 2017-18. Company has calculated the amortization cost over the period of useful life of the film.

O) Segment Reporting:-

As per Ind AS 108, company shall disclose information to enable users of its financial statements to evaluate the nature and financial effects of the business activities in which it engages and the economic environments in which it operates. But Raj Television Network Limited doesn't have any reportable business or Geographical segment types as mentioned in the Ind AS.

**P) Events after the reporting period:-**

Ind AS-10 has disclose impact about the entity shall incur any events either favourable or unfavourable that occur between the end of the reporting period and the date when the financial statements are approved by the Board of Directors in case of a company, and, by the corresponding approving authority in case of any other entity for issue. There are no material events occurred after the reporting period, which requires adjustment to Assets / Liabilities as on March 31, 2018.

**Q) Provisions, Contingent Liabilities & Assets:-**

1) Provisions: A provision is recognized when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. The expense relating to a provision is presented in the statement of profit and loss.

2) Contingent Liabilities & Assets:

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

**Additional information to financial statements:-**

1. Expenditure in Foreign Exchange

Particulars	For the year ended 31st March 2018 Rs.	For the year ended 31st March 2017 Rs.
Travelling	-	7,95,037
Purchase of Assets	-	2,89,721
Repairs & Maintenance	3,23,420	10,49,551
Transponder Hire Charges	6,40,39,829	3,02,45,250
Repayment of foreign currency loan	82,44,891	
Total	7,26,08,140	3,23,79,559

2. Earnings in Foreign Exchange

Particulars	For the year ended 31 <sup>st</sup> March 2018 Rs.	For the year ended 31 <sup>st</sup> March 2017 Rs.
Export of TV Programme	8,69,09,014	9,82,82,291
Total	8,69,09,014	9,82,82,291

3. Related Party Disclosures:-

a) Directors

Shri. M.Raajhendhran	Managing Director
Shri. M.Ravindran	Whole Time Director
Shri. M.Rajarathinam	Whole Time Director
Shri. M.Regunathan	Whole Time Director
Smt. Vijayalakshmi Ravindran	Woman Director

Particulars	31 <sup>st</sup> March 2018 Rs	31 <sup>st</sup> March 2017 Rs.
Director Remuneration	4,80,00,000	4,80,00,000
Bonus	40,00,000	40,00,000
Sitting Fees	1,50,000	1,20,000
Total	5,21,50,000	5,21,20,000

**b) Relatives of Promoters**

Particulars	Designation	Salary paid Year ended 31.03.2018 Rs.	Salary paid Year ended 31.03.2017 Rs.
Shri.Nachiappan Raajhendhran	Chief Business Development Officer- Ecommerce	30,00,000	30,00,000
Ms. Nandhini	Content Head	19,50,000	15,00,000

**c) Deferred Tax**

Deferred Tax Liability recognized for the Financial Year is Rs.1,41,25,595/

Particulars	Amount
Opening Deferred Tax Asset As per Ind AS-12	1,61,82,976
Deferred Tax Liability for 2017-18 recognized	(1,41,25,595)
Closing Deferred Tax Asset as on 31.03.2018	20,57,380

**D) 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. During the year company has spent an amount of Rs. 1,50,000 towards CSR Activities.

**E) General Notes:**

1. All Amounts mentioned in financial statement represents for the year ended 31.03.2018
2. Previous year figures have been rearranged wherever necessary as per adoption of Ind AS.
3. All amounts in the financial statements have been rounded off to the nearest Indian rupee.
4. Based on the information and explanation given by the company there were no dues to Micro, Small and Medium Scale industries.

Vide our report of even Date

For **N.Naresh & Co.,**

For and on behalf of the Board of Directors

Chartered Accountants.,  
Firm.Reg.No.011293S

**N Ramalingam**  
Partner  
M No.208992

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

**M. Ravindran**  
Director  
DIN:00662830

**S.Jeyaseelan**  
CFO

**Joseph Cheriyan**  
Company Secretary  
M No: FCS-9586

Place : Chennai  
Date : 10.08.2018

# EFFECT OF THE TRANSITION TO IND AS

Reconciliations of the Company's balance sheets prepared under Indian GAAP and Ind AS as of April 1, 2016 and March 31, 2017.

## Reconciliation of Equity as on March 31, 2017

Particulars	Foot Note	Opening Balance Sheet as at April 1, 2016			Opening Balance Sheet as at March 31, 2017		
		Previous GAAP	Effect of transition to Ind AS	Ind AS	Previous GAAP	Effect of transition to Ind AS	Ind AS
<b>Assets</b>							
<b>Non Current Assets</b>							
(a) Property, Plant and Equipment		985,791,103	-	985,791,103	1,020,574,595	-	1,020,574,595
(b) Capital work-in-progress		-	-	-	-	-	-
(c) Goodwill		-	-	-	-	-	-
(d) Other Intangible assets		-	108,926,866	108,926,866	-	120,023,673	120,023,673
(e) Intangible assets under development		-	-	-	-	-	-
(f) Financial Assets		-	-	-	-	-	-
(i) Investments		-	-	-	-	-	-
(ii) Trade receivables		-	-	-	-	-	-
(iii) Loans		-	-	-	-	-	-
(iv) Others - Advances		221,337,252	-	221,337,252	227,277,328	-	227,277,328
(g) Deferred tax assets (net)		-	33,569,326	33,569,326	-	16,182,976	16,182,976
(h) Other non-current assets		-	-	-	-	-	-
<b>Total Non-Current Assets</b>		<b>1,207,128,355</b>	<b>142,496,192</b>	<b>1,349,624,547</b>	<b>1,247,851,923</b>	<b>136,206,649</b>	<b>1,384,058,572</b>
<b>Current Assets</b>							
(a) Inventories	VI	108,926,866	-72,650,916	36,275,950	93,366,926	-62,001,176	31,365,750
(b) Financial Assets		-	-	-	-	-	-
(i) Investments		-	-	-	-	-	-
(ii) Trade receivables	III	662,599,196	-180,753,773	481,845,423	558,694,240	-127,669,142	431,025,098
(iii) Cash and cash equivalents		49,392,029	-	49,392,029	18,059,283	-	18,059,283
(iv) Bank balances other than (iii) above		-	-	-	-	-	-
(v) Loans		-	-	-	-	-	-
(vi) Others (to be specified)		-	-	-	-	-	-
(c) Current Tax Assets (Net)		-	-	-	-	-	-
(d) Other current assets		6,078,916	-	6,078,916	4,659,048	-	4,659,048
<b>Total Current Assets</b>		<b>826,997,007</b>	<b>-253,404,689</b>	<b>573,592,318</b>	<b>674,779,497</b>	<b>-189,670,319</b>	<b>485,109,178</b>
<b>Total Assets</b>		<b>2,034,125,362</b>	<b>-110,908,497</b>	<b>1,923,216,865</b>	<b>1,922,631,420</b>	<b>-53,463,669</b>	<b>1,869,167,751</b>
<b>Equity &amp; Liabilities</b>							
<b>Equity</b>							
(a) Equity Share capital		259,566,720	-	259,566,720	259,566,720	-	259,566,720
(b) Other Equity		1,217,266,492	-49,177,318	1,168,089,174	1,129,263,826	-9,014,323	1,120,249,503
<b>Total Equity</b>		<b>1,476,833,212</b>	<b>-49,177,318</b>	<b>1,427,655,894</b>	<b>1,388,830,546</b>	<b>-9,014,323</b>	<b>1,379,816,223</b>
<b>NON-CURRENT LIABILITIES</b>							
(a) Financial Liabilities							
(i) Borrowings		31,693,861	-	31,693,861	285,664,115	-	285,664,115
(ii) Trade payables		-	-	-	-	-	-
(iii) Other financial liabilities (other than those specified in item (b), to be specified)		-	-	-	-	-	-
(b) Provisions		-	-	-	-	-	-
(c) Deferred tax liabilities (Net)	V	73,031,952	-73,031,952	-	67,611,935	-67,611,935	-
(d) Other non-current liabilities		24,395,458	-	24,395,458	25,915,495	-	25,915,495
<b>Total Non-Current Liabilities</b>		<b>129,121,271</b>	<b>-73,031,952</b>	<b>56,089,319</b>	<b>379,191,545</b>	<b>-67,611,935</b>	<b>311,579,610</b>
<b>CURRENT LIABILITIES</b>							
(a) Financial Liabilities							
(i) Borrowings		302,714,335	-	302,714,335	77,500,974	-	77,500,974
(ii) Trade payables		82,089,938	-	82,089,938	3,738,801	-	3,738,801
(b) Other current liabilities		8,317,989	-	8,317,989	44,031,197	-	44,031,197
(c) Provisions	VII	35,048,617	11,300,774	46,349,391	29,338,357	23,162,589	52,500,946
(d) Current Tax Liabilities (Net)		-	-	-	-	-	-
<b>Total Current Liabilities</b>		<b>428,170,879</b>	<b>11,300,774</b>	<b>439,471,653</b>	<b>154,609,329</b>	<b>23,162,589</b>	<b>177,771,918</b>
<b>Total Equity &amp; Liabilities</b>		<b>2,034,125,362</b>	<b>-110,908,497</b>	<b>1,923,216,865</b>	<b>1,922,631,420</b>	<b>-53,463,670</b>	<b>1,869,167,750</b>

**Reconciliation of profit or loss for the year ended March 31, 2017**

Particulars	Foot Note	Opening Balance Sheet at on March 31, 2017		
		Previous GAAP	Effect of transition to Ind AS	Ind AS
Income				
(a) Revenue from Operations		612,088,758	-	612,088,758
(b) Other Income		8,457,648	-	8,457,648
Total Income from Operations		620,546,406	-	620,546,406
Expenditure				
(a) Cost of revenue	I	197,097,633	-11,189,701	185,907,932
(b) Employee Benefit Expenses		235,412,733	-	235,412,733
(d) Finance Cost		48,321,446	0	48,321,446
(c) Depreciation and Amortisation Expenses	II	64,918,096	1,304,969	66,223,065
(e) Administrative and other Expenses	III	168,219,182	-53,084,631	115,134,551
Total Expenses		713,969,090		650,999,727
Profit/ (Loss) before exceptional and tax		-93,422,684		-30,453,321
Exceptional Items				-
Profit / (Loss) before tax		-93,422,684		-30,453,321
- Current Year Tax				-
- MAT Credit Entitlement				-
- Deferred Tax Current Year		-5,420,017		17,386,350
- Current tax Expenses relating to previous years				-
Profit / (Loss) After tax		-88,002,667		-47,839,672
Other Comprehensive Income:				
Other comprehensive income not to be reclassified to profit or loss in subsequent periods		-		-
Total comprehensive income for the year		-88,002,667		-47,839,672

**Foot Notes:**

Notes on reconciliation of amount between Ind AS & AS:-

**I. Cost of Revenue:**

a) Transponder Charges: As per Ind AS 17, clause 34, For operating leases, lease payments (excluding costs for services such as insurance and maintenance) are recognised as an expense on a straight-line basis unless another systematic basis is representative of the time pattern of the user's benefit, even if the payments are not on that basis.

b) Inventory: As per adoption of Ind AS financials from the financial year 2017-18, company has considered the serial cost ( Content & Dubbing) considered as closing inventory for the each financial year instead of cost of films bought without telecasted during the whole year in earlier years.

II. Depreciation and Amortisation Expenses: Under the Ind AS, the company has recognized the cost of expenditure incurred on films as Intangible Assets from the FY 2015-16. The expenditure is to be recognized as amortization cost over the period of life of film.

III. Administrative and other Expenses: Under the Indian GAAP, bad debts incurred during the respective financial years considered as expenses under Administrative and other expenses. But due to adoption of Ind AS, the amount of bad debts adjusted in the opening reserves & Surplus for the financial year 2015-16.

IV. Other Intangible Assets: Under the Indian GAAP, the company considered as expenses for amount spent on films purchase. But due to adoption of Ind AS, the company has recognized as capital expenditure under intangible assets head.

V. Deferred Tax: Indian GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences which was not required under Indian GAAP. On transitional adjustments, the corresponding deferred taxes have been recognized.

VI. Inventories: Under the Indian GAAP, un telecasted films recognized as inventories for the each year. Under Ind AS, un-telecasted programs & serials considered as inventories for the each year from the FY 2015-16.

VII. Provisions: Transponder Charges: As per Ind AS 17, clause 34, For operating leases, lease payments (excluding costs for services such as insurance and maintenance) are recognised as an expense on a straight-line basis unless another systematic basis is representative of the time pattern of the user's benefit, even if the payments are not on that basis.

# FINANCIAL PERFORMANCE FOR PAST 10 YEARS

(All amounts are in crores of Indian Rupees, unless otherwise stated)

## FINANCIAL HIGHLIGHTS

Particulars	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12	2010-11	2009-10	2008-09	2007-08
Revenue	61.57	61.21	82.45	82.50	79.47	67.53	54.06	44.55	44.91	59.70	53.86
Total Income	63.40	62.05	82.91	83.89	80.54	68.27	54.74	45.10	46.18	62.26	58.69
Total Expenditure	63.36	71.40	88.27	70.93	64.65	58.61	44.89	55.06	62.39	60.61	38.17
PBITDA	12.17	1.98	5.70	25.77	24.52	17.21	15.03	-5.96	-12.37	5.45	23.12
Operating Expenditure	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Depreciation & Amortisation	6.69	6.49	6.54	6.33	3.96	3.68	3.29	2.86	2.62	2.53	2.03
Finance Cost	5.43	4.83	4.52	6.47	4.68	3.87	1.88	1.15	1.23	1.27	0.57
Profit Before Tax	0.04	-9.34	-5.36	12.97	15.89	9.66	9.86	-10.02	-16.24	1.66	20.74
Profit after tax	-1.37	-8.80	-6.05	8.16	12.91	9.29	9.21	-9.81	-15.78	0.91	13.47
Equity Dividend%	-	-	5%	10%	15%	10%	10%	-	-	-	15%

## Key Indicators

Particulars	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12	2010-11	2009-10	2008-09	2007-08
Earning per share (Rs.)	-0.26	-1.70	-1.17	1.57	2.49	7.16	7.10	-7.56	-12.16	0.70	10.38
Book value per Share	26.31	26.75	28.45	29.91	30.30	19.74	18.24	16.76	18.65	21.69	21.51
PBITDA %	19%	3%	7%	31%	30%	25%	27%	-13%	-27%	9%	39%
Netprofit Margin%	-2%	-14%	-7%	10%	16%	14%	17%	-22%	-34%	1%	23%
ROCE %	3%	-3%	-1%	12%	12%	12%	11%	-10%	-15%	2%	18%
RONW %	9%	1%	4%	17%	16%	17%	16%	-7%	-13%	5%	21%



## RAJ TELEVISION NETWORK LIMITED

(CIN: L92490TN1994PLC027709)  
Regd. Office: No.32, Poes road, Second Street,  
Teynampet Chennai- 600 018, Tel: 044-24334149/50  
Email: redressal@rajtvnet.in, Website: www.rajtvnet.in

### ATTENDANCE SLIP

(To be presented at the entrance)

### 24<sup>th</sup> ANNUAL GENERAL MEETING

DP ID.....

Folio No./Client ID.....

I / We hereby record my/our presence at the 24th Annual general meeting of the company at Bharatiya Vidya Bhavan, 18-22, East Mada Street, Mylapore, Chennai-600004, on Saturday, the 29<sup>th</sup> day of September 2018 at 10.00 A.M

.....  
Signature of the Member/Proxy

- Please complete this attendance slip and hand it over entrance of the meeting hall.
- Joint shareholder(s) may obtain additional slip at the venue of the meeting

### AGM VENUE



### BHARATIYA VIDYA BHAVAN MYLAPORE

No. 18, 20, 22, East Mada Street, Mylapore, Chennai – 600004

**Landmark:** NEAR Kapaleeswarar Temple

### 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)

Regd. Office: No.32, Poes road, Second Street, Teynampet Chennai- 600 018,

Tel: 044-24334149/50 Email: redressal@rajtvnet.in, Website: 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 : .....

As my/ our proxy to attend and vote (on a poll) for me/us and on my/behalf at the 24th Annual general Meeting of the company at Bharatiya Vidya Bhavan, 18-22, East Mada Street, Mylapore, Chennai-600004, on Saturday, the 29<sup>th</sup> day of September 2018 at 10.00 AM. and at any adjournment thereof in respect of such resolutions as are indicated here.

	RESOLUTION -ORDINARY BUSINESS	For	Against
1	Consider and adopt the Financial Statements of the Company for the year ended 31 <sup>st</sup> March, 2018 together with the Reports of the Board of Directors and Auditors thereon.		
2	To appoint a Director in place of Smt. Vijayalakshmi Ravindran (Holding DIN 00716224), who retires by rotation and being eligible, offers herself for re-appointment.		
3	Ratification of the appointment of Auditors, M/s. N. Naresh & Co., Chartered Accountants, Chennai – 600 002 (Firm Registration No. FRN 011293S) as statutory auditors of the Company and their remuneration.		
4.	Ratification of remuneration payable to Cost Auditors of the company pursuant to Section 148 of the Companies Act, 2013 and Rules and Regulations made thereunder.		
5.	Re-appointment of Shri. R. Raajagopalan as a Independent Director of the Company		

Signature of the Shareholder .....

Affix Re. 1 revenue stamp

Signature of 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-600018, not less than 48 hours before the commencement of the Meeting

## This image shows a full page of white paper with horizontal blue or grey ruling lines. The lines are evenly spaced and run across the width of the page, providing a template for handwriting practice or general writing. There are no margins, text, or other markings on the page.



THE PEOPLE'S CHANNEL

To

.....

.....

.....

.....

If undelivered please return to:

Registered office:

**RAJ TELEVISION NETWORK LIMITED**

32, POES ROAD, SECOND STREET

TEYNAMPET, CHENNAI - 600 018