

Reimagining Radio

Entertainment Network (India) Limited

Annual Report 2011 - 12

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Financial Highlights

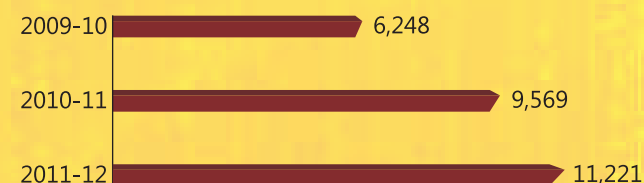


PARTICULARS	2011-12	2010-11	2009-10
(₹ in lakhs)			
Results of Operations			
Total Revenue	31,294.75	28,468.48	23,373.11
Earnings before Interest, Taxes, Depreciation and Amortisation (EBITDA) & Exceptional items	11,221.06	9,568.77	6,247.78
Depreciation	3,246.25	3,359.60	3,697.75
Finance Costs	0.14	111.83	722.55
Profit/(Loss) before Tax	7,974.67	6,097.34	1,827.48
Exceptional Item	-	1,268.48	-
Net Profit / (Loss)	5,650.95	5,220.89	1,786.69
Financial Position			
Equity Share Capital	4,767.04	4,767.04	4,767.04
Reserves and Surplus	39,253.93	33,602.98	28,382.08
Networth	44,020.97	38,370.02	33,149.12
Fixed assets	14,982.51	18,007.20	21,181.78
Investments	18,503.19	9,310.03	4,002.50
Net Current / Non Current Assets	10,535.28	11,052.79	7,964.84
Stock Information			
No. of Shares	47,670,415	47,670,415	47,670,415
Earnings per share (Basic & Diluted) (in ₹)	11.85	10.95	3.75

TOTAL REVENUE (₹ in lakhs)



EBITDA (₹ in lakhs)



NET PROFIT / (LOSS) (₹ in lakhs)



Board of Directors



Mr. Vineet Jain,
Chairman & Non-Executive Director

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

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

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

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



Mr. N. Kumar,
Independent Non- Executive Director

Mr. N. Kumar, an Engineering Graduate in Electronics and Communication, is the Vice-Chairman of The Sanmar Group, a well known industrial conglomerate with global presence in niche businesses of Chemicals (including Speciality Chemicals), Engineering Technologies (Products and Steel Castings) and Shipping. He is the Honorary Consul General of Greece in Chennai.

Mr. Kumar is an active spokesperson of industry and trade and is a Past President of Confederation of Indian Industry (CII), a leading industrial body. He participates in the functioning of various other prominent apex bodies. Mr. Kumar is also on the Boards of several public limited companies and carries with him a vast experience in the sphere of Technology, Management and Finance.



Mr. Ravindra Kulkarni,
Independent Non- Executive Director

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

He is a senior partner of M/s. Khaitan & Co., one of India's leading law firms and heads their Mumbai office. He is on the Boards of several listed companies as an independent director. He is also a member of the Advisory Committee and also a faculty member of the Post Graduate Diploma Course in Securities Law at the Government Law College, Mumbai.

Board of Directors

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Mr. Richard Saldanha,
Independent Non-Executive Director

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

As Managing Director of Haldia Petrochemicals Ltd., a \$ 1.5 bn enterprise, Mr. Saldanha brought to the Company, experience and expertise gained in Unilever Companies worldwide as well as in India. He defined his Role at Haldia as 'a role that provides clear vision and strategic direction, that builds culture, business ethic, structure and processes to deliver outstanding business performance and Good Corporate Governance'.

He is currently an Executive Director of Blackstone India and before that he was a Member of the Board of The Times of India Group where he spent 5 years to help build organizational capability, culture and competitiveness.

His 45 years of corporate experience in a gamut of functions that ranged from Manufacturing and Planning to Corporate Development and General Management have given him learning and insights which have proved to be invaluable for restructuring and reorganizing companies as well as for managing partnerships and strategic alliances in an international arena. He has been a Board Member since the mid 80's on several Boards nationally and internationally.

Mr. Saldanha has been associated with various chambers of commerce and industry bodies, both in India and globally, in various capacities. He was also the Founder President of Bal Raksha Bharat, India and a Former President of Delhi Management Association.



Mr. Ravindra Dhariwal,
Non- Executive Director

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

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

Board of Directors



Mr. A. P. Parigi,
Non- Executive Director

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

In April 2009, he was awarded The William F Glaser'53, 'Rensselaer's Entrepreneur of the Year', in Troy, Albany, USA. June 2010- Member, The Oxford University, Said Business School, Business Advisory Council. In July, he was elected to the Advisory Council of Fordham Graduate Business School, New York. In May 2011, he was appointed Advisor - N.E.A.; India. N.E.A. is a leading venture capital

and growth equity firm in the USA.

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



Mr. Prashant Panday,
Executive Director & CEO

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

Mr. Panday is the Executive Director and Chief Executive Officer of the Company. He has been associated with the Company since August 2000 and has played a key role in

bringing in the radio revolution in India. Over the last 10 years, he has played a significant role in making Mirchi the #1 radio brand in the Country in terms of listenership (IRS Q4, 2011: 39.51 million). as well as total income (₹ 313 crores in FY12). In 2008, Mirchi was rated the #1 media brand – ahead of The Times of India and Star Plus – in the IMRB- Pitch survey. Mirchi also received most successful radio company of the year award for the third year in a row from FICCI. He leads a team of about 750 professionals in the Company.

Mr. Panday has total experience of 22 years in industries ranging from Advertising, Banking, FMCG & Media. Prior to joining the Company, he has worked with Citibank, Pepsi, HUL, Mudra and Modi Revlon. His areas of strength include Marketing & Sales, Analytics & Strategy and People management. Mr. Panday is the Chairman of the FICCI Radio committee, Sr. VP in the Association of Radio Operators of India (AROI), a member of the MRUC Governing Board, and a member of the CII Entertainment Committee. He also served as a member of the Ministry of I&B's committee on fighting piracy. He is a speaker at various industry forums.

Corporate Information



BOARD OF DIRECTORS

(As on May 25, 2012)

Mr. Vineet Jain, Chairman
Mr. N. Kumar
Mr. Ravindra Kulkarni
Mr. Richard Saldanha
Mr. A. P. Parigi
Mr. Ravindra Dhariwal
Mr. Prashant Panday, ED & CEO

MANAGEMENT TEAM

Prashant Panday, ED & CEO
N. Subramanian, Group CFO
Hitesh Sharma, Chief Operating Officer
Tapas Sen, Chief Programming Officer
Sujata Bhatt, CMO & Head of HR
Sameer Sainani, Chief Revenue Officer
Mahesh Shetty, Chief Strategy Officer
Anand Parameswaran, Executive VP
& Regional Director- South Region
Vanditta Malhotra Hegde, VP &
Legal Head

COMPANY SECRETARY

Mehul Shah, VP- Compliance & Company Secretary

AUDITORS

M/s. Price Waterhouse & Co.,
Chartered Accountants

LEGAL ADVISORS

Mrs. Pratibha M. Singh, Advocate
Advocates Halai & Co., Advocates

BANKERS

HDFC Bank Limited

REGISTRAR & SHARE TRANSFER AGENTS (R & TA)

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

REGISTERED OFFICE

4th Floor, A-Wing,
Matulya Centre, Senapati Bapat Marg,
Lower Parel (West), Mumbai - 400 013.

CORPORATE OFFICE

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

NOTICE



NOTICE is hereby given that the **THIRTEENTH** Annual General Meeting of the Members of **ENTERTAINMENT NETWORK (INDIA) LIMITED** will be held at Y. B. Chavan Auditorium, Gen. Jagannath Bhosale Marg, Next to Sachivalaya Gymkhana, Near Mantralaya, Nariman Point, Mumbai - 400021, on Tuesday, August 14, 2012, at 3.00 p.m. to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at March 31, 2012, the Profit and Loss Account (the Statement of Profit and Loss) and Cash Flow Statement for the financial year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Vineet Jain who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Ravindra Kulkarni who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Messrs Price Waterhouse & Co., Chartered Accountants - Firm Registration Number 007567S, as Auditors to hold office from the conclusion of the Thirteenth Annual General Meeting until the conclusion of the Fourteenth Annual General Meeting and to authorize the Board of Directors to fix their remuneration as agreed to between the Board of Directors and the Auditors, in addition to reimbursement of service tax and all out of pocket expenses incurred in connection with the audit of accounts of the Company.

Special Business:

5. To consider and, if thought fit, to pass with or without

modification(s), the following Resolution as a Special Resolution:-

"RESOLVED THAT pursuant to the applicable provisions of the Foreign Exchange Management Act, 1999 (FEMA), Foreign Exchange Management (Transfer or issue of Security by a Person Resident outside India) Regulations, 2000, Policy on Foreign Direct Investment, the Companies Act, 1956 and all other applicable rules, regulations, notifications, circulars, guidelines, policies, laws, etc. (including any statutory modifications or re-enactment thereof for the time being in force) and subject to all requisite approvals, permissions, sanctions, etc. and subject to such conditions as may be prescribed by any of the concerned authorities while granting such approvals, permissions, sanctions, etc. which may be agreed to by the Board of Directors of the Company and/or a duly authorized Committees thereof, for the time being exercising the powers conferred by the Board of Directors (hereinafter referred to as 'the Board'), the consent of the Company be and is hereby accorded for investments by registered Foreign Institutional Investors including their sub-accounts (hereinafter referred to as 'FIIs'), Qualified Foreign Investors (hereinafter referred to as 'QFIs'), any other permitted foreign investors in the equity shares or debentures convertible into shares of the Company, by purchase or acquisition under the Portfolio Investment Scheme or under any other approved, authorized scheme or mode or manner under FEMA/ relevant policies/ rules/ regulations/ notifications/ circulars, etc., subject to the condition that the total holding of all FIIs, QFIs, any other permitted foreign investors put together shall not exceed 26% (twenty six percent) of the paid up equity capital or paid up value of the respective series of the convertible debentures of

the Company as may be applicable or such other maximum sectoral cap/ statutory limit as applicable or as may be prescribed from time to time;

RESOLVED FURTHER THAT the Board be and is hereby severally authorized to do all such acts, deeds, matters and things; and execute all applications, documents, writings, etc. as may be necessary, proper or expedient for the purpose of giving effect to this Resolution and for matters connected therewith or incidental thereto;

RESOLVED LASTLY THAT the Board be and is hereby severally authorized to delegate all or any of its powers which can be so delegated by law to any director or officer or person(s) to give effect to this Resolution."

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

"RESOLVED THAT pursuant to the provisions of Section 31 and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification(s) or re-enactment thereof, for the time being in force), read with Circular no. 28/ 2011 dated May 20, 2011, issued by the Ministry of Corporate Affairs and Sections 4, 13, 81 and other applicable provisions, if any, of the Information Technology Act, 2000, the existing Article 206 of the Articles of Association of the Company be and is hereby deleted and in its place, the following new Article 206 be inserted and read as under:

206. The Directors may meet together as a Board for the dispatch of business from time to time and shall so meet at least once in every three months and at least four such meetings

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shall be held in every year. The Directors may adjourn and otherwise regulate their meetings, as they think fit. The Directors or members of any Committee may participate in meetings of the Board or respective Committees through video-conference facility or any other permissible electronic mode, if and to the extent permitted by the relevant authorities in the manner prescribed from time to time.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to execute and file the relevant documents, forms, etc. with the Registrar of Companies, Maharashtra, Mumbai and other regulatory bodies and to do all such acts, deeds, matters and things, including to delegate all or any of the powers hereof conferred by this resolution to any director or to any committee or to any person(s) to give effect to this Resolution."

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

"**RESOLVED THAT** pursuant to the provisions of Sections 31, 53 and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification(s) or re-enactment thereof, for the time being in force), read with Circular no. 17/ 2011 dated April 21, 2011 and Circular no. 18/ 2011 dated April 29, 2011, issued by the Ministry of Corporate Affairs and Sections 4, 13, 81 and other applicable provisions, if any, of the Information Technology Act, 2000, the existing Articles 248 and 249 of the Articles of Association of the Company be and are hereby deleted and in their places, the following new Articles 248 and 249 be inserted and read as under:

248. A document or notice may be served or given by the Company on any Member either personally or by sending

it by post to him to his registered address or (if he has no registered address in India) to the address, if any, in India supplied by him to the Company for serving documents or notices on him or through electronic mail/ electronic mode, if and to the extent permitted by the relevant authorities in the manner prescribed from time to time.

249. Where a document or notice is sent by post, service of the document or notice shall be deemed to be effected by properly addressing, preparing and posting a letter containing the document or notice, provided that where a Member has intimated to the Company in advance that documents or notices should be sent to him under a certificate of posting or by registered post with or without acknowledgment due and has deposited with the Company a sum sufficient to defray the expenses of doing so, service of the document or notice shall be deemed to be effected if it is sent in the manner intimated by the member and such service shall be deemed to have been effected in the case of a notice of a meeting, at the expiration of forty eight hours (48) after the letter containing the document or notice is posted and in any other case, at the time at which the letter would be delivered in the ordinary course of post and in case of service through electronic mail/ electronic mode (if and to the extent permitted by the relevant authorities in the manner prescribed from time to time), at the time when electronic mail/ electronic communication is sent to a Member.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to execute and file the relevant documents, forms, etc. with the Registrar of Companies, Maharashtra, Mumbai and other regulatory bodies and to do all such acts, deeds, matters and things, including to delegate all

or any of the powers hereof conferred by this resolution to any director or to any committee or to any person(s) to give effect to this Resolution."

Notes:

- (a) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE GENERAL MEETING IS ENTITLED TO APPOINT A PROXY, WHO NEED NOT BE A MEMBER, TO ATTEND AND VOTE ON BEHALF OF HIMSELF/HERSELF. The instrument appointing the Proxy should be deposited at the Registered Office of the Company not less than 48 (forty eight) hours before the commencement of the Meeting.
- (b) The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, August 7, 2012 to Tuesday, August 14, 2012, both days inclusive.
- (c) The relevant Explanatory Statement pursuant to Section 173 of the Companies Act, 1956 ('the Act'), setting out material facts relating to the business at Item nos. 5, 6 and 7 of the Notice as set out above is annexed hereto. Pursuant to the Clause 49 of the Listing Agreement, relevant details of the Directors seeking re-appointment at Item nos. 2 and 3 of the Notice are annexed hereto.
- (d) In terms of Section 205C of the Act, the application money received by the Company for allotment of any Securities and due for refund, which remain unpaid or unclaimed for a period of 7 (seven) years from the date they become due for payment shall be credited to the Investor Education and Protection Fund ('IEPF').
- (e) Particulars of the employees as required under the provisions of Section 217(2A) of the Act, read with the Companies (Particulars of Employees) Rules, 1975, as amended, are given in the annexure and form part of the Directors' report. In terms

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of Section 219(1)(b)(iv) of the Act, the Report and Accounts are being sent to the Members excluding the aforesaid annexure. Any Member interested in obtaining a copy of the said annexure may write to the Company Secretary at the registered office of the Company.

(f) The Ministry of Corporate Affairs ('MCA') has taken a 'Green Initiative in the Corporate Governance' by allowing paperless compliances by companies. The Company shall use the e-mail addresses of the Members obtained from the Depositories / Depository Participants/ available with the Company's Registrar & Share Transfer Agents- Karvy Computershare Private Limited ('R & TA') to send all future Members' communications like notices, the Company's Annual Reports, etc. through electronic mode. In case the Members have not furnished their e-mail addresses, they are requested to furnish the same to their Depository Participants. Members are requested to notify immediately of any change of address, e-mail address, bank account details:

- (i) to their Depository Participants (DPs) in respect of their shareholdings in electronic (demat) form and
 - (ii) to the Company's Registrar & Share Transfer Agents- Karvy Computershare Private Limited ('R & TA'), Unit:- Entertainment Network (India) Limited, Plot No. 17 to 24, Vittal Rao Nagar, Madhapur, Hyderabad - 500081, Phone: 040 - 44655000, Fax : 040 - 23420814, in respect of their shareholdings in physical form, if any, quoting their folio numbers.
- (g) In terms of Section 109A of the Act, every holder of shares in the

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

- (h) Members/ Proxies should bring the Attendance Slip sent herein, duly filled in, for attending the Meeting.
- (i) Members are requested to bring their copy of the Annual Report to the Meeting.
- (j) Members desiring any information pertaining to the accounts are requested to write to the Company Secretary at an early date so as to enable the Management to reply at the Annual General Meeting.
- (k) Annual Report containing *inter alia* the Notice convening the Thirteenth Annual General Meeting, Audited Balance Sheet of the Company as at March 31, 2012, the Profit and Loss Account (the Statement of Profit and Loss) and Cash flow statement for the financial year ended on that date and the Reports of the Board of Directors and Auditors thereon, Report on Corporate Governance, Management Discussion & Analysis, etc. are available on the Company's web site at: www.enil.co.in. Copies of the aforesaid documents are available for inspection at the Registered Office of the Company during office hours.

Important Communication to Members:

The Ministry of Corporate Affairs has taken a 'Green Initiative in the Corporate Governance' by allowing paperless compliances by the companies. In accordance with the circulars issued by the Ministry of Corporate Affairs, companies can now serve,

send various notices/ documents including Annual Reports to its members through electronic mode to their e-mail addresses. To support this initiative in full measure, Members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses with the Depository through their concerned Depository Participants, in respect of electronic holdings. Members, who hold shares in physical form, are requested to kindly register their e-mail addresses with the Company's Registrar & Share Transfer Agents- Karvy Computershare Private Limited ('R & TA') at the aforesaid address stated in para (f). The Company shall use the e-mail addresses of the Members obtained from the Depositories / Depository Participants/ available with the 'R & TA' to send all future Members' communications like notices, the Company's Annual Reports, documents etc. through electronic mode. This will ensure instant and definite receipt of the Members' communication by them.

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

Mehul Shah
VP – Compliance
& Company Secretary

Mumbai, May 25, 2012.

Registered Office:

4th Floor, A-Wing, Matulya Centre,
Senapati Bapat Marg,
Lower Parel (West),
Mumbai - 400 013.