



ENTERTAINMENT NETWORK (INDIA) LIMITED ANNUAL REPORT 2012 -13

CONTENTS

Corporate Information	02
The Future isn't Hot - It's Hotter	03
A Crucible of Hot Ideas	04
The Emirates Sizzle	06
Mirchi Music Awards	07
Digital Mirchi Blazes New Trails	14
Awards & Recognition	18
ED's Message	20
Financial Highlights	22
Board of Directors	24
Notice	29
Directors' Report	43
Report on Corporate Governance	48
Management Discussion & Analysis	64
Auditors' Report	74
Balance Sheet	78
Statement of Profit & Loss	79
Cash Flow Statement	80
Notes forming part of the Financial Statements	82
Statement pursuant to Section 212 of the Companies Act, 1956	102
Auditors' Report on Consolidated Financial Statements	103
Consolidated Balance Sheet	104
Consolidated Statement of Profit & Loss	105
Consolidated Cash Flow Statement	106
Notes forming part of the Cancelidated Financial Statements	100

CORPORATE INFORMATION



BOARD OF DIRECTORS (As on May 17, 2013)

Mr. Vineet Jain, Chairman

Mr. A. P. Parigi

Mr. B. S. Nagesh

Mr. N. Kumar

Mr. Ravindra Dhariwal

Mr. Ravindra Kulkarni

Mr. Richard Saldanha

Ms. Vibha Paul Rishi

Mr. Prashant Panday, Executive Director & CEO

COMPANY SECRETARY

Mehul Shah,

SVP - Compliance & Company Secretary

AUDITORS

M/s Price Waterhouse & Co. Bangalore Chartered Accountants

LEGAL ADVISORS

Mrs. Pratibha M. Singh, Singh & Singh Law Firm LLP Halai & Co., Advocates & Legal Consultants

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

MANAGEMENT TEAM

Prashant Panday, Executive Director & CEO

N. Subramanian, Group Chief Financial Officer

Hitesh Sharma, Chief Operating Officer

Tapas Sen, Chief Programming Officer

Sujata Bhatt, Chief Marketing Officer & Head of HR

Mahesh Shetty, Chief Strategy Officer & RD - (North & East)

Anand Parameswaran,

Chief Business Officer & RD - (South)

Yatish Mehrishi, EVP & RD - (West & Central)

Vanditta Malhotra Hegde, SVP & Legal Head

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.

Phone: (022) 67536983 Website: www.enil.co.in

THE FUTURE ISN'T HOT – IT'S HOTTER!

"The future depends on what you do today" – Mahatma Gandhi

What we have done today is create a brand that is globally recognized, build a team that is innovative and cutting edge, develop a business that is the undisputed leader and most importantly, induce a hunger for the future that is insatiable. Our today is hot. And our future is definitely hotter!

There are 2 exciting opportunities on the horizon:

In the short term, the private FM radio industry in India is going to expand dramatically. The Phase-3 announcement made by the Finance Minister in his budget speech this year means that FM radio will soon be present in 227 more cities. 839 new FM radio channels will be auctioned and after the auction, all cities having a population of more than 1 lac will be covered by private FM radio. It is a fantastic opportunity for growth – but one that requires deep pockets and solid management expertise. Mirchi is uniquely positioned to take advantage of these opportunities that lie ahead in Phase-3.

And in the long term, the digital revolution will bring about a massive change that will present another opportunity to Mirchi for growth. With the increasing adoption of smartphones and falling costs of broadband connectivity, that revolution is already visible in the distance. And we are ready to grab that opportunity. We already have 4 radio stations streaming online with more being planned. We also have a big hand in the social media pie with a fast growing Facebook and Twitter presence.

If the future depends on what we do today, then we are more than ready for the future. And we know that our future isn't just hot, it's hotter!

A CRUCIBLE OF HOT IDEAS



Among the more impressive achievements of your company is its ability to develop new innovative sales products and ideas that go beyond plain vanilla radio advertising.

One such innovative product is our ability to organize and monetize large format local on-ground events. This requires deep knowledge of the medium (i.e. radio programming) and the market, strong sales capability to get sponsors and superior execution skills to ensure a smooth event. Mirchi fully leverages the power of radio as a local medium and organizes events that integrate into the socio-cultural ethos of the city. Our clients get to ride piggy back with us in reaching these audiences!

This ability to conduct events is seen across the length and breadth of our 32-station network. We highlight just two such instances here – one from a growth market and the other from a metro:

- The Mirchi Premier League in Patna
- The Mirchi Para Football in Kolkata



The Mirchi Premier League:

Conceptualized, organized and executed entirely by Radio Mirchi's Patna team, the Mirchi Premier League is like a mini-IPL. There are imaginatively named teams, designer player dresses, day-night matches....all spread over a 15 day long extravaganza. All that's missing are the cheerleaders! Rohan Gavaskar – son of the legendary Sunil Gavaskar – advises Mirchi on the technical aspects of this league.

The players are mostly Ranji trophy cricketers with a few having played in the IPL. The Mirchi Premier League gives an opportunity to upcoming players from Bihar to play with more established players and demonstrate their skills. The tournament has been a massive hit – with over 2 lac spectators watching these matches live. Our sponsors get an opportunity to interact with them. And Mirchi generates revenues in the process!

A CRUCIBLE OF HOT IDEAS



The Mirchi Para Football in Kolkata

Notwithstanding Sourav Ganguly and KKR, football is still the first love of every Bengali! The Mirchi Para Football (MPF) was started in 2005 and has been featured in the Limca Book of Records for the maximum number of teams in a tournament. The 2012 edition of MPF was bigger and better with preliminary rounds happening in eight districts of West Bengal, culminating in the Grand Finale at Gitanjali stadium, Kolkata. Mirchi Para Football was amplified across media platforms – print ads, hoardings, etc. The Finale was also telecast on a TV channel. While millions participated and watched the gala event, our clients got exciting opportunities to partner us and communicate with their consumers!



To get an idea of the scale, it is safe to fall back on numbers:

- 320 teams
- 60 days of non-stop action
- 9 cities
- 52 press articles
- 15 TV channels doing MPF stories
- 2 promising footballers hand picked by Ruud Gullit

International footballer – Ruud Gullit, the Euro Cup winning ex-Captain of the Dutch soccer team – was the brand ambassador and face of the event! While the legend announced his arrival on Radio Mirchi, the Press went gaga over his presence in the city.



THE EMIRATES SIZZLE





Radio Mirchi launched in the UAE in February 2012. Our unique mix of international and community news, the hottest music, unrivalled access to Bollywood, broadcast in a comfortable mix of Hindi and English, has proved to be a huge hit with the Emirates' South Asian listeners.

And proof of this comes in the accolades – In December 2012, at the 5th Masala Awards (established by the ITP Publishing group), Mirchi was voted by listeners as the Best Radio Station in the Popular Choice category of the awards.

Situated on the 25th floor with stunning views, Mirchi's spanking new studios in Dubai have quickly become the must visit place for Bollywood. From concerts to fashion shows to movie premières, Mirchi is in the midst of it all and has quickly become an integral part of the social and cultural milieu of the Emirates!



MIRCHI MUSIC AWARDS



Getting hotter every year

The Mirchi Music Awards that reward excellence in music keep growing in stature, getting bigger and hotter every year. This year the Mirchi Music Awards were held for the first time in Marathi as well. They are already held in the 4 South Indian languages and Bangla.





MIRCHI MUSIC AWARDS



For The 5th Edition of the flagship Hindi Mirchi Music Awards, the jury was headed by renowned lyricist, Javed Akhtar and included a galaxy of other stars like Ramesh Sippy, Ashutosh Gowariker, Kailash Kher, Shankar Mahadevan, Sooraj Barjatya, Prasoon Joshi, Anu Malik, Aadesh Srivastava, Lalit Pandit, Louis Banks, Rakeysh Omprakash Mehra, Kavita Krishnamurthy, Alka Yagnik, Sameer, Sadhna Sargam, Suresh Wadkar, Talat Aziz and Ila Arun.







MIRCHI MUSIC AWARDS



Mr. Amitabh Bachchan was honored with the award for the "Super Star with a Golden Voice" and Ms. Asha Bhosle was honored with the Mirchi Hall of Fame Award.



