



**23<sup>rd</sup>**  
**Annual Report**

**2016 - 2017**

## CONTENTS

### Statutory Reports

|  |       |
|--|-------|
| 1. Notice .....                                | 6-10  |
| 2. Directors' Report.....                      | 11-42 |
| 3. Report on Corporate Governance .....        | 43-57 |
| 4. Certification on Financial Statements ..... | 58-58 |

### Financial Statements -STANDALONE

|   |       |
|---|-------|
| 5. Independent Auditor's Report .....     | 59-64 |
| 6. Balance Sheet .....                    | 65-65 |
| 7. Statement of Profit & Loss .....       | 66-66 |
| 8. Cash Flow Statement .....              | 67-67 |
| 9. Notes .....                            | 68-86 |
| 10. Five Years Financial Highlights ..... | 87-87 |
| 11. Attendance Slip & Proxy Form .....    | 89-90 |

**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
3. Annexure to Directors' Report
4. Secretarial Audit Report
5. Report on Corporate Governance
6. Management Discussion and Analysis
7. Certification on Financial Statements

**Financial Statements -STANDALONE**

8. Independent Auditor's Report
9. Balance Sheet
10. Statement of Profit & Loss
11. Cash Flow Statement
12. Notes
13. Five Years Financial Highlights
14. Attendance Slip & Proxy Form

**CORPORATE DETAILS**

**BOARD OF DIRECTORS:**

Shri. M. Raajhendhran : Managing Director.  
 Shri. M. Rajrathnam : Director- Distribution  
 Shri. M. Ravindran : Director- Operations.  
 Shri. M. Raghunathan : 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.**

Mr. S.Jeyaseelan

**Company Secretary & Compliance Officer**

Mr. Joseph Cheriyan : (ACS)

**Audit Committee:**

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

**Nomination and Remuneration Committee**

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

**Shareholders & Investors 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 Raghuntahan

**Statutory Auditors:**

M/S.PRATAPKARAN PAUL & CO,  
 Chartered accountants,

**Secretarial Auditors :**

**M/S.V.NAGARAJAN & CO., (PROPRIETOR)**  
 Practising Company Secretary  
 New No. 29, Kavarai Street,  
 West Mambalam, Chennai 600 033.

**Legal advisors:**

**HSB Partners,**

No 554/555 , Capital Building  
 9th Floor, Anna Salai,  
 Teynampet, Chennai - 600018,

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,  
 1ST FLR, 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 23<sup>rd</sup> Annual General meeting of our company.

The Financial Year 2016-17 television industry's growth saw a temporary blip because of demonetisation and delay in digitisation of analogue cable subscriber base. However, towards the end of the year, advertising growth returned to normalcy. In the midst of an economic slowdown, the industry faced several challenges, both business and regulatory.

At Raj Television Network limited, F.Y. 2016-17 we maintained a steady progress across all quarters, and reported revenue of Rs.62.05 crores with EBITDA of Rs.5.70 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. We will be launching this product in the second half of the year 2017-18. 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 our 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)

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 Third Annual General Meeting** of M/s Raj Television Network Limited will be held on Saturday, 30<sup>th</sup> September, 2017 at Bharatiya Vidya Bhavan, 18-22, East Mada Street, Mylapore, Chennai-600 004, at 10.00 A.M. to transact the following business:-

#### ORDINARY BUSINESS:

1. To receive, consider, approve and adopt the Financial Statements of the Company for the year ended 31<sup>st</sup> March, 2017 including audited Balance Sheet as at 31<sup>st</sup> March, 2017 and the Statement of Profit and Loss and Cash flow statement for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of **Shri. M Rajarathnam**, (Holding DIN: 00839174), who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Statutory Auditors in place of Auditors retiring on rotational basis and fix their remuneration by passing, with or without modification(s), the following resolution as an **Ordinary Resolution**.

*“Resolved that pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, and pursuant to the recommendations of the Audit committee and as approved by the Board of Directors of the company, M/s. N. Naresh & Co., Chartered Accountants, Chennai – 600 002 (Firm Registration No. FRN 011293S), be and are hereby appointed as Statutory Auditors of the Company, in place of retiring auditors M/s. **Pratapkarana Paul & Co.**, Chartered Accountants, Chennai – 600 034, (Firm Registration No. 002777S), for a period of Five (05) years to hold office from the conclusion of this Annual general meeting until the conclusion of 28<sup>th</sup> Annual General meeting to be held in the year 2022 with such appointment being subject to ratification at every annual general meeting at a remuneration plus applicable taxes and reimbursement of travelling and out of pocket expenses incurred by them for the purpose of audit, to be decided by the Board of Directors of the Company in consultation with the statutory auditors of the company.”*

#### Special Business

1. Ratification of remuneration of cost auditor – To consider and if thought fit with or without modification(s), the following resolution as an **Ordinary Resolution**.

*“Resolved that pursuant to the provisions of Sections 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, and pursuant to the recommendations of the Audit committee, the company hereby approves and ratifies the remuneration of Rs.75,000/- (Rupees seventy five thousand only) per annum plus applicable taxes and out of pocket expenses payable to M/s S. Subhashini, Cost Accountants, Chennai (Registration No: 22904) for conducting the audit of cost records of the company for the financial years ending 31<sup>st</sup> March, 2017 and 31<sup>st</sup> March, 2018.*

Regd. Office:  
32, Poes Road,  
IInd St, Teynampet,  
Chennai-600 018  
Date: 30<sup>th</sup> June , 2017

**By Order of the Board of Directors**

**Joseph Cheriyan**  
Company Secretary

**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.

**For Item No. 3 of the Notice calling the AGM**

Though not mandatory, this statement has been provided on a voluntary basis

Pursuant to Section Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, an audit firm can act as auditors of a listed company for a maximum tenure of two terms of five consecutive years. For the purpose of recoking this limit, the existing tenure of auditors need to be taken into account. M/s Pratapkaran Paul & Co., the existing statutory auditors of the company have completed the said period as stipulated, and their term of office comes to an end with the conclusion of this annual general meeting.

Accordingly as per the afore said requirements of the provisions of the Companies Act, 2013 and on recommendation of the Audit Committee, the Board of Directors have recommended for consideration at the Annual General Meeting the appointment of **M/s. N. Naresh & Co.**, Chartered Accountants (Firm Registration No. FRN:011293S) as the Statutory Auditors in place for retiring Statutory Auditors M/s. Pratapkaran Paul & Co., Chartered Accountants, Chennai – 600 034, (Firm Registration No. 002777S), to hold office from the conclusion of this Annual general meeting until the conclusion of 28<sup>th</sup> Annual General meeting for the year to be held in the year 2022 at such remuneration to be determined by the Board of Directors of the Company, subject to ratification by members of their appointment and payment of remuneration to them at every annual general meeting if so required by the Companies Act, 2013

M/s. N. Naresh & Co., Chartered Accountants, Chennai have provided requisite consent and certifications under Section 139 of the Companies Act, 2013.

**For Item No. 4 of the Notice calling the AGM – Explanatory statement Pursuant to Section 102 of the Companies Act, 2013**

The Board of Directors of the company at their meeting based on the recommendation by the Audit committee, appointed M/s S.Subhashini, Cost Accountants, Chennai (Registration No: 22904) as the Cost Auditors of the company for the financial year ending 31<sup>st</sup> March, 2017 and 31<sup>st</sup> March, 2018 respectively at a

remuneration of Rs.75,000/- (Rupees seventy five thousand only) per annum plus applicable taxes and out of pocket expenses as determined by the Board of directors based on the recommendation of the Audit committee of the company.

As per Section 148 of the Companies Act, 2013 and applicable rules thereunder, the remuneration payable to the Cost Auditor is to be ratified by the members of the company. The Board considers the remuneration payable to the Cost Auditor as fair and recommends the resolution contained in Item No. 4 of the Notice calling the AGM as an ordinary resolution.

None of the Director or Key Managerial Personnel or their relatives are concerned or interested in the resolution at the Item No. 4 of the accompanying notice.

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

Members who wish to obtain information on the Financial Statements for the year ended March 31, 2017, 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 2016-17 is being sent to all the Members whose e-mail addresses are registered with the Company / Depository Participants(s) for communication. For Members who have not registered their e-mail address, physical copies of the Annual Report for 2016-17 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).*

#### **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 23<sup>rd</sup> Annual General Meeting (AGM) by electronic means. The facility of casting votes by a member using an electronic voting system (remote e-voting) from a place other than venue of the AGM will be provided by Central Depository Services (India) Limited (CDSL) for all the business as detailed in this notice. The remote e-voting period for all items of business contained in this notice shall commence*

*from the 27<sup>th</sup> day of September 2017 at 9.00 a.m. and will end on the Friday 29<sup>th</sup> day of September 2017 at 5.00 p.m. During this period equity shareholders of the Company holding shares either in physical form or in dematerialized form as on the cutoff date of 23<sup>rd</sup> September 2017, 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 23, 2017.

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 23<sup>rd</sup> Annual Report 2016-17 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 Scrutiniser's report shall be placed on the website of the Company [www.rajtvnet.in](http://www.rajtvnet.in) and shall also be communicated to the Stock Exchanges. The resolutions, if approved, shall be deemed to be passed on the date of AGM.*

The instructions and process for E-voting are as under:

Regd. Office:  
32, Poes Road,  
IInd St, Teynampet,  
Chennai-600 018  
Date: 30<sup>th</sup> June , 2017

**By Order of the Board of Directors**

**Joseph Cheriyan  
Company Secretary**

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

**1. INFORMATION ABOUT THE DIRECTORS RETIRES BY ROTATION AND BEING ELIGIBLE OFFERS HIMSELF FOR RE-APPOINTMENT.**

|  |   |
|--|---|
| <b>NAME AND DESIGNATION</b>  | <b>M RAJARATHNAM WHOLE TIME DIRECTOR DIN : 0839174</b>  |
| <b>Profile</b>   | He has been a Whole Time Director of the company since the date of incorporation. He has a long career in retailing of the contents and rights. He has, over a period of two decades, built and nurtured an extensive network of both domestic and overseas clients. He is actively involved in content acquisition for the Company's Channel and distributing the channels in various territories. |
| <b>Remuneration</b>  | Rs. 130 lacs per annum (including Performance incentive of one month salary)  |
| <b>Recognition or awards</b>   | NIL   |
| <b>Job profile and suitability</b>   | The Whole time Directors oversees the operations of the company on various aspects under the supervision of the Managing Director and Board of directors of the company. Mr. M. Rajarathnam, Whole Time Director of the company is actively involved in content acquisition for the Company's Channel and distributing the channels in various territories  |
| <b>Pecuniary relationship directly or indirectly with the company, or relationship with managerial personnel, if any</b> | He is the promoter Director and relative of the whole time Directors & Managing Director. Besides, the remuneration proposed, Mr. M. Rajarathnam do not have any other pecuniary relationship with the Company.   |
| <b>Shares held the Company</b>   | 5362000 equity shares – 11.29% of the total paid up capital of the company.   |
| <b>Directorship in other Companies</b>   | VISSA TELEVISION NETWORK LIMITED  |
| <b>Chairman/ Member of the Committees of other Companies on which he is a Director</b>                                   | Nil   |

Mr. M. Raajhendhran , Mr. M. Rajarathnam ,Mr. M. Ravindran, Mr. M. Raghunathan and Mrs. Vijayalakshmi Ravindran are deemed to be interested in the resolution.

## 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>, 2017.

### 1. FINANCIAL SUMMARY/HIGHLIGHTS OF THE COMPANY:

(Rs in Lacs)

| Particulars  | Year ended<br>31 <sup>st</sup> March, 2017 | Year ended<br>31 <sup>st</sup> March, 2016 |
|--|--|--|
| Revenue from Operations                                    | 6120.89                                    | 8244.73                                    |
| Other Income   | 84.58                                      | 45.80                                      |
| <b>Total Revenue</b>                                       | <b>6205.47</b>                             | <b>8290.53</b>                             |
| <b>Less : Total Expenses</b>                               | <b>6007.30</b>                             | <b>7720.26</b>                             |
| <b>Profit/(Loss) before interest, Depreciation and Tax</b> | <b>198.17</b>                              | <b>570.27</b>                              |
| <b>Interest</b>  | <b>483.21</b>                              | <b>452.22</b>                              |
| <b>Profit/(Loss) before Depreciation and Tax (PBDT)</b>    | <b>(285.04)</b>                            | <b>118.05</b>                              |
| <b>Depreciation</b>  | <b>649.18</b>                              | <b>654.32</b>                              |
| <b>Profit/(Loss) Before Tax (PBT)</b>                      | <b>(934.22)</b>                            | <b>(536.28)</b>                            |
| <b>Provision for taxation</b>                              | <b>(54.20)</b>                             | <b>(68.66)</b>                             |
| <b>Profit /(Loss) After tax (PAT)</b>                      | <b>(880.03)</b>                            | <b>(604.94)</b>                            |
| <b>Balance brought forward</b>                             | <b>3052.53</b>                             | <b>3813.67</b>                             |
| Adjustment of depreciation as per Transition provisions    | Nil  | Nil  |
| <b>Amount available for appropriations</b>                 | <b>2172.51</b>                             | <b>3208.73</b>                             |
| Final Dividend – on Equity Shares                          | -  | 129.78                                     |
| Tax on Dividend  | -  | 26.42                                      |
| General Reserve  | -  | -  |
| <b>Surplus carried to Balance Sheet</b>                    | <b>2172.51</b>                             | <b>3052.53</b>                             |

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

There have been no material changes and commitments that have occurred after close of the financial year till the date of this report, which affect the financial position of the Company. Based on internal financial control framework and compliance systems established in the Company, the work performed by statutory, internal and secretarial auditors and reviews performed by the management and/or relevant Audit and other Committees of the Board, your Board is of the opinion that the Company's internal financial controls were adequate and effective during the Financial Year 2016-17.

### 3. DIVIDEND:

In view of loss in the current year, the Board of Directors does not recommend any dividend for the year ended March 31, 2017.

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

- Your Company achieved revenue from operations Rs. 6205.47 lakhs as against Rs. 8290.53 lakhs in the P.Y. The Total Expenditure for the period is Rs.7139.69 lakhs as against Rs. 8826.81 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 and Writing off of Bad Debts Rs.530.86 Lakhs during the FY 2016-17 owing to various Multi System operators from Distribution Front
- Net Loss After Tax stood at Rs. 880.02 Lakhs as compared to Net loss after tax Rs. 604.94 lakhs in the Previous Year.

### **Business Description**

Your Company had undergone competitive business environment and changing customer preferences and with the new rating system are in place now the media planners and advertisers will have to establish new benchmarks to work with the new systems. Further the company is also exploring various options for raising revenue generation with much focus on regional market consolidation and exploring various new platforms of revenue generation.

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

### **Future Projects:**

Your company undertakes several production projects with the right mix of self-produced and outsourced productions, to mitigate financial risk and obtain large revenues. With self-produced content, the company gets complete right over the content, and can build its own intellectual property base. 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 2016-17.

### **5. SHARE CAPITAL**

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

### **6. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES**

Company has no Subsidiary, Joint Ventures or Associate Companies and same status is maintained during the F.Y 2016-17.

### **7. PUBLIC DEPOSITS:**

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

### **8. 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

#### **9. CORPORATE GOVERNANCE AND POLICIES**

The Company is committed to maintain the highest standards of corporate governance and adhere to the corporate governance requirements of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 ('Listing Regulations') and applicable provisions of Companies Act, 2013. A detailed report on corporate governance, together with a certificate from the Statutory Auditors, in compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 of the Listing Agreement, is attached as part of this report vide Annexure I. Compliance reports in respect of all laws applicable to the Company have been reviewed by the Board of Directors.

#### **10. CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES**

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

#### **11. 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 2016-17 is annexed with this report vide Annexure III.

#### **12. DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

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. 2016-17 your Board met 4 (Four) times details of which are available in Corporate Governance Report annexed to this report.

#### **13. DIRECTORS SEEKING FOR RETIREMENT BY ROTATION:**

Director **Shri. M. Rajarathnam** (Holding DIN 00839174), who retires by rotation and being eligible, offers himself for re-appointment. The details of the appointee is annexed along with the notice calling the annual general meeting of the company.

#### **BOARD MEETINGS:**

The Board of Directors met 4 times during this financial year. The Board meeting was on 27-05-2016, 29-07-2016, 28-10-2016 and 15-02-2017.

#### **BOARD EVALUATION**

The Independent Directors of your Company, in a separate meeting held 27-May-16, 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.

#### **14. 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).

#### **15. 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.

#### **16. AUDITORS AND AUDITORS' REPORT**

##### **I. Statutory Auditors**

As per Section 139 of the Companies Act, 2013, M/s Pratapkaran Paul & Co., Chartered Accountants, Chennai, having Firm Registration No. 002777S, retires as Statutory Auditors of the Company. Your Board places on record their appreciation for the services provided by M/s. Pratapkaran Paul & Co. Chartered Accountants, as Statutory Auditors of the Company for over two decades.

Based on the recommendations of the Audit Committee and upon review of confirmations of satisfaction of criteria as specified in Section 141 of the Companies Act, 2013 read with Rule 4 of Companies (Audit & Auditors) Rules, 2014, your Board had, subject to approval of the Members at the ensuing Annual General Meeting, approved appointment of M/s. N. Naresh & Co., Chartered Accountants (Firm Registration No. FRN: 011293S) as Statutory Auditors of the Company in place of retiring Statutory Auditors. A proposal for appointment of M/s N. Naresh & Co., Chartered Accountants as Statutory Auditors of the Company until conclusion of 28<sup>th</sup> Annual General Meeting to be held in the year 2022, subject to ratification by Equity Shareholders every year, 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. 2016-17. The Secretarial Audit Report for the financial year ended March 31, 2017 is annexed herewith marked as Annexure V to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

#### **17. DISCLOSURES**

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

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

##### **II. TRANSACTIONS WITH RELATED PARTIES:**

None of the transactions with related parties fall under the scope of Section 188(1) of the Act.

Information on material transactions with related parties pursuant to Section 134(3)(h) of the Act, read with rule 8(2) of the Companies (Accounts) Rules, 2014, in form AOC-2 is annexed to this report.

**III. Deposits & Unclaimed Dividend :**

Your Company has not accepted any public deposit under Chapter V of the Companies Act, 2013. During the year under review, in terms of provisions of Investors Education and Protection Fund (Awareness and Protection of Investors) Rules, 2014, unclaimed dividend declared by the Company for financial year 2008-09, aggregating to Rs.93,546/- was transferred to Investors Education and Protection Fund within the due date.

**IV. Extract of Annual Return :**

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

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

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. No complaints were received during the year 2016-17.

**VI. REGULATORY ORDERS:**

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

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

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

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 alternate sources 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 three years 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.

**19. HUMAN RESOURCES & PARTICULARS OF EMPLOYEES**

Being in the business of creativity and business of people, to ensure sustainable business growth and become future ready, over the years your Company has been focusing on strengthening its talent management and employee engagement processes and through the year, organisation's engagement scores has improved to highest percentile in the entertainment sector. Your Company had 528 employees as of March 31, 2017 and your company provided additional employment opportunity to people and empowered the human resource assets during the year. Requisite disclosures in terms of the provisions of Section 197 (12) of the Act read with Rule 5 (2) and 5 (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 along with statement showing names and other particulars of the employees drawing remuneration in excess of the limits prescribed under the said rules requires your company to disclose the particulars of employees who are in receipt of remuneration of Rs. 60 lakhs or more per annum and those who were in receipt of remuneration of Rs. 5 lakhs or more per month. However, during the financial year under review, company does not come under the purview of the above said compliance except Managing Director and Whole time Directors of the Company, the disclosure is made in the annexure.

**20. 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.

**21.** 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.

**22. 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.

**23. 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.

**24. 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. Details as per annexure II-IV(II)

Details Pledging of the Shares by the Promoters

| Sl. No | Particulars                 | Year Ended March 31, 2017 |
|--------|-----------------------------|---------------------------|
| A      | PARTICULARS OF SHAREHOLDING | No. of shares             |
| 1      | Promoters Share Holding     |                           |
|        | - Number of Shares          | <b>36554244</b>           |

|          |   |                 |
|----------|---|-----------------|
|          | - Percentage of Shareholding  | <b>70.41</b>    |
| <b>2</b> | Promoter and Promoter Group Shareholding  |                 |
|          | <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>7.27</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>92.73</b>    |
|          | - Percentage of Shares (as a % of total share capital of the Company)                 | <b>65.29</b>    |
|          | Total Promoter Holdings   | <b>70.41</b>    |

**25. LISTING WITH STOCK EXCHANGES:**

The Company confirms that it has paid the Annual Listing Fees for the year 2016-2017 to NSE & BSE where the Company's Shares are listed.

**26. SHARES IN SUSPENSE ACCOUNTS:**

As required under Requirements of the Listing Regulations, 1 shareholder and 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, 2014 shall remain frozen till the rightful owner of such shares claims the shares.

**27. DIRECTORS' RESPONSIBILITY STATEMENT:**

**In pursuance of section 134 (5) 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, 2017 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, 2017, 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.

**28. ACKNOWLEDGEMENT:**

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

For and on behalf of the Board of Directors

Sd/-  
Raajhendhran. M  
Chairman & Managing Director  
Place : Chennai Date : 30.6.2017

Sd/-  
Ravindran M  
Director

INTENTIONALLY LEFT BLANK

**ANNEXURES TO THE DIRECTORS' REPORT**

**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 profit of the Company for last three financial years   | <b>Rs. 78.31 million</b>  |
| <b>4</b> | Prescribed CSR expenditure (two percent of the average net profits for last three years)   | <b>Rs. 1.56 million</b>   |
| <b>5</b> | Details of CSR spent during FY   |   |
|          | a) Amount to be spent in FY including unspent amount for FY 2016-17  | <b>Rs. 2.91 million</b>   |
|          | b) Amount spent  | Rs. 2.91 million (Voluntary Contribution made)  |
|          | Details of CSR spent during FY   | Company spent an amount of Rs. 2.91 million towards the promotion of education on its own project.  |

**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 | Amount spenton the projects or programs | Cumulative expenditure up to the reporting period | Amount spent: Direct or through implementing agency |
|---------------------------------------|--|--|--|---|---|---|
| Educational                           | Promotion of Education                 | State of Tamil Nadu and awarding the students toppers from each districts in Metric and +2 students                | 2.91 million                               | 2.91 million                            | 2.91 million                                      | Direct spent  |

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

Company spent **Rs. 29,12,603** lakhs towards Promotion of education during the year by way of conducting the "Muthalwan awards" a special award function to honour the District and State toppers of 10<sup>th</sup> and 12<sup>th</sup> standard pass out students for the academic year 31<sup>st</sup> March 2017.

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: June 30, 2017

Rajhendhran M  
Chairman & manging Director

**II- EXTRACT OF ANNUAL RETURN**

As on the financial year ended on March 31, 2017

[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(As per 2004) | % to total turnover of the company |
|--------|--|---|------------------------------------|
| 1      | Broadcasting Services                            | 92132   | 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 FY 2016-17.

INTENTIONALLY LEFT BLANK

**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 01/04/2016) |          |          |                   | No. of shares held at the end of the year (As on 31/03/2017) |          |          |                   | % of change during the year |
|---------------|--|--|----------|----------|-------------------|--|----------|----------|-------------------|-----------------------------|
|               |  | Demat  | Physical | Total    | % of total shares | Demat  | Physical | Total    | % of total shares |                             |
| A.            | Shareholding of promoter and Promoter group                            |  |          |          |                   |  |          |          |                   |                             |
| 1.            | INDIAN   |  |          |          |                   |  |          |          |                   |                             |
| a.            | INDIVIDUALS / HINDU UNDIVIDEDFAMILY                                    | 36297244   | 0        | 36297244 | 69.9189           | 36554244   | 0        | 36554244 | 70.4139           | 0.4950                      |
| 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  |  |          |          |                   |  |          |          |                   |                             |
|               | SUB - TOTAL (A)(1)   | 36297244   | 0        | 36297244 | 69.9189           | 36554244   | 0        | 36554244 | 70.4139           | 0.4950                      |
| 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  |  |          |          |                   |  |          |          |                   |                             |
|               | SUB - TOTAL (A)(2)   | 0  | 0        | 0        | 0.0000            | 0  | 0        | 0        | 0.0000            | 0.0000                      |
|               | TOTAL SHARE HOLDING OF PROMOTER AND PROMOTER GROUP (A) = (A)(1)+(A)(2) | 36297244   | 0        | 36297244 | 69.9189           | 36554244   | 0        | 36554244 | 70.4139           | 0.4950                      |
| 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   | 0  | 0        | 0        | 0.0000            | 6176   | 0        | 6176     | 0.0118            | 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                      |

**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<br>(As on 01/04/2016) |            |                 |                   | No. of shares held at the end of the year<br>(As on 31/03/2017) |            |                 |                   | % of change during the year |
|---------------|--|---|------------|-----------------|-------------------|---|------------|-----------------|-------------------|-----------------------------|
|               |  | Demat   | Physical   | Total           | % of total shares | Demat   | Physical   | Total           | % of total shares |                             |
| B.            | Public Shareholding  |   |            |                 |                   |   |            |                 |                   |                             |
| h.            | QUALIFIED FOREIGN INVESTOR   | 0   | 0          | 0               | 0.0000            | 0   | 0          | 0               | 0.0000            | 0.0000                      |
| i.            | ANY OTHER  |   |            |                 |                   |   |            |                 |                   |                             |
|               | SUB - TOTAL (B)(1)   | 0   | 0          | 0               | 0.0000            | 6176  | 0          | 6176            | 0.0118            | 0.0118                      |
| 2.            | NON-INSTITUTIONS   |   |            |                 |                   |   |            |                 |                   |                             |
| a.            | BODIES CORPORATE   | 2923160   | 0          | 2923160         | 5.6308            | 385658  | 0          | 385658          | 0.7428            | -4.8879                     |
| b.            | INDIVIDUALS -  |   |            |                 |                   |   |            |                 |                   |                             |
|               | I INDIVIDUAL SHAREHOLDERS HOLDING NOMINAL SHARE CAPITAL UPTO RS. 1 LAKH          | 2079102   | 427        | 2079529         | 4.0057            | 1909364   | 453        | 1909817         | 3.6788            | -0.3269                     |
|               | II INDIVIDUAL SHAREHOLDERS HOLDING NOMINAL SHARE CAPITAL IN EXCESS OF RS. 1 LAKH | 8982357   | 0          | 8982357         | 17.3025           | 12718242  | 0          | 12718242        | 24.4989           | 7.1963                      |
| c.            | QUALIFIED FOREIGN INVESTOR   | 0   | 0          | 0               | 0.0000            | 0   | 0          | 0               | 0.0000            | 0.0000                      |
| d.            | ANY OTHER  |   |            |                 |                   |   |            |                 |                   |                             |
|               | CLEARING MEMBERS   | 133086  | 0          | 133086          | 0.2563            | 33700   | 0          | 33700           | 0.0649            | -0.1914                     |
|               | Escrow Account   | 0   | 0          | 0               | 0.0000            | 464   | 0          | 464             | 0.0008            | 0.0008                      |
|               | HINDU UNDIVIDED FAMILIES   | 1467173   | 1          | 1467174         | 2.8261            | 286110  | 1          | 286111          | 0.5511            | -2.2750                     |
|               | NON RESIDENT INDIANS   | 30794   | 0          | 30794           | 0.0593            | 18932   | 0          | 18932           | 0.0364            | -0.0228                     |
|               | SUB - TOTAL  | 1631053   | 1          | 1631054         | 3.1418            | 339206  | 1          | 339207          | 0.6534            | -2.4884                     |
|               | SUB - TOTAL (B)(2)   | 15615672  | 428        | 15616100        | 30.0810           | 15352470  | 454        | 15352924        | 29.5741           | -0.5069                     |
|               | TOTAL PUBLIC SHAREHOLDING (B) = (B)(1)+(B)(2)                                    | 15615672  | 428        | 15616100        | 30.0810           | 15358646  | 454        | 15359100        | 29.5860           | -0.4950                     |
|               | TOTAL (A)+(B)  | 51912916  | 428        | 51913344        | 100.0000          | 51912890  | 454        | 51913344        | 100.0000          | 0.0000                      |
| 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                      |
|               | TOTAL CUSTODIAN (C)  | 0   | 0          | 0               | 0.0000            | 0   | 0          | 0               | 0.0000            | 0.0000                      |
|               | <b>GRAND TOTAL (A)+(B)+(C)</b>   | <b>51912916</b>   | <b>428</b> | <b>51913344</b> | <b>100.0000</b>   | <b>51912890</b>   | <b>454</b> | <b>51913344</b> | <b>100.0000</b>   | <b>0.0000</b>               |

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

| Sl No | Shareholder's Name | Shareholding at the beginning of the year |                                  |  | Shareholding at the end of the year |                                  |  | % change in share holding during the year | Pledged Shares at beginning of the Year | Pledged Shares at end of the Year |
|-------|--------------------|---|----------------------------------|--|-------------------------------------|----------------------------------|--|---|---|-----------------------------------|
|       |                    | No of shares                              | % of total shares of the company | % of shares pledged / encumbered to total shares | No of shares                        | % of total shares of the company | % of shares pledged / encumbered to total shares |   |   |                                   |
| 1     | M RAAJHENDHRAN     | 5863808                                   | 11.29                            | 0.9631   | 5863808                             | 11.2953                          | 5.12   | 0.00                                      | 500000                                  | 2660000                           |
| 2     | RAJARATHNAM M      | 5863808                                   | 11.29                            | 0.0000   | 5863808                             | 11.2953                          | 0.00   | 0.00                                      | 0                                       | 0                                 |
| 3     | M RAVINDRAN        | 5362000                                   | 10.32                            | 0.0000   | 5570000                             | 10.7294                          | 0.00   | 0.40                                      | 0                                       | 0                                 |
| 4     | RAGHUNATHAN M      | 5863808                                   | 11.29                            | 0.0000   | 5863808                             | 11.2953                          | 0.00   | 0.00                                      | 0                                       | 0                                 |
| 5     | AMUDHA R           | 3543284                                   | 6.82                             | 0.0000   | 3543284                             | 6.8253                           | 0.00   | 0.00                                      | 0                                       | 0                                 |
| 6     | ARUNA R            | 3543268                                   | 6.82                             | 0.0000   | 3543268                             | 6.8253                           | 0.00   | 0.00                                      | 0                                       | 0                                 |
| 7     | R VIJAYALAKSHMI    | 2714000                                   | 5.22                             | 0.0000   | 2763000                             | 5.3223                           | 0.00   | 0.09                                      | 0                                       | 0                                 |
| 8     | USHA RANI R        | 3543268                                   | 6.82                             | 0.0000   | 3543268                             | 6.8253                           | 0.00   | 0.00                                      | 0                                       | 0                                 |

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

| SN | Name of the Shareholders                 | Share holding at the beginning of the year (01-04-16) |                                  | Cumulative Share holding during the year (31-03-17) |                                  |
|----|--|---|----------------------------------|---|----------------------------------|
|    |  | 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-2016 | 5863808   | 11.2953                          | 5863808   | 11.2953                          |
|    | At the end of the Year 31-Mar-2017       | 5863808   | 11.2953                          | 5863808   | 11.2953                          |
| 2  | RAJARATHNAM M                            |   |                                  |   |                                  |
|    | At the beginning of the year 01-Apr-2016 | 5863808   | 11.2953                          | 5863808   | 11.2953                          |
|    | At the end of the Year 31-Mar-2017       | 5863808   | 11.2953                          | 5863808   | 11.2953                          |
| 3  | RAGHUNATHAN M                            |   |                                  |   |                                  |
|    | At the beginning of the year 01-Apr-2016 | 5863808   | 11.2953                          | 5863808   | 11.2953                          |
|    | At the end of the Year 31-Mar-2017       | 5863808   | 11.2953                          | 5863808   | 11.2953                          |
| 4  | M RAVINDRAN                              |   |                                  |   |                                  |
|    | At the beginning of the year 01-Apr-2016 | 5362000   | 10.3287                          | 5362000   | 10.3287                          |
|    | Purchase 26-Aug-2016                     | 130000  | 0.2504                           | 5492000   | 10.5791                          |
|    | Purchase 18-Nov-2016                     | 11247   | 0.0216                           | 5503247   | 10.6008                          |
|    | Purchase 25-Nov-2016                     | 24147   | 0.0465                           | 5527394   | 10.6473                          |
|    | Purchase 02-Dec-2016                     | 40104   | 0.0772                           | 5567498   | 10.7245                          |

| SN | Name of the Shareholders                 | Share holding at the beginning of the year (01-04-16) |                                  | Cumulative Share holding during the year (31-03-17) |                                  |
|----|--|---|----------------------------------|---|----------------------------------|
|    |  | No. of shares   | % of total shares of the company | No. of shares                                       | % of total shares of the company |
|    | Purchase 09-Dec-2016                     | 2   | 0.0000                           | 5567500   | 10.7246                          |
|    | Purchase 20-Jan-2017                     | 2500  | 0.0048                           | 5570000   | 10.7294                          |
|    | At the end of the Year 31-Mar-2017       | 5570000   | 10.7294                          | 5570000   | 10.7294                          |
| 5  | AMUDHA R                                 |   |                                  |   |                                  |
|    | At the beginning of the year 01-Apr-2016 | 3543284   | 6.8253                           | 3543284   | 6.8253                           |
|    | At the end of the Year 31-Mar-2017       | 3543284   | 6.8253                           | 3543284   | 6.8253                           |
| 6  | ARUNA R                                  |   |                                  |   |                                  |
|    | At the beginning of the year 01-Apr-2016 | 3543268   | 6.8253                           | 3543268   | 6.8253                           |
|    | At the end of the Year 31-Mar-2017       | 3543268   | 6.8253                           | 3543268   | 6.8253                           |
| 7  | R VIJAYALAKSHMI                          |   |                                  |   |                                  |
|    | At the beginning of the year 01-Apr-2016 | 2714000   | 5.2279                           | 2714000   | 5.2279                           |
|    | Purchase 26-Aug-2016                     | 6000  | 0.0115                           | 2720000   | 5.2395                           |
|    | Purchase 22-Sep-2016                     | 6700  | 0.0129                           | 2726700   | 5.2524                           |
|    | Purchase 06-Jan-2017                     | 23300   | 0.0448                           | 2750000   | 5.2972                           |
|    | Purchase 13-Jan-2017                     | 13000   | 0.0250                           | 2763000   | 5.3223                           |
|    | At the end of the Year 31-Mar-2017       | 2763000   | 5.3223                           | 2763000   | 5.3223                           |
| 8  | USHA RANI R                              |   |                                  |   |                                  |
|    | At the beginning of the year 01-Apr-2016 | 3543268   | 6.8253                           | 3543268   | 6.8253                           |
|    | At the end of the Year 31-Mar-2017       | 3543268   | 6.8253                           | 3543268   | 6.8253                           |

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

| SN | Name of the Shareholders                 | Share holding at the beginning of the year (01-04-16) |                                  | Cumulative Share holding during the year (31-03-17) |                                  |
|----|--|---|----------------------------------|---|----------------------------------|
|    |  | No. of shares   | % of total shares of the company | No. of shares                                       | % of total shares of the company |
| 1  | KIRAN KUMAR. M .                         |   |                                  |   |                                  |
|    | At the beginning of the year 01-Apr-2016 | 3648000   | 7.0270                           | 3648000   | 7.0270                           |
|    | Purchase 29-Apr-2016                     | 542300  | 1.0446                           | 4190300   | 8.0717                           |
|    | Purchase 13-May-2016                     | 140000  | 0.2696                           | 4330300   | 8.3414                           |

| SN | Name of the Shareholders                 | Share holding at the beginning of the year (01-04-16) |                                  | Cumulative Share holding during the year (31-03-17) |                                  |
|----|--|---|----------------------------------|---|----------------------------------|
|    |  | No. of shares   | % of total shares of the company | No. of shares                                       | % of total shares of the company |
|    | Purchase 27-May-2016                     | 511944  | 0.9861                           | 4842244   | 9.3275                           |
|    | Purchase 03-Jun-2016                     | 2331786   | 4.4916                           | 7174030   | 13.8192                          |
|    | Purchase 10-Jun-2016                     | 832077  | 1.6028                           | 8006107   | 15.4220                          |
|    | Purchase 17-Jun-2016                     | 546000  | 1.0517                           | 8552107   | 16.4738                          |
|    | Purchase 24-Jun-2016                     | 394000  | 0.7589                           | 8946107   | 17.2327                          |
|    | Purchase 08-Jul-2016                     | 169893  | 0.3272                           | 9116000   | 17.5600                          |
|    | Purchase 15-Jul-2016                     | 146308  | 0.2818                           | 9262308   | 17.8418                          |
|    | Purchase 12-Aug-2016                     | 108100  | 0.2082                           | 9370408   | 18.0500                          |
|    | Purchase 19-Aug-2016                     | 55000   | 0.1059                           | 9425408   | 18.1560                          |
|    | Purchase 16-Sep-2016                     | 52000   | 0.1001                           | 9477408   | 18.2562                          |
|    | Purchase 22-Sep-2016                     | 52000   | 0.1001                           | 9529408   | 18.3563                          |
|    | Purchase 07-Oct-2016                     | 54000   | 0.1040                           | 9583408   | 18.4603                          |
|    | Purchase 21-Oct-2016                     | 54000   | 0.1040                           | 9637408   | 18.5644                          |
|    | Purchase 28-Oct-2016                     | 58000   | 0.1117                           | 9695408   | 18.6761                          |
|    | Purchase 04-Nov-2016                     | 70000   | 0.1348                           | 9765408   | 18.8109                          |
|    | At the end of the Year 31-Mar-2017       | 9765408   | 18.8109                          | 9765408   | 18.8109                          |
|    | HAVING SAME PAN                          |   |                                  |   |                                  |
| 1  | M KIRAN KUMAR                            |   |                                  |   |                                  |
|    | At the beginning of the year 01-Apr-2016 | 444692  | 0.8566                           | 444692  | 0.8566                           |
|    | At the end of the Year 31-Mar-2017       | 444692  | 0.8566                           | 444692  | 0.8566                           |
| 2  | . SANGEETHA                              |   |                                  |   |                                  |
|    | At the beginning of the year 01-Apr-2016 | 1114116   | 2.1461                           | 1114116   | 2.1461                           |
|    | Sale 03-Jun-2016                         | -815000   | 1.5699                           | 299116  | 0.5761                           |
|    | Sale 10-Jun-2016                         | -299116   | 0.5761                           | 0   | 0.0000                           |
|    | At the end of the Year 31-Mar-2017       | 0   | 0.0000                           | 0   | 0.0000                           |
|    | HAVING SAME PAN                          |   |                                  |   |                                  |
| 2  | SANGEETHA                                |   |                                  |   |                                  |
|    | At the beginning of the year 01-Apr-2016 | 63331   | 0.1219                           | 63331   | 0.1219                           |
|    | Sale 22-Apr-2016                         | -7300   | 0.0140                           | 56031   | 0.1079                           |
|    | Sale 27-May-2016                         | -56031  | 0.1079                           | 0   | 0.0000                           |

| SN | Name of the Shareholders                 | Share holding at the beginning of the year (01-04-16) |                                  | Cumulative Share holding during the year (31-03-17) |                                  |
|----|--|---|----------------------------------|---|----------------------------------|
|    |  | No. of shares   | % of total shares of the company | No. of shares                                       | % of total shares of the company |
|    | At the end of the Year 31-Mar-2017       | 0   | 0.0000                           | 0   | 0.0000                           |
|    | HAVING SAME PAN                          |   |                                  |   |                                  |
| 2  | SANGEETHA .                              |   |                                  |   |                                  |
|    | At the beginning of the year 01-Apr-2016 | 39592   | 0.0762                           | 39592   | 0.0762                           |
|    | Sale 27-May-2016                         | -39592  | 0.0762                           | 0   | 0.0000                           |
|    | At the end of the Year 31-Mar-2017       | 0   | 0.0000                           | 0   | 0.0000                           |
|    | HAVING SAME PAN                          |   |                                  |   |                                  |
| 2  | SANGEETHA BETALA .                       |   |                                  |   |                                  |
|    | At the beginning of the year 01-Apr-2016 | 31585   | 0.0608                           | 31585   | 0.0608                           |
|    | Purchase 27-May-2016                     | 74813   | 0.1441                           | 106398  | 0.2049                           |
|    | Sale 03-Jun-2016                         | -106398   | 0.2049                           | 0   | 0.0000                           |
|    | Purchase 30-Jun-2016                     | 80067   | 0.1542                           | 80067   | 0.1542                           |
|    | Sale 01-Jul-2016                         | -80067  | 0.1542                           | 0   | 0.0000                           |
|    | Purchase 08-Jul-2016                     | 50000   | 0.0963                           | 50000   | 0.0963                           |
|    | Sale 15-Jul-2016                         | -50000  | 0.0963                           | 0   | 0.0000                           |
|    | At the end of the Year 31-Mar-2017       | 0   | 0.0000                           | 0   | 0.0000                           |
|    | HAVING SAME PAN                          |   |                                  |   |                                  |
| 2  | SANGEETHA .                              |   |                                  |   |                                  |
|    | At the beginning of the year 01-Apr-2016 | 11667   | 0.0224                           | 11667   | 0.0224                           |
|    | Sale 29-Apr-2016                         | -11667  | 0.0224                           | 0   | 0.0000                           |
|    | At the end of the Year 31-Mar-2017       | 0   | 0.0000                           | 0   | 0.0000                           |
|    | HAVING SAME PAN                          |   |                                  |   |                                  |
| 2  | SANGEETHA .                              |   |                                  |   |                                  |
|    | At the beginning of the year 01-Apr-2016 | 7746  | 0.0149                           | 7746  | 0.0149                           |
|    | Purchase 15-Apr-2016                     | 3   | 0.0000                           | 7749  | 0.0149                           |
|    | Sale 22-Apr-2016                         | -503  | 0.0009                           | 7246  | 0.0139                           |
|    | Purchase 29-Apr-2016                     | 3000  | 0.0057                           | 10246   | 0.0197                           |
|    | Sale 27-May-2016                         | -10246  | 0.0197                           | 0   | 0.0000                           |
|    | At the end of the Year 31-Mar-2017       | 0   | 0.0000                           | 0   | 0.0000                           |

| SN | Name of the Shareholders                 | Share holding at the beginning of the year (01-04-16) |                                  | Cumulative Share holding during the year (31-03-17) |                                  |
|----|--|---|----------------------------------|---|----------------------------------|
|    |  | No. of shares   | % of total shares of the company | No. of shares                                       | % of total shares of the company |
| 3  | HEMA KIRAN KUMAR                         |   |                                  |   |                                  |
|    | At the beginning of the year 01-Apr-2016 | 808000  | 1.5564                           | 808000  | 1.5564                           |
|    | Purchase 01-Jul-2016                     | 5700  | 0.0109                           | 813700  | 1.5674                           |
|    | At the end of the Year 31-Mar-2017       | 813700  | 1.5674                           | 813700  | 1.5674                           |
|    | HAVING SAME PAN                          |   |                                  |   |                                  |
| 3  | HEMA KIRAN KUMAR .                       |   |                                  |   |                                  |
|    | At the beginning of the year 01-Apr-2016 | 0   | 0.0000                           | 0   | 0.0000                           |
|    | Purchase 01-Jul-2016                     | 15000   | 0.0288                           | 15000   | 0.0288                           |
|    | At the end of the Year 31-Mar-2017       | 15000   | 0.0288                           | 15000   | 0.0288                           |
| 4  | SAGAR TEX CREATION PRIVATE LIMITED       |   |                                  |   |                                  |
|    | At the beginning of the year 01-Apr-2016 | 568638  | 1.0953                           | 568638  | 1.0953                           |
|    | Sale 29-Apr-2016                         | -563638   | 1.0857                           | 5000  | 0.0096                           |
|    | At the end of the Year 31-Mar-2017       | 5000  | 0.0096                           | 5000  | 0.0096                           |
|    | HAVING SAME PAN                          |   |                                  |   |                                  |
| 4  | SAGAR TEX CREATION PRIVATE LIMITED       |   |                                  |   |                                  |
|    | At the beginning of the year 01-Apr-2016 | 368   | 0.0007                           | 368   | 0.0007                           |
|    | At the end of the Year 31-Mar-2017       | 368   | 0.0007                           | 368   | 0.0007                           |
| 5  | F6 FINSERVE PVT LTD                      |   |                                  |   |                                  |
|    | At the beginning of the year 01-Apr-2016 | 487609  | 0.9392                           | 487609  | 0.9392                           |
|    | Sale 06-May-2016                         | -2500   | 0.0048                           | 485109  | 0.9344                           |
|    | Sale 20-May-2016                         | -14000  | 0.0269                           | 471109  | 0.9074                           |
|    | Sale 24-Jun-2016                         | -120368   | 0.2318                           | 350741  | 0.6756                           |
|    | Sale 30-Jun-2016                         | -172067   | 0.3314                           | 178674  | 0.3441                           |
|    | Sale 08-Jul-2016                         | -40565  | 0.0781                           | 138109  | 0.2660                           |
|    | Sale 05-Aug-2016                         | -138109   | 0.2660                           | 0   | 0.0000                           |
|    | At the end of the Year 31-Mar-2017       | 0   | 0.0000                           | 0   | 0.0000                           |
| 6  | UDIT BHATT                               |   |                                  |   |                                  |
|    | At the beginning of the year 01-Apr-2016 | 469666  | 0.9047                           | 469666  | 0.9047                           |
|    | At the end of the Year 31-Mar-2017       | 469666  | 0.9047                           | 469666  | 0.9047                           |
|    | HAVING SAME PAN                          |   |                                  |   |                                  |

| SN | Name of the Shareholders                     | Share holding at the beginning of the year (01-04-16) |                                  | Cumulative Share holding during the year (31-03-17) |                                  |
|----|--|---|----------------------------------|---|----------------------------------|
|    |  | No. of shares   | % of total shares of the company | No. of shares                                       | % of total shares of the company |
| 6  | UDIT BHATT                                   |   |                                  |   |                                  |
|    | At the beginning of the year 01-Apr-2016     | 24000   | 0.0462                           | 24000   | 0.0462                           |
|    | At the end of the Year 31-Mar-2017           | 24000   | 0.0462                           | 24000   | 0.0462                           |
| 7  | NARESH KUMAR CHHAJER HUF .                   |   |                                  |   |                                  |
|    | At the beginning of the year 01-Apr-2016     | 445080  | 0.8573                           | 445080  | 0.8573                           |
|    | Sale 27-May-2016                             | -195080   | 0.3757                           | 250000  | 0.4815                           |
|    | Sale 03-Jun-2016                             | -175197   | 0.3374                           | 74803   | 0.1440                           |
|    | Sale 10-Jun-2016                             | -74803  | 0.1440                           | 0   | 0.0000                           |
|    | At the end of the Year 31-Mar-2017           | 0   | 0.0000                           | 0   | 0.0000                           |
| 8  | LALIT KUMAR CHORDIA & SONS(HUF) .            |   |                                  |   |                                  |
|    | At the beginning of the year 01-Apr-2016     | 420552  | 0.8101                           | 420552  | 0.8101                           |
|    | Sale 27-May-2016                             | -220552   | 0.4248                           | 200000  | 0.3852                           |
|    | Sale 03-Jun-2016                             | -125000   | 0.2407                           | 75000   | 0.1444                           |
|    | Sale 10-Jun-2016                             | -75000  | 0.1444                           | 0   | 0.0000                           |
|    | At the end of the Year 31-Mar-2017           | 0   | 0.0000                           | 0   | 0.0000                           |
| 9  | SUNITHA DEVI CHORDIA .                       |   |                                  |   |                                  |
|    | At the beginning of the year 01-Apr-2016     | 418114  | 0.8054                           | 418114  | 0.8054                           |
|    | Sale 20-May-2016                             | -418114   | 0.8054                           | 0   | 0.0000                           |
|    | Purchase 27-May-2016                         | 100000  | 0.1926                           | 100000  | 0.1926                           |
|    | Sale 03-Jun-2016                             | -100000   | 0.1926                           | 0   | 0.0000                           |
|    | At the end of the Year 31-Mar-2017           | 0   | 0.0000                           | 0   | 0.0000                           |
| 10 | MONEYWISE FINANCIAL SERVICES PRIVATE LIMITED |   |                                  |   |                                  |
|    | At the beginning of the year 01-Apr-2016     | 409000  | 0.7878                           | 409000  | 0.7878                           |
|    | Sale 20-May-2016                             | -409000   | 0.7878                           | 0   | 0.0000                           |
|    | Purchase 09-Dec-2016                         | 43000   | 0.0828                           | 43000   | 0.0828                           |
|    | Sale 17-Feb-2017                             | -43000  | 0.0828                           | 0   | 0.0000                           |
|    | Purchase 31-Mar-2017                         | 43000   | 0.0828                           | 43000   | 0.0828                           |
|    | At the end of the Year 31-Mar-2017           | 43000   | 0.0828                           | 43000   | 0.0828                           |
|    | NEW TOP 10 AS ON (31-Mar-2017)               |   |                                  |   |                                  |

| SN | Name of the Shareholders                       | Share holding at the beginning of the year (01-04-16) |                                  | Cumulative Share holding during the year (31-03-17) |                                  |
|----|--|---|----------------------------------|---|----------------------------------|
|    |  | No. of shares   | % of total shares of the company | No. of shares                                       | % of total shares of the company |
| 11 | RAVINDRAKUMAR BOTHRA                           |   |                                  |   |                                  |
|    | At the beginning of the year 01-Apr-2016       | 292114  | 0.5626                           | 292114  | 0.5626                           |
|    | At the end of the Year 31-Mar-2017             | 292114  | 0.5626                           | 292114  | 0.5626                           |
|    | HAVING SAME PAN                                |   |                                  |   |                                  |
| 11 | RAVINDRAKUMAR BOTHRA                           |   |                                  |   |                                  |
|    | At the beginning of the year 01-Apr-2016       | 6244  | 0.0120                           | 6244  | 0.0120                           |
|    | At the end of the Year 31-Mar-2017             | 6244  | 0.0120                           | 6244  | 0.0120                           |
| 12 | DHANROOP BETALA & SONS                         |   |                                  |   |                                  |
|    | At the beginning of the year 01-Apr-2016       | 318954  | 0.6143                           | 318954  | 0.6143                           |
|    | Sale 03-Jun-2016                               | -193500   | 0.3727                           | 125454  | 0.2416                           |
|    | Purchase 08-Jul-2016                           | 154024  | 0.2966                           | 279478  | 0.5383                           |
|    | Purchase 15-Jul-2016                           | 80000   | 0.1541                           | 359478  | 0.6924                           |
|    | Sale 09-Sep-2016                               | -50000  | 0.0963                           | 309478  | 0.5961                           |
|    | Sale 22-Sep-2016                               | -50000  | 0.0963                           | 259478  | 0.4998                           |
|    | Sale 07-Oct-2016                               | -50000  | 0.0963                           | 209478  | 0.4035                           |
|    | Sale 21-Oct-2016                               | -102000   | 0.1964                           | 107478  | 0.2070                           |
|    | Sale 30-Dec-2016                               | -15300  | 0.0294                           | 92178   | 0.1775                           |
|    | At the end of the Year 31-Mar-2017             | 92178   | 0.1775                           | 92178   | 0.1775                           |
| 13 | SHANMUGASUNDARAM SUBRAMANIAN                   |   |                                  |   |                                  |
|    | At the beginning of the year 01-Apr-2016       | 88548   | 0.1705                           | 88548   | 0.1705                           |
|    | At the end of the Year 31-Mar-2017             | 88548   | 0.1705                           | 88548   | 0.1705                           |
| 14 | INDERMAL RAMANI                                |   |                                  |   |                                  |
|    | At the beginning of the year 01-Apr-2016       | 82364   | 0.1586                           | 82364   | 0.1586                           |
|    | At the end of the Year 31-Mar-2017             | 82364   | 0.1586                           | 82364   | 0.1586                           |
| 15 | NEELES KUMAR JT1 : BURGEON COMMODITIES PVT LTD |   |                                  |   |                                  |
|    | At the beginning of the year 01-Apr-2016       | 79200   | 0.1525                           | 79200   | 0.1525                           |
|    | At the end of the Year 31-Mar-2017             | 79200   | 0.1525                           | 79200   | 0.1525                           |
| 16 | A PALANI                                       |   |                                  |   |                                  |
|    | At the beginning of the year 01-Apr-2016       | 72688   | 0.1400                           | 72688   | 0.1400                           |
|    | At the end of the Year 31-Mar-2017             | 72688   | 0.1400                           | 72688   | 0.1400                           |

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

| SN | Name of the Shareholders | Share holding at the beginning of the year (01-04-16) |                                  | Cumulative Share holding during the year (31-03-17) |                                  |
|----|--------------------------|---|----------------------------------|---|----------------------------------|
|    |                          | No. of shares   | % of total shares of the company | No. of shares                                       | % of total shares of the company |
|    | S Jeyaseelan             | 48  | 0                                | 48  | 0                                |

**V. INDEBTEDNESS**

**Indebtedness of the company including interest outstanding/accrued but not due for payment (Amt. in million)**

| Indebtedness at the beginning of the financial year | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|---|----------------------------------|-----------------|----------|--------------------|
| Principal Amount                                    | 323.16                           | -               | -        | 323.16             |
| Interest Due but not paid;                          | -                                | -               | -        | -                  |
| Interest accrued but not due                        | 4.07                             | -               | -        | 4.07               |
| <b>Total</b>  | <b>327.23</b>                    | <b>-</b>        | <b>-</b> | <b>327.23</b>      |
| Change in Indebtedness during the financial year    |                                  | -               |          |                    |
| Addition (+)  | 83.70                            | -               | -        | 83.70              |
| Reduction (-)                                       | 18.44                            | -               | -        | 18.44              |
| Net Change  | 65.26                            | -               | -        | 65.26              |
| Indebtedness at the end of the financial year       |                                  | -               | -        |                    |
| Principal Amount                                    | 392.49                           | -               | -        | 392.49             |
| Interest due but not paid                           | -                                | -               | -        | -                  |
| Interest accrued but not due                        | -                                | -               | -        | -                  |
| <b>Total</b>  | <b>392.49</b>                    | <b>-</b>        | <b>-</b> | <b>392.49</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 Rajendran      | M Rajarathnam | M Ravindran | M Reghunathan |                            |
| 02  | Designation                          | MD               | WTD           | WTD         | WTD           |                            |
| 03  | Gross salary (As per Income tax 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: During the 20th AGM held on 19th September 2014, as per approval from the Members of the company Pursuant to provisions of Section 196, 197, 198, 203 read with Schedule V and other applicable provisions if any of the companies Act, 2013, for varying the terms and conditions of remuneration being paid/payable to Managing Director and Whole Time Directors of the company as enumerated here in below for the period from 01-04-2014 to 31-03-2016: Salary: Rs 1,20,00,000/- (Rupees One Crore and Twenty lacs only) per annum, effect from 01<sup>st</sup> day of April, 2014, with a provision for increase in salary of not exceeding 12% per annum over the previous year. The exact percentage of increment to be given in each year shall be decided by the Board based on the performance of the Company. The above said remuneration and perquisites shall be fixed for a period of 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 at the 21<sup>st</sup> 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 and others have been fixed in line with the requirements of the provisions of the Companies Act, 2013.

**B: REMUNERATION TO OTHER DIRECTORS:**

| Name of the Director       | Amount in Rs. |            |        |           |
|----------------------------|---------------|------------|--------|-----------|
|                            | Sitting Fees  | Commission | Others | Total     |
| Independent Director       |               |            |        |           |
| A.ARJUNA PAI               | 270000        | -          | -      | 270000    |
| D.R.KAARTHIKEYAN           | 270000        | -          | -      | 270000    |
| MOHAN KAMESWARAN           | 150000        | -          | -      | 150000    |
| R.RAJAGOPALAN              | 195000        | -          | -      | 195000    |
| Total                      | 8,85,000      | -          | -      | 8,85,000  |
| Non-Executive director     |               |            |        |           |
| VIJAYALAKSHMI RAVINDRAN    | 1,20,000      | -          | -      | 1,20,000  |
| Grand Total                | 10,05,000     | -          | -      | 10,05,000 |
| 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)         | 3.140  | 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)                                    | 3.140  | 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: 30<sup>th</sup> June, 2017

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 Rajendran- MD                           | 13.00                   | NA                         | 41:1   | 2.09%  | -                          |

| 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                         | 41:1   | 2.09%  | -                          |
| Shri.M Ravindran-WTD                           | 13.00                   | NA                         | 41:1   | 2.09%  | -                          |
| Shri.M Reghunathan-WTD                         | 13.00                   | NA                         | 41:1   | 2.09%  | -                          |
| Key Managerial Personnel                       |                         |                            |  |  | -                          |
| Shri. Joseph Cheriyan                          | 3.140                   | 10%                        | NA   | 0.50%  | -                          |
| Shri. S Jeyaseelan                             | 1.0458                  | 10%                        | NA   | 0.16%  | -                          |

  

| Sr | Requirement  | Disclosure   |
|----|--|--|
| 01 | The Percentage increase in median remuneration of employees in FY  | 10%  |
| 02 | Number of permanent employees on the rolls of the Company  | 528  |
| 03 | The explanation on the relationship between average increase in remuneration and Company's performance             | The average increment of 10% during the year was in line with the market trend. In order to ensure that 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 8.26 % of TURNOVER.  |

  

| Sr | 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                            | 31.03.2016           | 2961                                  | 72.54                              |
|    |  | 31.03.2017           | 3055                                  | 0                                  |
|    |  | Change %             | +3.17%                                | 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                                |
|    |  | 31.03.2017           | 58.85                                 | 58.85                              |
|    |  | 16.03.2007           | 56.49                                 | 56.50                              |
|    | Change %   | 1.75%                | 1.75%                                 |                                    |

\* 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 10% 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 2016-17.**

**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 Rajendran           | 67  | Chairman & Managing Director         | 1,30,00,000/-            | Profession    | 33          | Since Inception | NA              |
| 02     | Shri.M Rajarthnam          | 64  | Executive Director-Head Distribution | 1,30,00,000/-            | Profession    | 30          | Since Inception | NA              |
| 03     | Shri.M Ravindran           | 58  | Executive Director-Head Operations   | 1,30,00,000/-            | Profession    | 25          | Since Inception | NA              |
| 04     | Shri.M Reghunathan         | 55  | Executive Director-Head Marketing    | 1,30,00,000/-            | Profession    | 25          | 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 Rajendran           | 67  | Chairman & Managing Director         | 1,30,00,000/-            | Profession    | 33          | Since Inception | NA              |
| 02     | Shri.M Rajarthnam          | 64  | Executive Director-Head Distribution | 1,30,00,000/-            | Profession    | 30          | Since Inception | NA              |
| 03     | Shri.M Ravindran           | 58  | Executive Director-Head Operations   | 1,30,00,000/-            | Profession    | 25          | Since Inception | NA              |
| 04     | Shri.M Reghunathan         | 55  | Executive Director-Head Marketing    | 1,30,00,000/-            | Profession    | 25          | 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 Mr. Nachiappan R - Chief Business Development Officer – internet business are related to all 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, 2017

[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, 2017.

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, 2017 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, 2017 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: 30-06-2017

INTENTIONALLY LEFT BLANK

### 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 22<sup>nd</sup> Annual General Meeting held on 30<sup>th</sup> September, 2016 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 2016 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 2016;
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: 30-06-2017

### MANAGEMENT DISCUSSION AND ANALYSIS

India remains one of the fastest growing economies in the world despite the temporary slowdown in growth due to government's decision to withdraw high denomination notes from circulation. High frequency data, such as automobile sales, cement consumption, personal loan growth and exports growth suggest that the economy is gradually recovering from the impact of demonetisation. RBI expects real GDP growth to accelerate to 7.3% in FY18 from 6.6% in FY17 (GVA basis). Sustained low inflation, falling fiscal deficit, low current account deficit, and a stable currency have created a positive environment for economic growth. Goods and Services Tax (GST) is expected to be implemented in India in FY18. This unified tax regime, coupled with the Central Government's thrust on areas, such as power, infrastructure, and affordable housing should help accelerate India's growth rate closer to 8% in the medium term. India's consumption growth over the past decade has been strong and resilient even during periods of slower GDP growth. This bodes well for our industry, as spends on media and entertainment are linked to consumption spends in the economy. Private final consumption is estimated to have grown at 6.8% CAGR over FY12- 17 in real terms (12.5% in nominal terms). Within the consumption basket, the share of non-food items has been rising with increasing per capita income. There is another positive trend of organised businesses entering and gaining market share in various sectors. Both these factors bode well for growth in advertising spends.

The media and entertainment industry (M&E) witnessed another year of all round growth, albeit slower than estimates at the start of the financial year. This was mainly due to the impact of demonetisation. According to FICCI-KPMG estimates, India's M&E industry grew at 9.1% in CY16 over the previous year, to ₹ 1,262 billion. On average, an Indian consumer spends much less time and share of his disposable income on media and entertainment consumption, compared to peers and developed countries. This provides a significant headroom for sustained growth which will be driven by rising disposable incomes and increasing avenues of entertainment. FICCI-KPMG industry report pegs the growth of Indian M&E industry over the next five years at 13.9% CAGR, to ₹ 2,419 billion.

#### Industry Overview:

Television industry's growth in FY17 saw a temporary blip because of demonetisation and delay in digitisation of analogue cable subscriber base. However, towards the end of the year, advertising growth returned to normalcy. After multiple extensions of deadline, digitisation of Phase III cable subscriber base was largely completed. Despite these adversities, as per the FICCI-KPMG industry report, Indian television segment registered a growth of 8.5% in CY16 as compared to 14.2% in CY15. Television remains the prime medium of entertainment for the Indian consumer. During FY17, time spent on watching television at individual and household levels stood at 158 and 287 minutes per day respectively, which remained stable through the year. During the year, there was an increase in viewership of news channels due to significant events, such as surgical strikes, state elections and demonetisation. Hindi GEC remains the mostwatched genre in the country. Meanwhile, regional channels continued to gain traction. The deadline for digitisation of Phase III and IV were postponed again to January 2017 and March 2017, respectively. On the positive side, digitisation of Phase III is now almost complete. Despite the deadline for phase IV having elapsed, the pace of digitisation in those areas remains slow due to its geographical spread. Both, broadcasters and distributors, are focused on improving monetisation of subscribers in newly digitised markets. In India, pay television ARPU (Average Revenue Per User) is significantly lower than comparable countries. Completion of the digitisation process could set the ball rolling for long overdue correction of Indian television ARPU.

During the year, Telecom Regulatory Authority of India (TRAI) issued tariff order with the objective of allowing viewers to choose channels on an a-la-carte basis. This order has been challenged by multiple stakeholders and the matter is subjudice. Effective implementation of this tariff order requires a significant upgrade of infrastructure and subscriber management systems of the distributors. It might be difficult to offer channels on a-la-carte basis, given low ARPU in India. As a result, bouquet may remain the most popular option for subscription even under the new regulation.

Broadcast Audience Research Council's (BARC) television universe expanded from 674 million individuals and 153 million households to 780 million individuals and 183 million households in FY17. It is in the process of increasing panel size from 22,000 meters to over 30,000 by the end of CY17. The measurement of rural audience has provided valuable insights into the viewership patterns and preferences of vast rural television households.

#### **Road Ahead**

Growth outlook for the Indian television segment is strong across both advertising and subscription revenue streams. Strong consumption growth, coupled with increasing share of organised businesses in various segments, augurs well for the growth in advertising spends. On account of its reach and impact, television will continue to remain the preferred advertising medium for brands. Digitisation, increasing penetration of high definition and a growing base of television households will drive subscription revenues. FICCI-KPMG report forecasts Indian television segment to grow at a CAGR of 14.7% over CY16-21, driven by 14.4% growth in advertising revenues and 14.8% growth in subscription revenues.

Source: FICCI-KPMG Indian M&E Industry Report, 2017

#### **Company Overview:**

**Raj Television Network Ltd (RAJ TV)** 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.

#### **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, MENAP, 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 13 channels of <b>3 GECs</b> (Tamil, Telugu &amp; Hindi), <b>4 News channels</b> (Tamil, Telugu, Kannda &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.</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 imminent implementation of GST will simplify the taxation regime and create a level playing field by plugging tax leakages in the informal sector. Demonetisation, perhaps the most courageous decision, is a long-term positive for the economic growth despite the short-term difficulties. These trends, along with increasing spends by households on discretionary items, open up interesting and exponential opportunities for the Indian Media and Entertainment (M&E) industry and RAJ TV.

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. Strong economic growth and increasing share of formal sector bodes well for ad spends growth. Our new businesses are also scaling up well and have a strong growth potential which will contribute to our growth. The Media and Entertainment (M&E) industry was gaining momentum in the first half of the year. However, demonetisation had an all-pervasive impact on the industry. Advertisers cut back spends across the board and adopted a wait-and-watch strategy for the economy to normalise. Increasing digital consumption in India is adding to the overall time spent on video viewing and represents a strong growth opportunity. We are in the midst of refreshing our digital offering, consolidating the learnings from our subscription and advertising based platforms. We will be launching this product in the second half of the year 2017-18. The Indian audience is now opening up to large scale ticketed events and this represents a growth opportunity in the entertainment space.

**REPORT ON CORPORATE GOVERNANCE FOR THE YEAR 2016-17**

(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, 2016 to 31st March, 2017:

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, 2017.

M RAAJHENDRAN  
Managing Director  
Chennai, 30-06-2017

**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).

Mr. Joseph Cheriyan, Compliance Officer & Company Secretary of the Company is Compliance officer for the purposes of Insider Trading Code, and the Investor Relations Officer for the purpose of Fair Disclosure policy.

**FAMILIARISATION PROGRAM FOR INDEPENDENT DIRECTORS**

Independent directors are familiarized with their roles, rights and responsibilities in the company as well as with the nature of industry and business model of the company through induction programs at the time of their appointment as directors. While 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.

**2. 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. Mr. 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, 2017 are given below:

| Category of Directors               | No ofDirectors | Percentage tototal 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, 4 (Four) meetings of the Board were held on 27-05-2016, 29-07-2016, 28-10-2016 and 15-02-2017.

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, 2017 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 2016 | No. of Directorship held in other public Comp. | Number of Committee membership held in other Companies |
|--------------------------|----------------|--|----------|--|--|--|
|                          |                | Held                                       | Attended |  |  |  |
| Shri. Raajhendhran M.    | MD             | 4  | 4        | Yes  | 1  | Nil  |
| Shri. M. Rajarathinam    | WTD            | 4  | 4        | Yes  | 1  | Nil  |
| Shri. M. Ravindran       | WTD            | 4  | 4        | Yes  | 1  | Nil  |
| Shri. M. Reghunathan     | WTD            | 4  | 4        | Yes  | 1  | Nil  |
| Shri. D. R. Kaarthikeyan | NEID           | 4  | 3        | No   | 10   | 5  |
| Shri. A. Arjuna Pai      | NEID           | 4  | 4        | Yes  | Nil  | Nil  |
| Shri. R. Rajagopalan     | NEID           | 4  | 3        | No   | Nil  | Nil  |
| Shri.Mohan Kameswaran    | NEID           | 4  | 2        | No   | Nil  | Nil  |
| Smt R.Viajayalakshmi     | Woman Director | 2  | 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 04 (four) times on 27-05-2016, 29-07-2016, 28-10-2016 and 15-02-2017. 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:-

|                                    |   |
|------------------------------------|---|
| <b>NAME AND DESIGNATION</b>        | <b>M RAJARATHINAM WHOLE TIME DIRECTOR (DIN : 0839174)</b>   |
| <b>Profile</b>                     | He has been a Whole Time Director of the company since the date of incorporation. He has a long career in retailing of the contents and rights. He has, over a period of two decades, built and nurtured an extensive network of both domestic and overseas clients. He is actively involved in content acquisition for the Company's Channel and distributing the channels in various territories. |
| <b>Remuneration</b>                | Rs. 130 lacs per annum (including Performance incentive of one month salary)  |
| <b>Recognition or awards</b>       | NIL   |
| <b>Job profile and suitability</b> | The Whole time Directors oversees the operations of the company on various aspects under the supervision of the Managing Director and Board of directors of the company. Mr. M. Rajarathinam, Whole Time Director of the company is actively involved in content acquisition for the Company's Channel and distributing the channels in various territories   |

|  |  |
|--|--|
| <b>Pecuniary relationship directly or indirectly with the company, or relationship with managerial personnel, if any</b> | He is the promoter Director and relative of the whole time Directors & Managing Director. Besides, the remuneration proposed, Mr. M. Rajarathinam do not have any other pecuniary relationship with the Company. |
| Shares held the Company  | 5362000 equity shares – 11.29% of the total paid up capital of the company.  |
| Directorship in other Companies  | VISSA TELEVISION NETWORK LIMITED   |
| Chairman/ Member of the Committees of other Companies on which he is a Director  | Nil  |

**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                    | 4               | 4                                   | 2                                | 2   |
| Directors Attendance              |                 |                                     |                                  |   |
| Shri. Raajhendhran M.             | NA              | NA                                  | 2/2                              | NA  |
| Shri. M. Rajarathinam             | NA              | NA                                  | NA                               | NA  |
| Shri. M. Ravindran                | 4/4             | NA                                  | 2/2                              | NA  |
| Shri. M. Reghunathan              | NA              | NA                                  | NA                               | 2/2                                       |
| Shri. D. R. Kaarthikeyan          | NA              | 4/4                                 | 2/2                              | 2/2                                       |
| Shri. A. Arjun Pai                | 4/4             | 4/4                                 | NA                               | NA  |
| Shri. R. Rajagopalan              | 3/4             | 3/4                                 | NA                               | 1/2                                       |
| 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 27<sup>th</sup> May, 2016 to review performance of the Chairman and other Non-Independent Directors, evaluate performance of the Board and review flow of information between the management and the Board.

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

**A. AUDIT COMMITTEE:**

**CONSTITUTION**

As at March 31, 2017, 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 |
| Mr. A. Arjuna Pai    | Chairman- Independent & Non Executive Director | 4               | 4        |
| Dr. R. Rajagopalan   | Member- Independent & Non Executive Director   | 4               | 3        |
| Mr.M. Ravindran      | Member- Executive Director                     | 4               | 4        |

During the year under review, four (04) meetings of the Audit Committee were held on May 27 – 2016, July 29 - 2016, October 28 – 2016, February, 15, 2017.

**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; and
- Recommends proposals for appointment and remuneration payable to the Statutory Auditor
- 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.

**B.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 Dr. R. Rajagopalan, as Chairman, Mr. A. Arjuna Pai and Mr. D. R. Kaarthikeyan as member. During the year under review the Committee met four times on May 27 – 2016, July 29 - 2016, October 28 – 2016& February 15 , 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.) |
|--|--------------------------|---------------------------------------|
| Mr. M. Raajhendhran, Managing Director | 01-04-2016 to 31-03-2017 | 1,30,00,000/-                         |
| Mr. M. Rajaratnam, Director            | 01-04-2016 to 31-03-2017 | 1,30,00,000/-                         |
| Mr. M. Ravindran, Director             | 01-04-2016 to 31-03-2017 | 1,30,00,000/-                         |
| Mr. M. Reghunathan, Director           | 01-04-2016 to 31-03-2017 | 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 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 2016-17 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          | 4+1   | 4   | 4   | 2  | 2   |
| Directors Attendance    | Amounts in Rs.  |   |   |  |   |
| A.ARJUNA PAI            | 1,50,000  | 60,000  | 60,000  | -  | -   |
| D.R.KAARTHIKEYAN        | 1,50,000  | -   | 60,000  | 30,000   | 30,000  |
| MOHAN KAMESWARAN        | 1,50,000  | -   | -   | -  | -   |
| R.RAJAGOPALAN           | 90,000  | 45,000  | 45,000  | -  | 15,000  |
| VIJAYALAKSHMI RAVINDRAN | 1,20,000  | -   | -   | -  | -   |

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.

## 5. STAKEHOLDERS RELATIONSHIP COMMITTEE

### CONSTITUTION

In compliance with Section 178 of the Companies Act, 2013, during financial year 2016-17, the Board had renamed the Share Transfer and Investors Grievance Committee as 'Stakeholders Relationship Committee', which currently comprise of Mr. D. R. Kaarthikeyan, Non Executive Independent Director as Chairman, Mr. Raajhendhran M Managing Director and Mr. M. Ravindran, Executive Director as Member. The Company Secretary is the Secretary of the Committee. The role of the Shareholders and Investor Grievance Committee is to ensure efficient transfer of shares and proper and timely attendance of investors' grievances. The Company Secretary is the Compliance Officer of the Company. During the year under review, Share Transfer and Investor Grievance Committee met Two times on May 27, 2016 and October 28, 2016. 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, 2017, 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 | 4        | 4                  | 0       |
| Non-receipt of Annual Report             | 2        | 2                  | 0       |
| Dividend DD Revalidation requests.       | 4        | 4                  | 0       |
| Dividend credit Advice request           | 0        | 0                  | 0       |
| Letter from shareholders                 | 2        | 2                  | 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.Raghunathan – 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 Twice during the FY 2016-17 on 27-05-2016 and 29-07-2016.

**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.

**7. GENERAL BODY MEETING:**

The 23<sup>rd</sup> Annual General Meeting of the Company for the Financial Year 2016-17 will be held on Saturday, 30<sup>th</sup> September 2017 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 |
|----------------|--|--------------------|------------|----------------------------|
| 2013-14        | Bharatiya Vidya Bhavan, 18-22, East Mada Street, Mylapore, Chennai-600 004 | September 19, 2014 | 10.00 A.M. | YES                        |
| 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                         |

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

The Following Special Resolutions were passed at the Previous Year 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. Raajhendran, 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 DIN00839174) 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. Ragunathan, 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 2016-17. None of the resolutions proposed at the ensuing Annual General Meeting need to be passed by Postal Ballot.

**8. 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.

**9. 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.

**10. 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.

**11. GENERAL SHAREHOLDER INFORMATION**

|    |  |   |
|----|--|---|
| 1  | Date, Time and Venue of Shareholders' Meeting  | Meeting : Annual General Meeting<br>Day & Date : Saturday, 30th September 2017<br>Time : 10:00 A M<br>Venue : Bharatiya Vidya Bhavan, 18-22, East Mada Street, Mylapore, Chennai-600 004.   |
| 2  | Financial Year                                 | 2016-2017   |
| 3  | Date of Book Closure                           | 23rd September 2017 to Saturday, 30th September 2017 (both days inclusive)  |
| 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<br>Email: administrator@rajtvnet.in Website: www.rajtvnet.in, www.rajtv.tv   |
| 6  | Corporate Identification Number                | L92490TN1994PLC027709   |
| 7  | Listing on Stock Exchanges                     | BSE Limited (BSE)<br>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)<br>Central Depository Services (India) Ltd, CDSL  |
| 12 | Compliance Officer                             | Mr. Joseph Cheriyan, Company Secretary<br>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 ' 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  | Aggregate Number of Shareholders | Shares lying in Suspense Account |
|--|----------------------------------|----------------------------------|
| Aggregate number of shareholders and the outstanding shares in the suspense account as at April 1, 2016            | 1                                | 464                              |
| Fresh undelivered cases during the financial year 2016-17  | Nil                              | Nil                              |
| Number of shareholders who approached the Company for transfer of shares from suspense account till March 31, 2016 | Nil                              | Nil                              |
| Number of shareholders to whom shares were transferred from the Suspense account till March 31, 2016               |                                  |                                  |
| Aggregate number of shareholders and the outstanding shares in the suspense account lying as on March 31, 2017     | 16                               | 456                              |

The voting rights on the equity shares outstanding in the suspense account as on March 31, 2017 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 2016-17.

**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, 2017.

**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, 2017

Rs.25,95,66720/-

CAPITAL STRUCTURE As On 31.03.2017

| Capital Structure (Raj Television Network) |      |              |                    |                | (Rs. in Cr.)    |            |         |
|--|------|--------------|--------------------|----------------|-----------------|------------|---------|
| Period                                     |      | Instrument   | Authorized Capital | Issued Capital | - P A I D U P - |            |         |
| From                                       | To   |              | (Rs. cr)           | (Rs. cr)       | Shares (nos)    | Face Value | Capital |
| 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 2017.**

| Sl No | Holding                  | Number | % of Total Shares | Total Amount of Paid Up Capital | % of S Total |
|-------|--------------------------|--------|-------------------|---------------------------------|--------------|
| 1     | between 1 and 1000       | 6837   | 74.8              | 2260785                         | 0.87         |
| 2     | between 1001 and 5000    | 1959   | 21.43             | 4387920                         | 1.69         |
| 3     | between 5001 and 10000   | 164    | 1.79              | 1220000                         | 0.47         |
| 4     | between 10001 and 20000  | 74     | 0.81              | 1049280                         | 0.4          |
| 5     | between 20001 and 30000  | 26     | 0.28              | 640570                          | 0.25         |
| 6     | between 30001 and 40000  | 12     | 0.13              | 416385                          | 0.16         |
| 7     | between 40001 and 50000  | 9      | 0.1               | 419010                          | 0.16         |
| 8     | between 50001 and 100000 | 19     | 0.21              | 1399810                         | 0.54         |
| 9     | > 100000                 | 40     | 0.44              | 247772960                       | 95.46        |
|       | Total                    | 9140   | 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-16 | 63.00               | 54.80 | 654086        | 70.81               | 67.89 | 2862772      |
| May-16 | 86.70               | 50.20 | 3132899       | 65.66               | 63.38 | 760304       |
| Jun-16 | 75.00               | 53.65 | 2553833       | 65.42               | 62.48 | 1066143      |
| Jul-16 | 75.00               | 66.00 | 785409        | 65.26               | 62.56 | 829118       |
| Aug-16 | 69.70               | 60.00 | 379509        | 62.12               | 59.23 | 920167       |
| Sep-16 | 68.30               | 56.10 | 108193        | 64.56               | 60.88 | 3311076      |
| Oct-16 | 69.90               | 62.35 | 245990        | 62.01               | 60.32 | 514314       |
| Nov-16 | 65.50               | 52.00 | 40132         | 66.82               | 62.97 | 2785778      |
| Dec-16 | 75.95               | 56.20 | 562905        | 61.93               | 60.29 | 513129       |
| Jan-17 | 64.00               | 57.75 | 60948         | 70.81               | 67.89 | 2862772      |
| Feb-17 | 72.75               | 59.00 | 413202        | 65.66               | 63.38 | 760304       |
| Mar-17 | 63.85               | 58.50 | 67244         | 65.42               | 62.48 | 1066143      |

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

**DEMATERIALIZATION POSITION AS ON 31 MARCH 2017**

| CATEGORY | NO.OF HOLDERS | TOTAL POSITIONS | % OF HOLDINGS |
|----------|---------------|-----------------|---------------|
| PHYSICAL | 103           | 454             | 0.0009        |
| NSDL     | 5997          | 38347214        | 73.867        |
| CDSL     | 3040          | 13565676        | 26.131        |
| TOTAL    | 9033          | 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, 2017

**Categories of Shareholders as on March 31, 2017**

| CATEGORY  | NO OF HOLDERS | NO OF SHARES | PERCENTAGE OF HOLDING |
|---|---------------|--------------|-----------------------|
| Promoters- Individuals  | 8             | 36554244     | 70.41                 |
| Financial Institutions/   | 2             | 6176         | 0.01                  |
| Individual shareholders holding nominal share capital up to Rs. 2 lakhs.        | 8585          | 1720150      | 3.31                  |
| Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs. | 15            | 12907909     | 24.86                 |
| BODIES CORPORATE  | 184           | 386122       | 0.74                  |
| Clearing Members  | 24            | 33700        | 0.06                  |
| HINDU UNDIVIDED FAMILIES  | 274           | 286111       | 0.55                  |
| NRI – Non-Repatriation  | 15            | 12279        | 0.02                  |
| NRI – Repatriation  | 31            | 6653         | 0.01                  |
| Total   | 9138          | 51913344     | 100.00                |

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

| Announcement Date | Effective Date | Dividend Type | Dividend (%) | Remarks                                    |
|-------------------|----------------|---------------|--------------|--|
| 27-05-2016        | 30.09.2016     | Final         | 5            | Rs.0.25 share(5%)Final Dividend (Proposed) |
| 27-05-2015        | 18-09-2015     | Final         | 10           | Rs.0.50 per share(10%)Final Dividend       |
| 14-05-2014        | 08-09-2014     | Final         | 5            | Rs.0.25 share(5%)Final Dividend            |
| 28-01-2014        | 13-02-2014     | Interim       | 5            | Rs.0.50 per share(5%)Interim Dividend      |
| 27-05-2013        | 20-09-2013     | Final         | 10           | Rs.1.00 per share(10%)Final Dividend       |
| 30-04-2012        | 20-07-2012     | Final         | 10           | Rs.1.00 per share(10%)Dividend             |
| 29-07-2008        | 19-09-2008     | Final         | 15           | Rs.1.50 per share(15%)Dividend             |
| 30-07-2007        | 17-09-2007     | Final         | 10           | Rs.1.00 per share(10%)Dividend             |

**BONUS ISSUES OF FULLY PAID-UP EQUITY SHARES**

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

**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 2016-17.
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 Mr. Nachiappan R and Ms. Nandhini R
  - 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: 30<sup>th</sup> June, 2017

**CERTIFICATION ON FINANCIAL STATEMENTS OF THE COMPANY**

We, Raajhnedhran M, Managing Director & CMD and Ravindran M , 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, 2017 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, 2017 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.

**Rajendran.M**  
**Managing Director**

DIN:00821144

**30<sup>th</sup> June, 2017**

Chennai

**Ravindran.M**  
**Whole-time Director**

DIN:00662830

**INDEPENDENT AUDITORS' REPORT**

To the members of,  
**M/s. Raj Television Network Limited,**  
**Report on the Standalone Financial Statements**

We have audited the accompanying financial statements of **M/s. Raj Television Network Limited** ('the Company') which comprises the Balance Sheet as at 31<sup>st</sup> March 2017, the Statement of Profit and Loss 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 and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

**Our responsibility is to express an opinion on these financial statements based on our audit. We 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 there under.**

**We conducted our audit 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 financial statements are free from material misstatement.**

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

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

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

**Opinion**

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

- i. in case of Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March 2017
- ii. in case of Statement of Profit and Loss, of the loss for the year ended on that date; and
- iii. 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 and the Statement of Cash Flow dealt with by this report are in agreement with the books of account;
  - d. in our opinion, the Balance Sheet, the Statement of Profit and Loss, and the Statement of Cash Flow comply with the Accounting Standards referred Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014
  - e. on the basis of written representations received from the directors as on 31<sup>st</sup> March 2017, and taken on record by the Board of Directors, none of the Directors are disqualified as on 31<sup>st</sup> March 2017, from being appointed as a Director in terms of Section 164(2) of the Companies Act, 2013.
  - 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 the Annexure B; 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. an Arbitration award of Rs.5.49 crores filed against the Company by M/s.Thaicom Public Company Limited is being contested in the High Court.
    - ii. the Company does not have any long term contracts including derivative Contracts: as such the question of commenting on any material foreseeable Losses thereon does not arise,
    - iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the company.
    - iv. the Company has provided requisite disclosures in its standalone financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8<sup>th</sup> November 2016 to 30<sup>th</sup> December 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the management. Refer Note 2.17 to the financial statements.

**For Pratapkaran Paul & Co.,****Chartered Accountants,**

Firm Regn No.002777S

**Pratapkaran Paul****Partner**

M.No.023810

30<sup>th</sup> June, 2017

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 2017.

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 deed of immovable property are held in the name of the company.
- ii) The inventory has been physically verified (copyrights of media 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, 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, Employees State Insurance, Provident Fund, and other material statutory dues were in arrears as at 31<sup>st</sup> March, 2017 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 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 Statue   | 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.
- xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

**For Pratapkaran Paul & Co.,**  
**Chartered Accountants,**  
 Firm Regn No.002777S

**Pratapkaran Paul**  
**Partner**  
 M.No.023810

30<sup>th</sup> June, 2017  
 Chennai

**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 2017 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 Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

**Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the 'Guidance Note') and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were 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 auditors' 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 authorization of the Management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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, 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 31<sup>st</sup> March 2017, 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 Pratapkaran Paul & Co.,**

**Chartered Accountants,**

Firm Regn No.002777S

**Pratapkar Paul**

Partner

M.No.023810

30<sup>th</sup> June, 2017

Chennai

**RAJ TELEVISION NETWORK LIMITED**

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

BALANCE SHEET AS AT 31.03.2017

| A        | EQUITY AND LIABILITIES                           | Note No.  | As at 31.03.2017      | As at 31.03.2016      |
|----------|--|-----------|-----------------------|-----------------------|
|          |  |           | Rs.                   | Rs.                   |
| <b>1</b> | <b>Shareholder' Funds</b>                        |           |                       |                       |
|          | (a) Share Capital                                | <b>3</b>  | 25,95,66,720          | 25,95,66,720          |
|          | (b) Reserve and surplus                          | <b>4</b>  | 1,12,92,63,826        | 1,21,72,66,492        |
|          | (b) Money Received against Share Warrants        | -         | -                     | -                     |
|          |  |           | <b>1,38,88,30,546</b> | <b>1,47,68,33,212</b> |
| <b>2</b> | <b>Share Application money pending allotment</b> |           | -                     | -                     |
| <b>3</b> | <b>Non-Current Liabilities</b>                   |           |                       |                       |
|          | (a) Long Term Borrowings                         | <b>5</b>  | 28,56,64,115          | 3,16,93,861           |
|          | (b) Deferred tax Liabilities (Net)               | <b>6</b>  | 6,76,11,935           | 7,30,31,952           |
|          | (c) Other Long Term liabilities                  | <b>7</b>  | 2,59,15,495           | 2,43,95,458           |
|          |  |           | <b>37,91,91,545</b>   | <b>12,91,21,271</b>   |
| <b>4</b> | <b>Current Liabilities</b>                       |           |                       |                       |
|          | (a) Short Term Borrowings                        | <b>8</b>  | 7,75,00,974           | 30,27,14,335          |
|          | (b) Trade Payables                               | <b>9</b>  | 37,38,801             | 8,20,89,938           |
|          | (c) Other current liabilities                    | <b>10</b> | 4,40,31,197           | 83,17,989             |
|          | (d) Short term provisions                        | <b>11</b> | 2,93,38,357           | 3,50,48,618           |
|          |  |           | <b>15,46,09,329</b>   | <b>42,81,70,880</b>   |
|          | <b>TOTAL - EQUITY AND LAIBILITIES</b>            |           | <b>1,92,26,31,420</b> | <b>2,03,41,25,362</b> |
| <b>B</b> | <b>ASSETS</b>                                    |           |                       |                       |
| <b>1</b> | <b>Non - Current Assets</b>                      |           |                       |                       |
|          | (a) Fixed Assets                                 | <b>12</b> |                       |                       |
|          | i) Tangible assets                               |           | 1,02,05,74,595        | 98,57,91,103          |
|          | ii) In tangible assets                           |           | -                     | -                     |
|          | iii) Capital work in progress                    |           | -                     | -                     |
|          | (b) Non Current Investments                      |           | -                     | -                     |
|          | (c) Deferred Tax assets ( Net)                   |           | -                     | -                     |
|          | (d) Long term Loans and Advances                 | <b>13</b> | 22,72,77,328          | 22,13,37,252          |
|          |  |           | <b>1,24,78,51,923</b> | <b>1,20,71,28,355</b> |
| <b>2</b> | <b>Current Assets</b>                            |           |                       |                       |
|          | (a) Current Investments                          |           | -                     | -                     |
|          | (b) Inventories                                  | <b>14</b> | 9,33,66,926           | 10,89,26,866          |
|          | (c) Trade Receivables                            | <b>15</b> | 55,86,94,240          | 66,25,99,196          |
|          | (d) Cash and Cash Equivalent                     | <b>16</b> | 1,80,59,283           | 4,93,92,029           |
|          | (e) Other Current Assets                         | <b>17</b> | 46,59,048             | 60,78,916             |
|          |  |           | <b>67,47,79,497</b>   | <b>82,69,97,007</b>   |
|          | <b>TOTAL - ASSETS</b>                            |           | <b>1,92,26,31,420</b> | <b>2,03,41,25,362</b> |
|          | <b>Significant Accounting Policies</b>           | <b>2</b>  |                       |                       |

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

As per our report of even date

For Prapatkaran Paul & Co.,

Chartered Accountants.,

**Firm Regn No.002777S**

Pratapkarana Paul

Partner

M No.023810

**30th June, 2017**

Chennai

Rajendran.M

Chairman &

Managing Director DIN: 00821144

Ravindran

Director

DIN: 00821144

S.Jeyaseelan

CFO

DIN:00662830

Joseph Cheriyan

Company Secretary

M No: 26524

For and on behalf of the Board of Directors

**RAJ TELEVISION NETWORK LIMITED**  
No. 32, Poes Road, II Street, Teynampet, Chennai - 600 018  
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31.03.2017

| C         | INCOME   | Note No. | As at 31.03.2017     | As at 31.03.2016     |
|-----------|--|----------|----------------------|----------------------|
|           |  |          | Rs.                  | Rs.                  |
|           | (a) Revenue from Operations  | 18       | 61,20,88,758         | 82,44,72,919         |
|           | (b) Other Income   | 19       | 84,57,648            | 45,80,439            |
|           | <b>Total Income from Operations</b>                                      |          | <b>62,05,46,406</b>  | <b>82,90,53,358</b>  |
| <b>D.</b> | <b>EXPENDITURE</b>   |          |                      |                      |
|           | (a) Cost of revenue  | 20       | 19,70,97,632         | 40,36,50,751         |
|           | (b) Employee Benefit Expenses  | 21       | 23,54,12,733         | 22,42,53,506         |
|           | (c) Depreciation and Amortisation Expenses                               | 12       | 6,49,18,096          | 6,54,32,381          |
|           | (d) Finance Cost   | 22       | 4,83,21,446          | 4,52,22,356          |
|           | (e) Administrative and other Expenses                                    | 23       | 16,82,19,182         | 14,41,22,464         |
|           | <b>Total Expenses</b>  |          | <b>71,39,69,090</b>  | <b>88,26,81,458</b>  |
|           | <b>Profit/ (Loss) before exceptional and extraordinary items and tax</b> |          | <b>(9,34,22,684)</b> | <b>(5,36,28,100)</b> |
|           | Exceptional Items  |          | -                    | -                    |
|           | <b>Profit/ (Loss) before extraordinary items and tax</b>                 |          | <b>(9,34,22,684)</b> | <b>(5,36,28,100)</b> |
|           | Extraordinary Expenses   |          | -                    | -                    |
|           | <b>Profit / (Loss) before tax</b>  |          | <b>(9,34,22,684)</b> | <b>(5,36,28,100)</b> |
|           | - Current Year Tax   |          | -                    | -                    |
|           | - MAT Credit Entitlement   |          | -                    | -                    |
|           | - Deferred Tax Current Year  |          | (54,20,017)          | (68,66,088)          |
|           | - Current tax Expenses relating to previous years                        |          | -                    | -                    |
|           | <b>Profit / (Loss) After tax</b>   |          | <b>(8,80,02,667)</b> | <b>(6,04,94,189)</b> |
|           | Nominal Value of Share (in Rs)   |          | 5.00                 | 5.00                 |
|           | Net profit attributable to equity shareholders                           |          | (8,80,02,667)        | (6,04,94,189)        |
|           | Weighted Average Number of Shares Outstanding                            |          | 5,19,13,344          | 5,19,13,344          |
|           | Basic and diluted EPS before Extra Ordinary item (in Rs)                 |          | (1.70)               | (1.17)               |
|           | Basic and diluted EPS after Extra Ordinary item (in Rs)                  |          | (1.70)               | (1.17)               |

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

As per our report of even date

For Pratapkaran Paul & Co.,  
Chartered Accountants.,

For and on behalf of the Board of Directors

**Firm Regn No.002777S**

Pratapkaran Paul  
Partner  
M No.023810  
30th June, 2017  
Chennai

Rajendran.M  
Chairman &  
Managing Director  
DIN: 00821144

Ravindran  
Director  
DIN: 00821144

S.Jeyaseelan  
CFO  
DIN:00662830

Joseph Cheriyan  
Company Secretary  
M No: 26524

**RAJ TELEVISION NETWORK LIMITED**

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

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2017

| PARTICULRS |   | As at 31.03.2017     | As at 31.03.2016     |
|------------|---|----------------------|----------------------|
| A          | CASH FLOW FROM OPERATING ACTIVITIES                       | Rs.                  | Rs.                  |
| 1          | Net Profit Before Tax and extra Ordinary Items            | (9,34,22,684)        | (5,36,28,100)        |
|            | Adjustments for :   |                      |                      |
| 2          | Loss / (Profit) on sale of asset                          | (17,43,000)          | -                    |
| 3          | Depreciation and amortization                             | 6,49,18,096          | 6,54,32,381          |
| 4          | Dividend on Long term Investments                         | -                    | -                    |
| 5          | Profit/Loss on sale of Long term Investments              | -                    | -                    |
| 6          | Interest paid   | 4,83,21,446          | 4,52,22,356          |
|            | <b>Operating Profit before working capital Changes</b>    | <b>1,80,73,859</b>   | <b>5,70,26,637</b>   |
|            | Adjustments for :   |                      |                      |
| 7          | Inventories   | 1,55,59,940          | 28,19,139            |
| 8          | Trade Receivables   | 10,39,04,956         | (4,19,99,061)        |
| 9          | Long term Loan and Advances                               | (59,40,076)          | 3,75,94,752          |
| 10         | Short term Loan and Advances                              | 14,19,868            | -                    |
| 11         | Other Long Term liabilities                               | 15,20,037            | (4,57,809)           |
| 12         | Trade Payables  | (7,83,51,137)        | 7,77,97,754          |
| 13         | Other current liabilities                                 | 3,57,13,208          | (2,98,31,441)        |
| 14         | Short Term provisions                                     | 99,10,205            | (71,38,933)          |
|            | <b>Cash generated from Operation</b>                      | <b>10,18,10,860</b>  | <b>9,58,11,038</b>   |
| 15         | Direct Tax  | -                    | (5,12,48,532)        |
|            | <b>Net Cash from Operating Activities</b>                 | <b>10,18,10,860</b>  | <b>4,45,62,506</b>   |
| <b>B</b>   | <b>CASH FLOW FROM INVESTING ACTIVITIES</b>                |                      |                      |
| 1          | Sale of Assets  | 17,43,000            | -                    |
| 2          | Purchase of Fixed Assets                                  | (9,97,01,586)        | (2,40,03,509)        |
| 3          | Purchase of Shares  | -                    | -                    |
| 4          | Sale of Shares  | -                    | -                    |
| 5          | Dividend on long term investments                         | -                    | -                    |
| 6          | Loss on sale of long term investments                     | -                    | -                    |
|            | <b>Net cash from Investing Activities</b>                 | <b>(9,79,58,586)</b> | <b>(2,40,03,509)</b> |
| <b>C</b>   | <b>CASH FLOW FROM FINANCING ACTIVITIES</b>                |                      |                      |
| 1          | Borrowal / (Repayment) of long term Borrowings            | 2,87,56,893          | 7,65,42,702          |
| 2          | Interest  | (4,83,21,446)        | (4,52,22,356)        |
| 3          | Dividend & dividend tax paid                              | (1,56,20,466)        | (3,11,46,480)        |
|            | <b>Net cash from Financing Activities</b>                 | <b>(3,51,85,019)</b> | <b>1,73,866</b>      |
|            | Net increase/ (decrease) in cash and cash equivalents     | (3,13,32,746)        | 2,07,32,864          |
|            | Cash and cash equivalents as at the beginning of the year | 4,93,92,029          | 2,86,59,165          |
|            | Cash and cash equivalents as at the end of the year       | 1,80,59,283          | 4,93,92,029          |

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

As per our report of even date

For Pratapkaran Paul & Co.,

Chartered Accountants.,

**Firm Regn No.002777S**

Pratapkaran Paul

Partner

M No.023810

30th June, 2017

Chennai

For and on behalf of the Board of Directors

Rajendran.M

Chairman &

Managing Director DIN: 00821144

Ravindran

Director

S.Jeyaseelan

CFO

DIN:00662830

Joseph Cheriyan

Company Secretary

M No: 26524

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

| Note No: 3 - SHARE CAPITAL  | As at March 31st 2017 |                     | As at March 31st 2016 |                     |
|---|-----------------------|---------------------|-----------------------|---------------------|
|   | No. of Shares         | Amount in Rupees    | No. of Shares         | Amount in Rupees    |
| <b>a. Authorised Capital</b><br>60,000,000 Equity Shares of Rs.5 each.<br>(Previous year - 60,000,000 Equity Shares of Rs.5 each.)                    | <b>6,00,00,000</b>    | <b>30,00,00,000</b> | <b>6,00,00,000</b>    | <b>30,00,00,000</b> |
| <b>b. Issued, Subscribed and fully paid up</b><br>5,19,13,344 Equity Shares of Rs.5 each<br>(Previous Year - 5,19,13,344 Equity Shares of Rs.5 each.) | <b>5,19,13,344</b>    | <b>25,95,66,720</b> | <b>5,19,13,344</b>    | <b>25,95,66,720</b> |
|   | <b>5,19,13,344</b>    | <b>25,95,66,720</b> | <b>5,19,13,344</b>    | <b>25,95,66,720</b> |

Refer Notes (i) to (iv) below:

Notes:

- i) The Company has only one class of equity Share having a par value of Rs.5 per share (Previous year Rs.5 per share). Each Share holder is eligible for one Vote Per Share.
- ii) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year is as follows:

| Note No: 3 - SHARE CAPITAL                  | As at March 31st 2017 |                  | As at March 31st 2016 |                  |
|---|-----------------------|------------------|-----------------------|------------------|
|   | No. of Shares         | Amount in Rupees | No. of Shares         | Amount in Rupees |
| <b>Issued Equity Shares</b>                 |                       |                  |                       |                  |
| Opening Balance                             | 5,19,13,344           | 25,95,66,720     | 5,19,13,344           | 25,95,66,720     |
| Changes During the Year                     |                       |                  |                       |                  |
| i) Fresh Issue                              | -                     | -                | -                     | -                |
| ii) Split of shares from Rs.10 to Rs.5 each | -                     | -                | -                     | -                |
| iii) Bonus Issue                            | -                     | -                | -                     | -                |
| Closing Balances                            | 5,19,13,344           | 25,95,66,720     | 5,19,13,344           | 25,95,66,720     |

- 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

| Note No: 3 - SHARE CAPITAL | As at March 31st 2017 |                  | As at March 31st 2016 |                  |
|----------------------------|-----------------------|------------------|-----------------------|------------------|
|                            | No. of Shares         | Amount in Rupees | No. of Shares         | Amount in Rupees |
| M Raajhendhran             | 58,63,808             | 11.30%           | 58,63,808             | 11.30%           |
| M Rajarathinam             | 58,63,808             | 11.30%           | 58,63,808             | 11.30%           |
| M Ravindran                | 55,70,000             | 10.73%           | 53,62,000             | 10.33%           |
| M Raghunathan              | 58,63,808             | 11.30%           | 58,63,808             | 11.30%           |

| Note No: 3 - SHARE CAPITAL   | As at March 31st 2017 |                              | As at March 31st 2016        |                  |
|--|-----------------------|------------------------------|------------------------------|------------------|
|  | No. of Shares         | Amount in Rupees             | No. of Shares                | Amount in Rupees |
| R Amudha   | 35,43,284             | 6.83%                        | 35,43,284                    | 6.83%            |
| R Aruna  | 35,43,268             | 6.83%                        | 35,43,268                    | 6.83%            |
| R Usharani   | 35,43,268             | 6.83%                        | 35,43,268                    | 6.83%            |
| R Vijayalakshmi  | 27,63,000             | 5.32%                        | 27,14,000                    | 5.23%            |
| 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. |                       |                              |                              |                  |
| <b>(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 31/03/2017</b>                                      |                       |                              |                              |                  |
| Particulars  |                       |                              | As at March 31st 2017        |                  |
|  |                       |                              | No of Shares                 |                  |
| Equity shares allotted as fully paid up by way of bonus  |                       |                              | 2,59,56,672                  |                  |
| <b>NOTES FORMING PART OF THE FINANCIAL STATEMENTS</b>  |                       |                              |                              |                  |
| <b>Note – 4 : Reserves and Surplus</b>   |                       | <b>As at March 31st 2017</b> | <b>As at March 31st 2016</b> |                  |
| (i) Securities Premium Account   |                       |                              |                              |                  |
| Balance as per the Last financial statements   |                       | 43,18,19,058                 | 43,18,19,058                 |                  |
| Less: Transferred to share capital towards bonus shares  |                       | -                            | -                            |                  |
|  |                       | <b>43,18,19,058</b>          | <b>43,18,19,058</b>          |                  |
| (ii) Revaluation Reserve   |                       |                              |                              |                  |
| Land Revalued  |                       | 44,20,45,618                 | 44,20,45,618                 |                  |
|  |                       | 44,20,45,618                 | 44,20,45,618                 |                  |
| (iii) Profit and Loss Account  |                       |                              |                              |                  |
| Balance as per last financial statements   |                       | 30,52,52,982                 | 38,13,67,636                 |                  |
| <b>Add : Profit transferred from Profit &amp; Loss Account</b>   |                       | (8,80,02,667)                | (6,04,94,189)                |                  |
|  |                       | 21,72,50,315                 | 32,08,73,447                 |                  |
| <b>Less: Appropriations</b>  |                       |                              |                              |                  |
| Interim Dividend   |                       | -                            | -                            |                  |
| Tax on Interim Dividend  |                       | -                            | -                            |                  |
| Proposed final Dividend (Rs. 0.25 per Share)   |                       | -                            | 1,29,78,336                  |                  |
| Tax on Proposed Dividend   |                       | -                            | 26,42,130                    |                  |
| Amount transferred to General Reserve  |                       | -                            | -                            |                  |

| <b>Note – 4 : Reserves and Surplus</b>  | <b>As at March<br/>31st 2017</b> | <b>As at March<br/>31st 2016</b> |
|---|----------------------------------|----------------------------------|
| (–) Previous year depreciation charged in compliance with Companies Act 2013  | –                                | –                                |
| Net surplus in the statement of profit and loss   | 21,72,50,316                     | 30,52,52,982                     |
| (iv) General reserve Transferred from the profit & loss A/c   |                                  |                                  |
| Balance as per the last financial statements  | 3,81,48,834                      | 3,81,48,834                      |
| Add : Amount transferred from Statement of Profit & Loss Account  | –                                | –                                |
| Balance at the end of year  | 3,81,48,834                      | 3,81,48,834                      |
| <b>Total Reserves and Surplus</b>   | <b>1,12,92,63,826</b>            | <b>1,21,72,66,492</b>            |
| <b>Note – 5 : Long Term Borrowings</b>  | <b>As at March<br/>31st 2017</b> | <b>As at March<br/>31st 2016</b> |
| Secured Term Loans from bank  | 24,41,76,669                     | 3,16,93,861                      |
| Secured Vehicle Loans from bank<br>( Please refer Note below for security and terms of repayment)   | 4,14,87,446                      | –                                |
| <b>Total</b>  | <b>28,56,64,115</b>              | <b>3,16,93,861</b>               |
| <b>Nature of Security &amp; Terms of Repayment</b>  | <b>As at March<br/>31st 2017</b> | <b>As at March<br/>31st 2016</b> |
| (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 : 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.<br><br>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.<br><br>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<br><br>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.<br><br>5. EMT of th property on Plot No.656/1 forming part of the schedule no.403/1 old, 120 New of Shaikpet village & 102/1 of Hakimpt village measuring 683 sq yards situated at 34, Jubilee Hills, Hyderabad at a cost of Rs.11.00 crores and | 25,00,00,000                     | –                                |

| Nature of Security & Terms of Repayment   | As at March<br>31st 2017 | As at March<br>31st 2016 |
|---|--------------------------|--------------------------|
| <p>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> <p>(ii) The Foreign Currency Term Loan from Canara Bank availed during the year is secured primarily by Hypothecation of fixed assets and collateral securities at :</p> <p>1. Freehold land (undivided share of land: 3650 Sq ft) and building at New No.32 (old No.13B), Poes Road, II Street, Teynampet, Chennai – 18 in the names of Shri Mani Rajendran, Shri Mani Raveendran, Shri Mani Rajaratnam and Sri Mani Raghunathan.</p> <p>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.</p> <p>3.Free 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 .</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.</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.In addition to the above, personal gurantee given by Promoter directors</p> | 1,31,20,600              | -                        |
| <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.</p>   | 1,48,70,745              | 1,61,95,671              |
| <p>(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.</p>   | 71,08,051                | -                        |
| <p>(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.</p>  | 4,45,95,916              | -                        |

| <b>Note – 6 : Deferred Tax Liabilities (Net)</b>  | <b>As at March<br/>31st 2017</b> | <b>As at March<br/>31st 2016</b> |
|---|----------------------------------|----------------------------------|
| Balance as per last Financial statements  | 7,30,31,952                      | 6,61,65,864                      |
| 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  | (54,20,017)                      | 68,66,088                        |
| <b>Total</b>  | <b>6,76,11,935</b>               | <b>7,30,31,952</b>               |
| <b>Note – 7 : Other Long Term liabilities</b>   | <b>As at March<br/>31st 2017</b> | <b>As at March<br/>31st 2016</b> |
| (a) Other Payables<br>(Other Payables comprises of Interest free deposits from customers and Long term Capital under disputes and litigations)  | 2,25,00,000                      | 2,25,00,000                      |
| (b) Provision for gratuity<br>(Refer notes to accounts–Employee benefits)   | 34,15,495                        | 18,95,458                        |
| <b>Total</b>  | <b>2,59,15,495</b>               | <b>2,43,95,458</b>               |
| <b>Note – 8 : Short Term Borrowings</b>   | <b>As at March<br/>31st 2017</b> | <b>As at March<br/>31st 2016</b> |
| Secured Working Capital Facility from<br>a) Canara Bank<br>(Please refer note below for security details)   | 7,75,00,974                      | 30,27,14,335                     |
| <b>Total</b>  | <b>7,75,00,974</b>               | <b>30,27,14,335</b>              |
| <b>Nature of Security</b>   | <b>As at March<br/>31st 2017</b> | <b>As at March<br/>31st 2016</b> |
| (i) The working Capital loan from Canara bank(Sanction limit:10 crores) is secured primarily by Hypothecation of Book Debts and collateral securities at:1. Freehold land (undivided share of land: 3650 Sq ft) and building at New No.32 (old No.13B), Poes Road, II Street, Teynampet, Chennai – 18 in the 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 company4. 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. 5. EMT of th property on Plot No.656/1 forming part of the schedule no.403/1 old, 120 New of Shaikpet village & 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, | 6,27,92,648                      | 30,27,14,335                     |

| <b>Note – 8 : Short Term Borrowings (contd.)</b>  | <b>As at March<br/>31st 2017</b> | <b>As at March<br/>31st 2016</b> |
|---|----------------------------------|----------------------------------|
| computer systems and peripherals , DG sets and power equipments at a total cost of Rs.7Crores6.Residential Vacant land situated at old no.51 & 52, New no.10 & 12, Poes Road, Teynampet, Chennai, measuring 7647 Sq.ft in the name of M/s.Raj Television Network Limited.   |                                  |                                  |
| (ii) The working Capital loan from Canara bank(Sanction limit:1.5 crores) is secured same as OD   | 1,47,08,326                      | –                                |
| <b>Note – 9 : Trade Payables</b>  | <b>As at March<br/>31st 2017</b> | <b>As at March<br/>31st 2016</b> |
| (a) Payable towards Purchases   | 37,38,801                        | 8,20,89,938                      |
| (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>37,38,801</b>                 | <b>8,20,89,938</b>               |
| <b>Note – 10 : Other current Liabilities</b>  | <b>As at March<br/>31st 2017</b> | <b>As at March<br/>31st 2016</b> |
| (a) Current maturities of long–term debt –  |                                  |                                  |
| (i) On Term Loans   | 3,38,14,676                      | 83,17,989                        |
| (ii) On Vehicle Loan  | 1,02,16,521                      | –                                |
| (See note 5 for the details of security & Terms of Repayment)   |                                  |                                  |
| <b>Total</b>  | <b>4,40,31,197</b>               | <b>83,17,989</b>                 |
| <b>Note – 11 : Short Term Provisions</b>  | <b>As at March<br/>31st 2017</b> | <b>As at March<br/>31st 2016</b> |
| (a) Salaries, wages and other employee benefits payable   | 1,66,12,113                      | 1,16,72,026                      |
| (b) Others  |                                  |                                  |
| (i) Proposed final dividend on equity shares  | –                                | 1,29,78,336                      |
| (ii) Tax on dividend  | –                                | 26,42,130                        |
| (iii) Statutory Tax and Expenses Payable  | 1,27,26,245                      | 77,56,127                        |
| <b>Total</b>  | <b>2,93,38,357</b>               | <b>3,50,48,618</b>               |

Note - 12 : Fixed Assets  
Depreciation Statement as per the Companies Act, 2013.

| S. No. | Particulars                         | Gross Block (Rs.)     |                     |                  |   |                       | Depreciation (Rs.)  |                    |                  |                     | Net Block (Rs.)       |                     |
|--------|-------------------------------------|-----------------------|---------------------|------------------|---|-----------------------|---------------------|--------------------|------------------|---------------------|-----------------------|---------------------|
|        |                                     | As on 01/04/2016      | Additions           | Deletions        | Adjustment - Forex Translation on Capital Asset | As on 31/03/2017      | As on 31/03/2016    | For the period     | Deletion         | As on 31/03/2017    | As on 31/03/2017      | As on 31/03/2016    |
| 1      | LAND                                | 66,58,04,165          | -                   | -                | -   | 66,58,04,165          | -                   | -                  | -                | -                   | 66,58,04,165          | 66,58,04,165        |
| 2      | BUILDING                            | 7,77,20,901           | 51,44,731           | -                | -   | 8,28,65,632           | 1,14,05,746         | 25,21,131          | -                | 1,39,26,877         | 6,89,38,755           | 6,63,15,155         |
| 3      | PLANT & MACHINERY                   | 59,94,79,140          | 2,81,33,798         | -                | (6,45,726)                                      | 62,69,67,212.44       | 36,90,90,389        | 4,44,90,412        | -                | 41,35,80,801        | 21,33,86,411          | 23,03,88,751        |
| 4      | COMPUTERS                           | 7,24,11,832           | 36,15,976           | -                | -   | 7,60,27,808           | 6,73,95,674         | 61,61,338          | -                | 7,35,57,012         | 24,70,796             | 50,16,158           |
| 5      | VEHICLES                            | 4,59,96,377           | 6,34,52,810         | 55,52,886        | -   | 10,38,96,301          | 4,10,63,890         | 91,85,817          | 55,52,886        | 4,46,96,822         | 5,91,99,479           | 49,32,487           |
| 6      | FURNITURE & FIXTURES                | 2,69,41,035           | -                   | -                | -   | 2,69,41,035           | 1,36,06,648         | 25,59,398          | -                | 1,61,66,046         | 1,07,74,988           | 1,33,34,387         |
| 7      | INTANGIBLE ASSETS                   | -                     | -                   | -                | -   | -                     | -                   | -                  | -                | -                   | -                     | -                   |
| 8      | CAPITAL WORK IN PROGRESS            | -                     | -                   | -                | -   | -                     | -                   | -                  | -                | -                   | -                     | -                   |
| 9      | INTANGIBLE ASSETS UNDER DEVELOPMENT | -                     | -                   | -                | -   | -                     | -                   | -                  | -                | -                   | -                     | -                   |
|        | <b>Total</b>                        | <b>1,48,83,53,450</b> | <b>10,03,47,315</b> | <b>55,52,886</b> | <b>(6,45,726)</b>                               | <b>1,58,25,02,153</b> | <b>50,25,62,347</b> | <b>6,49,18,096</b> | <b>55,52,886</b> | <b>56,19,27,557</b> | <b>1,02,05,74,595</b> | <b>98,57,91,103</b> |

|   |   |   |
|---|---|---|
| <b>Note - 14 : Inventories</b>  | <b>As at March<br/>31st 2017</b>                  | <b>As at March<br/>31st 2016</b>                  |
| Film Rights (Refer notes to accounts no 2.8)<br>(At lower of cost and net realisable value)                                   | 9,33,66,926                                       | 10,89,26,866                                      |
| <b>Total</b>  | <b>9,33,66,926</b>                                | <b>10,89,26,866</b>                               |
| <b>Note - 15 : Trade Receivables</b>  | <b>As at March<br/>31st 2017</b>                  | <b>As at March<br/>31st 2016</b>                  |
| Unsecured and considered good   |   |   |
| (a) Trade receivables outstanding for a period exceeding six<br>months from the date they were due for payment                | 37,33,18,842                                      | 32,58,76,980                                      |
| (b) Other trade receivables   | 18,53,75,399                                      | 33,67,22,217                                      |
| <b>Total</b>  | <b>55,86,94,240</b>                               | <b>66,25,99,196</b>                               |
| <b>Note - 16 : Cash and Cash Equivalents</b>  | <b>As at March<br/>31st 2017</b>                  | <b>As at March<br/>31st 2016</b>                  |
| (a) Cash in Hand  | 1,73,790  | 20,116  |
| (b) Balances with Scheduled Bank in-  |   |   |
| (i) On Deposit Account  | 2,00,00,000                                       | 2,00,00,000                                       |
| (ii) On Current Account (Temporary Overdraft)   | (21,14,507)                                       | 2,93,71,913                                       |
| <b>Total</b>  | <b>1,80,59,283</b>                                | <b>4,93,92,029</b>                                |
| Note: Of the above, the balances that meet the definition of Cash and cash<br>equivalents as per AS 3 Cash Flow Statements is | <b>1,80,59,283</b>                                | <b>4,93,92,029</b>                                |
| <b>Note - 17 : Other Current Assets</b>   | <b>As at March<br/>31st 2017</b>                  | <b>As at March<br/>31st 2016</b>                  |
| Prepaid Expenses  | 46,59,048   | 60,78,916   |
| <b>Total</b>  | <b>46,59,048</b>                                  | <b>60,78,916</b>                                  |
| <b>Note - 18 : Revenue</b>  | <b>For the<br/>year ended<br/>March 31st 2017</b> | <b>For the<br/>year ended<br/>March 31st 2016</b> |
| Income from Broadcasting Operations   | 45,37,76,467                                      | 59,68,13,457                                      |
| Income from Other Operations  | 9,82,82,291                                       | 7,01,59,462                                       |
| Income from Sale of Film rights   | 6,00,30,000                                       | 15,75,00,000                                      |
| <b>Total</b>  | <b>61,20,88,758</b>                               | <b>82,44,72,919</b>                               |
| <b>Note - 19 : Other Income</b>   | <b>For the<br/>year ended<br/>March 31st 2017</b> | <b>For the<br/>year ended<br/>March 31st 2016</b> |
| Interest on Bank Deposits and Income Tax  | 14,88,230   | 19,56,130   |
| Net gain/loss on sales of assets  | 17,43,000   | -   |
| Gain on foreign exchange fluctuation (net)  | 2,34,988  | 13,11,268   |
| Other Non-Operating Income  | 49,91,430   | 13,13,041   |
| <b>Total</b>  | <b>84,57,648</b>                                  | <b>45,80,439</b>                                  |

| <b>Note – 20 : Cost of revenue</b>                   | <b>For the year ended March 31st 2017</b> | <b>For the year ended March 31st 2016</b> |
|--|---|---|
| Operating Expenses                                   |   |   |
| – Towards Production expense                         | 19,70,97,632                              | 27,36,50,751                              |
| – Towards Purchase of Film rights                    | –   | 13,00,00,000                              |
| <b>Total</b>   | <b>19,70,97,632</b>                       | <b>40,36,50,751</b>                       |
| <b>Note – 21 : Employee Benefit Expenses</b>         | <b>For the year ended March 31st 2017</b> | <b>For the year ended March 31st 2016</b> |
| Directors Remuneration                               | 4,80,00,000                               | 4,80,00,000                               |
| Salary and Allowances                                | 16,87,26,765                              | 15,31,18,371                              |
| Staff Welfare  | 48,97,964                                 | 1,28,99,109                               |
| Contribution to Provident and other funds            | 1,03,72,509                               | 83,40,568                                 |
| Gratuity Expenses                                    | 34,15,495                                 | 18,95,458                                 |
| <b>Total</b>   | <b>23,54,12,733</b>                       | <b>22,42,53,506</b>                       |
| <b>Note – 22 : Financial Expenses</b>                | <b>For the year ended March 31st 2017</b> | <b>For the year ended March 31st 2016</b> |
| Interest   | 4,24,70,198                               | 4,27,27,421                               |
| Others   | 58,51,249                                 | 24,94,935                                 |
| <b>Total</b>   | <b>4,83,21,446</b>                        | <b>4,52,22,356</b>                        |
| <b>Note – 23 : Administrative and other Expenses</b> | <b>For the year ended March 31st 2017</b> | <b>For the year ended March 31st 2016</b> |
| Advertisement Expenses                               | 26,62,800                                 | 1,12,13,591                               |
| Bad Debts written off                                | 5,30,84,631                               | –   |
| Commission   | –   | 5,12,451                                  |
| Carriage fee   | 1,46,49,724                               | 1,65,09,830                               |
| Donation   | 10,000                                    | –   |
| Electricity Charges                                  | 1,76,33,310                               | 2,08,42,500                               |
| Entertainment  | 10,30,230                                 | 20,68,121                                 |
| Insurance  | 12,29,418                                 | 12,40,591                                 |
| Internet & Website charges                           | 45,71,842                                 | 44,90,247                                 |
| Legal and Professional Fees *                        | 1,20,52,248                               | 80,93,427                                 |
| Membership and subscription                          | 24,09,850                                 | 18,06,758                                 |
| Miscellaneous Expenses                               | 85,567                                    | 8,19,709                                  |
| Office Maintenance                                   | 3,50,020                                  | 6,57,451                                  |

| Note – 23 : Administrative and other Expenses (contd.)                           | For the<br>year ended<br>March 31st 2017 | For the<br>year ended<br>March 31st 2016 |
|--|--|--|
| Postage and Courier  | 9,05,463                                 | 8,66,039                                 |
| Printing and Stationery  | 20,25,177                                | 71,94,367                                |
| Rent   | 75,23,025                                | 90,45,814                                |
| Rate and Taxes   | 88,05,203                                | 56,01,421                                |
| Repair and Maintenance   |  |  |
| – Building   | 12,56,127                                | 10,90,183                                |
| – Plant and Machinery  | 28,80,657                                | 30,86,771                                |
| – Others   | 29,95,256                                | 15,26,701                                |
| Sales Promotion  | 53,27,342                                | 1,76,58,084                              |
| Security Charges   | 6,38,247                                 | 7,36,484                                 |
| Sitting Fees   | 10,05,000                                | 8,73,150                                 |
| 77Telephone Charges  | 27,93,100                                | 45,80,709                                |
| Traveling and Conveyance   | 81,92,872                                | 82,68,447                                |
| Vehicle Maintenance  | 1,11,89,470                              | 1,27,39,618                              |
| Expenses Incurred towards Corporate Social Responsibility                        | 29,12,603                                | 26,00,000                                |
| <b>Total</b>   | <b>16,82,19,182</b>                      | <b>14,41,22,464</b>                      |
| <b>* Payments to the auditors comprises (excluding service tax input credit)</b> |  |  |
| a. Statutory audit fees  | 2,00,000                                 | 2,00,000                                 |
| b. Tax Audit fees  | 1,50,000                                 | 1,50,000                                 |
| c. Certification and other matters   | 4,00,000                                 | 4,00,000                                 |
| <b>Total</b>   | <b>7,50,000</b>                          | <b>7,50,000</b>                          |

**Raj Television Network Limited****Notes to the Financial Statement for the financial Year ended 31<sup>st</sup> March, 2017****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.

**2. Significant Accounting Policies****2.1 Basis of Accounting**

The financial statements are prepared on going concern basis in accordance with Generally Accepted Accounting Principles in India (Indian GAAP) and comply in all material aspects with its accounting standards specified under Section 133 of the Companies Act, 2013 (Act) read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The financial statements have been prepared on accrual basis and under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those of previous year.

**2.2. Use of Estimates, Assumption & Accounting Judgments**

The preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) in India requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent gain or loss at the date of financial statements and the reported amount of revenue and expenses during the reporting period. Actual results could differ from those of estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

**2.3 Classification of Assets and Liabilities**

**Schedule III to the Companies Act, 2013 requires assets and liabilities to be classified as either Current or Non-current.**

- (a) An asset shall be classified as current when it satisfies any of the following criteria:
- (i) it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;
  - (ii) it is held primarily for the purpose of being traded;
  - (iii) it is expected to be realized within twelve months after the reporting date; or
  - (iv) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

- (b) All assets other than current assets shall be classified as non-current.
- (c) A liability shall be classified as current when it satisfies any of the following criteria:
  - (i) it is expected to be settled in the Company's normal operating cycle;
  - (ii) it is held primarily for the purpose of being traded;
  - (iii) it is due to be settled within twelve months after the reporting date; or
  - (iv) the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.
- (d) All liabilities other than current liabilities shall be classified as non-current.

#### 2.4 Operating Cycle

An operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents. The Company has ascertained the operating cycle as twelve months for the purpose of current or Non-current classification of assets and liabilities.

#### 2.5 Fixed Assets

- (a) Fixed assets are stated at their original cost of acquisition and installation less accumulated depreciation, amortisation and impairment losses, if any. Cost comprises of the purchase price and any other directly attributable cost of bringing the asset to its working condition for its intended use.
- (b) Depreciation is provided on the straight-line method (SLM) using useful life prescribed in Part C of Schedule II of the Companies Act, 2013. Depreciation for asset purchased during a period is proportionately charged. Assets costing less than Rs.5,000/- each is fully depreciated in the year of capitalization. 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    |

#### 2.6 Cash and Cash Equivalents

Cash and Cash equivalent comprises of Cash on Hand, Cash at bank and Demand Deposit with banks.

## 2.7 Cash Flow Statement

Cash flows are reported using the Indirect Method, whereby profit before tax is adjusted for the effects of transaction of a non –cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The Cash flow from Operating, Investing and financing activities of the company are segregated.

## 2.8. Inventory

Inventories comprises of films, TV Serials and other media contents which are not telecast during the year, which are valued at cost.

## 2.9. Revenue Recognition

### A. Income from Broad Casting Operation

Advertisement Revenue is recognized when the related advertisement or commercials are telecast. Subscription revenue is recognized on completion of service. Sales comprises of amount invoiced net of discount to the customer for the services provided. Sales is recognized, when the significant risks and rewards have been transferred to the customers in accordance with the agreed terms.

### B. Income from Sale of film rights

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

### C. Income from Other Operation

Other Income is generally accounted on accrual basis and also based on time proportion basis taking into account the applicable terms.

## 2.10. Foreign Currency Transactions

Foreign currency transactions are recorded at the exchange rates as on the date of the transaction and the exchange difference arising from foreign currency 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, 2017 is Rs. 1,31,20,600/- 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.

## 2.11. Provision and Contingencies

A provision is recognized if, as a result of a past event, the company has a present legal obligation that it reasonably estimates, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Provisions are determined by the best estimate of the outflow of economic benefits required to settle the obligation at the reporting date. When there is an obligation in respect of which the

likelihood of outflow of resources is remote, no provision or disclosure is made.

These are reviewed at each Balance Sheet date and adjusted to reflect the current management estimates.

An Arbitration award of Rs.5.49 crores filed against the Company by M/s.Thaicom Public Company Limited is being contested in the High Court.

### **2.12.Earnings per Share**

Basic earnings per share are computed by dividing the net profit after-tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all diluted potential equity shares.

The diluted potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value which is the average market value of the outstanding shares. Diluted potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

The number of shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issued including for changes effected prior to the approval of the financial statements by the Board of Directors.

### **2.13 Taxation**

Tax expense comprises current and deferred tax. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961. Deferred tax reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rate and tax laws enacted or substantially enacted as at the Balance Sheet date.

Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized in future; however, where there is unabsorbed depreciation or carry forward of losses, deferred tax assets are recognized only if there is virtual certainty of realization of such assets. Deferred tax assets are reviewed as at each Balance Sheet date and written down or written up to reflect the amount that is reasonably / virtually certain (as the case may be) to be realized.

Minimum Alternative Tax ('MAT') credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income-tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in the guidance note issued by the Institute of Chartered Accountants of India ('ICAI'), the said asset is created by way of a credit to the statement of profit and loss. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal income-tax during the specified period.

## **2.14 Employee Benefits**

### **A. Short-term Employee Benefits**

Short-term employee benefits are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss of the year in which the related service is rendered.

### **B. Post-Employment Benefits**

#### **1. Provident Fund**

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 Commissioner (RPFC) which is charged to the Statement of Profit and Loss as incurred. In respect of contribution to RPFC, the Company has no further obligations beyond making the contribution, and hence, such employee benefit plan is classified as Defined Contribution Plan. The Company's contribution is recognized as an expense in the Statement of Profit and Loss.

#### **2. Gratuity**

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.

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.

## **2.15 Prior Period Items**

Income or Expenses which arise in the current period as a result of change in the preparation of the financial statements of one or more prior periods is shown as "Prior Period Item".

## **2.16 Impairment of Assets**

The Management periodically assesses using external and internal sources, whether there is an indication that an asset may, be impaired. An impairment loss is recognized wherever the carrying value of an asset exceeds its recoverable amount.

The recoverable amount is the higher of the assets net selling price or value in use, which means the present value of future cash flows expected to arise from the continuing use of the asset and its eventual disposal. An impairment loss for an asset is reversed if, and only if, the reversal can

be related objectively to an event occurring after the impairment loss was recognized.

The carrying amount of an asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

**2.17 Disclosure on Specified Bank Notes (SBNs) :**

During the year, the Company had specified bank notes or other denomination notes as defined in the MCA notification G.S.R. 308 ( E ) dated March 31, 2017 on the details of Specified Bank Notes (SBN) held and transacted during the period from November 8, 2016 to December 30, 2016, the denomination wise SBNs and other notes as per the notification is given below :(in Rupees)

| Particulars                           | SBNs     | Other Denominations | Total    |
|---------------------------------------|----------|---------------------|----------|
| Closing cash in hand as on 08.11.2016 | 20,000   | 15,450              | 35,450   |
| (+) Permitted receipts/Withdrawal     | 3,53,500 | 1,19,237            | 4,72,737 |
| (-) Permitted payments                | 20,000   | 26,020              | 46,020   |
| (-) Amount deposited in Banks         | 3,53,500 | 250                 | 3,53,750 |
| Closing cash in hand as on 30.12.2016 | -        | 1,08,417            | 1,08,417 |

\* For the purpose of this clause, the term “specified bank notes” shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407 ( E ) dated November 8, 2016

**Additional Information to the Financial Statement**

**A. Expenditure in Foreign Exchange**

| Particulars              | For the year ended<br>March 31st 2017 | For the year ended<br>March 31st 2016 |
|--------------------------|---------------------------------------|---------------------------------------|
| Travelling               | 7,95,037                              | 6,17,730                              |
| Production Expenses      | -                                     | 10,00,000                             |
| Purchase of Assets       | 2,89,721                              | 66,88,562                             |
| Repairs & Maintenance    | 10,49,551                             | -                                     |
| Transponder Hire Charges | 3,02,45,250                           | 5,76,00,264                           |
| Total                    | 3,23,79,559                           | 6,59,06,556                           |

**B. Earnings in Foreign Exchange**

| Particulars            | For the         | For the         |
|------------------------|-----------------|-----------------|
|                        | ended           | year ended      |
|                        | March 31st 2017 | March 31st 2016 |
| Export of TV Programme | 9,82,82,291     | 7,01,59,462     |
| Total                  | 9,82,82,291     | 7,01,59,462     |

**C. Earnings Per Share**

| Particulars  | For the         | For the         |
|--|-----------------|-----------------|
|  | year ended      | year ended      |
|  | March 31st 2017 | March 31st 2016 |
| Net Profit/(Loss) Available to Equity Share Holder | (8,80,02,667)   | (6,04,94,189)   |
| Weighted Average Number of Equity Shares           | 5,19,13,344     | 5,19,13,344     |
| Earnings Per Share (Basic) - in Rs.                | (1.70)          | (1.17)          |
| Earnings Per Share (Diluted) - in Rs.              | (1.70)          | (1.17)          |

**D. Related Party Disclosures****a. Directors**

|                            |                     |
|----------------------------|---------------------|
| Mr.M.Rajendran             | Managing Director   |
| Mr.M.Ravindran             | Whole Time Director |
| Mr.M.Rajarathinam          | Whole Time Director |
| Mr.M.Raghunathan           | Whole Time Director |
| Mrs.VijayalakshmiRavindran | Woman Director      |

**(a) Current maturities of long-term debt –**

| Particulars           | 31 <sup>st</sup> March 2017<br>Rs. | 31 <sup>st</sup> March 2016<br>Rs. |
|-----------------------|------------------------------------|------------------------------------|
| Director Remuneration | 5,20,00,000                        | 4,80,00,000                        |
| Sitting Fees          | 10,05,000                          | 60,000                             |

**b. Relatives of Promoters**

| Particulars                | Designation   | Salary paid<br>Year ended<br>31.03.2017 Rs. | Salary paid<br>Year ended<br>31.03.2016 Rs. |
|----------------------------|---|---|---|
| Mr.Nachiappan Raajhendhran | Chief Business<br>Development<br>Officer- Ecommerce | 30,00,000                                   | 29,25,000                                   |
| Ms. Nandhini               | Content Head  | 15,00,000                                   | -   |

**E. Employee benefit plans – Gratuity**

The present value of gratuity obligation is determined on an estimated actuarial valuation as per AS-15 (Revised 2005). The summary is as follows:

| Particulars                         | 31 <sup>st</sup> March 2017<br>Rs. | 31 <sup>st</sup> March 2016<br>Rs. |
|-------------------------------------|------------------------------------|------------------------------------|
| Current Service Cost                | 11,15,567                          | 9,04,684                           |
| Present value of Defined obligation | 1,36,27,095                        | 1,20,44,624                        |
| Employer contribution               | 34,15,495                          | 18,95,458                          |
| Accrued Gratuity                    | 1,91,78,627                        | 1,54,68,173                        |
| Actuarial Assumptions               |                                    |                                    |
| Discount rate                       | 0.08                               | 0.08                               |
| Expected rate of Salary Increase.   | 0.05                               | 0.06                               |
| Mortality                           | 3.00%                              | 3.00%                              |

**F. Segment Reporting**

The company has no reportable Business or Geographical segment as defined in Accounting Standard 17 “Segment Reporting” issued by the Institute of Chartered Accountants of India.

**G. Deferred Tax**

Deferred Tax Asset recognized for the Financial Year is Rs.54,20,017/-

| Particulars                                | Amount             |
|--|--------------------|
| Opening Deferred Tax Liability             | 7,30,31,952        |
| Deferred Tax Assest for 2016-17 recognized | (54,20,017)        |
| <b>Closing Deferred Tax Liability</b>      | <b>6,76,11,935</b> |

#### H. Revaluation of Land

Accounting Standard (AS) 10 on 'Accounting for Fixed Assets' permits the revaluation of fixed assets and inter alia, requires that "An increase in net book value arising on revaluation of fixed assets should be credited directly to owners' interests under the head of revaluation reserve, except that, to the extent that such increase is related to and not greater than a decrease arising on revaluation previously recorded as a charge to the profit and loss statement, it may be credited to the profit and loss statement." During the F.Y 2013-14 Land was revalued and the increase in Net Book Value arising on revaluation of Land to the extent of Rs.4,420,45,618/- was credited to Revaluation Reserve.

#### I. Corporate social responsibility

As per Section 135 of the Companies Act, 2013, a corporate social responsibility (CSR) committee has been formed by the Company. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation and rural development projects. The funds were primarily allocated to a corpus and utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013.

#### J. Trade Debtors and Creditors

The balances of Sundry Creditors and Debtors as shown in the Balance Sheet are subject to reconciliation and confirmation.

#### K. Commitments and contingencies

There are no Contingent Liabilities as on the Balance sheet date.

#### L. Events after Balance Sheet Date

There are no material events occurred after the balance sheet date, which requires adjustment to Assets / Liabilities as on March 31, 2017.

#### M. General Notes

- All Amounts mentioned in financial statement represents for the year ended 31.03.2017
- Previous year figures have been rearranged wherever necessary to conform to Current year classification of accounts
- All amounts in the financial statements have been rounded off to the nearest Indian rupee.
- Based on the information and explanation given by the company there were no dues to Micro, Small and Medium Scale industries.

Vide our report of even Date  
**For Pratapkaran Paul & Co.,**  
**Chartered Accountants,**  
 Firm Regn No.002777S

|                          |                    |                          |                     |                       |
|--------------------------|--------------------|--------------------------|---------------------|-----------------------|
| <b>Rajendran.M</b>       | <b>Ravindran.M</b> | <b>Joseph Cheriyan</b>   | <b>S.Jeyaseelan</b> | <b>Pratapkar Paul</b> |
| <b>Managing Director</b> | <b>Director</b>    | <b>Company Secretary</b> | <b>CFO</b>          | <b>Partner</b>        |
| DIN:00821144             | DIN:00662830       | M.No.26524               |                     | M.No.028310           |

**30<sup>th</sup> June, 2017**

Chennai

### FIVE YEAR FINANCIAL HIGH LIGHTS

(Amounts in Rs. Crores)

| Year Ending March 31                   | 2013               | 2014               | 2015               | 2016               | 2017               |
|--|--------------------|--------------------|--------------------|--------------------|--------------------|
| <b>TOTAL TURNOVER</b>                  | <b>68.27</b>       | <b>80.54</b>       | <b>83.89</b>       | <b>82.90</b>       | <b>62.05</b>       |
| % to Income from Operations            | 25%                | 18%                | 4%                 | -1%                | -25%               |
| Operation Expenses                     | 26.82              | 23.72              | 21.24              | 40.37              | 19.70              |
| Employee Benefit Expenses              | 11.68              | 17.60              | 22.90              | 22.43              | 23.54              |
| Depreciation and Amortisation Expenses | 3.68               | 3.96               | 6.47               | 6.54               | 6.49               |
| Finance Cost                           | 3.87               | 4.68               | 6.33               | 4.52               | 4.83               |
| Administrative and other Expenses      | 12.57              | 14.69              | 13.97              | 14.41              | 16.83              |
| <b>TOTAL EXPENDITURE</b>               | <b>58.61</b>       | <b>64.65</b>       | <b>70.93</b>       | <b>88.27</b>       | <b>71.39</b>       |
| PBDIT                                  | 17.21              | 24.52              | 25.77              | 5.70               | 1.98               |
| PBDT                                   | 13.33              | 19.85              | 19.44              | 1.18               | -2.85              |
| PBT                                    | 9.66               | 15.89              | 12.97              | -5.37              | -9.34              |
| TAX EXPENSES                           | 0.37               | 2.98               | 4.81               | 0.68               | -0.54              |
| PAT                                    | 9.29               | 12.91              | 8.16               | -6.05              | -8.80              |
| <b>% to Total Income</b>               | <b>14%</b>         | <b>16%</b>         | <b>10%</b>         | <b>-7%</b>         | <b>-14%</b>        |
| Dividend 1.30                          | 1.95               | 2.60               | 1.30               | -                  |                    |
| Dividend Rate                          | 10%                | 15%                | 10%                | 5%                 | 0%                 |
| <b>CAPITAL ACCOUNT</b>                 |                    |                    |                    |                    |                    |
| Share Capital                          | 12.98              | 25.96              | 25.96              | 25.96              | 25.96              |
| Reserve and surplus                    | 89.50              | 131.37             | 129.34             | 121.73             | 112.92             |
| <b>BANK BOOROWINGS</b>                 | <b>-</b>           | <b>-</b>           | <b>-</b>           |                    |                    |
| Long Term Borrowings                   | 7.05               | 12.49              | 1.38               | 3.17               | 28.56              |
| Short Term Borrowings                  | 7.09               | 24.97              | 24.40              | 30.27              | 7.75               |
| <b>TOTAL BANK BOOROWINGS</b>           | <b>14.15</b>       | <b>37.47</b>       | <b>25.79</b>       | <b>33.44</b>       | <b>36.31</b>       |
| Other Long term Liabilities            | 9.90               | 9.31               | 9.10               | 9.74               | 9.35               |
| Current Liabilities                    | 19.75              | 37.39              | 34.42              | 42.81              | 7.71               |
| <b>CAPITAL EMPLOYED</b>                | <b>139.18</b>      | <b>216.52</b>      | <b>200.20</b>      | <b>203.41</b>      | <b>184.50</b>      |
| Current Assets                         | 53.45              | 77.65              | 76.10              | 82.09              | 67.47              |
| Fixed Assets                           | 64.18              | 113.99             | 102.72             | 98.58              | 102.05             |
| Other Non Current Assets               | 21.54              | 24.89              | 21.38              | 22.74              | 22.72              |
| <b>CAPITAL DEPLOYED</b>                | <b>139.18</b>      | <b>216.52</b>      | <b>200.20</b>      | <b>203.41</b>      | <b>192.24</b>      |
| Closing market price per share         |                    |                    |                    |                    |                    |
| <b>Face Value (Rs.)</b>                | <b>10.00</b>       | <b>5.00</b>        | <b>5.00</b>        | <b>5.00</b>        | <b>5.00</b>        |
| <b>Market Price</b>                    | <b>195.00</b>      | <b>147.00</b>      | <b>114.00</b>      | <b>64.50</b>       | <b>66.70</b>       |
| <b>No of shares</b>                    | <b>1,29,78,336</b> | <b>5,19,13,344</b> | <b>5,19,13,344</b> | <b>5,19,13,344</b> | <b>5,19,13,344</b> |
| <b>Market capitalisation</b>           | <b>253.08</b>      | <b>763.13</b>      | <b>591.81</b>      | <b>334.84</b>      | <b>346.26</b>      |



## 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)

### 23<sup>rd</sup> ANNUAL GENERAL MEETING

DP ID.....

Folio No./Client ID.....

I / We hereby record my/our presence at the 23rd Annual general meeting of the company at Bharatiya Vidya Bhavan, 18-22, East Mada Street, Mylapore, Chennai-600004, on Saturday, the 30<sup>th</sup> day of September 2017 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/belhalf at the 23<sup>RD</sup> Annual general Meeting of the company at Bharatiya Vidya Bhavan, 18-22,East Mada Street,Mylapore,Chennai-600004,on Saturday ,the 30<sup>th</sup> day of September 2017 at 10.00 AM.and at any adjournment thereof in respect of such resolutions as are indicated here.

|    | <b>RESOLUTION -ORDINARY BUSINESS</b>   | For | Against |
|----|--|-----|---------|
| 1  | Consider and adopt the Financial Statements of the Company for the year ended 31 <sup>st</sup> March,2017 together with the Reports of the Board of Directors and Auditors 'thereon. |     |         |
| 2  | To appoint a Director in place of Mr.M. Rajarathinam, Whole –time Director(Holding DIN 00839174), who retires by rotation and being eligible, offers himself for re-appointment.     |     |         |
| 3  | Appoinment of M/s. N. Naresh & Co., Chartered Accountants, Chennai – 600 002 (Firm Registration No. FRN 011293S) as statutory auditors of the Company and fix 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.                   |     |         |

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





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