

Independent Auditors' Report

To
The members of
Mediavest India Private Limited

Report on the Financial Statements

1. We have audited the accompanying financial statements of **Mediavest India Private Limited** ("the Company"), which comprise the Balance Sheet as at 31 March 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134 (5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these 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 of 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

3. 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 thereunder.

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 the 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 financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the 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.

Basis of qualified opinion

4. Attention is drawn to *Note 20 regarding diminution in the value of investments of Rs 8,487,503,305/- to subsidiary company viz. Diligent Media Corporation Limited, as required by AS -13 "Accounting for Investments", which is considered as temporary in nature by the Management. Had the amount being provided as doubtful, profit for the year would have been lower and the deficit in the Statement of Profit and Loss would have been higher to that extent.*

Qualified Opinion

5. In our opinion and to the best of our information and according to the explanations given to us, *except for the possible effects of the matters described in the basis for qualified opinion in paragraph 4 above*, the aforesaid 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, of the state of affairs of the Company as at 31 March 2015, and its profit and its cash flows for the year ended on that date.

Emphasis of Matter

6. We draw reference to Note 19 regarding preparation of financial statements on going concern basis despite complete erosion of net worth, as the Holding Company have regularly financed the Company as and when obligation fall due.

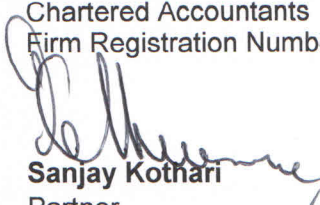
Report on Other Legal and Regulatory requirements

7. As required by the 'Companies (Auditor's Report) Order, 2015' issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "Order") and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.

8. 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 purposes of our audit;
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d) *Except for the effects of the matter described in the Basis for Qualified Opinion paragraph above the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;*
- e) *The matter described in the Basis for Qualified Opinion paragraph and Other Matters paragraph above, in our opinion, may have an adverse effect on the functioning of the Company.*
- f) On the basis of the written representations received from the directors taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2015 from being appointed as a director in terms of Section 164(2) of the Act;
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 27 to the financial statements;
 - ii. The company did not have any long term contracts including derivative contracts which there were any material foreseeable losses; and
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **MGB & Co. LLP**
Chartered Accountants
Firm Registration Number 101169W/W-100035


Sanjay Kothari
Partner
Membership Number 048215



Mumbai, 21 May 2015

Annexure referred to in Paragraph 6 under the heading of “Report on Other Legal and Regulatory Requirements” of our report of even date to the members of Mediavest India Private Limited for the year ended 31 March 2015

- (i) The Company does not own any fixed assets hence clause (i)a, (i)b and (i)c of the Order are not applicable to the Company.
- (ii) Considering the nature of business clause (ii)a, (ii)b and (ii)c of the Order regarding inventories are not applicable to the Company.
- (iii) The Company has not granted any loan, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 189 of the Act.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the company and the nature of its business with regard to purchase of inventory, fixed assets and sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in the internal control systems in respect of the aforesaid areas.
- (v) The Company has not accepted any deposits from the public within the meaning of Sections 73 to 76 of the Act and the rules framed thereunder to the extent notified.
- (vi) The Central Government of India has not prescribed the maintenance of cost records under subsection (1) of Section 148 of the Act for any of the activities of the Company.
- (vii) According to the records of the Company, examined by us and information and explanations given to us:
- (a) Undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and others as applicable have generally been regularly deposited with the appropriate authorities. There are no undisputed amounts payable in respect of aforesaid dues outstanding as at 31 March 2015 for a period of more than six months from the date they became payable.
- (b) According to the records of the Company, the dues of income tax which are not deposited on account of any dispute are as under:

Name of the Statute	Nature of the Dues	Amount (Rs)	Period to which the amount relate	Forum where dispute is pending
The Income Tax Act, 1961	Income Tax	1,524,439,770	A.Y. 2012-2013	Commissioner of Income Tax (Appeals)

- (c) There are no amounts required to be transferred by the Company to the Investor Education and Protection Fund in accordance with the provisions of the Companies Act, 1956 and the rules made thereunder.
- (viii) The Company has accumulated losses exceeding fifty percent of its networth at the end of the financial year. However, the Company has not incurred cash losses during the current financial year but had incurred cash losses in the immediately preceding financial year.
- (ix) The Company has not taken any loan from banks/ financial institutions or issued debentures during the year.
- (x) In our opinion, and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions during the year.
- (xi) The Company has not raised any term loan during the year.
- (xii) Based on the audit procedures performed and according to the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year.

For **MGB & Co. LLP**

Chartered Accountants

Firm Registration Number 101169W/W-100035


Sanjay Kothari

Partner

Membership Number 048215



Mumbai, 21 May 2015

Mediavest India Private Limited

Balance Sheet as at 31 March, 2015

(Amount in Rupees)

	Notes	2015	2014
Equity and Liabilities			
Shareholder's Funds			
Share Capital	3	100,000	100,000
Reserves and Surplus	4	(1,718,809,482)	(1,751,255,129)
		(1,718,709,482)	(1,751,155,129)
Non-Current Liabilities			
Long-Term Borrowings	5	9,882,410,565	9,882,410,565
Current Liabilities			
Short-Term Borrowings	6	346,475,893	-
Trade Payables	7	-	2,642,360
Other Current Liabilities	8	7,937,874	89,937
Short -Term Provisions	9	3,228,380	-
		357,642,147	2,732,297
Total		8,521,343,230	8,133,987,733
Assets			
Non-Current Assets			
Non-Current Investments	10	8,509,777,141	5,201,699,963
Long-Term Loans and Advances	11	1,575,040	2,697,975,077
		8,511,352,181	7,899,675,040
Current Assets			
Trade Receivables	12	-	2,654,752
Cash and Bank Balances	13	112,084	18,347,589
Short-Term Loans and Advances	11	3,196,432	213,310,353
Other Current Assets	14	6,682,533	-
		9,991,049	234,312,693
Total		8,521,343,230	8,133,987,733

Notes forming part of financial statements

1-30

For MGB & Co. LLP

Chartered Accountants

Firm Registration Number 101169W/W-100035

Sanjay Kothari

Partner

Membership Number 048215



For and on behalf of the Board

Manish Babel

Manish Babel
Director

Anil Chougule

Anil Chougule
Director



Mumbai, 21 May, 2015

Mediavest India Private Limited

Statement of Profit and Loss for the year ended 31 March, 2015

(Amount in Rupees)

	Notes	2015	2014
Income			
Revenue from sale of fabrics	-	-	2,646,353
Other Income	15	51,750,515	731,005
Total		51,750,515	3,377,358
Expenses			
Purchase of fabrics	-	-	2,633,960
Finance cost	16	33,185,926	273,446,322
Other expenses	17	270,429	1,238,742
Total		33,456,355	277,319,024
Profit/ (Loss) before tax		18,294,160	(273,941,666)
Less: Tax expense			
Current tax		8,122,350	-
Deferred tax		-	-
Profit/(Loss) after tax		10,171,810	(273,941,666)
Earning per equity share (face value of Rs 10 each)	29		
Basic and Diluted		1,017.18	(27,394.17)

Notes forming part of financial statements

1-30

For MGB & Co. LLP

For and on behalf of the Board

Chartered Accountants

Firm Registration Number 101169W/W-100035

Sanjay Kothari

Partner

Membership Number 048215



Manish Babel

Manish Babel
Director

Anil Chougule

Anil Chougule
Director

Mumbai, 21 May, 2015



Mediavest India Private Limited		
Cash Flow Statement for the year ended 31 March, 2015		
(Amount in Rupees)		
	2015	2014
A. Cash Flow from Operating Activities		
Net Profit/ (Loss) before tax	18,294,160	(273,941,666)
Adjustments for:		
Interest expenses	33,185,826	273,445,926
Interest income	(51,065,822)	-
Dividend income	(684,693)	-
Operating Profit before Working Capital Changes	(270,529)	(495,740)
Adjustments for:		
Increase/ (Decrease) in trade and other payables	1,908,259	(2,654,752)
(Increase)/ Decrease in trade and other receivables	2,654,752	(87,592,282)
Cash Generated from Operations	4,292,482	(90,742,774)
Direct taxes paid/ refunded (net)	4,893,970	(573,100)
Net Cash used operating activities	(601,488)	(91,315,874)
B. Cash Flow from Investing Activities		
Purchase of investments in subsidiary	(3,285,803,342)	(1,380,000,000)
Advance share application money given to subsidiary	-	(538,300,000)
Refund of advance share application given to subsidiary	2,696,400,037	647,300,000
Refund of advance share application given to related parties	-	95,200,000
Refund of advance given to fellow subsidiary	2,485,540	-
Refund of advance given to others	5,743,379	16,546,742
Loans given to subsidiary company	(545,001,749)	-
Loans given to fellow subsidiary company	-	(340,750,000)
Loans given to other related parties	(252,000,000)	(308,600,000)
Loans given to others	(1,400,000)	(3,553,362,000)
Repayment received of loans given to subsidiary	545,001,749	3,996,941,458
Repayment received of loans given to other related parties	455,285,000	-
Interest received	45,067,982	-
Net Cash used in investing activities	(334,221,404)	(1,365,023,800)
C. Cash Flow from Financing Activities		
Repayment of Advance share application money received from related parties	-	(800,000,000)
Issue of Compulsory Convertible Debenture	-	5,495,469,565
Short-Term Borrowings taken from holding company	316,800,000	1,017,420,000
Repayment of Short-Term Borrowings	-	(1,870,400,000)
Repayment of Long-Term Borrowings	-	(2,094,444,447)
Interest paid	(212,612)	(273,445,926)
Net Cash from financing activities	316,587,388	1,474,599,192
Net Increase/(Decrease) in Cash and Cash equivalents	(18,235,504)	18,259,518
Opening Balance of Cash and Cash equivalents	18,347,588	88,068
Closing Balance of Cash and Cash equivalents	112,084	18,347,588
Notes		
<p>1) 2,22,73,836 , 6% Non-cumulative Non-convertible Redeemable Preference Shares of Zee Entertainment Enterprises Limited amounting to Rs.2,22,73,836 received on demerger of Media business undertaking of Diligent Media Corporation Limited (DMCL) (a wholly owned subsidiary of the company) is a non cash transaction and therefore, not included in cash flow statement</p> <p>2) Previous year figures have been regrouped, recasted and rearranged wherever considered necessary.</p>		
<p>For MGB & Co LLP Chartered Accountants Firm Registration Number 101169W/W-10035</p> <p><i>Sanjay Kothari</i> Partner Membership Number 048215</p> <p>Mumbai, 21 May, 2015</p>	<p>For and on behalf of the Board</p> <p><i>Manish Babel</i> <i>Anil Chougule</i></p> <p>Manish Babel Anil Chougule Director Director</p>	



Mediavest India Private Limited

Notes forming part of the Financial Statements

1

Mediavest India Private Limited ("the Company") is incorporated in State of Maharashtra on 11 January, 2001. Essel Publishers Private Limited, the holding Company, holds the entire Equity share capital of the Company.

The Scheme of Amalgamation for merger of Essel Publishers Private Limited (EPPL) with Zee Media Corporation Limited (ZMCL) was approved by Hon'ble Bombay High Court on 2 May 2014 with the appointed date 1 April, 2014. Pursuant to this scheme, the company became wholly owned subsidiary of Zee Media Corporation Limited (ZMCL).

2

Significant Accounting Policies

i

Basis of Preparation

The financial statements are prepared on going concern basis in accordance with Generally Accepted Accounting Principles in India (Indian GAAP) and comply with in all material respect with the Accounting Standards specified under section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared on an accrual basis and under the historical cost convention. The accounting policies adopted in the preparation of financial statement are consistent with those of previous year.

ii

Use of estimates

The preparation of financial statements requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities, as of the date of the financial statements and the reported amount of revenue and expenses of the year. Actual results could differ from these estimates. Any revision to estimates is recognised prospectively in current and future periods.

iii

Investments

Investments intended to be held for more than one year, from the date of acquisition, are classified as long term and are carried at cost. Provision for diminution in value of these investments is made to recognize a decline other than temporary.

iv

Revenue recognition

- (a) Revenue and expenses are accounted on accrual basis.
- (b) Dividend income is recognised when the Company's right to receive dividend is established.
- (c) Interest income is recognised on a time proportion basis taking into account principal outstanding and the applicable interest rate.

v

Accounting for taxes on income

- (a) Current Tax is determined as the amount of tax payable in respect of its taxable income as per the provisions of the Income Tax Act, 1961.
- (b) Deferred tax is recognized, subject to consideration of prudence in respect of deferred tax asset, on timing difference, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods and measured using tax rates and laws enacted.

vi

Earnings Per Share

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

vii

Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes to accounts. Contingent Assets are neither recognized nor disclosed in the financial statements.



Notes forming part of the Financial Statements

(Amount in Rupees)

3 Share Capital	(Amount in Rupees)	
	2015	2014
Authorised 10,000,000 (10,000,000) Equity Shares of Rs 10/- each	100,000,000	100,000,000
	100,000,000	100,000,000
Issued, Subscribed and Paid Up 10,000 (10,000) Equity Shares of Rs 10/- each fully paid up	100,000	100,000
Total	100,000	100,000

a. Reconciliation of number of Equity shares and Equity Share capital

	2015		2014	
	Number of Equity Shares	Rupees	Number of Equity Shares	Rupees
Outstanding at the beginning of the year	10,000	100,000	10,000	100,000
Add : Changes during the year	-	-	-	-
Outstanding at the end of the year	10,000	100,000	10,000	100,000

b. Terms/ rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs 10/- each. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The final dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c. The Company has not issued any bonus shares, or shares for consideration other than cash or bought back any shares during five years preceding 31 March, 2015.

d. Shares held by Holding Company

	2015	2014
Zee Media Corporation Limited (Refer Note 1)	10,000	-
Essel Publishers Private Limited	-	10,000

e. Details of Shareholders holding more than 5% of the aggregate shares in the Company

Name of Shareholder	2015		2014	
	No. of Shares	% Shareholding	No. of Shares	% Shareholding
Zee Media Corporation Limited (Refer Note 1)	10,000	100.00%	-	-
Essel Publishers Private Limited	-	-	10,000	100.00%

4 Reserves and Surplus	2015		2014	
	No. of Shares	% Shareholding	No. of Shares	% Shareholding
Capital Reserve Arising on receipt of Preference shares of Zee Entertainment Enterprises Limited on demerger of Diligent Media Corporation Limited (Refer Note 21)	22,273,836	-	-	-
Surplus/ (Deficit) in Statement of Profit and Loss Balance as per last balance sheet	(1,751,255,129)	(1,477,313,463)	(1,751,255,129)	(1,477,313,463)
Add: Profit/ (Loss) for the year	10,171,810	(273,941,666)	(1,751,255,129)	(1,751,255,129)
Total	(1,718,809,482)	(1,751,255,129)	(1,751,255,129)	(1,751,255,129)



Mediavest India Private Limited

Notes forming part of the Financial Statements

(Amount in Rupees)		
	2015	2014
5 Long-Term Borrowings		
9,882,410,565 (9,882,410,565) 0% Compulsory Convertible Debentures of Re. 1/- each fully paid up	9,882,410,565	9,882,410,565
Total	9,882,410,565	9,882,410,565
<p>(a) 4,386,941,000 (4,386,941,000), 0% Compulsorily Convertible Debentures of Re.1 each fully paid up, issued to the related parties viz. 25 FPS Media Private Limited have tenor of 7 years and carries interest of 0% p.a. The debentures are convertible into equity shares, at fair market value of equity shares at the time of conversion. The debentures are fully transferable. As on the date of Balance Sheet, 0% Compulsorily Convertible Debentures are held by immediate holding company i.e. Zee Media Corporation Limited.</p> <p>(b) 5,495,469,565 (5,495,469,565), 0% Compulsorily Convertible Debentures of Re.1 each fully paid up, issued to the erstwhile holding company viz. Essel Publishers Private Limited have tenor of 7 years and carries interest of 0% p.a. The debentures are convertible into equity shares, at fair market value of equity shares at the time of conversion. The debentures are fully transferable. As on the date of Balance Sheet, 0% Compulsorily Convertible Debentures are held by immediate holding company i.e. Zee Media Corporation Limited.</p>		
6 Short-Term Borrowings	2015	2014
Inter Corporate Deposit from Holding Company (Interest -13.50%) (including interest of Rs 29,675,893)	346,475,893	-
Total	346,475,893	-
7 Trade Payables	2015	2014
Due to others	-	2,642,360
Total	-	2,642,360
8 Other Current Liabilities	2015	2014
Statutory dues	3,305,748	13,167
Other payables	4,632,126	76,770
Total	7,937,874	89,937
9 Short -Term Provisions	2015	2014
Provision for Tax (net of advances)	3,228,380	-
Total	3,228,380	-



Mediavest India Private Limited

Notes forming part of the Financial Statements

(Amount in Rupees)

	2015	2014
10 Non-Current Investments		
Trade Investments (valued at cost, unless stated otherwise)		
In Equity Shares - Unquoted		
In Subsidiary Company		
8,90,95,342 (8,90,95,342) Equity Shares of Diligent Media Corporation Limited (DMCL) of Rs 10/- each, fully paid up (Refer Note 20) (Extent of Holding 8,90,95,342 Equity Shares out of total Equity Shares of 8,90,95,542 in DMCL)	5,201,699,963	5,201,699,963
Non-Trade Investments		
In Preference Shares - Others - Unquoted		
2,22,73,836 (Nil) 6% Non-cumulative Redeemable Non-Convertible Preference shares of Zee Entertainment Enterprises Limited of Re. 1 each (Refer Note 21)	22,273,836	-
In Compulsory Convertible Debentures		
In Subsidiary Company:		
328,580,334 (Nil) 0% Compulsorily Convertible Debentures (CCD) of Diligent Media Corporation Limited of Rs.10 each fully paid up (refer note below)	3,285,803,342	
Total	8,509,777,141	5,201,699,963
Aggregate amount of unquoted Investments	8,509,777,141	5,201,699,963
Aggregate amount of quoted Investments	-	-
Aggregate market value of quoted Investments	-	-

0% Compulsorily Convertible Debentures (CCD) of Rs.10 each fully paid up, are compulsorily convertible into Equity shares at a conversion ratio of 1:1 (one CCD shall be converted into one Equity share) at the end of fifth year i.e. 25 March, 2020. However, the CCD holders have an option for early conversion at any time after 18 months

	Long Term		Short Term	
	2015	2014	2015	2014
11 Loans and Advances				
Advance share application money given				
- to subsidiary company	-	2,696,400,037	-	-
Inter Corporate Deposit given				
- to ultimate holding company	-	-	-	144,685,002
- to Other related parties	-	-	-	58,600,000
- to Others			1,400,000	-
Advances (recoverable in cash or kind)				
- to fellow subsidiary company	-	-	-	2,485,540
- to Others	-	-	1,796,432	7,539,811
Balances with Government authorities				
Advance Direct Tax (net of provisions)	1,575,040	1,575,040	-	-
Total	1,575,040	2,697,975,077	3,196,432	213,310,353

	2015	2014
12 Trade Receivables		
(Unsecured, considered good unless otherwise stated)		
Others	-	2,654,752
Total	-	2,654,752

	2015	2014
13 Cash and Bank Balances		
Cash in hand	5,694	1,168
Balances with Banks on Current Accounts	106,390	18,346,421
Total	112,084	18,347,589

	2015	2014
14 Other Current Assets		
Dividend Receivable from related parties	684,693	-
Interest receivable - from other related parties	5,851,973	-
- from others	145,867	-
Total	6,682,533	-



Mediavest India Private Limited

Notes forming part of the Financial Statements

(Amount in Rupees)

	2015	2014
15 Other Income		
Interest income		
From Subsidiary	44,401,556	-
From Other related parties	6,502,192	-
From Others	162,074	731,005
Dividend on Preference shares		
From Other related parties	684,693	-
Total	51,750,515	731,005

	2015	2014
16 Finance costs		
Interest - on borrowings	32,973,214	273,444,661
- on others	212,612	1,265
Bank and other financial charges	100	396
Total	33,185,926	273,446,322

	2015	2014
17 Other expenses		
Rates and Taxes	40,066	31,710
Legal and Professional charges	8,101	412,540
Payment to Auditors	200,277	194,824
Conveyance and Travelling expenses	-	18,852
Demat charges	-	580,289
Miscellaneous expenses	21,985	527
Total	270,429	1,238,742

Payment to Auditors is as under:

	2015	2014
Audit fees	84,720	84,270
Tax matters	-	52,359
Certification and other matters	112,360	58,195
Out of Pocket expenses	3,197	-
Total	200,277	194,824



18 Information required under Section 186(4) of the Companies Act, 2013

a) Loans given **

Name of the parties	2014	Given	Repaid	2015
Tapaswi Mercantile Private Limited	58,600,000	5,000,000	63,600,000	-
Sprit Textiles Private Limited	144,685,000	247,000,000	391,685,000	-
Diligent Media Corporation Limited	-	545,001,749	545,001,749	-
24 Ghantalu News Limited	-	1,400,000	-	1,400,000
Total	203,285,000	798,401,749	1,000,286,749	1,400,000

** All loans given during the year, are provided at interest @ 13.5% and repayable on demand for the general business purpose of the respective entity.

b) Investments made

There are no investments other than as disclosed in Note 10 Non-Current investments

c) Guarantees given

There are no guarantees given during the year.

d) Securities given

There are no securities given during the year.

19 Going Concern

The Company's net worth has been fully eroded due to accumulated losses. The negative net worth of the Company as at 31 March, 2015 is Rs.1,718,709,482 (Rs.175,11,55,129) Though Company has incurred losses, the accounts have been prepared on going concern basis as the Holding Company has given commitment to secure obligation as and when fall due.

20 Investments in Equity shares Rs.5,201,699,963 (5,201,699,963) and Investment in Compulsory Convertible Debentures Rs. 3,285,803,342 (Nil) to subsidiary company viz. Diligent Media Corporation Limited are long term investments and having strategic business interests and hence the management is of the view that inspite of substantial losses, diminution in value of these investments is temporary in nature and accordingly no provision is considered necessary.

21 The Scheme of Amalgamation for Demerger of Media business undertaking of Diligent Media Corporation Limited (DMCL) (a wholly owned subsidiary of the company) vesting with the Zee Entertainment Enterprises Limited (ZEEL) was approved by Hon'ble Bombay High Court by order dated 12 September, 2014 with appointed date 31 March, 2014. In accordance with the Scheme, the shareholders of Diligent Media Corporation Limited (DMCL) were allotted 6% Non-cumulative Non-convertible Redeemable Preference Shares (Class A) of Re.1 each. Accordingly, the Company has been allotted 2,22,73,836, 6% Non-cumulative Non-convertible Redeemable Preference Shares (Class A) of Re.1 each. The said Preference Shares will not be listed on stock exchange. Redemption of preference shares would be done at par. ZEEL shall have option to buy back the Preference shares any time within 3 years from the date of allotment of Preference shares, at par.

22 The Company was allotted 10,208 Equity shares of Rs.100 each of United News of India (UNI) at a premium of Rs. 21,533 per share totalling to Rs. 220,829,664 in the earlier years and also given share application money of Rs. 99,576,699 for 4,603 Equity shares of Rs. 100 each at a premium of Rs. 21,533 per share, which pending allotment was shown under Other Advances.

The said allotment of shares was set aside by the Hon'ble Court in FY 2008-09 and as per the Terms of Settlement, UNI has to refund the amount received against shares allotted and on account of share application money along with interest. The balance amount of Rs. 1,793,432/- (7,539,811/-) receivable from UNI is included in other advances. The amount is has been received in the year 2015-2016.

23 Current Tax

Provision for current tax has been made in respect of taxable income for the year as per provisions of the Income Tax Act, 1961.

24 Deferred Tax

In accordance with the requirements of Accounting Standard 22 on "Accounting for Taxes on Income" (AS22) issued by ICAI, deferred tax assets and liabilities should be recognized for all timing differences. However, considering the present financial position, the requirement of the accounting standard regarding certainty/virtual certainty for realisability of deferred tax assets and out of abundant caution and management prudence, deferred tax asset is not recognised.

25 Micro, Small and Medium Enterprises

There are no amounts due to suppliers under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED Act) as at 31 March, 2015.

26 Segment Reporting

The Company does not have any reportable business segment in context of Accounting Standard 17 "Segment Reporting".



Related Party Transactions

Holding Company

Zee Media Corporation Limited (Extend of holding 100% w.e.f. 1 April, 2014)

25 FPS Media Private Limited (Extent of holding 100% upto 18 July, 2013), Essel Publishers Private Limited (Extent of holding 100% w.e.f. 18 July, 2013 upto 31 March, 2014)

Subsidiary Company

Diligent Media Corporation Limited (Extent of holding 100%)

Fellow Subsidiaries

Pri Media Services Private Limited, Zee Akaash News Private Limited, Maurya TV Private Limited

Fellow Subsidiaries (ceased w.e.f. 31 March, 2014)

Direct Media Distribution Ventures Private Limited, Bioscope Cinemas Private Limited, Digital Subscriber Management & Consultancy Services Private Limited, Direct Media Solution Private Limited, Digital Satellite Holdings Private Limited(w.e.f. 12 August, 2013), Essel Landmark Private Limited(w.e.f. 14 March, 2014), Essel Gas Company Limited(w.e.f. 10 February, 2014), Essel Bhubaneswar MSW Limited (w.e.f. 17 January, 2014), Essel Amritsar MSW Limited (w.e.f. 12 February, 2014), Express Tunnelway Limited(w.e.f. 21 March, 2014), Darbhanga-Motihari Transmission Company Limited (w.e.f. 10 December, 2013), Essel Jorhat Demoh Toll Roads Limited (w.e.f. 5 November 2013), Essel Bengaluru MSW Limited (w.e.f. 25 October, 2013), Essel Highways Limited(w.e.f. 12 November, 2013), Essel Renewable Energy Limited(w.e.f. 3 September, 2013), Essel Clean Energy Limited(w.e.f. 3 September 2013), Pan India Network Infravest Limited, Essel Infraprojects Limited, ICL Heroes Sports Private Limited, Capstar Private Limited (upto 8 May, 2013), Essel Sagar Damoh Toll Roads Limited, Essel Damoh Jabalpur Toll Roads Limited, Essel Bhind Mihona Gopalpur Toll Roads Limited, Essel Bina Khimlasa Malthon Toll Roads Limited, Essel Sports Infrastructure Limited, Essel Gwalior Shivpuri Toll Roads Limited, Essel Mhow Ghatabillod Toll Roads Private Limited, Essel Airport Infrastructure Private Limited(upto 26 March, 2014), Essel RPW Projects Private Limited, Essel Urja Private Limited, Essel Walajahpet Poonamallee Toll Roads Private Limited, Essel Gulbarga Solar Power Private Limited, Essel Bagalkot Solar Energy Private Limited, Essel Green Energy Private Limited, Essel M P Energy Private Limited, Essel Lucknow Raebareli Toll Roads Private Limited, Essel Urban Infrastructure Private Limited(upto 24 March, 2014), Essel Solar Energy Private Limited, Essel Solar Power Private Limited, Essel KIPL Infrastructure Private Limited, Ecogreen Enviro Tech Private Limited, Kakade Infrastructure Private Limited, BKC Redevelopment Private Limited, Essel Ahmedabad Godhra Toll Roads Limited, Essel Jabalpur MSW Private Limited, Essel Ludhiana Talwandi Toll Roads Private Limited, Western M P Infrastructure & Toll Roads Private Limited, Essel Pallavapuram Tambaram MSW Private Limited, Essel Infra Projects International Holdings Pte. Limited, New Media Broadcasting Private Limited

Other Related Parties with whom transactions have taken place during the year

ICL Lions Private Limited, Tapasvi Merchantile Private Limited, Zee Entertainment Enterprises Limited, Sprit Textiles Private Limited

	(Amount in Rupees)	
	2015	2014
Interest Income		
Subsidiary Company		
Diligent Media Corporation Limited	4,44,01,556	-
Other Related Parties		
Sprit Textiles Private Limited	63,08,014	-
Tapasvi Merchantile Private Limited	1,94,178	-
Dividend on Preference shares		
Other Related parties		
Zee Entertainment Enterprises Limited	6,84,693	-
Interest Expenses		
Holding Company		
Zee Media Corporation Limited	3,29,73,214	-
Repayment of Advance Share Application money received		
Other Related parties		
ICL Lions Private Limited	-	80,00,00,000
Issue of Compulsory Convertible Debentures		
Holding Company		
Essel Publishers Private Limited	-	5,49,54,69,565
25 FPS Media Private Limited	-	43,70,20,000
Short-Term Borrowings		
Holding Company		
Zee Media Corporation Limited	31,68,00,000	-
25 FPS Media Private Limited	-	58,87,20,000
Other Related parties		
Tapasvi Merchantile Private Limited	-	42,87,00,000
Repayment of Short-Term Borrowings		
Holding Company		
25 FPS Media Private Limited	-	15,17,00,000
Other Related parties		
Tapasvi Merchantile Private Limited	-	42,87,00,000



Mediavest India Private Limited

Notes forming part of the Financial Statements

Investments in Equity Shares		
Subsidiary Company		
Diligent Media Corporation Limited	-	1,38,00,00,000
Investments in Preference Shares (Refer Note 21)		
Other Related parties		
Zee Entertainment Enterprises Limited	2,22,73,836	-
Investments in Compulsory Convertible Debentures		
Subsidiary Company		
Diligent Media Corporation Limited	3,28,58,03,342	-
Advance Share Application money given		
Subsidiary Company		
Diligent Media Corporation Limited	-	53,83,00,000
Repayment received of Advance Share Application money given		
Subsidiary Company		
Diligent Media Corporation Limited	2,69,64,00,037	64,73,00,000
Other Related parties		
Tapasvi Mercantile Private Limited	-	9,52,00,000
Inter Corporate Deposit given		
Subsidiary Company		
Diligent Media Corporation Limited	54,50,01,749	-
Fellow Subsidiary		
Pri Media Service Private Limited	-	34,07,50,000
Other Related Parties		
Tapasvi Mercantile Private Limited	50,00,000	30,86,00,000
Sprit Textiles Private Limited	24,70,00,000	3,55,33,62,000
Repayment received of Inter Corporate Deposit given		
Subsidiary Company		
Diligent Media Corporation Limited	54,50,01,749	-
Fellow Subsidiary		
Pri Media Service Private Limited	-	25,00,00,000
Other Related parties		
Sprit Textiles Private Limited	39,16,85,000	3,40,86,76,998
Tapasvi Mercantile Private Limited	6,36,00,000	33,82,64,460
Repayment received of advances given		
Fellow Subsidiary		
Pri Media Service Private Limited	24,85,540	-
Other Payables		
Subsidiary Company		
Diligent Media Corporation Limited	44,40,156	-

Balance as at 31 March 2015

	(Amount in Rupees)	
	2015	2014
Long-Term Borrowings		
Holding Company		
Zee Media Corporation Limited	9,88,24,10,565	9,88,24,10,565
Short-Term Borrowings		
Holding Company		
Zee Media Corporation Limited	34,64,75,893	-
Other Payables		
Subsidiary Company		
Diligent Media Corporation Limited	44,40,156	-
Investments in Equity Shares		
Subsidiary Company		
Diligent Media Corporation Limited	5,20,16,99,963	5,20,16,99,963
Investments in Preference Shares		
Other Related parties		
Zee Entertainment Enterprises Limited	2,22,73,836	-
Investments in Compulsory Convertible Debentures		
Subsidiary Company		
Diligent Media Corporation Limited	3,28,58,03,342	-
Advance Share Application money given		
Subsidiary Company		
Diligent Media Corporation Limited	-	2,69,64,00,037
Inter Corporate Deposit given		
Subsidiary Company		
Diligent Media Corporation Limited	-	-
Fellow Subsidiary		
Pri Media Services Pvt Limited	-	24,85,540
Other Related Parties		
Sprit Textiles Private Limited	-	14,46,85,002
Tapasvi Mercantile Private Limited	-	5,86,00,000
Interest Receivable		
Other Related Parties		
Sprit Textiles Private Limited	56,77,213	-
Tapasvi Mercantile Private Limited	1,74,760	-
Dividend Receivable		
Other Related Parties		
Zee Entertainment Enterprises Limited	6,84,693	-



Mediavest India Private Limited

Notes forming part of the Financial Statements

28 Contingent Liabilities

(Amount in Rupees)

	2015	2014
Disputed income tax demand	1,52,51,53,940	97,06,807

29 Earnings Per Share

	2015	2014
a. Profit/ (Loss) after tax	1,01,71,810	(27,39,41,666)
b. Weighted Average number of equity shares for Basic and Diluted EPS (Nos.)	10,000	10,000
c. Nominal value of equity shares (Rs.)	10	10
d. EPS (Basic and Diluted) (Rs.)	1,017.18	(27,394.17)

30 Prior year Comparatives

Previous year's figures have been regrouped, recast wherever necessary to confirm to the current year classification. Figures in the brackets pertain to previous year

