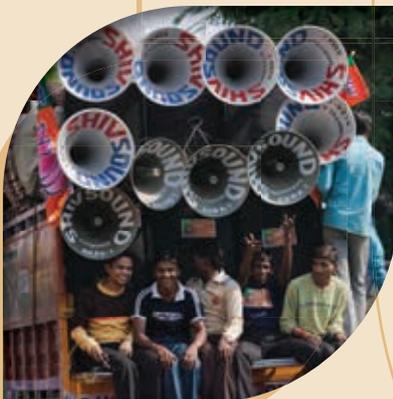


Every Story matters

Anytime, Anywhere.



॥ VASUDHAIVA KUTUMBAKAM ॥
THE WORLD IS MY FAMILY



Forward Cautionary statement

In this annual report, we have disclosed forward looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements-written or oral-that periodically make contain forward looking statements that set out anticipated results based on the management's plan and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipate', 'estimate', 'project', 'intend', 'plan', 'believe' and words of similar substance in connection with any decision of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in our assumptions. Readers are cautioned that this annual report contains forward looking statements that involve risks and uncertainties including, but not limited to, risks inherent in the Company's growth strategy, acquisition plans, dependence on certain businesses, and dependence on availability of qualified and trained manpower and other factors. We undertake no obligation to publicly update any observation, whether as a result of new information, future events or otherwise.

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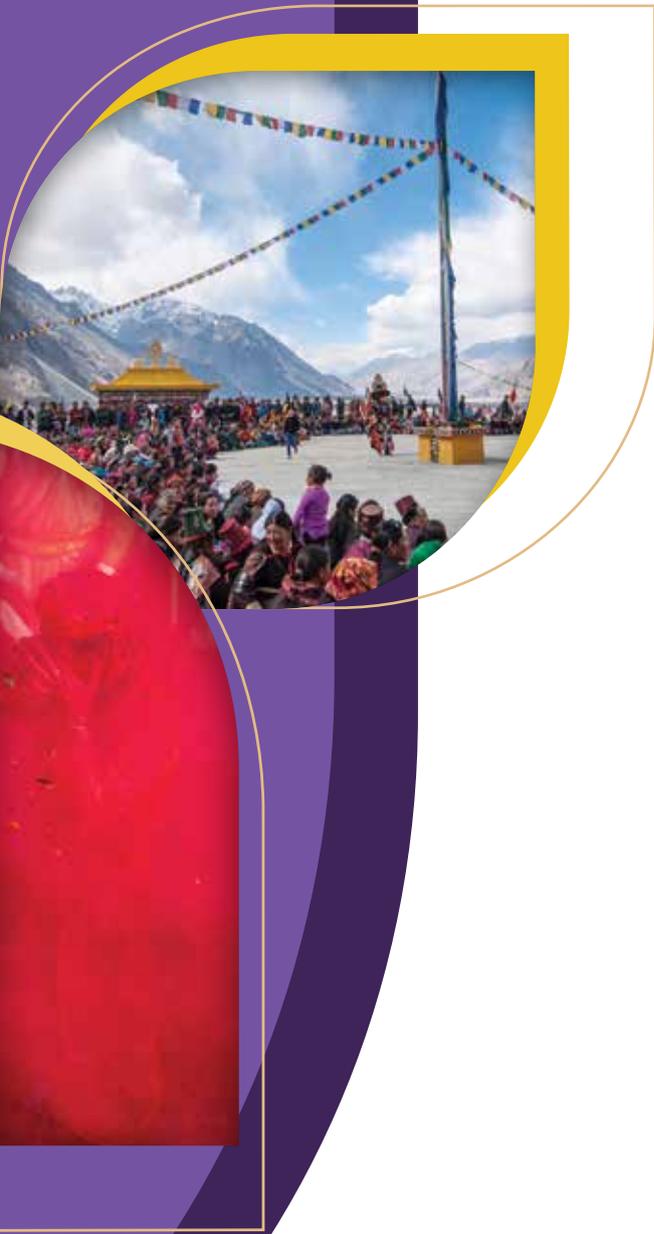
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119 mn
TELEVISION
VIEWER BASE

186 mn
ONLINE
AUDIENCES

18
COUNTRY
PRESENCE



EVERY **SIXTH PERSON** IN THE WORLD IS
an Indian.

A CURIOUS, ASPIRATIONAL, GLOBAL AND **AWARE INDIAN**

One who belongs to a land where diversity is the only commonality. Where there are as many stories as there are people. And where new, exciting things are happening every day.

There are stories of hope and despair. Of aspiration and achievement. Of success and failures. Of tragedies and celebrations. Of kindness and cruelty.

Be it the economy, business, politics, sports, lifestyle, the arts, entertainment, travel, science, technology or health. Every story needs to be told with courage, conviction, insight, accuracy and a well-rounded perspective.

Because these stories mirror the different facets of a constantly evolving society.

Because knowing more is crucial for informed decision-making and successful outcomes.

Because

**Every
Story matters.**

AT ZEE MEDIA, WE BRING THESE

stories to life.

WE PLAY THE ROLE OF A BRIDGE BETWEEN OUR AUDIENCES AND THE STORIES THAT MEAN A LOT TO THEM; DILIGENTLY **CONNECTING THE DOTS...**

THEY RELY ON US TO DELVE DEEP INTO CRITICAL ISSUES, **SOLVE TOUGH CHALLENGES AND ADAPT TO SWIFT CHANGE.**

About Zee Media Corporation Limited

Zee Media Corporation Limited (ZMCL) is among the largest news networks in India in terms of coverage and relevance. ZMCL reaches over 119 million audiences through its television network and over 186 million through digital media across the country and abroad.



Parentage

The Company is a part of the Essel Group, one of the leading business groups in India with a diverse portfolio of assets in media and entertainment, technology-enabled services, infrastructure development, education, packaging, precious metals and financial services. The Group has been present in the media and entertainment sector for over two decades through its flagship channel Zee TV and is involved in all verticals of television media viz. production, broadcast and distribution.

Brand

ZMCL is not a mere news channel provider but a credible and pioneering brand in the news media industry. A Brand trusted by viewers and preferred by advertisers. The Brand incepted from a strong parentage of Essel Group, which has over two decades of experience in the broadcasting sector; and professional management of the various business aspects.

Vision

To be the most respected and relevant news organisation in India and the world that connects with every conceivable community and stakeholder across platforms.



Editorial Philosophy

We believe in citizens before politics and countries before parties.

We believe in access point aggregation.
We believe in no fear and no favour.

Leadership

ZMCL was the first private news network in India. Today, ZMCL owns two national and eight regional hyper-local news channels and one newspaper and an ever increasing digital footprint and is among the largest private news network in the country. The Company represents a brand in the news provider segment; a brand owned by the viewers.

The Company has employee strength of 1,750. The promoters hold 69.11% stake in the Company. ZMCL's shares are listed in the Bombay and National Stock exchanges since January 10, 2007.

ZEE NEWS WAS THE

first 24 hour private news

AND CURRENT AFFAIRS CHANNEL

ZEE BUSINESS WAS THE

first 24 hour Hindi language business

AND FINANCIAL NEWS AND CURRENT AFFAIRS CHANNEL LAUNCHED IN INDIA.

Awards and accolades

- ⦿ **'My Earth My Duty'**, an initiative by Zee Media, made its way into the Limca Book of Records in 2014 for ensuring plantation of more than 2 lakhs sapling in 30 mins
- ⦿ Zee News won the ENBA Awards 2014 for:
 - ⦿ Best National Coverage: **'Mission Kashmir'**
 - ⦿ Best In-Depth Coverage: **'Dharti Ka Nark'**
- ⦿ The flagship channel won the GOAFEST Abby Awards, 2015 in the following categories:
 - ⦿ Gold Abby for Creative OOH Abby: **'The Misunderstood Scoreboard'**
 - ⦿ Silver Abby: Branded Content & Entertainment Abby – **'The Misunderstood Scoreboard'**
- ⦿ Zee News won the Promax BDA Awards 2015 (silver category) for Best News/Current Affairs Promo – **'Ali Re Kursi'**
- ⦿ Zee Business bagged the Redink Awards 2015 in the 'Crime' programme segment for **'Moin Querishi Hawala Transactions'**
- ⦿ Zee Business won the Promax BDA Awards, 2015 (gold category) for Best News/Current Affairs Promo – **'Zee Business 10 Years Brand Promo'**
- ⦿ Zee Kalinga won the Promax BDA Awards 2015 (gold category) for Best On-Air Identity Design – **'Zee Kalinga Channel Identity'**

ZMCL's Credentials

845_{mn}

WEB PORTAL VIEWS

119_{mn}

CHANNEL VIEWERSHIP

186_{mn}

UNIQUE VISITORS TO WEBSITE

4

OUT OF TOP 7 STATES COVERED (IN TERMS OF GDP)

ZMCL Channels Portfolio

Channel

Trivia



Campaigns

- ⦿ **Ananya Samman felicitates** "Real Heroes of country". Zee News honours security personnel who have gone beyond the call of duty and made sacrifices for the country. Regional channels also honour 'unsung' heroes for their selfless contribution to society under the same banner
- ⦿ **Udyami Samman** for honouring industrialists
- ⦿ Partnership in **Agri Samman** for honouring farmers who have contributed to agrarian economy



Campaigns

- ⦿ **Hunt For India's Smartest Investor**, India's first financial markets reality show, which aims to foster financial planning through a format which is engaging and induces a lot of consumer participation
- ⦿ **Emerging Business Forum**, India's biggest SME discussion forum series, and provides a unique setting for engagement and exchange of ideas, and enables SME clusters to imbibe quality management processes and innovation for business growth
- ⦿ **Zee Business Market Analyst Awards** dedicated to honoring India's financial market experts for empowering the retail investor. The awards are a true recognition of excellence and the financial market experts from across the country look forward to them every year

Channel

Trivia



- ⦿ **Brazil e Judhhyo**, meaning War in Brazil, covered the FIFA world cup, 2014 with Jose Ramirez Barreto as the anchor
- ⦿ The channel organised the 7th edition of **Ananya Samman** to felicitate the unsung heroes of Bengal. The channel honored the brave hearts of the state with Chief Minister of West Bengal as chief guest of the event.



- ⦿ **Aapla Shahar Aapla Awaaz**, an effort to bring out issues related to the common man in his city and to work out solutions



- ⦿ Hosted **Sangam Samman Awards** to recognise the entrepreneurial spirit of UP
- ⦿ Hosted **Devbhoomi Sammaan Awards** to honour the achievements of heroes from different walks of life in Uttarakhand



- ⦿ **Naya Safar Naya Haryana**, a road campaign to cover the Haryana elections that reached more than one lakh people across 80 towns.
- ⦿ Initiated and executed **Retail Utsav**, a consumer fair that received participation from more than one lakh visitors



Channel

Trivia



- **Madhya Bharat ki Awaaz**, a hunt to identify the best singer in the region in a month-long campaign with the view to promote local talent. Over 4,000 registrations were received from 5 cities in Madhya Pradesh and Chhattisgarh.



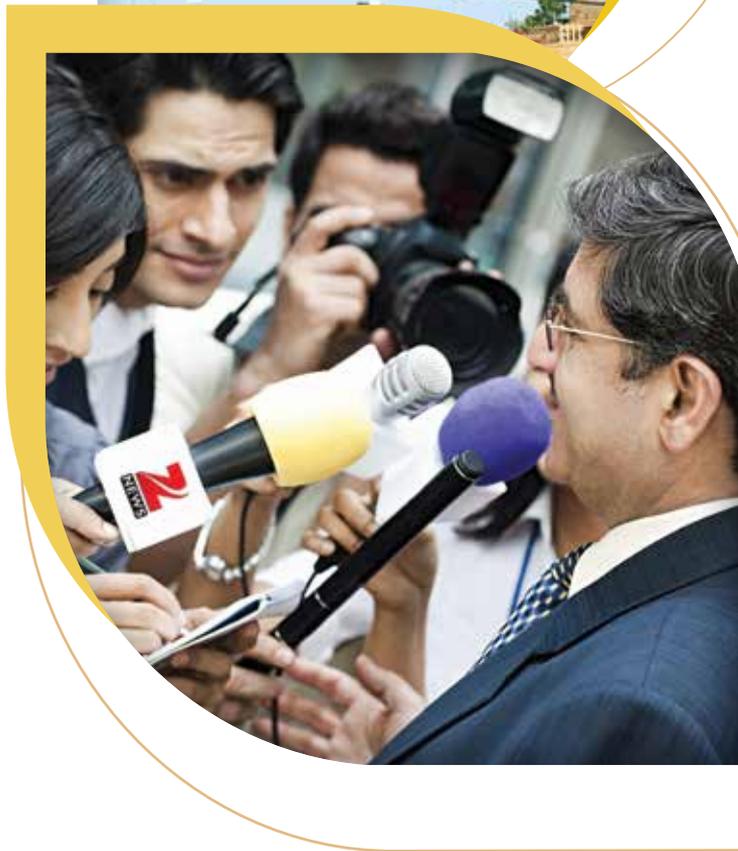
- Channel transformed into a **full-fledged news channel**



- The channel was converted from Terrestrial Entertainment Network format into a **24X7 News channel**



- The channel was converted from Terrestrial Entertainment Network format into a **24X7 News channel**



Orbit shifting initiatives

AN INITIATIVE TO A CREATE **difference.**

DIFFERENCE IN VIEWER'S **perspective.**

PERSPECTIVE FOR BREAKING THE **incumbency.**

INCUMBENCY OF KNOWLEDGE AND **innovation.**

Our aims

TO BE THE

Pioneer in the industry

BY CREATING **DYNAMICS OF IDEA - INNOVATIVELY**

Zee Media has always been a pioneer in the Indian media industry right from the days of its inception. We have adopted strategies and intellectual capabilities, always best-in-the industry, to deliver news and not mere information. With changing time and the need to take a leap, far away from the hurdled media channels selling biased and non-informative content, Zee has initiated a drive for a new trajectory acquisition. An aspiration for an Orbit Shift.

TO DEVELOP

News Plus

BY REVIVING THE **ROLE OF MEDIA AS THE FOURTH ESTATE - PERMANENTLY**

Zee Media intends to foster innovation, organisational adaptation, and high performance over time. The growing customer restlessness from the non-informative/uneducating news channels and positive readiness to accept unbiased and enlightening deliverables, the market opportunity seems quite widened in India. We plan to harness on our strengths, brand acceptance and recognition, along with the expanded geographical reach, to revive our positioning as a news channel in true sense.

TO INSPIRE

the workforce

BY IGNITING THE **PRIDE AND PASSION OF PEOPLE WITHIN-POSITIVELY**

Value addition in content output in terms of informed choices, self-regulated decision-making capabilities and knowledge which can formulate independent ideas, will be emphasised upon. Expertise and talent development will also form the core activities of this transformational process. Our Championing

ZEE MEDIA BELIEVES IN **INCLUSIVE GROWTH**, TAKING INTO CONSIDERATION NOT ONLY OUR ORGANISATION BUT THE NATION AS A WHOLE.



INNOVATION
FOR
revolution.

REVOLUTION
FOR AN
orbit Shift

‘Poorna Swaraaj’ without compromising Human Values’ will provide the framework of the orbit we intend to move into.

Zee Media believes in inclusive growth, taking into consideration not only our organisation but the nation as a whole. Our focus is the prosperity of the nation through its most important asset – a well-informed society. A society that not only has political freedom but also social and economic freedom. We hope that our shift will enable the desired outcome gradually and consistently.

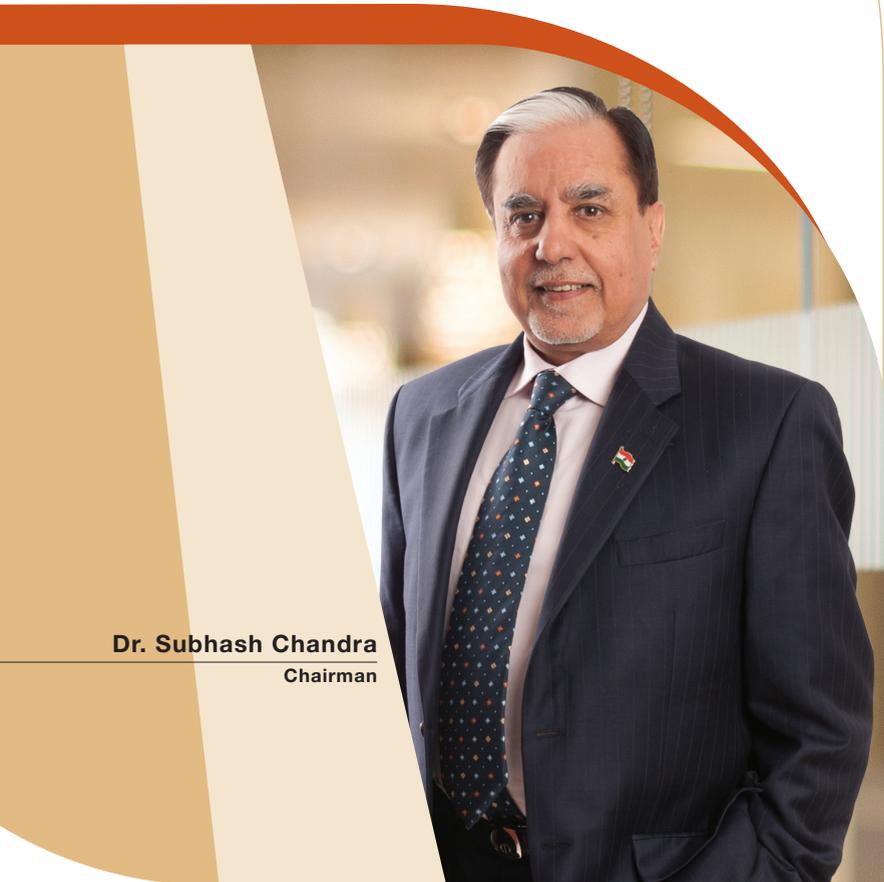


ZEE MEDIA

**intends to
foster innovation,**

**ORGANISATIONAL ADAPTATION, AND HIGH
PERFORMANCE OVER TIME.**

Chairman's Message



Dr. Subhash Chandra
Chairman

WE CONTINUE TO

invest

**IN TOMORROW'S POSSIBILITIES AND TAKE
INDIA TO THE GLOBAL STAGE.**

Dear Shareholders,

I am indeed happy to report that your Company has had a very encouraging 2014-15, which enabled it to strengthen its unrivalled leadership as India's largest news network. We continue to invest in tomorrow's possibilities and take India to the global stage. This is in line with our philosophy of expansion and inclusiveness. Your Company's national and regional news channels, along with digital platforms, are catering to a growing viewer base, which values quality and commitment in news reporting; quality of stories being told and the commitment to ethical journalism. As India focuses on empowering its billions of people, your Company is geared to help make that a reality through information and insight.

India now is at the threshold of a positive transformation. The economy is gathering momentum with the pro-growth policies. The consumer confidence is high and the investor sentiment is positive. The environment of macro positivity augurs well for India's media and entertainment industry and your Company in particular. The reason is that an evolving and aspirational society like India provides the perfect platform for news and infotainment landscape to flourish.

2014 turned out to be a great year for the news genre with the general and state elections providing a viewership boost.



DURING THE YEAR, YOUR COMPANY FOCUSED ON **OPERATIONAL EXCELLENCE AND STRENGTHENED** ITS BRAND PRESENCE. THE RESULT WAS A **ROBUST FINANCIAL PERFORMANCE**. IT EMBARKED ON CO-CREATING CONTENT WITH THE AUDIENCES; A STRATEGY THAT CONTINUOUSLY MAPS PREFERENCES AND MATCHES CONTENT WITH SUCH PREFERENCES.

The news media industry has remained at the helm of consumer preferences with little or no barriers to entry into the industry. Such a scenario has led to a proliferation of channels and fragmentation in the industry. The news channels (including regional news) accounted for 7.4% viewership in 2014, up from 6.9% in 2013, largely on account of elections.

Your Company's focus during the year was to enrich its existing portfolio and seek new vistas of value creation.

- ⊙ Your Company aimed to increase its viewership base across all channels and other media platforms
- ⊙ Invested in technologies and capacities to service a larger audience
- ⊙ Acquired human capital for analysing market response to structure content as per requirements

During the year, your Company focused on operational excellence and strengthened its brand presence. The result was a robust financial performance. It embarked on co-creating content with the audiences; a strategy that continuously maps preferences and matches content with such preferences.

Your Company is a technology-driven news provider, and thus it is only natural for it to stay updated on all relevant technological fronts.

Your Company's substantial investment in the regional content creation will further help it foray into untapped and niche rural segments and regional audiences. ZMCL also intends to strengthen its presence through strategic acquisitions and joint ventures. This will help it create more value for all stakeholders and participate in the nation's onward march towards progress.

I am happy to reiterate that your Company's contribution to India's news landscape continues to be acclaimed. We expect better industry performance going forward, as the government's reforms unleash the nation's hidden potential. Such a scenario will help us reach many more milestones.

I deeply cherish your trust and support and thank you all for being a part of our unifying vision of one world, one family.

Warm Regards,

Subhash Chandra
Chairman

INDIA NOW IS AT THE **THRESHOLD OF A POSITIVE TRANSFORMATION**. THE ECONOMY IS GATHERING MOMENTUM WITH THE PRO-GROWTH POLICIES.

Conversation with Dr. Bhaskar Das and Ashish Kirpal Pandit

Q. A.

What were the principle highlights of the Company's performance during the year and how would you rate it?

It was our best ever year. During the year, the business perspective shifted from expanding to monetising the properties already owned by the Company. Thus, we did not go for new launches, but focused on the pre-launched platforms and their performance. We reported the highest ever profit after tax and outpaced the industry growth rate. Overall, ZMCL had a power-packed year and we are happy to have met stakeholder expectations.

Q. A.

How is ZMCL creating uniqueness in the media sphere?

As a media company, it is our job to capture information that is equally available to everyone else. But as a value creator, it is our ability to identify different perspectives and customise the information in a manner relevant to all. We are the firsts in the news media industry in India and today, we have perfected the art of interpretation and the value of originality. The weekly rating agency, BARC, has consistently identified us as the *numero uno* in the industry in their surveys.

We are also making a difference when it comes to presentation package. We have extended the media platform and now offer 10 TV channels, one news daily, a web portal and even a mobile app, increasing our accessibility quotient and enhancing viewership simultaneously.

Q. A.

What are the Company's measures to maximise revenues and how sustainable are they?

Advertisements represent a major income source for the Company, while channel subscriptions are also evolving into a robust revenue stream. ZMCL today has a huge viewership across brands and a valuable fan following of the journalists and editors who work for the company. This translates into one undeniable reality: that we have a loyal and growing fraternity of viewers. Therefore, we will remain being a preferred network for advertisements.

The other portion is channel subscription. Today, we have entered an era of rapid digitisation across the country. With more digital media access, we will have more viewer base in the future and thus increase subscription volumes. Diversifying across media formats has opened new revenue generating options before us. Besides, technological modernisation is increasing demands for satellite television and HD requirements, as well as OTT app-based media, which will further strengthen revenues.

Q. A.

How would you rate your Company's performance during the year?

It was an exciting and encouraging year from all aspects.



We completed the year with an 18.64% increase in our realisations. In the past, we had launched channels, purely through internal accruals. It shows the flexibility and robustness of our business model; and we continue to follow the same culture of dynamism and discipline.

The practice of internal funding is rare in the industry and there are very few players, who are able to create a surplus. Therefore, we are stable, both fundamentally and financially and we aim to leverage our brand value in our future endeavours.

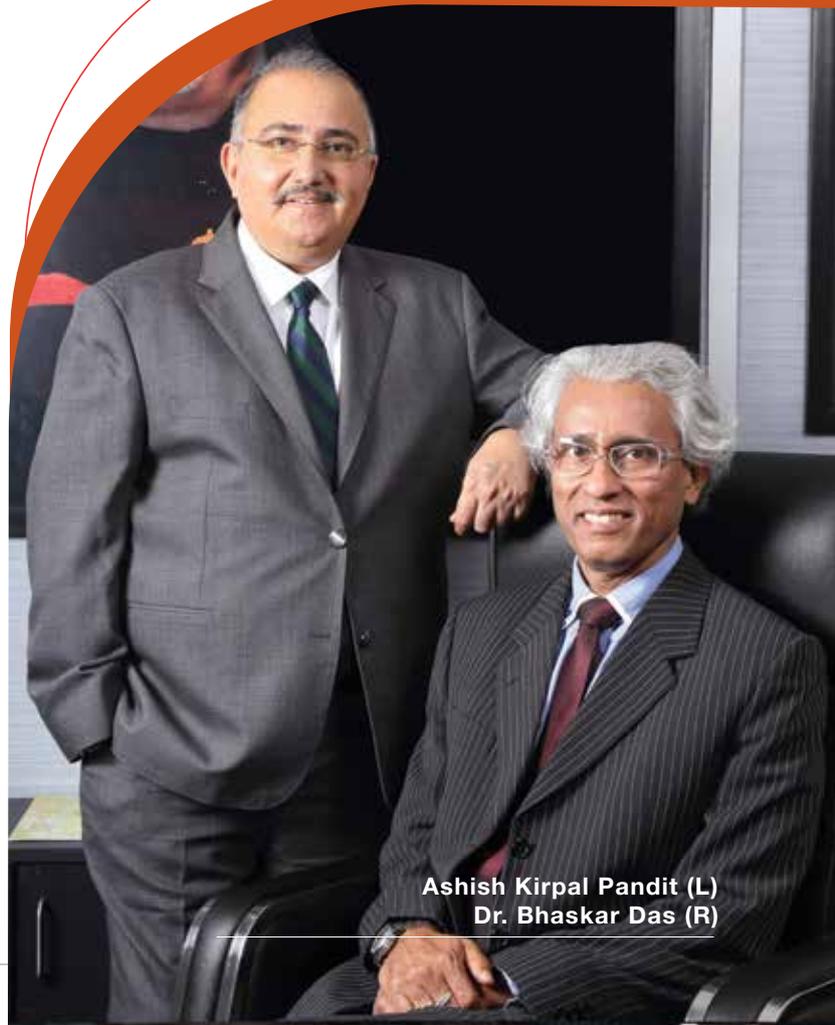
During the year, we emerged as the industry front runner. We focused on improving internal management practices, which led to cost optimisation. We had one of the strongest EBITDA in our recent past.



What are your plans for the following year?

We look forward to consolidating the existing portfolio, as well as concentrating on leveraging new vistas of opportunity. We have plans for an English channel. Besides, we will continue to focus on launching new regional channels, based on the techno-commercial viability. At the same time, we will continue to harness the best intellectual capital in the industry, since we survive and thrive on refreshing ideas and talent. Our measures will be well built on the baseline of market surveys and realistic forecasts, so that we can aim at customer delight, achieve new industry benchmarks and create stakeholder value.

The thirst for engaging and refreshing stories will never end. On the contrary, it will increase with growing focus on education, urbanisation and global integration. And that remains our most compelling growth driver.



Ashish Kirpal Pandit (L)
Dr. Bhaskar Das (R)

We don't follow a formula or a definite trajectory,
as we go about hunting stories that matter. It is a fluid state of reinventing ourselves continuously. And that makes every day, both exciting and elevating for all of us.







Global perspective.

Local approach.

Due to the very nature of news information, it cannot be shaped as per the viewers' choice. But with deep understanding of the subject matter, the same information can be enriched with interactive values; it can be presented to meet exact preferences; and it can be made relevant to millions of people.

At Zee Media, we track changing user preferences and map interests and passions. That is why we hunt for contemporary information, which is then transmitted in six different languages to

suit varied preferences. Owing much to our strong media presence, we possess the unique ability to customise content. While our integrity allows zero modification of the subject matter, we value-add the basic information with supporting/correlated facts to make information functional and interactive.



We follow an ‘always engage’ philosophy and over the years we have perfected the art of presenting news to a diverse audience. On the one hand, we have expert teams, empowered with latest gadgets ready and looking for stories to capture that fits the preference of the viewers; yet at the same time respecting the seriousness of situations. On the other, we have local channels reaching the information to the viewer in his/her own language.

We have customised news channels across the world to reach every Indian and keep him/her updated with the recent affairs of the country. We reach deep into the mass segments to enrich and enlighten people with the changes happening around them.

The network caters to and reaches out to more than 75% of the nation’s population and 380 million people worldwide. It comprises two national channels, eight regional channels and an increasing digital footprint.

The wide repertoire of offerings enables us to be a hyper-local player in the news industry with a national and international perspective on how content works for Indians.

Because when it’s India, every story matters!

WE FOLLOW AN
‘ALWAYS ENGAGE’
PHILOSOPHY AND
OVER THE YEARS WE
HAVE PERFECTED THE
ART OF PRESENTING
NEWS TO A DIVERSE
AUDIENCE.

We are global

IN THE WAY **WE BUILD PERSPECTIVES** AND IN TERMS OF OUR VIEWING FRATERNITY, WHICH **TRANSCENDS GEOGRAPHIES**. AND A LOCAL COMPANY/ WORLD, WHEN IT COMES TO ANALYSING MICRO INFORMATION TO SUIT THE **TASTES OF A COUNTRY WELL KNOWN FOR ITS DIVERSITY**.



More hands. More legs. More minds.

Audience is not a mere statistic for us; but an aggregation of interests and perspectives. Therefore, we look at the Indian demography as the united states of interests and passions; and marshal the right intellectual resources to create content that helps make better sense of the world.

We have an expert national team reporters and journalists to capture real-time information from the field, supported by an able back-end team to analyse information and present the right perspective. Our insight enables us to hold the highest market share in the segment.

We believe in co-creating content with our consumers. At ZMCL, we follow a three-pronged approach to news broadcasting: identifying the preference; capturing every relevant story with the right perspective; delivering at the right time. As news updates are now only a click away, it is necessary for a media company to evolve at a rapid pace. Today, we offer more than just media channels. We offer customised content across media platforms like television, print media and the internet.



Take for example Zee Business, which has 35% market share, higher than all English business channels put together. This channel engages with a core target audience of entrepreneurs and SMEs with bankable properties, and is number one in reach. Zee Sangam holds the number one spot in Uttar Pradesh and Jharkhand, where it taps into a vast retail market.

Other major channels are the Zee News that has a market share of 12.1% among Hindi speaking audiences. 24 Ghanta, a joint venture with Sky (B) Bangla Pvt. Ltd. possesses a share of 18.1% in the market, making it the number three channel in the market. Zee 24 Taas, a Marathi news channel, enjoys a share of 18.9% and is the number two player in the segment.

Zee Punjab Haryana Himachal enjoys a 22.8% share of the market; Zee Madhya Pradesh Chhattisgarh holds a 25% share, Zee Marudhara in Rajasthan has 11%, and Maurya TV in Bihar and Jharkhand commands 14.2% of the market share. Our website enjoys 845 online visits daily.

Our extensive reach and recall is both an honour and a responsibility for us. We need to be constantly on the move to capture the right information and perspectives and deliver without delay.

As the preferred segment leader, every story matters to us!

OUR EXTENSIVE REACH AND RECALL IS BOTH AN HONOUR AND A RESPONSIBILITY FOR US.



ZMCL OWNS THE

largest network

OF TELEVISION CHANNELS IN THE INDIAN NEWS CHANNEL INDUSTRY. MAJORITY OF THESE CHANNELS HAVE BECOME THE GAME CHANGERS OF THEIR RESPECTIVE GENRES WITHIN ONE YEAR OF LAUNCH



Ubiquity is the new normal

Touching Indians anytime, anywhere is our constant challenge at ZMCL. We live up to that challenge everyday through best-in-class technology and proactive teamwork. That's how we build preference in a world of shifting eyeballs.

However, in this technology-driven world, it is essential to back human abilities with the latest technological updates in order to create relevant content within the relevant timeframe.

Thus keeping relevance as the governing benchmark, we have developed capabilities to always create engaging content to present before our audiences. From sourcing of stories, aggregation, dissemination to data retrieval and archiving, we leverage cutting-edge technology extensively.

We have state-of-the-art facilities and advanced technological support ready at

hand at any given time frame to stay ahead of the game. Internally, we operate 21 studios internationally and more than 200 high-end cameras and 52 ENG cameras. We also own 34 Live U/Dijero Units and 28 OB, along with state-of-the-art, non-linear editing facilities. Our people possess latest technology-driven gadgets for spontaneous reaction on any subject. We installed SMS based app to transmit data across departments and field operations for better coordination. We established automated management systems for efficient process flows within the organisation.

We are steadily enhancing investments to sharpen our edge across various processes.

We possess the capacity and the capability to aggregate content from any corner of the nation with speed and accuracy.



When it comes to delivery, it is even more important to be extensively accessible to our viewers. Our technological capabilities enable an anytime, anywhere ecosystem. While we continue to upgrade media quality on the television platform offering High Definition audio-visuals and digital platform is intended to reach people on-the-go. We even considered the tech-savvy working population and responded by tie-up with a web portal (india.com), which attracted viewership of 28 million within two years of launch.

A wide-platform presence allows versatility to our consumers. They can access programmes and content on any medium they find convenient and allows us to live up to the *anytime, anywhere* philosophy.

Our platforms and technologies help us transcend location and format constraints of traditional media like television and reach a wider audience spectrum.

When people can relate, every story matters!

ZMCL HAS ONE OF THE

largest news network

IN INDIA. THE NEWS-GATHERING NETWORK COMPRISES **34 NEWS BUREAUS, 21 STUDIOS, 193 NEWS REPORTERS AND 437 FREELANCE JOURNALISTS/STRINGERS.** THE COMPANY'S BUREAUS AND STUDIOS ACROSS THE COUNTRY HAVE MODERN PRODUCTION, NEWSGATHERING AND ARCHIVING FACILITIES, INCLUDING OB VANS AND VSAT FACILITIES ACROSS VARIOUS LOCATIONS.



Trust

is non-negotiable.



The meaning of the message cannot be changed due to the sensitivity of the information. But it can be made utilitarian through cautious and conscious customisation to enhance usability.

At ZMCL, we follow a strong editorial policy as an integral part of our core philosophies. We are pro-peace, pro-business and pro-people. We observe a strict mandate of 'no favours'. We put the country and its people before political parties or agendas. We have no political or corporate allegiances. Our resolve has been to remain integrated in the news collection and distribution process.



We do not bind our actions and interpretations by any perceptions or bias. At ZMCL, we believe in neutrality, support humanitarian initiatives and put ourselves in the shoes of the common citizen. In addition, we also believe in access-point integration. These principles help us seek the truth and report it independently, without being impacted by any factors in our surroundings.

We are committed to being fair, honest and courageous in gathering, reporting and interpreting information; treating sources, subjects and colleagues with consideration; being free of obligations to any interest other than the public's right to know; and being accountable to our readers, listeners, viewers, and publishers at all times.

The element of trust in every story matters!



WE encourage and empower

OUR PEOPLE TO WORK INDEPENDENTLY. **NO INFLUENCES ARE ENTERTAINED AT ZMCL.**

Profile of the Board of Directors

1

Dr. Subhash Chandra

Non-Executive Chairman

Non-Executive Chairman of the Company and Promoter of Essel Group of Companies.

Consistently demonstrated his ability to identify new businesses and lead them on the path of success. His bouquet of businesses includes television networks, newspaper chain, cable systems, direct-to-home, education, theme parks, flexible packaging and infrastructure.

Awarded International Emmy Directorate Award (2011) for his contribution to the Industry. Became the first Indian ever to receive a Directorate Award recognising excellence in television programming outside the United States. He has also been awarded the Honorary Doctorate of Business Administration by the University of East London.

2

Surjit Banga

Independent Director

Independent Director of the Company and a senior experienced banker.

Is Graduate in Sociology, Fellow of All India Management Association and is a Certified Associate of Indian Institute of Bankers.

Held the position of Managing Director of SBI Factors and Commercial Services Limited and was associated with the State Bank of India in various capacities in his 37 years career in Banking.

3

Vinod Kumar Bakshi

Independent Director

Independent Director of the Company holds the degree of Masters of Arts in Public Administration from Punjab University.

Experienced professional with career spanning over four decades in domestic and overseas marketing, public relations, administration and image building, holding senior position in reputed organisations like Care India, Gabriel India Ltd, Escorts Ltd, Williamson & Magor Group, Exide Industries Ltd, BBC etc.

4

Uma Mandavgane

Independent Director

Independent Director of the Company with effect from September 1, 2014.

Is a Chartered Accountant and Certified Information Systems Auditor from ISACA, USA.

Has experience of over 22 years in industry and consulting and was associated with reputed organisations like Deloitte, Lupin Laboratories Limited, VIP Industries Limited etc in Corporate Treasury and Finance functions. Currently engaged in Independent Risk Management practice.

5

Ashish Kirpal Pandit

Executive Director (wef June 1, 2015)

Executive Director & CEO of the Company with effect from June 1, 2015.

Holds MBA from Indiana State University, Indiana, USA.

Has experience of over 25 years in the space of Telecom, Retail and Office Automation with expertise in developing strategies and managing profit & loss of the business.



Corporate Social Responsibility

Sustainability is rooted at the environmental ecosystem and to become a sustainable business organisation, we strive to create a better environment for our existence. Thus, in line with our belief, we are a socially responsible media house who aspires to grow, along with people and the planet.

As an organisation, we seek to be profitable and simultaneously, as stakeholders to the environmental ecosystem, we aim at benefitting society and bettering environment through our pragmatic approach.

During the year 2014-15, we continued with our resolve for environment protection with the 5th edition of My Earth, My Duty (MEMD). The campaign included plantation of 10 lakh saplings across the country by citizens from all walks of life. The initiative set a record and entered the Limca Book of Records for having planted over two lakh saplings within 30 minutes by Border Security Force (BSF). This CSR initiative has also won accolades from the United Nation and many coveted awards, such as Rashtriya Rajiv Gandhi BCS Ratna Award and Lions Club Award for being the best CSR campaign.

To facilitate awareness for flood stricken areas of Jammu & Kashmir during the year and also raise relief funds for helping the affected, we launched a charity concert 'Hum Hain Ummeed-E-Kashmir' in collaboration with the Event and Entertainment Management Association and Film and Television Producers Guild.

Dedicated to give back, we organised broadcast events which, by their nature, are benefitting to the society. We hosted the Ananya Samman event with the idea to recognise and reward

the unsung heroes who are silently working to uplift the society. The initiative, in its 7th year, took place in two different locations addressed in Marathi and Bengali through Zee 24 Taas and 24 Ghanta channels, respectively.

The other benefitting activities organised by the Company during the year included 12 blood donation camps across Kolkata organised by 24 Ghanta where more than 600 people donated blood. Zee 24 Taas launched Second Inning Parishad, a discussion and guidance forum where experts came together to provide a direction and solutions to the problems faced by people. Zee Sangam organised Devbhoomi Sammaan Awards in Dehradun to honour the achievements of heroes from different walks of life in Uttarakhand.

At ZMCL, corporate social responsibilities are a part of our regular course of action which is reflected through the categories of programmes we indulge in and the belief that encircles the organisation.

Corporate Information

BOARD OF DIRECTORS

Dr. Subhash Chandra
Non-Executive Chairman

Surjit Banga
Independent Director

Vinod Kumar Bakshi
Independent Director

Uma Mandavgane
Independent Director

Ashish Kirpal Pandit
Executive Director
(with effect from June 1, 2015)

AUDITORS
MGB & Co LLP, Chartered Accountants

BANKERS
State Bank of India
BNP Paribas
ICICI Bank Ltd.

OFFICES
Registered
Continental Building
135, Dr. Annie Besant Road
Worli, Mumbai - 400 018
Maharashtra

Corporate
Essel Studio, FC-09
Sector 16A
Noida - 201 301
Uttar Pradesh

Zee 24 Taas
4th Floor "B" Wing
Madhu Industrial Estate

Pandurang Budhkar Marg
Worli, Mumbai - 400 013
Maharashtra

Zee MPCG
201 Jeevan Parisar
Rajiv Nagar Colony
Shankar Nagar, Pandri Marg
Raipur - w492001
Chhattisgarh

Zee Marudhara
E - 151, Ramesh Nagar
C - Scheme Jaipur - 302001
Rajasthan

Zee Kalinga
Plot No. - 727, 4th Floor
Bivab Gulmohar Begra Sahi
Nayapali Bhubaneswar - 751012
Odisha

SENIOR MANAGEMENT

Dr. Bhaskar Das
Group CEO - News Cluster

Ashish Kirpal Pandit
Chief Executive Officer

Samir Ahluwalia
Chief Content Officer

Dinesh Garg
Chief Financial Officer

Sudhir Chaudhary
Editor - Zee News

Uday Nirgudkar
CEO - DNA and Editor - Zee 24 Taas

Amish Devgan
Editor - Zee Business

Vasindra Mishra
Editor - Zee Sangam

Manish Seth
National Sales Head

Vijayant Kumar
Vice President - Technical

Joydip Bhattacharya
Vice President - Marketing

Amanpreet Singh Legha
Vice President - Administration

Pushpal Sanghavi
Company Secretary



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Notice

Notice is hereby given that the 16th Annual General Meeting of the Members of **Zee Media Corporation Limited** will be held on Friday, 7th day of August 2015 at 11.00 a.m. at The Hall of Harmony, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai 400 018 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Financial Statements of the Company on standalone and consolidated basis for the financial year ended March 31, 2015 including the Balance Sheet as at March 31, 2015, the Statement of Profit & Loss for the financial year ended on that date, and the Reports of the Auditors and Directors thereon.
2. To appoint a Director in place of Dr. Subhash Chandra (DIN 00031458), who retires by rotation, and being eligible, offers himself for re-appointment.
3. To re-appoint M/s MGB & Co LLP, Chartered Accountants, Mumbai, having Firm Registration No. 101169W/W-100035, as the Statutory Auditors of the Company to hold such office from the conclusion of this meeting until the conclusion of the next Annual General Meeting, at a remuneration to be determined by the Board of Directors of the Company.

SPECIAL BUSINESS:

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

“RESOLVED THAT pursuant to Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (‘Act’)

and the rules made thereunder read with Schedule IV to the Act and Clause 49 of the Listing Agreement, Mrs Uma Mandavgane (DIN 03156224), who was appointed as an Additional Director of the Company by the Board of Directors with effect from September 1, 2014 and who holds office upto the date of this Annual General Meeting in terms of Section 161 (1) of the Act and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act proposing her candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation for the period upto 31st August 2017.”

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

“RESOLVED THAT pursuant to Sections 161 and other applicable provisions, if any, of the Companies Act, 2013 (‘Act’) and the rules made thereunder, Mr Ashish Kirpal Pandit (DIN 00122878), who was appointed as an Additional Director of the Company by the Board of Directors with effect from May 22, 2015 and who holds office upto the date of this Annual General Meeting in terms of Section 161 (1) of the Act and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

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



“RESOLVED THAT pursuant to Section 196 read with Section II of Part II of Schedule V and other applicable provisions, if any, of the Companies Act, 2013, the Company hereby accords its approval for appointment of Mr. Ashish Kirpal Pandit (DIN 00122878) as a Whole-Time Director designated as Executive Director & CEO of the Company for a period of 3 years with effect from June 1, 2015 at a remuneration as detailed herein:

a) Basic Salary:

The Basic Salary of Mr. Ashish Kirpal Pandit shall be ₹ 431,900/- per month, with the authority to the Board of Directors to determine any increase from time to time within in the scale of ₹ 430,000 to 600,000 Per month. The annual increment will be merit based.

b) Perquisites & Allowances:

In addition to the basic salary, Mr. Pandit shall be entitled to perquisites and allowances like:

- i. House Rent Allowance of ₹ 215,950/- per month with annual increase as may be determined by the Board, subject to a ceiling of 50% of Basic Salary as per rules of the Company.
- ii. Personnel allowance of ₹ 99,724/- per month with annual increase as may be determined by the Board, subject to a ceiling of 25% of Basic Salary.
- iii. Medical reimbursements, leave travel allowance (subject to a maximum of one month basic salary in a year), club fees,

personnel accident & medical insurance, use of chauffeur driven company car, telecommunication facilities at residence and such other perquisites and allowances in accordance with rules of the Company.

- iv. Company's contribution to provident fund, gratuity and leave encashment as per the rules of the Company; and
- v. Annual performance bonus/ incentive, if any, based on the performance criteria as laid down by or approved by the Board.

Perquisites shall be evaluated as per Income Tax Rules, wherever applicable. In the absence of any such rules, perquisites shall be evaluated at actual cost.

c) Overall Remuneration:

The aggregate of salary, perquisites and allowances in any one financial year shall not exceed the limits prescribed under the Companies Act, 2013.

RESOLVED FURTHER THAT the Board (including any Board Committee exercising powers conferred by this resolution) be and are hereby authorised to alter and vary terms and conditions of the said appointment including remuneration, subject to the condition that the aggregate of the remuneration, perquisites/ benefits including contribution to retiral funds as applicable, payable to Mr Ashish

Kirpal Pandit shall be within the limits prescribed under the Companies Act, 2013.”

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

“RESOLVED THAT pursuant to Clause 49 of the Listing Agreement with stock exchanges, consent of the members of the Company be and is hereby accorded to the material related party transaction executed in the ordinary course of business by the Company for a period of 3 years with effect from April 1, 2014 with M/s Taj Television (India) Private Limited (‘Taj’) for distribution of the television channels of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company including the Audit Committee of the Board be and is hereby authorized to (i) finalise from time to time, the financial and other terms of the said arrangement/agreement, on arms-

length basis, including any renewals in future, notwithstanding that the value of such current and future transaction(s) may exceed the materiality threshold prescribed under Clause 49 of the Listing Agreement or any other regulatory requirements; and (ii) carry out all such acts, matters, deeds and things in respect of the said material related party transaction with Taj as may be deemed appropriate/necessary in the best interest of the Company.”

By order of the Board

Pushpal Sanghavi
Company Secretary

Place: Mumbai

Date : May 22,2015

Registered Office:

Continental Building,
135, Dr. Annie Besant Road,
Worli, Mumbai – 400 018

CIN: L92100MH1999PLC121506

www.zeenews.india.com

Email: pushpal.sanghavi@zee.esselgroup.com



NOTES:

1. Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a member of the Company. A person can act as proxy on behalf of not exceeding 50 (fifty) Members and holding in the aggregate not more than 10% of the total Paid-up Share Capital of the Company. Any Member holding more than 10% of total Paid-up 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.
2. 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, authorizing their representative to attend and vote at the Annual General Meeting.
3. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, relating to the Special Businesses to be transacted at the Annual General Meeting is annexed.
4. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, August 1, 2015 to Friday, August 7, 2015 (both days inclusive) for the purpose of Annual General Meeting.
5. Queries on accounts and operations of the Company, if any, may be sent at least seven days before the Annual General Meeting to the Company Secretary at the registered office of the Company or by email at pushpal.sanghavi@zee.esselgroup.com so as to enable the management to keep the information ready at the meeting.
6. As required under Clause 49 of the Listing Agreement, relevant information in respect of the Directors recommended by the Board for appointment / re-appointment at the Annual General Meeting forms part of the Report on Corporate Governance in the Annual Report.

In connection with the proposal for appointment of Mrs. Uma Mandavgane as an Independent Director, the Board of Directors have reviewed declaration made by her confirming that she meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and the Board is of the opinion that Mrs. Uma Mandavgane fulfills the conditions specified in the Act and the rules made there under and is independent of the management of the Company.
7. Copy of the Annual Report of the Company for financial year 2014-15 is being sent by email to all the Members whose email address is registered with the Company/ Depository Participants(s) for communication. For members who have not registered their email address, physical copies of the Annual Report for financial year 2014-15 is being sent. The Annual Report may also be accessed on Company's Website www.zeenews.india.com.
8. Members are requested notify about any change in their address/email address/dividend mandate/bank details to their

Depository Participant (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, M/s Sharepro Services (India) Pvt. Ltd., at 13AB, Samhita Warehousing Complex, Second Floor, Sakinaka Telephone Exchange Lane, Off Andheri-Kurla Road, Sakinaka, Andheri (East), Mumbai-400 072 and/or at 912, Raheja Centre, Free Press Journal Road, Nariman Point, Mumbai-400 021. 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 sharepro@shareproservices.com.

9. E-voting

In compliance with Clause 35B of the Listing Agreement entered into with the Stock Exchanges and Section 108 of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014, the Company is pleased to provide Members facility to exercise their right to vote on all items of business included in the notice of 16th Annual General Meeting 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 National Securities Depository Limited (NSDL) 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 Monday, August 3, 2015

at 9.00 a.m. and will end on Thursday, August 6, 2015 at 5.00 p.m. During this period Members holding equity shares of the Company either in physical form or in dematerialized form as on the cutoff date of July 31, 2015, may cast their vote electronically. The E-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by any Member, he/she shall not be allowed to change it subsequently.

10. The facility for voting by way of Ballot / Poll paper shall also be made available at the venue of the meeting and eligible 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.
11. 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.
12. 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 Company as on the Cut-off date of July 31, 2015.
13. 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 meeting but have not cast their votes by availing the remote e-voting facility.
14. 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.
15. The Scrutinizer, immediately after conclusion of voting at the General Meeting first Count votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in employment of the Company and make not later than three days of conclusion of the meeting, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman of the Meeting or any other Director of the Company, who shall countersign the same and declare the result of the voting forthwith.
 16. The results declared along with Scrutinizer's report shall be placed on the website of the Company and shall simultaneously be forwarded to the Stock Exchanges. The resolutions shall be deemed to be passed, if approved, on the date of AGM.
 17. The instructions and process for e-voting are as under:
 - A. Members whose shareholding is in dematerialised form and whose email addresses are registered with the Company/Depository Participant(s) will receive an email from NSDL informing the User-ID and Password :
 - (i) Open email and open PDF file viz; "ZMCL e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.
 - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
 - (iii) Click on Shareholder - Login
 - (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
 - (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - (vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
 - (vii) Select "EVEN" of "Zee Media Corporation Limited".
 - (viii) Now you are ready for remote e-voting as Cast Vote page opens.
 - (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
 - (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
 - (xi) Once you have voted on the

resolution, you will not be allowed to modify your vote.

- (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to pushpal.sanghavi@zee.esselgroup.com with a copy marked to evoting@nsdl.co.in
- B. For Members holding shares in dematerialised form whose email IDs are not registered with the Company/ Depository Participants and Members holding shares in physical form as well as those Members who have requested for a physical copy of the Notice and Annual Report, it may be noted that that the Initial User ID & Password is being provided along with this Annual Report. Such members are requested to follow all steps from Sl. No. (ii) to (xii) above to cast vote.
- C. Any person, who acquires equity shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. July 31, 2015, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or sharepro@shareproservices.com
- However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using “Forgot User Details/Password” option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.
- D. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at downloads section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990.
- E. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/ PIN for casting your vote.
- F. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).



EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 4

Based on recommendation of the Nomination & Remuneration Committee of the Board of Directors and after reviewing confirmation of independence received, the Board of Directors of the Company had appointed Mrs Uma Mandavgane (DIN: 03156224), as an Additional Director of the Company, in the category of Independent Directors, with effect from September 1, 2014. Pursuant to Section 161(1) of the Companies Act 2013, Mrs. Uma Mangdavgane holds office till the date of this Annual General Meeting. Appropriate notice has been received from a member proposing appointment of Mrs Uma Mangdavgane as a Director of the Company and requisite consent has been received from Mrs Uma Mangdavgane pursuant to provisions of Section 154 of the Companies Act 2013. In the opinion of the Board, Mrs Uma Mangdavgane who is proposed to be appointed as an Independent Director of the Company for the period up to August 31, 2017 fulfils the conditions specified under Section 149(6) and Schedule IV of the Companies Act 2013 and is Independent of the management.

Brief Profile and other details of Mrs Uma Mangdavgane forms part of the Corporate Governance Report.

Your Board recommends the Ordinary resolution as set out in Item No 4 for approval of Members.

None of the Directors and/or Key Managerial Personnel of the Company or their relatives,

except Mrs Uma Mangdavgane (whose appointment is proposed in this resolution) is in any way concerned or interested in the resolution.

Item No. 5 & 6

At the meeting held on May 22, 2015, the Board of Directors of the Company had, based on recommendation of the Nomination & Remuneration Committee of the Board of Directors, approved appointment of Mr. Ashish Kirpal Pandit (DIN 00122878) as an Additional Director of the Company with effect from May 22, 2015. Pursuant to Section 161(1) of the Companies Act 2013, Mr. Ashish Kirpal Pandit holds office till the date of this Annual General Meeting and appropriate notice has been received from a member proposing appointment of Mr Ashish Kirpal Pandit as a Director of the Company. Requisite consent has been received from Mr Ashish Kirpal Pandit pursuant to Section 154 of the Companies Act 2013.

Further at the said meeting held on May 22, 2015, the Board of Directors of the Company had, subject to approval of Members and in accordance with recommendations of Nomination & Remuneration Committee, approved appointment of Mr. Ashish Kirpal Pandit as a Whole-time Director of the Company designated as Executive Director & CEO at the remuneration as detailed in the Special resolution, which is within the limits prescribed under Section II of Part II of Schedule V of the Companies Act, 2013.

Requisite details as required under Section II of Part II of Schedule V of the Companies Act, 2013 are mentioned herein:

I. General Information																									
Nature of Industry	The Company is engaged in the business of broadcasting of News & Current Affairs television channels																								
Date or expected date of commencement of commercial production	Not Applicable																								
In case new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable																								
Financial performance based on given indicators (Standalone operations)	<table border="1"> <thead> <tr> <th rowspan="2">Particulars</th> <th colspan="2">FY 2014-15</th> <th colspan="2">FY 2013-14</th> </tr> <tr> <th colspan="2">(₹ in Crores)</th> <th colspan="2">(₹ in Crores)</th> </tr> </thead> <tbody> <tr> <td>Total Turnover</td> <td>391.71</td> <td></td> <td>330.17</td> <td></td> </tr> <tr> <td>Net Profit before tax</td> <td>10.48</td> <td></td> <td>22.58</td> <td></td> </tr> <tr> <td>Net Profit after tax</td> <td>6.16</td> <td></td> <td>18.82</td> <td></td> </tr> </tbody> </table>	Particulars	FY 2014-15		FY 2013-14		(₹ in Crores)		(₹ in Crores)		Total Turnover	391.71		330.17		Net Profit before tax	10.48		22.58		Net Profit after tax	6.16		18.82	
Particulars	FY 2014-15		FY 2013-14																						
	(₹ in Crores)		(₹ in Crores)																						
Total Turnover	391.71		330.17																						
Net Profit before tax	10.48		22.58																						
Net Profit after tax	6.16		18.82																						
Foreign investment or collaborations, if any	Except for equity shares of the Company held by Non-resident shareholders, there is no foreign investment or collaborations																								
II. Information about Appointee																									
Background details	Mr. Ashish Kirpal Pandit, an MBA from Indiana State University, Indiana, USA, is a senior management executive with experience of over 25 years in the space of Telecom, Retail and Office Automation, wherein he was best known for his expertise in developing Strategies and managing P&L of the Business. Before joining the Company Mr. Pandit was associated with Infotel Group as Director Operations. During his career Mr. Pandit was associated with various esteemed organisations including Tata Docomo, Fortis Healthcare, Tata Teleservices, Reliance Infocom etc.																								
Past remuneration	Mr. Ashish Kirpal Pandit joined the Company as Chief Executive Officer with effect from October 1, 2014 and remuneration proposed to be paid to Mr. Ashish Kirpal Pandit as Executive Director & CEO is same as remuneration that was being paid by the Company as CEO of the Company.																								
Recognition or awards	His annual remuneration from previous organization was ₹ 80 Lacs None																								
Job profile and his suitability	As Executive Director & CEO of the Company Mr. Ashish Kirpal Pandit will be responsible for entire business operations and profitability of the Company. Considering his qualification and experience in service industry, your Board feels that he would be suitable for the profile.																								
Remuneration proposed	As detailed in resolution																								
Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person	The proposed remuneration is commensurate with size and nature of business of the Company and considering the qualification, experience and responsibility shouldered by the appointee. The remuneration differs from company to company within the industry depending of various factors including scale of operations, responsibilities, experience and qualification of appointee etc.																								
Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any	Apart from drawing remuneration as Executive Director of the Company, there are no other pecuniary relationships. The Appointee is not related to any managerial personnel of the Company.																								

**III. Other information**

Reasons of loss or inadequate profits

Steps taken or proposed to be taken for improvement

Expected increase in productivity and profits in measurable terms

During last 2 financial years the company had embarked into expansion plans and has launched 3 new channels and restaged existing channels. These new channels along with few existing newly launched channels would take time to achieve breakeven, till then the Company would be required to continue to invest in them which would result in inadequate profits. You management is confident that these channels will achieve breakeven and turn profitable within deadlines set by management.

Brief Profile and other details of Mr Ashish Kirpal Pandit, additionally forms part of the Corporate Governance Report.

Your Board recommends the Ordinary and Special resolutions as set out in Item No 5 & 6 respectively for approval of Members.

None of the Directors and/or Key Managerial Personnel of the Company or their relatives, except Mr Ashish Kirpal Pandit (whose appointment is proposed in these resolutions) is in any way concerned or interested in the resolution.

Item No. 7

Effective April 1, 2014, in order to comply with the TRAI regulations in connection with bundling of channels of multiple broadcasters in one bouquet, distribution of entire Zee Network Channels in India, including television channels of the Company are being handled by Taj Television (India) Private Limited ('Taj'), a wholly owned subsidiary of ZEEL and a related party as per Accounting Standard 18, on the terms which are similar to the earlier arrangement(s) for such distribution.

As per the terms of agreement executed by the Company in ordinary course of business for a period of 3 years with effect from April 1, 2014, Taj

shall provide distribution services to the Company on principal-to-principal and revenue sharing basis by retaining 14% of subscription revenue of the television channels of the Company. The said agreement is renewable on similar and mutually agreeable terms on arms-length basis.

Though Taj is not a related party as per Section 2(76) of the Companies Act, 2013, it would be construed as a related party as per Accounting Standard 18 and since the annual transaction value exceeds the threshold limit of 10% of consolidated turnover of the Company prescribed under Clause 49 of the Listing Agreement, approval of the shareholders of the Company is being sought for the said on-going material related party transaction.

This contract for distribution of television channels of the Company by Taj, which has expertise in the distribution business, is in the best interests of the Company. The Members may provide appropriate authorization to the Board to renew the said distribution arrangement/contract with Taj for further period(s) on such terms, on arms-length basis, in the best interests of the Company.

Other details of the said material related party transactions are as mentioned herein:

Name of Related Party	Taj Television (India) Private Limited (Taj)
Name of Interested Director/ Key Managerial Personnel of the Company	None of the Director or Key Managerial personnel are either a Director or shareholder of Taj.
Nature of Relationship	Related party as defined under Accounting Standard 18
Brief terms of arrangement	Taj shall distribute all current and future television channels of the Company exclusively in India on principal-to-principal and revenue sharing basis wherein 14% of subscription revenue shall be retained by Taj.
Other relevant information	None

As per Clause 49(VII)(E) of the Listing Agreement, all entities/persons that are directly/indirectly related parties of the Company shall abstain from voting on resolution wherein approval of material related party transaction is sought from the shareholders. Accordingly, all related parties of the Company, including Promoters, Directors and Key Managerial Personnel of the Company shall not vote on this resolution.

Your Board recommends the Special Resolution as set out in Item No 7 to the unrelated shareholders of the Company for their approval.

None of the Directors and/or Key Managerial Personnel of the Company or their relatives is in any way concerned or interested in the resolution.

By order of the Board

Pushpal Sanghavi
Company Secretary

Place: Mumbai
Date : May 22,2015

Registered Office:

Continental Building,
135, Dr. Annie Besant Road,
Worli, Mumbai – 400 018
CIN: L92100MH1999PLC121506
www.zeenews.india.com
Email: pushpal.sanghavi@zee.esselgroup.com



Directors' Report

To the Members

Your Directors take pleasure in presenting the 16th Annual Report of your Company together with Audited Statement of Accounts for the year ended March 31, 2015.

FINANCIAL HIGHLIGHTS

The financial performance of your Company for the year ended March 31, 2015 is summarized below:

Particulars	For the year ended	
	March 31, 2015	March 31, 2014
Total revenues	3,917.11	3,301.77
Total expenses	3,812.32	3,135.81
Profit before tax and exceptional items	104.79	165.96
Exceptional items	-	59.89
Profit before tax	104.79	225.85
Provision for taxation	43.14	37.68
Profit after tax	61.65	188.17

(₹ in Millions)

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 Company's internal financial controls were adequate and effective during the financial year 2014-15.

DIVIDEND

With a view to conserve the resources for future business requirements and expansion plans, your Directors are of view that the current year's profit be ploughed back into the operations and hence no dividend is recommended for the year under review.

OPERATIONS & STRATEGY

FY 2014-15 proved to be very eventful for Indian economy, with new GDP calculations more in line with global practices, changing perception about Indian economic growth from stagnation to acceleration mode and marked improvement in ease of doing business. Projected GDP growth of 8-8.5% in FY16 coupled with positive movement in consumption pattern and increased investor confidence is expected to fuel growth across industries and sectors. The television media industry grew by 13.8% making it a ₹ 475 billion industry in 2014 from ₹ 417 billion in 2013. Advertisement revenues grew by 14% to ₹ 155 billion in 2014 from ₹ 136 billion in 2013, while subscription revenues registered 10% growth to ₹ 75 billion in 2014 from ₹ 69 billion in 2013. News channels formed 21.7% (₹ 33 billion) of the broadcast advertisement revenue pie with 7.5% share of viewership, indicating an improved power ratio. The growth in news channel viewership during 2014 was primarily backed by general and

Directors' Report

some state elections, which generated enormous interest among the masses.

The Indian television industry is going through a sea change in its operating environment. The near completion of Phases I & II of digitization was expected to increase the addressability and subscription revenues. However, lack of proper implementation from MSOs and continued resistance from LCOs has affected the returns and pushed the deadlines for Phases III & IV. The implementation of alternative rating system by BARC, with wider geographic coverage and additional parameters, is expected to significantly change the trends in ad spends. The ongoing dialogue between news broadcasters and the Government on proposed 12-minute ad cap is expected to result into a positive outcome.

Your Company continues to be one of the largest news networks touching more than 119 million viewers through its 10 News Channels in 6 different languages and reaching more than 200 million users through digital channels.

Zee News, flagship channel of your Company and a pioneer in news broadcasting, reached over 77.3 million viewers across India in the FY15 fiscal. While **Zee Business**, India's 1st 24-hour Hindi business channel, has been performing consistently and has outperformed its competitors. Zee Business has been No. 1 in reach with more than 27.3 million viewers across India.

Zee 24 Taas continued to be a strong No. 2 in reach across Maharashtra and reached more than 22.9 million viewers across India.

Zee Sangam was the undisputed leader catering to 14.1 million viewers across India. **Zee Punjab Haryana Himachal** stood at No. 2 and reached

more than 7.2 million viewers across India.

Zee Madhya Pradesh and Chhattisgarh, launched on March 31, 2013 for viewers of Madhya Pradesh and Chhattisgarh, has established its dominance and No. 1 position with a reach of more than 11.8 million viewers across India. **Zee Marudhara**, launched on July 31, 2013 for Rajasthan market, reached 4.0 million viewers across India. **Zee Kalinga**, Company's offering for Odisha market launched on January 26, 2014, reached more than 2.2 million viewers across India

24 Ghanta, Bengali news offering through 60% subsidiary, Zee Akaash News Pvt Ltd, is No. 2 in reach in West Bengal with more than 11.8 million viewers across India. While **Maurya TV**, a regional channel targeting Bihar and Jharkhand region, operated by Maurya TV Private Limited, where in 100% equity stake was acquired by the Company during the financial year, reached more than 2.1 million viewers across India.

Zeeneews.com registered a year on year increase of 57.5% in visits, 24.3% in unique visitors, and 38.7% in page views. The website attracted over 116 million unique visitors, 287 million visits with 607 million page views in FY15 compared to 93 million unique visitors, 182 million visits with 437 million page views in the previous year. The regional arms of the website put up a phenomenal performance with visits to Hindi, Bengali and Marathi websites growing by 285%, 215% and 235% respectively.

During the year, your company made full use of the opportunities provided by popular events, such as General/State Elections and major sporting events, through special and customized programming around them across channels. This resulted in growth of overall operating revenues



by 62.4% from ₹ 3,351.6 Million in FY 2013-14 to ₹ 5,443.3 Million. The operating Profit during the year under review grew by 58.5% to ₹ 404.0 Million as compared to ₹ 254.8 Million in FY 2013-14.

SHARE CAPITAL

During the year under review, in pursuance of the Scheme of Amalgamation for merger of Essel Publishers Private Limited with the Company, approved by Hon'ble Bombay High Court vide order passed on May 2, 2014, the Authorised Share Capital of the Company stood increased to ₹ 170,00,00,000 (Rupees One Hundred and Seventy Crores) comprising of 170,00,00,000 (One Hundred and Seventy Crores) Equity Shares of ₹ 1 each. Further your Company had on June 9, 2014 allotted 122,381,817 Equity Shares of ₹ 1 each to the shareholders of Essel Publishers Private Limited, in the ratio of 2 (Two) Equity Shares of the Company for every 11 (Eleven) Equity Shares held in Essel Publishers Private Limited, resulting in increase in the paid-up Share Capital of the Company to ₹ 362,145,773 comprising of 362,145,773 Equity Shares of ₹ 1 each.

Additionally, with a view to fund capital expenditure, repayment of loans by the Company and its subsidiaries, your Company had announced Rights Issue of upto 108,643,732 Equity Shares of ₹ 1 each at a price of ₹ 18/- per share aggregating to ₹ 1955.59 Million, in the ratio of 3 (Three) Right Shares for every 10 (Ten) Equity Shares held as on Record date of March 17, 2015. The said Rights Issue, as per the terms detailed in the Letter of Offer dated March 16, 2015, opened on March 25, 2015 and closed on April 8, 2015. The Issue was subscribed by 1.03 times and the Company had on April 18, 2015 allotted 108,643,732 Equity Shares to eligible allottees resulting in increase in the paid-up

share capital of the Company to ₹ 470,789,505 comprising of 470,789,505 Equity Shares of ₹ 1 each.

EMPLOYEES STOCK OPTION SCHEME

Your Company has not granted any Stock Options under 'ZNL ESOP Scheme 2009' approved by the Members at the 10th Annual General Meeting held on August 18, 2009, till date. In view of this, particulars as required under Clause 12 (Disclosure in the Directors' Report) of Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, are Nil and consequently the Company has not obtained any certificate from the Statutory Auditors confirming implementation of the Employees Stock Option Scheme in accordance with SEBI guidelines and the resolution passed by the shareholders.

SUBSIDIARIES & ASSOCIATES

As at March 31, 2015, your Company had 5 Subsidiaries. Your Company continues to hold 60% equity stake in Zee Akaash News Pvt Ltd which runs a Bengali News Channel '24 Ghanta'. During the year under review, the Print Media business comprising of printing and publication of English newspaper 'dna' housed in 3 subsidiaries viz. Mediavest India Pvt Ltd, Diligent Media Corporation Ltd and Pri-Media Services Pvt Ltd were vested with the Company with effect from April 1, 2014, in pursuance of the Scheme of Amalgamation approved by Hon'ble Bombay High Court vide order passed on May 2, 2014. Additionally consequent to acquisition of balance equity stake from existing shareholders, Maurya TV Pvt Ltd, an associate entity till March 31, 2014 became a wholly owned subsidiary of the Company with effect from December 12, 2014 and consequently the broadcasting business of 'Maurya TV' a regional channel targeting Bihar and Jharkhand came under the Company's fold. Apart from this, no subsidiary /

Directors' Report

joint venture was formed or divested during the year under review. In compliance with Section 129 of the Companies Act, 2013, a statement containing requisite details including financial highlights of the operations of all subsidiaries is annexed to this report.

In accordance with Accounting Standard AS 21 – Consolidated Financial Statements read with Accounting Standard AS 23 – Accounting for Investments in Associates, and Accounting Standard AS 27 – Financial Reporting of Interests in Joint Ventures, the audited Consolidated Financial Statements are provided in and forms part of this Annual Report.

CORPORATE GOVERNANCE & POLICIES

Your Company is in compliance with the Corporate Governance requirements mentioned under Clause 49 of the Listing Agreement. A Report on Corporate Governance as stipulated under the Listing Agreement(s) with the Stock Exchanges as also a Management Discussion and Analysis Report forms part of the Annual Report. Certificate from the Statutory Auditors of the Company, M/s MGB & Co LLP Chartered Accountants, confirming compliance with the provisions of Corporate Governance as stipulated in Clause 49, is annexed to the said Corporate Governance Report.

In compliance with the requirements of the Companies Act, 2013, the Nomination and Remuneration Committee of the Board had fixed criteria for nominating a person on the Board which *inter alia* include desired size and composition of the Board, age limit, qualification/ experience, areas of expertise and independence of individual. The Committee had also approved in-principle that the initial term of an Independent Director shall not exceed 3 years. Your Company

has also adopted a Remuneration Policy, salient features whereof is annexed to this report.

Your Board had in accordance with the requirements of Companies Act, 2013 and Clause 49 of the Listing Agreement, adopted new policies including Related Party Transaction Policy, Corporate Social Responsibility Policy and amended existing Whistle Blower and Vigil Mechanism Policy in line with the amended requirements. These policies are available on the website of the Company www.zeenews.india.com.

CORPORATE SOCIAL RESPONSIBILITY

As a socially conscious media house, your company seeks to focus on triple bottomline, not just on the financial profit but also on people and planet. While the company seeks to be profitable, it also aims at benefitting society and bettering environment through its pragmatic approach.

Your company continued with its resolve for environment protection with the 5th edition of My Earth, My Duty (MEMD) campaign under which more than 10 lakh saplings were planted across the country by citizens from all walks of life. The campaign entered the Limca Book of Records once again when more than two lakh saplings were planted within 30 minutes by Border Security Force (BSF). The campaign has already been recognized by Limca Book of Records earlier for being the only campaign to make India Greener by planting over 50 Lakhs saplings in one day. This CSR initiative has also won accolades from the United Nation and received many coveted awards, such as Rashtriya Rajiv Gandhi BCS Ratna Award and Lions Club Award for being the best CSR campaign.

During the year under review, to facilitate raising funds and awareness for flood stricken areas of Jammu & Kashmir, your Company in



partnership with the Event and Entertainment Management Association and Film and Television Producers Guild had launched a charity concert 'Hum Hain Ummeed-E-Kashmir'. This concert was telecasted across all 10 channels of the Company to reach out to every citizen of India and the advertisement revenue accrued on the said telecast was contributed to the NGO United Way of India to pledge support and provide aids to flood affected persons/areas in Jammu & Kashmir.

Your company also seeks to turn the spotlight on the security forces who protect our borders as well as the unsung heroes who are silently working to uplift the society through our flagship CSR initiative, Ananya Samman. The initiative, in its 7th year, took place in two different locations addressed in Marathi and Bengali through Zee 24 Taas and 24 Ghanta channels, respectively.

The company undertook several other initiatives through its different channels. 24 Ghanta organized 12 blood donation camps across Kolkata where more than 600 people donated blood. Our English daily, dna, organized the 5th edition of Eco Ganesha campaign to encourage housing societies and individuals to indulge in an eco-friendly Ganesh Chaturthi. Zee 24 Taas launched Second Inning Parishad, a discussion and guidance forum where experts came together to provide a direction and solutions to the problems faced by people. Zee Sangam organized Devbhoomi Sammaan Awards in Dehradun to honour the achievements of heroes from different walks of life in Uttarakhand.

In compliance with the requirements of Section 135 of the Companies Act, 2013, your Company has constituted a Corporate Social Responsibility Committee and has approved a CSR Policy with Education, Environment & Health Care and

Woman empowerment as primary focus area. Besides these focus areas your Company shall also undertake other CSR activities listed in Schedule VI of the Companies Act, 2013. Copy of CSR Policy of the Company can be viewed on www.zeenews.india.com.

As per the said CSR Policy and in line with Central government's Saansad Adarsh Gram Yojana (SAGY), your Company has, in association with Zee Foundation, an Essel Group Trust, adopted Gheeray, a village in Hansi constituency of Haryana. The project proposes to address villagers' concerns such as sanitation and modernization of sports facilities, as well as sensitize them towards women empowerment, education, and female foeticide. CSR funds of ₹ 4.94 Million remitted by the Company to Zee Foundation, is yet to be utilised towards the project as at March 31, 2015. Annual Report on CSR activities initiated by your Company during the year under review is annexed to this report.

DIRECTORS & KEY MANAGERIAL PERSONNEL

As at March 31, 2015, your Board comprised of 4 Directors including 3 Independent Directors. Independent Directors provide declarations both at the time of appointment and annually, confirming that they meet the criteria of independence as prescribed under Companies Act, 2013 and Clause 49 of the Listing Agreement. During FY 2015 your Board met 10 (ten) times details of which are available in the Corporate Governance Report annexed to this report.

During the year under review, your Board had appointed Mrs. Uma Mandavgane as an Additional Director in the category of Independent Director with effect from September 1, 2014. Further your Board had at the meeting held on May 22, 2015, approved appointment of Mr.

Directors' Report

Ashish Kirpal Pandit as an Additional Director, with effect from May 22, 2015 and as Executive Director & CEO, with effect from June 1, 2015. In terms of Section 161 of the Companies Act, 2013, Mrs. Uma Mandavgane and Mr. Ashish Kirpal Pandit shall hold office upto the date of ensuing Annual General Meeting. The Company has received notice from its Member along with requisite deposit proposing appointment of these Directors. Requisite proposals seeking your approval for appointment of Mrs. Uma Mandavgane as Independent Director not liable to retire by rotation for a period of 3 years with effect from September 1, 2014 forms part of the notice of ensuing Annual General Meeting. Further the said notice also includes proposal for appointment of Mr. Ashish Kirpal Pandit as a Director and also Executive Director & CEO of the Company for a period of 3 years with effect from June 1, 2015 at a remuneration as detailed in the resolution. Your Board recommends these resolutions for your approval.

Dr. Subhash Chandra, Non-Executive Director, retires by rotation at the ensuing Annual General Meeting and being eligible has offered himself for re-appointment. Your Board has recommended his re-appointment.

During the year under review, in compliance with the requirements of Section 203 of the Companies Act, 2013, Dr. Bhaskar Das, Group CEO-News Cluster, Mr. Dinesh Garg, Chief Financial Officer and Mr. Pushpal Sanghavi, Company Secretary of the Company were nominated as Key Managerial Personnel of the Company. Consequent to appointment of Mr. Ashish Kirpal Pandit as Executive Director & CEO, he was nominated as Key Managerial Personnel in place of Dr. Bhaskar Das with effect from June 1, 2015.

BOARD EVALUATION

In a separate meeting of Independent Directors, performance of non-independent directors, performance of the board as a whole and performance of the Chairman was evaluated. Based on such report of the meeting of Independent Directors and taking into account the views of directors the Board had evaluated its performance on various parameters such as Board composition and structure, effectiveness of board processes, effectiveness of flow of information, contributions from each Directors etc.

AUDITORS

Statutory Audit: The Statutory Auditors M/s MGB & Co. LLP, Chartered Accountants, Mumbai, having Firm Registration No 101169W/W-100035, holds office until the conclusion of the ensuing Annual General Meeting and is eligible for reappointment.

Your Company has received confirmation from the Auditors to the effect that their appointment, if made, will be in accordance with the limits specified under the Companies Act, 2013 and the firm satisfies the criteria specified in Section 141 of the Companies Act, 2013 read with Rule 4 of Companies (Audit & Auditors) Rules 2014. Your Board is of the opinion that continuation of M/s MGB & Co LLP as Statutory Auditors during FY 2015-16 will be in the best interests of the Company and therefore, Members are requested to consider their re-appointment as Statutory Auditors of the Company from the conclusion of ensuing Annual General Meeting till next Annual General Meeting at remuneration be decided by the Board.

Secretarial Audit: In terms of Section 204 of the Companies Act, 2013 and the Companies



(Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Secretarial Audit for FY 2015 was carried out by Mr. Satish K Shah, Practicing Company Secretary (holding Certificate of Practice No. 3142)

The reports of Statutory Auditor and/or Secretarial Auditor forming part of this Annual report do not contain any qualification, reservation or adverse remarks.

DISCLOSURES

- i. Particulars of loans, guarantees and investments: Particulars of loans, guarantees and investments made by the Company as required under Section 186(4) of the Companies Act, 2013 are given in Note No. 40 to the Standalone Financial Statements.
- ii. Transactions with Related Parties: None of the transactions with related parties falls 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: Your Company has not accepted any public deposit under Chapter V of the Companies Act, 2013.
- 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. Sexual Harassment: The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder. There was no complaint on sexual harassment during the year under review.
- 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.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

Your Company is into the business of Broadcasting of News & Current Affairs Television Channels in Hindi and various regional languages. Since this 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 Rule 8(3) of the Companies (Accounts) Rules, 2014, is not applicable.

Directors' Report

However the information as applicable is given hereunder:

Conservation of Energy:

(i) steps taken or impact on conservation of energy	Your Company, being a service provider, requires minimal energy
(ii) steps taken by the company for utilizing alternate sources of energy	consumption and every endeavor has been made to ensure optimal
(iii) capital investment on energy conservation equipments	use of energy, avoid wastages and conserve energy as far as possible.

Technology Absorption:

(i) the efforts made towards technology absorption	In its endeavor to deliver the best to its viewers and business partners, your Company has been constantly active in harnessing and tapping the latest and best technology in the industry.
(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	

Foreign Exchange Earnings and Outgo:

Particulars of foreign exchange earnings and outgo during the year are given in Note No. 42 to 44 of Note to the Standalone Financial Statements of the Company

PARTICULARS OF EMPLOYEES

Your Company had 1750 employees as at March 31, 2015. The information required under the provisions of Section 197 of the Companies Act, 2013 read with Rule 5 of 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 is annexed to this report.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134 of the Companies Act, 2013, in relation to the

Annual Financial Statements for the Financial Year 2014-2015, your Directors confirm that:

- a) The Financial Statements of the Company comprising of the Balance Sheet as at March 31, 2015 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 the 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, 2015, and, of the profit 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 Act, to safeguard the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) Requisite Internal financial controls were laid down and that such 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 operating effectively.

ACKNOWLEDGEMENTS

Your Board takes this opportunity to place on record its appreciation for the dedication and commitment of employees shown at all

levels which have contributed to the success of your Company. Your Directors also express their gratitude for the valuable support and co-operation extended by various Governmental authorities, including Ministry of Information and Broadcasting, Department of Telecommunication, Ministry of Corporate Affairs, Securities and Exchange Board of India, Stock Exchanges, Depositories and other stakeholders including banks, financial Institutions, viewers, vendors and service providers.

For and on behalf of the Board

Surjit Banga
Director

Ashish Kirpal Pandit
Director

Place: Mumbai

Date : May 22, 2015

STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES / ASSOCIATES / JOINT VENTURE AS PER THE COMPANIES ACT, 2013 FOR THE YEAR ENDED MARCH 31, 2015

Name of the Subsidiary	(₹ in Million)				
	Zee Akaash News Private Limited	Mediavest India Private Limited	Pri-Media Services Private Limited	Maurya TV Private Limited @	Diligent Media Corporation Limited #
Share Capital	40.00	0.10	0.10	221.32	890.96
Reserves & Surplus	217.75	(1,718.81)	(209.04)	(166.48)	(4,037.48)
Total Assets	299.60	8,499.07	3,578.89	122.71	1,448.96
Total Liabilities	41.85	10,240.05	3,787.83	67.87	4,595.49
Investments (Other than Subsidiary)	-	22.27	-	-	-
Turnover	434.70	51.75	560.09	39.73	1,060.18
Profit before Taxation	134.75	18.29	(269.99)	-	(482.90)
Provision for Taxation	47.28	8.12	35.87	-	(257.95)
Profit after Taxation	87.47	10.17	(305.86)	-	(224.95)
Dividend Proposed/ Paid	100.00	-	-	-	-
% of shareholding	60.00%	100.00%	100.00%	100.00%	99.99%

Note:

1. @ Associate upto 11 December, 2014 and became a subsidiary with effect from 12 December, 2014.
2. # Held through Mediavest India Private Limited.
3. The Company does not have any Associate / Joint Venture

For and on behalf of the Board

Surjit Banga
Director

Ashish Kirpal Pandit
Director

Place: Mumbai

Date : May 22, 2015

**ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES FOR FY 2014-2015**

1	A brief outline of the Company's CSR Policy including overview of projects or programs proposed to be undertaken and a reference to the weblink 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, Environment & Health Care and Woman empowerment. Besides these focus areas the Company shall also undertake any other CSR activities listed in Schedule VI of the Companies Act, 2013. The CSR Policy of the Company can be viewed on www.zeenews.india.com
2	The Composition of the CSR Committee	The CSR Committee of the Board comprises of 3 Directors. Dr. Subhash Chandra, Non-executive Director is the Chairman of the Committee while Mr. Surjit Banga and Mr. Vinod Kumar Bakshi, Independent Directors are its Members.
3	Average net profit of the Company for last 3 FY	₹ 247 million
4	Prescribed CSR expenditure	₹ 4.94 million
5	Details of CSR spent during FY	
	a) Amount to be spent in FY	₹ 4.94 Million
	b) Unspent amount	None
	c) Manner in which CSR amount spent during FY	
i	CSR projects or activities identified	Adoption of a Village and address immediate concerns on sanitation, infrastructure, women empowerment & women education
ii	Sector in which the project is covered	Rural Development, Sanitation & Woman empowerment
iii	Projects or programs Local area or other, specify the State and district where projects or programs was undertaken	Gheeray, a village in Hansi constituency of Haryana
iv	Amount outlay (budget) project or programs wise	₹ 4.94 Million
v	Amount spent on the projects or programs	Entire CSR funds remitted by the Company to Zee Foundation. However as at March 31, 2015 same is yet to be utilised by Zee Foundation towards the project.
vi	Cumulative expenditure upto the reporting period	₹ 4.94 Million
vii	Direct or through implementing agency	Zee Foundation

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

Subhash Chandra
Director

Surjit Banga
Director

Place: Mumbai
Date : May 22, 2015

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 which is not at arm's length during financial year 2014-15.
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: Taj Television (India) Private Limited, a Related party as per Accounting Standard 18
 - b. Nature of contracts / arrangements / transactions: Distribution Service for all television channels of the Company.
 - c. Duration of the contracts / arrangements / transactions: Contract entered with effect from April 1, 2014 for a term of 3 years, renewable on similar and mutually agreeable terms.
 - d. Salient terms of the contracts or arrangements or transactions including the value, if any: The related party shall distribute all current and future television channels of the Company, exclusively in India on principal-to-principal, and revenue sharing, basis wherein 14% of subscription revenue shall be retained by the related party.
 - e. Date(s) of approval by the Board, if any: Not applicable, since the contract was entered into in the ordinary course of business and on arm's length basis.
 - f. Amount paid as advances, if any: Nil

For and on behalf of the Board

Ashish Kirpal Pandit
Director

Surjit Banga
Director

Place: Mumbai

Date : May 22, 2015



Extract of Remuneration Policy

1. OBJECTIVE:

This Policy aims to attract, retain and motivate the members of the Board of Directors, Senior Managers i.e. Employees at one level below the Board of Directors and Key Managerial Personnel of the Company by remunerating them reasonably and sufficiently so as to run the company successfully. The Policy reflects the Company's objectives for good corporate governance as well as sustained long-term value creation for shareholders.

2. GUIDING PRINCIPLES:

The guiding principle of this Policy is that the remuneration and other terms of employment shall be competitive enough to ensure that the Company can attract, retain and motivate right kind of human resource 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.

While designing the remuneration package, efforts are to be made to ensure that the remuneration matches the level in comparable companies, whilst also taking into consideration their required competencies, qualifications, industry experience, effort required and the scope of the work.

The Nomination and Remuneration Committee while considering a remuneration package ensure a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the company and its goals.

The Nomination and Remuneration Committee considers that a successful remuneration policy must ensure that a significant part of the remuneration package is linked to the achievement of corporate performance

targets and a strong alignment of interest with stakeholders.

2.1. Remuneration of Executive Members of the Board:

Executive Members of the Board, if any, shall be paid remuneration which shall comprise of fixed monthly basic salary, perquisites such as House Rent Allowance or furnished / unfurnished housing accommodation in lieu thereof, car with or without chauffeur, telephone for office as well as personal use, reimbursement of medical expenses, leave travel allowance, club membership, stock options, statutory and non-statutory allowances such as education allowances, personal allowances, travel allowances, subscription allowances etc. as may be recommended by the Nomination and Remuneration Committee / Board of Directors and approved by the Members of the Company from time to time.

However, the overall remuneration of executive members of the Board, where there are more than one, shall not exceed 10% of the net profit calculated in the manner provided under the Companies Act, 2013 and Rules framed thereunder, and shall not exceed 5% in case there is only one executive member of the Board. In the event of loss or inadequacy of profit in any financial year during the currency of tenure of services of the executive member of the Board, the payment of remuneration shall be governed by the applicable limits prescribed under the Companies Act, 2013 and Rules framed thereunder, as amended from time to time.

Executive Members of the Board shall be employed under service contracts for a

Annexure to the Directors' Report

period not exceeding 3 years at a time, on the terms & conditions and remuneration as recommended by the Nomination and Remuneration Committee and approved by the Members of the Company at the General Meeting. Executive members of the Board shall not be eligible to receive any sitting fees for attending any meeting of the Board of Directors or Committee thereof.

2.2. Remuneration of Non-Executive Members of the Board:

The remuneration payable to the Non-Executive members of the Board shall be limited to a fixed amount of Commission, per year, as may be determined and approved by the Board based on the time devoted, contribution made in the progress and guiding the Company for future growth. Aggregate of such sum shall not exceed 1% of net profit of the year or such sum as may be prescribed by the Government from time to time, calculated in accordance with the provisions of the Companies Act, 2013 and relevant rules framed thereunder. The remuneration in the form of profit commission payable to Non-Executive members of the Board shall be in addition to the sitting fees payable to them for attending the meetings of the Board and / or Committees thereof, excluding Stakeholders Relationship Committee and Finance Sub-Committee and reimbursement of expenses for participation in the Board and other meetings. An Independent Director shall not be entitled to any stock option issued or proposed to be issued by the Company. The performance of the non-executive members of the Board shall be reviewed by the Board on an annual basis.

2.3 Remuneration of Executive Management comprising of Senior Management & Key Managerial Personnel:

The Company believes that a combination of fixed and performance-linked pay to the Executive Management ensure that the company can attract and retain key employees. At the same time, these personnel are given an incentive to create shareholder value through partly incentive-based pay. The performance-linked incentive based on Company performance and performance of the employee concerned shall be considered and approved by the Nomination & Remuneration Committee, annually inter alia for the Executive Management.

The Nomination & Remuneration Committee shall submit proposals concerning the appointment and remuneration of the Key Managerial Personnel and ensure that the remuneration is in line with industry standard in comparable companies. Such proposals then shall be submitted to the Board for approval. The remuneration of the members of the Executive Management may consist of the following components:

- Basic salary and Allowances
- Performance linked incentive / bonus
- Stock options
- Perquisites as per rules of the Company including Company car, telephone etc.

Executive Management shall not be eligible to receive any remuneration for directorships held in Essel Group of Companies



Form No. MGT-9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on March 31, 2015

[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	L92100MH1999PLC121506
ii) Registration Date	27/08/1999
iii) Name of the Company	Zee Media Corporation Limited
iv) Category / Sub-Category of the Company	Company Limited by Shares / Indian Non-Government Company
v) Address of the Registered Office & Contact details	Continental Building, 135, Dr. Annie Besant Road, Worli, Mumbai: 400018 Tel No.: +91-22-2483 1234 Fax No.: +91-22-2495 5974
vi) Whether Listed	: Yes
vii) Name, Address and Contact Details of Registrar and Transfer Agent	: M/s Sharepro Services (India) Pvt. Ltd. 13AB, Samhita Warehousing Complex, Second Floor, Sakinaka Telephone Exchange Lane, Off Andheri- Kurla Road, Sakinaka, Andheri (East), Mumbai-400 072 Tel No.: +91-22-6772 0300/400 Fax No.: +91-22- 2859 1568/2850 8927

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	92100	100

Annexure to the Directors' Report

III. Particulars of Holding, Subsidiary and Associate Companies

Sl. No.	Name, Address & CIN of the Company	% of shares held	Applicable Section
A Holding Company			
	Nil		
B Subsidiary Companies			
1	Zee Akaash News Private Limited Continental Building, 135, Dr. Annie Besant Road, Worli, Mumbai 400 018 U92132MH2005PTC157148	60%	2(87)(ii)
2	Diligent Media Corporation Limited* 11th Flr, Tower 3, Indiabulls Financial Centre, Senapati Bapat Marg, Elphinstone Road (W), Mumbai 400 013 U22120MH2005PLC151377	99.99%	2(87)(ii)
3	Pri-Media Services Private Limited Continental Building, 135, Dr. Annie Besant Road, Worli, Mumbai 400 018 U22222MH2012PTC232006	100%	2(87)(ii)
4	Mediavest India Private Limited Continental Building, 135, Dr. Annie Besant Road, Worli, Mumbai 400 018 U92132MH2001PTC130426	100%	2(87)(ii)
5	Maurya TV Private Limited 201 A & B, Abhishek, New Link Road, Andheri (West), Mumbai 400 053 U92130MH2007PTC170952	100%	2(87)(ii)
C Associate Company			
	Nil		

* Held through Mediavest India Private Limited

IV. Shareholding Pattern (Equity Share Capital Breakup as Percentage of Total Equity):

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
Bodies Corp.	127899010	0	127899010	53.34	250280827	0	250280827	69.11	15.77
Sub-total (A) (1):-	127899010	0	127899010	53.34	250280827	0	250280827	69.11	15.77
(2) Foreign	0	0	0	0	0	0	0	0	0
Sub-total (A) (2):-	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter									
(A) = (A)(1)+(A)(2)	127899010	0	127899010	53.34	250280827	0	250280827	69.11	15.77
B. Public Shareholding									



Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(1) Institutions									
- Mutual Funds	19253599	452	19254051	8.03	18276103	452	18276555	5.05	(2.98)
- Banks / FI	66317	0	66317	0.03	429803	0	429803	0.12	0.09
- Insurance Companies	91142	0	91142	0.04	91142	0	91142	0.03	(0.01)
- FIs	27548260	5022	27553282	11.49	16057977	5022	16062999	4.44	(7.05)
Sub-total (B)(1):-	46959318	5474	46964792	19.59	34855025	5474	34860499	9.63	(9.96)
(2) Non-Institutions									
a) Bodies Corp.									
- Indian	11881121	3137	11884258	4.96	15390984	3137	15394121	4.25	(0.71)
- Overseas	6983	0	6983	0.00	202	0	202	0.00	0
b) Individuals									
- Individual shareholders holding nominal share capital upto ₹ 1 lakh	36672627	181404	36854031	15.37	45649790	177535	45827325	12.65	(2.72)
- Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	14840458	0	14840458	6.19	14379439	0	14379439	3.97	(2.22)
c) Others									
- Foreign National	452	0	452	0.00	452	0	452	0.00	0
- NRI	1073684	185060	1258744	0.52	1230731	171950	1402681	0.39	(0.13)
- Trust	55228	0	55228	0.02	227	0	227	0.00	(0.02)
Sub-total (B)(2):-	64530553	369601	64900154	27.07	76651825	352622	77004447	21.26	(5.81)
Total Public Shareholding (B)=(B)(1)+ (B)(2)	111489871	375075	111864946	46.66	111506850	358096	111864946	30.89	(15.77)
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	239388881	375075	239763956	100.00	361787677	358096	362145773	100.00	0

Annexure to the Directors' Report

ii) Shareholding of Promoters & Promoter Group

Sl. No.	Name of Shareholder	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during 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	25FPS Media Pvt. Ltd.	127898710	53.34	24.28	127898710	35.32	7.32	(18.02)
2	Sprit Textiles Pvt. Ltd.	200	0.00	0.00	200	0.00	0.00	-
3	Essel Infraprojects Ltd.	100	0.00	0.00	100	0.00	0.00	-
4	Arm Infra and Utilities Ltd	-	-	-	122363636	33.79	27.20	33.79
5	Prime Publishing Pvt. Ltd.	-	-	-	18181	0.00	0.00	0.00

Note: The change in shareholding is due to allotment of further shares to entities in 4 & 5 above

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

Sl. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year					
1.	Holding as on 1.04.2014	127899010	53.34	127899010	53.34
Date wise Increase/ Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/ bonus/sweat equity etc.):					
1.	Allotment of Equity Shares in pursuance of Scheme of Amalgamation of a promoter related entity on June 9, 2014				
	Prime Publishing Pvt. Ltd	18181	0.00		
	Arm Infra & Utilities Ltd	122363636	33.79	250280827	69.11
	At the End of the year			250280827	69.11

Note: Allotment of further Equity shares by Company in pursuance of Scheme of Amalgamation, resulting in increase in paid-up Capital

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

Name of Shareholder	Shareholding at the beginning of the year (April 1, 2014)		Shareholding at the end of the year (March 31, 2015)		
	No of Shares	% Equity Share Capital	No of Shares	% Equity Share Capital	
HDFC Trustee Company Ltd–HDFC Prudence Fund	\$	17467103	7.29	17467103	4.82
Orange Mauritius Investments Ltd	#	11743226	4.90	477943	0.13
Acacia Partners LP	\$	6180100	2.58	6180100	1.71
Acacia Institutional Partners LP	\$	3989700	1.66	3989700	1.10
Acacia Conservation Fund LP	\$	2772000	1.16	2772000	0.77
Amit Goela	\$	2350000	0.98	1820180	0.50
Acacia Banyan Partners	\$	1996200	0.84	1996200	0.55
Siddhant Durgesh Shah	\$	1400000	0.58	1400000	0.39
Vishesh Nimesh Shah	\$	1400000	0.58	1400000	0.39
Hardik Dhanesh Shah	\$	1400000	0.58	1400000	0.39
Religare Finvest Ltd	@	796254	0.33	1330419	0.37

Note:

1. The shares of the Company are substantially held in dematerialised form and are traded on a daily basis and hence date wise increase/decrease in shareholding is not indicated
2. \$ denotes common top 10 shareholders as on April 1, 2014 and March 31, 2015
denotes top 10 shareholders only as on April 1, 2014
@ denotes top 10 shareholders only as on March 31, 2015

v) Shareholding of Directors and Key Managerial Personnel:

None of the Directors / Key Managerial Personnel of the Company held any Equity Shares of the Company either at the beginning of the year i.e. April 1, 2014 or at the end of the year i.e. March 31, 2015 or dealt in the Equity Shares of the Company during financial year 2014-15 and information in this regard is Nil.

Annexure to the Directors' Report

V. Indebtedness:

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

Particulars	(₹ in Million)			
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of FY i.e. April 1, 2014				
i) Principal Amount	1,114.62	-	-	1,114.62
ii) Interest Due but not paid;	-	-	-	-
iii) Interest accrued but not due	6.04	-	-	6.04
Total (i+ii+iii)	1,120.66	-	-	1,120.66
Change in Indebtedness during the financial year				
⊕ Addition	336.21	-	-	336.21
⊖ Reduction	117.22	-	-	117.22
Net Change	218.99	-	-	218.99
Indebtedness at the end of FY i.e. March 31 2015				
i) Principal Amount	1,331.18	-	-	1,331.18
ii) Interest Due but not paid;	-	-	-	-
iii) Interest accrued but not due	8.47	-	-	8.47
Total (i+ii+iii)	1,339.65	-	-	1,339.65

VI. Remuneration of Directors and Key Managerial Personnel

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Particulars of Remuneration	(₹ in Million)	
	Alok Agrawal (Whole-time Director till May 12, 2014)	
Gross salary (As per Income Tax Act)		
Salary		2.53
Perquisites		0.01
Profit in lieu of salary		-
Stock Option		-
Sweat Equity		-
Commission - as % of profit		-
Others (Contribution to Provident Fund)		0.11
Total (A)		2.65
Ceiling as per the Act		12.64

**B. Remuneration to other directors:**

				(₹ in Million)
Name of Director	Sitting Fees	Commission	Others	Total
Subhash Chandra	0.22	0.20	-	0.42
Vinod Kumar Bakshi	0.38	0.20	-	0.58
Surjit Banga	0.38	0.23	-	0.61
Uma Mandavgane	0.20	0.14	-	0.34
Total	1.18	0.77	-	1.95
Ceiling as per Act (Commission of upto 1% of Profit)		1.15		

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

				(₹ in Million)
Particulars of Remuneration	Key Managerial Personnel			Total
	Dr. Bhaskar Das Group CEO – News Cluster	Dinesh Garg – CFO	Pushpal Sanghavi - Company Secretary#	
Gross salary (As per Income Tax Act)				
Salary	51.76	4.69	4.34	60.79
Perquisites	0.04	0.03	0.03	0.10
Profits in Lieu of Salary	-	-	-	-
Stock Option	-	-	-	-
Sweat Equity	-	-	-	-
Commission	-	-	-	-
Others	-	-	-	-
Total	51.80	4.72	4.37	60.89

Draws remuneration from one of the group entity.

VII. Penalties / Punishment/ Compounding of Offences:

Neither the Company nor any of its Directors or Officers in default were penalized / punished for violation of any of the provisions of Companies Act, 1956 or 2013, by any of the regulatory authorities under the Act. Further no application was made by the Company or its Directors or Officers in Default for compounding of any of the provisions of the Act and therefore information in this regard is Nil.

For and on behalf of the Board

Place: Mumbai
Date : May 22, 2015

Ashish Kirpal Pandit
Director

Surjit Banga
Director

Annexure to the Directors' Report

Particulars of Remuneration of Employees

{Pursuant to Section 197 read with Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014}

The information required under Section 197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

- 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 Director/ Key Managerial Personnel	#Remuneration (₹ in Million)	% increase in Remuneration	Ratio of Director's Remuneration to median remuneration	Comparison of remuneration of each KMP against Company's performance	
				% of Turnover	% of Net Profit before tax
NON-EXECUTIVE DIRECTORS					
Subhash Chandra	0.20	Nil	0.53:1	NA	
Vinod Kumar Bakshi	0.20	Nil	0.53:1	NA	
Surjit Banga	0.23	Nil	0.59:1	NA	
Uma Mandavgane*	0.14	Nil	0.37:1	NA	
EXECUTIVE DIRECTORS					
Alok Agrawal®	2.65	Nil	7:1	0.07	2.53
Key Managerial Personnel					
Dr. Bhaskar Das	51.80	9	NA	1.32	49.43
Dinesh Garg	4.72	54	NA	0.12	4.50
Pushpal Sanghavi§	4.37	None	NA	0.11	4.17

Non-Executive Directors remuneration represents Commission & excludes Sitting Fees

* Appointed as Independent Director with effect from September 1, 2014

@ Resigned as Whole-time Director with effect from close of May 12, 2014

§ Remunerated by one of the group entity



Sr	Requirement	Disclosure												
1	The Percentage increase in median remuneration of employees in Financial Year	5.6%												
2	Number of permanent employees on the rolls of the Company	1,750 (As at March 31, 2015)												
3	The explanation on the relationship between average increase in remuneration and Company's performance	The average increment of 8% during the year was in line with the market trend and Company performance. In order to ensure that remuneration reflects Company performance, the performance incentive is also linked to organization performance, apart from individual performance.												
4	Comparison of the remuneration of the key managerial personnel against the performance of the Company (Standalone)	The aggregate remuneration of Executive Directors & Key Managerial Personnel was 1.62% of turnover and 60.63% of Net Profit (before tax) during financial year												
5	Variations in the market capitalization of the Company, price earning ratio as at the closing date of the current and previous financial year	<table border="1"> <thead> <tr> <th>Particulars</th> <th>Market Capitalization (₹ in Mio)</th> <th>Price Earnings ratio</th> </tr> </thead> <tbody> <tr> <td>31.03.15</td> <td>6,410</td> <td>104.12</td> </tr> <tr> <td>31.03.14</td> <td>3,364</td> <td>17.90</td> </tr> <tr> <td>Change %</td> <td>90</td> <td>482</td> </tr> </tbody> </table> <p>Note: During FY 2014-15 the Company had allotted 122,381,817 Equity Shares in pursuance of the Scheme of Amalgamation and therefore % change in market capitalization & Price Earnings ratio will not be comparable.</p>	Particulars	Market Capitalization (₹ in Mio)	Price Earnings ratio	31.03.15	6,410	104.12	31.03.14	3,364	17.90	Change %	90	482
Particulars	Market Capitalization (₹ in Mio)	Price Earnings ratio												
31.03.15	6,410	104.12												
31.03.14	3,364	17.90												
Change %	90	482												
6	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	The Closing market price of the Equity Shares of the Company was ₹ 17.70 per share. The Equity Shares of the Company were Listed with effect from January 10, 2007 in pursuance of a Scheme of Arrangement. Till March 31, 2015, the Company had not come out with any Public Offer and therefore comparative details are not applicable.												
7	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 8%, while there was no increase in the managerial remuneration during financial year 2014-15 as the Whole-time Director had resigned with effect from close of May 12, 2014.												
8	Key parameters for any variable component of remuneration availed by the Directors	Not Applicable as Whole-time Director's remuneration did not include variable component due to his resignation with effect from May 12, 2014. Variable component of remuneration i.e. Commission of Non-Executive Directors (being limited to 1% of Profit) is <i>inter alia</i> based on performance of the Company												
9	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 (the Company did not have Executive Director as at March 31, 2015)												
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.												

Annexure to the Directors' Report

B. Particulars of Employees drawing remuneration in excess of ₹ 5 Lacs per month or ₹ 60 Lacs per annum

I. Employed throughout the year and in receipt of remuneration aggregating to ₹ 60 Lacs or more per annum

Name	Age	Designation	Remuneration	Qualification .	Exp in Years	Date of joining	Last Employment
Adil Jal Darukhanawala	58	Chief Editor - Auto	6,173,161	N.C.T.V.T.	28	30-Sep-13	ZIG Wheels, Times Group
Dr. Bhaskar Das	62	Group CEO - News Cluster	51,801,039	Ph.D in Marketing Management, MBA in Marketing	35	22-Oct-12	Bennett, Coleman & Company Ltd.
Sudhir Chaudhary	42	Editor	10,407,682	B.A., PG - Journalism	20	17-Jul-12	Broadcast Initiatives Ltd.
Uday Nirgudkar	50	CEO - DNA & Head Operations & Editorial - Zee 24Taas	7,268,958	PhD, MBA	23	05-Mar-12	UTS Pvt. Ltd.

II. Employed for part of the year and in receipt of remuneration aggregating to ₹ 5 Lacs or more per month

Name	Age	Designation	Total Remuneration paid FY 14-15	Qualification Exp.	Exp in Years	Date of joining	Last Employment
Ashish Kirpal Pandit	48	Chief Executive Officer	5,473,602	MBA - Indiana State University, U.S.A.	22	01-Oct-14	Infotel Group
Alok Agrawal	49	Whole-Time Director	2,534,464	B.Tech, PG - IIM Bangalore	25	25-Oct-12	Cheil India Pvt Ltd
Geetanjali Pandit	48	Chief People Officer	7,487,686	LLB, MBA- XLRI	14	27-Sept-12	Indian Express Ltd
Upendra Wellingkar	44	Senior Vice President	1,571,518	Masters in Marketing Management	20	01-Nov-14	Cyquator Media Services Pvt Ltd

For and on behalf of the Board

Ashish Kirpal Pandit
Director

Surjit Banga
Director

Place: Mumbai
Date : May 22, 2015



Secretarial Audit Report

To,
The Members of
Zee Media Corporation Limited
Continental Building
135, Dr. Annie Besant Road, Worli
Mumbai-400 018.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Zee Media Corporation Limited (CIN: L92100MH1999PLC121506)** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the 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, I hereby report that in my opinion, during the audit period covering the financial year ended on 31st March, 2015 ('Audit Period'), the Company has complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2015 according to the provisions of following acts and regulations, to the extent applicable to the Company during the Audit period:

- I. The Companies Act, 2013 (the Act) and the Rules made thereunder;
- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- IV. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company:-
 - 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 Disclosure Requirements) Regulations, 2009;

Annexure to the Directors' Report

- d. 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;
 - e. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - f. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
 - g. the Company has complied with the requirements under the Equity Listing Agreements entered into with BSE Limited, National Stock Exchange of India Limited; and
 - h. The Memorandum and Articles of Association.
- VI. The Company has identified the following Laws as specifically applicable to the Company :
- i. Uplinking /down linking policy / guidelines issued by Ministry of Information and Broadcasting;
 - ii. The Cable Television Network (Regulations) Act, 1956 and rules framed thereunder;
 - iii. Intellectual Property rights related laws;
 - iv. The Telecommunication (Broadcasting and Cable Services) Interconnection (Digital Addressable Cable Television Systems) Regulations, 2012;

I 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 Listing Agreements entered into by the Company with the BSE Limited, National Stock Exchange of India Limited.

During the Audit period under review, based on the said verifications and as per representations and clarifications provided by the management, I confirm that the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, Listing Agreements etc as mentioned hereinabove.

I further report that:

- The Board of Directors of the Company is duly constituted with proper balance of 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 out in compliance with the provisions of the Act.
- Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days 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.



- Decision at the Board Meetings, as represented by the management and recorded in the minutes, were generally unanimous.

I 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.

I further report that during the Audit period the Company had (a) on June 9, 2014 allotted 122,381,817 Equity Shares in pursuance of the Scheme of Amalgamation of Essel Publishers Pvt Ltd with the Company as approved by Hon'ble Bombay High Court vide order passed on May 2, 2014; (b) Initiated Rights issue of upto 108,643,732 Equity Shares of ₹ 1 each at a price of ₹ 18 per share aggregating to ₹ 1955.59 Million, to the existing shareholders as per the terms detailed in the Letter of Offer dated March 16, 2015. The said Rights Issue opened during the Audit period i.e. March 25, 2015 and closed on April 8, 2015. In pursuance of the said Rights Issue the Board of Directors of the Company had on April 18, 2015 allotted the 108,643,732 Rights Shares to the eligible shareholders/renouncee.

CS Satish K. Shah
FCS1313/CP3142

Place: Mumbai
Date: May 22, 2015

Corporate Governance Report

PHILOSOPHY

Corporate Governance philosophy of Zee Media Corporation Limited stems from its belief that the Company's business strategy, plans and decisions should be consistent with the welfare of all its stakeholders, including shareholders, viewers etc. Good Corporate Governance practices enable a Company to attract financial and human capital and leverage these resources to maximize long-term shareholder value, while preserving the interests of multiple stakeholders, including the society at large. Corporate Governance at Zee Media is founded upon 4 pillars of Core Values viz., Transparency, Integrity, Honesty and Accountability.

Your Company has laid strong foundation for making Corporate Governance a way of life by constituting a Board with balance mix of professionals of eminence and integrity from within and outside the business, forming a core group of top executives, inducting competent professionals across the organization and putting in place system, process and technology. In its endeavour to improve on the Corporate Governance practices, the Board has adopted a Corporate Governance Manual which serves as guide in various activities and decisions in normal course of business.

POLICIES

In compliance with the requirements of Clause 49 of the Listing Agreement, SEBI regulations and the 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 Clause 49 of the Listing Agreement,

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 whistleblowers from reprisals or victimization.

Code of Conduct

The Company has 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.zeenews.india.com. 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, 2015.

Dr. Bhaskar Das
Group CEO – News Cluster
Mumbai, May 22, 2015

**Related Party Transaction Policy**

In compliance with the requirements of Clause 49 of the Listing Agreement, the Board of Directors of the Company has approved a Related Party Transaction Policy, to facilitate senior 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.zeenews.india.com

Policies & Code as per SEBI Insider Trading Regulations

In accordance with SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has formulated and approved (i) an Insider Trading Code to regulate dealing in the securities of the Company by designated persons in compliance with the regulations; and (ii) a Policy for Fair Disclosure of Unpublished Price Sensitive Information.

Mr. Pushpal Sanghavi, Company Secretary of the Company is Compliance officer for the purposes of Insider Trading Code, while Mr. Ashish Kirpal Pandit, Chief Executive Officer of the Company has been appointed as Chief Investor Relations Officer for the purpose of Fair Disclosure policy.

Composition of the Board as on March 31, 2015

Category of Directors	No of Directors	% to total No. of Directors
Executive Director	0	00.00
Non-Executive Independent Directors	3	75.00
Other Non-Executive Director	1	25.00
Total	4	100.00

Post March 31, 2015, your Board has appointed Mr. Ashish Kirpal Pandit as Executive Director & CEO of the Company with effect from June 1, 2015.

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 and also annually by providing detailed presentations on individual channels/ businesses of the Company. While review and approval of quarterly and annual financial statements of the Company are taken up, detailed presentation covering *inter alia* economy and industry overview, key regulatory developments, strategy and performance of individual channels / profit centres is made to the Board.

BOARD OF DIRECTORS**Composition & Category of Directors**

Your Company is in compliance of Board composition requirements including of the Listing Agreement. 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 Clause 49 of the Listing Agreement.

Corporate Governance Report

During the financial year under review, 10 (ten) meetings of the Board were held on May 21, 2014, June 9, 2014, August 7, 2014, October 20, 2014, December 24, 2014, January 1, 2015, January 22, 2015, March 4, 2015, March 16, 2015 and March 26, 2015. The annual calendar of meetings in connection with approval of quarterly and annual financial statements of the Company is broadly determined at the beginning of each financial year.

Particulars of Directors, their attendance at the Annual General Meeting and Board Meetings held during the financial year 2014-15 and also their other directorships/chairmanship held in Indian Public Companies & membership/chairmanship of various Board Committees of other Indian Public Companies as at March 31, 2015 are as under:

Name of Director	Attendance at		No of Directorship in other public companies		No of Committee positions held in other public companies	
	Board Meeting (Total 10 Meetings)	15th AGM held on August 07, 2014	Member	Chairman	Member	Chairman
Independent						
Vinod Kumar Bakshi	10	Yes	2	-	6	-
Surjit Banga	10	Yes	4	-	6	4
Uma Mandavgane*	7	NA	1	-	-	2
Promoter Non-Executive						
Subhash Chandra	7	Yes	3	4	2	-
Executive						
Alok Agrawal#	-	NA	NA	NA	NA	NA

* Mrs. Uma Mandavgane was appointed as an Additional Director w.e.f. September 01, 2014.

Mr. Alok Agrawal resigned as Whole-time Director with effect from close of May 12, 2014

Board Procedure

Schedule of the Board meetings for approval of quarterly and annual financial results each year are decided well in advance and communicated to the Directors. Board meetings are generally held either at the registered office at Mumbai or at the corporate office at Noida. The agenda alongwith the explanatory notes are sent to the Directors well in advance to enable them to take informed decisions. Senior management personnel are normally invited to the Board meetings to provide necessary insights into the working of the Company and for discussing corporate strategies. The Board periodically reviews certificates in

respect of compliance of various laws and regulations applicable to the Company.

Brief profile of Directors proposed to be appointed/-appointed at the ensuing Annual General Meeting

Dr. Subhash Chandra, 65, Non-Executive Chairman of the Company and Promoter of Essel Group of Companies is among the leading lights of the Indian industry. A self-made man, Dr. Chandra has consistently demonstrated his ability to identify new businesses and lead them on the path of success.



Dr. Chandra who is referred to as the Media Moghul of India, revolutionised the television industry by launching the country's first satellite Hindi channel Zee TV in 1992 and later the first private news channel, Zee News. His bouquet of businesses includes television networks (ZEE & ZMCL), a newspaper chain (DNA), cable systems (Siti Cable), Direct-to-Home (Dish TV), Satellite Communications (Agrani and Procall), Theme parks (Essel World and Water Kingdom), Online gaming (Playwin), Education (Zee Learn), Flexible packaging (Essel Propack) and Infrastructure development (Essel Infraprojects). Credited with tremendous business astuteness, Dr. Chandra has charted a course of growth and success, unparalleled in business history. All of Dr. Chandra's ventures are path-breaking in nature, be it Essel Propack, which is the largest speciality packaging company in the world; Asia's largest amusement park Essel World; or the first satellite television channel in India (Zee TV).

Dr. Chandra has been recipient of numerous industry awards and civic honors including (a) Entrepreneur of the year (Ernst & Young) in 1998; (b) Businessman of the Year (Business Standard) (1999); (c) Entrepreneur CEO of the Year (International Brand Summit) (1999); (d) Global Indian Entertainment Personality of the Year (FICCI) (2004); (e) Lifetime Achievement Award at the CASBAA Convention (2009); (f) Hall of Fame for continuing contribution to industry in Entrepreneurs category at the INBA (2010); and (g) International Emmy Directorate Award (2011). Dr. Chandra became the first Indian ever to receive a Directorate Award recognizing excellence in television programming outside the United States. He has also been awarded the Honorary Doctorate of Business Administration by the University of East London.

Dr. Chandra has made his mark as an influential philanthropist in India. He set up TALEEM

(Transnational Alternate Learning for Emancipation and Empowerment through Multimedia), an organisation which seeks to provide access to quality education through distance and open learning. He is also associated with Ekal Vidyalaya Foundation of India – a movement to eradicate illiteracy from rural and tribal India. The Foundation provides free education to nearly 1 million tribal children across 36,783 villages through one-teacher schools. He is also the moving force behind the Global Vipassana Foundation – a trust set up to help people raise their spiritual quotient.

Apart from the Company, Dr. Chandra holds directorship in 7 other Indian Public Companies viz., Essel Propack Limited, Essel Infraprojects Limited, Dish TV India Limited, Siti Cable Network Limited, Zee Entertainment Enterprises Limited, Essel Utilities Distribution Company Limited and Adhikaar Foundation.

Dr. Chandra does not hold any shares of the Company in his name as at March 31, 2015.

Uma Mandavgane, 49, an Associate Chartered Accountant and Certified Information Systems Auditor from ISACA, USA is a professional with experience of over 22 years in industry and consulting. During her consulting career, Uma was part of Enterprise Risk Service Group of Deloitte and had served large size organizations in the areas of Business Process Re-engineering, Controls assessment of business and technology risk and regulatory compliance requirements under SEBI guidelines, SOX etc. Prior to consulting, she has worked in large Indian Corporate houses including Lupin Laboratories Limited, VIP Industries Limited etc in Corporate Treasury and Finance functions. Currently Uma has an independent Risk Management practice in the areas of Risk and Internal Controls Assessment, IT Governance and Information

Corporate Governance Report

Systems review and Data Analytics and is Sub-Group Member of the Information Technology Committee of Western Regional Council of the Institute of Chartered Accountants of India.

Apart from the Company, Mrs. Uma Mandavgane holds directorship in Diligent Media Corporation Limited one of the subsidiaries of the Company. Mrs. Uma Mandavgane does not hold any shares of the Company as at March 31, 2015.

Ashish Kirpal Pandit, 49, Executive Director & Chief Executive Officer of the Company with effect from June 1, 2015, is a MBA from Indiana State University, Indiana, USA. Mr. Pandit has experience

of over 25 years in the space of Telecom, Retail and Office Automation, wherein he was best known for his expertise in developing Strategies and managing profit and loss of the Business. Before joining Zee Media in October 2014, Mr. Pandit was associated with Infotel Group as Director Operations. During his career Mr. Pandit has been associated with various esteemed organisations including Tata Docomo, Fortis Healthcare, Tata Teleservices, Reliance Infocom etc.

Apart from the Company, Mr. Ashish Kirpal Pandit holds directorship in News Broadcasters Association. Mr. Ashish Kirpal Pandit does not hold any shares of the Company.

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:

	Audit Committee	Nomination & Remuneration Committee	Stakeholders Grievance Committee	Corporate Social Responsibility Committee
No of Meetings held	5	2	4	2
Directors attendance				
Dr. Subhash Chandra	1	2	1	1
Mr. Vinod Kumar Bakshi	5	2	4	2
Mr. Surjit Banga	5	2	4	2
Mrs. Uma Mandavgane#	3	NA	NA	NA
Mr. Alok Agrawal*	-	NA	1	NA

Note: # Appointed as Director with effect from September 1, 2014

* Resigned as Director with effect from close of business on May 12, 2014

NA denotes that the director is not a Member of such Committee.

In compliance with the requirements of Clause 49 of the Listing Agreement and Section 149 read with Schedule IV of the Companies Act, 2013, the Independent Directors of the Company met on March 26, 2015 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**

The Audit Committee of the Board comprises of three (3) Directors including Mr. Surjit Banga an Independent Director as Chairman and Mr. Vinod Kumar Bakshi and



Mrs. Uma Mandavgane, Independent Directors as Members. Consequent to resignation of Mr. Alok Agrawal as Director, the Audit Committee was reconstituted by appointment of Dr. Subhash Chandra as Member of the Committee in his place with effect from May 21, 2014. Further upon appointment of Mrs Uma Mandavgane as a Director, the Audit Committee was reconstituted by appointing her as Member of the Committee in place of Dr. Subhash Chandra with effect from September 1, 2014.

During the year under review, Audit Committee met for five (5) times on May 21, 2014, August 06, 2014, October 20, 2014, December 24, 2014 and January 22, 2015.

Terms of reference

The role and powers of the Audit Committee is as set out in Clause 49 of the Listing Agreement(s) with Stock Exchanges and Section 177 of Companies Act, 2013. The terms of reference of the Audit Committee broadly includes:

- ⦿ Review Company's financial reporting process and disclosure of financial information to ensure that the financial statement is correct, sufficient, accurate, timely and credible.
- ⦿ Review and recommend for approval of the Board quarterly, half yearly and annual financial statements before submission to the Board for approval.
- ⦿ Review internal audit reports, related party transactions, company's financial and risk management policies and functioning of Whistle Blower & Vigil Mechanism Policy
- ⦿ Review with the management, external and internal auditors, the adequacy

of internal control systems including computerized information system controls and security.

- ⦿ Recommend to the Board the appointment, reappointment and removal of the statutory auditor, fixation of audit fee and approval of payment of fees for any other services.
- ⦿ Review the adequacy of internal audit function including approving appointment and remuneration payable to Internal Auditor

The Audit Committee also reviews adequacy of disclosures and compliance with all relevant laws. In addition to these, in compliance with requirements of Clause 49 of the Listing Agreement, 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.

Audit Committee meetings are generally attended by the Group CEO-News Cluster, Chief Executive Officer, Chief Financial Officer and representative of the Statutory Auditors of the Company. Internal Auditors have attended Audit Committee Meetings wherein the Internal Audit reports were considered by the Committee. The Company Secretary acts as the Secretary of the Audit Committee.

(b) Nomination & Remuneration Committee

In compliance with the requirements of Clause 49 of the Listing Agreement and Section 178 of the Companies Act, 2013, during the year under review, the Board had renamed its Remuneration Committee as

Corporate Governance Report

Nomination & Remuneration Committee, which comprises of Mr. Vinod Kumar Bakshi, Independent Director as Chairman and Mr. Surjit Banga, Independent Director and Dr. Subhash Chandra, Non-Executive Director as Members. The Company Secretary of the Company acts as Secretary of Nomination & Remuneration Committee.

During the year under review the Committee met twice on August 7, 2014 and October 20, 2014.

Terms of reference

The terms of reference of the Nomination and Remuneration Committee, *inter alia*, consists of

- (i) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommending their appointment and removal to the Board;
- (ii) Formulating criteria for determining qualification, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees;
- (iii) Ensuring that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate employees / directors of the quality required to run the Company successfully;
- (iv) Ensuring that relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

- (v) Formulating policy with regard to remuneration to directors, key managerial personnel and senior management involving a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals. Additionally the Committee has been vested with the powers for administration and implementation of Company's Employees Stock Option Scheme.

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.

Remuneration paid to Executive Directors

During the year under review, Mr. Alok Agarwal resigned as Whole-time Director of the Company with effect from close of business on May 12, 2014. Particulars of remuneration paid to Mr. Alok Agarwal as Whole-time Director of the Company during the period from April 1, 2014 to May 12, 2014 is as detailed herein:



(₹ in Million)	
Particulars	Amount
Salary, Allowances & Perquisites	2.54
Employer's Contribution to Provident Fund	0.11
Total	2.65

Remuneration payable to Non-Executive Directors

The Non-Executive Directors are paid sitting fee of ₹ 20,000 for attending each meetings of the Board and Committees thereof, other than Stakeholders Relationship Committee and Finance Sub-Committee.

Pursuant to Member's approval at 13th Annual General Meeting held on July 19,

2012, Non-Executive Directors are entitled to receive remuneration as determined by the Board in the form of Commission of upto maximum of 1% of profits of the Company. Commission payable to the Non-Executive Directors are determined by the Board based on various criteria including contribution made by each Director, performance of the Company, involvement in the Board of subsidiaries etc.

Particulars of Sitting Fees paid and Commission payable to Non-Executive Directors of the Company during financial year 2014-15 is as detailed herein:

(₹ in Million)			
Name of Director	Sitting Fees	Commission	Total
Subhash Chandra	0.22	0.20	0.42
Vinod Kumar Bakshi	0.38	0.20	0.58
Surjit Banga	0.38	0.23	0.61
Uma Mandavgane*	0.20	0.14	0.34
Total	1.18	0.77	1.95

* Appointed with effect from September 1, 2014

(c) Stakeholders Relationship Committee Constitution

In accordance with Section 178 of the Companies Act, 2013, the Board has renamed its Share Transfer & Investor Grievance Committee as Stakeholders Relationship Committee which currently comprises of Mr. Surjit Banga, Independent Director as Chairman and Mr. Vinod Kumar Bakshi, Independent Director and Dr Subhash Chandra, Non-Executive Chairman as Member. Consequent to resignation of Mr. Alok Agrawal as Director,

Dr. Subhash Chandra was appointed as Member of the Committee with effect from May 21, 2014. The Company Secretary is the Secretary of the Committee.

During the year under review the Committee met four (4) times on April 28, 2014, August 7, 2014, October 20, 2014 and January 22, 2015.

Terms of reference

Main function of Stakeholders Relationship Committee is to strengthen investor relations;

Corporate Governance Report

ensure efficient transfer of shares and proper and timely attendance of investor's grievances. The Committee has delegated various powers including approving requests for transfer, transmission, rematerialisation & dematerialisation etc. of Equity shares to the Executives of the Company and the

Company Secretary, being the compliance officer, is entrusted with the responsibility, to specifically look into the redressal of the shareholders and investors complaints and report the same to Stakeholders Relationship Committee.

Details of number of complaints received and resolved during the year ended March 31, 2015 are as under:

Nature of Correspondence	Received	Replied / Resolved	Pending
Non-receipt of Dividend	-	-	-
Non-receipt of Annual Report	1	1	-
Letter from Stock Exchanges / SEBI	1	1	-
Total	2	2	-

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:

i) Corporate Social Responsibility Committee:

In compliance with Section 135 of the Companies Act, 2013 read with Schedule VII and Companies (Corporate Social Responsibility Policy) Rules 2014, the Board has constituted Corporate Social Responsibility Committee comprising of Dr Subhash Chandra, Non-Executive Director as Chairman, Mr Surjit Banga, Independent Director and Mr Vinod Kumar Bakshi, Independent Director as its Members. During the year under review, Corporate Social Responsibility Committee met twice on October 20, 2014 and March 26, 2015. Particulars of CSR activities undertaken by the

Company during financial year 2014-15 are mentioned elsewhere in this Annual Report.

ii) Finance Sub-Committee

With a view to facilitate monitoring and expediting any debt fund raising process, approve financing facilities offered and/or sanctioned to the Company by various Banks and/or Indian Financial Institutions from time to time, in the form of Term Loans, Working Capital facilities, Guarantee Facilities, etc., including the acceptance of terms and conditions of such facilities being offered and exercising such other authorities as may be delegated by the Board from time to time, the Board has constituted a Finance Sub-Committee comprising of Dr Subhash Chandra, Non-Executive Director, Mr. Vinod Kumar Bakshi and Mr. Surjit Banga, Independent Directors as its Members.

**iii) Corporate Management Committee**

The Board has also constituted a Corporate Management Committee comprising of Senior Executives of the Company to review, approve and/or grant authorities for managing day-to-day affairs of the Company within the powers delegated by the Board.

GENERAL MEETINGS

The 16th Annual General Meeting of the Company for the Financial Year 2014-15 will be held on Friday, August 7, 2015 at 11.00 a.m. at The Hall of Harmony, Nehru Centre, Dr Annie Besant Road, Worli, Mumbai 400 018.

The location, date and time of the Annual General Meetings held during last 3 years along with Special Resolution(s) passed thereat are as follows:

Year	Date and Time	Special Resolutions passed	Venue
2013-14	August 7, 2014- 11.00 a.m.	Power to borrow in excess of paid-up capital and free reserves u/s 180(1)(c)	The Hall of Culture, Nehru Centre, Dr, Annie Besant Road, Worli, Mumbai- 18
2012-13	July 30, 2013- 11.00 a.m.	None	The Hall of Harmony, Nehru Centre, Dr, Annie Besant Road, Worli, Mumbai- 18
2011-12	July 19, 2012- 11.00 a.m.	Payment of Commission to Non-Executive Directors of the Company	The Hall of Harmony, Nehru Centre, Dr, Annie Besant Road, Worli, Mumbai- 18

The above Special resolutions were passed with requisite majority.

Postal Ballot

Particulars of Resolutions passed by way of Postal Ballot during financial year 2014-15 are as detailed herein:

Particulars of Resolution	Date of Result: August 18, 2014	
	Details of Votes Cast (number of Shares & % of total shares for which votes were cast)	
	For	Against
Special Resolution u/s 180(1)(a) of the Companies Act, 2013 authorising the Board to create security in respect of the current and future borrowings of the Company	271,253,416 (99.998%)	6,665 (0.002%)

Mr. Satish K Shah, Practising Company Secretary was appointed as a Scrutinizer in respect of the aforesaid resolution, to ensure that E-voting and Postal Ballot Voting process is conducted in fair and transparent manner. The above resolution was passed with requisite majority.

Corporate Governance Report

None of the resolution(s) proposed at the ensuing AGM is required to be passed by way of Postal Ballot.

DISCLOSURES

The Whistle Blower & Vigil Mechanism Policy approved by the Board has been implemented and no personnel have been denied access for making disclosure or report under the Policy to the Vigilance Officer and/or Audit Committee.

There are no materially significant 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. Transactions with related parties including material related party transaction with Taj Television (India) Private Limited are disclosed elsewhere in the Annual Report.

The Company has complied with the requirements of the Stock Exchanges, SEBI and other statutory authorities on all matters relating to capital markets during the year under review and no penalties or strictures have been imposed on the Company by any Stock Exchange, SEBI or other statutory authorities during last three years.

COMPLIANCE WITH NON-MANDATORY REQUIREMENTS

The Company confirms that it has complied with all mandatory requirements to Clause 49 of the Listing Agreement(s). Particulars of non-mandatory requirements complied by the Company are as detailed hereunder:

Chairman's Office – A Chairman's office with requisite facilities is provided and maintained at the Corporate Office at Noida at the Company's

expenses for use by its Non-Executive Chairman. The Company also reimburses all travel and other expenses incurred in his furthering the Company's business interests.

Separate posts of Chairman and CEO – The office and posts of Chariman and CEO in the Company are separate. Dr. Subhash Chandra, Chairman is a Non-executive member of the Board, while Mr. Ashish Kirpal Pandit is the Chief Executive Officer of the Company.

MEANS OF COMMUNICATION

The Company has promptly reported all material information including declaration of quarterly financial results, press releases etc., to all Stock Exchanges where the shares of the Company are listed. Such information is also simultaneously displayed on the Company's website www.zeenews.india.com. The financial results, quarterly, half yearly and annual results and other statutory information were communicated to the shareholders by way of advertisement in a English newspaper DNA and in a vernacular language newspapers 'Punya Nagari (Marathi)' as per the requirements of the Stock Exchanges and requisite information are filed with Stock Exchange(s) in compliance with the Listing Agreement(s). Additionally the financial and other information are filed by the Company on NEAPS and Corporate Filing with NSE and BSE respectively.

Official press releases and presentations made to institutional investors or to the analysts, if any, are displayed on Company's website www.zeenews.india.com.

Management Discussion and Analysis Report forming part of this Annual Report is annexed separately.



Auditors' Certificate

To
The Members

Zee Media Corporation Limited

We have examined the compliance of conditions of Corporate Governance by **Zee Media Corporation Limited** ('the Company'), for the year ended March 31, 2015 as stipulated in Clause 49 of the Listing Agreement of the Company with the Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of the Corporate Governance as stipulated in the said clause. It is neither an audit nor an expression of opinion of the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For MGB & Co. LLP

Firm Registration Number. 101169W/W-100035
Chartered Accountants

Hitendra Bhandari

Partner
Membership No. 107832
Mumbai, May 22, 2015

Corporate Governance Report

SHAREHOLDERS' INFORMATION

1	Date, Time and Venue of Shareholder's Meeting	Meeting	Annual General Meeting
		Day & Date	Friday, August 7, 2015
		Time	11.00 a.m.
		Venue	The Hall of Harmony Nehru Centre, Dr Annie Besant Road, Worli, Mumbai 400 018
2	Financial Year	1 April, 2014 to 31 March, 2015	
3	Date of Book Closure	Saturday, August 1, 2015 to Friday, August 7, 2015 (both days inclusive)	
4	Registered office & Address for correspondence	Continental Building, 135, Dr. Annie Besant Road, Worli, Mumbai-400 018, India Tel: +91-22-2483 1234 Fax: +91-22- 2495 5974 Website : www.zeenews.india.com	
5	Corporate Office	Essel Studio, FC-09, Sector 16A, NOIDA 201 301, Uttar Pradesh, India Tel: 0120 251 1064 Fax: 0120 251 5381 /82	
6	Listing on Stock Exchanges	BSE Limited (BSE) The National Stock Exchange of India Limited (NSE)	
7	Stock Code	BSE- 532794 NSE- ZEEMEDIA-EQ.	
8	ISIN No.	INE966H01019	
9	Corporate Identity Number	L92100MH1999PLC121506	
10	Registrar & Share Transfer Agent	Sharepro Services (India) Private Limited, 13AB, Samhita Warehousing Complex, Second Floor, Sakinaka Telephone Exchange Lane, Off Andheri - Kurla Road, Sakinaka, Andheri (East), Mumbai-400 072, India Tel: +91-22-6772 0300/400 Fax: +91-22- 2859 1568/2850 8927 E-Mail: sharepro@shareproservices.com	

**11. Dividend**

The Board of Directors have not recommended payment of any dividend for financial year 2014-15.

Unclaimed Dividend for the financial year 2007-08 and 2008-09, will be due for transfer to the Investors Education and Protection Fund in September 2015 and October 2016 respectively. Members who have not encased their dividend warrant(s) for these financial years are requested to seek issuance of duplicate warrant(s) by writing to the Registrar and Share Transfer Agent of the Company.

12. PAN & Change of Address

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 including e-mail 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 including e-mail address/dividend mandate, if any, to the Company/Registrar & Share Transfer Agent.

13. Unclaimed Shares

As per Clause 5A of the Listing Agreements, the details in respect of the shares, which were issued pursuant to the Scheme of Arrangement and lying in the suspense account, is as under:

Description	Number of shareholders	Number of Equity Shares
Aggregate number of shareholders and the outstanding shares in the suspense account as at April 1, 2014	89	47,381
Number of shareholders who approached the Company for transfer of shares from Suspense account till March 31, 2015	6	4,972
Number of shareholders to whom shares were transferred from the Suspense account till March 31, 2015	6	4,972
Aggregate number of shareholders and the outstanding shares in the Suspense account lying as on March 31, 2015	83	42,409

The voting rights on the shares outstanding in the suspense account as on March 31, 2015 shall remain frozen till the rightful owner of such shares claims the shares.

14. Share Transfer System

Equity Shares sent for physical transfer or for dematerialization are generally registered and returned within a period of 7 days from the date of receipt of completed and validly executed documents.

15. Dematerialisation of Equity Shares & Liquidity

The Equity shares of the Company are in the list of scrip specified by SEBI to be compulsory traded in the Dematerialized form. As on March 31, 2015, 99.90% of the total issued and paid-up Equity Share capital of the company is held by 99,185 shareholders in Dematerialized form and the balance 0.10% is held by 695 shareholders in physical form.

Corporate Governance Report

16. Shareholders' Correspondence

The Company has attended to all the investors' grievances/ queries/ information requests except for the cases where we are constrained because of some pending legal proceeding or court/statutory orders.

The Company endeavours to reply all letters 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 above. In case any shareholder is not satisfied with the response or do not get any response within reasonable period, they may approach the Company Secretary at the address given above.

17. Share Capital Build-up

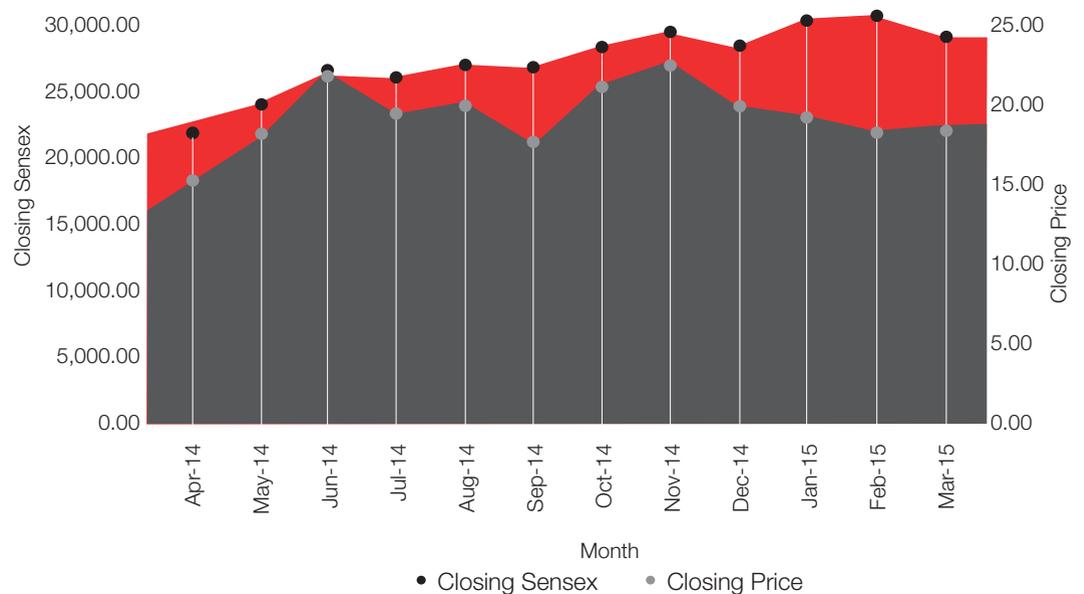
Particulars	No. of shares issued	Date of issue
Issued to Subscribers	70	28.08.99
Preferential Issue	1,000,000	26.11.99
Preferential Issue	8,749,930	13.09.05
Preferential Issue	850,000	28.09.05
Preferential Issue	5,250,000	28.09.05
Rights Issue	4,000,000	29.11.05
Cancellation of shareholding of Zee Entertainment Enterprises Limited pursuant to the Scheme	(6,574,920)	28.11.06
Sub-Division of Equity Shares from ₹ 10 to ₹ 1	132,750,800	28.11.06
Reduction of Share Capital Pursuant to Scheme	(88,943,036)	28.11.06
Issuance in pursuance of Scheme of Arrangement	195,956,192	28.12.06
Issuance in pursuance of Scheme of Amalgamation	122,381,817	09.06.14
Issued & paid up Capital as on March 31,2015	362,145,773	

In pursuance of the Letter of Offer dated March 16, 2015, the Company had on April 18, 2015, allotted 108,643,732 Rights Equity Shares and consequently the paid-up Share Capital of the Company stood increased to 470,789,505 Equity Shares of ₹ 1 each.

**18. Stock Market data relating to Shares Listed in India**

Monthly high and low quotations and volume of shares traded on BSE & NSE for financial year 2014-2015 are:

Month	BSE			NSE		
	High (₹)	Low (₹)	Volume of Share Traded	High (₹)	Low (₹)	Volume of Shares Traded
April 2014	14.87	13.31	2,359,545	14.85	13.50	6,492,979
May 2014	18.99	12.60	10,168,172	18.90	12.50	25,033,396
June 2014	23.35	17.65	23,569,143	23.35	17.60	64,253,992
July 2014	22.10	16.90	6,693,614	22.00	16.95	20,495,632
August 2014	19.75	16.00	6,664,945	19.80	16.00	19,199,573
September 2014	20.95	16.10	8,911,529	20.90	16.15	23,429,621
October 2014	20.70	16.50	5,041,215	20.70	16.45	15,615,468
November 2014	24.35	20.00	12,264,992	24.35	20.05	35,469,764
December 2014	22.90	17.85	5,395,001	22.80	17.85	13,255,483
January 2015	20.20	17.85	6,328,967	20.20	17.80	15,441,500
February 2015	18.50	15.10	7,381,023	18.55	15.05	16,684,374
March 2015	18.30	16.30	6,018,027	18.25	16.30	14,992,407

19. Relative Performance of Zee Media Corporation Limited Shares Vs. BSE Sensex & Nifty Index**Closing Monthly price V/s. Closing Sensex**

Closing Monthly price V/s. Closing Nifty



20. Distribution of Shareholding as on March 31, 2015

No. of Equity Shares	Shareholders		No. of Shares	
	Number	% of Holders	Number	% of Shares
Up to 5000	98,300	98.42%	28,166,775	7.78%
5001 – 10000	755	0.76%	5,877,604	1.62%
10001 – 20000	407	0.41%	6,055,827	1.67%
20001 – 30000	141	0.14%	3,645,917	1.00%
30001 – 40000	66	0.07%	2,345,991	0.65%
40001 – 50000	57	0.05%	2,661,897	0.74%
50001 – 100000	78	0.07%	5,838,578	1.61%
100001 and Above	76	0.08%	307,553,184	84.93%
Total	99,880	100.00%	362,145,773	100.00%

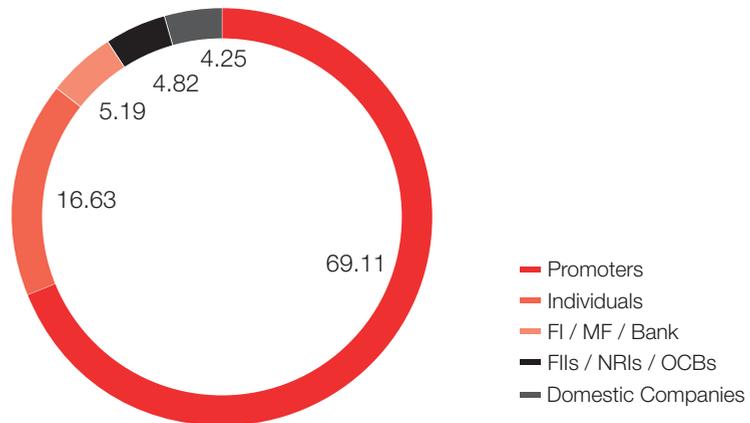


21. Categories of Shareholders as on March 31, 2015

Category	% of shareholding	No. of shares held
Promoters	69.11%	250,280,827
Individuals	16.63%	60,206,991
Domestic Companies	4.25%	15,394,121
FIs, Mutual funds and Banks	5.19%	18,797,500
Fils, OCBs & NRI	4.82%	17,466,334
Total	100.00%	362,145,773

Share holding as on 31 March, 2015

(%)



Corporate Governance Report

22. Particulars of Shareholding

a) Shareholding of Promoter & Promoter Group as on March 31, 2015

Sr.	Name of Shareholder	No of Shares held	% of shareholding
1	25 FPS Media Private Ltd	127,898,710	35.32%
2	Sprit Textiles Private Ltd	200	0.00%
3	Essel Infraprojects Ltd	100	0.00%
4	Arm Infra & Utilities Limited	122,363,636	33.79%
5	Prime Publishing Private. Ltd.	18,181	0.00%
	Total	250,280,827	69.11%

b) Top Ten (10) Public Shareholding as on March 31, 2015

Sr.	Name of Shareholder	No of Shares held	% of shareholding
1	HDFC Trustee Co. Ltd – HDFC Prudence Fund	17,467,103	4.82%
2	Acacia Partners LP	6,180,100	1.71%
3	Acacia Institutional Partners LP	3,989,700	1.10%
4	Acacia Conservation Fund LP	2,772,000	0.77%
5	Acacia Banyan Partners	1,996,200	0.55%
6	Amit Goela	1,820,180	0.50%
7	Vishesh Nimish Shah	1,400,000	0.39%
8	Hardik Dhanesh Shah	1,400,000	0.39%
9	Siddhant Durgesh Shah	1,400,000	0.39%
10	Religare Finvest Limited	1,330,419	0.37%
	Total	39,755,702	10.99%



Management Discussion and Analysis

The figures have been stated in ₹ millions (unless stated otherwise) in this MD&A for better readability. Investors are cautioned that this discussion contains forward looking statements that involve risks and uncertainties including, but not limited to, risks inherent in the Company's growth strategy, acquisition plans, dependence on certain businesses, and dependence on availability of qualified and trained manpower and other factors. The following discussion and analysis should be read in conjunction with the Company's financial statements included herein and the notes thereto.

COMPANY OVERVIEW:

Zee Media Corporation Limited (ZMCL), erstwhile Zee News Limited (ZNL) (BSE Code: 532794, NSE Code: ZEEMEDIA), is India's leading News Television organization with interests in National as well as Regional News channels. The Company was incorporated as Zee Sports Limited on August 27, 1999. The name of the Company was changed to Zee News Limited on May 27, 2004 after obtaining a fresh Certificate of Incorporation from the Registrar of Companies, Mumbai. To comply with the News Up-linking Guidelines of Government of India, Zee Entertainment Enterprises Limited (ZEEL) erstwhile Zee Telefilms Limited, transferred its news-gathering activities to Zee News Limited w.e.f. October 2005. To enable clear management focus and direction to be imparted to the various properties of the Company, ZEEL transferred its Regional Entertainment Channels w.e.f. March 31, 2006 to ZNL by way of a de-merger scheme approved by the Hon'ble High Court of Bombay vide its Order dated November 17, 2006. Thereafter, the Company got listed at Bombay Stock Exchange, National Stock Exchange and Calcutta Stock Exchange in January 2007. ZNL, before January 1, 2010, had National and Regional News and Regional General Entertainment as its focus areas. However, in order to become a pure

News Powerhouse, it was decided to separate the Regional General Entertainment Channel business from the News Business. Under the Scheme of Arrangement for de-merger the Regional General Entertainment Channel business undertaking of the Company were transferred to Zee Entertainment Enterprises Limited (ZEEL) from the Appointed Date, January 1, 2010, which was approved by the Hon'ble Bombay High Court on March 19, 2010, which had become effective on and from March 29, 2010 upon filing of the order the Hon'ble Bombay High Court with the Registrar of Companies of Maharashtra, Mumbai.

To reflect the change in intent to reach out to consumers beyond television media, the company decided to change its name to the one which signified the breadth of the news offerings across platforms. The new name of the Company, with effect from July 6, 2013, is Zee Media Corporation Limited.

ZMCL runs Bangla news channel called '24 Ghanta' through its subsidiary M/s Zee Akaash News Private Limited wherein it holds 60% equity stake while another JV partner is M/s Sky B (Bangla) Private Limited which holds the remaining 40% stake.

During the year till December 11, 2014, ZMCL held 37.87% share in the Associate entity, Maurya TV Private Limited, and post December 11, 2014, consequent to further acquisitions, Maurya TV Private Limited became Wholly owned Subsidiary of the Company.

With effect from April 1, 2014, Essel Publishers Private Limited, ultimate holding company of Diligent Media Corporation Limited (DMCL) merged with the Company. DMCL is primarily engaged in publishing of DNA an English daily newspaper having three editions viz Mumbai, Bengaluru and Pune. Apart

from this, DNA is distributed in Ahmedabad and Jaipur under a franchisee agreement with D.B. Corporation Limited. DNA has various supplements like DNA After Hrs, DNA Property, among others. It also operates DNA Syndication, a content licensing portal of DMCL. Apart from the print edition, DNA also has an interactive website www.dnaindia.com which includes the e-paper edition of the newspaper. Further, DNA can be followed on various social media platforms like Twitter and Facebook. DNA is the third most read English broadsheet daily in the city of Mumbai and is the preferred choice of about 0.79 Million readers in Mumbai (based on total readership for Q4 2012 from Indian Readership Survey). DNA has its own printing press and other printing facilities at Navi Mumbai (MAHAPE) and Bengaluru.

During the year, the Scheme of Arrangement for demerger of Media Business undertaking

comprising of Non-News Business of Diligent Media Corporation Limited (DMCL) (a subsidiary of the Company) vesting with Zee Entertainment Enterprises Limited (ZEEL), with effect from March 31, 2014 (Appointed Date), was approved by Hon'ble Bombay High Court vide order passed on September 12, 2014. The said Scheme became effective on September 26, 2014 and consequent to the Scheme, ZEEL had issued 6% Non-Cumulative Non-Convertible Redeemable Preference Shares of ₹ 1 each fully paid up to the shareholders of DMCL, consequently 2,22,73,836 Preference Shares of ZEEL were issued to Mediavest India Private Limited (holding company of DMCL and a subsidiary of ZMCL); and an amount of ₹ 2,578.47 Million being the difference between assets and liabilities adjusted in the securities premium account of DMCL as per Section 52 of the Companies Act, 2013.

The Company's Broadcasting Network comprises of the following channels:

No.	Name of the Channel	Primary Coverage Region	Language
1	Zee News	National	Hindi
2	Zee Business	National	Hindi
3	Zee 24 Taas	Maharashtra	Marathi
4	24 Ghanta	West Bengal	Bengali
5	Zee Sangam	Uttar Pradesh & Uttarakhand	Hindi
6	Zee Punjab Haryana Himachal	Punjab, Haryana and Himachal Pradesh	Punjabi and Hindi
7	Zee Madhya Pradesh Chhattisgarh	Madhya Pradesh and Chhattisgarh	Hindi
8	Zee Marudhara	Rajasthan	Mix of Hindi and Regional language
9	Zee Kalinga	Odisha	Odia
10	Maurya TV	Bihar & Jharkhand	Mix of Hindi and Regional language

MEDIA & ENTERTAINMENT INDUSTRY

In 2014-15, a stable government, policy initiatives, reforms, coupled with high economic growth numbers and forecasts, renewed the interest of both domestic as well as foreign investors in the country. The sentiments have touched across the

sectors, with Media & Entertainment being no exception.

As per FICCI-KPMG Indian Media and Entertainment Industry Report 2015, Media and Entertainment industry grew by 11.7%



from ₹ 918 billion in 2013 to ₹ 1,026 billion in 2014. Television industry rode on massive spending by political parties and e-commerce companies to register a growth of 13.8% to ₹ 475 billion in 2014 from ₹ 417 billion in 2013. Broadcast advertisement revenues grew by 14% to ₹ 155 billion in 2014 from ₹ 136 billion in 2013. Broadcast subscription revenues have seen a growth of 10% to ₹ 75 billion in 2014 from ₹ 69 billion in 2013.

The completion of Phases I & II of digitization was expected to bring in efficiencies and additional revenues to the broadcasters, which was missing in 2014. The introduction of alternative rating system by BARC, which includes rural population and larger sample size, is expected to bring in significant changes in ad spend trends.

News Segment

The news genre, where your company operates, grew by 13% to ₹ 33 billion largely on account of revenue accruing from elections and massive spending by e-commerce companies. As per FICCI-KPMG Indian Media and Entertainment Industry Report 2015, viewership share of News Genre was 7.5% of the total TV viewership (for Calendar year 2014). However, the genre commands a whopping 21.7% of the ad expenditure, indicating a robust power ratio.

BUSINESS OPERATIONS:

Broadcasting

In terms of newsgathering, the Company has one of the largest networks of news bureaus and correspondents with a pan-India presence. The Company's newsgathering capabilities are significantly enhanced by its KU Band network and strong relationships with international news agencies. The Company is equipped with state-of-art technology in content creation, packaging and broadcasting.

Distribution

All the channels of the Company are offered through various cable operators and DTH providers as a part of the Zee distribution bouquet of channels by Taj Television (India) Private Limited ("Taj Television")

Up-linking of Channels

The Company has an arrangement with Dish TV India Limited for up-linking of its channels through their teleport. Dish TV has a license for up-linking of TV channels from the competent Government authority.

Business Overview

During the year under review, your company's primary focus was on consolidating its existing offerings before moving on to the next wave of expansion. The company sought to increase the reach of its recent launches as well as the digital channels. This resulted in Network's reach of 119 million viewers through television and more than 200 million consumers through digital medium (Source: TAM All India CS 4+ FY2014-15, Avg Monthly Reach, Google Analytics, Facebook, Twitter).

Zee News, your Network's flagship channel, riding on its reformatory tag line of "Soch Badlo Desh Badlo," showcased its endeavor to bring about a positive change in society through thought provoking programming. The channel also unveiled a new signature tune to reaffirm its commitment to bring to its viewers unbiased news and incisive analysis and also to increase brand affinity. The channel rode the excitement created by general elections and dished out special programs, such as "Singhasan Ka Final" and "Sabse Bada Faisla," a 100-hour non-stop coverage of the counting day. In line with the importance accorded to Delhi elections, the channel started "Delhi Ki Teevr Mudrika,"

a branded bus that covered all assembly constituencies and took stock of performance of MLAs. The channel captured the Football world cup fever by roping in former Indian captain Bhaichung Bhutia for “Goal,” a special show which gave insights into each match. The channel also provided extensive coverage of the Cricket World Cup through “World War” program with expert panel comprising Navjot Singh Sidhu, Ajay Jadeja, Shoaib Malik, and Gaurav Kapur. The channel used the cricket theme to also promote peace between arch rivals India and Pakistan through an innovative initiative – The Misunderstood Scoreboard. This campaign received two awards at Goafest ABBY Awards – ‘Gold ABBY for Creative OOH’ and ‘Silver ABBY for Branded Content & Entertainment’. With its continuous endeavor of being a responsible media channel, Zee News executed the 5th edition of its revolutionary pan-India climate change campaign – My Earth My Duty – and more than 10 lakh saplings were planted across the country by citizens from all walks of life. History was created when more than two lakh saplings were planted within 30 minutes by Border Security Force (BSF) enabling the initiative to enter the Limca Book of Records once again.

Zee Business, your Network’s National Business channel, continued with its flagship markets-related initiatives of “Sensex Ka Sultan,” India’s first derivatives reality show and “Hunt for India’s Smart Investor,” which has become the largest reality show in the business news genre and aims to identify the country’s smartest investor. Dedicated to honoring India’s financial market experts for empowering the retail investor, the channel also instituted “India’s Best Market Analyst Awards”. The award acknowledges leading market analysts who have played a pivotal role in encouraging participation in the capital markets. To cater to the SME community,

the channel organized “Emerging Business Forum,” country’s largest SME discussion forum. In addition, the channel also organized “SME Growth Series,” a powerful new initiative spanning seven key markets engaging the growth drivers of India. The channel organized first-of-its-kind “Ministerial Conclaves,” where top ministers from the present dispensation discussed the Make in India plank, challenges faced by Indian economy, and set the agenda for future before business community.

24 Ghanta, your Network’s Bengali offering, stood out with its clear stand of unbiased and fearless reporting and widest coverage of general elections in the state. The channel also offered a special show “Brazil e Judhhyo,” meaning War in Brazil, with celebrity footballer and anchor Jose Ramirez Barreto to the football crazy state. Committed to the tradition of saluting and rewarding the heroes of Bengal, the channel organized the 7th edition of “Ananya Samman” and honoured the bravehearts of the state, with Chief Minister Mamata Banerjee as chief guest. In its endeavor to integrate the brand with the lifestyle of Bengali audience, the channel captured the celebration of Durga Puja, the biggest festival in state, across 15 branded pandals in Kolkata with interactive live coverage.

Zee 24 Taas, your Network’s Marathi offering, continued its endeavor to turn the spotlight on unsung heroes of Maharashtra. The channel felicitated them through the 7th edition of “Ananya Sanman”. Also, upholding its tradition as a socially conscious channel, the channel launched “Second Inning Parishad,” a discussion and guidance forum where experts came together to provide a direction and solutions to the problems faced by people. The channel also established itself as a leader in election coverage with a unique initiative “Mahamukhyamantri



Kon". Focusing on the key question of who will be the next chief minister, the channel's branded vehicle went around the state with an anchor and camera team and conducted interactive sessions with the public. The channel also won Gold (Category – Outdoor) and Silver (Category – Print) at India's most prestigious advertising awards event - Goafest 2014 for its ad campaign "Every side of the story".

Zee Sangam, erstwhile Zee UP UK, recognized the entrepreneurial spirit of UP through "Sangam Samman Awards". The channel also honored the achievements of heroes from different walks of life in Uttarakhand through "Devbhoomi Sammaan Awards". With an aim of bringing focus on the burgeoning education sector in the state, the channel organized summit titled "Uttar Pradesh, Destination for Education," which received participation from who's who of top institutes of the state. The channel also initiated and executed first-of-its-kind "Retail Utsav," a consumer fair that was organized in Noida.

Zee Punjab Haryana Himachal, erstwhile Zee Punjabi, made a high impact with comprehensive coverage of Haryana elections through "Naya Safar Naya Haryana" road campaign that reached more than 1 lakh people across 80 towns. The channel also initiated and executed "Retail Utsav," a consumer fair that received participation from more than one lakh visitors.

Zee Madhya Pradesh Chhattisgarh, which was launched on March 31, 2013, has made deep inroads into the region and has established No. 1 position through strong local coverage. To promote local talent, the channel organized a hunt to identify the best singer in the region in a month-long campaign titled "Madhya Bharat ki Awaaz". More than 4000 registrations were received from 5 cities in Madhya Pradesh and Chhattisgarh.

Zee Marudhara, launched on August 1, 2013 for viewers across Rajasthan on Terrestrial Entertainment Network (TEN) content architecture, (having mix of Regional Entertainment content and News content) has been transformed into a full-fledged news channel. The channel reached 4 million viewers across India. (Source: TAM, CS 4+, All India, including Rajasthan, FY 2014-15 Avg Weekly Reach)

Zee Kalinga, your Network's latest offering launched on January 26, 2014 for Odisha market, has been converted from Terrestrial Entertainment Network (TEN) format into a 24X7 News channel. The channel expanded its reach to more than 2.2 million viewers across India. (Source: TAM, CS 4+, All India, including Odisha, FY 2014-15 Avg Weekly Reach)

Maurya TV, your Network's regional channel targeting Bihar and Jharkhand, also converted from TEN format into a full-fledged 24X7 News channel. The channel reached more than 2.1 million viewers across India. (Source: TAM, CS 4+, All India, including Bihar and Jharkhand, FY 2014-15 Avg Weekly Reach)

Zeenews.com registered a year on year increase of 57.5% in visits, 24.3% in unique visitors, and 38.7% in page views. The website attracted over 116 million unique users, 287 million visits with 607 million page views in FY15 compared to 93 million unique visitors, 182 million visits with 437 million page views the previous year. The regional arms of the website put up a phenomenal performance with visits to Hindi, Bengali and Marathi websites growing by 285.3%, 215.0% and 234.9%, respectively. (Source: Google Analytics)

dna, your network's daily English newspaper for Mumbai, celebrated its 9th anniversary with a

special issue and the event, “#dnaturns9,” was trending on Twitter with 28,000 tweets in one day. At least 29 celebrities from film and TV industry endorsed DNA “Eco Ganesha campaign,” which sought to celebrate big eco ideas solicited from readers. More than 5.2 mn impressions were received for “#dnaEcoGanesha” on digital platform.

Business Strategy

During the year under review, your company focused on consolidation of its viewership and revenues. Through engaging content and focus on local coverage, efforts were made to increase the viewership across channels, especially the three channels launched during the preceding year – Zee Madhya Pradesh Chhattisgarh, Zee Marudhara, Zee Kalinga – and the newly acquired Maurya TV.

Your company invested in quality content generation to position itself as an innovative platform in a genre riddled with me-too products. Covering elections from the ground, engaging a star studded expert panel for cricket and football world cup programming, and capturing international visits in a glocal perspective were some of the hallmarks of our breakthrough programming. The network’s content philosophy evolved from ‘update’ to ‘upgrade’ wherein, apart from being the first one to provide reliable and accurate news, it sought to enhance its consumers’ knowledge by providing a timely and detailed analysis.

Moreover, through better sales management and innovations, your company increased the monetization of its channels and clocked the highest ever revenues since its existence.

Going forward, your company plans to continue with its strategy to diversify into different news

areas by expanding and bringing in more variety to its bouquet of news channels. This will also help synergize the company’s expertise in news gathering process to cater to a wider range of audience.

To establish connection with the new age consumer who prefers consumption of news anytime and anywhere, your company plans to consolidate its offerings across all platforms – TV, Newspaper, Mobiles, Laptops, Tablets – and across multiple languages to become a one-stop shop for all news.

Revenues in news industry are susceptible to changes in regulations, such as the currently under contention “10+2” advertisement cap. Your company plans to de-risk its revenues from regulatory changes by diversifying revenue streams.

After majorly focusing on consolidating its position in FY15, your company seeks to move into an expansion mode in FY16 and increase its portfolio, access across platforms, and adopt innovative revenue streams.

OTHER COMPANY INFORMATION

1. Internal Control Systems

The Company has in place adequate internal control systems, commensurate with its size and nature of operations so as to ensure smoothness of operations and compliance with applicable legislation. The Company has a well-defined system of management reporting and periodic review of businesses to ensure timely decision-making. It has an engaged internal audit firm with professionally qualified personnel, which conducts periodic audits of all businesses to maintain a proper system of checks and control.

The management information system (MIS)



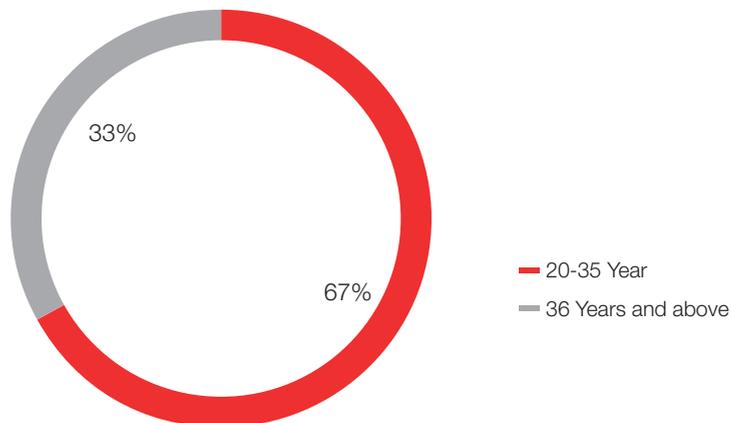
forms an integral part of the Company's control mechanism. All operating parameters are monitored and controlled. Any material change in the business outlook is reported to the Board. Material deviations from the annual planning and budgeting, if any, are reported to the Board on quarterly basis. An effective budgetary control on all capital expenditure ensures that actual spending is in line with the Capital Budget.

2. Human Resources

The Company seeks respects and values the diverse qualities and backgrounds that

its people bring to it and is committed to utilizing the richness of knowledge, ideas and experience that this diversity provides. The work environment is stimulating and development of core competencies through formal training, job rotation and hands on training is an ongoing activity. The Company's Employee strength on roll as on March 31, 2015 was 1695 in comparison to 1,388 as on March 31, 2014. Increase in Employee strength was due to new initiatives. Out of the total employee strength 67% is below the age of 35 years representing strong connect with the ethos of the youth.

(%)



RISK FACTORS:

The Company operates in a highly competitive industry:

With more and more players entering the News Broadcasting industry, competition is ever increasing. Moreover, technological changes

have spawned new distribution platforms inviting competition from newer players. The introduction of alternative rating system by BARC, which includes rural population and larger sample size, may change the viewership benchmarking in the industry which might affect company's

competitive standing. To maintain its competitive edge in such a scenario, the Company will need to anticipate viewer preferences to create, acquire, commission, and produce compelling content across platforms favored by the consumers.

The Company operates in a highly regulated industry and any new regulations will lead to substantial effect on the business model:

The regimes that affect your Company's business include broadcasting, cable, advertisement, telecommunications, intellectual property, consumer and competition (anti-trust) laws and regulations. Changes in regulations relating to the industry or a related industry could have an adverse effect on the Company's business and results of operation. TRAI has mandated 10+2 inventory norms (10 minutes of advertisement and 2 minutes of internal promotions in an hour) for the television industry. The implementation is currently on hold in the News segment as the News Broadcasters Association (of which your company is a member) has challenged the norms and the matter is currently under the consideration of Honourable Delhi High Court. If implemented, there is likely to be a reduction of advertising revenues as company's efforts for rate increase to compensate for lower inventory may not be accepted by the clients.

The Company's new channel launches might take longer than expected to break even:

The Company may from time to time launch new channels to further enhance its presence in the news genre market. The success of any new channel depends on various factors, including the quality of programming, price, extent of marketing, competition etc. There can be no assurance that the Company will be as successful in launching new channels as it has

been the case of its existing channels.

Primary source of revenue is advertisements and subscriptions by viewers, which may decline due to a variety of factors:

The implementation of Digital Access System (DAS) has not provided expected benefits and has not met the deadlines, which could result in a loss of viewership and hence of advertising and subscription revenues. If the Company's programming is unable to sustain high levels of viewership rating, the consequent decline in advertising revenues will manifest itself as a significant dip in aggregate revenues.

The Company relies on skilled manpower and may not be able to hire or retain important personnel:

The company operates in a manpower-intensive industry and may be adversely affected if it loses the services of any of its senior management and other skilled personnel and fails to find equally skilled replacements. Moreover, the chief editors and news presenters/anchors of the Company have developed significant reputation and viewer following. The Company's inability to retain them may affect the viewership of its channels.

The Company relies on intellectual property and proprietary rights which may not be adequately protected under current laws:

The Company relies on trademark, copyright and other intellectual property laws to establish and protect its rights in these products. There can be no assurance that the Company's rights will not be challenged, invalidated or circumvented or that the Company will successfully renew its rights or licenses.



The business involves risks of liability for news content and related risks, which could result in significant costs:

The Company relies on editors, reporters and freelance journalists/ stringers as well as news wires and agencies for news and other content for the news channels and newspaper of the Company. While we have established systems

and protocols to ensure authenticity of reports, any failure by them to follow these systems and protocols may lead to the broadcasting, posting or publishing of defamatory content or result in inaccurate reporting thereby exposing us and our employees to litigation for libel or defamation charges.

FINANCIALS AND FINANCIAL POSITION

Standalone and Consolidated Financials as on March 31, 2015:

The table below presents Standalone and Consolidated Financials for the Current and Previous Financial Years.

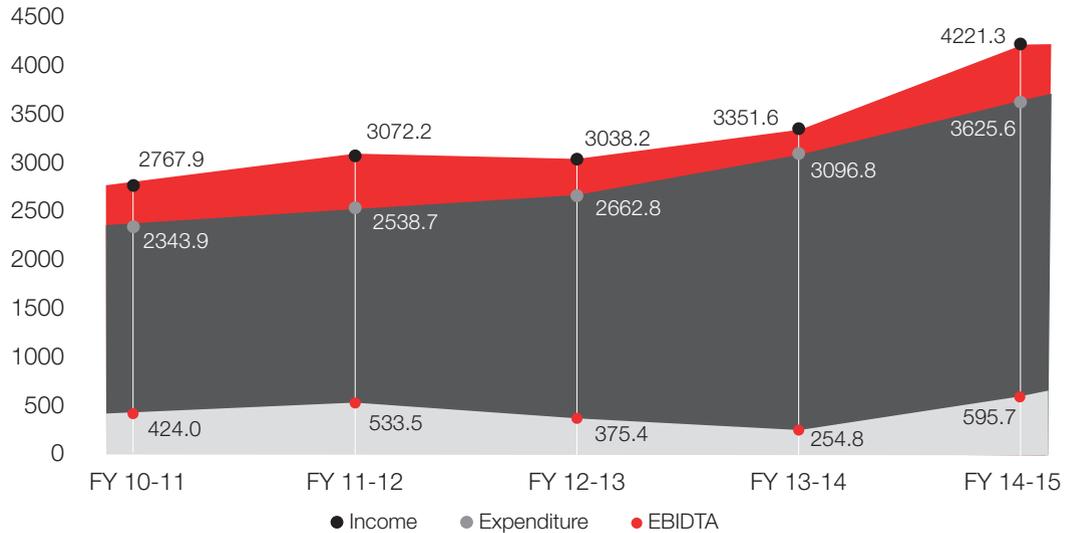
Profit and Loss account for the year ended	Standalone		Consolidated	
	2015	2014	2015	2014
Revenues				
Revenue from Operations	3,802.26	3,048.56	5,443.33	3,351.63
Other Income	114.85	253.21	72.14	235.80
Total Revenues	3,917.11	3,301.77	5,515.47	3,587.43
Expenses				
Cost of Raw Material Consumed	-	-	525.67	-
Operational cost	914.13	618.50	1,047.02	661.25
Employee Benefits Expense	1,112.85	888.30	1,606.58	990.96
Other expenses	1,368.37	1,379.29	1,860.12	1,444.63
Total Expenses	3,395.35	2,886.09	5,039.39	3,096.84
Operating Profit	521.76	415.68	476.08	490.59
Finance costs	131.32	103.35	526.28	103.38
Depreciation and amortisation expense	285.65	146.37	504.86	160.71
Profit before exceptional items and tax	104.79	165.96	(555.06)	226.50
Add : Exceptional Items	-	59.89	-	59.89
Profit before tax	104.79	225.85	(555.06)	286.39
Less: Tax expense	43.14	37.68	(123.54)	73.18
Profit after tax before minority interest	61.65	188.17	(431.52)	213.21
Less : Minority interest	-	-	34.99	23.89
Profit after tax	61.65	188.17	(466.51)	189.32

Balance Sheet as at	Standalone		Consolidated	
	2015	2014	2015	2014
Equity and Liabilities				
Shareholders' Funds				
Share Capital	362.15	239.76	362.15	239.76
Reserves and Surplus	3,676.78	1,979.67	3,245.37	2,071.34
	4,038.93	2,219.43	3,607.52	2,311.10
Share Application Money Pending Rights Issue	1.19	-	1.19	-
Minority Interest	-	-	103.10	116.64
Non-Current Liabilities				
Long-Term Borrowings	733.69	678.84	2,759.79	678.84
Deferred Tax Liability	-	-	-	13.66
Other Long-Term Liabilities	9.77	5.76	30.21	5.76
Long-Term Provisions	133.36	96.15	160.96	106.99
	876.82	780.75	2,950.96	805.25
Current Liabilities				
Short-Term Borrowings	520.73	431.86	1,631.70	431.86
Trade Payables	155.41	148.05	337.78	145.62
Other Current Liabilities	670.20	644.45	1,286.15	656.74
Short-Term Provisions	12.77	10.09	24.32	10.09
	1,359.11	1,234.45	3,279.95	1,244.31
Total	6,276.05	4,234.63	9,942.72	4,477.30
Assets				
Non-Current Assets				
Fixed Assets				
Tangible Assets	996.81	1,162.37	4,482.24	1,297.50
Intangible Assets	60.25	78.41	1,813.57	80.80
Capital work-in-progress	18.35	27.28	38.74	27.28
Non-Current Investments	3,099.05	122.28	22.27	39.00
Deferred Tax Assets (net)	61.65	57.11	1,022.48	57.11
Long-Term Loans and Advances	332.43	510.18	418.87	546.18
Other Non-Current Assets	30.07	4.50	82.26	4.50
	4,598.61	1,962.13	7,880.43	2,052.37
Current Assets				
Inventories	0.60	1.42	49.58	1.59
Trade Receivables	850.37	793.33	1,142.77	875.76
Cash and Bank Balances	294.11	114.94	399.27	162.79
Short-Term Loans and Advances	522.96	1,297.83	453.95	1,319.20
Other Current Assets	9.40	64.98	16.72	65.59
	1,677.44	2,272.50	2,062.29	2,424.93
Total	6,276.05	4,234.63	9,942.72	4,477.30



Operational Trend TV Business

(₹ in Millions)



A. RESULTS OF OPERATIONS

We are pleased to share the Consolidated Financial information for the year ended 31 March, 2015 compared to previous year ended 31 March, 2014.

Pursuant to the merger of Essel Publishers Private Limited with the Company with effect from April 1, 2014, three direct/indirect subsidiaries viz. Mediavest India Private Limited, Diligent Media Corporation Limited and Pri-Media Services Private Limited are vested in the Company. Consequent to further acquisitions, Maurya TV Private Limited became wholly-owned Subsidiary of the Company with effect from December 12, 2014.

Accordingly, the consolidated financial results of the Company comprise financials of following subsidiaries viz. Zee Akaash News Private Limited

(60%), Mediavest India Private Limited (100%), Diligent Media Corporation Limited (99.99%), Pri-Media Services Private Limited (100%), Company's share in the results of Maurya TV Private Limited as an associate till December 11, 2014, and as a Wholly owned Subsidiary post further acquisitions. The Consolidated Financial Statements have been prepared after knocking off the effect of common services among the Companies.

Diligent Media Corporation Limited is engaged in publishing and distribution of an English Daily 'DNA'. Pri-Media Services Private Limited is in the business of printing newspapers and other publications on job work basis. As a result, the consolidated operations of the Group effective from April 1, 2014 include a new business segment i.e. Print Business.

In the existing segment of TV Broadcasting Business, ZANPL continues to operate a 24x7 Bangla News Channel “24 Ghanta” and Maurya TV Private Limited caters to the Bihar/Jharkhand news market through its channel “Maurya TV,” which is proposed to be renamed as “Zee Purvaiya” (pending MIB approvals).

During FY14 New Channels were launched on different dates as follows:

- ⊙ Zee Marudhara launched on July 31, 2013
- ⊙ Zee Kalinga launched on January 26, 2014

These channels were launched in TEN format, a mix of News content and Regional General Entertainment content, and were later converted to 24x7 News channels catering to respective regions.

Pursuant to the above mergers, business acquisitions and other business developments the current year’s figures are not comparable to the corresponding previous year’s figures.

Revenue from Operations

Revenue from TV Broadcasting business operations includes Advertisement Income, Subscription Income and Sale of Programs. Revenue from Operations increased by ₹ 869.7 million or 26% from ₹ 3,351.6 million in FY14 to ₹ 4,221.3 million in FY15.

Overall the Hindi Regional News and Business News genres’ advertising revenues recorded a whopping growth of more than 40%, riding on various events of national importance, such as National General Elections and World Cup Cricket Tournament.

Subscription revenues remained flat during FY15 compared to FY14.

Revenue from Print Business Operations primarily includes Advertisement Income, revenue from printing job work, and sale of newspapers.

Total Cost

The Company launched two new channels during the previous financial year, hence the cost included in previous year’s results was for only for a part of the year (post launch date). Further, the new regional channels operated in TEN format for part of the year and were later converted to 24X7 News channels. Hence the comparison of Total Cost with previous year figures is not plausible.

The massive increase in Personnel cost is due to added cost of Print Business and new channel launches. Also, the increase is attributable to annual increments, incentives and employee welfare cost, in line with the Company’s continuous investment in hiring and retaining the best talent.

Finance cost for TV Broadcasting Business has increased due to increase in term loan facilities availed for capital expenditure needed to launch new channels. Furthermore, the consolidated figure is high due to the effect of interest on loans in Print Business.

Increase in Depreciation is attributable to addition of new assets in new businesses as well as due to the adoption of useful life of fixed assets as prescribed by the Schedule II to the Companies Act, 2013.

Tax Expense is in line with the rates of taxes as per relevant provisions of Income Tax Act.

At consolidated level, losses are mainly due to the additional charge of Depreciation, new business initiatives and addition of Print Business.



B. FINANCIAL POSITION

Equity & Liabilities

In pursuance to the Scheme of Amalgamation for merger of Essel Publishers Private Limited (“EPPL”) with the Company, the Company had, on June 9, 2014, issued and allotted 122,381,817 Equity Shares of Re 1 each, fully paid up, to the shareholders of EPPL, which has resulted in increase in paid-up capital of the Company to 362,145,773 Equity Shares of ₹ 1 each.

The Rights Issue of the Company, pursuant to the Letter of Offer dated March 16, 2015, was opened on March 25, 2015 and closed on April 8, 2015, and the Company allotted 108,643,732 Equity Shares of ₹ 1 each, fully paid up, on April 18, 2015. ₹ 1.19 million received towards the issue as share application money during the period up to March 31, 2015, has been disclosed as Share Application Money Pending Rights Issue.

The increase in Long Term Borrowings is primarily due to the existing loans of new subsidiaries as well as Term Loan taken from Bank for incurring capital expenditure for ZMCL.

Current Liabilities includes Short Term Borrowings, Trade Payables, Other Current Liabilities and Short Term Provisions. The increase was due to higher Short Term Borrowings to fund new

channels, as well as existing short term loans of new subsidiaries.

Assets

The high increase in Fixed Assets was due to the addition of Print Business.

Other Non-Current Assets includes unamortized expenses of Rights Issue of ₹ 25.19 million, in addition to other fixed deposits in News as well as Print business.

Current Assets

Inventories include Raw Materials (Newsprint, Ink and Plates as well as Consumables, Stores and Spares) totaling to ₹ 48.86 million for Print Business, apart from inventory of tapes for News business of ₹ 0.71 million.

The increase in Trade Receivables is only on account of addition of Print Business / new subsidiary, in addition to normal increase attributable to increase in revenue. Average Collection Period stood at 80 days on consolidated level.

The high cash & bank balances at the year-end are due to huge collections from debtors on closing date. Decrease in Short Term Loans & Advances is primarily due to adjustment of ICD in the scheme of amalgamation.

Certification on Financial Statements of the Company

We, Dr. Bhaskar Das, Group CEO – News Cluster and Dinesh Garg, Chief Financial Officer of Zee Media Corporation Limited (‘the Company’), certify that:

- (a) We have reviewed the Financial Statements and the Cash Flow Statement of the Company both on Standalone and Consolidated basis for the year ended March 31, 2015 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 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 existing 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, 2015 are fraudulent, illegal or violative to 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 steps taken or proposed to be taken to rectify those 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.

Dr. Bhaskar Das
Group CEO – News Cluster

Dinesh Garg
Chief Financial Officer

Place: Mumbai
Date: 22 May, 2015



Independent Auditors' Report

To
The members of
Zee Media Corporation Limited

Report on the Standalone Financial Statements

1. We have audited the accompanying standalone financial statements of **Zee Media Corporation 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 Standalone 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 standalone 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

3. Our responsibility is to express an opinion on these standalone 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

Independent Auditors' Report

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 standalone financial statements.

Opinion

4. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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.

Report on Other Legal and Regulatory requirements

5. As required by the 'Companies (Auditor's Report) Order, 2015' issued by the Central Government of India in terms of Section 143(11) 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.

6. 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) In our opinion, the aforesaid standalone 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) On the basis of the written representations received from the directors and 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;
 - f) 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:



Independent Auditors' Report

- 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 for 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 during the year ended 31 March 2015.

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

Hitendra Bhandari
Partner
Membership Number 107832

Mumbai, 22 May 2015

Annexure referred to in Paragraph 5 under the heading of “Report on Other Legal and Regulatory Requirements” of our report of even date to the members of Zee Media Corporation Limited on the standalone financial statements for the year ended 31 March 2015.

- | | |
|--|---|
| <p>(i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.</p> <p>(b) All the fixed assets, except Integrated Receiver Decoders (IRD) boxes lying with the third parties, have been physically verified by the management during the year. In our opinion, the periodicity of verification is reasonable having regard to the size of the Company and the nature of its assets. Discrepancies noticed on such verification, which are not material, have been properly dealt with in the books of accounts.</p> | <p>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.</p> |
| <p>(ii) (a) As explained to us, the inventories have been physically verified by the management at reasonable intervals during the year.</p> <p>(b) In our opinion, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.</p> <p>(c) In our opinion, the Company has maintained proper records of inventories. As explained to us, no discrepancies were noticed on physical verification as compared to the book records.</p> | <p>(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.</p> <p>(vi) In our opinion and according to information and explanation given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act in respect of any of the activities of the Company.</p> |
| <p>(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.</p> <p>(iv) In our opinion and according to the information and explanations given to</p> | <p>(vii) According to the records of the Company, examined by us and information and explanations given to us:</p> <p>(a) Undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, duty of custom, duty of excise, value added tax, cess and others as applicable have generally been regularly deposited with the appropriate authorities except delay in few cases. 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 <i>except income tax demand of ₹ 0.23 million for F.Y. 2009-10 for which rectification application is filed.</i></p> |



Annexure referred to in Paragraph 5 under the heading of “Report on Other Legal and Regulatory Requirements” of our report of even date to the members of Zee Media Corporation Limited on the standalone financial statements for the year ended 31 March 2015.

- (b) According to the records of the Company, the dues of income tax and service tax which are not deposited on account of dispute are as under:

Name of the Statute	Nature of the Dues	Amount (₹ / million)	Period to which the amount relate	Forum where dispute is pending
The Income Tax Act, 1961	Income Tax	6.68	F.Y. 2006-2007	Commissioner of Income Tax (Appeals)
		280.01	F.Y. 2007-2008	Income Tax Appellate Tribunal
		0.86	F.Y. 2011-2012	Commissioner of Income Tax (Appeals)
The Central Excise Act, 1944	Service Tax and penalty	142.63#	FY 2007-2008 to 2011-2012	Central Excise and Service Tax Appellant Tribunal

Interest and penalty to the extent quantified.

- (c) There were no amounts required to be transferred 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 does not have accumulated losses at the end of the financial year and has not incurred any cash losses during the current financial year or in the immediately preceding financial year.
- (ix) According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of dues to banks. The Company has not borrowed any funds from financial institutions or issued debentures during the year.
- (x) In our opinion and according to the information and explanations given to us, the terms and conditions on which the Company has given guarantees for loans taken by subsidiaries from banks are prima facie not prejudicial to the interests of the Company.
- (xi) In our opinion and according to the information and explanations given to us, the term loans raised during the year have been applied for the purposes for which they were raised *except ₹ 246.25 million which has been temporarily utilized for giving loan to wholly owned subsidiary.*
- (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

Hitendra Bhandari

Partner

Membership Number 107832

Place : Mumbai

Date : 22 May 2015

Balance Sheet as at 31 March,

	Note	2015	(₹ Million) 2014
Equity and Liabilities			
Shareholders' Funds			
Share Capital	3	362.15	239.76
Reserves and Surplus	4	3,676.78	1,979.67
		4,038.93	2,219.43
Share Application Money Pending Allotment	34	1.19	-
Non-Current Liabilities			
Long-Term Borrowings	5	733.69	678.84
Other Long-Term Liabilities	6	9.77	5.76
Long-Term Provisions	7	133.36	96.15
		876.82	780.75
Current Liabilities			
Short-Term Borrowings	8	520.73	431.86
Trade Payables	9	155.41	148.05
Other Current Liabilities	9	670.20	644.45
Short-Term Provisions	7	12.77	10.09
		1,359.11	1,234.45
Total		6,276.05	4,234.63
Assets			
Non-Current Assets			
Fixed Assets	10		
Tangible Assets		996.81	1,162.37
Intangible Assets		60.25	78.41
Capital work-in-progress		18.35	27.28
		1,075.41	1,268.06
Non-Current Investments	11	3,099.05	122.28
Deferred Tax Assets (net)	12	61.65	57.11
Long-Term Loans and Advances	13	332.43	510.18
Other Non-Current Assets	14	30.07	4.50
		4,598.61	1,962.13
Current Assets			
Inventories	15	0.60	1.42
Trade Receivables	16	850.37	793.33
Cash and Bank Balances	17	294.11	114.94
Short-Term Loans and Advances	13	522.96	1,297.83
Other Current Assets	14	9.40	64.98
		1,677.44	2,272.50
Total		6,276.05	4,234.63
Notes forming part of the financial statements	1 - 49		

As per our attached report of even date

For **MGB & Co. LLP**

Chartered Accountants

Firm registration number: 101169W/W-100035

Hitendra Bhandari

Partner

Membership number: 107832

Mumbai, 22 May, 2015

For and on behalf of the Board

Surjit Banga

Director

Dinesh Garg

Chief Financial Officer

Ashish Kirpal Pandit

Director

Pushpal Sanghavi

Company Secretary



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

	Note	2015	2014
(₹ Million)			
Revenue			
Revenue from Operations	18	3,802.26	3,048.56
Other Income	19	114.85	253.21
Total		3,917.11	3,301.77
Expenses			
Operational Cost	20	914.13	618.50
Employee Benefits Expense	21	1,112.85	888.30
Finance Costs	22	131.32	103.35
Depreciation and Amortisation Expense	23	285.65	146.37
Other Expenses	24	1,368.37	1,379.29
Total		3,812.32	3,135.81
Profit before exceptional items and tax		104.79	165.96
Add : Exceptional Items	25	-	59.89
Profit before tax		104.79	225.85
Less: Tax expense			
Current Tax			
- Current year		46.68	66.47
- Earlier years		(17.62)	(10.30)
Deferred Tax		14.08	(18.49)
Profit after tax		61.65	188.17
Earnings per equity share (face value ₹ 1 each) (₹)	48		
- Basic and Diluted before exceptional items		0.17	0.54
- Basic and Diluted after exceptional items		0.17	0.78
Notes forming part of the financial statements	1 - 49		

As per our attached report of even date

For **MGB & Co. LLP**

Chartered Accountants

Firm registration number: 101169W/W-100035

Hitendra Bhandari

Partner

Membership number: 107832

Mumbai, 22 May, 2015

For and on behalf of the Board

Surjit Banga

Director

Dinesh Garg

Chief Financial Officer

Ashish Kirpal Pandit

Director

Pushpal Sanghavi

Company Secretary

Notes forming part of the financial statements

1 Corporate Information

Zee Media Corporation Limited (“ZMCL” or “the Company”) is incorporated in the State of Maharashtra, India. The name of the Company is changed to Zee Media Corporation Limited as per revised Certificate of Incorporation dated 6 July, 2013 issued by the Registrar of Companies, Maharashtra. The Company is mainly in the business of broadcasting of news / current affairs and regional language channels and sale of television programs including program feeds.

2 Significant Accounting Policies

A Basis of preparation

The financial statements are prepared on going concern basis in accordance with Generally Accepted Accounting Principles in India (Indian GAAP). GAAP comprises mandatory accounting standards as prescribed 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.

B 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, on the date of the financial statements and the reported amount of revenue and expenses of the year. Difference between the actual results and estimates are recognized in the period in which the results are known/materialized.

C Tangible fixed assets

a) Tangible fixed assets are stated at cost, less accumulated depreciation and impairment loss, if any. The cost comprises purchase price, borrowing cost if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended

use. Integrated Receiver Decoders (IRD) boxes are capitalised, when available for deployment.

b) Capital work in progress comprises cost of fixed assets and related expenses that are not yet ready for their intended use at the reporting date.

D Intangible assets

Intangible assets acquired are measured on initial recognition at cost and stated at cost less accumulated amortisation and impairment loss, if any.

E Borrowing costs

Borrowing costs attributable to the acquisition or construction of qualifying assets till the time such assets are ready for intended use are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period they occur.

F Impairment of tangible and intangible assets

At each Balance Sheet date, the Company reviews the carrying amount of assets to determine whether there is an indication that those assets have suffered impairment loss. If any such indication exists, the recoverable amount of assets is estimated in order to determine the extent of impairment loss. The recoverable amount is higher of the net selling price and value in use, determined by discounting the estimated future cash flows expected from the continuing use of the asset to their present value.

G Depreciation / Amortization on tangible / intangible assets

Tangible assets

Depreciable amount for tangible fixed assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation on tangible fixed assets is provided on straight line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, where the life of the assets has been assessed based on technical advice, taking into account the nature of



Notes forming part of the financial statements

the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement etc.

Assets	Management's Estimate of Useful Life
Plant and Machinery (Studio equipments – Linear)	10 Years
Plant and Machinery (Studio equipments – Non-Linear)	5 Years
Plant and Machinery (IRD Boxes)	1 Year
Leasehold Improvements	Over the period of lease

Intangible assets

Intangible assets are amortised on straight line basis over the economic useful life estimated by the management.

H Investments

- a) Investments, which are readily realisable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.
- b) Current investments are stated at lower of cost and fair market value determined on an individual investment basis. Long-term investments are stated at cost less provision for diminution other than temporary in the value of such investments.

I Transactions in foreign currencies

- a) Foreign currency transactions are accounted at the exchange rates prevailing on the date of such transactions.
- b) Foreign currency monetary items are translated using the exchange rate prevailing at the reporting date. Exchange differences arising on settlement of monetary items or on reporting such monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements are recognised as income or as expenses in the year in which they arise.
- c) Non-monetary foreign currency items are carried at cost.

J Revenue recognition

- a) Broadcasting revenue - Advertisement revenue (net of discount and volume rebates) is recognized when the related advertisement or commercial appears before the public i.e. on telecast. Subscription revenue is recognized on time basis on the provision of television broadcasting service to subscribers or as per the agreed terms.
- b) Sales (including television programs) are recognized when the significant risks and rewards have been transferred to the customers.
- c) Revenue from other services is recognized as and when such services are completed / performed.
- d) Dividend income is recognized when the Company's right to receive dividend is established.
- e) Interest income is recognized on a time proportion basis taking into account amount outstanding and the applicable interest rate.

K Inventories

- a) Television programs (completed, under production, available for sale) are stated at lower of cost/ unamortized cost or net realizable value. Cost comprises acquisition / direct production costs and other allocated production overheads. Where the realizable value on the basis of its estimated useful life is less than its carrying amount, the difference is expensed as impairment. Programs are expensed / amortized as under:

Notes forming part of the financial statements

i) Programs- news / current affairs / chat shows / events etc are fully expensed on telecast.

ii) Programs (other than (i) above) are amortized over three financial years starting from the year of first telecast, as per management estimate of future revenue potential.

b) Raw Stock – Tapes are valued at lower of cost or estimated net realizable value. Cost is taken on weighted average basis.

L Retirement and other employee benefits

a) Short-term employee benefits are expensed at the undiscounted amount in the Statement of Profit and Loss in the year the employee renders the service.

b) Post employment and other long term employee benefits are recognized as an expense in the Statement of Profit and Loss at the present value of the amount payable determined using actuarial valuation techniques in the year the employee renders the service. Actuarial gains and losses are charged to the Statement of Profit and Loss .

c) Payment to defined contribution retirement benefit schemes are recognised as an expense in the Statement of Profit and Loss, when due.

M Accounting for taxes on income

a) Current Tax is determined as the amount of tax payable in respect of 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 relevant enacted tax rates and laws.

N Leases

a) Finance lease

Assets acquired under Finance Lease are capitalized and the corresponding lease liability is recorded at an amount equal to the fair value of the leased asset at the inception of the lease. Initial costs directly attributable to lease are recognized with the asset under lease.

b) Operating lease

Lease of assets under which all the risk and rewards of ownership are effectively retained by the lessor are classified as operating lease. Lease payments under operating lease are recognized as expense on accrual basis in accordance with the respective lease agreements.

O 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.

P 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. These estimates are revised at each reporting date and adjusted to reflect the current best estimates. Contingent Liabilities are not recognized but are disclosed in the financial statements. Contingent Assets are neither recognized nor disclosed in the financial statements.



Notes forming part of the financial statements

3 Share Capital

	2015	2014
		(₹ Million)
Authorised		
1,700,000,000 (1,000,000,000) Equity Shares of ₹ 1 each	1,700.00	1,000.00
	1,700.00	1,000.00
Issued, Subscribed and Paid up		
362,145,773 (239,763,956) Equity Shares of ₹ 1 each fully paid up	362.15	239.76
Total	362.15	239.76

a) Reconciliation of number of Equity shares and Share capital

	2015		2014	
	Number of equity shares	(₹ Million)	Number of equity shares	(₹ Million)
At the beginning of the year	239,763,956	239.76	239,763,956	239.76
Add: Issued pursuant to the Scheme of Amalgamation (Refer Note 47)	122,381,817	122.39	-	-
Outstanding at the end of the year	362,145,773	362.15	239,763,956	239.76

b) Terms / rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 1 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) Details of shares held by Holding Company

	2015	2014
		(₹ Million)
Name of the Shareholder		
25FPS Media Private Limited (extent of holding 53.34%)	-	127,898,710

d) Details of Shareholders holding more than 5 percent of the aggregate shares in the Company:

Name of the Shareholder	2015		2014	
	Number of equity shares	% Shareholding	Number of equity shares	% Shareholding
25FPS Media Private Limited	127,898,710	35.32%	127,898,710	53.34%
Arm Infra and Utilities Limited	122,363,636	33.79%	-	-
HDFC Trustee Company Limited- HDFC Prudence Fund	17,467,103	4.82%	17,467,103	7.29%

As per the records of the Company, including its register of shareholders/ members and other declaration received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

Notes forming part of the financial statements

- e) The Company has not issued any bonus shares or bought back any shares during five years preceding 31 March, 2015. Details of aggregate number of shares issued for consideration other than cash during five years preceding 31 March, 2015:

	2015	2014
Equity shares allotted as fully paid for consideration other than cash pursuant to the Scheme of Amalgamation	122,381,817	-

- f) The Company has instituted an Employee Stock Option Plan (ESOP 2009) as approved by the Board of Directors and Shareholders of the Company in 2009 for issuance of stock options convertible into equity shares not exceeding in the aggregate 5% of the issued and paid up capital of the Company as at 31 March, 2009 i.e. up to 11,988,000 equity shares of ₹ 1 each, to the employees of the Company as well as that of its subsidiaries and also to the Directors of the Company at the market price determined as per the Securities and Exchange Board of India (Employee Stock Options Scheme) Guidelines, 1999 (SEBI (ESOS) Guidelines). The said Scheme is administered by the Nomination and Remuneration Committee of the Board. The Company has not granted any options till 31 March, 2015.

4 Reserves and Surplus

	2015	2014
		(₹ Million)
Capital Reserve		2014
As per last Balance Sheet	96.79	96.79
Add: Adjustment pursuant to the Scheme of Amalgamation (Refer Note 47)	1,671.62	-
	1,768.41	96.79
Securities Premium		
As per last Balance Sheet	76.50	76.50
General Reserve		
As per last Balance Sheet	90.00	90.00
Surplus in the Statement of Profit and Loss		
As per last Balance Sheet	1,716.38	1,528.21
Less: Adjustment for depreciation as per transitional provisions (Refer Note 10 (b))	(54.78)	-
Add: Deferred Tax on depreciation as above	18.62	-
Add: Profit for the year	61.65	188.17
	1,741.87	1,716.38
Total	3,676.78	1,979.67



Notes forming part of the financial statements

5 Long-Term Borrowings (Secured)

	Non - Current		Current	
	2015	2014	2015	2014
Term loan from bank (Refer (a) below)	728.00	674.25	72.00	-
Vehicle loans (Refer (b) below)				
- from Banks	5.00	2.63	3.49	2.31
- from Others	0.69	1.96	1.26	1.62
	733.69	678.84	76.75	3.93
Less: Amount disclosed under "Other Current Liabilities" (Refer Note 9)	-	-	76.75	3.93
Total	733.69	678.84	-	-

(₹ Million)

- a) Term Loan from bank ₹ 800.00 million (₹ 674.25 million) is secured by way of first hypothecation charge on entire movable fixed assets except vehicles. The loan carries interest @ 12.25 % p.a. payable monthly and is repayable in 21 quarterly installments commencing from October 2015.
- b) Vehicle Loans from banks and others are secured by way of hypothecation of vehicles, carries interest ranging from 8.90% to 12.25% p.a. and repayable upto July 2018.

6 Other Long-Term Liabilities

	2015	2014
Employee benefits payable	9.77	5.76
Total	9.77	5.76

(₹ Million)

7 Provisions

	Long-Term		Short-Term	
	2015	2014	2015	2014
Provision for employee benefits:				
- Gratuity	84.14	62.30	6.23	5.47
- Leave benefits	49.22	33.85	6.54	4.62
Total	133.36	96.15	12.77	10.09

(₹ Million)

8 Short-Term Borrowings (Secured)

	2015	2014
Cash credit from bank (Refer (a) below)	320.73	431.86
Working capital loan from bank (Refer (b) below)	200.00	-
Total	520.73	431.86

(₹ Million)

- a) Cash Credit from bank is secured by way of hypothecation charge on entire current assets and collaterally secured by first hypothecation charge on entire movable fixed assets except vehicles.

Notes forming part of the financial statements

- b) Working Capital loan from bank is secured by way of first pari passu charge on entire current assets and entire movable fixed assets except vehicles. Pari passu charge in favour of the bank yet to be created.

9 Current Liabilities

	2015	2014
		(₹ Million)
Trade payables	155.41	148.05
	155.41	148.05
Other Current Liabilities		
Current maturities of long-term borrowings (Refer Note 5)	76.75	3.93
Interest accrued but not due on borrowings	8.47	6.04
Unearned revenue	42.21	54.57
Advance received from customers	67.53	31.19
Deposits received from distributors	6.17	6.08
Creditors for capital expenditure	4.42	42.63
Unclaimed dividends [^]	0.68	0.68
Statutory dues payable	56.62	53.29
Other payables	407.35	446.04
	670.20	644.45
Total	825.61	792.50

[^] There are no amounts due and outstanding to be credited to Investor's Education and Protection Fund as at 31 March, 2015.



Notes forming part of the financial statements

10. Fixed Assets

Description of Assets	Gross Block				Depreciation/Amortisation					Net Block	
	As at 1 April, 2014	Additions	Deductions	As at 31 March, 2015	Upto 31 March, 2014	Reserve adjustment (Refer Note (b))	For the year	Deductions	Upto 31 March, 2015	As at 31 March, 2015	As at 31 March, 2014
Tangible Assets											
Freehold Land	-	10.91	-	10.91	-	-	-	-	-	10.91	-
Plant and Machinery	1,329.09	103.52	63.11	1,369.50	346.66	22.50	197.78	50.23	516.71	852.79	982.43
Equipments	67.76	4.12	14.49	57.39	14.60	26.74	9.17	14.10	36.41	20.98	53.16
Computers	99.65	14.73	19.33	95.05	36.99	5.36	28.08	18.38	52.05	43.00	62.66
Furniture and Fixtures	8.70	5.54	0.84	13.40	5.11	-	0.63	0.76	4.98	8.42	3.59
Vehicles	53.15	12.94	5.43	60.66	15.11	0.18	7.81	1.32	21.78	38.88	38.04
Leasehold Improvements	40.01	5.08	7.59	37.50	17.52	-	5.14	6.99	15.67	21.83	22.49
Total	1,598.36	156.84	110.79	1,644.41	435.99	54.78	248.61	91.78	647.60	996.81	1,162.37
Previous Year	1,112.61	632.54	146.79	1,598.36	398.19	-	118.14	80.34	435.99	1,162.37	
Intangible Assets											
Computer Software	182.72	19.12	32.61	169.23	104.31	0.00	37.04	32.37	108.98	60.25	78.41
Total	182.72	19.12	32.61	169.23	104.31	0.00	37.04	32.37	108.98	60.25	78.41
Previous Year	95.15	90.60	3.03	182.72	79.11	-	28.23	3.03	104.31	78.41	
Capital Work-in-Progress										18.35	27.28

Note:

- Previous year deduction in gross block includes ₹ 7.13 million and depreciation for the previous year is net of ₹ 0.38 million being Cenvat Credit availed during the previous year for the assets capitalised in earlier years.
- During the year, the Company has adopted the useful life as per the Schedule II of the Companies Act, 2013. Consequently, depreciation of ₹ 54.78 million representing the written down value of fixed assets whose lives have expired as at 1 April, 2014 and deferred tax effect thereon of ₹ 18.62 million have been adjusted in the Surplus in Statement of Profit and Loss (Refer Note 4). The unamortised carrying value has been depreciated / amortised over the revised / remaining useful lives.

Notes forming part of the financial statements

11 Non-Current Investments

(valued at cost unless otherwise stated)

	2015	2014
		(₹ Million)
Trade Investments - Fully Paid Up and Unquoted		
i) In Equity shares of ₹ 10 each		
In Subsidiaries		
10,000 (Nil) of Mediavest India Private Limited (extent of holding 100 %) *	0.10	-
10,000 (Nil) of Pri-Media Services Private Limited (extent of holding 100 %) *	0.10	-
2,400,002 (2,400,002) of Zee Akaash News Private Limited (extent of holding 60 %)	83.28	83.28
22,131,648 (Nil) of Maurya TV Private Limited (extent of holding 100% w.e.f. 12 December, 2014)	77.91	-
	161.39	83.28
In Associate		
Nil (8,380,241) of Maurya TV Private Limited (extent of holding 37.87%)	-	39.00
In Others		
435,000 (435,000) of Akash Bangla Private Limited	60.90	60.90
Less: Provision for diminution in value of investment	60.90	60.90
	-	-
ii) In Debentures of Wholly Owned Subsidiary		
9,882,410,565 (Nil) 0% Compulsorily Convertible Debentures of ₹ 1 each of Mediavest India Private Limited (Refer Note (a) below)*	1,837.66	-
11,000,000 (Nil) 0.01% Compulsorily Convertible Debentures of ₹ 100 each of Pri-Media Services Private Limited (Refer Note (b) below)*	1,100.00	-
Total	3,099.05	122.28
*Acquired pursuant to the Scheme of Amalgamation (Refer Note 47)		
Aggregate amount of unquoted Investments	3,159.95	183.18
Diminution in value of investments	60.90	60.90

Note:

- Each debenture is compulsorily convertible on or before seven years from the date of allotment at the option of the debenture holder at the fair value of the equity shares at the time of conversion.
- Each debenture is compulsorily convertible on or before five years from the date of allotment at the option of the debenture holder at the fair value of the equity shares at the time of conversion.



Notes forming part of the financial statements

12 Deferred Tax Assets (net)

The components of deferred tax balances as at 31 March are as under:

	(₹ Million)	
	2015	2014
Deferred Tax Assets		
Arising on account of timing difference in employee retirement benefits	50.58	36.11
Allowable on payment basis	0.74	0.81
Provision for doubtful debts and advances	13.47	15.97
Fiscal allowances	2.52	55.28
Others	0.24	-
	67.55	108.17
Deferred Tax Liabilities		
Depreciation	5.90	51.06
	5.90	51.06
Deferred Tax Assets (net)	61.65	57.11

13 Loans and Advances

(unsecured, considered good unless otherwise stated)

	(₹ Million)			
	Long-Term		Short-Term	
	2015	2014	2015	2014
Capital advances				
Related parties	1.89	1.89	-	-
Others (Refer Note 33)	60.16	334.44	-	-
	62.05	336.33	-	-
Deposits				
Subsidiary	19.36	19.36	-	-
Others: Considered good	20.89	24.44	11.86	2.77
Considered doubtful	-	-	1.21	-
	40.25	43.80	13.07	2.77
Less: Provision for doubtful deposits	-	-	1.21	-
	40.25	43.80	11.86	2.77
Loans and advances to related parties				
Loan - subsidiary	-	-	346.48	-
- others	-	-	-	1,100.00
Other advances	-	-	17.59	5.05
	-	-	364.07	1,105.05

Notes forming part of the financial statements

13 Loans and Advances (Contd.)

(unsecured, considered good unless otherwise stated)

	Long-Term		Short-Term	
	2015	2014	2015	2014
Other Loans and Advances				
Loans - employee	3.35	8.86	5.51	4.93
Other Advances				
- considered good *	-	-	66.34	85.24
- considered doubtful	-	-	1.07	0.87
	3.35	8.86	72.92	91.04
Less: Provision for doubtful advances	-	-	1.07	0.87
	3.35	8.86	71.85	90.17
Prepaid expenses	1.68	2.53	6.03	8.42
Balances with Government authorities				
Advance direct tax (net of provisions)	225.10	118.66	-	-
Advance indirect taxes	-	-	69.15	91.42
Total	332.43	510.18	522.96	1,297.83

* Includes ₹ 29.15 million (Nil) for immovable property acquired for sale.

14 Other Assets

(Unsecured, considered good)

	Non-Current		Current	
	2015	2014	2015	2014
Unamortised share issue expenses (Refer Note 34)	25.19	-	-	-
Balances with bank in deposit accounts* (Refer Note 17)	4.38	4.35	-	-
Interest accrued on -				
Bank deposits #	0.50	0.15	-	0.00
Loan to related parties	-	-	-	39.57
Other loans and advances	-	-	-	16.01
Other receivables				
Related parties	-	-	0.23	0.23
Others	-	-	9.17	9.17
Total	30.07	4.50	9.40	64.98

* Pledged with statutory authorities.

"0.00" (zero) denotes amounts less than ₹ 10,000.

15 Inventories

	2015	2014
Raw stock - tapes	0.60	1.42
Total	0.60	1.42



Notes forming part of the financial statements

16 Trade Receivables (unsecured)

	2015	2014
		(₹ Million)
Over six months		2014
considered good	35.09	20.51
considered doubtful	38.93	46.97
Others		
considered good	815.28	772.82
considered doubtful	-	-
	889.30	840.30
Less: Provision for doubtful debts	38.93	46.97
Total	850.37	793.33

17 Cash and Bank Balances

	Non Current		Current	
	2015	2014	2015	2014
				(₹ Million)
Cash and Cash Equivalents				
Balances with banks in current accounts	-	-	261.88	113.65
Cheques in hand	-	-	30.10	-
Cash in hand	-	-	0.26	0.61
	-	-	292.24	114.26
Other Bank Balances				
Balances with banks				
Fixed deposits with maturity more than 12 months	4.38	4.35	-	-
Share application money collection accounts (Refer Note 34)	-	-	1.19	-
In Unclaimed dividend accounts	-	-	0.68	0.68
	4.38	4.35	1.87	0.68
Less: Amount disclosed under the head "Other Assets" (Refer Note 14)	4.38	4.35	-	-
	-	-	1.87	0.68
Total	-	-	294.11	114.94

18 Revenue from Operations

	2015	2014
		(₹ Million)
Services - Broadcasting revenue		2014
Advertisement	2,686.48	1,902.08
Subscription	1,000.45	999.00
Sales -		
Television programs	115.33	143.37
Other operating income	-	4.11
Total	3,802.26	3,048.56

Notes forming part of the financial statements

19 Other Income

	(₹ Million)	
	2015	2014
Interest Income		
from bank deposits	0.43	0.37
from loans	39.01	155.27
from long term investments	0.11	-
from income tax refund	6.56	-
from others	2.79	17.90
Dividend Income		
from subsidiary	60.00	36.00
Liabilities / excess provisions written back	4.19	43.00
Gain on exchange difference (net)	1.20	-
Miscellaneous income	0.56	0.67
Total	114.85	253.21

20 Operational Cost

	(₹ Million)	
	2015	2014
Television Programs - Production/ acquisition cost		
Program purchased	57.98	28.41
Raw tapes consumed	2.28	2.25
Consultancy and professional charges	211.08	152.63
News subscription fees	37.22	40.46
Vehicle running, maintenance and hire charges	75.17	62.00
Travelling and conveyance expenses	42.58	19.62
Lease-line and V-sat expenses	62.59	58.69
Hire charges	37.43	25.82
Other production expenses	109.40	64.29
	635.73	454.17
Telecast cost	134.30	120.14
Channel subscription fees	21.72	21.69
Channel management fee	122.38	22.50
Total	914.13	618.50

Note : Television programs of ₹ 7.11 Million (Nil) are impaired during the year.



Notes forming part of the financial statements

21 Employee Benefits Expense

	2015	2014
		(₹ Million)
Salaries and allowances	1,001.80	770.64
Contribution to provident and other funds	57.35	46.30
Staff welfare expenses	49.97	67.53
Staff recruitment and training expenses	3.73	3.83
Total	1,112.85	888.30

22 Finance Costs

	2015	2014
		(₹ Million)
Interest - on loans	129.84	90.22
- on others	0.79	0.22
Bank and other financial charges	0.69	12.91
Total	131.32	103.35

23 Depreciation and Amortisation Expense

	2015	2014
		(₹ Million)
Depreciation on tangible assets	248.61	118.14
Amortisation on intangible assets	37.04	28.23
Total	285.65	146.37

Notes forming part of the financial statements

24 Other Expenses

		(₹ Million)
	2015	2014
Rent	92.00	72.43
Rates and taxes	21.46	5.54
Repairs and maintenance - Building	1.16	3.16
- Plant and machinery	28.07	38.04
- Other	34.74	23.69
Insurance	3.36	3.20
Electricity and water charges	72.14	73.30
Communication charges	31.61	27.06
Printing and stationary expenses	6.36	7.33
Travelling and conveyance expenses	112.42	92.56
Legal and professional charges	126.14	158.30
Payment to auditors (Refer 'Note 30')	3.04	2.46
Corporate Social Responsibility expenses (Refer 'Note 32')	4.94	-
Donations	0.04	1.30
Hire and service charges	42.16	36.54
Miscellaneous expenses	18.62	17.56
Marketing, distribution, business promotion expenses	634.45	609.50
Advertisement and publicity expenses	55.08	106.65
Commission/ discount	58.19	26.09
Bad debts / advances written off	12.63	
Less : bad debts provisions written back	8.04	-
Provision for doubtful debts and advances	1.41	11.85
Loss on sale/discard of fixed assets (net)	16.39	57.41
Loss on exchange difference (net)	-	5.32
Total	1,368.37	1,379.29

25 Exceptional Items

		(₹ Million)
	2015	2014
Provision for doubtful advance share application money written back	-	59.89
Total	-	59.89



Notes forming part of the financial statements

26 Operating Lease

The Company has taken office premises, residential premises and plant and machinery (including equipments) etc. under cancellable/non-cancellable lease agreements, that are renewable on a periodic basis at the option of both the Lessor and the Lessee. The initial tenure of the lease period is generally for 11 to 120 months.

	2015	2014
		(₹ Million)
Lease rental charges for the year	173.35	155.52
Future lease rental obligation payable (under non-cancellable leases)		
Not later than one year	23.33	75.30
Later than one year but not later than five years	9.90	33.93
Later than five years	-	-

27 Contingent Liabilities not provided for

	2015	2014
		(₹ Million)
Custom Duty pending export obligations	18.18	18.18
Disputed Direct Taxes #	360.61	362.69
Disputed Indirect Taxes	142.63	142.63
Corporate Guarantees given to banks		
- For subsidiary, loans outstanding ₹ 2,484.41 million (Nil)	2,540.00	-
- For other related party, loans outstanding Nil (₹ 2,516.76 million)	-	2,540.00
Legal cases against the Company *	Not Ascertainable	Not Ascertainable

Income tax demands mainly include appeals filed by the Company before various appellate authorities against the disallowance of expenses / claims. The management is of the opinion that its tax cases will be decided in its favour and hence no provision is considered necessary at this stage.

* The Company has received legal notices of claims / law suits filed against it relating to infringement of copy rights, defamation suits etc. in relation to programs telecasted / other matters. In the opinion of the management, no material liability is likely to arise on account of such claims / law suits.

28 Capital and Other Commitments

	2015	2014
		(₹ Million)
a) Estimated amount of contracts remaining to be executed on capital account, not provided for (net of advances)	66.05	57.88
b) Commitment for acquiring shares of associate company (net of advance)	-	38.92
c) The Company has committed to provide continued financial support to its wholly owned subsidiaries	Unascertained	Unascertained

Notes forming part of the financial statements

29 Managerial Remuneration

- a) Remuneration paid or provided in accordance with Section 197 of the Companies Act, 2013 to whole time director, included in Employee benefits expense is as under :

	2015	2014
		(₹ Million)
Salaries, allowances and perquisites*	2.54	10.14
Contribution to provident and other funds	0.11	0.66
Total	2.65	10.80

* Remuneration for the year ended 31 March, 2014 excludes leave encashment and gratuity provided on the basis of actuarial valuation on an overall Company basis.

Mr Alok Agrawal who was appointed as whole-time director of the Company w.e.f. 30 July, 2013 for a period of 3 years has resigned w.e.f. close of business on 12 May, 2014.

- b) Commission payable to Non Executive Directors of ₹ 0.77 million (₹ 1.2 million) based on profits for the year is included in 'Miscellaneous expenses' (Refer Note 24).
- c) Sitting fees paid to Non Executive Directors of ₹ 1.18 million (₹ 0.68 million) is included in 'Miscellaneous expenses' (Refer Note 24).

30 Payment to Auditors

	2015	2014
		(₹ Million)
Audit fees	1.25	1.00
Tax audit fees	0.25	0.25
Certification work (including limited reviews)	0.82	1.01
Tax representation and other matters	0.70	0.17
Reimbursement of expenses	0.02	0.03
Total^	3.04	2.46

^ excludes (i) Service tax and (ii) fees for Certification work for Rights Issue ₹ 2.52 million for the year ended 31 March, 2015, which is included in 'Unamortized Share issue expenses' (Refer Note 14).

31 Foreign Exchange

Foreign currency exposures that are not hedged by derivative instruments'

	2015	2014
		(₹ Million)
Payables	45.19	33.11
Receivables	65.32	113.28



Notes forming part of the financial statements

- 32** As per the requirement of Section 135 of the Companies Act, 2013, a Corporate Social Responsibility (CSR) Committee has been constituted by the Company. The Company is required to spend ₹ 4.94 million on the activities specified in the Schedule VII of the Companies Act, 2013 which has been fully paid during the year and included in Note 24.
- 33** During the year ended 31 March, 2014 the Company had given advances of ₹ 246.25 million to various companies for the purchase of capital assets. However, due to various reasons, the contracts could not be executed and accordingly the advances have been received back during the year.
- 34** The Rights Issue of the Company, pursuant to the Letter of Offer dated 16 March, 2015, to issue 108,643,732 Equity Shares of ₹ 1 each, fully paid up, at a price of ₹ 18 per share (including premium of ₹ 17 per share) for an amount aggregating upto ₹ 1,955.59 million, opened on 25 March, 2015 and closed on 8 April, 2015. The Company has allotted 108,643,732 Equity Shares of ₹ 1 each, fully paid up, on 18 April, 2015. The share application money received of ₹ 1.19 million during the period up to 31 March, 2015 towards such issue, has been disclosed as Share Application Money Pending allotment. The Company has incurred expenses of ₹ 25.19 million on the Rights Issue up to 31 March, 2015 which has been disclosed as Unamortized share issue expenses under Note 14, and will be adjusted against securities premium.
- 35 Micro, Small and Medium Enterprises**
The Company has no dues to Micro, Small and Medium Enterprises during the year ended 31 March, 2015 on the basis of information provided by the parties and available on record. Further, there is no interest paid / payable to micro and small enterprises during the year.
- 36 Employee Benefits**
As per the Accounting Standard 15 “Employee Benefits”, the disclosure of Employee benefits as defined in the Accounting Standard are given below:

(A) Defined Benefit Plan

The present value of gratuity obligation is determined based on actuarial valuation using the Projected Unit Credit Method which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for leave benefits (non funded) is also recognised using the projected unit credit method.

Disclosure of gratuity in terms of AS 15 is as under:

(i) Expenses recognised during the year

	(₹ Million)	
	Gratuity (Non Funded)	
	2015	2014
Service cost	14.24	10.81
Interest cost	6.47	4.67
Net actuarial (gain)/loss on obligation	15.22	12.32
Total Expenses	35.93	27.80

Notes forming part of the financial statements

(ii) Net Assets/ (Liability) recognised in the Balance Sheet

	2015	2014
		(₹ Million)
Present value of deferred obligation	90.37	67.77
Net Asset/ (Liability)	(90.37)	(67.77)

(iii) Reconciliation of Net Asset/ (Liability) recognised in the Balance Sheet

	2015	2014
		(₹ Million)
Net Asset/ (Liability) at the beginning of the year	(67.77)	(56.97)
Expenses as per (i) above	(35.93)	(27.80)
Benefits paid	13.33	17.00
Net Asset/ (Liability) at the end of the year	(90.37)	(67.77)

(iv) Actuarial assumptions :

	2015	2014
		(₹ Million)
Discount rate	7.75%	9.15%
Expected salary escalation rate	6.50%	6.50%
Mortality table	IALM (2006-08)	IALM (2006-08)

(v) Amounts recognised in current year and previous four years :

	2015	2014	2013	2012	2011
					(₹ Million)
Defined benefit obligation	90.37	67.77	56.97	50.73	38.02
Actuarial (gain)/loss on plan obligation	15.22	12.32	7.88	3.44	3.17

Note:

- Amount recognised as an expense and included in Note 21 'Employee benefit expense' are gratuity ₹ 35.93 million (₹ 27.80 million) and leave encashment ₹ 33.80 million (₹ 22.42 million).
- The estimates of rate of escalation in salary considered in the actuarial valuation takes into account of inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

(B) Defined Contribution Plan

"Contribution to provident and other funds" is recognized as an expense in Note 21 'Employee benefits expense'.



Notes forming part of the financial statements

37 Disclosures as required by clause 32 of the Listing Agreement

(a) Loans and advances given to Subsidiary / Associate :

(₹ Million)

Subsidiary	Balance as at 31 March		Maximum amount outstanding during the year	
	2015	2014	2015	2014
Mediavest India Private Limited	346.48	-	346.48	-
24 Ghantalu News Limited *	-	-	-	1.77

* ceased to be subsidiary w.e.f. 24 December, 2013

(b) None of the loanees have made investments in the shares of the Company.

38 Related Party Transactions

(i) List of Parties where control exists:

Holding Company:

25 FPS Media Private Limited (holding 53.34% up to 31 March, 2014)

Ultimate Holding Company:

- 25 FPS Media Private Limited held by Essel Corporate Resources Private Limited (upto 10 June, 2013)
- Essel Corporate Resources Private Limited held by Prime Publishing Private Limited (upto 10 June, 2013)
- 25 FPS Media Private Limited held by Prime Publishing Private Limited (w.e.f. 11 June, 2013 up to 31 March, 2014)
- Prime Publishing Private Limited held by Sprit Textiles Private Limited (up to 31 March, 2014)

Direct Subsidiary :

- Zee Akaash News Private Limited (extent of holding 60%),
- 24 Ghantalu News Limited (extent of holding 100% up to 23 December, 2013),
- Mediavest India Private Limited (extent of holding 100% w.e.f. 01 April, 2014)
- Pri - Media Services Private Limited (extent of holding 100% w.e.f. 01 April, 2014)
- Maurya TV Private Limited (extent of holding 100% w.e.f. 12 December, 2014)

Indirect Subsidiary :

- Diligent Media Corporation Limited (Mediavest India Private Limited holds 99.99% w.e.f. 01 April, 2014) (89,095,342 equity shares held out of a total of 89,095,542 equity shares)

Fellow Subsidiary Company (up to 31 March, 2014):

- Bioscope Cinemas Private Limited
- Direct Media Distribution Ventures Private Limited
- Mediavest India Private Limited
- Pri - Media Services Private Limited
- Diligent Media Corporation Limited

Associate:

Maurya TV Private Limited (extent of holding 37.87% w.e.f. 7 October, 2013 up to 11 December, 2014)

Notes forming part of the financial statements

(ii) Other Related Parties with whom transactions have taken place during the year and balance outstanding as on the last day of the year:

24 Ghantalu News Limited, Asia Today Limited, Cyquator Media Services Private Limited, Dish TV India Limited, Digital Subscriber Management and Consultancy Services Private Limited, Digital Ventures Private Limited, Essel Business Excellence Services Private Limited, Essel Corporate Resources Private Limited, Essel Publishers Private Limited (merged with the Company w.e.f. 01, April, 2014), Essel Shyam Communication Limited, Jay Properties Private Limited, India Webportal Private Limited, Media Pro Enterprise India Private Limited, Pan India Network Limited, Rama Associates Limited, Siti Cable Network Limited, Smart Wireless Private Limited, Taj Television (India) Private Limited, Zee Entertainment Enterprises Limited, Zee Foundation, Zee Learn Limited, Zee Sports Limited, Zee Turner Limited.

Key Management Personnel

Directors

Dr. Subhash Chandra (Non-Executive Chairman), Shri Punit Goenka (up to 27 September, 2013), Shri Alok Agrawal (w.e.f. 30 July, 2013 up to 12 May, 2014)

(iii) Transactions with Related Parties:

	2015	2014
		(₹ Million)
(A) Transactions :		
(i) With Holding Company		
- Essel Corporate Resources Private Limited		
- Legal and professional charges	-	3.12
(ii) With Subsidiary Company		
- Zee Akaash News Private Limited		
- Channel subscription fees paid	21.72	21.68
- Other operational expenses	31.35	2.43
- Dividend income	60.00	36.00
- 24 Ghantalu News Limited		
- Investment in preference share capital	-	200.00
- Loans, advances and deposits given	-	0.03
- Loans, advances and deposits repayment received	-	0.35
- Pri - Media Services Private Limited		
- Interest income	0.11	-
- Printing and stationery expenses	1.26	-
- Mediavest India Private Limited		
- Loans, advances and deposits given	316.80	-
- Interest income	32.97	-
- Diligent Media Corporation Limited		
- Rent paid	12.00	-
- Advertisement and publicity expenses	7.62	-
- Legal and professional expenses	0.36	-
- Maurya TV Private Limited		
- Channel management fee paid	31.23	-
- Other operational expenses	2.14	-



Notes forming part of the financial statements

	2015	2014
		(₹ Million)
(iii) With Fellow Subsidiary Company		
- Pri - Media Services Private Limited		
- Corporate guarantee given	-	2,540.00
- Diligent Media Corporation Limited		
- Loans, advances and deposits given	-	260.00
- Loans, advances and deposits repayment received	-	1,510.00
- Interest income	-	111.31
- Rent paid	-	6.00
- Advertisement and publicity expenses	-	0.86
- Printing and stationery expenses	-	1.26
(iv) With Associate		
- Maurya TV Private Limited		
- Investment in equity shares	-	21.32
- Deposit given	-	19.36
- Channel management fee paid	91.14	22.50
- Subscription fee paid	-	7.76
- Other operational expenses	3.02	-
(v) With Key Managerial Personnel:		
- Commission to non executive directors	0.20	0.40
Dr. Subhash Chandra	0.20	0.40
- Remuneration to key managerial personnel	2.65	10.80
Shri Alok Agrawal	2.65	10.80
- Sitting fees to non executive directors	0.22	0.12
Dr. Subhash Chandra	0.22	0.10
Shri Punit Goenka	-	0.02
(vi) With Other Related Parties:		
- Revenue from broadcasting services	1,101.88	1,042.76
Media Pro Enterprise India Private Limited	200.00	999.00
Taj Television (India) Private Limited	800.45	-
Other Related Parties	101.43	43.76
- Sale of television programs	115.33	143.37
Asia Today Limited	115.33	143.37
- Sale of fixed assets	0.30	-
Dish TV India Limited	0.30	-
- Other operating income	-	0.34
Zee Entertainment Enterprises Limited	-	0.34
- Interest income	-	43.96
Essel Publishers Private Limited	-	43.96
- Purchase of fixed assets / capital work in progress	1.79	2.43
Dish TV India Limited	-	2.43
Zee Entertainment Enterprises Limited	1.79	-

Notes forming part of the financial statements

	2015	2014
		(₹ Million)
		2014
- Purchase of services		
- Lease-line and V-sat expenses	40.48	44.19
Dish TV India Limited	21.65	25.36
Essel Shyam Communication Limited	18.83	18.83
- Telecast cost	77.93	64.85
Dish TV India Limited	42.24	41.55
Zee Entertainment Enterprises Limited	35.69	23.30
- Rent paid	47.32	34.34
Zee Entertainment Enterprises Limited	46.57	34.34
Other Related Parties	0.75	-
• Marketing, distribution and business promotion expenses	57.05	51.06
Dish TV India Limited	21.00	-
Siti Cable Network Limited	36.05	51.06
- Advertisement and publicity expenses	0.60	8.62
Dish TV India Limited	0.60	1.15
Zee Entertainment Enterprises Limited	-	7.47
- Other services	80.35	74.96
Essel Corporate Resources Private Limited	19.20	15.61
Zee Entertainment Enterprises Limited	56.86	58.33
Other Related Parties	4.29	1.02
- Loans, advances and deposits given	15.21	1,101.89
Essel Business Excellence Services Private Limited	15.21	-
Essel Publishers Private Limited	-	1,100.00
Other Related Parties	-	1.89
- Loans, advances and deposits repayment received	3.03	75.00
24 Ghantalu News Limited	1.42	-
Digital Ventures Private Limited	-	75.00
Essel Business Excellence Services Private Limited	0.81	-
Zee Sports Limited	0.80	-
- Corporate Social Responsibility expenses / donation	4.94	1.30
Zee Foundation	4.94	1.30
- Balances written off	0.07	0.01
Zee Learn Limited	0.07	0.01
(B) Balances at the end of the year:		
(i) Subsidiary Company		
- Zee Akaash News Private Limited		
- Investment in equity share capital	83.28	83.28
- Trade receivables	0.68	0.52
- Trade payables	25.54	12.29
- Other payables	7.03	-



Notes forming part of the financial statements

	2015	2014
		(₹ Million)
		2014
- Pri - Media Services Private Limited		
- Investment in equity share capital	0.10	-
- Investment in debentures	1,100.00	-
- Corporate guarantee given	2,540.00	-
- Mediavest India Private Limited		
- Investment in equity share capital	0.10	-
- Investment in debentures	1,837.66	-
- Loans, advances and deposits given	346.48	-
- Diligent Media Corporation Limited		
- Other advances	1.15	-
- Maurya TV Private Limited		
- Investment in equity share capital	77.91	-
- Loans, advances and deposits given	19.36	-
- Trade payables	15.57	-
(ii) Fellow Subsidiary Company		
- Pri - Media Services Private Limited		
- Corporate guarantee given	-	2,540
- Diligent Media Corporation Limited		
- Trade receivables	-	1.02
- Other payables	-	2.05
(iii) Associate		
- Maurya TV Private Limited		
- Investment in equity share capital	-	39.00
- Loans, advances and deposits given	-	19.36
- Trade payables	-	7.76
(iv) Key Managerial Personnel:		
- Commission payable to non executive director	0.20	0.40
- Dr. Subhash Chandra	0.20	0.40
(v) Other Related Parties		
- Trade receivables	292.10	370.62
Asia Today Limited	55.61	97.26
Media Pro Enterprise India Private Limited	-	251.76
Taj Television (India) Private Limited	193.63	-
Other Related Parties	42.86	21.60
- Loans, advances and deposits given / other receivables	18.57	1,107.17
Digital Subscriber Management & Consultancy Services Private Limited	1.89	1.89
Essel Business Excellence Services Private Limited	14.40	-
Essel Publishers Private Limited	-	1,100.00
Other Related Parties	2.28	5.28
- Interest receivable	-	39.57
Essel Publishers Private Limited	-	39.57

Notes forming part of the financial statements

	2015	2014
		(₹ Million)
- Trade payables / other payables	87.86	159.45
Asia Today Limited	30.70	29.16
Dish TV India Limited	23.27	60.30
Essel Corporate Resources Private Limited	10.84	12.03
Zee Entertainment Enterprises Limited	19.94	51.78
Other Related Parties	3.11	6.18
- Advances and deposits received	0.12	0.07
Pan India Network Limited	0.12	0.07

Note:

- (i) Parties with transactions less than 10% of the group total are grouped under the head "Other Related Parties".
- (ii) Salaries, allowances and perquisites paid to key managerial personnel for the year excludes leave encashment and gratuity provided on the basis of actuarial valuation on an overall Company basis. Allowances and perquisites are valued as per the Income Tax Act, 1961.

39 Prior period items included in the respective heads are as under :

	2015	2014
		(₹ Million)
Income		
Other operating income	-	0.26
Expenses		
Commission / discount	0.50	-
Legal and professional charges	0.17	-
Net (income) / expense	0.67	(0.26)

40 Disclosures under Section 186(4) of the Companies Act, 2013

(a) Loans given

	2014	Given	Repaid	2015
				(₹ Million)
To wholly owned subsidiary*	-	346.48	-	346.48
In the form of unsecured short term Inter Corporate Deposits	-	50.00	50.00	-

* Amount includes interest ₹ 29.68 million.

Note : All loans are short term in nature and given for general business purpose and carry interest ranging from 13.50% to 15.00% per annum.

(b) Investments made

There are no investments by the Company other than those stated under Note 11 in the Financial Statements.

(c) Guarantees given

The Company has provided guarantees aggregating to ₹ 2,540.00 million for loans raised by its wholly owned subsidiary viz. Pri-Media Services Private Limited.



Notes forming part of the financial statements

(d) Securities given

There are no securities given during the year.

41 (a) Consumption of Raw stock (included in operational cost)

	2015	2014
		(₹ Million)
Raw Tapes	2.28	2.25
Total	2.28	2.25

(b) Details of consumption of imported and indigenous stocks

	2015		2014	
	Percentage	(₹ million)	Percentage	(₹ million)
Imported	80.99%	1.85	77.93%	1.75
Indigenous	19.01%	0.43	22.07%	0.50
Total	100.00%	2.28	100.00%	2.25

42 Earnings in Foreign Exchange

	2015	2014
		(₹ Million)
FOB value of export of programs	115.33	143.37
Advertisement revenue	15.98	6.34

43 Expenditure in Foreign Currency

	2015	2014
		(₹ Million)
Telecast cost	56.38	55.29
Production expenses	31.92	12.89
Other expenses	5.97	4.24

44 CIF Value of Imports

	2015	2014
		(₹ Million)
Raw stock - tapes	1.09	1.57
Capital equipment	60.08	308.51
Repair and maintenance	4.93	5.10

45 Segment Reporting

The Company is engaged in the business of "Production and Broadcasting of Television software" which in the context of AS 17 "Segment Reporting" is considered as the only reportable business segment. The geographical segment is not relevant as exports are insignificant.

Notes forming part of the financial statements

46 The Management is of the opinion that its international and domestic transactions are at arm's length as per the independent accountants report for the year ended 31 March, 2014. The Management continues to believe that its international transactions and the specified domestic transactions during the current financial year are at arm's length and that the transfer pricing legislation will not have any impact on these financial statements, particularly on amount of tax expense and that of provision of taxation.

47 Scheme of Amalgamation

The Scheme of Amalgamation (the 'Scheme') under Section 391 to 394 and other applicable provisions of the Companies Act, 1956 for the amalgamation of Essel Publishers Private Limited ("EPPL") with the Company was approved by the Hon'ble High Court of Judicature at Mumbai vide Order passed on 2 May, 2014, with Appointed Date being 1 April, 2014. The Scheme has been made effective on 27 May, 2014 and hence given effect to in these financial statements. Pursuant to the Scheme, the entire business and whole of the undertaking of EPPL, including all assets and liabilities of EPPL as detailed below, vested in the Company as a going concern and recorded at their respective fair values under the "Purchase Method" as per Accounting Standard 14.

Pursuant to the Scheme:

- (i) The Company has issued and allotted 122,381,817 fully paid up Equity Shares of ₹ 1 each to the shareholders of EPPL in the ratio of 2 fully paid up Equity Shares ₹ 1 each of the Company for every 11 Equity Shares ₹ 1 each held in EPPL.
- (ii) ₹ 1,671.62 million, i.e. excess of assets over liabilities transferred to the Company and cancellation of inter company balances and obligations, has been transferred to the Capital Reserve as detailed below:

Particulars	(₹ Million)	
Assets		
Non-Current Investments		
0% Compulsory Convertible Debentures of ₹ 1 each in Mediavest India Private Limited	1,837.66	
0.01% Compulsory Convertible Debentures of ₹ 100 each in Pri-Media Services Private Limited	1,100.00	
10,000 Equity shares of Mediavest India Private Limited of ₹ 10 each fully paid	0.10	
10,000 Equity shares of Pri - Media Services Private Limited of ₹ 10 each fully paid	0.10	2,937.86
Trade Receivables		0.08
Cash and Bank Balances		0.24
Total Assets		2,938.18
Less: Liabilities		
Other Current Liabilities		4.61
Total Liabilities		4.61
Net Assets		2,933.57
Less: Cancellation of Inter Company balances and obligations		1,139.57
Less: Shares allotted pursuant to the Scheme		122.39
Surplus transferred to Capital Reserve		1,671.62

- (iii) The authorised share capital of the Company is increased by ₹ 700 million to ₹ 1,700 million divided into 1700,000,000 Equity Shares of ₹ 1 each.



Notes forming part of the financial statements

48 Earnings per share (EPS)

Particulars	2015	2014
a) Profit after Tax and Exceptional Items (₹ million)	61.65	188.17
Adjustments for :		
Exceptional Items (₹ million)	-	(59.89)
b) Profit after Tax but before Exceptional Items (₹ million)	61.65	128.28
c) Weighted average number of equity shares for Basic and Diluted EPS (Numbers)	362,145,773	239,763,956
Nominal value of each equity share (Amount in ₹)	1	1
d) Basic and Diluted EPS before Exceptional Items (₹)	0.17	0.54
e) Basic and Diluted EPS after Exceptional Items (₹)	0.17	0.78

49 Previous year comparatives

Previous year's figures have been regrouped, rearranged or recast wherever necessary to conform to current year's classification. Figures in brackets pertain to previous year. The figures for the current year are not comparable with figures for the corresponding previous year due to amalgamation of Essel Publishers Private Limited with the Company (Refer Note 47).

Cash Flow Statement for the year ended 31 March,

	2015	2014
		(₹ Million)
A. Cash flow from operating activities		
Profit before Tax	104.79	225.85
Adjustments for:		
Depreciation and amortisation expense	285.65	146.37
Loss on sale/discard of fixed assets (net)	16.39	57.41
Interest expense	130.63	90.44
Interest income	(48.90)	(173.54)
Dividend income from subsidiary	(60.00)	(36.00)
Liabilities / excess provisions written back	(4.19)	(43.00)
Provision for doubtful share application money written back	-	(59.89)
Provision made / (written back) for doubtful debts and advances (net)	(6.63)	11.85
Unrealised foreign exchange loss (net)	9.27	11.75
Operating profit before working capital changes	427.01	231.24
Adjustments for:		
(Increase)/decrease in inventories	0.82	0.20
(Increase)/decrease in trade and other receivables	(18.90)	(67.12)
Increase/(decrease) in trade and other payables	30.28	216.38
Cash generated from operations	439.21	380.70
Direct taxes paid (net)	(135.49)	(141.26)
Net cash flow from/(used in) operating activities (A)	303.72	239.44
B. Cash flow from Investing activities		
Purchase of fixed assets, including capital advances (given) / refunded	68.88	(1,033.68)
Sale of fixed assets	2.84	1.92
Loan given to subsidiary	(316.80)	-
Loan given to others	(50.00)	(1,360.00)
Loan repaid by others	50.00	1,510.00
Refund of share application money given to others	-	105.84
Investment in / acquisition of subsidiary	(38.91)	(200.00)
Sale of subsidiary	-	200.50
Investment in associate	-	(39.00)
Deposits with banks (net)	(0.03)	-
Interest received	34.88	257.61
Dividend received from subsidiary	60.00	36.00
Net cash flow from/(used in) investing activities (B)	(189.14)	(520.81)



Cash Flow Statement for the year ended 31 March,

	2015	2014
(₹ Million)		
C. Cash flow from financing activities		
Unamortised share issue expenses	(25.19)	-
Proceeds from long-term borrowings	125.75	674.25
Repayment of long-term borrowings	-	(170.00)
Proceeds from short-term working capital loan	200.00	200.00
Repayment of short-term working capital loan	-	(200.00)
Increase / (decrease) in cash credit facilities (net)	(111.13)	(50.68)
Proceeds from vehicle loans	8.04	-
Repayment of vehicle loans	(6.11)	(5.58)
Interest paid	(128.20)	(86.35)
Net cash flow from/(used in) financing activities (C)	63.16	361.64
Net Cash flow / (outflow) during the year (A+B+C)	177.74	80.27
Cash and cash equivalents at the beginning of the year	114.26	33.99
Add: Cash and cash equivalents received under Scheme of Amalgamation	0.24	-
Cash and cash equivalents at the end of the year	292.24	114.26
Add: Balances earmarked	1.87	0.68
Cash and bank balances at the end of the year	294.11	114.94

Note:

- The Scheme of Amalgamation given effect in the financial statements for the year ended 31 March, 2015 has not been considered in the above Cash Flow Statement, being a non-cash transaction (Refer Note 47).
- Previous year's figures are regrouped, rearranged or recast, wherever considered necessary to conform to current year's classification. The figures for the current year are not comparable with figures for the corresponding previous year due to amalgamation of Essel Publishers Private Limited with the Company.

As per our attached report of even date

For **MGB & Co. LLP**

Chartered Accountants

Firm registration number: 101169W/W-100035

Hitendra Bhandari

Partner

Membership number: 107832

Mumbai, 22 May, 2015

For and on behalf of the Board

Surjit Banga

Director

Dinesh Garg

Chief Financial Officer

Ashish Kirpal Pandit

Director

Pushpal Sanghavi

Company Secretary

Performance Ratios and Analysis

	Consolidated					Standalone				
Year Ending March 31,	2015	2014	2013	2012	2011	2015	2014	2013	2012	2011
(₹ Million)										
Revenue Account										
Income from Operations	5,443.3	3,351.6	3,038.2	3,072.2	2,767.9	3,802.3	3,048.6	2,667.9	2,733.3	2,430.5
Total Expenses	5,039.4	3,096.8	2,662.8	2,538.7	2,343.9	3,395.3	2,886.1	2,418.1	2,330.8	2,165.2
Operating Profit	403.9	254.8	375.4	533.5	424.0	406.9	162.5	249.8	402.5	265.4
% to Income from Operations	7.4%	7.6%	12.4%	17.4%	15.3%	10.7%	5.3%	9.4%	14.7%	10.9%
Other Income	72.1	235.8	208.1	155.5	113.2	114.8	253.2	251.3	145.0	108.5
PBIDT	476.1	490.6	583.5	689.0	537.2	521.8	415.7	501.1	547.5	373.8
Financial Expenses	526.3	103.4	87.9	106.6	125.7	131.3	103.3	87.9	106.6	125.7
Depreciation/Amortisation	504.9	160.7	119.5	112.1	100.8	285.7	146.4	106.9	101.4	92.4
Profit Before Tax & Exceptional Items	(555.1)	226.5	376.1	470.3	310.7	104.8	166.0	306.3	339.5	155.8
Exceptional Items	-	(59.9)	(46.0)	166.7	-	-	(59.9)	(46.0)	166.7	-
Profit Before Tax	(555.1)	286.4	422.1	303.6	310.7	104.8	225.8	352.3	172.8	155.8
Tax	(123.5)	73.2	148.3	152.5	103.1	43.1	37.7	109.3	110.8	58.0
Profit after Tax & before Minority Interest	(431.5)	213.2	273.8	151.1	207.6	61.7	188.2	243.0	62.0	97.8
Less: Minority Interest	(35.0)	(23.9)	(32.0)	(35.6)	(43.9)	-	-	-	-	-
PAT	(466.5)	189.3	241.8	115.5	163.7	61.7	188.2	243.0	62.0	97.8
% to Total Income	-8.5%	5.3%	7.4%	3.6%	5.7%	1.6%	5.7%	8.3%	2.2%	3.9%
Dividend	-	-	-	-	-	-	-	-	-	-
Dividend Rate %	-	-	-	-	-	-	-	-	-	-
Capital Account										
Share Capital - Equity	362.1	239.8	239.8	239.8	239.8	362.1	239.8	239.8	239.8	239.8
Reserves & Surplus	3,245.4	2,071.3	1,888.1	1,654.2	1,538.8	3,676.8	1,979.7	1,791.5	1,548.5	1,486.5
Share Application Money Pending Rights Issue	11.9	-	-	-	-	11.9	-	-	-	-
Deferred Tax Balances	-	-	-	-	-	-	-	-	-	-
Minority Interest	103.1	116.6	120.8	126.0	108.9	-	-	-	-	-
Loan Funds	4,602.8	1,114.6	666.6	780.0	522.6	1,331.2	1,114.6	666.6	779.9	522.4
Capital Employed	8,325.3	3,542.3	2,915.3	2,800.0	2,410.1	5,382.0	3,334.1	2,698.1	2,568.2	2,248.7
Fixed Assets	4,582.9	1,405.6	903.8	844.7	914.8	1,075.4	1,268.1	774.9	723.0	795.6
Investments	22.3	39.0	-	-	60.9	3,099.1	122.3	83.8	83.3	144.2
Deferred Tax Balances	1,022.5	43.5	26.5	27.0	5.4	61.6	57.1	38.6	38.7	15.9
Net Current Assets	2,697.6	2,054.2	1,985.0	1,928.3	1,429.0	1,145.9	1,886.6	1,800.8	1,723.2	1,293.0
Misc. Expenditure (to the extent not W/O)	-	-	-	-	-	-	-	-	-	-
Capital Deployed	8,325.3	3,542.3	2,915.3	2,800.0	2,410.1	5,382.0	3,334.1	2,698.1	2,568.2	2,248.7
Closing Market Price Per Share of ₹ 1 (₹)	17.7	14.0	13.40	10.3	12.2	17.7	14.0	13.4	10.3	12.2
Market Capitalisation	6,410.0	3,363.9	3,200.8	2,467.2	2,913.1	6,410.0	3,363.9	3,200.8	2,467.2	2,913.1



Performance Ratios and Analysis

Year Ending March 31,	Consolidated					Standalone				
	2015	2014	2013	2012	2011	2015	2014	2013	2012	2011
Financial Performance										
Advertisement Income/Income from Operations (%)	57.1	65.8	66.5	65.2	70.9	70.7	62.4	61.8	60.9	67.3
Subscription Income/Income from Operations (%)	18.4	29.8	27.7	24.2	26.6	26.3	32.8	31.6	27.2	29.8
Operating Profit/Income from Operations (%)	7.4	7.6	12.4	17.4	15.3	10.7	5.3	9.4	14.7	10.9
Other Income/Total Income (%)	1.3	6.6	6.4	4.8	3.9	2.9	7.7	8.6	5.0	4.3
Programming Cost/Income from Operations (%)	28.9	19.7	17.4	23.1	21.3	24.0	20.3	16.6	23.4	21.2
Personnel Cost/Income from Operations (%)	29.5	29.6	28.9	24.3	25.0	29.3	29.1	29.0	24.2	25.8
Selling & Admin. Expenses/Income from Operations (%)	34.2	43.1	41.3	35.6	38.4	36.0	45.2	45.1	37.8	42.2
Total Operating Cost/Income from Operations (%)	92.6	92.4	87.6	82.6	84.7	89.3	94.7	90.6	85.3	89.1
Financial Expenses/Income from Operations (%)	9.7	3.1	2.9	3.5	4.5	3.5	3.4	3.3	3.9	5.2
Tax/Income from Operations (%)	(2.3)	2.2	4.9	5.0	3.7	1.1	1.2	4.1	4.1	2.4
PAT for the year/Total Income (%)	(8.5)	5.3	7.4	3.6	5.7	1.6	5.7	8.3	2.2	3.9
Tax / PBT (%)	22.3	25.6	35.1	50.2	33.2	41.2	16.7	31.0	64.1	37.2
Dividend Payout/PAT for the year (%)	-	-	-	-	-	-	-	-	-	-
Dividend Payout/Effective Net Worth (%)	-	-	-	-	-	-	-	-	-	-
Balance Sheet										
Debt-Equity Ratio (Total Loans/Effective Net Worth) (x)	1.7	0.5	0.3	0.4	0.3	1.5	0.5	0.3	0.5	0.3
Current Ratio (Current Assets/Current Liabilities) (x)	0.6	1.9	2.0	2.1	2.2	1.2	1.8	1.9	2.0	2.1
Capital Output Ratio (Income from Operations/Eff.Cap.Employed) (x)	0.7	1.0	1.1	1.1	1.2	1.7	1.0	1.0	1.1	1.2
Fixed Assets Turnover (Income from Operations/F.A) (x)	1.2	2.4	3.4	3.6	3.0	3.5	2.4	3.4	3.8	3.1
Cash & Cash equivalents/Total Eff. Capital Employed (%)	5.5	4.7	4.4	9.9	37.4	13.2	3.6	1.3	6.3	38.6
RONW (PAT for the year/Eff. Networth) (%)	(17.4)	8.1	10.9	5.8	9.0	6.9	9.2	12.7	3.7	6.2
ROCE (PBIT/Eff. Capital Employed) (%)	(0.4)	9.5	16.1	20.8	18.6	10.6	8.5	15.3	18.2	13.5
Per Share Data *										
Revenue Per Share (₹)	15.0	14.0	12.7	12.8	11.5	10.5	12.7	11.1	11.4	10.1
Dividend Per Share (₹)	-	-	-	-	-	-	-	-	-	-
Indebtedness Per Share (₹)	12.7	4.6	2.8	3.3	2.2	3.7	4.6	2.8	3.3	2.2
Earnings Per Share (₹)	(1.3)	0.8	1.0	0.5	0.7	0.2	0.8	1.0	0.3	0.4
P.E Ratio (Share Price as of March 31,) (x)	(13.7)	17.8	13.2	21.4	17.8	104.0	17.9	13.2	39.8	29.8

Notes:

*Annualised

Previous years figures have been regrouped wherever necessary

Independent Auditors' Report

To
The Members of
Zee Media Corporation Limited

1. Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **Zee Media Corporation Limited** ("hereinafter referred to as "the Holding Company" or "the Company") and its subsidiaries (the Holding Company and its subsidiaries together referred as "the Group") and its associate company comprising of the Consolidated Balance Sheet as at 31 March 2015, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

2. Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms with the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its associates 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. The respective Board of Directors of the companies included in the Group and of its associates company are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

3. Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated 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 Holding Company has an adequate internal financial controls system over financial



Independent Auditors' Report

reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

4. Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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 consolidated state of affairs of the Group and its associates company as at 31 March, 2015, and their consolidated loss and their consolidated cash flows for the year ended on that date.

5. Other Matters

(a) We did not audit the financial statements / financial information of four subsidiaries whose financial statements / financial information reflect total assets of ₹ 5347.94 million as at 31 March, 2015, total revenues of ₹ 1652.20 million and net cash flows amounting to ₹ 27.64 million for the year ended on that date, as considered in the consolidated financial statements. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of

these subsidiaries, and our report in terms of Section 143 (3) and 143 (11) of the Act, insofar as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

- (b) The consolidated financial statements also include the Group's share of net profit of ₹ Nil for the year ended 31 March, 2015, as considered in the consolidated financial statements, in respect of one associate, whose financial statements / financial information have not been audited by us. These financial statements / financial information are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the aforesaid associate, and our report in terms of Section 143 (3) and 143 (11) of the Act in so far as it relates to the aforesaid associate, is based solely on such unaudited financial statements / financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements / financial information are not material to the Group.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements / financial information certified by the Management.

6. Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of Section 143 (11) of the Act, based on the comments in the auditors' reports of the Holding company and subsidiary

Independent Auditors' Report

companies incorporated in India, we give in the Annexure a Statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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 purposes of our audit of the aforesaid consolidated financial statements.
- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- d) In our opinion, the aforesaid consolidated 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) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2015 and taken on record by the Board of Directors of the Holding Company and the reports of the

statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Holding Company and subsidiary companies incorporated in India is disqualified as on 31 March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.

- f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group – Refer Notes 28 of the consolidated financial statements.
 - ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Group and its associates incorporated in India.

For **MGB & Co. LLP**

Chartered Accountants

Firm Registration Number 101169W/W-100035

Hitendra Bhandari

Partner

Membership Number 107832

Mumbai, 22 May 2015



Annexure referred to in Paragraph 6 (1) of the Section on “Report on Other Legal and Regulatory Requirements” of our report of even date.

Re: Zee Media Corporation Limited (‘Holding Company’) and its subsidiary companies incorporated in India and to whom the provisions of the Order apply (hereinafter referred to as ‘the Covered entities’ in this report)

- (i) (a) The Holding Company and the Covered entities have maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
- (b) All the fixed assets, except Integrated Receiver Decoders (IRD) boxes lying with third parties, have been physically verified by the management of the Holding Company and the Covered entities during the year except in case of three subsidiaries where the fixed assets are verified in phased manner over a period. In our opinion and opinion of other auditors, this periodicity of physical verification is reasonable having regard to the size of the Holding Company and the Covered entities and the nature of its assets. According to the information and explanations given to us and other auditors, discrepancies noticed on such verification which are not material, have been properly dealt with in the books of accounts.
- (ii) (a) As explained to us and other auditors, the inventory has been physically verified by the management of the Holding Company and the Covered entities at reasonable intervals during the year.
- (b) In our opinion and opinion of other auditors, the procedures of physical verification of inventory followed by the management of the Holding Company and the Covered entities are reasonable and adequate in relation to the size of the Holding Company and the Covered entities and the nature of its business.
- (c) In our opinion and opinion of other auditors, the Holding Company and the Covered entities has maintained proper records of inventory. As explained to us and other auditors, no discrepancies were noticed on physical verification as compared to the book records.
- (iii) According to the information and explanations given to us and other auditors, the Holding Company and the Covered entities have 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 opinion of other auditors and according to the information and explanations given to us and other auditors, there is an adequate internal control system commensurate with the size of the Holding Company and the Covered entities and the nature of its business with regard to purchase of inventory, fixed assets and sale of goods and services. During the course of audit, no continuing failure to correct major weaknesses in the internal control systems was observed by us or other auditors.
- (v) According to the information and explanations given to us and other auditors, the Holding Company and the Covered entities have 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) According to the information and explanations given to us and other auditors, the Central Government of India has not prescribed the maintenance of cost records under Section 148 (1) of the Act for any of the activities of the Holding Company and the Covered entities except in case of a subsidiary which as explained to the other auditor has, prima facie, maintained the cost records required to be maintained under the Act. However, the other auditor has not made a detailed examination of such records with a

Annexure referred to in Paragraph 6 (1) of the Section on “Report on Other Legal and Regulatory Requirements” of our report of even date.

Re: Zee Media Corporation Limited (‘Holding Company’) and its subsidiary companies incorporated in India and to whom the provisions of the Order apply (hereinafter referred to as ‘the Covered entities’ in this report)

view to determine whether they are accurate and complete.

(vii) According to the records of the Holding Company and Covered entities, examined by us and other auditors and information and explanations given to us and other auditors :

(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

(b) The dues of service tax and income tax which are not deposited on account of any dispute are as under:

Name of the Statute	Nature of the Dues	Amount (₹ / million)	Period to which the amount relate	Forum where dispute is pending
The Income Tax Act, 1961	Income Tax	6.68	F.Y. 2006-2007	Commissioner of Income Tax (Appeals)
		280.01	F.Y. 2007-2008	Income Tax Appellate Tribunal
		1,617.07	F.Y. 2011-2012	Commissioner of Income Tax (Appeals)
The Central Excise Act, 1944	Service Tax and penalty	142.63 #	FY 2007-2008 to 2011-2012	Central Excise and Service Tax Appellant Tribunal

Interest and penalty to the extent quantified.

(c) The Holding Company and the Covered entities does not have any amount which is required to be transferred to the investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 and the rules made thereunder.

(viii) The Holding Company and the Covered entities does not have consolidated accumulated losses at the end of the financial year but has incurred cash losses, on a consolidated basis, during the current

have generally been regularly deposited with the appropriate authorities except delay in few cases. 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 *except income tax demand of ₹ 0.23 million for F.Y. 2009-10 for which rectification application is filed and employees’ state insurance of ₹ 0.06 million payable by a subsidiary for the period April 14 to September 14 (since paid).*

financial year but has not incurred cash losses, on consolidated basis, in the immediately preceding financial year.

(ix) In our opinion and the opinion of other auditors and according to the information and explanations given to us and other auditors, the Holding Company and Covered entities have not defaulted in repayment of dues to banks, financial institutions or debenture holders during the year.



Annexure referred to in Paragraph 6 (1) of the Section on “Report on Other Legal and Regulatory Requirements” of our report of even date.

Re: Zee Media Corporation Limited ('Holding Company') and its subsidiary companies incorporated in India and to whom the provisions of the Order apply (hereinafter referred to as 'the Covered entities' in this report)

(x) In our opinion and the opinion of other auditors and according to the information and explanations given to us and other auditors, the terms and conditions on which the Holding Company has given guarantees for loans taken by subsidiaries from banks and financial institutions are, prima facie, not prejudicial to the interests of the Holding Company. The Covered entities have not given any guarantees for loans taken by others from banks and financial institutions.

(xi) In our opinion and opinion of other auditors and according to the information and explanations given to us and other auditors, the Holding Company and Covered entities have raised term loans during the year which have been applied for the purpose for which they were raised *except ₹ 246.25 million*

which has been temporarily utilized for giving loan to wholly owned subsidiary.

(xii) To the best of our knowledge and according to the information and explanations given to us and other auditors, no fraud on or by the Holding Company and Covered entities have been noticed or reported during the year.

For **MGB & Co. LLP**

Chartered Accountants

Firm Registration Number 101169W/W-100035

Hitendra Bhandari

Partner

Membership Number 107832

Mumbai, 22 May 2015

Consolidated Balance Sheet as at 31 March,

	Note	2015	(₹ Million) 2014
Equity and Liabilities			
Shareholders' Funds			
Share Capital	3	362.15	239.76
Reserves and Surplus	4	3,245.37	2,071.34
		3,607.52	2,311.10
Share Application Money Pending Allotment	35	1.19	-
Minority Interest		103.10	116.64
Non-Current Liabilities			
Long-Term Borrowings	5	2,759.79	678.84
Deferred Tax Liability (net)	6 (a)	-	13.66
Other Long-Term Liabilities	7	30.21	5.76
Long-Term Provisions	8	160.96	106.99
		2,950.96	805.25
Current Liabilities			
Short-Term Borrowings	9	1,631.70	431.86
Trade Payables	10	337.78	145.62
Other Current Liabilities	10	1,286.15	656.74
Short-Term Provisions	8	24.32	10.09
		3,279.95	1,244.31
Total		9,942.72	4,477.30
Assets			
Non-Current Assets			
Fixed Assets	11		
Tangible Assets		4,482.24	1,297.50
Intangible Assets		1,813.57	80.80
Capital work-in-progress		38.74	27.28
		6,334.55	1,405.58
Non-Current Investments	12	22.27	39.00
Deferred Tax Assets (net)	6(b)	1,022.48	57.11
Long-Term Loans and Advances	13	418.87	546.18
Other Non-Current Assets	14	82.26	4.50
		7,880.43	2,052.37
Current Assets			
Inventories	15	49.58	1.59
Trade Receivables	16	1,142.77	875.76
Cash and Bank Balances	17	399.27	162.79
Short-Term Loans and Advances	13	453.95	1,319.20
Other Current Assets	14	16.72	65.59
		2,062.29	2,424.93
Total		9,942.72	4,477.30
Notes forming part of the consolidated financial statements	1-41		

As per our attached report of even date

For **MGB & Co. LLP**

Chartered Accountants

Firm registration number: 101169W/W-100035

Hitendra Bhandari

Partner

Membership number: 107832

Mumbai, 22 May, 2015

For and on behalf of the Board

Surjit Banga

Director

Dinesh Garg

Chief Financial Officer

Ashish Kirpal Pandit

Director

Pushpal Sanghavi

Company Secretary



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

	Note	2015	2014
(₹ Million)			
Revenue			
Revenue from Operations	18	5,443.33	3,351.63
Other Income	19	72.14	235.80
Total		5,515.47	3,587.43
Expenses			
Cost of Raw Material Consumed	20	525.67	-
Operational Cost	21	1,047.02	661.25
Employee Benefits Expense	22	1,606.58	990.96
Finance Costs	23	526.28	103.38
Depreciation and Amortisation Expense	24	504.86	160.71
Other Expenses	25	1,860.12	1,444.63
Total		6,070.53	3,360.93
Profit / (Loss) before exceptional items and tax		(555.06)	226.50
Add : Exceptional Items	26	-	59.89
Profit / (Loss) before tax		(555.06)	286.39
Less: Tax expense			
Current Tax			
- Current year		115.75	99.93
- Earlier years		(17.60)	(9.47)
Deferred Tax		(221.69)	(17.28)
Profit / (Loss) before minority interest and share of result of associate		(431.52)	213.21
Add / less : Share of result of associate		-	-
Less : Minority interest		34.99	23.89
Profit / (Loss) for the year		(466.51)	189.32
Earnings per equity share (face value ₹ 1 each) (₹)	40		
- Basic and Diluted before exceptional items		(1.29)	0.54
- Basic and Diluted after exceptional items		(1.29)	0.79
Notes forming part of the consolidated financial statements	1-41		

As per our attached report of even date

For **MGB & Co. LLP**

Chartered Accountants

Firm registration number: 101169W/W-100035

Hitendra Bhandari

Partner

Membership number: 107832

Mumbai, 22 May, 2015

For and on behalf of the Board

Surjit Banga

Director

Dinesh Garg

Chief Financial Officer

Ashish Kirpal Pandit

Director

Pushpal Sanghavi

Company Secretary

Notes forming part of the Consolidated financial statements

Significant Accounting Policies to the Consolidated Financial Information

1 A Basis of preparation of Consolidated financial statements

These consolidated financial statements have been prepared under the historical cost convention on going concern basis in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP), including the Accounting Standards notified under the relevant provisions of the Companies Act, 2013.

B Principles of Consolidation

- (a) The Consolidated Financial Statements (CFS) relate to Zee Media Corporation Limited and its subsidiary companies and associate.
- (b) The consolidation of financial statements of the holding company and its subsidiaries is done to the extent possible on a line-by-line basis by adding together like items of assets, liabilities, income and expenses. All significant intra-group transactions, unrealized inter-company profits and balances have been eliminated

in the process of consolidation. Minority interest in subsidiaries represents the minority shareholders' proportionate share of the net assets and net income.

- (c) The CFS are prepared using uniform accounting policies for transactions and other events in similar circumstances, except in the case of two subsidiaries wherein the inventories of newsprint, ink and plates are valued at lower of cost or net estimated realisable value and cost is determined on First In First Out basis as against weighted average followed by the Group. This inventory represents 51.40% (previous year Nil) of total inventory of the Group as at the year end. No adjustment has been made for such policy differences.
- (d) The CFS includes the Financial Statements of the holding company and the subsidiaries (as listed in the table below). Subsidiaries are consolidated from the date on which effective control is acquired and are excluded from the date of transfer/disposal.

Name of the Subsidiaries	Proportion of Interest (including beneficial interest) / Voting Power	Country of Incorporation
Direct Subsidiaries		
Zee Akaash News Private Limited (ZANPL)	60.00% (60.00%)	India
24 Ghantalu News Limited ^	Nil (100.00%)	India
Mediavest India Private Limited (MIPL)*	100.00% (Nil)	India
Pri-Media Services Private Limited (PMSPL)*	100.00% (Nil)	India
Maurya TV Private Limited (MTPL)@	100.00% (Nil)	India
Indirect Subsidiaries		
Diligent Media Corporation Limited (DMCL)*#	99.99% (Nil)	India

^ Incorporated on 19 July, 2012 and ceased to be subsidiary as sold on 24 December, 2013. The subsidiary is consolidated based on management accounts for the year ended 31 March, 2014, and therefore unaudited.

* Vested in the Company consequent to merger of Essel Publishers Private Limited with the Company with Appointed Date being 1 April, 2014. The Financial Statements have been prepared on going concern basis, despite erosion of net worth, based on financial support extended / assured by the respective holding company.

89,095,342 equity shares held out of total 89,095,542 equity shares.

@ Subsidiary w.e.f. 12 December, 2014.



Notes forming part of the Consolidated financial statements

(e) Associate

The Group has adopted and accounted for Investment in Associate, using the “Equity Method” as per AS - 23 - Accounting for Investments in Associates in Consolidated Financial Statements issued by ICAI.

Name of the Associate	Extent of Holding	Country of Incorporation
Maurya TV Private Limited *	37.87%	India

* Acquired w.e.f. 7 October, 2013 and ceased to be an associate w.e.f. 12 December, 2014. The associate is consolidated based on management accounts for the period ended 11 December, 2014.

2 Significant Accounting Policies

A 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, on the date of the financial statements and the reported amount of revenue and expenses for the year. Difference between the actual results and estimates are recognized in the year in which the results are known / materialized.

B Fixed assets

a) Goodwill / Capital Reserve on Consolidation

Goodwill on Consolidation represents the difference between the Group’s share in the net worth of the subsidiary / associate and the cost of acquisition at the date on which the investment in the subsidiary / associate is made / acquired. Capital reserve represents negative goodwill arising on consolidation.

b) Tangible Fixed Assets

(i) Tangible fixed assets are stated at cost, less accumulated depreciation and impairment loss, if any. The cost comprises purchase price, borrowing cost if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Integrated Receiver Decoders (IRD) boxes are capitalised, when available for deployment.

(ii) Capital work in progress comprises cost of fixed assets and related expenses that are not yet ready for their intended use at the reporting date.

(iii) Leasehold land is stated at cost including lease premium paid.

c) Intangible Fixed Assets

Intangible assets acquired are measured on initial recognition at cost and stated at cost less accumulated amortisation and impairment loss, if any.

C Borrowing costs

Borrowing costs attributable to the acquisition or construction of qualifying assets till the time such assets are ready for intended use are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period they occur.

D Impairment of tangible and intangible assets

At each Balance Sheet date, the Group reviews the carrying amount of assets to determine whether there is an indication that those assets have suffered impairment loss. If any such indication exists, the recoverable amount of assets is estimated in order to determine the extent of impairment loss. The recoverable amount is higher of the net selling price and value in use, determined by discounting the estimated future cash flows expected from the continuing use of the asset to their present value.

E Depreciation / Amortization on tangible / intangible assets

a) Depreciable amount for tangible fixed assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation on tangible fixed assets is provided on straight line method as per the

Notes forming part of the Consolidated financial statements

useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, where the life of the assets has been assessed based on

technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement etc.

Assets	Management's Estimate of Useful Life
Building	35 Years
Plant and Machinery (Studio equipments – Linear)	10 Years
Plant and Machinery (Studio equipments – Non-Linear)	5 Years
Plant and Machinery (Print business)	16 Years
Plant and Machinery (IRD Boxes)	1 Year

- b) Leasehold Improvements and premium paid on leasehold land are amortised over the period of lease.
- c) No part of Goodwill arising on consolidation is amortised.
- d) Intangible assets are amortised on straight line basis over the economic useful life estimated by the management.

reporting date. Exchange differences arising on settlement of monetary items or on reporting such monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements are recognised as income or as expenses in the year in which they arise.

- c) Non-monetary foreign currency items are carried at cost.

F Investments

- a) Investments, which are readily realisable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.
- b) Current investments are stated at lower of cost and fair market value determined on an individual investment basis. Long-term investments are stated at cost less provision for diminution other than temporary in the value of such investments.

G Transactions in foreign currencies

- a) Foreign currency transactions are accounted at the exchange rates prevailing on the date of such transactions.
- b) Foreign currency monetary items are translated using the exchange rate prevailing at the

H Revenue recognition

- a) Broadcasting revenue - Advertisement revenue (net of discount and volume rebates) is recognized when the related advertisement or commercial appears before the public i.e. on telecast. Subscription revenue is recognized on time basis on the provision of television broadcasting service to subscribers or as per the agreed terms.

Advertisement Revenue (net of commission) related to printing segment is recognised when the related advertisement is published.

- b) Sales (including television programs and newspapers) are recognized when the significant risks and rewards have been transferred to the customers and is net of sales returns.
- c) Revenue from printing job, royalty income, syndication revenue and revenue from other



Notes forming part of the Consolidated financial statements

services is recognized as and when such services are completed / performed.

- d) Dividend income is recognized when the right to receive dividend is established.
- e) Interest income is recognized on a time proportion basis taking into account amount outstanding and the applicable interest rate.

I Inventories

- a) Television programs (completed, under production, available for sale) are stated at lower of cost/ unamortized cost or net realizable value. Cost comprises acquisition / direct production costs and other allocated production overheads. Where the realizable value on the basis of its estimated useful life is less than its carrying amount, the difference is expensed as impairment. Programs are expensed / amortized as under:
 - i) Programs- news / current affairs / chat shows / events etc are fully expensed on telecast.
 - ii) Programs (other than (i) above) are amortized over three financial years starting from the year of first telecast, as per management estimate of future revenue potential.
- b) Raw Stock – Tapes are valued at lower of cost or estimated net realizable value. Cost is taken on weighted average basis.
- c) Raw Materials - Newsprint, Ink and Plates are valued at lower of cost or net realizable value. Cost is determined on First In First Out basis.
- d) Scrap and Waste Paper Stock is valued at net estimated realisable value.

- e) Stores and Spares are valued at lower of average cost or net realizable value.

J Retirement and other employee benefits

- a) Short-term employee benefits are recognised as an expense at the undiscounted amount in the Statement of Profit and Loss in the year in which the service is rendered.
- b) Post employment and other long term employee benefits are recognized as an expense in the Statement of Profit and Loss at the present value of the amount payable determined using actuarial valuation techniques in the year the employee renders the service. Actuarial gains and losses are charged to the Statement of Profit and Loss.
- c) Payment to defined contribution retirement benefit schemes are recognised as an expense in the Statement of Profit and Loss, when due.

K Accounting for taxes on income

- a) Current Tax is determined as the amount of tax payable on the 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 year and are capable of reversal in one or more subsequent years and measured using relevant enacted tax rates and laws.

L Leases

a) Finance lease

Assets acquired under finance lease are capitalized and the corresponding lease liability is recorded at an amount equal to the fair value of the leased asset at the inception of the lease. Initial costs directly attributable to lease are recognized with the asset under lease.

Notes forming part of the Consolidated financial statements

b) Operating lease

Lease of assets under which all the risks and rewards of ownership are effectively retained by the lessor are classified as operating lease. Lease payments / revenue under operating lease are recognized as expense on accrual basis in accordance with the respective lease agreements.

M 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.

N 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. These estimates are revised at each reporting date and adjusted to reflect the current best estimates. Contingent liabilities are not recognized but are disclosed in the financial statements. Contingent assets are neither recognized nor disclosed in the financial statements.

3 Share Capital

	2015	2014
		(₹ Million)
Authorised		2014
1,700,000,000 (1,000,000,000) Equity Shares of ₹ 1 each	1,700.00	1,000.00
	1,700.00	1,000.00
Issued, Subscribed and Paid up		
362,145,773 (239,763,956) Equity Shares of ₹ 1 each fully paid up	362.15	239.76
Total	362.15	239.76

a) Reconciliation of number of Equity shares and Share capital

	2015		2014	
	Number of equity shares	(₹ Million)	Number of equity shares	(₹ Million)
At the beginning of the year	239,763,956	239.76	239,763,956	239.76
Add: Issued pursuant to the Scheme of Amalgamation (Refer Note 36)	122,381,817	122.39	-	-
Outstanding at the end of the year	362,145,773	362.15	239,763,956	239.76

b) Terms / rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 1 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.



Notes forming part of the Consolidated financial statements

c) Details of shares held by Holding Company

Name of the Shareholder	(₹ Million)	
	2015	2014
25FPS Media Private Limited (extent of holding 53.34%)	-	127,898,710

d) Details of Shareholders holding more than 5 percent of the aggregate shares in the Company

Name of the Shareholder	2015		2014	
	Number of equity shares	% Shareholding	Number of equity shares	% Shareholding
25FPS Media Private Limited	127,898,710	35.32%	127,898,710	53.34%
Arm Infra and Utilities Limited	122,363,636	33.79%	-	-
HDFC Trustee Company Limited- HDFC Prudence Fund	17,467,103	4.82%	17,467,103	7.29%

As per the records of the Company, including its register of shareholders/ members and other declaration received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

- e) The Company has not issued any bonus shares or bought back any shares during five years preceding 31 March, 2015. Details of aggregate number of shares issued for consideration other than cash during five years preceding 31 March, 2015:

	2015	2014
Equity shares allotted as fully paid for consideration other than cash pursuant to the Scheme of Amalgamation	122,381,817	-

- f) The Company has instituted an Employee Stock Option Plan (ESOP 2009) as approved by the Board of Directors and Shareholders of the Company in 2009 for issuance of stock options convertible into equity shares not exceeding in the aggregate 5% of the issued and paid up capital of the Company as at 31 March, 2009 i.e. up to 11,988,000 equity shares of ₹ 1 each, to the employees of the Company as well as that of its subsidiaries and also to the Directors of the Company at the market price determined as per the Securities and Exchange Board of India (Employee Stock Options Scheme) Guidelines, 1999 (SEBI (ESOS) Guidelines). The said Scheme is administered by the Nomination and Remuneration Committee of the Board. The Company has not granted any options till 31 March, 2015.

4 Reserves and Surplus

Capital Reserve	(₹ Million)	
	2015	2014
As per last Balance Sheet	96.79	96.79
Add: Adjustment pursuant to the Scheme of Amalgamation (Refer Note 36)	1,671.62	-
Add: Allotment of preference shares pursuant to the Scheme of Arrangement for demerger (Refer Note 39)	22.27	-
	1,790.68	96.79

Notes forming part of the Consolidated financial statements

4 Reserves and Surplus (Contd.)

	(₹ Million)	
	2015	2014
Securities Premium		
As per last Balance Sheet	76.50	76.50
General Reserve		
As per last Balance Sheet	103.97	98.00
Add: Appropriated during the year	8.75	5.97
	112.72	103.97
Surplus in the Statement of Profit and Loss		
As per last Balance Sheet	1,794.08	1,616.86
Less: Adjustment for depreciation as per transitional provisions (Refer Note 11 (b))*	63.52	-
Add: Deferred Tax on depreciation as above#	21.62	-
Add: Profit / (Loss) for the year	(466.51)	189.32
Less: Transferred to General Reserve	8.75	5.97
Less: Tax on interim dividend	11.45	6.13
	1,265.47	1,794.08
Total	3,245.37	2,071.34

* Net of minority interest on depreciation of ₹ 1.35 million.

Net of minority interest on deferred tax ₹ 0.46 million.

5 Long-Term Borrowings

(Secured)

	(₹ Million)			
	Non - Current		Current	
	2015	2014	2015	2014
Term loan from bank (Refer (a) below)	2,753.90	674.25	206.45	-
Vehicle loans (Refer (b) below)				
- from Banks	5.20	2.63	3.60	2.31
- from Others	0.69	1.96	1.26	1.62
	2,759.79	678.84	211.31	3.93
Less: Amount disclosed under "Other Current Liabilities" (Refer Note 10)	-	-	211.31	3.93
Total	2,759.79	678.84	-	-

a) Term loans from banks :

- (i) ₹ 800.00 million (₹ 674.25 million) is secured by way of first hypothecation charge on entire movable fixed assets of the Company, except vehicles. The loan carries interest @ 12.25 % p.a. payable monthly and is repayable in 21 quarterly installments commencing from October 2015.
- (ii) ₹ 2,151.05 million (Nil) is secured by way of first pari passu charge over fixed assets (including leasehold land, building, plant and machinery) and second pari passu charge on all the current assets, receivables of the respective subsidiary company and corporate guarantee provided by the Company. The present interest rate is ranging from 13.00% to 13.75 % p.a. payable monthly. The loans are repayable in quarterly instalments commencing from financial year 2014-15 and ending in financial year 2020-21.



Notes forming part of the Consolidated financial statements

- (iii) ₹ 9.30 million (Nil) is secured by way of hypothecation charge on the entire current assets including stock and other assets both present and future and equitable mortgage / hypothecation of entire immovable fixed assets including land and building, plant and machinery, both present and future. The loan is guaranteed by the erstwhile directors of the subsidiary. The loan carries interest @ 13.25% p.a. payable monthly and the outstanding loan is repayable in 4 quarterly installments, repayable by January 2016.
- b) Vehicle Loans from banks and others are secured by way of hypothecation of vehicles, carries interest ranging from 8.90% to 12.25% p.a. and repayable upto July 2018.

6 (a) Deferred Tax Liability (net)

	2015	2014
		(₹ million)
Deferred Tax Liability		2014
Depreciation/Amortisation	-	18.37
	-	18.47
Deferred Tax Asset		
Arising on account of timing difference in employee retirement benefits	-	3.68
Allowable on payment basis	-	1.03
	-	4.71
Deferred Tax Liabilities (net)	-	13.66

6 (b) Deferred Tax Assets (net)

	2015	2014
		(₹ million)
Deferred Tax Assets		2014
Depreciation/Amortisation	22.65	-
Arising on account of timing difference in employee retirement benefits	60.96	36.10
Allowable on payment basis	2.50	0.81
Provision for doubtful debts and advances	13.48	15.97
Unabsorbed tax losses and depreciation	1,050.48	-
Fiscal allowances	2.52	55.28
Others	0.24	-
	1,152.83	108.16
Deferred Tax Liabilities		
Depreciation/Amortisation	130.35	51.06
	130.35	51.06
Deferred Tax Assets (net)	1,022.48	57.11

Notes forming part of the Consolidated financial statements

7 Other Long-Term Liabilities

	(₹ Million)	
	2015	2014
Unearned Revenue	9.44	-
Trade deposits received	11.00	-
Employee benefits payable	9.77	5.76
Total	30.21	5.76

8 Provisions

	(₹ Million)			
	Long-Term		Short-Term	
	2015	2014	2015	2014
Provision for employee benefits:				
- Gratuity	103.73	69.36	8.32	5.47
- Leave benefits	57.23	37.63	8.23	4.62
Provision for taxation (net of advances)	-	-	7.77	-
Total	160.96	106.99	24.32	10.09

9 Short-Term Borrowings

	(₹ Million)	
	2015	2014
Secured		
Cash credit from banks (Refer Note (a) and (b) below)	654.10	431.86
Working capital loan from bank (Refer Note (c) below)	200.00	-
Total (A)	854.10	431.86
Unsecured		
Inter corporate deposit (repayable on demand)	777.60	-
Total (B)	777.60	-
Total (A + B)	1,631.70	431.86

- (a) Cash credit from bank ₹ 320.74 million (₹ 431.86 million) is secured by way of hypothecation charge on entire current assets and collaterally secured by first hypothecation charge on entire movable fixed assets of the Company except vehicles.
- (b) Cash credit from bank ₹ 333.36 million (Nil) taken by subsidiary is secured by first pari passu charge on all the current assets and receivables and second pari passu charge on all the fixed assets including plant and machinery of the subsidiary, both present and future, and collaterally secured by corporate guarantee given by the Company.
- (c) Working capital loan from bank ₹ 200.00 million (Nil) is secured by way of first pari passu charge on entire current assets and entire movable fixed assets except vehicles. Pari passu charge in favour of the bank yet to be created.



Notes forming part of the Consolidated financial statements

10 Current Liabilities

	2015	2014
		(₹ Million)
Trade payables	337.78	145.62
	337.78	145.62
Other Current Liabilities		
Current maturities of long-term borrowings (Refer Note 5)	211.31	3.93
Interest accrued but not due on borrowings	42.54	6.04
Unearned revenue	96.75	54.57
Advance received from customers	112.46	37.57
Deposits received from distributors	9.37	6.08
Creditors for capital expenditure	6.80	42.63
Book overdraft	1.63	-
Unclaimed dividends [^]	0.68	0.68
Statutory dues payable	79.79	56.24
Other payables	724.82	449.00
	1,286.15	656.74
Total	1,623.92	802.36

[^] There are no amounts due and outstanding to be credited to Investor's Education and Protection Fund as at 31 March, 2015.

Notes forming part of the Consolidated financial statements

11. Fixed Assets

Description of Assets	Gross Block		Depreciation/Amortisation		Net Block	
	As at 1 April, 2014	Additions pursuant to the Scheme (Refer Note 36) subsidiary	Upto 31 March, 2014	Additions pursuant to the Scheme (Refer Note 36) subsidiary	As at 31 March, 2015	As at 31 March, 2014
Tangible Assets						
Freehold Land	-	8.57	14.72	-	-	153.70
Leasehold Land	-	1,101.17	-	14.50	13.37	1,073.30
Leasehold Improvements	40.01	40.74	5.31	7.58	22.02	33.23
Buildings	-	635.26	16.67	23.28	17.82	631.96
Plant and Machinery	1,468.94	1,631.64	75.23	112.55	334.37	2,420.67
Equipments	71.73	14.82	11.16	7.92	28.86	29.16
Computers	126.83	94.94	6.03	21.89	10.48	59.79
Furniture and Fixtures	30.06	13.92	5.34	6.08	5.96	71.62
Vehicles	60.94	1.03	0.23	15.48	1.84	15.35
Total	1,798.31	3,663.93	123.23	207.23	465.98	4,482.24
Previous Year	1,291.55	-	654.66	147.90	130.40	1,297.50
Intangible Assets						
Goodwill on Consolidation	-	1,728.53	23.07	-	-	1,751.60
Technical Knowhow	-	239.45	-	239.45	-	-
Computer Software	189.71	-	3.76	20.29	3.74	61.97
Total	189.71	1,967.98	26.83	20.29	38.88	1,813.57
Previous Year	101.18	-	91.56	3.02	30.31	80.80
Capital Work-in-Progress						
						38.74
						27.28

"0.00" (zero) denotes amounts less than ₹ 10,000.

Note:

- (a) Previous year deduction in gross block includes ₹ 7.13 million and depreciation for the previous year is net of ₹ 0.38 million by Cervat Credit availed during the year ended 31 March, 2014 for assets capitalised in the year ended 31 March, 2013.
- (b) During the year, the Group has adopted the useful life as per the Schedule II of the Companies Act, 2013. Consequently, depreciation of ₹ 63.52 million (net of minority interest of ₹ 1.35 million) representing the written down value of fixed assets whose lives have expired as at 1 April 2014 and deferred tax effect thereon of ₹ 21.62 million (net of minority interest of ₹ 0.46 million) have been adjusted in the Surplus in the Statement of Profit and Loss. (Refer Note 4). The unamortised carrying value has been depreciated / amortised over the revised / remaining useful lives.



Notes forming part of the Consolidated financial statements

12 Non-Current Investments

(valued at cost unless otherwise stated)

	(₹ million)	
	2015	2014
i) Trade Investments (Equity shares of ₹ 10 each, fully paid up) - Unquoted		
In Associate		
Nil * (8,380,241) of Maurya TV Private Limited (extent of holding 37.87%) (includes unamortised goodwill of ₹ 22.51 million)	-	39.00
* Wholly owned subsidiary w.e.f. 12 December, 2014.		
In Others		
435,000 (435,000) of Akash Bangla Private Limited	60.90	60.90
Less: Provision for diminution in value of investment	60.90	60.90
	-	-
ii) Non Trade Investments		
In Preference Shares: 2,22,73,836 (Nil) 6% Non-cumulative Redeemable Non-Convertible Preference shares of ₹ 1 each fully paid up of Zee Entertainment Enterprises Limited (Refer Note 39)	22.27	-
Total	22.27	39.00
Aggregate amount of unquoted Investments	83.17	99.90
Diminution in value of investments	60.90	60.90

13 Loans and Advances

(unsecured, considered good unless otherwise stated)

	(₹ Million)			
	Long-Term		Short-Term	
	2015	2014	2015	2014
Capital advances				
Related parties	1.89	1.89	-	-
Others (Refer Note 33)	64.10	334.44	-	-
	65.99	336.33	-	-
Deposits				
Related parties	-	19.36	-	-
Others : Considered good	76.08	60.44	15.81	3.00
Considered doubtful	-	-	1.21	-
	76.08	79.80	17.02	3.00
Less: Provision for doubtful deposits	-	-	1.21	-
	76.08	79.80	15.81	3.00
Loans and advances to related parties				
Loans - others	-	-	1.40	1,100.00
Other advances	-	-	16.45	5.05
	-	-	17.85	1,105.05

Notes forming part of the Consolidated financial statements

13 Loans and Advances (Contd.)

(unsecured, considered good unless otherwise stated)

(₹ Million)				
	Long-Term		Short-Term	
	2015	2014	2015	2014
Other Loans and Advances				
Loan - employees	3.35	8.86	5.51	5.06
Other Advances				
- considered good *	-	-	319.92	90.05
- considered doubtful	2.34	-	1.58	0.87
	5.69	8.86	327.01	95.98
Less: Provision for doubtful advances	2.34	-	1.58	0.87
	3.35	8.86	325.43	95.11
Prepaid expenses	1.71	2.53	11.30	10.63
Balances with Government authorities				
Advance direct tax (net of provisions)	271.16	118.66	12.63	12.46
Advance indirect taxes	0.58	-	70.93	92.95
Total	418.87	546.18	453.95	1,319.20

* Includes ₹ 29.15 million (Nil) for immovable property acquired for sale.

14 Other Assets

(Unsecured, considered good)

(₹ Million)				
	Non-Current		Current	
	2015	2014	2015	2014
Unamortised share issue expenses (Refer Note 35)	25.19	-	-	-
Balances with bank in deposit accounts* (Refer Note 17)	51.67	4.35	-	-
Interest accrued on - Bank deposits	5.40	0.15	-	0.61
- Loan to related parties	-	-	6.00	39.57
- Other loans and advances	-	-	-	16.01
Dividend receivable - from related parties	-	-	0.68	-
Other receivables - from related parties	-	-	0.23	0.23
- Others	-	-	9.81	9.17
Total	82.26	4.50	16.72	65.59

* Pledged with statutory authorities / under bank lien.

15 Inventories

(₹ Million)		
	2015	2014
Raw stock - tapes	0.71	1.59
Raw materials		
- Newsprint	19.55	-
- Ink	4.01	-
- Plates	1.92	-
Consumables, stores and spares	23.39	-
Total	49.58	1.59



Notes forming part of the Consolidated financial statements

16 Trade Receivables

(unsecured)

	(₹ Million)	
	2015	2014
Over six months		
considered good	75.42	41.23
considered doubtful	47.08	46.97
Others		
considered good	1,067.35	834.53
considered doubtful	-	-
	1,189.85	922.73
Less: Provision for doubtful debts	47.08	46.97
Total	1,142.77	875.76

17 Cash and Bank Balances

	(₹ Million)			
	Non Current		Current	
	2015	2014	2015	2014
Cash and Cash Equivalents				
Balances with banks - in current accounts	-	-	326.58	141.45
- in deposit accounts	-	-	-	20.00
Cheques in hand	-	-	30.10	-
Cash in hand	-	-	0.92	0.66
	-	-	357.60	162.11
Other Bank Balances				
Balances with banks				
Fixed deposits with maturity for more than 3 months but less than 12 months	-	-	39.80	-
Fixed deposits with maturity more than 12 months	51.67	4.35	-	-
Share application money collection accounts (Refer Note 35)	-	-	1.19	-
In Unclaimed dividend accounts	-	-	0.68	0.68
	51.67	4.35	41.67	0.68
Less: Amount disclosed under the head "Other Assets" (Refer Note 14)	51.67	4.35	-	-
	-	-	41.67	0.68
Total	-	-	399.27	162.79

Notes forming part of the Consolidated financial statements

18 Revenue from Operations

	2015	2014
		(₹ Million)
Services		
Broadcasting revenue		
- Advertisement	3,105.50	2,205.16
- Subscription	1,000.45	999.00
Print business revenue		
- Advertisement revenue	833.30	-
- Syndication revenue	20.03	-
- Revenue from printing job work	195.10	-
Sales		
- Television programs	115.33	143.36
- Sale of news papers	134.97	-
Other operating income		
- Sale of waste and scrap	29.93	-
- Royalty income	7.95	-
- Other income	0.77	4.11
Total	5,443.33	3,351.63

19 Other Income

	2015	2014
		(₹ Million)
Interest Income		
from bank deposits	6.77	1.70
from loans	6.03	172.17
from income tax refund	6.56	-
from others	9.81	17.90
Dividend Income		
on non-current investments	0.68	-
Rent received	11.31	-
Liabilities / excess provisions written back	30.14	43.30
Miscellaneous income	0.84	0.73
Total	72.14	235.80



Notes forming part of the Consolidated financial statements

20 Cost of Raw Material Consumed

	2015	2014
		(₹ Million)
Inventory acquired pursuant to the Scheme of Amalgamation (Refer Note 36)		2014
- Newsprint	12.70	-
- Ink	2.85	-
- Plates	1.59	-
Total (A)	17.14	-
Add : Purchases of raw materials		
- Newsprint	448.11	-
- Ink	54.47	-
- Plates	31.43	-
Total (B)	534.01	-
Less: Inventory at the end of the year		
- Newsprint	19.55	-
- Ink	4.01	-
- Plates	1.92	-
Total (C)	25.48	-
Cost of raw materials consumed		
- Newsprint	441.26	-
- Ink	53.31	-
- Plates	31.10	-
Total (A+B-C)	525.67	-

21 Operational Cost

	2015	2014
		(₹ Million)
Television Programs - Production/ acquisition cost		2014
Program purchased	58.31	28.41
Raw tapes consumed	2.91	2.59
Consultancy and professional charges	221.71	161.74
News subscription fees	38.79	41.97
Vehicle running, maintenance and hire charges	84.75	72.37
Travelling and conveyance expenses	44.21	21.36
Lease-line and V-sat expenses	64.47	60.74
Hire charges	42.47	25.82
Other production expenses	122.34	78.62
	679.96	493.62

Notes forming part of the Consolidated financial statements

21 Operational Cost (Contd.)

	(₹ Million)	
	2015	2014
Telecast cost	158.46	
Channel management fee	91.14	145.13
Packing material and other material consumed	29.29	22.50
News collection expenses	47.36	-
Direct labour charges	14.26	-
Stores and spares consumed	8.08	-
Other production expenses	18.47	-
Total	1,047.02	661.25

Note : Television programs of ₹ 7.11 Million (Nil) are impaired during the year.

22 Employee Benefits Expense

	(₹ Million)	
	2015	2014
Salaries and allowances	1,446.48	866.48
Contribution to provident and other funds	97.91	51.59
Staff welfare expenses	57.33	68.90
Staff recruitment and training expenses	4.86	3.99
Total	1,606.58	990.96

23 Finance Costs

	(₹ Million)	
	2015	2014
Interest - on loans	524.10	90.22
- on others	1.09	0.23
Bank and other financial charges	1.09	12.93
Total	526.28	103.38

24 Depreciation and Amortisation Expense

	(₹ Million)	
	2015	2014
Depreciation on tangible assets	465.98	130.40
Amortisation on intangible assets	38.88	30.31
Total	504.86	160.71



Notes forming part of the Consolidated financial statements

25 Other Expenses

		(₹ Million)
	2015	2014
Rent	158.53	82.39
Rates and taxes	31.56	5.99
Repairs and maintenance - Building	2.78	3.16
- Plant and machinery	34.50	40.95
- Other	62.37	25.52
Insurance	4.66	3.49
Electricity and water charges	123.56	82.47
Communication charges	40.10	30.02
Printing and stationery expenses	10.74	7.96
Travelling and conveyance expenses	136.79	97.87
Legal and professional charges	142.00	163.47
Payment to auditors (Refer Note 31)	7.19	2.82
Corporate social responsibility expenses	7.20	-
Donations	0.04	1.40
Hire and service charges	52.16	38.32
Miscellaneous expenses	24.22	19.57
Marketing, distribution, business promotion expenses	686.53	616.47
Advertisement and publicity expenses	136.57	108.81
Circulation scheme promotion expenses (net)	98.68	-
Commission / discount	63.67	29.28
Provision for doubtful debts and advances	7.86	11.85
Bad debts / advances written off	19.39	
Less : Bad debts provisions written back	8.43	0.00
Loss on sale/discard of fixed assets (net)	17.40	57.45
Loss on exchange difference (net)	0.05	5.32
Loss on sale of subsidiary	-	10.05
Total	1,860.12	1,444.63

"0.00" (zero) denotes amounts less than ₹ 10,000.

Notes forming part of the Consolidated financial statements

26 Exceptional Items

	2015	2014
		(₹ Million)
Provision for doubtful advance share application money written back	-	59.89
Total	-	59.89

27 Operating Lease

The Group has taken office premises, residential premises and plant and machinery (including equipments) etc. under cancellable/non-cancellable lease agreements, that are renewable on a periodic basis at the option of both the Lessor and the Lessee. The initial tenure of the lease period is generally for 11 to 120 months.

	2015	2014
		(₹ Million)
Lease rental charges for the year	251.86	165.48
Future lease rental obligation payable (under non-cancellable leases)		
Not later than one year	99.14	83.05
Later than one year but not later than five years	129.23	33.93
Later than five years	-	-

28 Contingent Liabilities not provided for

	2015	2014
		(₹ Million)
Custom Duty pending export obligations	24.20	18.18
Disputed Direct Taxes ^	1,977.53	362.69
Disputed Indirect Taxes	142.63	142.63
Corporate Guarantees given to banks		
- For subsidiary, loans outstanding ₹ 2,484.41 million (Nil)	2,540.00	-
- For other related party, loans outstanding Nil (₹ 2,516.76 million)	-	2,540.00
Legal cases against the Company *	Not ascertainable	Not ascertainable

^ Income tax demands mainly include appeals before various appellate authorities against the disallowance of expenses / claims. The Management is of the opinion that its tax cases will be decided in its favour and hence no provision is considered necessary at this stage.

* The Group has received legal notices of claims / law suits filed against it relating to infringement of copy rights, defamation suits etc. in relation to programs telecasted / other matters. In the opinion of the Management, no material liability is likely to arise on account of such claims / law suits.



Notes forming part of the Consolidated financial statements

29 Capital and Other Commitments

	2015	2014
		(₹ Million)
a) Estimated amount of contracts remaining to be executed on capital account, not provided for (net of advances)	68.61	57.88
b) Commitment for acquiring shares of associate company (net of advance)	-	38.92
c) Commitments in respect of News-print purchase	5.26	-

30 Related Party Transactions

(i) List of Parties where control exists:

Holding Company:

25 FPS Media Private Limited (Holding 53.34% up to 31 March, 2014)

Ultimate Holding Company:

- 25 FPS Media Private Limited held by Essel Corporate Resources Private Limited (upto 10 June, 2013)
- Essel Corporate Resources Private Limited held by Prime Publishing Private Limited (upto 10 June, 2013)
- 25 FPS Media Private Limited held by Prime Publishing Private Limited (w.e.f. 11 June, 2013 up to 31 March, 2014)

- Prime Publishing Private Limited held by Sprit Textiles Private Limited (up to 31 March, 2014)

Direct Subsidiary:

- Zee Akaash News Private Limited (extent of holding 60%)
- 24 Ghantalu News Limited (extent of holding 100% up to 23 December, 2013)
- Mediavest India Private Limited (extent of holding 100% w.e.f. 1 April, 2014)
- Pri - Media Services Private Limited (extent of holding 100% w.e.f. 1 April, 2014)
- Maurya TV Private Limited (extent of holding 100% w.e.f. 12 December, 2014)

Indirect Subsidiary :

- Diligent Media Corporation Limited (Mediavest India Private Limited holds 99.99% w.e.f. 1 April, 2014)
(89,095,342 equity shares held out of a total of 89,095,542 equity shares)

Fellow Subsidiary Company (up to 31 March, 2014):

- Bioscope Cinemas Private Limited
- Direct Media Distribution Ventures Private Limited
- Mediavest India Private Limited
- Pri - Media Services Private Limited
- Diligent Media Corporation Limited

Associate:

Maurya TV Private Limited (extent of holding 37.87% w.e.f. 7 October, 2013 up to 11 December, 2014)

(ii) Other Related Parties with whom transactions have taken place during the year and balance outstanding as on the last day of the year:

24 Ghantalu News Limited, Asia Today Limited, Cyquator Media Services Private Limited, Dish TV India Limited, Digital Subscriber Management and Consultancy Services Private Limited, Digital Ventures Private Limited, Essel Business Excellence Services Private Limited,

Notes forming part of the Consolidated financial statements

Essel Corporate Resources Private Limited, Essel Publishers Private Limited (merged with the Company w.e.f. 1 April, 2014), Essel Shyam Communication Limited, Jay Properties Private Limited, India Webportal Private Limited, Media Pro Enterprise India Private Limited, Pan India Network Limited, Rama Associates Limited, Siti Cable Network Limited, Smart Wireless Private Limited, Sprit Textiles Private Limited, Taj Television (India) Private Limited, Tapaswi Mercantile Private Limited, Zee Entertainment Enterprises Limited, Zee Foundation, Zee Learn Limited, Zee Sports Limited, Zee Turner Limited.

Key Management Personnel

Directors

Dr. Subhash Chandra (Non-Executive Chairman), Shri Punit Goenka (up to 27 September, 2013), Shri Alok Agrawal (w.e.f. 30 July, 2013 up to 12 May, 2014)

(iii) Transactions with Related Parties:

	2015	2014
		(₹ million)
(A) Transactions :		
(i) With Holding and Ultimate Holding Company		
- Essel Corporate Resources Private Limited		
· Legal and Professional charges	-	3.12
(ii) With Fellow Subsidiary Company		
- Diligent Media Corporation Limited		
- Loans, advances and deposits given	-	260.00
- Loans, advances and deposits repayment received	-	1,510.00
- Interest income	-	111.31
- Rent paid	-	6.00
- Advertisement and Publicity expenses	-	0.86
- Printing and Stationery expenses	-	1.26
- Pri - Media Services Private Limited		
- Corporate guarantee given	-	2,540.00
(iii) With Associate		
- Maurya TV Private Limited		
- Investment in equity shares	-	21.32
- Deposit given	-	19.36
- Channel management fees paid	91.14	22.50
- Other operational expenses	3.02	-
(iv) With Key Management Personnel		
- Commission to non executive directors	0.20	0.40
Dr. Subhash Chandra	0.20	0.40
- Remuneration to key managerial personnel	2.65	10.80
Shri Alok Agarwal	2.65	10.80
- Sitting Fees to non executive directors	0.22	0.12
Dr. Subhash Chandra	0.22	0.10
Shri Punit Goenka	-	0.02



Notes forming part of the Consolidated financial statements

(iii) Transactions with Related Parties: (Contd.)

	2015	2014
		(₹ million)
(v) With Other Related Parties:		
- Revenue from broadcasting services	1,106.39	1,044.81
Media Pro Enterprise India Private Limited	200.00	999.00
Taj Television (India) Private Limited	800.45	-
Other Related Parties	105.94	45.81
- Revenue from print services	41.72	-
India Web Portal Private Limited	19.84	-
Zee Entertainment Enterprises Limited	16.37	-
Zee Learn Limited	4.61	-
Other Related Parties	0.90	-
- Sale of television programs	115.33	143.37
Asia Today Limited	115.33	143.37
- Sale of fixed assets	0.30	-
Dish TV India Limited	0.30	-
- Other operating income	-	0.34
Zee Entertainment Enterprises Limited	-	0.34
• Interest income	6.67	43.96
Essel Publishers Private Limited	-	43.96
Sprit Textiles Private Limited	6.31	-
Other Related Parties	0.36	-
- Dividend received on preference shares	0.68	-
Zee Entertainment Enterprises Limited	0.68	-
- Purchase of fixed assets / capital work in progress	1.79	2.43
Dish TV India Limited	-	2.43
Zee Entertainment Enterprises Limited	1.79	-
- Purchase of services		
- Lease-line and V-sat expenses	40.48	44.19
Dish TV India Limited	21.65	25.36
Essel Shyam Communication Limited	18.83	18.83
- Telecast cost	102.57	89.05
Dish TV India Limited	64.58	65.75
Zee Entertainment Enterprises Limited	35.69	23.30
Other Related Parties	2.30	-
- Rent paid	50.11	34.34
Zee Entertainment Enterprises Limited	49.31	34.34
Other Related Parties	0.80	-
- Marketing, distribution and business promotion expenses	63.82	51.06
Dish TV India Limited	27.77	-
Siti Cable Network Limited	36.05	51.06
- Advertisement and publicity expenses	2.50	8.62
Dish TV India Limited	0.60	1.15

Notes forming part of the Consolidated financial statements

(iii) Transactions with Related Parties: (Contd.)

	2015	2014
		(₹ million)
India Web Portal Private Limited	0.59	-
Zee Entertainment Enterprises Limited	1.31	7.47
- Other services	83.98	75.00
Essel Corporate Resources Private Limited	19.20	15.61
Zee Entertainment Enterprises Limited	60.43	58.33
Other Related Parties	4.35	1.06
- Investments in preference shares	22.27	-
Zee Entertainment Enterprises Limited	22.27	-
- Loans, advances and deposits given	268.61	1,101.89
Essel Publishers Private Limited	-	1,100.00
Sprit Textiles Private Limited	247.00	-
Other Related Parties	21.61	1.89
- Loans, advances and deposits repayment received	458.32	75.00
Digital Ventures Private Limited	-	75.00
Sprit Textiles Private Limited	391.69	-
Tapaswi Mercantile Private Limited	63.60	-
Other Related Parties	3.03	-
- Loans, advances and deposits received	355.35	-
Tapaswi Mercantile Private Limited	355.35	-
- Loans, advances and deposits repaid	572.83	-
Tapaswi Mercantile Private Limited	572.83	-
- Corporate Social Responsibility expenses / donation	7.20	1.30
Zee Foundation	7.20	1.30
- Balances written back	0.07	0.01
Zee Learn Limited	0.07	0.01
(B) Balances at the end of the year:		
(i) With Fellow Subsidiary Company		
- Diligent Media Corporation Limited		
- Trade Payables / Other Payables	-	2.05
- Trade receivables	-	1.02
- Pri - Media Services Private Limited		
- Corporate guarantee given	-	2,540.00
(ii) With Associates		
- Maurya TV Private Limited		
- Investment in Equity Shares	-	39.00
- Loans, advances and deposits given	-	19.36
- Trade Payables / Other Payables	-	7.76
(iii) With Key Management Personnel		
- Commission payable to non executive director	0.20	0.40
Dr. Subhash Chandra	0.20	0.40



Notes forming part of the Consolidated financial statements

(iii) Transactions with Related Parties: (Contd.)

	2015	2014
		(₹ million)
(iv) Other Related Parties		
- Trade receivables	306.70	371.05
Asia Today Limited	55.61	97.26
India Web Portal Private Limited	35.13	11.24
Media Pro Enterprise India Private Limited	-	251.76
Taj Television (India) Private Limited	193.63	-
Other Related Parties	22.33	10.79
- Loans, advances and deposits given / other receivables	20.66	1,107.17
Essel Business Excellence Services Private Limited	14.40	-
Essel Publishers Private Limited	-	1,100.00
Other Related Parties	6.26	7.17
- Interest receivable	6.00	39.57
Essel Publishers Private Limited	-	39.57
Sprit Textiles Private Limited	5.68	-
Other Related Parties	0.32	-
- Trade payables / other payables	117.60	165.21
Asia Today Limited	30.70	29.16
Dish TV India Limited	44.07	65.83
Zee Entertainment Enterprises Limited	25.50	51.78
Other Related Parties	17.33	18.44
- Investment in preference shares	22.27	-
Zee Entertainment Enterprises Limited	22.27	-
- Advances and deposits received	0.12	0.07
Pan India Network Limited	0.12	0.07

Note:

- Parties with transactions less than 10% of the group total are grouped under the head "Other Related Parties".
- Salaries, allowances and perquisites paid to key managerial personnel for the year excludes leave encashment and gratuity provided on the basis of actuarial valuation on an overall Company basis. Allowances and perquisites are valued as per the Income Tax Act, 1961.

31 Payment to Auditors

For Standalone

	2015	2014
		(₹ Million)
Audit fees	1.25	1.00
Tax audit fees	0.25	0.25
Certification work (including limited reviews)	0.82	1.01
Tax representation and other matters	0.70	0.17
Reimbursement of expenses	0.02	0.03
Total[^]	3.04	2.46

[^] excludes (i) service tax and (ii) fees for certification work for Rights Issue ₹ 2.52 million for the year ended 31 March, 2015, which is included in 'Unamortized share issue expenses' (Refer Note 14).

Notes forming part of the Consolidated financial statements

For Subsidiaries

	2015	2014
		(₹ Million)
Audit fees	1.95	0.23
Tax audit fees	0.31	0.07
Certification work	1.70	-
Tax representation and other matters	0.05	-
Reimbursement of expenses	0.13	0.06
Total	4.14	0.36

32 Foreign Exchange

Foreign currency exposures that are not hedged by derivative instruments as at balance sheet date, are as under:

	2015	2014
		(₹ Million)
Payables	75.04	33.11
Receivables	65.32	113.28

33 During the year ended 31 March, 2014 the Group had given advances of ₹ 246.25 million to various companies for the purchase of capital assets. However, due to various reasons, the contracts could not be executed and accordingly the advances have been received back during the year.

34 The Management is of the opinion that its international and domestic transactions are at arm's length as per the independent accountants report for the year ended 31 March, 2014. The Management continues to believe that its international transactions and the specified domestic transactions during the current financial year are at arm's length and that the transfer pricing legislation will not have any impact on these financial statements, particularly on amount of tax expense and that of provision of taxation.

35 The Rights Issue of the Company, pursuant to the Letter of Offer dated 16 March, 2015, to issue 108,643,732 Equity Shares of ₹ 1 each, fully paid up, at a price of ₹ 18 per share (including premium of ₹ 17 per share) for an amount aggregating upto ₹ 1,955.59 million, opened on 25 March, 2015 and closed on 8 April, 2015. The Company has allotted 108,643,732 Equity Shares of ₹ 1 each, fully paid up, on 18 April, 2015. The share application money received of ₹ 1.19 million during the period up to 31 March, 2015 towards such issue, has been disclosed as Share Application Money Pending allotment. The Company has incurred expenses of ₹ 25.19 million on the Rights Issue up to 31 March, 2015 which has been disclosed as Unamortized share issue expenses under Note 14, and will be adjusted against securities premium.

36 Scheme of Amalgamation

The Scheme of Amalgamation (the 'Scheme') under Section 391 to 394 and other applicable provisions of the Companies Act, 1956 for the amalgamation of Essel Publishers Private Limited ("EPPL") with the Company was approved by the Hon'ble High Court of Judicature at Mumbai vide Order passed on 2 May, 2014, with Appointed Date being 1 April, 2014. The Scheme has been made effective on 27 May, 2014 and hence given effect to in these financial statements. Pursuant to the Scheme, the entire business and whole of the undertaking of EPPL, including all assets and liabilities of EPPL as detailed below, vested in the Company as a going concern and recorded at their respective fair values under the "Purchase Method" as per Accounting Standard 14.



Notes forming part of the Consolidated financial statements

Pursuant to the Scheme:

- (i) The Company has issued and allotted 122,381,817 fully paid up Equity Shares of ₹ 1 each to the shareholders of EPPL in the ratio of 2 fully paid up Equity Shares ₹ 1 each of the Company for every 11 Equity Shares ₹ 1 each held in EPPL.
- (ii) ₹ 1,671.62 million, i.e. excess of assets over liabilities transferred to the Company and cancellation of inter company balances and obligations, has been transferred to the Capital Reserve as detailed below:

Particulars	(₹ Million)	
Assets		
Non-Current Investments:		
0% Compulsory Convertible Debentures of ₹ 1 each in Mediavest India Private Limited	1,837.66	
0.01% Compulsory Convertible Debentures of ₹ 100 each in Pri-Media Services Private Limited	1,100.00	
10,000 Equity shares of Mediavest India Private Limited of ₹ 10 each fully paid	0.10	
10,000 Equity shares of Pri - Media Services Private Limited of ₹ 10 each fully paid	0.10	2,937.86
Trade Receivables		0.08
Cash and Bank Balances		0.24
Total Assets		2,938.18
Less: Liabilities received		
Other Current Liabilities		4.61
Total Liabilities		4.61
Net Assets		2,933.57
Less: Cancellation of Inter Company balances and obligations		1,139.57
Less: Shares allotted pursuant to the Scheme		122.39
Net Assets Transferred To Capital Reserve		1,671.62

- (iii) The authorised share capital of the Company is increased by ₹ 700 million to ₹ 1700.00 million divided into 1700,000,000 Equity Shares of ₹ 1 each.

37 Segment Reporting

The Group follows AS 17 "Segment Reporting" relating to the reporting of financial and descriptive information above their operating segments in financial statements:

The Group's reportable operating segments have been determined in accordance with the business operations, which is organised based on the operating business segments as described below. The geographical segment is not relevant as exports are insignificant.

- 1 TV - Broadcasting Business** comprises of business of broadcasting of news / current affairs and regional language channels and sale of television programs including program feeds. The segment derives revenue mainly from advertisement on and subscription of its channels and sale of programs.
- 2 Print Business** comprises of publishing and distribution of english daily 'DNA' and other publishing activities including on job work basis. The segment derives revenue mainly from advertisement in and subscription of newspaper and job work.

Notes forming part of the Consolidated financial statements

Primary Segment Disclosure - Business segment

	TV - Broadcasting Business	Print Business	Unallocable	Eliminations	(₹ million) Total
Segment Revenue					
External Revenue	4,221.28	1,222.05	-	-	5,443.33
Inter Segment Revenue	-	9.24	-	(9.24)	-
Total Segment Revenue	4,221.28	1,231.29	-	(9.24)	5,443.33
Segment Results	260.18	(318.81)	-	-	(58.63)
Less: Finance costs					526.28
Add: Interest and dividend income					29.85
Profit / (Loss) before tax					(555.06)
Provision for taxation:					
- Current Tax					98.15
- Deferred Tax					(221.69)
Net Profit / (Loss) before minority interest and share in result of associate					(431.52)
Add / (Less) : Share in result of associate					-
Less: minority interest					34.99
Profit / (Loss) for the year					(466.51)

Other Segment Information:

	TV - Broadcasting Business	Print Business	Unallocable	Eliminations	(₹ million) Total
Segment assets	2,862.02	5,706.70	-	-	8,568.72
Unallocated corporate assets	-	-	1,374.00	-	1,374.00
Total Assets	2,862.02	5,706.70	1,374.00	-	9,942.72
Segment liabilities	913.89	653.48	-	-	1,567.37
Unallocated corporate liabilities	-	-	4,767.83	-	4,767.83
Total Liabilities	913.89	653.48	4,767.83	-	6,335.20
Capital expenditure	179.65	37.61	-	-	217.26
Depreciation / Amortisation	340.36	164.49	-	-	504.86

Note: The Group was having only one business segment i.e. TV - Broadcasting business for the financial years ended 31 March, 2014, hence segment reporting was not applicable.



Notes forming part of the Consolidated financial statements

- 38** Additional information, as required to Consolidated Financial Statements to Schedule III of the Companies Act, 2013, of enterprises consolidated as Subsidiary / Associates:

Name of the entity	Net Assets, i.e. total assets minus total liabilities		Share in profit / (loss)	
	As % of consolidated net assets	Amount (₹ million)	As % of consolidated Profit / (Loss)	Amount (₹ million)
Zee Media Corporation Limited	111.96 %	4,038.93	13.21 %	61.65
Direct Indian Subsidiaries				
Zee Akaash News Private Limited	7.14 %	257.75	18.75 %	87.47
Mediavest India Private Limited	(47.64)%	(1,718.71)	2.18 %	10.17
Pri - Media Services Private Limited	(5.79)%	(208.94)	(65.56)%	(305.86)
Maurya TV Private Limited #	1.52 %	54.84	-	-
Indirect Indian Subsidiaries				
Diligent Media Corporation Limited	(87.22)%	(3,146.52)	(48.22)%	(224.95)
Indian Associate				
Maurya TV Private Limited #	-	-	-	-
Minority Interests in all subsidiaries	2.86 %	103.10	7.50 %	34.99

Associate upto 11 December, 2014 and thereafter became wholly owned subsidiary.

Note: The above figures have been computed based on the respective audited financial statements of the companies vis-à-vis consolidated figures. Impact of consolidation adjustments have not been considered.

- 39** The Scheme of Arrangement 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 High Court of Judicature at Mumbai by Order dated 12 September, 2014 with appointed date 31 March, 2014. In accordance with the Scheme, 22,273,836, 6% Non-cumulative Redeemable Non-convertible Preference Shares of ₹1 each fully paid-up, have been allotted to Mediavest Investment Private Limited, a shareholder of DMCL. 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 redeem the preference shares any time within three years from the date of allotment, at par.

40 Earnings per share (EPS)

Particulars	(₹ Million)	
	2015	2014
a Profit / (Loss) after Tax and Exceptional Items (₹ million)	(466.51)	189.32
Adjustments for :		
Exceptional Items (₹ million)	-	(59.89)
b Profit / (Loss) after Tax but before Exceptional Items (₹ million)	(466.51)	129.43
c Weighted average number of equity shares for Basic and Diluted EPS (Numbers)	362,145,773	239,763,956
Nominal value of each equity share (₹)	1	1
d Basic and Diluted EPS before Exceptional Items (₹)	(1.29)	0.54
e Basic and Diluted EPS after Exceptional Items (₹)	(1.29)	0.79

41 Comparative

Previous year's figures have been regrouped, rearranged or recast wherever necessary to conform to current year's classification. Figures in brackets pertain to previous year. The figures for the current year are not comparable with figures for the corresponding previous year due to subsidiaries acquired during the year (Refer Note 1 (B) (d)).

Consolidated Cash Flow Statement for the year ended 31 March,

	(₹ million)	
	2015	2014
A. Cash flow from Operating activities		
Profit / (Loss) before Tax	(555.06)	286.39
Adjustments for:		
Depreciation and amortisation expense	504.86	160.71
Loss on sale/discard of fixed assets (net)	17.40	57.46
Loss on sale of Investment	-	10.05
Interest expense	525.19	90.45
Interest income	(29.16)	(191.77)
Dividend income	(0.68)	-
Liabilities/excess provisions written back	(30.14)	(43.29)
Provision for doubtful advance share application money written back	-	(59.89)
Provision made / (written back) for doubtful debts and advances (net)	(0.57)	11.85
Unrealised foreign exchange loss (net)	9.27	11.75
Operating profit before working capital changes	441.11	333.71
Adjustments for:		
(Increase)/decrease in inventories	(7.26)	0.32
(Increase)/decrease in trade and other receivables	(340.48)	(80.23)
Increase/(decrease) in trade and other payables	(54.77)	205.24
Cash generated from operations	38.60	459.04
Direct taxes paid (net)	(217.93)	(174.45)
Net cash flow from/(used in) operating activities (A)	(179.33)	284.59
B. Cash flow from Investing activities		
Purchase of fixed assets, including capital advances (given) / refunded	18.05	(1,056.77)
Sale of fixed assets	4.08	2.00
Loan given to others	(303.40)	(1,560.00)
Loan repaid by others	505.29	1,510.00
Refund of share application money given to others	-	105.84
Decrease in minority interest	(47.63)	(28.08)
Acquisition of subsidiary	(38.92)	-
Sale of subsidiary	-	200.50
Investment in associate	-	(39.00)
Deposits with banks (net)	(43.10)	70.00
Interest received	38.55	260.31
Net cash flow from/(used in) investing activities (B)	132.92	(535.20)



Consolidated Cash Flow Statement for the year ended 31 March,

	2015	2014
		(₹ million)
C. Cash flow from Financing activities		
Unamortised share issue expenses	(25.19)	-
Proceeds from long-term borrowings	125.75	674.25
Repayment of long-term borrowings	(43.20)	(170.00)
Proceeds from short-term working capital loan	200.00	200.00
Repayment of short-term working capital loan	-	(200.00)
Proceeds from cash credit (net)	(104.53)	(50.68)
Proceeds from short-term borrowings	1,937.85	-
Repayment of short-term borrowings	(1,377.74)	-
Proceeds from vehicle loans	8.41	-
Repayment of vehicle loans	(6.17)	(5.58)
Interest paid	(514.32)	(86.35)
Dividend tax paid	(11.45)	(6.12)
Net cash flow from/(used in) Financing activities (C)	189.41	355.52
Net Cash flow / (outflow) during the year (A+B+C)	143.00	104.91
Cash and cash equivalents at the beginning of the year	162.11	57.65
Cash and cash equivalents on acquisition / (sale) of subsidiary	7.88	(0.45)
Cash and cash equivalents received pursuant to the Scheme of Amalgamation	44.61	-
Cash and cash equivalents at the end of the year	357.60	162.11
Add: Other bank balances	39.80	-
Add: Balances earmarked / under bank lien	1.87	0.68
Cash and bank balances at the end of the year	399.27	162.79

Note:

- The Scheme of Amalgamation given effect in the financial statements for the year ended 31 March, 2015 has not been considered in the above Cash Flow Statement, being a non-cash transaction (Refer Note 36).
- Previous year's figures are regrouped, rearranged or recast, wherever considered necessary to conform to current year's classification. The figures for the current year are not comparable with figures for the corresponding previous year due to subsidiaries acquired during the year.

As per our attached report of even date

For **MGB & Co. LLP**

Chartered Accountants

Firm registration number: 101169W/W-100035

Hitendra Bhandari

Partner

Membership number: 107832

Mumbai, 22 May, 2015

For and on behalf of the Board

Surjit Banga

Director

Dinesh Garg

Chief Financial Officer

Ashish Kirpal Pandit

Director

Pushpal Sanghavi

Company Secretary



॥ VASUDHAIVA KUTUMBAKAM ॥
THE WORLD IS MY FAMILY

Zee Media Corporation Limited

Regd. Office: Continental Building, 135, Dr. Annie Besant Road, Worli, Mumbai – 400 018 Tel:-91-22-24831234 Fax:-91-22-24955974
CIN: L92100MH1999PLC121506 • Website: www.zeenews.india.com

ATTENDANCE SLIP 16th Annual General Meeting

I/We hereby record my presence at the 16th Annual General Meeting of the Company at The Hall of Harmony, Nehru Centre, Dr Annie Besant Road, Worli, Mumbai 400 018 on Friday the 7th day of August 2015 at 11.00 a.m.

Name of Shareholder/Proxy: (IN BLOCK LETTERS)

Signature of Shareholder/Proxy

Folio No. _____

Client ID No.# _____

DP ID No. _____

No. of Shares _____

(Applicable for shareholders holding shares in dematerialized form)



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PROXY FORM

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management Administration) Rules, 2014)

16th Annual General Meeting

Name of Member(s) _____

Registered address _____

E-mail Id _____

Folio No./ Client ID No. _____

I/We, being the member(s) holding _____ Shares of Zee Media Corporation Limited, hereby appoint

1. Name: _____ E-mail Id: _____

Address: _____

Signature: _____

or failing him

2. Name: _____ E-mail Id: _____

Address: _____

Signature: _____

or failing him

3. Name: _____ E-mail Id: _____

Address: _____

Signature: _____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the sixteenth Annual General Meeting of the Company to be held on Friday, 7th day of August 2015 at 11.00 a.m. at The Hall of Harmony, Nehru Centre, Dr Annie Besant Road, Worli, Mumbai 400 018 and at any adjournment thereof in respect of such resolutions as are indicated below:

I wish my above proxy to vote in the manner as indicated in the box below

Resolutions		For	Against
1.	Adoption of Audited Financial Statements of the Company on a standalone and consolidated basis for the financial year ended March 31, 2015 including the Balance sheet, Statement of Profit & Loss and the Reports of the Auditors and Directors thereon.		
2.	Re-appointment of Dr Subhash Chandra as a Director of the Company		
3.	Appointment of Auditors		
4.	Appointment of Mrs Uma Mandavgane as Independent Director		
5.	Appointment of Mr. Ashish Kirpal Pandit as Director		
6.	Appointment of Mr. Ashish Kirpal Pandit as Executive Director & CEO and to approve his remuneration		
7.	Approval of material related party transaction in pursuance of Clause 49 of the Listing Agreement		

Signed this ____ day of _____ 2015

Signature of Shareholder _____ Signature of Proxyholder(s) _____

Note: This form in order to be effective should be duly completed and deposited at the Registered Office of the Company at Continental Building, 135, Dr Annie Besant Road, Worli, Mumbai 400 018, not less than 48 hours before the commencement of the Meeting.



||| VASUDHAIVA KUTUMBAKAM |||
THE WORLD IS MY FAMILY

ZEE MEDIA CORPORATION LIMITED

CIN: L92100MH1999PLC121506

REGISTERED OFFICE

Continental Building, 135, Dr. Annie Besant Road, Worli,
Mumbai - 400 018, Maharashtra, India
Tel.: +91 22 2483 1234 Fax: +91 22 2495 5974

Website: www.zeenews.india.com