



Zee Media Corporation Limited

CIN: L92100MH1999PLC121506

Regd. Off. 14th Floor, 'A' Wing, Marathon Futurex, N M Joshi Marg, Lower Parel, Mumbai - 400 013



www.zeenews.com

Standalone Financial Results for the quarter ended 30 June, 2021

Rs. / lakhs

S. No.		Quarter ended on			Year ended on
		30-Jun-21	31-Mar-21	30-Jun-20	31-Mar-21
		Unaudited	Audited (Refer Note 7)	Unaudited	Audited
1	Revenue from operations	13,711	16,276	11,445	57,303
2	Other income	143	136	103	462
	Total Revenue [1 + 2]	13,854	16,412	11,548	57,765
3	Expenses				
	(a) Operating costs	1,966	2,281	1,833	8,001
	(b) Employee benefits expense	4,377	4,025	3,372	15,688
	(c) Finance costs	1,106	949	473	2,403
	(d) Depreciation and amortisation expense	1,741	1,683	1,633	6,504
	(e) Marketing, distribution and business promotion expenses	1,798	1,680	1,304	6,049
	(f) Other expenses	2,521	2,827	2,010	9,514
	Total Expenses [3(a) to 3(f)]	13,509	13,445	10,625	48,159
4	Profit before exceptional items and taxes [1 + 2 - 3]	345	2,967	923	9,606
5	Exceptional items (net) (Refer Note 4)	21,750	(1,117)	-	(1,117)
6	Profit / (loss) before tax [4 + 5]	22,095	1,850	923	8,489
7	Tax expense				
	a) Current tax	499	1,059	365	3,032
	b) Deferred tax charge / (credit)	(212)	(48)	(132)	(457)
	Total tax expense [7(a) + 7(b)]	287	1,011	233	2,575
8	Profit / (loss) for the period [6 - 7]	21,808	839	690	5,914
9	Other comprehensive income / (loss)				
	Items that will not be reclassified to profit or loss (net of tax)				
	Remeasurement gains / (losses) of defined benefit obligation	(67)	127	(40)	153
	Other comprehensive income / (loss) for the period (net of tax)	(67)	127	(40)	153
10	Total comprehensive income / (loss) for the period [8 + 9]	21,741	966	650	6,067
11	Paid up equity share capital of Re. 1/- each	4,708	4,708	4,708	4,708
12	Other equity				42,062
13	Earnings per share (of Re. 1/- each) (not annualised)				
	- Basic (Rs.)	4.63	0.18	0.15	1.26
	- Diluted (Rs.)	3.49	0.13	0.15	1.16

1 The above standalone financial results, prepared in accordance with the Indian Accounting Standards (Ind AS), the provisions of the Companies Act, 2013 and guidelines issued by the Securities and Exchange Board of India, have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 24 July, 2021. The statutory auditors have carried out a limited review of the results for the quarter ended 30 June, 2021.

2 The Company has only one identifiable business segment viz. News Publishing and Broadcasting Business.

3 The Company has assessed the impact of the COVID-19 pandemic on its business operations, which has been incorporated in the operations and plans going forward. The Company has taken various steps aimed at conserving cash including various revenue maximization and cost saving initiatives. The Company is continuously assessing the recoverability of its assets including property, plant and equipment, intangible assets, investments, receivables and other current assets considering the internal and external information including subsequent collections of receivables, credit risk and industry reports available. Based on such assessments, the Company made necessary adjustments to the carrying amounts by providing allowances / impairment of assets wherever considered necessary. The Company is monitoring the developments and is taking necessary measures to mitigate the impact on the Company, if any.

- 4 Exceptional items:
- a) Consequent to the requisite approvals for the transfer of the Digital Publishing Business Division of the Company through a Business Transfer Agreement to Rapidcube Technologies Private Limited ('Rapidcube'), the wholly owned subsidiary of the Company, the said transfer has been completed on 4 May, 2021, effective from 1 April, 2021. In discharge of its consideration payable for the said transfer, the Board of Directors of Rapidcube has allotted 23,32,16,754 (Twenty Three Crore Thirty Two Lakh Sixteen Thousand Seven Hundred and Fifty Four) fully paid up Equity shares of Rapidcube of Rs. 10 each, to the Company. The gain on transfer of the said business of Rs. 21,750 lakhs has been disclosed as Exceptional Item for the quarter ended 30 June, 2021.
- b) During the quarter / year ended 31 March, 2021, the Company has written back certain provisions / liabilities amounting to Rs. 883 lakhs which are no longer required / payable. Further, the global pandemic has caused extensive proliferation of the news business, and hence further increased competition and accordingly the Company was required to adopt an aggressive content and distribution strategy. Further, the use of decentralised studios and adoption of work-from-home culture required additional investments. The Company entered into strategic content and distribution partnerships with various vendors / aggregators for the aforementioned requirements. In some cases where the obligations could not be fulfilled within the agreed timelines due to prolonged and widespread global pandemic and disruption in the supply chain, the Company has taken various steps including rescheduling of delivery terms. However, on a prudence basis, the Company has provided ₹ 2,000 lakhs as allowances for bad and doubtful advances / deposits during the quarter / year ended 31 March, 2021.
- 5 Consequent to the invocation and subsequent discharge of the entire corporate guarantee obligation of the Company, the said corporate guarantee settlement amount of Rs. 29,000 lakhs as well as other receivables of Rs. 1,940 lakhs aggregating to Rs. 30,940 lakhs is recoverable from Diligent Media Corporation Limited ("DMCL"). DMCL has informed the Company that based on its internal assessment and a valuation report from an independent valuer, the fair value of its tangible and intangible assets is not less than the amounts payable to the Company. The Company has also independently got the assets of DMCL valued by another independent valuers and as per the valuation reports, the value of assets of DMCL is not less than the amount recoverable by the Company. Based on the internal assessment, the valuation reports and assurance from DMCL to repay, the amount of Rs. 30,940 lakhs is considered fully recoverable whereas the auditors have been expressing qualification on recoverability of the said amount.
- 6 Subsequent to the quarter ended 30 June, 2021, the Company's investment of Rs. 43,627 lakhs in 436,26,56,265 - 6% Non-Cumulative Non-Convertible Redeemable Preference Shares of Re. 1 each of Diligent Media Corporation Limited (DMCL) redeemable at par on 01 November, 2036, which had been fully provided for in earlier years as per Ind-AS 109 – "Financial Instruments", is sold for a consideration of Rs. 170 lakhs.
- 7 The figures for the quarter ended 31 March, 2021 as reported in the above standalone financial results are the balancing figures between audited figures in respect of the full financial year 2020-21 and the published year to date unaudited figures upto the end of the third quarter of the said financial year which were subjected to limited review.
- 8 The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Company towards Provident Fund and Gratuity. The effective date from which the changes are applicable is yet to be notified and the final rules are yet to be framed. The Company will carry out an evaluation of the impact and record the same in the financial statements in the period in which the Code becomes effective and the related rules are published.
- 9 Figures of the previous periods have been regrouped and rearranged wherever considered necessary.

For Zee Media Corporation Limited

Dinesh Kumar Garg

Executive Director - Finance and CFO

DIN: 02048097

Noida, 24 July, 2021



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Consolidated Financial Results for the quarter ended 30 June, 2021

Rs. / lakhs

S. No.		Quarter ended on			Year ended on
		30-Jun-21	31-Mar-21	30-Jun-20	31-Mar-21
		Unaudited	Audited (Refer Note 8)	Unaudited	Audited
1	Revenue from operations	17,018	18,293	13,214	64,907
2	Other income	122	219	90	521
	Total Revenue [1 + 2]	17,140	18,512	13,304	65,428
3	Expenses				
	(a) Operating costs	2,277	2,613	1,931	8,663
	(b) Employee benefits expense	4,937	4,265	3,612	16,734
	(c) Finance costs	1,115	959	477	2,432
	(d) Depreciation and amortisation expense	2,168	2,037	2,069	8,077
	(e) Marketing, distribution and business promotion expenses	1,932	1,707	1,319	6,118
	(f) Other expenses	3,341	3,688	2,260	11,608
	Total Expenses [3(a) to 3(f)]	15,770	15,269	11,668	53,632
4	Profit before share of profit / (loss) of associates, exceptional item and taxes [1 + 2 - 3]	1,370	3,243	1,636	11,796
5	Share of profit / (loss) of associates	1	16	2	24
6	Profit / (loss) before exceptional items and tax [4 + 5]	1,371	3,259	1,638	11,820
7	Exceptional items (net) (Refer Note 4)	(1,711)	(1,117)	-	(1,117)
8	Profit / (loss) before tax [6 + 7]	(340)	2,142	1,638	10,703
9	Tax expense				
	a) Current tax	853	1,122	594	3,671
	b) Deferred tax charge / (credit)	(287)	(30)	(182)	(542)
	Total tax expense [9(a) + 9(b)]	566	1,092	412	3,129
10	Profit / (loss) for the period [8 - 9]	(906)	1,050	1,226	7,574
11	Other comprehensive income / (loss)				
	Items that will not be reclassified to profit or loss (net of tax)				
	Remeasurement gain / (loss) of defined benefit obligation	(72)	138	(47)	162
	Share of other comprehensive income of associates	-	(0)	-	(0)
	Other comprehensive income / (loss) for the period (net of tax)	(72)	138	(47)	162
12	Total comprehensive income / (loss) for the period [10 + 11]	(978)	1,188	1,179	7,736
13	Profit / (loss) for the period attributable to :				
	Owners of the parent	(906)	1,050	1,226	7,574
14	Total comprehensive income / (loss) attributable to :				
	Owners of the parent	(978)	1,188	1,179	7,736
15	Paid up equity share capital of Re. 1/- each	4,708	4,708	4,708	4,708
16	Other equity				46,941
17	Earnings per share (of Re. 1/- each) (not annualised)				
	- Basic (Rs.)	(0.19)	0.22	0.26	1.61
	- Diluted (Rs.)	(0.14)	0.17	0.26	1.49

"0" represents less than Rs 50,000

- The above consolidated financial results, prepared in accordance with the Indian Accounting Standards (Ind AS), the provisions of the Companies Act, 2013 and guidelines issued by the Securities and Exchange Board of India, have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 24 July, 2021. The statutory auditors have carried out a limited review of the results for the quarter ended 30 June, 2021.
- The Group has only one identifiable business segment viz. News Publishing and Broadcasting Business.
- The Group has assessed the impact of the COVID-19 pandemic on its business operations, which has been incorporated in the operations and plans going forward. The Group has taken various steps aimed at conserving cash including various revenue maximization and cost saving initiatives. The Group is continuously assessing the recoverability of its assets including property, plant and equipment, intangible assets, investments, receivables and other current assets considering the internal and external information including subsequent collections of receivables, credit risk and industry reports available. Based on such assessments, the Group made necessary adjustments to the carrying amounts by providing allowances / impairment of assets wherever considered necessary. The Group is monitoring the developments and is taking necessary measures to mitigate the impact on the Group, if any.
- Exceptional items:
During the quarter / year ended 31 March, 2021, the Group has written back certain provisions / liabilities amounting to Rs. 883 lakhs which are no longer required / payable. Further, the global pandemic has caused extensive proliferation of the news business, and hence further increased competition and accordingly the Group was required to adopt an aggressive content and distribution strategy. Further, the use of decentralised studios and adoption of work-from-home culture required additional investments. The Group entered into strategic content and distribution partnerships with various vendors / aggregators for the aforementioned requirements. In some cases where the obligations could not be fulfilled within the agreed timelines due to prolonged and widespread global pandemic and disruption in the supply chain, the Group has taken various steps including rescheduling of delivery terms. However, on a prudence basis, the Group has provided ₹ 2,000 lakhs and ₹ 1,711 lakhs as allowances for bad and doubtful advances / deposits for the quarter / year ended 31 March, 2021 and quarter ended 30 June, 2021 respectively.

- 5 Consequent to the invocation and subsequent discharge of the entire corporate guarantee obligation of the Holding Company, the said corporate guarantee settlement amount of Rs. 29,000 lakhs as well as other receivables of Rs. 1,940 lakhs aggregating to Rs. 30,940 lakhs is recoverable from Diligent Media Corporation Limited ("DMCL"). DMCL has informed the Holding Company that based on its internal assessment and a valuation report from an independent valuer, the fair value of its tangible and intangible assets is not less than the amounts payable to the Holding Company. The Holding Company has also independently got the assets of DMCL valued by another independent valuers and as per the valuation reports, the value of assets of DMCL is not less than the amount recoverable by the Holding Company. Based on the internal assessment, the valuation reports and assurance from DMCL to repay, the amount of Rs. 30,940 lakhs is considered fully recoverable whereas the auditors have been expressing qualification on recoverability of the said amount.
- 6 Consequent to the requisite approvals for transfer of the Digital Publishing Business Division of the Holding Company through a Business Transfer Agreement to Rapidcube Technologies Private Limited ('Rapidcube'), the wholly owned subsidiary of the Holding Company, the said transfer has been completed on 4 May, 2021, effective from 1 April, 2021. In discharge of its consideration payable for the said transfer, the Board of Directors of Rapidcube has allotted 23,32,16,754 (Twenty Three Crore Thirty Two Lakh Sixteen Thousand Seven Hundred and Fifty Four) Equity shares of Rapidcube of Rs. 10 each, fully paid up, to the Holding Company.
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