



Zee Media Corporation Limited

CIN: L92100MH1999PLC121506

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

www.zeemedia.in



Standalone Financial Results for the quarter and nine months ended 31 December, 2021

Rs. / lakhs

S. No.		Quarter ended on			Nine months ended on		Year ended on
		31-Dec-21	30-Sep-21	31-Dec-20	31-Dec-21	31-Dec-20	31-Mar-21
		Unaudited			Unaudited		Audited
1	Revenue from operations	18,391	16,132	16,403	48,234	41,027	57,303
2	Other income	110	144	92	397	326	462
	Total Revenue [1 + 2]	18,501	16,276	16,495	48,631	41,353	57,765
3	Expenses						
	(a) Operating costs	2,946	2,430	1,928	7,342	5,720	8,001
	(b) Employee benefits expense	4,116	4,272	4,197	12,765	11,663	15,688
	(c) Finance costs	794	884	476	2,784	1,454	2,403
	(d) Depreciation and amortisation expense	1,707	1,730	1,584	5,178	4,821	6,504
	(e) Marketing, distribution and business promotion expenses	2,663	2,395	1,640	6,856	4,369	6,049
	(f) Other expenses	2,710	3,120	2,627	8,351	6,687	9,514
	Total Expenses [3(a) to 3(f)]	14,936	14,831	12,452	43,276	34,714	48,159
4	Profit before exceptional items and taxes [1 + 2 - 3]	3,565	1,445	4,043	5,355	6,639	9,606
5	Exceptional items (net) (Refer Note 4)	-	(12,563)	-	9,187	-	(1,117)
6	Profit / (loss) before tax [4 + 5]	3,565	(11,118)	4,043	14,542	6,639	8,489
7	Tax expense						
	a) Current tax	1,070	834	1,096	2,403	1,973	3,032
	b) Deferred tax charge / (credit)	(16)	(274)	(132)	(502)	(409)	(457)
	Total tax expense [7(a) + 7(b)]	1,054	560	964	1,901	1,564	2,575
8	Profit / (loss) for the period [6 - 7]	2,511	(11,678)	3,079	12,641	5,075	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	25	(9)	14	(51)	26	153
	Other comprehensive income / (loss) for the period (net of tax)	25	(9)	14	(51)	26	153
10	Total comprehensive income / (loss) for the period [8 + 9]	2,536	(11,687)	3,093	12,590	5,101	6,067
11	Paid up equity share capital of Re. 1/- each	6,254	6,254	4,708	6,254	4,708	4,708
12	Other equity						42,062
13	Earnings per share (of Re. 1/- each) (not annualised)						
	- Basic (Rs.)	0.40	(2.13)	0.66	2.31	1.08	1.26
	- Diluted (Rs.)	0.40	(2.13)	0.65	2.31	1.08	1.16

- The above unaudited 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 10 February, 2022. The statutory auditors have carried out a limited review of the financial results for the quarter and nine months ended 31 December, 2021.
- The Company has only one identifiable business segment viz. News Publishing and Broadcasting Business.
- COVID-19 pandemic has caused unprecedented economic disruption globally. No material adverse impact is observed on news television channel broadcasting operations, being essential services. However, the Company has assessed the impact of this pandemic on its business operations, which has been incorporated in the operations and plans going forward. The Company has also taken various steps aimed at conserving cash including various revenue maximization and cost saving initiatives. The Company has also assessed 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 Indiadotcom Digital Private Limited ("Indiadotcom"), 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 Indiadotcom 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 Indiadotcom 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 nine months ended 31 December, 2021.

b) During the year ended 31 March, 2021, the Company has written back certain provisions / liabilities amounting to Rs. 883 lakhs which were 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 had provided ₹ 2,000 lakhs as allowances for bad and doubtful advances / deposits during the year ended 31 March, 2021.

c) 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", has been sold at Rs. 170 lakhs on 24 July, 2021, and the gain on transfer of such Preference Shares of Rs. 170 lakhs has been disclosed as Exceptional Item for the quarter / nine months ended 30 September, 2021 / 31 December, 2021 respectively.

d) The Company has provided Rs. 12,733 lakhs against amount recoverable from DMCL (Refer note 6 below) and the same is shown as Exceptional item for the quarter / nine months ended 30 September, 2021 / 31 December, 2021 respectively.

5 (a) During the nine months ended 31 December, 2021, the Company has allotted 15,46,39,175 equity shares of Re. 1 each fully paid up on conversion of 15,46,39,175 Compulsorily Convertible Preference Shares ("CCPS") of Re. 1 each fully paid up, issued at premium of Rs. 4.82 to Non-Promoters.

(b) Subsequent to the current quarter, the Company has on 5 January, 2022, after getting the requisite approvals, allotted 135,000,000 warrants for cash consideration on a preferential basis, at an issue price of Rs. 12.20 per warrant (including premium of Rs. 11.20), with the right to warrant holder to apply for and be allotted 1 (One) Equity Share of face value of Re. 1 each of the Company, to Asian Satellite Broadcast Private Limited, a Promoter Group entity.

6 Consequent to the invocation of the Corporate Guarantee issued by the Company in relation to the Non convertible debentures issued by Diligent Media Corporation Limited ("DMCL") and subsequent discharge of the liability by the Company under the Corporate Guarantee, the Company has to recover an amount of Rs. 29,000 lakhs as well as other receivables of Rs. 1,933 lakhs aggregating to Rs. 30,933 lakhs from DMCL.

In order to recover the outstanding amount, the Company has had several discussions with DMCL for recovery of the total amount receivable by the Company from DMCL and the latter had expressed its inability, due to stressed financial position, to make the payment of the entire outstanding amount to the Company.

After considering the current financial status of DMCL and its inability to settle the aforesaid liability of the Company, the Audit Committee and the Board of the Company have, at their respective meetings held on 12 November, 2021 approved (i) to settle the above mentioned outstanding by way of transfer / assign of Identified Trademarks valued at Rs. 17,000 lakhs and cash payment of Rs. 1,200 lakhs, aggregating to Rs. 18,200 lakhs, by DMCL to the Company and (ii) write off of balance amount of Rs. 12,733 lakhs. The approval of the members of the Company was received on 14 December, 2021, however, the members of DMCL have not approved the said proposal. Accordingly, the Company has deferred the settlement till the requisite approvals are in place.

7 Figures of the previous periods have been regrouped and rearranged wherever considered necessary.

For Zee Media Corporation Limited

Noida, 10 February, 2022

Dinesh Kumar Garg
Executive Director - Finance and CFO
DIN: 02048097



Consolidated Financial Results for the quarter and nine months ended 31 December, 2021

Rs. / lakhs

S. No.		Quarter ended on			Nine months ended on		Year ended on
		31-Dec-21	30-Sep-21	31-Dec-20	31-Dec-21	31-Dec-20	31-Mar-21
		Unaudited			Unaudited		Audited
1	Revenue from operations	24,281	20,614	18,439	61,913	46,614	64,907
2	Other income	104	149	94	375	302	521
	Total Revenue 1 + 2 	24,385	20,763	18,533	62,288	46,916	65,428
3	Expenses						
	(a) Operating costs	3,503	2,872	2,049	8,652	6,050	8,663
	(b) Employee benefits expense	5,499	5,043	4,465	15,479	12,469	16,734
	(c) Finance costs	815	892	486	2,822	1,473	2,432
	(d) Depreciation and amortisation expense	2,126	2,070	1,932	6,364	6,040	8,077
	(e) Marketing, distribution and business promotion expenses	2,920	2,552	1,655	7,404	4,411	6,118
	(f) Other expenses	3,609	3,922	3,433	10,872	7,920	11,608
	Total Expenses 3(a) to 3(f) 	18,472	17,351	14,020	51,593	38,363	53,632
4	Profit before share of profit / (loss) of associates, exceptional item and taxes 1 + 2 - 3 	5,913	3,412	4,513	10,695	8,553	11,796
5	Share of profit / (loss) of associates	255	(5)	14	251	8	24
6	Profit / (loss) before exceptional items and tax 4 + 5 	6,168	3,407	4,527	10,946	8,561	11,820
7	Exceptional items (net) (Refer Note 4)	-	(12,563)	-	(14,274)	-	(1,117)
8	Profit / (loss) before tax 6 + 7 	6,168	(9,156)	4,527	(3,328)	8,561	10,703
9	Tax expense						
	a) Current tax	1,077	1,694	1,220	3,624	2,549	3,671
	b) Deferred tax charge / (credit)	545	(583)	(138)	(325)	(512)	(542)
	Total tax expense 9(a) + 9(b) 	1,622	1,111	1,082	3,299	2,037	3,129
10	Profit / (loss) for the period 8 - 9 	4,546	(10,267)	3,445	(6,627)	6,524	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	24	(1)	14	(49)	24	162
	Share of other comprehensive income of associates	-	-	-	-	-	(0)
	Other comprehensive income / (loss) for the period (net of tax)	24	(1)	14	(49)	24	162
12	Total comprehensive income / (loss) for the period 10 + 11 	4,570	(10,268)	3,459	(6,676)	6,548	7,736
13	Profit / (loss) for the period attributable to :						
	Owners of the parent	4,546	(10,267)	3,445	(6,627)	6,524	7,574
14	Total comprehensive income / (loss) attributable to :						
	Owners of the parent	4,570	(10,268)	3,459	(6,676)	6,548	7,736
15	Paid up equity share capital of Re. 1/- each	6,254	6,254	4,708	6,254	4,708	4,708
16	Other equity						46,941
17	Earnings per share (of Re. 1/- each) (not annualised)						
	- Basic (Rs.)	0.73	(1.87)	0.74	(1.21)	1.39	1.61
	- Diluted (Rs.)	0.73	(1.87)	0.73	(1.21)	1.38	1.49

"0" represents less than Rs. 50,000

- The above unaudited 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 10 February, 2022. The statutory auditors have carried out a limited review of the financial results for the quarter and nine months ended 31 December, 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 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 year ended 31 March, 2021 and nine months ended 31 December, 2021 respectively.
 - The Holding 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 on 24 July, 2021 and the gain on transfer of such Preference Shares of Rs. 170 lakhs has been disclosed as Exceptional Item for the quarter / nine months ended 30 September, 2021 / 31 December, 2021 respectively.
 - The Holding Company has provided Rs. 12,733 lakhs against amount recoverable from DMCL (Refer note 6 below) and the same is shown as Exceptional item for the quarter / nine months ended 30 September, 2021 / 31 December, 2021 respectively.
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 - Subsequent to the current quarter, the Holding Company has on 5 January, 2022, after getting the requisite approvals, allotted 135,000,000 warrants for cash consideration on a preferential basis, at an issue price of Rs. 12.20 per warrant (including premium of Rs. 11.20), with the right to warrant holder to apply for and be allotted 1 (One) Equity Share of face value of Re. 1 each of the Holding Company, to Asian Satellite Broadcast Private Limited, a Promoter Group entity.

- 6 Consequent to the invocation of the Corporate Guarantee issued by the Holding Company in relation to the Non convertible debentures issued by Diligent Media Corporation Limited ("DMCL") and subsequent discharge of the liability by the Holding Company under the Corporate Guarantee, the Holding Company has to recover an amount of Rs. 29,000 lakhs as well as other receivables of Rs. 1,933 lakhs aggregating to Rs. 30,933 lakhs from DMCL.
- In order to recover the outstanding amount, the Holding Company has had several discussions with DMCL for recovery of the total amount receivable by the Holding Company from DMCL and the latter had expressed its inability, due to stressed financial position, to make the payment of the entire outstanding amount to the Holding Company.
- After considering the current financial status of DMCL and its inability to settle the aforesaid liability of the Holding Company, the Audit Committee and the Board of the Holding Company have, at their respective meetings held on 12 November, 2021 approved (i) to settle the above mentioned outstanding by way of transfer / assign of Identified Trademarks valued at Rs. 17,000 lakhs and cash payment of Rs. 1,200 lakhs, aggregating to Rs. 18,200 lakhs, by DMCL to the Holding Company and (ii) write off of balance amount of Rs. 12,733 lakhs. The approval of the members of the Holding Company was received on 14 December, 2021, however, the members of DMCL have not approved the said proposal. Accordingly, the Company has deferred the settlement till the requisite approvals are in place.
- 7 Post receipt of requisite approvals, the Digital Publishing Business Division of the Holding Company was transferred to Indiadotcom Digital Private Limited ("Indiadotcom"), the wholly owned subsidiary of the Holding Company, on 4 May, 2021, effective from 1 April, 2021. In discharge of its consideration payable for the said transfer, in terms of Business Transfer Agreement dated 4 May, 2021, Indiadotcom allotted 23,32,16,754 (Twenty Three Crore Thirty Two Lakh Sixteen Thousand Seven Hundred and Fifty Four) Equity shares of Rs. 10 each, fully paid up, to the Holding Company. Subsequently, post receipt of requisite approvals, the Digital Publishing Business Division of Zee Entertainment Enterprises Limited ("ZEEL") was also transferred to Indiadotcom on 26 November, 2021, effective from 1 September, 2021 for a consideration of Rs. 6,377.00 lakhs, in terms of Business Transfer Agreement dated 26 November, 2021.
- 8 Figures of the previous periods have been regrouped and rearranged wherever considered necessary.

For Zee Media Corporation Limited

Noida, 10 February, 2022

Dinesh Kumar Garg
Executive Director - Finance and CFO
DIN: 02048097