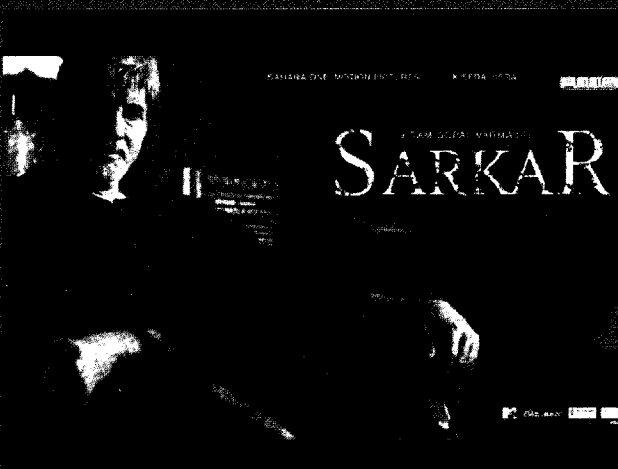
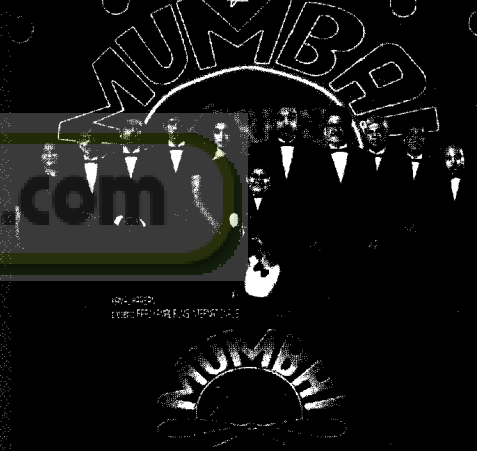


SAHARA INDIA MASS COMMUNICATION LIMITED

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CREATING NEW WORLD ENTERTAINMENT



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BOARD OF DIRECTORS

SHRI SUBRATA ROY SAHARA

Chairman

SMT. SWAPNA ROY

Director

SHRI AMAR SINGH

Director

SMT. JAYA BACHCHAN

Director

SHRI O. P. SRIVASTAVA

Director

SHRI J. B. ROY

Director

SHRI MAHESH PRASAD

Director

SHRI V. B. CHANDRA

Whole Time Director

STATUTORY AUDITORS

M/s D. S. SHUKLA & CO.

Chartered Accountants

INTERNAL AUDITORS

M/s CHATURVEDI & CO.

Chartered Accountants

COMPANY SECRETARY

SHRI BIMAL KISHORE NANDA

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BANKERS

THE BANK OF RAJASTHAN LIMITED

REGISTERED OFFICE

Sahara India Point,
CTS 40 - 44, S. V. Road,
Goregaon (West)
Mumbai - 400 104

SHARE TRANSFER AGENT

MCS Limited
Sri Venkatesh Bhavan,
Plot No. 27, Road No. 11,
MIDC Area, Andheri (East),
Mumbai - 400 093

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BRANCH / DIVISION / UNITS

Sahara India Bhawan,
I, Kapoorthala Complex,
Lucknow - 226 024

Sahara India Complex,
C-2, C-3 & C-4, Sector XI,
Noida, U.P.- 201 301

Sahara One Tower
Kamala Mill Compound
Lower Parel (West)
Mumbai - 400 064

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BOARD'S REPORT

To the members

Your Directors have pleasure in presenting the Twenty-Fourth Annual Report of the Company for the year ended 31st March 2005.

FINANCIAL / OPERATIONAL RESULTS

(Rs. In Lacs)

FOR THE YEAR ENDED	31 ST MARCH 2005	31 ST MARCH 2004
Total Income	16853.68	14681.53
Total Expenses	15746.27	13742.40
Profit before Tax	1107.41	939.13
Provision for Taxation and Deferred Tax	673.60	214.27
Profit After Tax	650.43	662.90
Profit after Tax carried to the Balance Sheet	3351.20	2700.77

During the year under review the total income from business was Rs. 16853.68 lacs, increase by Rs. 2172.15 lacs from last year. Increase in income is mainly due to increase in the sales of Rs. 9314.48 Lacs from the last year. The Total expenses for the current year has increased by Rs. 2003.87 Lacs in comparison to the last year expenses. Profit after tax for the year was Rs. 650.43 Lacs decreased by Rs 12.47 Lacs from the last year.

DIVIDEND

With a view to conserve resources with the Company the Board of Directors have decided not to recommend any dividend for the year 2004- 2005.

CAPITAL ISSUE

During the year under review the Company has not allotted any fresh equity.

PROGRAMMING (PRESENT)

INDIAN TELEVISION SCENARIO

The Television market in India consists of revenue from the Subscription, Advertising, and Software segments. The television software segment consists of revenue earned by the producers of television content.

Overall, the Indian broadcasting industry has been growing at a fast pace. It is expected to grow @ 15% per annum in the future. The growth would be driven by both, advertisement revenues as well as by Cable and Satellite penetration.

The findings of the recent National Readership Survey (NRS) 2005 reveal that Cable and Satellite (C&S) penetration has increased by 53% to 61 million homes in 2005, up from 40 million homes in 2002. Only 56% of all TV homes in India have C&S subscription, therefore there is an immense scope for further growth.

Television now reaches 108 million homes, which means it has just crossed the 50% mark of all homes, thus reflecting a growth of 32% since 2002 in terms of television penetration and will continue to grow at the same pace, if not faster.

In 2002, there were 134 million individuals watching TV in an average week; in 2005, that number has risen to as many as 190 million individuals.

The TV sector now contributes over 60% of the entertainment industry revenues. The Indian Television Industry registered a high growth in 2004 with Rs. 1380000 lacs in revenues. This represents a growth of 13% over the previous year.

The industry is expected to grow at an average of almost 18% over the present decade to touch revenues of Rs. 3710000 lacs in 2010.

IMPORTANCE OF TELEVISION CONTENT

Today, channels are investing heavily in content, and in its promotion, marketing and distribution. This is because the primary differentiator across all General Entertainment Channels today is the quality of content of the programs that are aired for audiences across the entire Hindi-Speaking Markets.

The importance of good quality original programming cannot be overstated, and in keeping with its spirit of producing superlative entertainment, the Company has produced, commissioned and acquired a broad spectrum of programs across genres such as soaps, family dramas, top-notch children's shows, thrillers, star-studded events, feature films across film-based programs and of course, India's first and only Live Game show!

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PROGRAMS - SAHARA ONE TELEVISION

Dial One Aur Jeeto	-	The biggest innovation in non-fiction programming across all GECs this year.
Raat Hone Ko Hai	-	A serial of gripping supernatural thriller stories. Directed by the renowned Shri B.P. Singh and produced by Fireworks Productions.
Ruby Duby Hub Dub	-	Produced by Creative Eye.
Kamini Damini	-	Directed by famous director Ravi Chopra.
Baal Baal Bachche	-	Produced by the celebrated producer - director duo of Tony and Deeya Singh.
Bollywood Aur Kya!	-	A complete Bollywood film magazine.

REALITY SHOWS

The year also marked a turn around in the fortune of reality shows. For viewers getting an overdose of family soap operas, the reality show 'Mr & Mrs Bollywood' launched by your company, was a great success.

CRITICAL ACCLAIM FOR SAHARA ONE TELEVISION PROGRAMS

Several of our shows won critical acclaim by being nominated for/winning awards. The following is a list of award-winning and award-nominated shows:

SHOW	CATEGORY	AWARD WON/ NOMINATION FOR
Haqeeqat	Best Actress- Geeta Nair	Hero Honda ITA Awards
Cinema Ghar	Best telefilm "PHIR SE"	RAPA Awards
Haqeeqat	Best Drama	RAPA Awards
Kadam	Best Mini Series	Hero Honda ITA Awards (Nominated)
Ruby Duby Hub Dub	Best Comedy Series	Marshall's Comedy Awards (Nominated)
Malini Iyer	Best Actress in a comic Shridevi	Marshall's Comedy Awards (Nomination)

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