



INDIA'S No.1 NEWS NETWORK

ANNUAL REPORT 2008 – 2009

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BOARD OF DIRECTORS

Aroon Purie, Chairman & Managing Director

Anil Mehra

Anil Vig

Rakesh Kumar Malhotra

Rajan Bharti Mittal

Rajeev Thakore

Audit Committee

Rakesh Kumar Malhotra, Chairman

Anil Mehra

Rajeev Thakore

Chief Executive Officer

G. Krishnan

GM (Legal) & Company Secretary

Ashok Kumar Vermani

Auditors

Price Waterhouse
Chartered Accountants
New Delhi

Bankers

Canara Bank
IDBI Bank Limited
ICICI Bank Limited

Registered Office

Videocon Tower
E-1, Jhandewalan Extn.
New Delhi - 110 055

Registrar & Transfer Agents

MCS Limited
F- 65, Okhla Industrial Area
Phase-I, New Delhi-110020

DIRECTORS' REPORT

TO THE MEMBERS

Your Directors are pleased to present the Tenth Annual Report together with the Audited Statement of Accounts of the Company for the financial year ended 31st March 2009.

1. Financial Results

The financial results of the Company for the year ended 31st March 2009 are summarized below for your consideration.

(Rs. in crores)

Particulars	Year Ended 31 st Mar'09	Year Ended 31 st Mar'08
Income from operations	249.99	231.06
Other income	24.21	20.37
Profit before Finance, Amortization, Depreciation and Tax	68.46	82.92
Interest and Finance Charges	0.14	0.09
Depreciation	19.42	16.01
Misc. Expenses Written off	-	-
Profit before tax	48.90	66.82
Employee Stock Compensation Expense	0.16	0.11
Provision for Tax	15.19	23.16
Net Profit	33.55	43.55
Balance amount brought forward	110.84	82.38
Profit Available for appropriation	144.39	125.93
Transferred to General Reserve	5.00	10.00
Proposed Dividend	4.35	4.35
Corporate Dividend Tax	0.74	0.74
Balance Carried forward	134.30	110.84

2. Performance

During the financial year under review, your Company's revenue from operations has been Rs. 244.99 crores compared to Rs. 231.06 crores last year, an increase of 8.20%. Profit before tax has been Rs. 48.90 crores compared to Rs. 66.82 crores last year, registering a decline of 26.81% over the last year. Profit after tax has been Rs. 33.55 crores compared to Rs. 43.55 crores last year, registering a decline of 23% over the last year. The global economic slow down started impacting India also from October-November 2008, to which your company was no exception. Your company's business model is such that it mainly depends on Ad Revenues. The overall discouraging economic scenario, lead to cost cutting across the corporate world resulting into reduced expenditure inter-alia on advertisements and pressure on margins. This coupled with significant increase in the distribution and employee costs over the years affected

the profitability. Inspite of this your Company due to its Channels impeccable reputation and leadership position of the flagship channel "AAJ TAK", and confidence reposed by its viewers and clients managed to achieve a reasonably satisfactory performance.

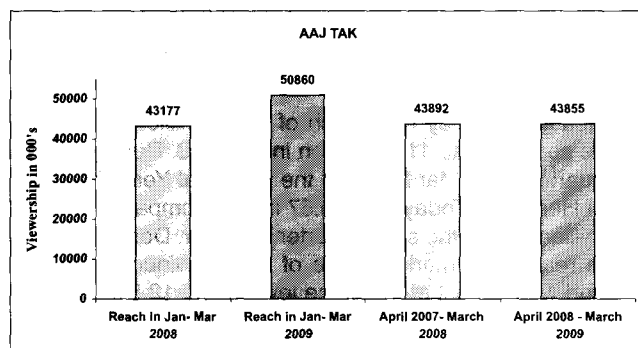
During the year, TV Today has been recognized as a Business Superbrand by the Superbrands Council. This is the second time your Company has received this award. Your Company is the only television network to be felicitated with this honour in India.

AAJ TAK

Aaj Tak continued to maintain its leadership position for the 8th consecutive year despite increased competition in the Hindi news genre by the existing as well as new news channel launched in last year. Viewers reposed confidence in Aaj Tak for the eighth consecutive year due to its editorial excellence, fair and unbiased reporting, launch of new innovative current affairs programmes catering to different segments of society and a motivated team of well-qualified professionals.

Inspite of intense competition and a cluttered news space, Aaj Tak continues to dominate by being the channel of choice during key events. Whether it's a national or an international event, the credibility of Aaj Tak is unmatched. Infact during the live counting of the election results, Aaj Tak's viewership was much higher than all the Entertainment channels.

During the year viewership of 'Aaj Tak' news channel has been 43.85 million compared to 43.89 million last year. However during the quarter January-March 2009, the viewership of Aaj Tak was 50.86 million compared to 43.18 million during the same quarter last year.



Source: TAM
TG: 4+ yrs cs
All India
Period: Average of 52 weeks of financial year

In recognition of its leadership position, Aaj Tak has been conferred with the following prestigious awards:

Gold Awards 2008

- Best Hindi News Channel – Aaj Tak

Indian Telly Awards 2008

- Best Hindi News Channel – Aaj Tak (Received the award for the 8th year in a row)

Indian Television Academy Award 2008

- Best Hindi News Channel – Aaj Tak (Received the award for the 6th year)

News Television Award 2008

- Best Hindi News Channel – Aaj Tak

HEADLINES TODAY

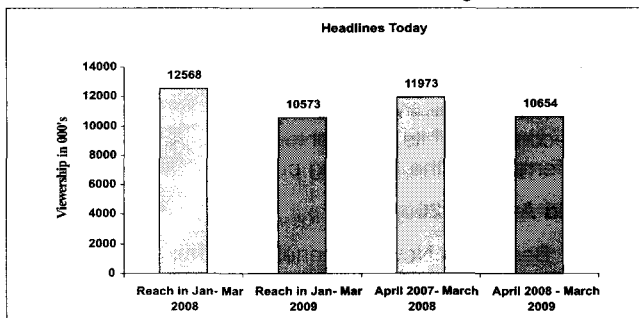
2008-09 was a very fruitful year for Headlines Today. The channel succeeded in carving a strong niche for itself as a channel that is the premier destination for a young news audience. The channel focused heavily on building a strong news identity for itself. The channel's coverage during the Mumbai terror attacks and the general elections went a long way in establishing a strong connect with the urban news audience.

During the year, Headlines Today also emerged as the number one destination for entertainment and sports news among the English news channels. Shows like Grand Stand and Action Station and Entertainment Quarter have been performing very well during their time bands. The channel has put together a strong news gathering team that has breaking some of the biggest stories of the last few months and has also helped put together several shows and specials that have had a strong impact on the administration and civil society.

The channel has been going through a period of consolidation and builds up over the last year and a half. International consultants have been called to train the editorial staff and bring them up to speed with international techniques in broadcasting. The prime time FPC of the channel has also been repositioned and shows like Ground Zero, Headlines Tonight, Centre Stage and Inside Story have emerged as strong news brands.

The channel is now poised to make strong gains over the next twelve months.

Headlines Today had reach of 10.65 million in 2008-09 as compared to 11.97 million in 2007-08. During the last quarter (Jan- Mar 2009) of the Financial Year, the reach of Headlines Today was 10.57 million compared to 12.57 million during the same quarter last year. Despite decline in reach, the market share of HT remained unaffected and was almost at the same level being 12.5%.

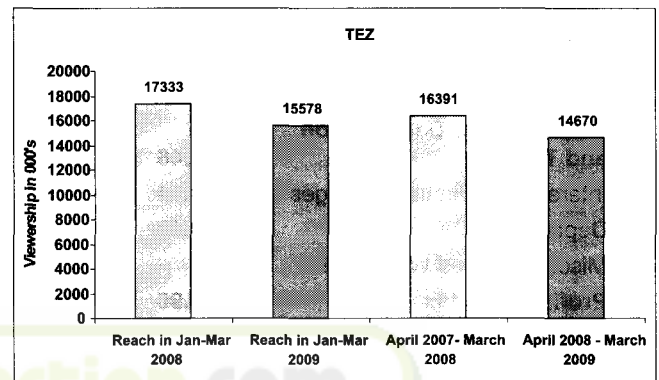


(Source: TAM
TG: 4+years cs
All India Market)
Period: Average of 52 weeks of financial year

Tez

Tez was launched to cater to the news viewer who has little time and wants condensed news, mostly in the target group of Male, 25-44 years, SEC AB. Even with the introduction of many news channels (News 24, VOI, etc), Tez managed to hold its own and retained its ratings in 2008-09 over the preceding year. It also helped in flanking and adding to Aaj Tak, thereby protecting the main channel from outside attack.

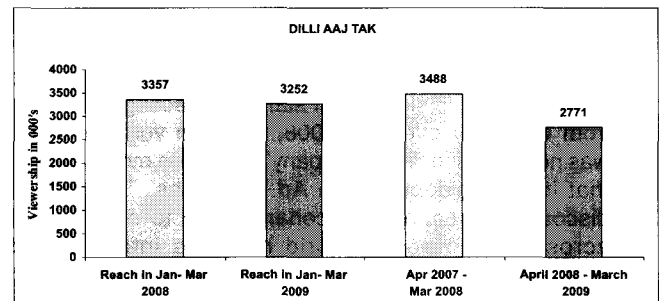
In the full year of operation ended March 31, 2009, "Tez" had reach of 14.67 million viewers in the Country as compared to 16.39 million last year. During the quarter January-March 2009, the reach of "Tez" was 15.58 million compared to 17.33 million during the same quarter last year.



(Source: TAM
TG: CS 4+years
All India Market)
Period: Average of 52 weeks of financial year

Dilli Aaj Tak

"Dilli Aaj Tak", with a caption "Aap Ka Shahr Aap Tak", a Metro centric 24x7 Hindi news channel was launched to cater to Delhi and NCR viewers. The channel has a news-you-can-use format, and has been No.1 in Delhi since the date of its launch in Delhi with an average viewership of 2.77 million in 2008-09 as compared to 3.49 million in 2007-08. During the quarter January-March 2009, the reach of "Dilli Aaj Tak" was 3.25 million compared to 3.36 million during the same quarter last year. In spite of new competitors, Dilli Aaj Tak has been able to further consolidate its presence in terms of market share which went up by 9% from 49.9% in 2008 to 58.9% in 2009.



(Source: TAM
TG: CS 4+years
All India Market)
Period: Average of 52 weeks of financial year

Delhi's rising consumerism, booming economy, rapidly improving infrastructure, among other things, have made it a city to reckon with at a global scale. Dilli Aaj Tak will address these and other issues to the viewers of Delhi and NCR.

There has been a decline in 'Reach' figures for HT, Tez and DAT because of distribution of viewers into newly launched channels in both News genre (such as News 24, NewsX, UTV Business, VOI, India News, CNEB, Space TV) as well as in Entertainment (such as Colors, NDTV Imagine, 3 others channels of UTV, NDTV show biz and Luminare) and many Regional channels. Decline in reach was also due to enormous increase in distribution cost in turn affecting the connectivity for most of the channels.

The Viewership pattern if analysed, has thus fallen for almost all news channels in the range between 10% to 20%. Thus, there was a general trend of decline in reach and the impact was not specific to your Company's channels.

3. Dividend

Your directors are pleased to recommend for your consideration and approval payment of dividend 15% amounting to Rs. 0.75 per equity share of Rs. 5/- each for the financial year 2008-09. Total amount of dividend outgo for the financial year shall be Rs. 5.08 crores (including Corporate Dividend Tax amounting to Rs. 0.74 crores).

4. Directors

In accordance with the provisions of Section 256 of the Companies Act, 1956 and the Articles of Association of your Company, Mr. Anil Mehra and Mr. Rajeev Thakore, Directors, liable to retire by rotation at the forthcoming Annual General Meeting and being eligible, offer themselves for re-appointment. Your Directors recommend re-appointment of Mr. Anil Mehra and Mr. Rajeev Thakore as Directors on the Board of the Company.

5. Directors' Responsibility Statement

As stipulated in Section 217(2AA) of the Companies Act, 1956, your Directors' subscribe to Directors' Responsibility Statement and confirm that:

- in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year 2008-09 and of the profit of the company for that period;
- they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

- the annual accounts have been prepared on a going concern basis.

6. Subsidiary Company

The Audited Statement of Accounts, alongwith the report of the Board of Directors and the Auditors' Report pursuant to Section 212 of the Companies Act, 1956 of the wholly owned subsidiary Company, TV Today Network (Business) Limited, for the year ended on 31st March 2009 is annexed.

7. Consolidated Accounts

In accordance with the requirement of Accounting Standard 21 of the Institute of Chartered Accountants of India to present Consolidated accounts, your Company, in compliance with the said requirement has prepared the Consolidated Accounts which is annexed herewith.

8. Buy Back of Equity Shares of the Company

During the year, your Company launched its Buy back scheme for purchase of its Equity shares through open market under the Stock Exchange Mechanism.

The Buy-back Scheme opened on 16th March 2009. Under the Scheme your Company bought back and extinguished 41,132 Equity Shares upto 31st March 2009.

9. Proposed Merger of Radio Today with the Company

The Board of Directors of your company had in 2007-08 approved in principle the merger of Radio Today Broadcasting Limited (a fellow subsidiary) with your company (with the appointed date for the proposed merger being 01.04.2007), subject to necessary approval of Ministry of Information and Broadcasting (MIB). Since the proposed merger would have resulted in transfer of Radio license from RTBL to TV Today, MIB was of the view that their guidelines did not permit of any transfer for a period of five years irrespective of whether the major shareholder in the merged entity was the same.

Thus for want of MIB clearance, no further action could be taken. The policy in regard to the transfer of licence was revised by MIB in late 2008. In the light of this change, your Directors were examining various options which could be adopted in the best interest of the company.

10. Fixed Deposit

During the year, your Company has neither invited nor accepted/renewed deposits from the Public within the meaning of Section 58A, 58AA and other relevant provisions of the Companies Act, 1956, if any.

11. Auditors

The Statutory Auditors of your Company M/s Price Waterhouse, Chartered Accountants holds office up to the conclusion of the forthcoming Annual General Meeting and have offered themselves for re-appointment. They have confirmed that, if re-appointed, their appointment would be within the limits prescribed under Section 224 (1B) of the Companies Act, 1956. Your Directors recommend their re-appointment as Statutory Auditors of the Company.

12. Auditors' Report

There are no qualification or adverse remark of the Auditors on the Accounts of the Company for the financial year ended 31st March 2009 requiring comment from the Board of Directors.

13. Corporate Governance

In accordance with Clause 49 of the listing agreement, your Company has ensured continued compliance of Corporate Governance requirements during the financial year. Your Company lays strong emphasis on transparency, disclosure and independent supervision to increase various stakeholders' value.

The report on Corporate Governance for the financial year 2008-09 is given as a separate section titled "Report on Corporate Governance" and Certificate of Company Secretary in Practice as required under the revised Clause 49 of the listing agreement is appended herewith which forms part of this Annual Report.

14. Employees Stock Option Plan

Human Resource is the key to the success of any organization. The Company has always valued its human resources and has tried to adopt the best HR practices. To retain and nurture well-performing employees who are contributing to the growth of the Company, your Company introduced stock option plan (ESOP) for its employees and Directors in 2006. The disclosures in compliance with clause 12 of the Securities and Exchange Board of India (Employees Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (as amended) are set out in the Annexure appended herewith.

A certificate from Statutory Auditors, with regard to the implementation of the Company Employees' Stock Option Scheme, would be placed before the shareholders in the next Annual General Meeting, and a copy of the same shall be available for inspection at the registered office of the Company.

15. Management Discussion and Analysis

Separate report on Management Discussion & Analysis is appended herewith.

16. The Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988.

In terms of the requirement of clause (e) of sub-section (1) of Section 217 of the Companies Act, 1956, read with

the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, the particulars with respect to "Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo" are given as under:

(a) Conservation of Energy	: Not Applicable
(b) Technology Absorption	: Not Applicable
(c) Transaction in Foreign Currency :	
i) Value of Imports (CIF basis)	Rs. 87,790,185
ii) Expenditure in foreign currency (Accrued basis)	
(a) Traveling Expenses	: Rs. 14,893,491
(b) Production Cost	: Rs. 95,282,333
(c) Repair and Maintenance:	Rs. 1,121,505
(d) Others	: Rs. 1,645,729
(d) Income in foreign currency	: Rs. 74,091,935 (Accrued basis)

17. Particulars of Employees

Particulars of Employees as required under Section 217 (2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 (as amended) is annexed hereto and forms part of this report.

18. Acknowledgment

Your Directors place on record their deep appreciation of the contribution made by all section of employees with dedication, commitment and team effort which helped your Company in achieving the performance during the year despite stiff competition from the existing as well as new players in the news and current affairs genre.

Your Directors also acknowledge with thanks the support given by the Central Government, bankers, shareholders and investors at large and look forward to their continued support.

For and on behalf of the Board of Directors

Place : New Delhi
Date : June 18, 2009

Sd/-
Anil Mehra
Director

Sd/-
Aroon Purie
Chairman &
Managing Director

Note: As per the provisions of Section 219(1) (b) (iv) of the Companies Act, 1956, read with amended Clause 32 of the Listing Agreement with the Stock Exchanges, the Annual Report is being sent to all shareholders of the Company excluding Particulars of Employees under Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975. Any shareholder interested in obtaining such particulars may write to the Company Secretary at the Company's New Delhi office at Videocon Tower, E-1, Jhandewalan Extension, New Delhi-110 055.

INFORMATION REGARDING THE EMPLOYEES STOCK OPTION PLAN
(As on March 31, 2009)

Sl. No.	Particulars	First Grant	Second Grant	Third Grant	Fourth Grant
I	Date of Grant	December 01, 2006	March 01, 2007	December 1, 2007	June 24, 2008
II	Market value on date of grant of the underlying equity shares	Rs. 74.35	Rs. 134.85	Rs. 152.75	Rs. 93.15
III	Exercise Price(50% of options) (Balance 50% of options)*	Rs. 74.35 Rs. 44.35	Rs. 134.85 Rs. 104.85	Rs. 152.75 Rs. 122.75	Rs. 93.15 Rs. 63.15
IV	Vesting Period	4 Years	4 Years	4 years	4 years
a	Options Granted (NET OF OPTIONS CANCELLED)	2,05,500	55,000	15,000	1,29,500
b	Pricing Formula	50% of options are granted at the market price and balance 50% of the options at a discount to the market price. Discount shall vary from Rs. 0 to Rs. 30/- depending upon the meeting of the performance criteria by the employee from year to year.			
c	Option Vested	9,000	NIL	NIL	NIL
d	Option Exercised	9,000	NIL	NIL	NIL
e	Number of shares arising as a result of exercise of option	9,000	NIL	NIL	NIL
f	Option Lapsed	NIL	NIL	NIL	NIL
g	Variation of terms of options	NA	NA	NA	NA
h	Money realized by exercise of options	5,34,150	NA	NA	NA
i	Total number of options in force	1,96,500	55,000	15,000	1,29,500
j	Employee-wise details of options granted to i) Senior Management Personnel	<ol style="list-style-type: none"> 1. Q.W Naqvi - News Director - 45,000 options 2. Rajnish Rikhy - Senior VP-Ad Sales - 45,000 options 3. Rajmohan Nair - VP-Network - 45,000 options 4. Sanjay Jain - VP-Finance - 3,000 options (resigned) 5. Rinku Paul - GM - Ad Sales - 15,000 options 6. Nikita Tulsian - GM-Ad Sales - 15,000 options 7. Satyaky Chowdhury - GM-Ad Sales - 15,000 options 8. Rehan Kidwai - VP-Operations - 15,000 options 9. Prince Sharma - VP-Technology - 22,500 options 10. Sona Jha - Executive Producer - 15,000 options 11. Amitabh - Executive Producer - 15,000 options 12. Shailesh Kumar - Executive Producer - 15,000 options 13. Bijo - GM-Ad Sales - 10,000 options 14. Rahul Kanwal - Executive Producer - 15,000 options 15. Sharmya Dasgupta - Deputy Editor - 9,000 options 16. Denzil O'Connell - Associate Executive Producer - 9,000 options 17. Sakka C Jacob - Associate Executive Producer - 9,000 options 18. Ritul Joshi - Deputy Editor - 7,500 options 19. Sonia Singh - Senior Special Correspondent - 7,500 options 20. Sahil Joshi - Bureau Chief - 7,500 options 21. Deepak Sharma - Editor - 7,500 options 22. Shams Tahir Khan - Editor - 7,500 options 23. Vikrant Gupta - Editor - 7,500 options 24. Gautam Roy - Senior Special Correspondent - 7,500 options 25. Rashim Sharma - Senior Producer - 7,500 options 26. Avantika Singh - Associate Senior Producer - 7,500 options 			

		27. Samip Rajguru - Senior Special Correspondent - 5,000 options 28. Sanjiv Chauhan - Special Correspondent - 5,000 options 29. Prateek Trivedi - Special Correspondent - 5,000 options 30. Nida Khan - Associate Senior Producer - 5,000 options (Out of above, 9,000 options have been exercised as mentioned under Sl. No. d)			
ii)	Any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year;	None.			
iii)	Identified employees who were granted options, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of the grant.	None.			
k	Diluted Earnings Per Share (EPS) pursuant to issue of shares on exercise of options calculated in accordance with accounting Standard (AS) 20 'Earning Per Share'.	Rs. 5.78			
l	In case, the employees compensation cost is calculated on the basis of intrinsic value of stock option, the difference between the employees compensation of the stock option cost based on intrinsic value of the stock and the employees compensation of the stock option cost based fair value, and the impact of this difference on profits and on EPS of the Company.	The Company has used intrinsic value method for calculating the employee compensation cost with respect to the Stock Options. If the employee compensation cost for the ESOP had been determined in a manner consistent with the fair value approach the Stock Option compensation expenses would have been higher by Rs. 5.95 million. Consequently, the profit would have been Rs. 329.54 million instead of the current profit of Rs. 335.49 million and the EPS of the Company would have been (Rs. 5.68) instead of (Rs. 5.78).			
m	For options whose exercise price either equals or exceeds or is less than the market price of the stock the following are disclosed separately: a) Weighted average exercise price i) when the exercise price is equal to market price ii) when the exercise price is less than market price b) Weighted average fair value i) when the exercise price is equal to market price ii) when the exercise price is less than market price	Rs. 93.15	Rs. 63.15	Rs. 63.62	Rs. 67.86
n	A description of the method and significant assumptions used during the year to estimate the fair value of options, including the following weighted-average information: i) risk-free interest rate; ii) expected life; iii) expected volatility; iv) expected dividends; and v) the price the underlying shares in the market at the time of option grant.	7.35% 10 years 48.28% 1.01% 74.35	7.87% 10 years 55.44% 0.56% 134.85	8.07 % 10 years 51.27 % 0.49 % 152.75	8.83 % 10 years 58.35 % 0.83 % 93.15

* Maximum discount of Rs. 30/- which may vary between Rs. 0 to Rs. 30/- based on the employees performance.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

INDUSTRY STRUCTURE AND DEVELOPMENTS

Despite the global slow down, which did not spare even the emerging economies, like India, the Indian Entertainment and Media Industry (IEM), still continues to be one of the fastest growing sectors in India. The industry during the last four years 2005-08 grew at an average annual rate of 15% and was estimated to be Rs. 584 billion in 2008. Though the industry's growth rate is expected to slow down to 12.5% in 2009-13, still over the next five years the industry size is expected to be \$21 billion from the present \$11.68 billion. The growth rate is expected to remain subdued at 7.5% in 2009 and 10% in 2010, according to a latest report of KPMG and FICCI. Television which had remained a government controlled/dominated medium till about two decades back was today the fastest growing among the various media segments across the socio-economic classification. From a handful of channels, currently there are more than 400 channels giving the viewers a very wide choice. As per industry estimates the television sector in India accounted for more than 1/3 of the total advertisement spends in India by the advertisers.

There has been significant shift in the approach and TV is no more confined to mass entertainment channels, but has lead to emergence of specific channels for News, Sports, Movies, Music, nature, regional etc.

INDUSTRY GROWTH – FUNDAMENTAL DRIVERS

The key growth drivers which have enabled the sector to grow so fast are:

- **Socio-economic environment** – India has a distinct advantage of favourable demographic composition. A large percentage of country's population is young and working and the emergence of this young middle class with increased disposable incomes coupled with rapid economic growth witnessed during the last decade due to liberalization of economic policies signifies good potential for increased marketing and advertising spends in the country.
- **Digitization** – Digitization which has been a big trend abroad has made its impact on the Indian media industry too particularly TV, Music and Films witnessing ever increasing trend towards digitalization. In the TV segment, the wave has been lead by DTH. With the launch of Reliance-Big TV and AirTel digital services, in addition to already existing players like Tata Sky, Dish and Sun TV, year 2008 witnessed an increasing penetration of DTH with subscriber base touching almost 10 million mark. Although the adoption of CAS was relatively slower than expected yet, aggressive digitization of cable network in big cities helped push the digital set top boxes penetration.
- **Emergence of Focused Channels** – The emerging trend

of focused channels – News, Sports, Movies, Music, Nature, Regional etc. has lead to segmentation of audience catering to different preferences and tastes. This in turn has been giving a leverage particularly to the regional advertisers to reach out to their consumers in a more effective manner.

- **Convergence** – Given the growth both IT and Telecom (especially mobile & wireless) have witnessed during last decade, Convergence coupled with availability of multiple platforms of media services holds a good poetential for marketing the same content over various platforms such as internet , mobile etc.

Apart from the above, the other important factors that have facilitated growth. are - Increasing penetration of TV's and C&S homes, gradual de-regulation in industry policies, regionalization, increasing international demand for Indian content; easier availability of institutional capital for funding growth, etc.

OPPORTUNITIES, GROWTH DRIVERS & CONCERNS

The growth has been evident in varying proportions across the different segments of the IEM Industry i.e. Television, Print and Internet being the major media in terms of size and growth rates apart from other segments such as radio, out of home, mobile. With the emergence of trends towards convergnce and availability of multiple media vehicles, the Indian Entertainment and Media Industry has been witnessing structural shifts with consumers increasingly taking control of their media consumption

With the ever increasing number both of the channels and the viewers, and TV being the key and an effective medium of communication, TV was expected to continue to dominate the media business. Further The launch of more DTH players along with the existing established players was likely to drive digitization in near future. This could provide opportunities to tap greater subscription revenues.

In the Broadcasting segment, increased penetration of TV in the Indian homes has provided impetus to the growth of the Indian TV industry.

Further increased consumer spending is likely to have greater impact on revenue streams.

The two revenue streams for the M&E industry are advertising and subscription/purchase revenues. The Indian television industry has recorded a growth of rate of around 14% on an average during the last 4-5 years. It was expected to grow at a CAGR of 14.5% to \$9.45 billion in 2013 from \$4.81billion in 2008.

This growth would come from increase in television advertising spends, augmentation in the reach of cable television, and moderate growth in the average revenue earned per cable subscriber.