



investing in future



||| VASUDHAIVA KUTUMBAKAM |||
THE WORLD IS MY FAMILY

ANNUAL
REPORT
2016-17

ZEE MEDIA CORPORATION LIMITED

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Caution regarding forward looking statements:

Certain statements in this annual report concerning our future growth prospects are forward-looking statements, which involve a number of risks and uncertainties that could cause actual results to differ materially from those in such forward-looking statements. We have tried wherever possible to identify such statements by using words such as 'anticipate', 'estimate', 'expect', 'project', 'intend', 'plan', 'believe' and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward looking statements will be realized, although we believe we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should, known or unknown risks or uncertainties materialize, or should underlying assumptions prove inaccurate, our actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind.

We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.





investing in future

Success is a measure of those who remain relevant, yesterday, today and tomorrow. It is about those who remain conscious and aware of their challenges, opportunities and strengths. Such people and businesses prove their success, sustainability and relevance in the long term; and stay on top of their business and industry environment.

At Zee Media, our story is of continuous innovation, investment and making an impact. As an organization, we are forever evolving and always on the move. At every stage of our journey we remained focused on investing in our future. Started in 1999 with one channel, today we are India's largest TV News Network with 1 International Channel, 3 National Channels and 7 regional channels that reach 352 million viewers. We have always been at the forefront of country's Television News ecosystem. We are determined to stay there and grow further. Our resolve has always been accompanied with tenable actions and backed by strategic insights.



During FY 2016-17, we were consistently '**Investing in future**' and took a few big leaps. We made definitive progress towards adding Radio and Home-Shopping businesses to our existing media business portfolio, besides going global with the launch of WION. To augment our future growth, we further strengthened our Digital platform with new launches and have planned further initiatives in FY 2017-18.

Furthermore, it was imperative for the internal organization to be future ready. We continued to invest in a slew of measures spanning operational improvements, marketing, branding, investments and enrichment of our viewers' experience. Our revenue growth was largely flat and our operating profit was impacted. This performance was against the backdrop of our commitment towards '**Investing in future**' and the challenging yet transformational developments across the economy and the industry.

We believe that '**Investing in future**' is essential from growth perspective as well as for sustainability of any organization as a strong player in the market.



INVESTING IN FUTURE

building a robust media enterprise



ZMCL, being a responsible business entity, is always committed to build a profitable and sustainable enterprise for all our stakeholders. We have been through one of the most eventful decades for Indian Economy and Media & Entertainment Industry, while continuously evolving and staying ahead of the curve.



After building and sustaining as one of the largest Television News Network in the country, FY 2016-17 was one of the critical years towards building the media business of tomorrow. We invested significantly in new and promising future growth avenues, besides fortifying our existing propositions. These developments are aimed at creating a robust media enterprise in years to come.

During FY 2016-17, we launched India's first Global News Channel - WION or 'World Is One News' which is an extension of our corporate philosophy "Vasudhaiva Kutumbakam" (World Is My Family). We took definitive steps towards adding the high-potential business of Radio to our portfolio with the acquisition of 49% stake in India's largest Radio Broadcast Network - 92.7 BigFM. With both Radio and TV under one roof, ZMCL is well positioned to offer its audience and advertisers a value proposition in the form of a more effective reach over multiple platforms. The proposed acquisition is awaiting regulatory approvals. Additionally, we acquired 49% stake each in Today Merchandise Private Limited and Today Retail Network Private Limited, both of them being 'India Today Group' entities operating in the domain of home shopping business. In future, we plan to launch a Tele-Shopping Channel and an Online Retail portal to enter the E-commerce space.

With the above investments, targeted towards business growth and diversification, we plan to build the media enterprise of tomorrow.





INVESTING IN FUTURE

creating an empowering media house



Becoming a household name in the country, and a name to reckon with, was not a simple function of growth and expansion. All through our journey, we have emphasized on being stronger from within to deliver on our growth aspirations and to provide our audience with a media consumption experience to cherish. Investing in future for us implies as much focus on our delivery as on our growth.



Regional news has been our biggest strength and we have 7 regional channels in 5 languages today. To further augment this strength, we plan to launch more channels in regional space with focus on new markets and niche areas. We wish to take high quality news experience to everyone across the country and its hinterland.



Our brand ambassadors, our channels, continued to enhance our viewers' experience and increase our future prospects. We reached 352 million pairs of eyeballs through our Television Channels Network, while we were equally effective in new age digital reach with 345 million digital platform users. Our flagship channel Zee News reached 226 million viewers in March 2017. We launched two new digital platforms - Wionews.com and Zeebiz.com to expand our viewer base.

WION, our newest and the most ambitious offering, made a mark with 'Global Leadership Series' and engaged with world leaders, such as Bashar-Al-Assad, President of Syria and Recep Tayyip Erdogan, President of Turkey, among many others. We rechristened India 24X7 as Zee Hindustan with focus on developments across all 29 states of the country.

We furthered 'Orbit Shifting', our internal strengthening program, which aims at transforming the organization into a stronger team that is geared for next level of growth. Under this program, we are ingraining the following philosophies in our content:

- News programming from multiple lenses
- Enhance and not just Inform
- Introduction of Credibility Index

Investing in future surely aims at engaging and empowering our viewers.



our business portfolio

INVESTED FOR FUTURE



TELEVISION NEWS PORTFOLIO



Zee News: Pioneer in India's news broadcasting, Zee News is our Flagship national news channel with a reach of over 226 million viewers.

Language & Region: Hindi - National

Key Programs:

- **DNA:** The most viewed prime time news programme, serves daily dose of news and goes on to dissect and analyse important topics of the day.
- **Taal Thok Ke:** A debate based show that discusses important issues of the day.
- **Fun Ki Baat:** A news satire show anchored by RJ Raunaq
- **Dr Subhash Chandra Show:** Designed to guide country's youth towards developing spirit of entrepreneurship in everyday life



Zee Business: India's 1st 24-hour Hindi Business News Channel, with a reach of more than 28.7 million viewers.

Language & Region: Hindi - National

Key Programs:

- **Gen Next Budget:** Programming that captured the monumental budget 2017-18. Campaign was launched by the Finance Minister and was endorsed by the Prime Minister.
- **Sensex Ka Sultan:** Reality show with an aim to educate the investors.



Zee Hindustan: Erstwhile India 24X7, positioned to focus on developments across all 29 states of the country with reach of 137 million viewers.

Language & Region: Hindi - National

Key Programs:

- **CM's Corner:** Flagship show of Zee Hindustan and the only show covering all news of Chief Ministers of all States.
- **Jai Hind:** Exuberates patriotism, brings news related to the army and the soldiers from country's border.



WION: India's first International News Channel, commenced its operations in second half of FY 2016-17.

Language & Region: English - Global

Key Programs:

- **World Is One Global Leadership Series:** Involves exclusive conversations with world leaders and political influencers where they discuss their country's international relations, domestic politics and views on India.
- **Gravitas:** Discusses and deliberates with experts and analysts on crucial issues with focus on fast developing international and regional stories.



Zee 24 Taas: No. 1 Marathi News Channel with 51 million viewers.

Language & Region: Marathi - Maharashtra

Key Programs:

- **Ananya Sanman:** A unique platform to recognize and honour the unsung heroes of Maharashtra from different walks of life.
- **Young Innovator Awards:** Highlights student innovations that are powerful enough to bring a change in people's lives.



24 Ghanta: Bengali News Channel of the Network and the most viewed channel of the genre with 40.5 million viewers.

Language & Region: Bengali – West Bengal

Key Programs:

- **Ananya Samman:** Felicitates heroes of Bengal who walked the extra mile and distinguished themselves from the rest.
- **Zee Helpline:** Solves real issues affecting the viewers, helps them take their plight forward to the concerned authorities and get reprieve.



Zee Punjab Haryana Himachal: Caters to Punjab, Haryana and Himachal belt and reached 19.5 million viewers.

Language & Region: Punjabi and Hindi – Punjab, Haryana, Himachal Pradesh and Jammu & Kashmir

Key Programs:

- **Sarkar Se Samwad:** Creates an avenue for the masses to connect with the policy makers, to voice their grievances and to seek information on matters of the State.
- **Direct With Dinesh:** Connects with news maker of the week and asks questions concerning common people and on issues on the ground.



Zee Madhya Pradesh Chhattisgarh: No. 1 channel of the region for 79 weeks till March 2017, with reach of 32.5 million viewers

Language & Region: Hindi – Madhya Pradesh & Chhattisgarh

Key Programs:

- **Aap Ki Awaaz:** Raises, analyses and showcases the most important issue of the day.
- **Ye Dil Maange Swaraj:** Stories of people who act as lighthouses and inspire people to fight for their rights and to attain Poorna Swaraj.



Zee Rajasthan News: No. 1 Rajasthani News Channel with 28.2 million viewers.

Language & Region: Hindi – Rajasthan

Key Programs:

- **Zee Rajasthan News Talent Hunt:** Held auditions across 33 cities of Rajasthan to search for and to highlight the young singing and dancing talent of Rajasthan.
- **Police Awards:** Felicitates police personnel and officials of Rajasthan Police for their bravery and devotion towards the service.
- **A Dialogue with JC:** Weekly show featuring candid and pertinent conversations with top political, social and economic leaders in a rendezvous with Mr Jagdish Chandra.



Zee Kalinga News: Catering to Odisha region and reaching 14.8 million viewers

Language & Region: Odia – Odisha

Key Programs:

- **Satya Ra Samna:** A debate based show that unearths and exposes big illegalities and scams
- **Full Politics:** Dramatization of past week's political news



Zee Bihar Jharkhand: Erstwhile Zee Purvaiya, the Channel reached 27.5 million viewers.

Language & Region: Hindi – Bihar & Jharkhand

Key Programs:

- **Education Summit:** Provides a forum for the government to interact with educators and student community.
- **Healthy Living Award:** Promotes healthy lifestyle by awarding the key personalities and achievers of the health sector.

DIGITAL NEWS PORTFOLIO

Zeenews.com: Our flagship web news platform, registered 43% growth in visitors in FY 2016-17 to 230 million from 160 million in FY 2015-16.

message to shareholders



Dear Shareholders,

India's robust economy and its transformational initiatives hold a promise for a better tomorrow. The passage of GST Bill may ease the barriers of trade and create atmosphere conducive for transparent tax collections, thereby giving boost to economic reforms. The Indian television industry witnessed a modest 8.5% growth in FY 2016-17, although it is expected to achieve a much higher 14% growth over the next five years. Advertisement revenues witnessed double digit growth led by IPL, T20 World Cup and 4G services launch. Digital Advertisement revenues maintained their high growth trajectory at 28%. News genre, with enhanced coverage and engaging content, witnessed a surge in viewership, which augurs well for the business.

'When the going gets tough, the tough gets going'

At ZMCL, we sincerely believe in this adage and therefore, we always do a crystal ball gazing into the future. In our fast paced and highly competitive industry where technology and consumer behaviour play a key role, our focus on innovation, agility, foresightedness and risk appetite support us to stay ahead in the learning curve. These abilities and focus make us one of the largest TV news network in the country, with a bouquet of 11 news channels and reach of more than 352 million viewers.

Zee News, our flagship channel, emerged among the top three channels in the genre due to relentless focus on innovative content. The channel dished out some very innovative programming like 'Fun Ki Baat,' while also adding flavour to election coverage with programmes like 'Satta Ka Gulaal'. Zee News today is at a healthy position among the top Hindi news channels and is predominantly emerging with high share of voice in prime time news.

WION (World is One News), India's Global Voice to the world, is dedicated to Indians who think global, to NRIs who make the country proud and take keen interest in developments in India, and any resident abroad interested in India. The channel has successfully aimed at presenting India's viewpoint to the World. The channel's special programme 'World Is One Global Leadership Series' is making its impact and Global Leaders today prefer to air their views on the channel.

“ We believe media and communication business is better promoted by investing in people, process and technology. ”

Zee Business, ZMCL's Business channel, continues to be the favoured source of news, views and analysis for the discerning viewer by offering him insights into the economy, both national and international. The channel emerged as a thought leader in its domain with impactful, in-depth and timely coverage on the historic Budget Day 2017 and was one of the 1st channels to air an exclusive interview with the Finance Minister on this epic event.

ZMCL is committed towards building a robust Digital Organisation with diverse products and unique positioning. In FY2016-17, we focused on organisational alignment towards a Digital Future. Our flagship web platform, Zeenews.com registered a roaring increase in traffic. Moreover, we expanded our portfolio through launch of two new web platforms, wionews.com, our global news platform, and zeebiz.com, our business news platform.

Acquisition of 92.7 Big FM will help diversify ZMCL's revenues and will help cater to a wide range of audiences while providing marketers with tailor-made and engaging advertising solutions in the geography of their choice. Acquisition of home shopping business will help us enter into this high growth industry.

We believe media and communication business is better promoted by investing in people, process and technology. It is our endeavour to adapt best practices, create an environment that acts as catalyst to growth of employees and uptake technologies that build a future ready organisation.

We would like to thank our shareholders, financial institutions, fellow employees and other stakeholders for their unrelenting confidence in the Company's growth story. As we move forward on a robust growth path, we seek your continued support in our evolutionary journey.

Rajiv Singh
Executive Director & COO



Dear Shareholders,

Fiscal 2016-17 was an eventful year both for the economy as well as for Indian Media & Entertainment industry, with the Indian Government working towards several landmark reforms that are likely to drive sustainable growth ahead. Of the many policy initiatives, demonetisation and gearing up for implementation of GST have been most significant. The year could be termed as evolutionary for the Indian Media and Entertainment industry. The digital ecosystem recorded a higher penetration into people's day to day lives and also opened up new avenues of consumption and revenue. The industry witnessed the emergence of Free to Air channels (FTA) and several pay channels converted to FTA with a focus on reaching target audience at a much higher scale. Emerging technologies initially provided additional avenues of growth and reach to the viewer and customer. Thereafter, they became a relevant aspect to improve product offerings and to diversify the overall audience base.

India is a country with population of 1.3 billion. Improving literacy rates and rising rural household income have encouraged people in smaller regions too to aspire for information through various means and in a localized manner. Further, increasing digitization, which facilitates better quality and a greater viewership, shall accentuate the growth of regional channels.

The regional channel industry, with content available in local languages, has developed its own niche in the past few years and is expected to play a pivotal role in the performance of the television industry. "Language" plays a key role as a cultural parameter and local news in local language is increasingly preferred by the regional audience. Television's entry in the regional space and rural heartland of India has made it possible for viewers to watch news and informative content on current affairs or local/regional developments in their own language which are akin to harbingers of local culture.

ZMCL is one of the largest news networks in India comprising 7 regional channels. Our Regional Channel Network stands at strong No. 1 or No. 2 position in most of the regions where it has a presence. During FY17, we remained focused on

consolidating our regional channels viewership through rich and engaging content, dedicated on local coverage.

With a slew of new launches planned during the next 2 years, we aim to emerge as the largest Regional News Network in the country.

With a slew of new launches planned during the next 2 years, we aim to emerge as the largest Regional News Network in the country. Our focus is to cater to largest audience with our broadcast and digital platforms and to enable our clients to effectively advance their businesses through our products.

Our business and financial strategies, and the operational decisions that stem from the above initiatives are designed to move Zee Media from strength to strength, and to ensure that its independence is preserved in a sustainable way.

At ZMCL, our vision is to become India's premium provider of quality content across all media platforms. We want to be the most respected, credible, innovative and culturally stimulating source of information for our audiences. We plan to utilize and imbibe the emerging and progressive technologies to improve our product offerings to our diverse audience base.

We further look forward to collaborate more with our investors, customers, employees and stakeholders whose constant support has made this growth a great success. I believe that as an enterprise we are well placed to deliver much better growth going forward backed by our well-defined business strategies, excellent infrastructure and robust brand. The doors to the future are wide open, and together we shall emerge through them stronger and more agile.

Jagdish Chandra

Executive Director - Regional News Channels

awards & accolades

Our corporate journey has been marked with aiming for and achieving excellence on a continuous basis. During FY 2016-17, Zee Media Corporation Ltd was awarded with several prestigious awards for its contribution to the country's news ecosystem.



NT Awards 2016:

- (1) Editorial Special Daily News Bulletin Award for **Daily News and Analysis** - Zee News
- (2) Editorial Special Award for TV News Presenter to **Mr. Sudhir Chaudhary** - Zee News
- (3) Best Promo Campaign by a News Channel - Hindi for **Vote PSAs** - Zee News
- (4) Best Use of Graphics by News Channel to **Zee News**
- (5) Best News Channel Website for **Zeenews.com**

BCS Ratna Awards 2017:

- (1) Best Primetime News Show: **DNA: Daily News & Analysis** - Zee News
- (2) Best Positive News Show: **Aapki News** - Zee News
- (3) Best Story Coverage: **Cancer Yatra** - Zee News
- (4) Jury Award: **Dr. Subhash Chandra Show** - Zee News
- (5) Best DEBUT Channel News - **WION**

