

A large, colorful braided rope runs horizontally across the middle of the page. The rope is composed of multiple strands in red, green, yellow, blue, purple, white, and black, which are intricately woven together. Some strands are loose on the left side, while others are part of the main braid.

Collaborative Strategies **Cohesive Growth**

ZEE MEDIA CORPORATION LIMITED

CIN: L92100MH1999PLC121506

Annual Report 2017-18



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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 materialise, 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.

COLLABORATIVE STRATEGIES COHESIVE GROWTH



Why settle for less when we can collaborate to achieve much more.

When change is the only constant, the equation of success changes from running alone on a track to conquering the target with worthy collaborating partners alongside. With businesses across the globe undergoing changes of varying magnitudes, incremental growth will imply changing scale, scope and complexity of a kind wherein no one sector or stakeholder will be able to manage transformation alone. The businesses of tomorrow will require alliances that will bring different partners together to overcome the challenges and risks that will determine the fortunes of the enterprise. Players of the long haul will weave their success stories with diverse and vibrant threads; each unique and vital to the bigger picture. The legacy will sustain only if every weave withstands the headwinds of change. As every instrument is vital to a symphony, and every weave to a prized tapestry, Collaborative Growth is the way forward to building a successful and sustainable enterprise. We have learnt from the theory of evolution that, to stay relevant, one has to collaborate and improvise.

At Zee Media, we believe that facilitating a vigorous, collaborative and progressive ecosystem for all our stakeholders is our success mantra. Zee Media, with its capacity to promote participation and to increase accountability, can play a critical partnership role with all of its stakeholders thereby offering value to its customers and viewers. We have continuously invested in our business and, as a result, we stand tall today in the news television space with fourteen news channels comprising one international channel, three national channels and ten regional channels. These channels offer us a strong national presence and have also strengthened the presence of Zee Media as a regional player in North, West, East and Central India. This has not only made Zee Media emerge as a strong and responsible media house, but also one that understands its

accountability towards stakeholders for results and takes on this task with respect and humility.

Looking into the future, we see ourselves at the helm of a cohesive growth plan that adds significant value to all our stakeholders. Our focus will be on strengthening the existing platforms as we have done in the financial year ended March 2018, while working aggressively towards growing new areas for comprehensive growth of business. We have embarked on a journey of collaborative progress, the pillars of which are engaging with our viewers, delivering superior value and reach to our advertisers, becoming a preferred employer to our employees, and being a conscientious bridge between the government and masses.

GROWING TOGETHER WITH VIEWER ENGAGEMENT

Viewer engagement for achieving gratification is a process beyond just grabbing eyeballs. It involves providing an overall experience to the viewer by understanding how invested and interactive audience are with one's content. When audience are engaged with one's content, they are likely to stick around on the channel or website for relatively longer periods of time, visiting the content platform multiple times, which will eventually define the success of these platforms. Zee Media is on a path to empower its viewers by crossing geographical and language barriers. Our wide array of regional news channels and WION, our global news channel, strive to bring the Indians in sync with the regional and global occurrences. Zee Media has already achieved new feats in FY 17-18 wherein Zee News, its flagship channel, scaled itself up to the number 2 spot in the news genre. In addition, regional channels too contributed to the performance of the company.

Zee Media continues to be one of the largest news networks in the country, touching more than 327 million viewers through fourteen news channels in eight different languages and reaching out to more than 421 million users through digital channels. WION, first Global English news channel out of India, reached more than 5.9 million viewers across India and extended its footprint to South Asia (Sri Lanka, Bangladesh), Middle-East (Qatar, UAE), Africa and Australia.

The channel aspires to enter other global markets of relevance in FY 2018-19 through different formats to further enhance its reach and engagement with different sets of target audiences across these new geographies.

Digital transformation is expected to take 43% of Indians online by 2020. Given the low penetration levels of internet in rural India, the next leg of growth will be spearheaded by rural India. Keeping this huge untapped opportunity in sight, we have strengthened our already strong regional presence with the addition of five more language news sites in Tamil, Telugu, Malayalam, Kannada, and Gujarati, within the fold of **Zeeneews.com**, in addition to strengthening the existing English, Hindi, Bengali, and Marathi sites. These efforts have borne fruit with a year on year increase of 59% in visitors and 106% in page views.

We have added a new business of TV Commerce / E-Commerce to our existing core news business. We aim to strengthen this platform during FY 2018-19 by creating synergies across available platforms that will facilitate growth of the business in a competitive manner. This will also lead to diversification of our offerings and revenue model and bring in benefits from the expected retail boom by targeting consumers beyond Tier I cities.



GROWING TOGETHER WITH ADVERTISERS' REACH



The ability to get as close as possible to the target market is a crucial success factor for advertisers. Marketers and advertisers are clamoring to grab viewer's attention in every possible way. Higher income levels, better access to education & information and macro-economic development have led to the Indian hinterland witnessing metamorphosis into a fast growing and high potential market. With our strong bouquet of leading national and regional channels as well as digital platforms, Zee Media enjoys widespread presence and offers significant value to marketers.

We have made successful inroads into the major regional niches of the country with our broad gamut of regional channels. As we capture audiences' attention across multiple platforms and channels, we have designed attractive offerings for advertisers with an aim of significantly improving the impact of the message across various mediums. These can be suitably customized and yet remain scalable.

With two free to air national channels, we have enhanced our reach to all the sections of the society. Additionally, the flexibility and capacity to air innovative, relevant and customized content has truly helped in unleashing our creative potential. This opens up attractive opportunities through cross-selling and bundling for our advertisers.

Our leadership presence in respective geographies provides cohesive growth opportunities to our advertisers for superior target oriented marketing. This has made us an ideal partner for both national and regional advertisers to strengthen and grow their brand value.

327 million viewers

14 News Channels in

8 different languages

421 million digital users



GROWING TOGETHER WITH SOCIETY AND GOVERNMENT

We believe that a successful democracy is based on the effective two-way flow of communication between the people of the country and the governing authorities. We have donned the role to bring our viewers and policymakers together with the objectives of encouraging discussions & debates, seeking or providing clarifications and redressing grievances.

Our strong regional presence in different languages is an ideal platform to reach the niches and masses alike. Our ability to target both national and regional issues has enabled us to percolate policies down to the last mile as well as to highlight local but vital issues on regional or national front based on relevance. This has helped generate relevant responses from the authorities as well.

Several of our path breaking programmes made a mark with enormous public support and earned government recognition too. **Mission GST – One Nation One Tax** was a four-month long campaign by Zee Business to create awareness about the new taxation system and its impact across the population strata and culminated with **GST conclave** where the government could further create awareness and provide its viewpoint on challenges. **Swasth Hindustan Summit & Conclave**, a Zee Hindustan initiative, promoted discussion on India's current state of health and initiatives undertaken by the Government to bring India at par with international standards. **Aapla Shahar Aapla Awaaz** is a Zee 24 Taas platform to highlight citizens' issues and to seek solutions from local government authorities.

State Summits, such as **Punjab...The New Roadmap**, **MP State Summit**, **Rising New India Conclave** (Rajasthan) and **Bihar Conclave** promote discussions on roadmaps for state development. Zee Media's flagship initiative **Ananya Samman**, which highlights citizens' contribution towards society and felicitates their efforts, crossed the milestone of 10 years.

Several other events highlighted various issues with governance as well as social causes, such as women empowerment and education.

We believe that effective collaboration between the society and the governing authorities will lead to a cohesive, broad based growth and will help build a vigilant and progressive nation.



GROWING TOGETHER WITH OUR EMPLOYEES - OUR TRUSTED AIDES

Employees are our biggest assets and their whole-hearted commitment is a vital tool in our giant strides towards the future. We value our employees and embrace the diversity, experience and virtues they bring to the organization. We believe that effective collaboration between our employees provides us with an edge in understanding our audience and in connecting with them.

We operate in a fast-paced and highly creative business environment where content is the king. We are continuously investing in employee engagement as it can make a big difference in our ability to report timely, accurate, relevant, and thought-provoking content. Moreover, we periodically engage employees in formal training involving work skills and personality development to enhance employee competencies and prepare them for the dynamic business environment. We have worked towards building a competent team by providing creative liberty and progressive work environment. Thus, cohesive growth is the way forward for both organizational goal achievement and employee development.

As a conscientious media company, we aim to imbibe the core values of the group across all levels of our organization. As a progress in this direction, we have initiated the journey in three phases – Evolve, Cascade and Implement – to ensure higher level of participation of the employees in defining these values. During the Evolve phase, we conducted multiple workshops with critical mass to co-create our values. Several cascading sessions were conducted to further develop and to deeply embed them in the DNA of the organization. These values are also being incorporated into the Performance Management System to accord as much as importance to them as to the functional performance and to ensure that employees exhibiting our values are positively reinforced.

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STEADFAST PROGRESS NURTURING NEW VENTURES

The resilient Indian economy has shown its mettle by successfully tiding over domestic turbulence caused by demonetization and the new GST regime. The strong rebound bodes well for the media & entertainment industry, which is expected to cross INR 2 trillion by 2020.

Promising times ahead

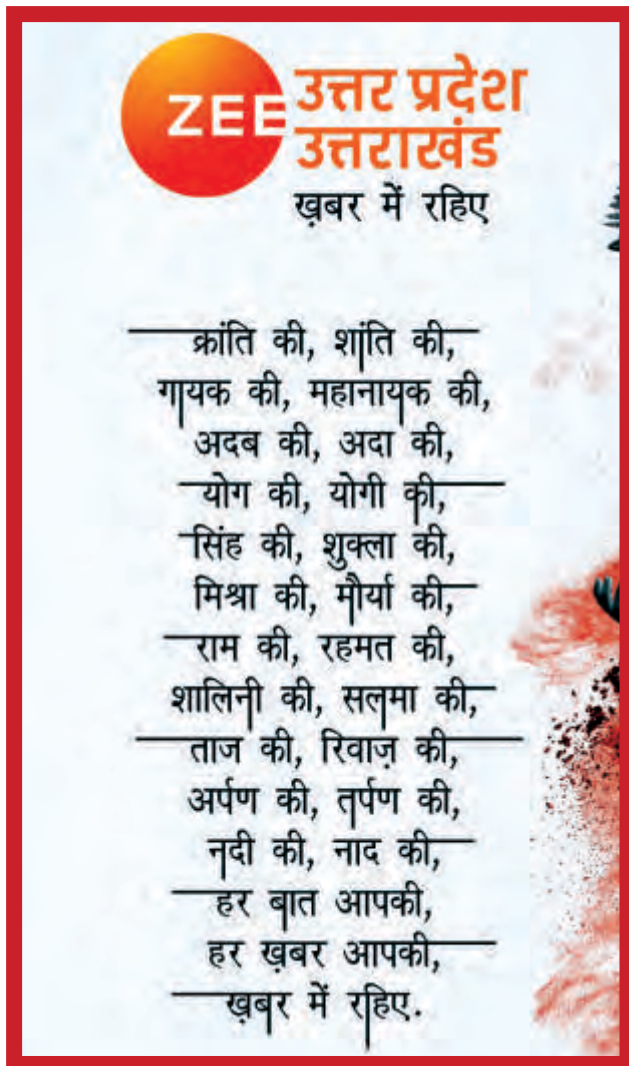
The media and entertainment industry is expected to witness a healthy growth with a CAGR of 11.6% over 2016-2020, with the television media industry expected to grow at 9.8% and digital media at 24.9% over the same period. This presents a very viable market to be tapped. The news genre is also seeing benefits from switch of channels from Pay to Free to Air platform leading to expansion in viewership and consequent growth in advertising revenues.

Broad and attractive portfolio helps consolidate leadership

We continue to be one of the largest news networks in the country touching more than 327 million viewers through 14 News Channels in 8 different languages and 421 million users through digital channels.

Zee News and **Zee Hindustan** cater to the Hindi news genre. Zee News emerged as the channel with maximum average time spent per viewer during the year.

Zee Business, India's 1st 24-hour Hindi business channel, reached more than 17.5 million viewers.



WION, India's 1st Global English news channel out of India is consistently expanding its prominence in the mindspace of Indians who think global.

10 Regional Channels enable deep penetration into the different states of India. **Zee Punjab Haryana Himachal, Zee Madhya Pradesh Chhattisgarh and Zee Bihar Jharkhand** dominate their respective regions, while the others are challenging the leaders in their respective markets.

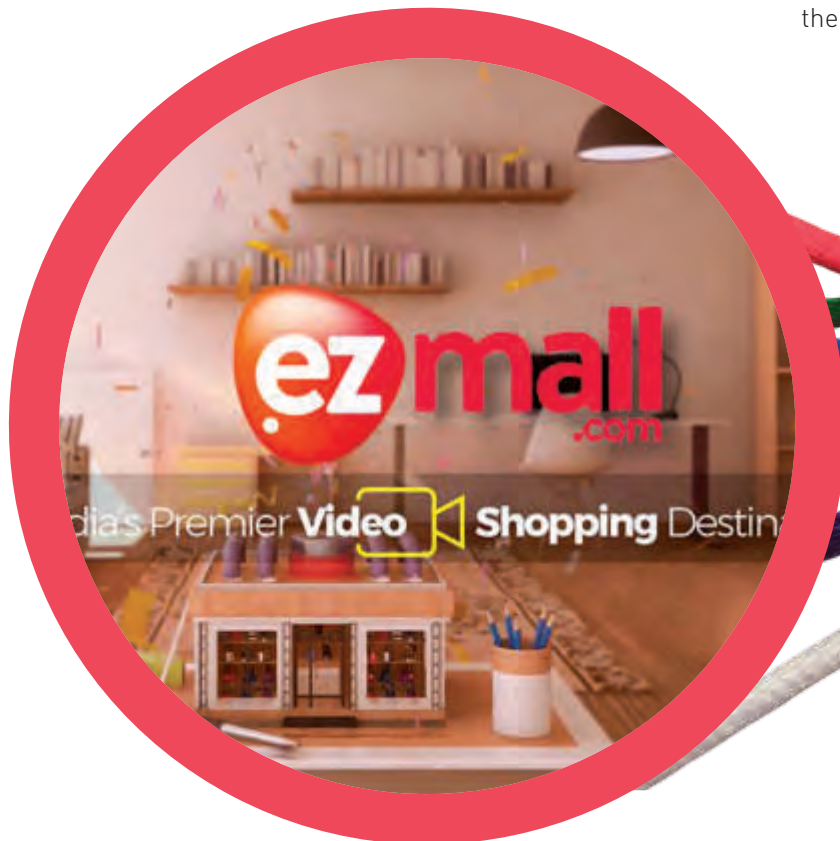
Digital foray - a focus area

India is at the brink of a digital revolution with 43% of the Indian population expected to be online by 2020. As per a Nasscom report, 75% of anticipated number of internet user base is expected from small towns and rural India. To grab a share of this burgeoning

opportunity, we expanded our digital portfolio through launch of 5 news language sites within the fold of **Zeenews.com** – Tamil, Telugu, Malayalam, Kannada, and Gujarati. The website attracted over 360 million visitors with 2.4 billion page views. The newly launched **Zeebiz.com** and **Wionews.com** are also carving out a niche for themselves.

Nurturing new ventures

In a bid to grab a share of the rising incomes levels in rural India, we launched a video based shopping business **Ez-Mall Online Ltd.** This will cater to consumers beyond Tier I cities through DTH, Cable and its website Ezmall.com. This venture is expected to help diversify our revenues and opens up growth opportunities in the booming organised retail space. Our Board has also approved the acquisition of **92.7 Big FM**, the radio business of Reliance Broadcast Network Ltd. We are awaiting regulatory approvals on the deal.



RAISING THE BAR WITH INNOVATIONS

Successful organisations are always on the move to reinvent themselves. The process of constant improvement, innovation, and advancement makes an organization nimble, progressive and battle ready to face the ever-changing dynamics. We at Zee Media, have always been ahead of the curve, constantly improving ourselves to be prepared to ride the next big wave. Some of the initiatives we are working on are discussed below.



INTEGRATED MULTIMEDIA NEWSROOM (IMN)

Rationale: To strengthen the network's collaborative relationships, ensure optimum resource utilization, and build synergies among the various operations, we have brought together the newsrooms of all 14 television news channels and digital properties to create India's largest Integrated Multimedia Newsroom. This is a first of its kind news hub in the industry.

Action: The hub is a centralised repository of all the news gathering resources across all our channels and digital properties leading to efficient deployment. The

stories filed by the army of ZEE Media reporters across the length and breadth of the nation reach a common news pool.

Merits: The IMN setup not only helps in swift sharing of news stories and information among different teams on real-time basis, but also keeps the on-ground reporters connected and updated on other developments in the story. It is built to generate cross platform synergies for effective news dissemination. It will create a single hub for all editorial decisions and a single workflow for all stories across all the platforms.

