DRAFT LETTER OF OFFER
Dated January 1, 2015
For Eligible Equity Shareholders of the Company only

ZEE MEDIA

VASUDHAIVA KUTUMBAKAM
THE WORLD IS MY FAMILY

ZEE MEDIA CORPORATION LIMITED

Zee Media Corporation Limited was incorporated as a public limited company under the Companies Act, 1956 in the name of Zee Sports Limited at Mumbai vide Certificate of Incorporation dated August 27, 1999 with Registration No. 11-121506 now bearing Corporate Identification Number (CIN) L92100MH1999PLC121506. The Company was granted the Certificate of Commencement of Business by the Registrar of Companies, Maharashtra at Mumbai ("RoC") on November 19, 1999. The name of the Company was changed to Zee News Limited and Fresh Certificate of Incorporation was issued on May 27, 2004. The name of the Company was further changed to Zee Media Corporation Limited and a Fresh Certificate of Incorporation was issued on July 6, 2013. For further details of change of name of the Company, please refer to section titled "History and Certain Corporate Matters" beginning on page 128 of this Draft Letter of Offer.

Registered Office: Continental Building, 135, Dr. Annie Besant Road, Worli Mumbai 400 018, India.
Telephone: +91 22 2483 1234 **Facsimile**: + 91 22 2490 0302
Corporate Office: Essel Studio, FC-19, Sector 16A, Noida 201301, Uttar Pradesh, India.
Telephone: +91 120 251 1064 **Facsimile**: + 91 120 251 5381
Contact Person: Mr. Pushpal Sanghavi, Company Secretary & Compliance Officer
E-mail: complianceofficer@zeemedia.esselgroup.com; **Website:** www.zeenews.com; **Corporate Identity Number**: L92100MH1999PLC121506

PROMOTERS OF THE COMPANY: i) 25FPS MEDIA PRIVATE LIMITED; ii) ARM INFRA & UITILITIES LIMITED; iii) PRIME PUBLISHING PRIVATE LIMITED; AND iv) SPRIT TEXTILES PRIVATE LIMITED

FOR PRIVATE CIRCULATION TO THE ELIGIBLE EQUITY SHAREHOLDERS OF THE COMPANY ONLY

ISSUE OF [●] EQUITY SHARES WITH A FACE VALUE OF ₹ 1 EACH ("*RIGHTS SHARES*") FOR CASH AT A PRICE OF ₹[●]/- PER RIGHT SHARE (INCLUDING A PREMIUM OF ₹ [●]/- PER RIGHTS SHARE) FOR AN AMOUNT AGGREGATING UPTO ₹ 2,000 MILLION ON RIGHTS BASIS IN THE RATIO OF [●] ([●] RIGHTS SHARES FOR EVERY [●] FULLY PAID UP EQUITY SHARES) HELD BY THE EQUITY SHAREHOLDERS ON THE RECORD DATE, i.e. [●], 2015. THE FACE VALUE OF THE RIGHTS SHARES IS ₹ 1 EACH AND THE ISSUE PRICE IS [●] TIMES OF THE FACE VALUE OF THE EQUITY SHARES.

GENERAL RISKS

Investments in equity and equity related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the Risk Factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of the Company and the Issue, including the risks involved. The Securities offered in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Letter of Offer. Specific attention of the investors is invited to the statements in the section "Risk Factors" beginning on page 13 of this Draft Letter of Offer before making an investment in the Issue.

ISSUER'S ABSOLUTE RESPONSIBILITY

The Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Letter of Offer contains all information with regard to the Company and the Issue that is material in the context of the Issue, that the information contained in this Draft Letter of Offer is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Letter of Offer as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

LISTING

The existing Equity Shares of the Company are listed on the BSE Limited ("***BSE***") and the National Stock Exchange of India Limited ("***NSE***"). The Company has received in-principle approvals from BSE and NSE for the listing of the Rights Shares offered in this Issue pursuant to letters dated [●] and [●] respectively. For the purposes of the Issue, the [●] shall be the Designated Stock Exchange.

LEAD MANAGER TO THE ISSUE	REGISTRAR TO THE ISSUE
AXIS CAPITAL	
AXIS CAPITAL LIMITED Axis House, C Wing C-2 Wadia International Centre P. B. Marg, Worli, Mumbai 400025, India. Telephone: +91 22 4325 2183 Facsimile: +91 22 4325 3000 Email: zmcl@axiscap.in Investor grievance email: complaints@axiscap.in Contact Person: Ms. Kanika Goyal Website: www.axiscapital.co.in SEBI Registration Number: INM000012029 CIN: U51900MH2005PLC157853	**SHAREPRO SERVICES (INDIA) PRIVATE LIMITED** 13 AB, Samhita Warehousing Complex 2nd Floor, Sakinaka Telephone Exchange Lane Off Andheri-Kurla Road, Mumbai 400072, India. Telephone: +91 22 6772 0300 Facsimile: +91 22 2859 1568 Email: sharepro@shareproservices.com Investor grievance email: rights@shareproservices.com Contact Person: Mr. Anil Dalvi/ Mr. Sachin Shinde Compliance Officer: Mr. Anil Dalvi/ Mr. Sachin Shinde Website: www.shareproservices.com SEBI Registration Number: INR000001476 CIN: U67120MH2004PTC148994

ISSUE PROGRAMME		
ISSUE OPENS ON	**LAST DATE FOR REQUEST FOR SPLIT APPLICATION FORMS**	**ISSUE CLOSES ON**
[●]	[●]	[●]

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SECTION I: GENERAL

DEFINITIONS AND ABBREVIATIONS

Unless the context otherwise indicates/implies, the terms and abbreviations stated hereunder shall have the meanings as assigned therewith. References to statutes, rules, regulations, guidelines and policies will be deemed to include all amendments and modifications notified thereto.

In this Draft Letter of Offer, unless otherwise indicated or the context otherwise requires, all references to "Zee Media Corporation Limited", "ZMCL", the "Company", are references to Zee Media Corporation Limited. References to "you" are to the prospective investors in the Issue.

Company Related Terms

Term	Description
"ZMCL", or "the Company" or "We" or "us"	Zee Media Corporation Limited, a public limited company incorporated under the provisions of the erstwhile Companies Act, 1956.
AOA/Articles/ Articles of Association	Articles of Association of the Company
Bankers to the Company	BNP Paribas; ICICI Bank Limited; and State Bank of India
Board of Directors	The Board of Directors of the Company
Corporate office of the Company	Essel Studio, FC-19, Sector 16A, Noida 201301, Uttar Pradesh, India.
Director(s)	Director(s) of the Company, unless otherwise specified
Financial Year/ Fiscal/ FY	The period of twelve (12) months ended March 31 of that particular year.
Group Companies/ Group Entities	Includes those companies, firms and ventures that are promoted by the Promoters of the Company, irrespective of whether these entities are covered under Section 370(1)(B) of the erstwhile Companies Act, 1956. For further details, please refer to section titled "Group Entities of the Company" beginning on page 157 of this Draft Letter of Offer.
MOA/ Memorandum/ Memorandum of Association	Memorandum of Association of the Company
Promoters of the Company	Promoters of the Company being: i) 25FPS Media Private Limited; ii) ARM Infra & Uitilities Limited; iii) Prime Publishing Private Limited; and iv) Sprit Textiles Private Limited
Promoter Group Entities	Persons and entities covered under Regulation 2(1)(zb) of the SEBI (ICDR) Regulations.
Registered Office of the Company	Continental Building, 135, Dr. Annie Besant Road, Worli, Mumbai 400 018, India.
Registrar of Companies/ROC	The Registrar of Companies, Mumbai, Maharashtra located at 100, Everest, Marine Drive; Mumbai 400002, India.
Restated Consolidated Financial Information	Consolidated Financial Information for the six (6) months period ended September 30, 2014 and the Financial Years ended March 31, 2014, 2013, 2012, 2011 and 2010, as restated in accordance with SEBI (ICDR) Regulations, comprises of (i) Financial Information as per Restated Consolidated Summary Financial Statements and (ii) Other Financial Information.
Restated Financial Information	Standalone Financial Information for the six (6) months period ended September 30, 2014 and the Financial Years ended March 31, 2014, 2013, 2012, 2011 and 2010, as restated in accordance with SEBI (ICDR) Regulations, comprises of (i) Financial Information as per Restated Summary Financial Statements and (ii) Other Financial Information.
Restated Financial	Restated Financial Statements includes Restated Consolidated Financial Information

Term	Description
Statements	and Restated Financial Information
Subsidiaries of the Company/The Subsidiar(ies)	i) Zee Akaash News Private Limited; ii) Diligent Media Corporation Limited; iii) Pri Media Services Private Limited; iv) Mediavest India Private Limited; and v) Maurya TV Private Limited. For further details, please refer to section titled "History and Certain Corporate Matters" beginning on page 128 of this Draft Letter of Offer.
Statutory Auditors	The statutory auditors of the Company being M/s. MGB & Co. LLP, Chartered Accountants

Issue related terms

Term	Description
Abridged Letter of Offer	The abridged letter of offer to be sent to the Equity Shareholders as on the Record Date with respect to this Issue in accordance with SEBI (ICDR) Regulations
Additional Rights Shares	The equity shares applied or allotted under this Issue in addition to the Rights Entitlement.
Allot/ Alloted/ Allotment	Unless the context requires, the allotment of Rights Shares pursuant to the Issue
Allottees	Persons to whom Rights Shares are allotted pursuant to the Issue
Application Supported by Blocked Amount / ASBA	The application (whether physical or electronic) used by an Investor to make an application authorizing the SCSB to block the amount payable on application in their specified bank account
ASBA Account	Account maintained by an ASBA Investor with a SCSB which will be blocked by such SCSB to the extent of the appropriate amount in relation to an application by an ASBA Investor
ASBA Investors	Any eligible Equity Shareholders who intend to apply through ASBA and (a) are holding Equity Shares in dematerialized form as on the Record Date and have applied for: (i) their Rights Entitlement or (ii) their Rights Entitlement and Additional Rights Shares, in dematerialized form; (b) have not renounced their Rights Entitlement in full or in part; (c) are not Renouncees; and (d) are applying through blocking of funds in bank accounts maintained with SCSBs. All (i) QIBs, (ii) Non-Institutional Investors, and (iii) other investors whose application value exceeds `2,00,000, complying with the above conditions, must mandatorily invest through the ASBA process
Bankers to the Issue	[●]
Composite Application Form / CAF	The form used by an Investor to apply for the Allotment of Rights Issue Equity Shares in the Issue and for application by Renouncees.
Consolidated Certificate	In case of holding of Equity Shares in physical form, the certificate that the Company would issue for the Rights Shares Allotted to one folio.
Controlling Branches/ Controlling Branches of the SCSBs	Such branches of the SCSBs which coordinate with the Lead Manager, the Registrar to the Issue and the Stock Exchanges, a list of which is available on http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries and/or such other website(s) as may be prescribed by the SEBI / Stock Exchange(s) from time to time
Designated Branches	Such branches of the SCSBs with which an ASBA Investor may physically submit the CAF, a list of which is available on http://www.sebi.gov.in/pmd/scsb.html, and at such other websites as may be prescribed by SEBI from time to time.
Designated Stock Exchange	[●]
Draft Letter of Offer	This Draft Letter of Offer dated January 1, 2015 filed with SEBI and which does not contain complete particulars of the Issue Price and the Issue Size in terms of the number of Rights Shares proposed to be offered in this Issue

Term	Description
Eligible Equity Shareholder	A holder(s) of Equity Shares as on the Record Date
Equity Shares	Equity Shares of the Company having a face value of `1 each unless otherwise specified in context thereof
Equity Shareholder /Shareholder	A holder of Equity Shares of the Company
Investor(s)	Equity Shareholders as on Record Date and/or Renouncees applying in the Issue
Issue / Rights Issue	Issue of [●] Equity Shares with a face value of `1 each ("***Rights Shares***") for cash at a price of `[●] per Right Share (including a premium of `[●] per Rights Share) for an amount aggregating upto `2,000 Million on Rights basis in the ratio of [●] ([●] Rights Shares for every [●] fully paid up Equity Shares) held by the Equity Shareholders on the Record Date, i.e. [●], 2015. The face value of the Rights Shares is `1 each and the Issue Price is [●] times of the face value of the Equity Shares.
Issue Closing Date	[●]
Issue Opening Date	[●]
Issue Price	[●]
Issue Proceeds	The proceeds of the Issue that are available to the Company
Issue Size	The issue of [●] Rights Shares aggregating upto `2,000 Million
Lead Manager	Axis Capital Limited
Letter of Offer	The final letter of offer filed with the Stock Exchanges after incorporating the observations from SEBI on the Draft Letter of Offer
Listing Agreement	The listing agreements entered into between the Company and the Stock Exchanges
Net Proceeds	The Issue Proceeds less the Issue related expenses. For further details, please refer to section "Objects of the Issue" beginning on page 69 of this Draft Letter of Offer
Non-Institutional Investors	All Investors, whether resident in India or otherwise, including sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals, that are not QIBs or Retail Individual Investors and who have applied for Rights Issue Equity Shares for a cumulative amount of more than `2,00,000.
Qualified Foreign Investors/ QFIs	QFI shall mean a person who fulfills the following criteria: i. Resident in a country that is a member of Financial Action Task Force ("***FATF***") or a member of a group which is a member of FATF; and ii. Resident in a country that is a signatory of the International Organization of Securities Commission's Multilateral Memorandum of Understanding or a signatory of a bilateral Memorandum of Understanding with SEBI. Provided that the person is not resident in a country listed in the public statements issued by FATF from time to time on (i) jurisdictions having a strategic Anti-Money Laundering/ Combating the Financing of Terrorism ("***AML/CFT***") deficiencies to which counter measures apply, (ii) jurisdictions that have not made sufficient progress in addressing the deficiencies or have not committed to an action plan developed with the FATF to address the deficiencies; Provided further such person is not resident in India; Provided further that such person is not registered with SEBI as Foreign Institutional Investor or Sub-account or Foreign Venture Capital Investor
Qualified Institutional Buyers or QIBs	A Mutual Fund, Venture Capital Fund and Foreign Venture Capital investor registered with SEBI, a foreign institutional investor and sub-account (other than a sub-account which is a foreign corporate or foreign individual), registered with SEBI; a public financial institution as defined in Section 2(72) of the Companies Act, 2013; a scheduled commercial bank; a multilateral and bilateral development financial institution; a State Industrial Development Corporation; an insurance company registered with the Insurance Regulatory and Development Authority; a provident fund with minimum corpus of twenty five crore rupees; a pension fund with minimum corpus of twenty five crore rupees; National Investment Fund set up by resolution No. F. No. 2/3/2005-DDII dated November 23, 2005 of the Government of India published

Term	Description
	in the Gazette of India, insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India.
Record Date	A record date fixed by the Company for the purposes of determining the names of the Equity Shareholders who are eligible for the issue of Equity Shares i.e. [●], 2015
Refund through electronic transfer of funds	Refunds through NECS, Direct Credit, RTGS, NEFT or ASBA process, as applicable
Registrar to the Issue	Sharepro Services (India) Private Limited
Renouncees	Any person(s), who have acquired Rights Entitlements from the Eligible Equity Shareholders
Retail Individual Investors	Application by an Investor (including HUFs applying through their Karta) whose cumulative value of Equity Shares applied for in the Issue is not more than `2,00,000
Rights Entitlements	The number of Equity Shares that an Eligible Equity Shareholder is entitled to in proportion to his/ her shareholding in the Company as on the Record Date.
Rights Shares	The Equity Shares of face value of `1 each of the Company offered and to be issued and allotted pursuant to this Issue.
SAFs	Split Application Forms
Self Certified Syndicate Bank or SCSB(s)	A Self Certified Syndicate Bank, registered with SEBI, which acts as a banker to the Issue and which offers the facility of ASBA. A list of all SCSBs is available at http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries and/or such other website(s) as may be prescribed by the SEBI / Stock Exchange(s) from time to time
Share Certificate	The certificate in relation to the Rights Shares allotted to a folio
Securities	The Equity Shares offered through this Issue
Stock Exchange(s)	BSE and NSE where the Equity Shares are presently listed and traded

Conventional and General Terms

Term	Description
AIF	A fund in terms of section 2(1)(b) of the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
Companies Act	The Companies Act, 2013 and rules issued thereunder, as amended
Depositories Act	The Depositories Act, 1996, as amended
Erstwhile Companies Act	The Companies Act, 1956, which has been repealed and replaced by the New Companies Act
FEMA	Foreign Exchange Management Act, 1999 and the rules and regulations issued thereunder, as amended.
FII / Foreign Institutional Investors	Foreign Institutional Investor (as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended) registered with SEBI under applicable laws in India.
Financial Year/ Fiscal/ F.Y.	The period of twelve (12) months ended on March 31 of that particular year.
FVCI	Foreign Venture Capital Investors registered with SEBI under the SEBI (Foreign Venture Capital Investor) Regulations, 2000.
NIF	National Investment Fund set up by resolution F. No. 2/3/2005-DD-II dated November 23, 2005 of Government of India published in the Gazette of India.
Non Resident	A person resident outside India, as defined under FEMA and includes a Non Resident Indian, FIIs registered with SEBI and FVCIs registered with SEBI.
NRI/ Non-Resident Indian	A person resident outside India, as defined under FEMA and who is a citizen of India or a person of Indian origin, each such term as defined under the FEMA (Deposit) Regulations, 2000, as amended.
Overseas Corporate Body / OCB	OCB/Overseas Corporate Body – Overseas Corporate Body means and includes an entity defined in clause (xi) of Regulation 2 of the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCB's) Regulations 2003 and which was in existence on the date of the commencement of these Regulations and immediately prior to such commencement was eligible to undertake transactions

Term	Description
	pursuant to the general permission granted under the Regulations. OCBs are not allowed to invest in this Issue.
Person(s)	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.
SCRR	Securities Contracts Regulations Rules, 1957 as amended
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act, 1992.
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended
SEBI (ICDR) Regulations	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended
SEBI Insider Trading Regulations	The SEBI (Prohibition of Insider Trading) Regulations, 2014.
SEBI Takeover Code	The SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011

General terms/ Abbreviations

Term	Description
` or Rs. or Rupees or INR	Indian Rupees
AGM	Annual General Meeting
APTN	Associated Press Television News Limited
AS	Accounting Standards issued by the Institute of Chartered Accountants of India.
A.Y.	Assessment Year
BPLR	Bank Prime Lending Rate
BSE	The BSE Limited
CARO	Companies (Auditor's Report) Order, 2003
CAS	Conditional Access System
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identity Number
CLB	Company Law Board
CrPC	Criminal Procedure Code, 1973, as amended
CSR	Corporate Social Responsibility
DAS	Digital Addressable Cable TV System
DIN	Director Identification Number
Dish TV	Dish TV India Limited
DTH	Direct to Home
ECS	Electronic Clearing System
EBITDA	Earnings before Interest, Tax Depreciation and Amortisation
EGM	Extraordinary General Meeting of the Shareholders of the Company
EPS	Earnings Per Share
Essel Infraprojects	Essel Infraprojects Limited
ESOS	Employee Stock Option Scheme
FIPB	Foreign Investment Promotion Board
FTP	File Transfer Protocol
GoI/Government	Government of India
HSM	Hindi Speaking Market
HUF	Hindu Undivided Family.
IFRS	International Financial Reporting Standards
Indian GAAP	Generally Accepted Accounting Principles in India
IPC	The Indian Penal Code, 1860, as amended
IT Act	The Income Tax Act, 1961, as amended
IT Rules	The Income Tax Rules, 1962, as amended
MIB	Ministry of Information and Broadcasting
N.A.	Not Applicable

Term	Description
NAV	Net Asset Value
NoC	No Objection Certificate
NSDL	National Securities Depository Limited.
NTA	Net Tangible Assets
OB	Outdoor Broadcast
OFC	Optical Fibre Cable
PAN	Permanent Account Number
PAT	Profit After Tax
PCR	Production Control Room
PGM	Progmatic General Multicast
Prime Publishing	Prime Publishing Private Limited
PTI	Press Trust of India
Q2	Quarter 2
RBI	Reserve Bank of India
RIO	Reference Interconnect Offer
RoC	Registrar of Companies
RONW	Return on Net Worth
SAN	Storage Area Network
SBI	State Bank of India
SCN	Show Cause Notice
Shirpur Gold	Shirpur Gold Refinery Limited
Siti Cable	Siti Cable Network Limited (*formerly known as Wire and Wireless (India) Limited*)
Sprit Textiles	Sprit Textiles Private Limited
STT	Securities Transaction Tax
TAM	Television Audience Measurement
TDSAT	Telecom Disputes Settlement and Appellate Tribunal, New Delhi
TRAI	Telecom Regulatory Authority of India
YoY	Year on Year
ZEEL	Zee Entertainment Enterprises Limited
Zee Learn	Zee Learn Limited

NOTICE TO OVERSEAS SHAREHOLDERS

The distribution of this Draft Letter of Offer and the issue of the Equity Shares on a rights basis to persons in certain jurisdictions outside India may be restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession this Draft Letter of Offer may come are required to inform themselves about and observe such restrictions. The Company is making this Issue on a rights basis to the Equity Shareholders of the Company and will dispatch the Draft Letter of Offer/Abridged Letter of Offer and CAF to Equity Shareholders who have an Indian address. Those overseas shareholders who do not update the records with their Indian address, prior to the date on which we propose to dispatch the Draft Letter of Offer and the CAF, shall not be sent the Draft Letter of Offer and the CAF.

No action has been or will be taken to permit this Issue in any jurisdiction where action would be required for that purpose, except that the Draft Letter of Offer has been filed with SEBI for observations. Accordingly, the Rights Shares may not be offered or sold, directly or indirectly, and this Draft Letter of Offer may not be distributed in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction. Receipt of this Draft Letter of Offer will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer and, in those circumstances, this Draft Letter of Offer must be treated as sent for information only and should not be copied or redistributed. Accordingly, persons receiving a copy of this Draft Letter of Offer should not, in connection with the issue of the Equity Shares or the Rights Entitlements, distribute or send the same in or into the United States or any other jurisdiction where to do so would or might contravene local securities laws or regulations. If this Draft Letter of Offer is received by any person in any such territory, or by their agent or nominee, they must not seek to subscribe to the Rights Shares or the Rights Entitlements referred to in this Draft Letter of Offer. A shareholder shall not renounce his entitlement to any person resident in the United States or any other jurisdiction where to do so would or might contravene local securities laws or regulations. Neither the delivery of this Draft Letter of Offer nor any sale hereunder, shall under any circumstances create any implication that there has been no change in the Company‘s affairs from the date hereof or that the information contained herein is correct as at any time subsequent to this date.

The contents of the Draft Letter of Offer should not be construed as legal, tax or investment advice. Prospective investors may be subject to adverse foreign, state or local tax or legal consequences as a result of the offer of Rights Shares or Rights Entitlements. As a result, each investor should consult its own counsel, business advisor and tax advisor as to the legal, business, tax and related matters concerning the offer of Rights Shares or Rights Entitlements. In addition, neither the Company nor the Lead Manager is making any representation to any offeree or purchaser of the Rights Shares or Rights Entitlements regarding the legality of an investment in the Rights Shares or Rights Entitlements by such offeree or purchaser under any applicable laws or regulations.

NO OFFER IN THE UNITED STATES

The Rights Shares or Rights Entitlements have not been recommended by any U.S. federal or state securities commission or regulatory authority. Furthermore, the foregoing authorities have not confirmed the accuracy or determined the adequacy of the Draft Letter of Offer and the CAF. Any representation to the contrary is a criminal offence in the United States.

The rights and securities of the Company, including the Rights Shares have not been and will not be registered under the United States Securities Act, 1933, as amended (the "***Securities Act***"), or any U.S. state securities laws and may not be offered, sold, resold or otherwise transferred within the United States of America or the territories or possessions thereof (the "***United States***" or "***U.S.***") or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act ("***Regulation S***"), except in a transaction exempt from the registration requirements of the Securities Act. The rights referred to in this Draft Letter of Offer are being offered in India, but not in the United States. The offering to which this Draft Letter of Offer relates is not, and under no circumstances is to be construed as, an offering of any securities or rights for sale in the United States or as a solicitation therein of an offer to buy any of the said securities or rights. Accordingly, this Draft Letter of Offer/ Abridged Letter of Offer and the enclosed CAF should not be forwarded to or transmitted in or into the United States at any time. None of the company(ies), the Lead Manager or any person acting on their behalf will accept subscriptions from any person or his agent, if to whom an offer is made, would require registration of this Draft Letter of Offer with the United States Securities and Exchange Commission.

Neither the Company nor any person acting on behalf of the Company will accept subscriptions or renunciation from any person, or the agent of any person, who appears to be, or who the Company or any person acting on behalf of the Company has reason to believe is, either a U.S. person (as defined in Regulation S) or otherwise in the United States when the buy order is made. Envelopes containing CAF should not be postmarked in the United States or otherwise dispatched from the United States or any other jurisdiction where it would be illegal to make an offer under this Draft Letter of Offer, and all persons subscribing for the Rights Shares and wishing to hold such Rights Shares in registered form must provide an address for registration of the Rights Shares in India. The Company is making this issue of Rights Shares on a rights basis to the Equity Shareholders of the Company and the Draft Letter of Offer/Abridged Letter of Offer and CAF will be dispatched to Equity Shareholders who have an Indian address. Any person who acquires rights and the Rights Shares will be deemed to have declared, represented, warranted and agreed, (i) that it is not and that at the time of subscribing for the Rights Shares or the Rights Entitlements, it will not be, in the United States when the buy order is made, (ii) it is not a U.S. person (as defined in Regulation S), and does not have a registered address (and is not otherwise located) in the United States, and (iii) is authorized to acquire the rights and the Rights Shares in compliance with all applicable laws and regulations.

The Company reserves the right to treat as invalid any CAF which: (i) does not include the certification set out in the CAF to the effect that the subscriber is not a U.S. person (as defined in Regulation S), and does not have a registered address (and is not otherwise located) in the United States and is authorized to acquire the rights and the Rights Shares in compliance with all applicable laws and regulations; (ii) appears to the Company or its agents to have been executed in or dispatched from the United States; (iii) where a registered Indian address is not provided; or (iv) where the Company believes that CAF is incomplete or acceptance of such CAF may infringe applicable legal or regulatory requirements; and the Company shall not be bound to allot or issue any Rights Shares or Rights Entitlement in respect of any such CAF.

PRESENTATION OF FINANCIAL INFORMATION, USE OF INDUSTRY AND MARKET DATA AND CURRENCY OF PRESENTATION

Financial Data

Unless stated otherwise, the financial data in this Draft Letter of Offer is derived from the Restated Consolidated Financial Information of the Company which has been prepared in accordance with Indian GAAP and the Companies Act and restated in accordance with the SEBI (ICDR) Regulations for six (6) months period ended on September 30, 2014 and Financial Year ended March 31, 2014, 2013, 2012, 2011 and 2010. The Company's fiscal year commences on April 1 and ends on March 31 of the following year.

This Draft Letter of Offer also includes the Restated Financial Information of the Company which has been prepared in accordance with Indian GAAP and the Companies Act and restated in accordance with the SEBI (ICDR) Regulations for six (6) months period ended on September 30, 2014 and Financial Year ended March 31, 2014, 2013, 2012, 2011 and 2010.

In this Draft Letter of Offer, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding-off and unless otherwise specified, all financial numbers in parenthesis represent negative figures.

All the numbers in this Draft Letter of Offer have been presented in millions or in whole numbers where the numbers have been too small to present in millions.

Any percentage amounts, as set forth in the sections titled "Risk Factors", "Business of the Company" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on pages 13, 103 and 197 respectively of this Draft Letter of Offer, unless otherwise indicated, have been calculated on the basis of the Restated Consolidated Financial Information prepared in accordance with Indian GAAP.

For definitions, please refer to the section titled "Definitions and Abbreviations" beginning on page 3 of this Draft Letter of Offer. The defined terms have the meaning given to such terms in the Articles in the section titled "Main Provisions of the Articles of Association" beginning on page 498 of this Draft Letter of Offer.

Use of Industry and Market data

Unless stated otherwise, market, industry and demographic data used in this Draft Letter of Offer has been derived from FICCI-KPMG Indian Media and Entertainment Industry Report 2014. Industry publications generally state that the information that they contain has been obtained from sources believed to be reliable but that the accuracy and completeness of that information is not guaranteed. Similarly, internal surveys, industry forecasts and market research, while believed to be reliable, have not been independently verified and neither the Company nor the Lead Manager has made any representation as to the accuracy of that information. Accordingly, Investors should not place undue reliance on this information.

Additionally, the extent to which the market and industry data presented in this Draft Letter of Offer is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which the Company conducts its business and methodologies and assumptions may vary widely among different industry sources.

Currency of Presentation

All references to "Rupees" or "`" or "INR" are to Indian Rupees, the official currency of the Republic of India. Throughout this Draft Letter of Offer all figures have been expressed in Lakhs, Million and Crores. The word "Lakhs" or "Lakh" or "Lacs" means "One hundred thousand", "Millon" means "Ten Lakhs" and "Crores" means "Ten Million".

FORWARD LOOKING STATEMENTS

The Company has included statements in this Draft Letter of Offer which contain words or phrases such as "may", "will", "aim", "believe", "expect", "will continue", "anticipate", "estimate", "intend", "plan", "seek to", "future", "objective", "goal", "project", "should", "potential" and similar expressions or variations of such expressions, that are or may be deemed to be forward looking statements.

All forward looking statements are subject to risks, uncertainties and assumptions about the Company that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Actual results may differ materially from those suggested by the forward looking statements due to risks or uncertainties associated with the expectations of the Company with respect to, but not limited to, factors affecting:

1. General political economic and business conditions in India and other countries;
2. Competition in the News and Current Affairs industry;
3. The Company's ability to successfully implement its strategy, its growth and expansion plans and technological changes;
4. Performance of the Indian debt and equity markets;
5. Factors affecting revenues from advertisements;
6. The exposure of the Company to market risks;
7. Regulatory changes pertaining to the industry in which the Company operates and its ability to respond to them;
8. Occurrence of natural calamities or natural disasters affecting the areas in which the Company has its operations;
9. Changes in laws and Regulations that apply to companies in India;
10. Changes in the foreign exchange control regulations in India; and
11. Unable to obtain financing to expand the business.

For a further discussion of factors that could cause the Company's actual results to differ, please refer to the section titled "Risk Factors" beginning on page 13 of this Draft Letter of Offer. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated. Neither the Company nor the Lead Manager nor any of their respective affiliates or advisors have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI and Stock Exchange's requirements, the Company and Lead Manager will ensure that Investors are informed of material developments until the time of the grant of listing and trading permission for the Rights Shares by the Stock Exchanges.

SECTION II: RISK FACTORS

An investment in equity shares involves a high degree of risk. The Shareholders should carefully consider all the information in this Draft Letter of Offer, including the risks and uncertainties described below, before making an investment in the Rights Shares of the Company. The risks and uncertainties described in this Section are not the only risks that the Company currently face but also include risk relevant to the industry and geographic regions in which the Company operates. Additional risks and uncertainties not known to the Company or that it believes to be immaterial may also have an adverse effect on the business, results of operations and financial condition of the Company. If any of the following risks, or other risks that are not currently known or are now deemed immaterial, actually occur, the business, results of operations and financial condition of the Company could suffer, the price of the Equity Shares could decline, and the Shareholders may lose all or part of its investment.

The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are risk factors where the effect is not quantifiable and hence the same has not been disclosed in such risk factors.

To obtain a complete understanding, the Shareholders should read this section in conjunction with the sections titled "Business of the Company" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on pages 103 and 379 respectively as well as the other financial and statistical information contained in this Draft Letter of Offer. Unless otherwise stated, the financial information of the Company used in this Section is derived from the Restated Consolidated Financial Information.

Internal Risk Factors

1. ***There are SEBI proceedings initiated in the past against certain Group Entities and other entities/ persons in relation to certain alleged violations of securities law.***

No.	Name of the Entity/ Persons against which SCN Issued by SEBI	Nature of Violation	Status of the matter	Consent/ Penalty imposed, if any (` in Million)
1.	i) Mr. Ashok Kurien; ii) Mr. Laxmi Goel; iii) Ms. Sushila Goel; iv) Ambience Business Services Private Limited; v) Briggs Trading Company Private Limited; vi) Ganjam Trading Company Private Limited; vii) Essel Infraprojects Limited; viii) Veena Investments Limited; ix) Delgrada Ltd. (*now known as Essel Media Ventures Ltd.*); x) Lazarus Investments Ltd. (*now known as Essel International Ltd.*); xi) Churu Trading Co. Private Limited (*now merged with Sprit Textiles*); xii) Prajatma Trading Co. Private Limited (*now merged with Sprit Textiles*); xiii) Premier Finance and Trading Co. Private Limited (*now merged with Sprit Textiles*); and xiv) Jayneer Capital Private Limited.	Alleged contravention of Regulation 3(4) of SAST Regulations, 1997	Order passed by SEBI	2.00
2.	ETC Networks Limited (*now merged with ZEEL*)	Alleged violations of non-redressal of investors grievances (*1 complaint*); failure to obtain SCORES authentication and submit the Action Taken Report (ATR)	Matter disposed off since the alleged violations did not stand established	--

No.	Name of the Entity/ Persons against which SCN Issued by SEBI	Nature of Violation	Status of the matter	Consent/ Penalty imposed, if any (` in Million)
3.	ETC Networks Limited (*now merged with ZEEL*)	Alleged violations of the provisions of Regulation 4(e) of the SEBI (Prohibition of Fraudulent and Unfair Trade Practices) Regulations, 1995	Matter settled in terms of the consent order dated July 12, 2010	1.50 (*paid in terms of the consent order*)
4.	Churu Trading Company Private Limited (*now merged with Sprit Textiles*)	Alleged failure in making disclosure of shareholding/changes in shareholding as required under Regulation 13(3) of SEBI (Prohibition of Insider Trading) Regulations, 1992 in matter of Cranes Software International Limited	Matter settled in terms of the consent order dated November 11, 2008	0.15
5.	ZEEL (*formerly known as Zee Telefilms Limited*) and its promoters	Alleged violations of provisions of SEBI (Prohibition of Fraudulent and Unfair Trade Practices Relating to Securities Market) Regulations, 1995	Matter disposed off by way of an order dated March 19, 2008	--

For further details of the above proceedings, please refer to the section titled "Outstanding Litigation and Material Developments" beginning on page 407 of this Draft Letter of Offer.

2. ***There are several Criminal proceedings initiated against the Company, its directors, Subsidiary(ies), Group Entities of the Company for various alleged offences under the Criminal law .***

There are several Criminal Proceedings initiated against the Company, its directors, Subsidiary(ies) and Group Entities of the Company for various alleged offences which includes criminal defamation; breach of trust; cheating; criminal conspiracy; criminal intimidation etc. under the Indian Penal Code. Any conviction in such matters may adversely affect the business prospects, reputation, financial condition and results of operations of the Company. For further details of the above proceedings, please refer to the section titled "Outstanding Litigation and Material Developments" beginning on page 407 of this Draft Letter of Offer.

3. ***The Company, its Promoters, Directors, Subsidiaries and Group Entities are involved in several litigations, any unfavorable outcome of the same may adversely affect the business prospects, reputation, financial condition and results of operations of the Company.***

We set out below the summary of litigation by and against the Company, its Promoters, Directors and Group Entities:

No.	Particulars	No. of cases / disputes	Amount involved where quantifiable (` in Million)
Cases against the Company			
1.	Civil Cases		
	- Civil Cases	12	53.90
	- Civil Defamation Cases	13	12,752.70*

No.	Particulars	No. of cases / disputes	Amount involved where quantifiable (` in Million)
2.	Criminal Proceedings	8	N.A.
3.	Labour Cases	1	N.A.
4.	Proceedings by Regulatory Authority	2	N.A.
Cases by the Company			
1.	Civil Cases	5	3.26
2.	Criminal Proceedings	57	23.27
Revenue Proceedings filed against the Company			
1.	Direct Tax (*Income Tax*) Proceedings	20	Not quantifiable
2.	Indirect Tax (*Service Tax*) Proceedings	1	Not quantifiable
Revenue Proceedings filed against the Promoters			
1.	Direct Tax (*Income Tax*) Proceedings	39	654.38#
Cases filed against the Directors			
1.	Civil & Defamation Cases	7	4,231.20
2.	Criminal Proceedings	15	N.A.
Cases filed by the Directors			
1.	Criminal Proceedings	17	
Cases against the Subsidiaries of the Company			
1.	Civil Cases		
	- Civil Cases	12	139.19
	- Civil Defamation Cases	6	10,450.00*
2.	Labour Cases	3	N.A.
Cases filed by the Subsidiaries of the Company			
1.	Civil Cases	3	4.42
2.	Criminal Proceedings	8	3.42
Revenue Proceedings filed against the Subsidiaries of the Company			
1.	Direct Tax (*Income Tax*) Proceedings	4	Not quantifiable
2.	Indirect Tax (*Service Tax*) Proceedings	1	Not quantifiable
Cases against Group Entities of the Company			
1.	Civil Cases	190	2,054.57
2.	Criminal Proceedings	9	1500.00
Cases filed by Group Entities of the Company			
1.	Civil Cases	64	2,319.27
2.	Criminal Proceedings	71	47.63
Revenue Proceedings against Group Entities of the Company			
1.	Direct Tax (*Income Tax, TDS and Wealth tax*) Proceedings	39	1,125.50#
2.	Indirect Tax (*Service Tax, Customs, Entertainment and Sales tax*) Proceedings	64	1,430.04#
Show Cause Notices; Orders or Directions issued by SEBI against the Group Entities			
1.	SEBI Proceedings (*including concluded proceedings*)	5	N.A.
Matter before the Company Law Board against the Company & its Group Entities			
1.	Company Law Board Matter	1	N.A.
Total		**677**	**36,792.75**

**The amounts appearing are approximate claims sought by the Plaintiff in the proceedings.*
#The above tax liabilities may be subject to interest charges and penalty imposed by the Department, if any.
For further details of the above litigations, please refer to the section titled "Outstanding Litigation and Material Developments" beginning on page 407 of this Draft Letter of Offer.

4. ***Policy changes and Government Regulations have a major impact on the television and newspaper business and operations of the Company.***

The television industry has been rapidly changing over a period of time in India due to various factors, one of them being government policy and regulation. The Telecom Regulatory Authority of India (TRAI) is a statutory body created under the Telecom Regulatory Authority of India Act, 1997 for regulating the telecommunications and broadcasting sectors, protecting the interests of consumers and service providers and promoting and ensuring orderly growth of these sectors. TRAI performs

regulatory and tariff setting functions such as notifying the rates at which services are to be provided to the users. TRAI also makes recommendations, either *suo moto* or on request from the Ministry of Information & Broadcasting (MIB) in the case of broadcasting and cable services. In 2013, TRAI undertook several measures for revitalizing growth in the broadcasting sector by the digitization effort, which aims at empowering the consumer and providing better quality of service and increased choice. Seeding of Set Top Boxes (STBs) and activation of Subscriber Management Systems (SMS) has been completed in most of the major cities and towns across the country. In the TV industry, the power of a channel to attract advertisements and hence, the production and scheduling of content, are significantly influenced by the television ratings system. TRAI has evolved a comprehensive mechanism which sets out eligibility conditions and standards for the rating agencies and the rating system, the methodology for effectively monitoring and enforcing compliance with these parameters through penal provisions, and a time bound plan for implementation. TRAI also focused on improving the quality of service for television viewers by issuing regulations limiting the air time occupied by advertisements on television channels. As per the policy advertising on television channels in India, the time period for telecasting advertisements and promotions on television in India is being restricted to twelve (12) minutes per hour and is regulated under the Standards of Quality of Service (Duration of Advertisements in Television Channels) (Amendment) Regulations, 2013. However, the above Regulation has been challenged by the Company and other news broadcasters before the TDSAT on the basis that the same should not be made applicable to news channels.

Further, the Indian newspaper industry is subject to regulations by State and Central Governments. To print newspapers, we must obtain licenses, permits and approvals for our printing facilities. We cannot assure you that we will be able to obtain all necessary licenses, permits and approvals for our printing facilities or comply with the conditions mentioned therein. Under applicable laws, in the event of default by us, certain adverse consequences such as imposition of penalties, revocation or termination of a license or suspension of a license, may occur. Our business might suffer in case there are adverse changes to the regulatory framework, which could include new regulations that we are unable to comply with or those that allow our competitors an advantage. In the event of any changes in Government policies and Regulations may adversely affect the business and results of operations of the Company.

5. ***We face significant competition from other broadcasters of news channels. Any failure to compete effectively with the competitors may have a material adverse effect on the business and results of operations of the Company.***

There is significant competition for increasing viewership in the Indian broadcasting industry, including the news segment. For example, there are about fifteen (15) Hindi news channels, including eight (8) prominent Hindi news channels competing with Zee News. We not only compete with the channels of our genre, but also with other genres like English news channels and regional language news channels, as some of the viewers prefer to watch news in a particular language or related to a particular region or state. Though the regional language news channels have a specific target audience, there a possibility that the target audience of these regional language channel is also a viewer of our Hindi News channel thereby leading to a competition between the Company's own news channels for the eye-ball of the common viewer.

The Company's channels have built market share by both expansion of the market and by capturing market share from other existing channels. New players also enter the segments in which we operate in and it could intensify competition for viewership of channels of the Company. Similarly, Company's channels compete for subscription as well as advertising revenues with other genres of television and other forms of media. As a result of competition, we may face challenges which may require the Company to take certain steps which may have an adverse impact on the revenues, business and financial condition of the Company.

6. ***The primary source of revenue is advertisements and subscriptions by viewers, which may decline due to a variety of factors.***

The primary source of the Company's revenue is from advertisements placed by advertising agencies for their clients who in turn are companies and entities selling products and services to the viewers of the Company. The other main source of revenue is the subscription charges received by the Company

from the subscribers of Company's channels. For the six (6) months period ended September 30, 2014 and Financial Year ended March 31, 2014, 2013 and 2012, the Company's advertisement revenue constituted 56.84%, 62.22%, 62.86% and 63.01%, respectively and revenue from subscriptions constituted 17.17%, 28.19%, 26.22% and 23.46% respectively, of the Company's total income on a consolidated basis.

Advertising revenues are primarily influenced by the volume of viewership that the programmes are able to attract or generate. Further, competition from other channels and popularity of their programs also affects the revenues of the Company as the clients may prefer to advertise their products on a rival channel due to better programming and reach than the channels of the Company. Not only competition between channels, but television competes with other media like print, radio and online or digital media. For example, digital media is attracting a lot of advertising in recent times and companies are increasing their budget allocation for digital media. As a consequence, advertisement income may be influenced to the extent our advertisers prefer to advertise on other media compared to television. Advertising budgets of clients are also affected by general economic conditions in India and any downturn in the Indian economy generally or in particular industries and markets served by our advertising clients may cause them to decrease their advertising budgets. Any of the other scenarios can adversely affect our revenues and business operations.

Further, advertisement trends are seasonal in nature based on social and political events and buying patterns. For instance, advertising sales are generally higher in the second half of a financial year because of the higher level of advertising during the festive season in India. This results in the income from operations to vary substantially quarter by quarter, which results in significant fluctuations in the Company's quarterly results.

7. ***The chief editors and news presenters/anchors of the Company have developed significant reputation and viewer following. The Company's inability to retain them may affect the viewership of its channels.***

The channels, especially in the news genre, are led by chief editors or news presenters/anchors of current affairs programs, who over a period of time develop a rapport and following with the viewers. The editor becomes the face of the channel and some of the viewers even follow the editor in case he shifts from one channel to another. Similarly, the prime time news bulletins and current affair shows of the Company are anchored by such distinguished editors have a significant following with the viewers. The success and viewership of the news bulletins and current affairs programmes significantly depend on retaining these editors with the Company. Any inability to retain such editors may affect the viewership and consequently the TAM ratings of our channels leading to reduction in the popularity of our news bulletins and current affairs programmes.

8. ***The success of the Company will depend on its ability to attract and retain its key managerial personnel and the loss of team members may adversely affect and disrupt the business operations of the Company.***

The future success depends on the continued service and performance of the members of the senior management team and other key personnel of the Company in business for implementation, management and running of the daily operations, and the planning and execution of our business strategy. There is intense competition for experienced senior management and other key personnel with technical and industry expertise and if we lose the services of any of these or other key individuals and are unable to find suitable replacements in a timely manner, the ability to realize the objectives of the Company could be impaired. The Company's performance also depends on its ability to attract skilled personnel. If we are unable to do so, it may adversely affect the business and results of operations of the Company.

9. ***The business involves risks of liability for news content and related risks, which could result in significant costs.***

The Company relies on editors, reporters and freelance journalists/ stringers as well as news wires and agencies for news and other content for the news channels and newspaper of the Company. While we have established systems and protocols to ensure that the content is diligently gathered and news

reporting is duly vetted by editors before it is broadcast, posted or published, any failure by them to follow these systems and protocols may lead to the broadcasting, posting or publishing of defamatory content or result in inaccurate reporting thereby exposing us and our employees to litigation for libel or defamation charges. Any adverse order in such a litigation may affect our reputation and damage the credibility of our content in the perspective of the viewers. Our channels are further open to censure and other penalties by the Ministry of Information and Broadcasting (MIB) for broadcasting objectionable content.

10. ***Conversion of Pay channels to Free To Air Channels and vice-versa may result in loss of subscription revenues or loss of viewership leading in loss of advertising revenues which may affect the business and results of operations of the Company.***

The Company runs a mix of pay and free-to-air channels. With the implementation of the DAS in certain cities of India as of now, subscription revenues from pay channels may result in significant increase as the channel operator or the broadcasting company is now able to know the number of subscriptions and the time period for which a particular channel is being watched by a particular viewer. Popularity of a particular channel and its successful programmes now decided the rate of subscription leading to the increase or decrease in the amount of subscription revenues from the channel.

As regards free-to-air channels, revenues are received from the advertisements telecast on these channels. Any shift of a particular channel from a free-to-air channel to a pay channel could result in a decline in the viewership as the viewer may not be willing to pay any charges for viewing the channel and therefore not opt for the particular channel as a part of the gamut of channel that the viewer would like to watch. This may also lead in the decline in the advertising income generated from this channel. Any decrease in the advertising income from a particular pay channel which was initially a free-to-air channel may or may not be offset by the increase in subscription revenues. In addition, we cannot assure that Multiple System Operator (MSOs); Local Cable Operators (LCOs) and DTH operators will continue to carry these channels on the same terms if they are converted to pay channels, which may further affect the revenues from these channels.

11. ***New channel launches might take longer than expected to break even.***

The Company may launch new channels so as to further enhance its presence in the news genre market. Launch of new channels may carry risk of not being accepted by the target viewer for a variety of reasons including quality of programming, price, marketing support, competition, etc. There can be no assurance that the new channels will be successful. In addition new channels have a long gestation period to achieve break even and market share of viewership. In the event of any failure of any new channel, the Company may have to write-off the losses incurred in the production and broadcast of the channel or invest monies to re-structure, refresh or modify the content of the channel or launch a new channel targeting some other region or viewers.

12. ***The meteoric growth of the internet and social media with lightning fast downloading speeds may lead to the viewer's preferring to watch news content more on their handheld devices than television. This may lead to a reduction in subscription fees and reduction of advertisement rates of the channels which may affect the business and results of operation of the Company.***

Television news broadcasting has till date been the preferred medium of watching news and current affairs programmes post the era when radio dominated news broadcasting. The past two (2) decades has seen exceptional growth in news broadcasting around the world. In the present times, with the advent of the internet and the growing use of the internet by the people in general has posed a new and serious challenge to the television news broadcasting industry all around the globe. Growing speed of data downloading may lead to the viewer's preferring to watch news on their devices as per their choice and at their time. Television has the limitation of time and mobility which the internet does not have thereby facilitating the viewer with both the choice of time and content. Further, social media is playing an active role in breaking news to viewers before it gets aired on television in an appropriate form. Increased use of internet by the viewers may reduce the time period and the content they would have normally watched which may lead to lower subscriptions and reduction of advertisement rates for the channels which may affect the business and results of operation of the Company.

13. ***There is no monitoring agency appointed by the Company and the funding requirements are based on management estimates and have not been independently appraised, though it shall be monitored by the Audit Committee.***

As per the SEBI (ICDR) Regulations, appointment of monitoring agency is required only for Issue size above `5,000 million. Hence, the Company has not appointed a monitoring agency to monitor the utilization of Issue proceeds. However, the Audit Committee of the Company, will monitor the utilization of Issue proceeds. In case of any material deviation in the utilisation of issue proceeds, the Company will be required to inform such deviations to the Stock Exchanges and make public such material deviations as a part of the financial results.

Further, the funding requirements are based on management estimates and have not been appraised by any bank or financial institution. In view of the competitive nature of the industry in which the Company operates, we may have to revise the management estimates from time to time and, consequently, the funding requirements may also change. This may result in the rescheduling of the expenditure programs and an increase or decrease in the proposed expenditure of the Company.

14. ***The Company has not entered into any definitive agreements to use the Net Proceeds of the Issue.***

The Net Proceeds are expected to be used as set forth under the section titled "Objects of the Issue" beginning on page 69 of this Draft Letter of Offer. The Company has not entered into any definitive agreements for utilisation of the Net Proceeds of the Issue. There can be no assurance that the Company will be able to enter into such agreements on terms favorable to it or at all. Accordingly, the applicants in this Issue will need to rely upon the judgment of the management of the Company, who will have considerable discretion, with respect to the use of proceeds. However, we confirm that the use of the Net Proceeds will be at the discretion of the Company subject to the Issue proceeds being utilized for the purposes disclosed in the Objects of the Issue.

15. ***The Company has not placed orders for the equipment and accessories that are proposed to be acquired from the Net Proceeds of the Issue. In case of any escalation in prices of these equipment and accessories, our cost of acquisition may increase which in turn will adversely affect the Company's financials.***

One of the Objects of the Issue is to purchase equipment and accessories for production and broadcasting. The Company proposes to place orders for certain equipment and accessories as per the Schedule of Implementation. Any delay in placing the orders or procurement for these equipment and accessories may result in increase in the price of these items which may have an adverse effect on the Company's financials and profitability. For further details, please refer to section titled "Objects of the Issue" beginning on page 69 of this Draft Letter of Offer.

16. ***The requirements and deployment of the Net Proceeds of Issue are based on the internal estimates of our management, and have not been appraised by any bank or financial institution. The deployment of funds in the project is entirely at our discretion and as per the details mentioned in the section titled "Objects of the Issue".***

The requirements of the Company, the funding plans and the deployment of the Net Proceeds of the Issue are based on our management estimates and have not been appraised by any bank or financial institution. The deployment of funds is entirely at the discretion of the management and the same will not be monitored by any external agency. The Company may have to revise its management estimates from time to time and consequently its funding requirements may also change. The estimates contained in the Draft Letter of Offer may exceed the value that would have been determined by third party appraisals, which may require us to reschedule the deployment of funds as proposed by the Company.

17. ***The auditors for the six (6) months period ended September 30, 2014 in their auditors report on Restated Consolidated Financial Information reported a matter of emphasis, which do not require any corrective adjustments to the Restated Consolidated Financial Information of the Company.***

In case of Mediavest India Private Limited (MIPL), the auditors have reported that MIPL's net worth has been fully eroded due to accumulated losses and the losses for the six months period ended September 30, 2014. The negative net worth of MIPL as at September 30, 2014 is ` 1,732.92 million. Though, MIPL has incurred losses, the accounts have been prepared on going concern basis as the Promoters have regularly financed MIPL. For further details, please refer to section titled "Financial Statements" beginning on page 197 of this Draft Letter of Offer.

18. ***The Company has incurred loss for the six (6) months period ended September 30, 2014 and there is no assurance that it may not incur losses in the future which may adversely affect the ability to carry on its business.***

The Company has incurred a loss of `322.04 million for the six (6) months period ended September 30, 2014. There is no assurance that the Company may not incur losses in the future which may adversely affect the ability to carry out its business.

19. ***The Promoter companies, some of the Subsdiary(ies) and Group Entities of the Company have incurred losses in the last three (3) financial years.***

The Promoter companies, some of the Subsidiary(ies) and Group Entities of the Company, as disclosed under the Section titled "History and Certain Corporate Matters – Subsidiaries of the Company" and "Group Entities of the Company" beginning on pages 132 and 157 of this Draft Letter of Offer, have incurred losses in the last three (3) financial years, as disclosed below:

No.	Particulars	March 31, 2014 (` in Million)	March 31, 2013 (` in Million)	March 31, 2012 (` in Million)
Promoters of the Company				
1.	25 FPS Media Private Limited	(3,215.72)	(0.24)	0.06
2.	ARM Infra & Utilities Limited	(0.44)	--	--
3.	Prime Publishing Private Limited	(477.79)	(76.69)	0.02
4.	Sprit Textiles Private Limited	(4,735.68)	(523.87)	(0.01)
Subsidiaries of the Company				
5.	Diligent Media Corporation Limited	(957.88)	(1,667.4)	(1,266.1)
6.	Mediavest India Private Limited	(273.94)	(590.85)	(80.60)
7.	Maurya TV Private Limited*	(13.31)	26.51	(74.98)
Group Entities of the Company				
8.	Dish TV India Limited	(1,576.10)	(660.00)	(1,331.40)
9.	Siti Cable Network Limited	(940.61)	(640.73)	(913.40)
10.	Zee Learn Limited	(19.38)	(214.14)	(276.17)
11.	Shirpur Gold Refinery Limited	56.18	22.80	(141.57)
12.	Digital Satellite Holdings Private Limited	(0.13)	(0.04)	--
13.	Digital Subscribers Management and Consultancy Private Limited	(7.32)	(1.42)	(0.02)
14.	New Media Broadcasting Private Limited	(1.59)	(0.35)	(0.27)
15.	Essel Corporate Resources Private Limited	(1,065.05)	(1,061.24)	(9,979.40)
16.	Asian Satellite Broadcast Private Limited	(595.61)	(711.33)	(293.68)
17.	Direct Media Distribution Ventures Private Limited	(98.70)	(635.47)	(0.24)
18.	Bioscope Cinemas Private Limited	(0.13)	(0.22)	(0.23)
19.	Direct Media Solutions Private Limited	(0.40)	(0.14)	(0.07)
20.	Khoobsurat Infra Private Limited	(0.65)	--	--
21.	Pan India Network Infravest Limited	2.63	(1.67)	(2.38)
22.	Churu Enterprises LLP	(0.04)	(0.05)	(0.05)
23.	Prajatma Enterprises LLP	(0.03)	(0.04)	(0.05)
24.	Jayneer Enterprises LLP	(0.04)	(0.11)	(0.06)
25.	Essel Properties LLP	(0.04)	--	--

**The Company has acquired 100% stake in Maurya TV Private Limited on December 12, 2014, thereby making it a Wholly Owned Subsidiary (WoS) of the Company.*

The Company cannot assure that its Promoters, Subsidiary(ies) and Group Entities will not incur losses in the future.

20. ***In recent financial years, the Company had negative cash flow from operating, investing and financing activities which may adversely affect the Company's ability to carry on its business.***

The Company had negative cash flows from operating, investing and financing activities as mentioned below:

(` *in Millions*)

Particulars	Six (6) Months ended September 30, 2014	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2010
Net cash flow from/(used in) Operating activities	(118.81)	284.60	788.24	(86.28)	982.17	140.00
Net cash flow from/(used in) Investing activities	221.47	(535.20)	(702.03)	(720.61)	1,013.28	(963.10)
Net cash flow from/(used in) Financing activities	(94.63)	355.51	(212.99)	155.37	(1,289.98)	565.05

For further details, please refer to section titled "Financial Statements" beginning on page 197 of this Draft Letter of Offer. The Company cannot assure that it will not have negative cash flows from the aforementioned activities in the future which may adversely affect the Company's ability to carry on its business.

21. ***Contingent liabilities, if it materializes, could adversely affect the financial condition of the Company since there is no provision made in the books of accounts of the Company.***

The contingent liabilities as on September 30, 2014 of the consolidated operations of the Company were as follows:

Nature of Liability	Amount (` in Million)
Custom duty pending export obligations	18.18
Disputed Direct Taxes (including Penalty)	372.90
Disputed Indirect Taxes	142.63
Legal cases against the Company*	Not Ascertainable

** The Company has received legal notices of claims / law suits filed against it relating to infringement of copy rights, defamation suits etc. in relation to programs telecasted / other matters. In the opinion of the management, no material liability is likely to arise on account of such claims / law suits.*

If any of these contingent liabilities materialise, fully or partly, the financial condition of the Company could be adversely affected. For more information regarding the contingent liabilities, please refer to the section titled "Financial Statements" beginning on page 197 of this Draft Letter of Offer.

22. ***The conditions and restrictions imposed under the financing arrangements availed by the Company could adversely affect the ability to conduct the business and operations of the Company.***

As on November 30, 2014, amount outstanding for the loans availed from State Bank of India by the Company is `1,220.66 millions. The loan agreement entered with State Bank of India amongst the other terms and conditions, contain requirements to maintain certain security margins, financial ratios and restrictive covenants, such as requiring prior approval from the lender *inter alia* for issuance of new Equity Shares, undertaking any new project, diversification, modernization or substantial expansion of the Company's business operations, formulating any scheme of amalgamation or reconstruction, etc. For further details, please refer to section titled "Financial Indebtedness" beginning on page 400 of this Draft Letter of Offer.

There can be no assurance that the Company will be able to comply with all the covenants or that the Company will be able to obtain the consents necessary to take the actions that it believes are required to operate and grow the business of the Company. Any failure to service the indebtedness or to obtain a required consent or perform any condition or covenant could lead to a termination of the Company's credit facilities, acceleration of amounts due under such facilities and defaults under certain of the financing agreements, any of which may adversely affect the financial condition of the Company.

Accordingly, pursuant to the terms of these financing agreements, the Company is required to obtain consent from its lender to undertake the Issue. The Company has made an application dated November 10, 2014 to receive such consent from its lender, though has not received it as on date of this Draft Letter of Offer. While, the Company intends to obtain consent from its lender prior to filing the Letter of Offer with the RoC, in the event that such consent is not granted, the Company will be unable to undertake the Issue.

23. ***The Company has not paid dividends in the last five (5) years. There is no guarantee that the Company will be in a position to pay dividends in the future.***

The Company has not paid any dividend on its Equity Shares during the preceding five (5) financial years. Further, the ability to pay dividends in the future will depend upon a variety of factors, including but not limited to the earnings, general financial conditions, capital requirements, results of operations, contractual obligations and overall financial position, applicable Indian legal restrictions, the Articles of Association and other factors considered relevant by the Board of Directors of the Company. Therefore, the Company cannot assure that it will be in a position to declare dividends of any particular amount or frequency in the future to its shareholders.

24. ***The Company has entered into certain related party transactions and may continue to do so. Any such related party transaction may have an adverse effect on the business, financial condition and results of operations of the Company.***

The Company has entered into related party transactions in ordinary course of its business at arms length basis. We cannot assure you that any future related party transactions that would be entered into by the Company may be on favorable terms as against if such transactions would have been entered into with unrelated parties. Further, the Companies Act, 2013 has brought into effect significant changes to the Indian company law framework including specific compliance requirements such as obtaining prior approval from audit committee, board of directors and shareholders for certain related party transactions. We cannot assure you that such transactions, individually or in the aggregate, will not have an adverse effect the business, results of operations and financial condition of the Company. For further details of related party transactions, please refer to Annexure XIX titled "*Restated Consolidated Summary Statement of Related Party Transactions*" and Annexure XIX titled "*Restated Summary Statement of Related Party Transactions*" in the section titled "Financial Information" beginning on page 197 of this Draft Letter of Offer.

25. ***The Company may not be able to sustain its growth or maintain a similar rate of growth, which may have an adverse effect on the financial condition and results of operations of the Company.***

The total revenue of the Company has increased from `2,874.77 million for the Financial Year 2011 to `3,543.88 million for the Financial Year 2014. The Company may not be able to sustain its growth effectively or to maintain a similar rate of growth in the future due to a variety of reasons including increased prices or competition, lack of skilled manpower, or due to a general slowdown in the economy. A failure to sustain the growth may have an adverse effect on the financial condition and results of operations of the Company.

26. ***The Subsidiary of the Company had recently discontinued Bangalore and Pune editions of DNA. We cannot assure that the Company shall continue its editions in the other cities where it currently operates.***

Pursuant to amalgamation of Essel Publishers Private Limited with the Company in the Financial Year 2014-2015, the Company got under its fold DNA, a English daily newspaper. DNA was launched on

July 30, 2005 in Mumbai and is presently being published in Mumbai whereas in the cities of Jaipur and Ahmedabad, DNA is being published under a Publication License Agreement with local publishers. DNA recently in August 2014 and September 2014 had discontinued the Bangalore and Pune editions of DNA respectively. We cannot assure that the Company shall continue its editions in the other cities where it currently operates.

27. ***We face intense competition from various newspaper publishers.***

The Indian newspaper industry is intensely competitive. In each of the markets, we face competition from other newspapers for circulation, readership and advertising. In addition, we face competition from other forms of media including, but not limited to, television broadcasters, magazines, radio broadcasters, online publishers and social media. These other forms of media compete with newspapers for advertisers and also for the time and attention of readers of the Company. In addition, we may face competition in the future from international media companies, if and when, the Government of India liberalizes its foreign investment regulations and restrictions applicable to the media sector.

Competition for circulation and readership has often resulted in competitors of the Company reducing the cover-prices of their newspapers and competition for advertising from newspapers has often resulted in competitors of the Company reducing advertising rates or offering price incentives to advertising customers. In the event of such price competition, we too may have to reduce the cover price of our newspapers; advertising rates; or offer other price incentives. Any such reduction in prices or rates or the introduction of new price incentives could have a material adverse effect on our results of operations.

Some of the competitors have greater financial resources, generate higher revenues and therefore may be able to better respond to market changes and shifts in consumer spending patterns, sentiments and tastes than we can. They also may be in a better position than us to sustain losses in revenue due to pricing pressures on advertising rates and cover prices of newspapers. Accordingly, we cannot be certain that we will be able to compete effectively with these competitors or that we will not lose circulation or readership to these competitors or lose advertising business to them. Failure to be able to compete effectively may adversely affect business, results of operations and financial condition of the Company.

28. ***The newspaper publishing business of the Company is heavily dependent on advertising revenues and any reduction in advertising spends, loss of advertising clients or our inability to attract new readers could have an adverse affect on the business of the Company.***

DNA is currently published in Mumbai and has franchise editions at other locations i.e. Jaipur and Ahmedabad. Any reduction in advertising spends by the clients, the loss of advertising clients and our inability to attract new advertising clients could have an adverse effect on our business, results of operations and financial condition.

The advertisement spends by the Company's clients is influenced largely by the circulation and readership of its newspapers, the geographical reach, readership demographics and by the preference of the advertising client for one media over another. In addition, the advertising spends is influenced by a number of factors including the Indian economy, the performance of particular industry sectors, shifts in consumer spending patterns and changes in consumer sentiments and tastes.

Advertising agencies place advertisement orders for their clients with us either for a particular day or a particular period or for a comprehensive advertising campaign. Some of these advertisers or advertising agencies may pre-maturely terminate such advertisements or advertisement campaigns and switch over to the competitors of the Company or other media platforms, which may adversely affect the revenues of the Company.

Circulation of the newspapers amongst readers is an important source of revenue of the Company as we earn subscription revenues and sales revenues from such sale of newspapers. In addition, circulation and readership significantly influence advertising spends by advertisers and advertising rates of the Company. Circulation and readership is dependent on the content of newspapers of the Company, the

reach of its newspapers and the loyalty of its readers of its newspapers. Any failure by the Company to meet its readers' preferences and quality standards could adversely affect the circulation or readership over time. Circulation in the Mumbai market may be affected if we fail to meet any price competition. A decline in the circulation or readership of the newspapers of the Company for any reason could adversely affect the business, results of operations and financial condition of the Company.

29. ***We depend on third party distribution network for the sale and distribution of the Company's newspaper.***

The newspaper industry relies on an extensive network of agents and vendors for the sale and circulation of newspapers. The distribution network of the Company is multi-tiered. We supply our newspaper to the circulation agents as per their demands, who in turn distribute newspapers to a network of vendors. Further, our circulation agents and vendors are retained on a non-exclusive basis and also distribute newspapers for our competitors. If our competitors provide better commissions or incentives (*or if we reduce our commissions or incentives*) to our circulation agents and vendors, it could result in them favoring the newspapers of our competitors instead of our newspaper. Any significant disruption in the supply of our newspapers could lead to a decline in the reach of our newspapers and adversely affect our business and results of operation.

30. ***Certain Equity Shares held by the Promoters of the Company have been pledged. Any default may lead to invocation of the pledge on these Equity Shares, which may result in dilution of the Promoter's holding in the Company.***

As on September 30, 2014, the Promoters hold 250,280,827 Equity Shares of the Company constituting 69.11% of the total paid-up share capital of the Company. Out of the above, 49,235,000 Equity Shares held by the Promoters constituting 13.60% of the total paid-up share capital of the Company have been pledged. Any default may lead to invocation of the pledge on these Equity Shares, which may result in dilution of the Promoter's holding in the Company. For further details on pledge of Equity Shares, please refer to section titled "Capital Structure" beginning on page 58 of this Draft Letter of Offer.

31. ***We have issued Equity Shares pursuant to Scheme of Amalgamation during the last year.***

The Company has allotted 122,381,817 Equity Shares on June 9, 2014 to the shareholders of Essel Publishers Private Limited in terms of the Scheme of Amalgamation approved under Section 391-394 of the Companies Act, 1956. For further details, please refer to section titled "Capital Structure" beginning on page 58 of this Draft Letter of Offer.

32. ***Downgrading of the credit ratings would increase the cost of borrowing funds and make ability to raise additional funds in the future or renew maturing debt more difficult for the Company.***

The credit rating for borrowings of the Company by ICRA in March 2014 was [ICRA]A+ and December 2014 was [ICRA]A. Any further downgrading of the credit rating may not only increase the cost of raising additional funds but also affect the ability of the Company to renew maturing debt at a competitive rate. A downgrade in the credit ratings and an inability to renew maturing debt at a competitive rate may also adversely affect the perception of the Company's financial stability.

33. ***The insurance coverage may prove inadequate to satisfy claims against the Company, and we may be subject to losses that might not be covered in whole or in part by existing insurance coverage.***

We maintain insurance for various risks, including risks relating to term life insurance for its employees, special contingency policy (*cameras*), mediclaim policy for its employees (*hospitalization benefit policy*), compact policy which includes business furniture, furnishings, safes, office machinery, fixtures and fittings, other contents, portable computers, money in office, wages and salary, dishonesty of employees, office stationery etc., insurance for OB van equipment, etc. of the Company. The Company has also availed Directors and Officers Liability Insurance. However, in some cases, we may not have obtained the required insurance coverage or such insurance policies may have lapsed. The Company does not carry any key-man insurance. The properties may be subject to damage resulting from earthquakes and other natural disasters. Should an uninsured loss or a loss in excess of insured

limits occur, or our insurers decline to fully compensate us for the losses and we could incur liabilities, lose capital invested in that property or lose the anticipated future income to be derived from that property, while remaining obligated for any indebtedness or other financial obligations related to our business. Any such loss could result in an adverse effect to the Company's financial condition.

34. ***Technological failures and failure to deal with technological advancements could adversely affect the business and results of operations of the Company.***

We rely on sophisticated production and broadcast equipment, communications equipment and other information technology to conduct our business. Although, we have back-up equipment in some cases, if we were to experience significant damage to certain equipment or other technological breakdowns to equipment or systems, it could disrupt the ability to produce or broadcast, internal decision-making or other critical aspects of the business of the Company. Further, the Company's channels are uplinked / downlinked through a single satellite i.e. Asiasat. If this satellite were to cease to be available to us or there is any technical failure related to this satellite, we would have to secure access to an alternative satellite, and we cannot assure that such access would be available on favourable terms or at all or the time frame within which such access would be available.

The broadcasters are now increasingly producing their content in High Definition format (HD) instead of Standard Definition (SD). This particular migration is highly spectrum intensive as HD requires upto five (5) times the bandwidth compared to the SD bandwidth requirement. These migrations are taking place simultaneously, but at dynamically varying pace. Apart from compression, the spectrum efficiency also depends upon the modulation and coding techniques employed in DVB-S and DVB-S2. DVB-S2 claims to be 30% more spectral efficient than DVB-S system.

Any equipment or technological failure or damage due to technological failures that results in disruption of the services of the Company could lead to loss of revenues.

35. ***Disruptions and other impairment of the information technologies and systems could adversely affect the business and results of operations of the Company.***

Any disruption or other impairment in the information technology capabilities could harm our business. The business of the Company depends upon the use of sophisticated information technologies. We cannot assure you that we will be able to continue to operate effectively and maintain such information technologies and systems.

In addition, our information technologies and systems are vulnerable to damage or interruption from various causes, including power losses, computer systems failures and telecommunications or data network failures, computer viruses, hacking and similar events. We maintain disaster recovery capabilities for critical functions in the business. However, we cannot assure you that these capabilities will successfully prevent a disruption to or an adverse effect on the business or operations in the event of a disaster or other business interruption. Any extended interruption in our technologies or systems could significantly curtail the ability of the Company to conduct the business and adversely affect the business and results of operations of the Company.

36. ***We may not be able to secure additional funding in the future. In the event the Company is unable to obtain sufficient funding, it may delay its growth plans and have a material adverse effect on business and financial results of the Company.***

From time to time, the plans of the Company may change due to changing circumstances, new business developments, new business or investment opportunities or unforeseen contingencies. If the plans do change, the Company may need to obtain additional external financing to meet capital expenditure plans, which may include commercial bank borrowings or issue further equity shares or other securities. If we raise additional funds through the incurrence of debt, the interest and debt repayment obligations of the Company will increase, and we may be subject to additional covenants, which could limit the ability to access cash flow from operations and/or other means of financing. We cannot assure that we will be able to raise adequate financing to fund future capital requirements on acceptable terms, in time. In addition, any adverse credit ratings by the debt rating agencies for the debt availed by the Company may adversely impact the Company's ability to raise further financing. Any failure to obtain

sufficient funding could result in the delay or abandonment of our growth plans and have a material adverse effect on the business and financial results of the Company.

37. ***We may be unable to obtain, renew or maintain the statutory and regulatory permits and approvals required to operate the business. Any delay / failure in obtaining the required permits or approvals may result in the interruption of our operations.***

We require certain statutory and regulatory permits and approvals for our business. In the future, we will be required to renew such permits and approvals and obtain new permits and approvals for any proposed operations. There can be no assurance that the relevant authorities will issue any of such permits or approvals in the time-frame anticipated by us or at all. Failure by us to renew, maintain or obtain the required permits or approvals may result in the interruption of the business operations of the Company and may have a material adverse effect on the business, financial condition and results of operations. For further information, please refer to the section titled "Government and other Approvals" beginning on page 447 of this Draft Letter of Offer.

38. ***The Company has made an application for registration of certain trademarks under the Trade Marks Act, 1999. Failure to obtain registrations of these trademarks, and pending their registration, we may not have a strong recourse to legal proceedings to protect our trademarks which could have an adverse effect on our business.***

The Company has made 380 applications under various classes with the Trade Mark Registry which are mostly related to the logos of its channels *viz.* '*Zee News*'; '*Zee Business*'; '*Zee Uttar Pradesh*' etc. and certain titles of its programmes *viz.* '*Bada Sawaal*'; '*Aapka Vote Aapki Taquat*'; etc. As on the date of this Draft Letter of Offer, out of the above applications made by the Company, 110 trade marks have been registered with the Trade Mark Registry, whereas 270 are in the process of registration. The applications filed by the Company may not be allowed or third parties may challenge the validity or scope of this application or the trademarks if the application is approved. If we fail to successfully obtain registration of such trademarks, we may have to consider alternative trademarks or brand names. Failure to obtain registrations of these trademarks, and pending registration of these trademarks, we may not have a strong recourse to legal proceedings to protect the trademarks of the Company, which could have an adverse effect on the business. For further details on intellectual property rights, please refer to section titled "Business of the Company – Intellectual Property Rights" beginning on page 120 of this Draft Letter of Offer.

39. ***Increasing employee compensation may erode our competitive advantage and may reduce our profit margins, which may have an adverse effect on the business and financial conditions of the Company.***

We may need to continue to increase the levels of our employee compensation to remain competitive and manage attrition. Increase in compensation may have an adverse effect on our business and financial conditions of the Company.

40. ***The Company has not entered into any formal arrangement for occupancy of its registered office. Further, the Company does not own its corporate office. Any failure on the part of the Company to locate alternative offices may affect the administrative and business functions of the Company.***

The premises on which the registered office of the Company is situated is owned/ possessed by one of the Group Entities of the Company. We currently do not have any formal arrangement for the occupancy of the registered office. Further, the Company does not own the corporate office located at Noida. In the event, the Company does not enter into and definitive arrangement for its registered office or is unable to renew the lease agreement for corporate office on favourable terms, it may not be able to continue to use these premises as the registered office/ corporate office, which may lead to disruption in the business and administrative operations of the Company having an adverse effect on the business, financial condition and results of operations of the Company.

41. ***There may be potential conflict of interest vis-à-vis some of the Company's Promoter(s) and Director(s) with regard to the business interests of the Company and its Group Entities.***

Some of the Promoter(s) and Director(s) of the Company hold interests in other entities into similar activities as that of the Company. The Company is engaged in broadcast of News and Current Affairs TV Channels, one of the Group Entities of the Company, ZEEL is engaged in business of broadcast of General Entertainment TV channels. However, the Company and ZEEL have similar main objects in their respective MoAs which enable them to engage in the same line of business. There may be potential conflict of interest in addressing business opportunities and strategies in circumstances where the interest of the Company may be similar to that of its group entity, ZEEL.

42. ***Restrictions on foreign investment in the Company limits the Company's ability to raise capital outside India.***

According to the prescribed limits under the Foreign Exchange Management Act, 1999, as amended, in the news and current affairs broadcasting sector, foreign direct investment ("***FDI***"), including investment by FIIs of up to 26% of the paid-up equity share capital of the company is permitted with the prior permission of the GoI. This limits the ability of the Company to seek and obtain additional equity investments from foreign investors, which may adversely affect the ability to raise capital and business operations of the Company.

43. ***Any future issuance of Equity Shares may dilute the investor's shareholdings, and sales of the Equity Shares by our major shareholders may adversely affect the trading price of our Equity Shares.***

Any future equity issuances by the Company may lead to the dilution of investors' shareholdings in the Company. In addition, any sales of substantial amounts of the Equity Shares in the public market after the completion of this Issue, including by the major shareholders of the Company, or the perception that such sales could occur, could adversely affect the market price of the Equity Shares.

44. ***There were shortfalls in the performance of Dish TV and Siti Cable, Group Entities of the Company, when compared to the promises made in their last rights issue.***

Dish TV and Siti Cable, Group Entities of the Company, undertook right offering in the year 2008 and 2009 respectively. There were shortfalls in the performance of the offerings when compared against the schedule of deployment made in their offer documents. For further details, please refer to section titled "Group Entities of the Company" beginning on page 157 of this Draft Letter of Offer.

External Risk Factors

45. ***A slowdown in economic growth in India could cause the business of the Company to suffer.***

The results of operations and financial condition are dependent on and have been adversely affected by conditions in financial markets in the global economy, and, particularly in India. The Indian economy could be adversely affected by various factors such as political or regulatory action, including adverse changes in liberalization policies, interest rates, inflation, commodity and energy prices and various other factors. Any slowdown in the Indian economy may adversely affect the business, financial condition, results of operations and the price of the Equity Shares of the Company.

46. ***Any downgrade of credit ratings of India or Indian companies may adversely affect the ability to raise debt financing.***

India's sovereign foreign currency long-term debt is rated by (i) Standard & Poor's Rating Group, a division of McGraw-Hill Companies, Inc. ("***Standard & Poor's***"); (ii) Fitch Ratings Limited ("***Fitch***"); and (iii) Moody's Investors Services Limited ("***Moody's***"). These ratings reflect an assessment of the Government of India's overall financial capacity to pay its obligations and its ability or willingness to meet its financial commitments as they become due. No assurance can be given that Standard & Poor's, Fitch, Moody's or any other statistical rating organization will not downgrade the credit ratings of

India, which could adversely affect the ability of the Company to raise additional financing and the interest rates and other commercial terms at which such additional financing is available. This could have an adverse effect on the business and financial condition of the Company.

47. ***The occurrence of natural disasters may adversely affect the business, financial condition and results of operations of the Company.***

The corporate operations and the main broadcasting facility for each our channels are situated in Noida, NCR. The occurrence of any natural disasters, including hurricanes, floods, earthquakes, tornadoes, fires and pandemic disease may adversely affect the Company's ability to conduct its business operations, financial condition or results of operations of the Company. The potential impact of a natural disaster on the results of operations and financial position of the Company is speculative, and would depend on numerous factors. The extent and severity of these natural disasters determines their effect on the Indian economy. Although, the Company has backup facilities for many aspects of its operations and maintains insurance to cover losses due to earthquake and natural disasters, it could be difficult to maintain or resume its operations quickly in the event of a significant disaster at this facility. The Company cannot assure that such events will not occur in the future or that the business, financial condition and results of operations of the Company will not be adversely affected.

48. ***The Company has not independently verified the GoI and industry data in this Draft Letter of Offer.***

We have not independently verified data from Government of India and industry publications contained herein and although we believe these sources to be reliable, we cannot assure you that they are complete or reliable. Such data may also be produced on a different basis from comparable information compiled with regard to other countries. Therefore, discussions of matters relating to India, its economy or the pay television herein are subject to the caveat that the statistical and other data upon which such discussions are based have not been verified by us and may be incomplete or unreliable.

These facts and other statistics include the facts and statistics included under the sections titled "Summary of Industry" and "Industry Overview" beginning on pages 34 and 97 respectively of this Draft Letter of Offer. Due to possibly flawed or ineffective data collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced elsewhere and should not be unduly relied upon. Further, we cannot assure you that they are stated or compiled on the same basis or with the same degree of accuracy, as the case may be, elsewhere.

49. ***If securities or industry analysts do not publish research or publish unfavourable or inaccurate research about the business of the Company, the price and trading volume of the Equity Shares of the Company could decline.***

The trading market for the Equity Shares will depend, in part, on the research and reports that securities or industry analysts publish about us or our business. We may be unable to sustain coverage by well-regarded securities and industry analysts. If either none or only a limited number of securities or industry analysts maintain coverage of our Company, or if these securities or industry analysts are not widely respected within the general investment community, the trading price for our Equity Shares would be negatively impacted. In the event we obtain securities or industry analyst coverage, if one or more of the analysts downgrade our Equity Shares or publish inaccurate or unfavourable research about our business, our Equity Shares price may decline. If one or more of these analysts cease coverage of our Company or fail to publish reports on us regularly, demand for our Equity Shares could decrease, which might cause the price and trading volume of our Equity Share to decline.

50. ***The Companies Act, 2013 has effected significant changes to the existing Indian company law framework, which may subject us to higher compliance requirements and increase our compliance costs.***

The Companies Act, 2013 has been recently notified, except for certain provisions. The Companies Act, 2013 has brought into effect significant changes to the Indian company law framework, and in certain cases, introduced certain requirements which did not have corresponding provisions under the

Companies Act, 1956, such as provisions related to private placement of securities, disclosures in prospectus, corporate governance norms, accounting policies and audit matters, related party transactions, introduction of a provision allowing the initiation of class action suits in India against companies by shareholders or depositors, a restriction on investment by an Indian company through more than two layers of subsidiary investment companies (subject to certain permitted exceptions), prohibitions on loans to directors and insider trading and restrictions on directors and key managerial personnel from engaging in forward dealing. As a result of the changes brought about by the Companies Act, 2013, we have revised the rate of depreciation on certain tangible and intangible fixed assets and, consequently, the depreciation charge in the Restated Financial Information for the six (6) months ended September 30, 2014 is higher by `64.51 million and higher by `96.44 million in the Restated Consolidated Financial Information for the six (6) months ended September 30, 2014 of the Company. In addition, pursuant to the corporate social responsibility ("***CSR***") provisions contained in the Companies Act, 2013 the Company may also need to spend, in each financial year, at least two percent (2%) of our average net profits during the three (3) immediately preceding financial years towards one of the specified CSR activities.

51. ***Changing laws, rules and regulations and legal uncertainties, including adverse application of tax laws and regulations, in India may adversely affect the business and financial performance of the Company.***

The business and financial performance of the Company could be affected by any unfavourable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations applicable to the Company and its business. For further details on certain existing regulations applicable to the business of the Company, please refer to section titled "Key Regulations and Policies" beginning on page 121 of this Draft Letter of Offer. There can be no assurance that the Government may not propose and implement new regulations and policies which may affect the business or the Company. Any such change and the related uncertainties with respect to the implementation of the new regulations may have an adverse effect on the business, financial condition and results of operations of the Company. In addition, we may have to incur capital expenditures to comply with the requirements of any new regulations, which may adversely harm the results of operations of the Company.

Risk Factors in relation to the Issue

52. ***There is no guarantee that the Rights Shares issued pursuant to the Issue will be listed on the BSE and NSE in a timely manner or at all.***

Permission for listing and trading of the Rights Shares issued pursuant to the Issue will not be granted until after such Rights Shares have been issued and allotted. Such approval will require all other relevant documents authorising the issuing of Rights Shares to be submitted. There could be a failure or delay in listing these Rights Shares on the BSE and NSE. Any failure or delay in obtaining the approval would restrict your ability to dispose of the Rights Shares. Further, historical trading prices may not be indicative of the prices at which the Securities will trade in the future.

53. ***There are restrictions on daily movements in the price of the Equity Shares, which may adversely affect a shareholder's ability to sell, or the price at which it can sell, Equity Shares at a particular point in time.***

We are subject to a daily 'circuit breaker' imposed by the Stock Exchanges, which may not allow transactions beyond specified increases or decreases in the price of the Equity Shares of the Company. This circuit breaker operates independently of the index-based, market-wide circuit breakers generally imposed by SEBI on Indian stock exchanges. The percentage limit on the circuit breakers is set by the Stock Exchanges based on the historical volatility in the price and trading volume of the Equity Shares of the Company. The Stock Exchanges will not inform us of the percentage limit of the circuit breaker in effect from time to time and may change it without the knowledge of the Company. This circuit breaker will limit the upward and downward movements in the price of the Equity Shares of the Company. As a result of this circuit breaker, no assurance may be given regarding your ability to sell your Equity Shares or the price at which you may be able to sell your Equity Shares at any particular time.

54. ***Shareholders may be subject to Indian taxes arising out of capital gains on the sale of the Rights Shares.***

As per the current taxation laws capital gains arising from the sale of the equity shares of a company are generally taxable in India. Any gain realized on the sale of listed equity shares on a stock exchange held for more than twelve (12) months will not be subject to capital gains tax in India if the STT has been paid on the transaction. The STT will be levied on and collected by an Indian stock exchange on which equity shares are sold. Any gain realized on the sale of equity shares held for more than twelve (12) months to an Indian resident, which are sold other than on a recognized stock exchange and as a result of which no STT has been paid, will be subject to capital gains tax in India. Further, any gain realized on the sale of listed equity shares held for a period of twelve (12) months or less will be subject to capital gains tax in India. Capital gains arising from the sale of the Rights Shares of the Company will be exempt from taxation in India in cases where an exemption is provided under a treaty between India and the country of which the seller is a resident.

Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdictions on gain upon a sale of the Rights Shares. For further details, please refer to the section titled "Statement of Possible Tax Benefits Available to the Company and its Shareholders" beginning on page 81 of this Draft Letter of Offer.

55. ***Volatility in the stock market may have an impact on the market price and trading of the Equity Shares of the Company.***

Stock markets have experienced extreme volatility that has often been unrelated to the operating performance of particular companies. These broad market fluctuations may adversely affect the trading price of the Equity Shares of the Company. There may be significant volatility in the market price of the Equity Shares of the Company. If we are unable to operate profitably or as profitably as we have in the past, investors may sell the Equity Shares resulting in a decrease in the market price of the Equity Shares. There can be no assurance that an active trading market for the Equity Shares will be sustained after this Issue, or that the price at which the Equity Shares are initially offered will correspond to the prices at which they will trade in the market subsequent to this Issue.

Prominent Notes to Risk Factors

1. Issue of [●] Equity Shares with a face value of `1 each ("***Rights Shares***") for cash at a price of `[●] per equity share (including a premium of `[●] per rights share) for an amount aggregating upto `2,000 million on rights basis in the ratio of [●] ([●] Rights Shares for every [●] fully paid up equity shares) held by the equity shareholders on the record date, i.e. [●], 2015. The face value of the Rights Shares is `1 each and the issue price is [●] times of the face value of the Equity Shares.

2. The Net Worth of the Company as per the Restated Consolidated Financial Information as of September 30, 2014 and March 31, 2014 is `3,737.41 million and `2,311.45 million, respectively. The Net Worth of the Company as per the Restated Financial Information as of September 30, 2014 and March 31, 2014 is `3,972.11 million and `2,219.77 million respectively. For further details, please refer to section titled "Financial Statements" beginning on page 197 of this Draft Letter of Offer.

3. The Net Asset Value per Equity Share of the Company as per the Restated Consolidated Financial Information as of September 30, 2014 and March 31, 2014 is `10.32 and `9.64, respectively. The Net Asset Value per Equity Share of the Company as per the Restated Financial Information as of September 30, 2014 and March 31, 2014 is `10.97 and `9.26 respectively. For further details, please refer to section titled "Financial Statements" beginning on page 197 of this Draft Letter of Offer.

4. The average cost of acquisition per Equity Share of the Promoters is set out below:

Name of the Promoter	No. of Equity Share held	Average price per Equity Share (`)
25 FPS Media Private Limited	127,898,710	Nil
ARM Infra & Uitilities Limited	122,363,636	Nil

Name of the Promoter	No. of Equity Share held	Average price per Equity Share (`)
Prime Publishing Private Limited	18,181	Nil
Sprit Textiles Private Limited	200	Nil

For further details, please refer to section titled "Capital Structure" beginning on page 58 of this Draft Letter of Offer.

5. For further details regarding the related party transactions and business interest, please refer to Annexure XIX titled "*Restated Consolidated Summary Statement of Related Party Transactions*" and Annexure XIX titled "*Restated Summary Statement of Related Party Transactions*" in the section titled "Financial Statements" beginning on page 197 of this Draft Letter of Offer.

6. The Company has entered into the following transactions with its Subsidiary(ies) and Group Entities during the eighteen (18) months period preceding the latest financial statements included in this Draft Letter of Offer i.e. April 1, 2013 to September 30, 2014 including the name and the cumulative value of the transactions:

(` *in Millions*)

Nature of Transaction	Name of Entity	Transaction Amount		
		Six (6) months period ended September 30, 2014	Year ended March 31, 2014	Total
Subsidiaries				
Channel Subscription fees paid	Zee Akaash News Private Limited	9.91	21.68	31.59
Other Operational Expenses (*Advertisement space purchased*)	Zee Akaash News Private Limited	9.77	2.43	12.20
Dividend income	Zee Akaash News Private Limited	24.00	36.00	60.00
Investment made in preference share capital	24 Ghantalu News Limited	--	200.00	200.00
Loans, Advances and Deposits given	24 Ghantalu News Limited	--	0.03	0.03
Loans, Advances and Deposits repayment received	24 Ghantalu News Limited	--	0.35	0.35
Interest Income	Pri - Media Services Private Limited	0.06	--	0.06
Printing & Stationary charges	Pri - Media Services Private Limited	1.26	--	1.26
Interest Income	Mediavest India Private Limited	14.08	--	14.08
Loans, Advances and Deposits given	Mediavest India Private Limited	255.50	--	255.50
Rent paid	Diligent Media Corporation Limited	6.00	--	6.00
Advertisement and Publicity expenses	Diligent Media Corporation Limited	0.25	--	0.25
Legal and Professional expenses	Diligent Media Corporation Limited	0.19	--	0.19
Group Entities				
Revenue from Broadcasting services	Pan India Network Limited	3.67	3.20	6.87
Revenue from Broadcasting services	Dish TV India Limited	9.23	3.33	12.56
Revenue from Broadcasting	Zee Entertainment Enterprises	11.19	15.03	26.22

Nature of Transaction	Name of Entity	Transaction Amount		
		Six (6) months period ended September 30, 2014	Year ended March 31, 2014	Total
services	Limited			
Other services	Zee Entertainment Enterprises Limited	--	0.34	0.34
Purchase of fixed assets / capital work in progress	Dish TV India Limited	--	2.43	2.43
Sale of fixed assets / capital work in progress	Dish TV India Limited	0.30	--	0.30
Lease-line & V-Sat expenses	Dish TV India Limited	10.20	25.36	35.56
Telecast Cost (*uplinking and transponder charges*)	Dish TV India Limited	21.12	41.55	62.67
Telecast Cost (*play out charges*)	Zee Entertainment Enterprises Limited	17.33	23.30	40.63
Rent paid	Zee Entertainment Enterprises Limited	22.24	34.34	56.58
Marketing, distribution, business promotion expenses	Siti Cable Network Limited	25.53	51.06	76.59
Marketing, distribution, business promotion expenses	Dish TV India Limited	19.26	--	19.26
Advertising & Publicity Expenses	Dish TV India Limited	0.60	1.15	1.75
Advertising & Publicity Expenses	Zee Entertainment Enterprises Limited	--	7.47	7.47
Legal and Professional charges	Essel Corporate Resources Private Limited	9.60	18.73	28.33
Other Services	Zee Entertainment Enterprises Limited	31.71	58.33	90.04
Other Services	Dish TV India Limited	--	0.05	0.05
Other Services	Siti Cable Network Limited	0.13	0.32	0.45
Loans & Advances given	Digital Subscriber Management & Consultancy Services Private Limited	--	1.89	1.89

7. Except as stated under the section "Capital Structure" beginning on page 58 of this Draft Letter of Offer, the Company has not issued any Equity Shares for consideration other than cash.

8. For information on changes in the Company's name and Objects Clause of the Memorandum of Association of the Company, please refer to the section titled "History and Certain Corporate Matters" beginning on page 128 of this Draft Letter of Offer.

9. Except as disclosed in the sections titled "Capital Structure", "Promoters of the Company", "Group Entities of the Company" and "Management of the Company" beginning on pages 58, 150, 157 and 139 respectively of this Draft Letter of Offer, none of the Promoters, Directors or Key Managerial Personnel have any interest in the Company.

10. There has been no financing arrangement whereby the Promoter Group, the Directors of the Corporate Promoters, the Directors of the Company and their relatives, have financed or agreed to finance the purchase by any other person of securities of the Company other than in the normal course of business of the financing entity during the period of six (6) months immediately preceding the date of filing of this Draft Letter of Offer with SEBI.

11. Any clarification, information and complaints relating to the Issue shall be made available by the Lead Manager and the Company to the Investors at large and no selective or additional information would be available for a section of Investors in any manner whatsoever.

12. All grievances relating to ASBA process may be addressed to the Registrar to the Issue, with a copy to the relevant SCSBs giving full details such as name, address of the applicants, application number, number of Rights Shares applied for, application amounts, ASBA Account number and the Designated Branch of the SCSBs where the Composite Application Form has been submitted by the ASBA Investor. For contact details, please refer to section titled "General Information" beginning on page 53 of this Draft Letter of Offer.

13. Investors may contact Compliance Officer or the Lead Manager for any complaints pertaining to the Issue.

SECTION III: INTRODUCTION

SUMMARY OF INDUSTRY

Introduction

Televison

The Indian Media and Entertainment (M&E) Industry, one of the most vibrant and exciting industries in the world, has had a tremendous impact on the lives and the Indian economy. As the M&E industry widens its reach, it plays a critical role in creating awareness on issues affecting, channelling the energy of and building aspirations among India's millions. As it entertains and informs the country, the M&E industry has been a catalyst for the growth of large parts of the Indian economy.

The television industry in India is estimated at INR417 billion in 2013, and is expected to grow at a CAGR of 16 per cent over 2013-18, to reach INR885 billion in 2018. Aided by digitisation and the consequent increase in Average Revenue Per User (ARPU), the share of subscription revenue to the total industry revenue is expected to increase from 67 per cent in 2013 to 71 per cent in 2018.

Paid C&S penetration of TV households expected to increase to 90 per cent by 2018

The number of TV households in India increased to 161 million in 2013, implying a TV penetration of 60 per cent. The number of Cable & Satellite (C&S) subscribers increased by 9 million in 2013, to reach 139 million. Excluding DD Direct, the number of paid C&S subscribers is estimated to be 130 million. This C&S subscriber base is expected to grow to 181 million by 2018, representing 95 per cent of TV households. Of this, paid C&S base is expected to be 171 million in 2013, representing 90 per cent of TV households.

Distribution

2013 will probably be best remembered by the industry as the year in which mandatory Digital Access System (DAS) gained traction with roll out in Phase II cities. As per our report last year, most stakeholders had indicated a delay of 6-12 months for complete rollout of STBs across the 38 Phase II cities. The experience has largely been in line with industry expectations. While there have been implementation challenges in some Phase II cities such as Hyderabad and Coimbatore, DAS roll-out is estimated to be almost complete in Phase II cities. At an overall level, all industry participants agree that digitisation has been a step in the right direction, and that they remain committed to the digitisation effort.

Broadcasting

Going forward, television advertising in India is expected to grow at a CAGR of 13 per cent over 2013-18, to reach INR 220 billion. Subscription revenue is expected to be the driver of growth for broadcasters, growing at an estimated CAGR of 26 per cent from 2013 to 2018. Increase in the declared subscriber base and higher revenue share is expected to drive up the share of subscription to total broadcaster revenue from 34 per cent in 2013 to 46 per cent in 2018.

News

The News genre is heavily fragmented, with 389 news channels competing for an estimated INR25 billion ad pie. Flat advertising growth, limited or no reduction in carriage fees and low subscription revenues continued to put pressure on the companies in the genre.

Regional News

In 2013, viewership share of Regional News stood at 3.6 per cent, lower than the 3.8 per cent in 2012. While the growth may have slowed down marginally, the Regional News space is still a high growth space. The ratio of local to national advertisers is in the range of 25-45 per cent for different markets, with the share of national advertisers being on the higher side in Marathi and Bengali markets.

There seems to be a growing trend of state-specific, local news channels, leading to further fragmentation of the ad pie. ZMCL acquired Prakash Jha's Maurya TV for Bihar and Jharkhand markets, following it up with the launch of Zee Kalinga for the Odisha market. The Sahara India group launched state-level news channel 'Samay Rajasthan'.

Print

The sector grew at a CAGR of 8.5 per cent in 2013 to touch INR 243 billion. Regional markets performed exceedingly well on the back of steady advertiser spends, the state election impact and new launches. However, with the validity of IRS data called into question by the industry majors, the sector in the short term suffers from the lack of a robust measurement system, critical for decisions on media planning and allocations.

In terms of print media, the rise in literacy rates, significant population growth, resilience of the agrarian economy, the rise in incomes in smaller towns and the entry of big players in regional markets is likely to drive future expansion of regional circulation and readership across India. Examples of national players launching regional print editions include – The Hindu launching a Tamil edition, Times of India launching a Gujarati edition Nav-Gujarat Samay and DainikBhaskar's entry in Patna.

The long term growth in the sector looks promising with industry players witnessing strong growth and a possible future demand in the regional market. Even though print media has shown steady growth in the past calendar year, the macroeconomic environment continues to be challenging. The Indian economy has witnessed a slowdown in the growth momentum, clocking an average GDP growth rate of only 4.9 per cent in FY 2013-14. The slowdown can be attributed to a host of factors, primary among them being the global scenario affecting Indian markets, weakening of the domestic currency contributing to higher deficits, consistently high interest rates and inflation and investment bottlenecks that prevent corporate and infrastructure growth.

Contrary to the prevailing trends in global print media, where there is intense competition from digital media, the print sector in India is showing a strong upsurge. The print industry is expected to grow at a CAGR of 9 per cent for 2013-18, as against estimated 8.7 per cent expected last year. Much of this growth can be attributed to print media's advertising revenues and the faith shown by advertisers in this medium. Most advertisers have shunned their cautious approach, backing the extensive reach and localisation benefits that print offers. Some of the big spending sectors such as FMCG, Retail, and Real Estate have increased their media spend on print this year. Print has also witnessed a boost in its advertising revenues due to the elections in several states this past year. Advertising spends by political parties are expected to benefit the print media in this calendar year as well.

Source: FICCI-KPMG Indian Media and Entertainment Report 2014

For further details, please refer to section titled "Industry Overview" beginning on page 97 of this Draft Letter of Offer.

SUMMARY OF BUSINESS OF THE COMPANY

Business Overview

The Company is a part of the Essel Group of Companies which is one of India's prominent business houses with a diverse portfolio of assets in media & entertainment, technology-enabled services, infrastructure development, education, packaging, precious metals and financial services. Essel Group's media and entertainment venture is one of the largest in India and operates various general entertainment and News and Current Affairs channels. "Zee TV" is the group's flagship channel for general entertainment channels owned by ZEEL and "Zee News" being the group's flagship channel for News and Current affairs owned by the Company.

The Company is one of the India's largest private news networks, with ten (10) channels, a English daily newspaper and digital properties www.zeenews.com; and www.dnaindia.com reaching out to news viewers and readers, both in India and overseas.

The Company's broadcasting network comprises of two (2) national channels namely '*Zee News*' and '*Zee Business*' and eight (8) regional News and Current Affairs channels as set out below:

No.	Name of the Channel	Primary Coverage Region	Language
1.	Zee 24 Taas	Maharashtra	Marathi
2.	24 Ghanta*	West Bengal	Bengali
3.	Zee Sangam	Uttar Pradesh & Uttarakhand	Hindi
4.	Zee Punjab Haryana Himachal	Punjab, Haryana and Himachal Pradesh	Punjabi and Hindi
5.	Zee Madhya Pradesh Chhattisgarh	Madhya Pradesh and Chhattisgarh	Hindi
6.	Zee Marudhara	Rajasthan	Hindi
7.	Zee Kalinga	Odisha	Odia
8.	Maurya TV**	Bihar & Jharkhand	Hindi

**Owned and operated by Zee Akaash News Private Limited, a 60% subsidiary of the Company.*

***The Company has acquired 100% stake in Maurya TV Private Limited on December 12, 2014, thereby making it a WoS of the Company. For further details, please refer to section titled "History and Certain Corporate Matters – Subsidiaries of the Company" beginning on page 132 of this Draft Letter of Offer.*

The Company's flagship channel '*Zee News*', is national 24 hour Hindi language news and current affairs channel. '*Zee Business*', is a 24 hour Hindi language business and financial news and current affairs channel.

Zee News, the Hindi News and Current affairs channel of the Company, is the oldest news channel of the bouquet and believe that it was the first 24-hour private news and current affair channel. The origins of the channel trace to news bulletins on Zee TV in March 1995. We believe that the channel has revolutionised the way news was brought home to the viewers. In the year 1999, Zee News became a separate 24-hour Hindi News and Current affairs channel. Zee News maintains its position among the top four (4) Hindi News and current affairs channels in the Hindi Speaking Market segment clocking a channel share of 11.2%. (*Source: TAM, Q2 FY 15, CS15+, HSM*).

Zee Business was launched in November 2004 and we believe that it was the first 24-hour Hindi language business and financial news and current affairs channel launched in India. Zee Business is No. 2 Hindi Business News and Current Affairs Channel. The Zee Business channel telecast news bulletins by the hour and information related with the stock markets, investments, corporate world, real estate, automobiles, travel and leisure. Zee Business maintains No. 2 position amongst the Hindi Business channels in the Hindi Speaking

Market segment with a relative share of 29.1% (*Source: TAM, Q2, CS 25+, HSM*).

For further details on other regional channels, please refer to section titled "Business of the Company - National News and Current Affairs channels of the Company" beginning on page 109 of this Draft Letter of Offer.

National & Regional News Network of the Company

We believe that we have one of the largest news networks in India. The news-gathering network comprises of 34 news bureaus; 41 studios; 193 news reporters and 437 freelance journalist/stringers. The Company's Bureaus and studios across the country have modern production, newsgathering and archiving facilities, including OB Vans and VSAT facilities across various locations. The Company's network can be set out as under:

The Company also supplies content to Asia Today Limited, a wholly owned overseas subsidiary of ZEEL, for international broadcast on its channels in the territories of U.S.A, Europe, Africa, Middle East and Asia Pacific.

The Company's news network is also present on digital and internet platforms *viz*. www.zeenews.com and www.dnaindia.com. The Company owns and operates the online interface of its channels *Zee News* in English, Hindi, Marathi and Bengali languages through www.zeenews.com and *Zee Business* in English language through www.zeebiz.com. The Company also owns and operates online interface of some of its regional channels through www.zeehindi.com, a Hindi language based website; www.24taas.com, a Marathi language based website; www.24ghanta.com, a Bengali language website; and www.zeesangam.com, a Hindi language news portal dedicated to news from Uttar Pradesh and Uttarakhand.

Some of our websites also provide free download application software for Android & iOS based mobiles and tablets enabling internet users to access these websites on their mobile and tablets. Pursuant to an arrangement with India Webportal Private Limited ("***India Webportal***"), all the Company's web properties, websites and associated content are managed and operated by India Webportal and migrated to its sub-domain - India.com.

Pursuant to amalgamation of Essel Publishers Private Limited with the Company in the Financial Year 2014-2015, the Company got under its fold DNA, a English daily newspaper. DNA was launched on July 30, 2005 in Mumbai and is presently being published in Mumbai whereas in the cities of Jaipur and Ahmedabad, DNA is being published under a Publication License Agreement with local publishers.

DNA through news, views, analysis and interactivity provides its readers a composite picture of the city, the country and the world around them. DNA is the third most read English broadsheet daily in the city of Mumbai and is the preferred choice of about 0.79 Million readers in Mumbai (*based on total readership for Q4 2012 from Indian Readership Survey*). Apart from the print edition, DNA also has an interactive website www.dnaindia.com which includes the e-paper edition of the newspaper. Further, DNA can be followed on various social media platforms like Twitter and Facebook.

The Company's presence in the news broadcast, print and online medium of communication or formats for dissemination of news and current affairs has placed the Company in an unique position when compared with its competitors.

The consolidated restated total income of the Company for the Financial Year 2013-2014, Financial Year 2012-2013 and Financial Year 2011-2012 was `3,543.88 million, `3,213.23 million and `3,176.79 million, respectively. The consolidated restated profit after tax of the Company for the Financial Year 2013-2014, Financial Year 2012-2013 and Financial Year 2011-2012 was `150.26 million, `246.25 million and `109.89 million, respectively. The consolidated restated total income and profit/ (loss) after tax of the Company for the six (6) months period ended September 30, 2014 was `2,658.66 million and `(322.04) million, respectively.

Competitive Strengths

The following are the key strengths which the Company believes enable it to be competitive in its business:

1. ***Relationship with Essel group.***

   The Company is a part of the Essel group, which is one of the leading business groups in India with a diverse portfolio of assets in media & entertainment, technology-enabled services, infrastructure

development, education, packaging, precious metals and financial services. The group has been present in the media and entertainment sector for over two decades through its flagship channel Zee TV and is involved in all verticals of television media *viz.* production, broadcast and distribution. The Company benefits from Essel group's established business relationships which helps in reaching out to customers as well as to access financing and sponsors for its business.

The Company further believes that its association with Essel group lends strength to the trust and reliability reposed in the Company and enables it to attract and retain fresh talent and acquisitions. The Company further believes that sharing goals and objectives with the Essel group enables it to utilise various synergies which aid in our business and operations. For instance the Company is able to leverage its relationship with its group entities and have entered into arrangements with regards technology, content and distribution of the Company's channel through cable operators and DTH service providers.

2. ***Established presence of '*Zee*' brand and leveraging the same for news broadcasting in Hindi and other regional language news and current affair channels.***

The Company has leveraged the goodwill and brand image of the Zee brand in the general entertainment segment of broadcasting over to the news genre by establishing Zee News and Zee Business channels.

We believe that *Zee News* was the first 24-hour private news and current affairs channel and *Zee Business* was the first 24-hour Hindi language business and financial news and current affairs channel launched in India. We believe that over the years these channels have established and maintained their market position as leading Hindi news and current affairs channels with editorial analysis, production standards and issue based coverage of news and current affairs. The Company further leveraged this brand for its regional language news and current affairs channels like Zee 24 Taas (*24 hour Marathi News channel*) and 24 Ghanta (*24 hour Bengali News channel*) for the specific region as extension of the established Zee News brand. Following the same strategy, the Company further launched other channels *viz.* Zee Madhya Pradesh Chhattisgarh (*in Madhya Pradesh and Chhattisgarh*), Zee Marudhara (*in Rajasthan*) and Zee Kalinga (*in Odisha*).

In addition to maintaining high viewership, our channels, programmes, reporters, producers and editors have won several recognised awards within the television and journalism fields. This has helped in strengthening the Company's brand, which in turn has helped its regional news and current affairs channels in gaining popularity and viewership.

3. ***Leadership position.***

We hold leading market positions in principal markets and genre we serve in. *Zee News* had an audience share of 11.2% in the 24-hour Hindi News and Current Affairs genre and *Zee Business* had 29.1% audience share in the Hindi 24-hour business and financial News. Additionally, the other channels of the Company *viz. 24 Ghanta, Zee Sangam, Zee Madhya Pradesh Chattishgarh, Zee 24 Taas* and *Zee Punjab Haryana Himachal* had an audience share of 18.4%, 19.9%, 26.5%, 21.5% and 19.5% respectively. (*Source: TAM, Q2 FY 15, CS15+, HSM*)

4. ***Innovative programming content and sponsorship avenues.***

We believe that in addition to the traditional news bulletin and talk shows, which are staple of news and current affairs channels, the content of news and current affairs channels can be packaged in a manner which would gather viewer's interest as well as benefit the advertisers. For instance, '*Zignition*' is an automobile based show on Zee Business, '*Property Guru*' talks about the real estate investment opportunities in Zee Business and '*Maati Ki Mehak*' on cultural heritage of the State in Zee Madhya Pradesh Chhattisgarh. Zee News has '*Trending News*', a programme based on the social media and '*Manthan*', a devotional programme.

5. ***Bouquet of Pay channels.***

All channels of the Company, other than 'Zee Sangam' and 'Maurya TV' are pay channels. This helps us to not rely solely on the advertising revenue in order to run our operations profitably and allows us to focus on content and viewer satisfaction. With arrival of digitization in India, many broadcasters have

moved from the FTA to the pay channel mode due to increased subscription revenues and information about viewer preferences. For better access to the viewer through cable and DTH operators, the channels of the Company are placed in a bouquet along with other Zee group channels.

The Government of India has mandated digitization of the Cable Services all over India wherein the Digital Addressable System (DAS) is being implemented in a phased manner. The deadline for implementing DAS was December 2014 which has now been extended to December 2016. This measure provides consumers with an increased number of channels with high quality viewing through a set top box (STB). Implementation of DAS on countrywide basis will result in plugging of leakages and consequent increase in the subscription revenues.

6. ***Established presence in various formats of news distribution: Television, Print and online***.

The Company has an established presence across various formats such as television, print and online news distribution. Presence in these three media television, print and online complement each other and enable the Company to further enhance its reach and content to its viewers. The Company is one of the very few which has an established presence in these three media formats and believe this structure provides the Company an edge over its competitors.

7. ***Experienced senior management team.***

We are part of the Essel Group, which has over two (2) decades of experience in the broadcasting sector. We believe that the senior management of the Company have demonstrated efficiency and discipline in the execution of their strategies and in launching and operating new channels in India. Most of the senior managerial team have an average experience of 22 years in various sectors. The Company's operations are led by an experienced senior management group who has the expertise and vision to continue to expand the business of the Company. For further details, please refer to section titled "Management of the Company" beginning on page 139 of this Draft Letter of Offer.

Strategies of the Company

The business strategy of the Company focuses on the following elements:

1. ***Strengthen market position of the Company's channels and distribution of news through various platforms.***

The Company intends to continue to produce and broadcast programmes that enable each of our channels to maintain and strengthen their market positions and become market leaders in their respective areas of operation. In the present high technology world, news is disseminated through various platforms and it is expected to be available anytime, anywhere. The Company strategy is to meet the requirements of the viewers anytime and anywhere through its various platforms and be known as an organization that has delivered and has the capability to deliver news content anytime and anywhere as per the requirement of its viewers.

The Company intends to achieve this by (i) enhancing news gathering, programming and presentation of each channel, (ii) continuing to create an appealing and innovative programme mix in order to enhance viewer loyalty and attract new viewers and (iii) delivering news through multiple avenues, such as through our associate websites, on mobile platforms and through interactive modes on digital TV/ DTH platforms. The Company also intends to increase the reach of its channels through distribution on different platforms and promote and strengthen its brands by advertising and other publicity efforts and focused promotion.

2. ***Improving the content of local channels by focusing on issues affecting the specific region and disseminating the content through various platforms.***

Amongst our channels, *Zee News and Zee Business*, being Hindi news and current affairs channels has national viewership whereas *Zee 24 Taas, 24 Ghanta, Zee Sangam, Zee Madhya Pradesh Chhatishgarh, Zee Marudhara, Zee Punjab Haryana Himachal, Zee Kalinga* and *Maurya TV* are regional language channels catering mainly to the regional markets. As a part of its growth strategy, the

Company shall focus on quality local content for its channels and endeavour to disseminate the same to the target audience in the best possible manner so as to achieve a committed viewership.

3. ***Maximize the advertising revenues.***

We plan to maintain our focus on maximizing advertising revenues by:

- achieving optimum price realisations for advertising time, by aggregating specific viewers with special content so as to enable differential pricing;
- increasing inventory utilisation across our channels, by leveraging our network strength by offering national as well as regional specific solutions to our advertisers;
- enhancing advertising revenues by offering more branding opportunities to advertisers, such as through sponsorships of programmes; and
- offering customised advertising solutions as per client requirements, which include television advertising and event marketing.

4. ***Increase subscription revenues.***

The Company seeks to increase its subscription revenues through various means, including increasing the distribution of its channels through different platforms like cable, DTH and internet. The growth of digital platforms is expected to increase the reach and definition of the market and result in higher subscription revenues for pay channel broadcasters. The Company also intends to be present on emerging distribution platforms with a potential to deliver additional subscription revenue. The growing digitization of cable distribution supported by government policies and measures is resulting in the increased revenues for pay channels.

Amongst all the channels of the Company, only 'Zee Sangam' and 'Maurya TV' are FTA channels while all the other channels are pay channels. All our channels are a part of the Zee group distribution bouquet of channels. The Company believes that being a part of a distribution bouquet has a positive effect on the subscription revenues of its channels with increasing reach and digitization of the cable and satellite market.

5. ***Launching new channels and expanding our presence through strategic acquisitions and joint ventures.***

During the Financial Year 2013-2014, the Company had launched two (2) News and Current Affairs channels *viz*. '*Zee Rajasthan Plus*' (*now renamed as Zee Marudhara*) 'Zee Kalinga'. Additionaly, the Company has acquired 100% stake on December 12, 2014 in an entity which operates 'Maurya TV'. The Company intends to continue to focus on increasing its bouquet of channels by way of launching new channels or acquisition of the same which shall enhance the business, revenues and profitability of the Company. We believe that the strength of our brand and existing relationships and goodwill helps the Company in executing its acquisition strategy more effectively.

For further details, please refer to section titled "Business of the Company" beginning on page 103 of this Draft Letter of Offer.

SUMMARY OF FINANCIAL INFORMATION

The following tables set forth the Restated Financial Statements as at and for the six (6) months period ended September 30, 2014 and the financial years 2014, 2013, 2012, 2011 and 2010 are presented under section titled "Financial Statements" beginning on page 197 of this Draft Letter of Offer. The summary financial statements presented below should be read in conjunction with the Restated Financial Statements, the notes and annexures thereto and "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on page 379 of this Draft Letter of Offer.

Restated Summary Statement of Assets and Liabilities as at

(` *Million*)

Particulars	September 30, 2014	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011	March 31, 2010
Equity and Liabilities						
Shareholders' Funds						
Share Capital	362.15	239.76	239.76	239.76	239.76	239.76
Reserves and Surplus	3,609.96	1,980.01	1,831.33	1,583.38	1,527.01	1,425.09
	3,972.11	**2,219.77**	**2,071.09**	**1,823.14**	**1,766.77**	**1,664.85**
Non-Current Liabilities						
Long-Term Borrowings	775.90	678.84	6.25	178.17	363.33	2.98
Other Long-Term Liabilities	7.76	5.77	1.77	-	-	-
Long-Term Provisions	106.12	96.15	84.68	77.18	62.32	44.94
	889.78	**780.76**	**92.70**	**255.35**	**425.65**	**47.92**
Current Liabilities						
Short-Term Borrowings	400.67	431.86	482.54	412.76	-	1,680.55
Trade Payables	76.21	147.83	83.99	80.69	142.00	51.27
Other Current Liabilities	651.20	644.16	671.79	633.97	719.38	530.95
Short-Term Provisions	12.31	10.09	2.60	8.81	32.54	110.93
	1,140.39	**1,233.94**	**1,240.92**	**1,136.23**	**893.92**	**2,373.70**
Total	**6,002.28**	**4,234.47**	**3,404.71**	**3,214.72**	**3,086.34**	**4,086.47**
Assets						
Non-Current Assets						
Fixed Assets						
Tangible Assets	995.03	1,162.37	707.68	686.91	739.97	791.84
Intangible Assets	65.51	78.41	16.03	22.13	8.91	20.44
Capital work-in-progress	27.99	27.28	44.44	13.93	46.63	5.93
	1,088.53	1,268.06	768.15	722.97	795.51	818.21
Non-Current Investments	3,060.14	122.28	83.78	83.28	144.18	144.18
Deferred Tax Assets (net)	99.94	57.12	38.62	38.73	15.94	21.11
Long-Term Loans and Advances	330.14	510.00	70.22	34.05	191.01	207.76
Other Non-Current Assets	4.69	4.50	4.35	4.35	5.22	4.82
	4,583.44	**1,961.96**	**965.12**	**883.38**	**1,151.86**	**1,196.08**
Current Assets						
Inventories	0.92	1.43	1.63	9.76	220.50	297.50

Particulars	September 30, 2014	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011	March 31, 2010
Trade Receivables	835.87	793.33	796.55	904.91	772.61	668.08
Cash and Bank Balances	117.89	114.94	34.67	154.04	805.49	89.62
Short-Term Loans and Advances	424.31	1,297.83	1,451.64	1,259.11	135.85	1,707.19
Other Current Assets	39.85	64.98	155.10	3.52	0.03	128.00
	1,418.84	**2,272.51**	**2,439.59**	**2,331.34**	**1,934.48**	**2,890.39**
Total	**6,002.28**	**4,234.47**	**3,404.71**	**3,214.72**	**3,086.34**	**4,086.47**

Restated Summary Statement of Profit and Loss

(` *Million*)

Particulars	Six Months ended September 30, 2014	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2010
Revenue						
Revenue from Operations	1,820.18	3,048.30	2,668.19	2,731.81	2,432.05	5,080.62
Other Income	46.38	210.21	218.01	95.63	101.01	177.55
Total	**1,866.56**	**3,258.51**	**2,886.20**	**2,827.44**	**2,533.06**	**5,258.17**
Expenses						
Operational cost	453.90	618.50	441.63	638.06	514.13	1,892.93
Employee benefits expense	514.88	888.30	761.65	660.04	625.40	724.68
Finance costs	65.42	103.34	87.86	106.56	125.62	261.30
Depreciation and amortisation expense	145.48	146.75	106.54	101.30	92.51	104.78
Other expenses	699.94	1,379.86	1,179.86	1,030.08	982.74	1,555.33
Total	**1,879.62**	**3,136.75**	**2,577.54**	**2,536.04**	**2,340.40**	**4,539.02**
Profit/(Loss) before exceptional items and tax, as restated	**(13.06)**	**121.76**	**308.66**	**291.40**	**192.66**	**719.15**
Less : Exceptional Items	-	(59.88)	(45.96)	166.74	-	-
Profit/(Loss) before tax, as restated	**(13.06)**	**181.64**	**354.62**	**124.66**	**192.66**	**719.15**
Less: Tax expense						
Current Tax	16.66	51.45	106.55	91.08	85.57	293.05
Deferred Tax	(24.21)	(18.49)	0.12	(22.79)	5.17	(50.29)
Profit/(Loss) after tax, as restated	**(5.51)**	**148.68**	**247.95**	**56.37**	**101.92**	**476.39**
Profit/(Loss) after tax of Continuing Operations, as restated	**(5.51)**	**148.68**	**247.95**	**56.37**	**101.92**	**(41.00)**
Profit/(Loss) after tax of Discontinued Operations, as restated	**-**	**-**	**-**	**-**	**-**	**517.39**

Restated Summary Statement of Cash Flow

(` *Million*)

	Particulars		Six Months ended September 30, 2014	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2010
A.	**Cash flow from Operating activities**							
	Profit / (Loss) before Tax, as restated		(13.06)	181.64	354.62	124.66	192.66	719.15
	Adjustments for:							
	Depreciation and amortisation expense		145.48	146.75	106.54	101.30	92.51	104.78
	Loss on sale/discard of fixed assets (net)		6.56	57.41	31.52	32.11	36.54	23.25
	Interest expense		65.19	90.44	85.71	105.00	121.57	256.64
	Interest income		(20.28)	(173.54)	(155.99)	(95.36)	(96.78)	(168.96)
	Dividend income		(24.00)	(36.00)	(48.65)	-	(1.56)	-
	Liabilities/excess provisions written back		-	-	-	-	(1.57)	(3.49)
	Provision for diminution in value of investment		-	-	-	60.90	-	-
	Provision for doubtful advance share application money		-	(59.88)	(45.96)	105.84	-	-
	Provision for doubtful debts and advances		9.42	11.85	(0.04)	(37.54)	(46.50)	88.75
	Unrealised foreign exchange loss (net)		7.31	11.75	3.13	3.90	0.11	0.12
	Operating Profit before working capital changes		**176.62**	**230.42**	**330.88**	**400.81**	**296.98**	**1,020.24**
	Adjustments for:							
	(Increase)/Decrease in inventories		0.51	0.20	8.13	210.74	77.00	(328.94)
	(Increase)/Decrease in trade and other receivables		34.73	(59.73)	486.35	(527.63)	511.44	(695.94)
	Increase/(Decrease) in trade and other payables		(22.72)	216.94	28.62	(165.46)	179.23	294.25
	Cash generated from Operations		**189.14**	**387.83**	**853.98**	**(81.54)**	**1,064.65**	**289.61**
	Direct taxes paid (net)		(57.66)	(141.26)	(140.86)	(115.48)	(164.50)	(195.14)
	Net cash flow from/(used in) Operating activities	**(A)**	**131.48**	**246.57**	**713.12**	**(197.02)**	**900.15**	**94.47**
B.	**Cash flow from Investing activities**							
	Purchase of fixed assets, including capital advances (given) / refunded		173.35	(1,040.81)	(149.50)	(90.52)	(78.71)	(108.20)
	Sale of fixed assets		2.72	1.92	5.96	18.80	2.60	7.42
	Loan given to Subsidiary		(255.50)	-	-	-	-	-
	Loan given to others		(50.00)	(1,360.00)	(1,750.00)	(1,400.00)	-	(1,876.00)
	Loan repaid by others		-	1,510.00	1,200.00	700.00	988.32	1,041.00
	Advance against Share Application Money paid to Others		-	-	-	-	(35.25)	(59.50)

	Particulars		Six Months ended September 30, 2014	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2010
	Refund of share application money given to Others		-	105.84	-	-	-	-
	Refund of share application money given to Subsidiary		-	-	-	67.23	-	-
	Advance Paid to Subsidiary		-	-	-	-	-	(1.75)
	Received against Advance paid to Subsidiary		-	-	-	-	2.79	-
	Investment in Shares of Others		-	-	-	-	-	(60.90)
	Investment in Subsidiary		-	(200.00)	(0.50)	-	-	-
	Sale of investment in Subsidiary		-	200.50	-	-	-	-
	Investment in Associate		-	(39.00)	-	-	-	-
	Advance paid for purchase of shares		(30.00)	-	-	-	-	-
	Purchase of Short-Term Investments		-	-	-	-	(440.00)	-
	Proceeds from sale of Short-Term Investments		-	-	-	-	440.00	-
	Deposits with Banks		-	-	50.00	(50.00)	-	-
	Interest received		5.65	257.61	17.99	94.45	224.34	75.07
	Dividend received		24.00	36.00	48.65	-	1.56	-
	Net cash flow from/(used in) Investing activities	**(B)**	**(129.78)**	**(527.94)**	**(577.40)**	**(660.04)**	**1,105.65**	**(982.86)**
C.	**Cash flow from Financing activities**							
	Proceeds from Long-Term Borrowings		98.66	674.25	-	-	500.00	-
	Repayment of Long-Term Borrowings		-	(170.00)	(180.00)	(150.00)	-	(100.00)
	Proceeds from Short-Term Borrowings		-	200.00	1,200.00	1,600.00	2,200.00	2,111.26
	Repayment of Short-Term Borrowings		-	(200.00)	(1,600.00)	1,200.00)	(3,700.00)	(1,250.00)
	Proceeds from Cash Credit (net)		(31.19)	(50.68)	469.78	12.76	(180.55)	180.55
	Proceeds from Vehicle Loans		1.50	-	8.18	4.47	22.40	1.40
	Repayment of Vehicle Loans		(4.33)	(5.58)	(11.26)	(9.72)	(8.23)	(8.00)
	Interest paid		(63.63)	(86.35)	(91.79)	(101.98)	(123.46)	(257.83)
	Dividend Paid		-	-	-	-	-	(112.20)
	Net cash flow from/(used in) Financing activities	**(C)**	**1.01**	**361.64**	**(205.09)**	**155.53**	**(1,289.84)**	**565.18**
								-
	Net Cash flow / (outflow) during the year/ period	**(A+ B+C)**	**2.71**	**80.27**	**(69.37)**	**(701.53)**	**715.96**	**(323.21)**
	Cash and Cash equivalents at the beginning of the year/		114.26	33.99	103.36	804.89	88.93	498.80

	Particulars		Six Months ended September 30, 2014	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2010
	period							
	Cash and Cash Equivalents (transferred) / received pursuant to the Scheme of Amalgamation / Arrangement		0.24	-	-	-	-	(86.66)
	Cash and Cash equivalents at the end of the year/ period		**117.21**	**114.26**	**33.99**	**103.36**	**804.89**	**88.93**
	Add: Balances earmarked / under bank lien		0.68	0.68	0.68	50.68	0.60	0.69
	Cash and Bank balances at the end of the year/ period		**117.89**	**114.94**	**34.67**	**154.04**	**805.49**	**89.62**

Note:

1 The Scheme of Amalgamation given effect in the financial statements for the period ended September 30, 2014 and the Scheme of Arrangement given effect in the financial statements for the year ended March 31, 2010 have not been considered in the above Cash Flow Statement being non cash transactions.

2 The Cash Flow Statement for the year ended March 31, 2010 (since it includes financials of the demerged Regional General Entertainment Channels for the period from April 01, 2009 to December 31, 2009), and figures for the six months period ended September 30, 2014 are not comparable with figures of the other periods.

Restated Consolidated Summary Statement of Assets and Liabilities as at

(` *Million*)

Particulars	September 30, 2014	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011	March 31, 2010
Equity and Liabilities						
Shareholders' Funds						
Share Capital	362.15	239.76	239.76	239.76	239.76	239.76
Reserves and Surplus	3,375.26	2,071.69	1,927.55	1,689.10	1,579.20	1,411.02
	3,737.41	**2,311.45**	**2,167.31**	**1,928.86**	**1,818.96**	**1,650.78**
Minority Interest	**113.23**	**116.63**	**120.54**	**125.99**	**108.81**	**64.63**
Non-Current Liabilities						
Long-Term Borrowings	2,801.29	678.84	6.25	178.17	363.41	3.17
Deferred Tax Liability (Net)	6.77	13.66	12.53	11.72	10.55	-
Other Long-Term Liabilities	32.26	5.76	1.76	-	-	-
Long-Term Provisions	135.50	106.99	94.94	85.70	68.08	48.91
	2,975.82	**805.25**	**115.48**	**275.59**	**442.04**	**52.08**
Current Liabilities						
Short-Term Borrowings	1,063.01	431.86	482.54	412.76	-	1,680.55
Trade Payables	344.62	145.61	86.83	77.61	147.25	63.55
Other Current Liabilities	1,227.07	656.25	693.86	664.35	745.69	551.89
Short-Term Provisions	23.19	10.09	6.16	8.81	32.54	117.19
	2,657.89	**1,243.81**	**1,269.39**	**1,163.53**	**925.48**	**2,413.18**
Total	**9,484.35**	**4,477.14**	**3,672.72**	**3,493.97**	**3,295.29**	**4,180.67**
Assets						
Non-Current Assets						
Fixed Assets						
Tangible Assets	4,478.23	1,297.50	833.07	806.76	853.31	893.39
Intangible Assets	1,773.99	80.80	19.54	23.98	10.77	20.44
Capital work-in-progress	55.93	27.28	44.45	13.93	50.65	5.93
	6,308.15	1,405.58	897.06	844.67	914.73	919.76
Non-Current Investments	61.27	39.00	-	-	60.90	60.90
Deferred Tax Assets (net)	953.18	57.11	39.04	38.73	15.94	25.84
Long-Term Loans and Advances	423.93	547.55	84.61	43.70	125.17	140.53
Other Non-Current Assets	45.09	4.50	4.35	4.35	40.70	4.82
	7,791.62	**2,053.74**	**1,025.06**	**931.45**	**1,157.44**	**1,151.85**
Current Assets						
Inventories	40.96	1.59	1.90	9.96	221.11	297.63
Trade Receivables	1,175.66	875.76	887.89	996.39	897.97	751.92
Cash and Bank Balances	225.42	162.79	128.33	275.11	875.55	138.67
Short-Term Loans and Advances	222.16	1,317.68	1,472.47	1,270.46	140.61	1,712.26
Other Current Assets	28.53	65.58	157.07	10.59	2.61	128.34
	1,692.73	**2,423.40**	**2,647.66**	**2,562.51**	**2,137.85**	**3,028.82**
Total	**9,484.35**	**4,477.14**	**3,672.72**	**3,493.96**	**3,295.29**	**4,180.67**

Restated Consolidated Summary Statement of Profit and Loss

(` *Million*)

Particulars	Six Months ended September 30, 2014	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2010
Revenue						
Revenue from Operations	2,643.14	3,351.37	3,038.45	3,070.69	2,769.45	5,295.53
Other Income	15.52	192.51	174.78	106.10	105.32	178.37
Total	**2,658.66**	**3,543.88**	**3,213.23**	**3,176.79**	**2,874.77**	**5,473.90**
Expenses						
Cost of Raw Material Consumed	285.33	-	-	-	-	-
(Increase) / Decrease in Inventories	(1.19)	-	-	-	-	-
Operational cost	533.71	661.25	528.95	709.28	597.78	1,965.40
Employee benefits expense	815.58	990.93	864.29	746.91	691.58	779.00
Finance costs	252.17	103.38	87.90	106.59	125.69	261.36
Depreciation and amortisation expense	254.38	161.10	119.10	111.98	100.92	112.28
Other expenses	925.59	1,445.11	1,234.69	1,079.69	1,011.63	1,581.48
Total	**3,065.57**	**3,361.77**	**2,834.93**	**2,754.45**	**2,527.60**	**4,699.52**
Profit/(Loss) before exceptional items and tax, as restated	**(406.91)**	**182.11**	**378.30**	**422.34**	**347.17**	**774.38**
Less : Exceptional Items	-	(59.88)	(45.96)	166.74	-	-
Profit/(Loss) before tax, as restated	**(406.91)**	**241.99**	**424.26**	**255.60**	**347.17**	**774.38**
Less: Tax expense						
Current Tax	44.54	84.84	145.78	131.63	114.36	301.27
Deferred Tax	(145.61)	(17.28)	0.49	(21.61)	20.45	(32.37)
Profit/(Loss) for the period before minority interest and share of profit/(loss) of associate	**(305.84)**	**174.43**	**277.99**	**145.58**	**212.36**	**505.48**
Less : Minority interest	16.20	24.17	31.74	35.69	44.18	11.60
Add: Share of profit/(loss) from the associate	-	-	-	-	-	-
Profit/(Loss) after tax, as restated	**(322.04)**	**150.26**	**246.25**	**109.89**	**168.18**	**493.88**
Profit/(Loss) after tax of Continuing Operations, as restated	**(322.04)**	**150.26**	**246.25**	**109.89**	**168.18**	**(23.51)**
Profit/(Loss) after tax of Discontinued Operations, as restated	**-**	**-**	**-**	**-**	**-**	**517.39**

Restated Consolidated Summary Statement of Cash Flow

(` *Million*)

	Particulars		Six Months ended September 30, 2014	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2010
A.	**Cash flow from Operating activities**							
	Profit / (Loss) before Tax, as restated		(406.91)	241.99	424.26	255.60	347.17	774.38
	Adjustments for:							
	Depreciation and amortisation expense		254.38	161.10	119.10	111.98	100.92	112.28
	Loss on sale/discard of fixed assets (net)		6.46	57.45	31.52	32.09	36.54	23.25
	Loss on sale of Investment		-	10.05	-	-	-	-
	Interest expense		251.78	90.45	85.73	105.02	121.61	256.68
	Interest income		(9.12)	(191.78)	(160.71)	(105.81)	(100.83)	(169.70)
	Dividend income		-	-	(0.65)	-	(1.56)	-
	Liabilities/excess provisions written back		-	-	-	-	(1.57)	(3.49)
	Provision for diminution in value of investment		-	-	-	60.90	-	-
	Provision for doubtful advance share application money		-	(59.88)	(45.96)	105.84	-	-
	Provision for doubtful debts and advances		9.42	11.85	(0.04)	(37.54)	(46.50)	88.75
	Unrealised foreign exchange loss (net)		11.32	11.75	3.13	3.90	0.11	0.12
	Operating Profit before working capital changes		**117.33**	**332.98**	**456.38**	**531.98**	**455.89**	**1,082.27**
	Adjustments for:							
	(Increase)/Decrease in inventories		1.36	0.32	8.06	211.16	76.52	(328.62)
	(Increase)/Decrease in trade and other receivables		(91.57)	(78.50)	471.70	(500.80)	505.40	(712.42)
	Increase/(Decrease) in trade and other payables		(59.81)	204.25	28.07	(164.80)	143.75	294.35
	Cash generated from Operations		**(32.69)**	**459.05**	**964.21**	**77.54**	**1,181.56**	**335.58**
	Direct taxes paid (net)		(86.12)	(174.45)	(175.97)	(163.82)	(199.39)	(195.58)
	Net cash flow from/(used in) Operating activities	**(A)**	**(118.81)**	**284.60**	**788.24**	**(86.28)**	**982.17**	**140.00**
B.	**Cash flow from Investing activities**							
	Purchase of fixed assets, including capital advances (given) / refunds of advances		156.01	(1,056.77)	(169.25)	(105.85)	(103.12)	(111.26)
	Sale of fixed assets		3.29	2.00	5.96	18.84	2.60	7.42
	Loan given to others		(51.40)	(1,560.00)	(1,750.00)	(1,400.00)	-	(1,876.00)
	Loan repaid by others		203.29	1,510.00	1,200.00	700.00	988.32	1,041.00
	Advance paid for purchase of shares		(30.00)	-	-	-	-	-
	Advance against Share Application Money paid to Others		-	-	-	-	(35.25)	(59.50)
	Refund of share application		-	105.84	-	-	-	-

	Particulars		Six Months ended September 30, 2014	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2010
	money given to Others							
	Decrease in minority interest		(18.72)	(28.08)	(37.19)	(18.50)	-	-
	Investment in Shares of Others		-	-	-	-	-	(60.90)
	Sale of investment in Subsidiary		-	200.50	-	-	-	-
	Investment in Associate		-	(39.00)	-	-	-	-
	Purchase of Short-Term Investments		-	-	-	-	(440.00)	-
	Proceeds from sale of Short-Term Investments		-	-	-	-	440.00	-
	Deposits with Banks		(48.00)	70.00	20.00	(16.00)	(66.49)	20.66
	Interest received		7.00	260.31	27.80	100.90	225.66	75.48
	Dividend received		-	-	0.65	-	1.56	-
	Net cash flow from/(used in) Investing activities	**(B)**	**221.47**	**(535.20)**	**(702.03)**	**(720.61)**	**1,013.28**	**(963.10)**
C.	**Cash flow from Financing activities**							
	Proceeds from Long-Term Borrowings		98.66	674.25	-	-	500.00	-
	Repayment of Long-Term Borrowings		(0.51)	(170.00)	(180.00)	(150.00)	-	(100.00)
	Proceeds from Short-Term Borrowings		252.44	200.00	1,200.00	1,600.00	2,200.00	2,111.26
	Repayment of Short-Term Borrowings		(141.91)	(200.00)	(1,600.00)	(1,200.00)	(3,700.00)	(1,250.00)
	Proceeds from Cash Credit (net)		(23.63)	(50.68)	469.78	12.76	(180.55)	180.55
	Proceeds from Vehicle Loans		1.50	-	8.18	4.47	22.39	1.40
	Repayment of Vehicle Loans		(4.33)	(5.59)	(11.35)	(9.83)	(8.33)	(8.08)
	Interest paid		(272.77)	(86.35)	(91.81)	(102.03)	(123.49)	(257.88)
	Dividend Paid		-	-	-	-	-	(112.20)
	Dividend tax paid		(4.08)	(6.12)	(7.79)	-	-	-
	Net cash flow from/(used in) Financing activities	**(C)**	**(94.63)**	**355.51**	**(212.99)**	**155.37**	**(1,289.98)**	**565.05**
	Net Cash flow / (outflow) during the period / year	**(A+B +C)**	**8.03**	**104.91**	**(126.78)**	**(651.52)**	**705.47**	**(258.05)**
	Cash and Cash equivalents at the beginning of the period / year		162.11	57.65	184.43	835.95	130.48	475.19
	Cash and Cash equivalents transferred on sale of subsidiary		-	(0.45)	-	-	-	-
	Cash and Cash Equivalents received/ (transferred) pursuant to the Scheme of Amalgamation / Arrangement		44.60	-	-	-	-	(86.66)
	Cash and Cash equivalents at the end of the period / year		**214.74**	**162.11**	**57.65**	**184.43**	**835.95**	**130.48**
	Add: Other Bank Balances		10.00	-	70.00	40.00	39.00	7.50
	Add: Balances earmarked / under bank		0.68	0.68	0.68	50.68	0.60	0.69

	Particulars	Six Months ended September 30, 2014	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2010
	lien						
	Cash and Bank balances at the end of the period / year	**225.42**	**162.79**	**128.33**	**275.11**	**875.55**	**138.67**

Note:

1 The Scheme of Amalgamation given effect in the financial statements for the period ended September 30, 2014 and the Scheme of Arrangement given effect in the financial statements for the year ended March 31, 2010 have not been considered in the above Cash Flow Statement being non cash transactions.

2 The Cash Flow Statement for the year ended March 31, 2010 (since it includes financials of the demerged Regional General Entertainment Channels for the period from April 01, 2009 to December 31, 2009), and figures for the six months period ended September 30, 2014 are not comparable with figures of the other periods.

For further details, please refer to section titled "Financial Statements" beginning on page 197 of this Draft Letter of Offer.

THE ISSUE

The following is the summary of the Issue. This summary should be read in conjunction with, and is qualified in its entirety by, more detailed information in "Terms of the Issue" beginning on page 466 of this Draft Letter of Offer.

Rights Shares offered by the Company	[●] Equity Shares of `1 each
Rights Issue size	Upto `2,000 Million
Rights Entitlement	[●] Equity Shares for every [●] Equity Shares held on the Record Date
Record Date	[●], 2015
Issue Price per Rights Share	`[●]
Equity Shares outstanding prior to the Issue	[●] Equity Shares of `1 each
Equity Shares outstanding after the Issue *(*assuming full subscription and allotment of the Equity Shares*)	[●]Equity Shares of `1 each
Use of Issue Proceeds	Please refer to the section titled "Objects of the Issue" beginning on page 69 of this Draft Letter of Offer.
Terms of the Issue	Please refer to the section titled "Terms of the Issue" beginning on page 466 of this Draft Letter of Offer.
Terms of Payment	The full amount of `[●] per Equity Shares is payable on application.

GENERAL INFORMATION

Zee Media Corporation Limited was incorporated as a public limited company under the Companies Act, 1956 in the name of Zee Sports Limited at Mumbai vide Certificate of Incorporation dated August 27, 1999 with Registration No. 11-121506 now bearing Corporate Indentification Number (CIN) L92100MH1999PLC121506. The Company was granted the Certificate of Commencement of Business by the Registrar of Companies, Maharashtra at Mumbai ("***RoC***") on November 19, 1999. The name of the Company was changed to Zee News Limited and Fresh Certificate of Incorporation was issued on May 27, 2004. The name of the Company was further changed to Zee Media Corporation Limited and a Fresh Certificate of Incorporation was issued on July 6, 2013. For further details of our change of name, please refer to section titled "History and Certain Corporate Matters" beginning on page 128 of this Draft Letter of Offer.

The Board of Directors of the Company has approved the Issue under Section 62 of the Companies Act, at their meeting held on October 20, 2014 to make the an offer to Eligible Equity Shareholders of the Company with a right to renounce. Subsequently, the Board of Directors approved this Draft Letter of Offer at their meeting held on January 1, 2015.

ISSUE OF [●] EQUITY SHARES WITH A FACE VALUE OF `1 EACH ("*RIGHTS SHARES*") FOR CASH AT A PRICE OF `[●]/- PER RIGHT SHARE (INCLUDING A PREMIUM OF `[●]/- PER RIGHTS SHARE) FOR AN AMOUNT AGGREGATING UPTO `2,000 MILLION ON RIGHTS BASIS IN THE RATIO OF [●] ([●] RIGHTS SHARES FOR EVERY [●] FULLY PAID UP EQUITY SHARES) HELD BY THE EQUITY SHAREHOLDERS ON THE RECORD DATE, i.e. [●], 2015. THE FACE VALUE OF THE RIGHTS SHARES IS `1 EACH AND THE ISSUE PRICE IS [●] TIMES OF THE FACE VALUE OF THE EQUITY SHARES.

For further details please refer to the section titled "Terms of the Issue" beginning on page 466 of this Draft Letter of Offer.

Registered Office of the Company

Continental Building
135, Dr. Annie Besant Road
Worli Mumbai 400 018, India
Telephone: +91 22 2483 1234
Facsimile: +91 22 2490 0302
CIN: L92100MH1999PLC121506
Website: www.zeenews.com
Email id: complianceofficer@zeemedia.esselgroup.com

Corporate Office of the Company

Essel Studio, FC-19, Sector 16A
Noida 201301
Uttar Pradesh, India
Telephone: +91 120 251 1064
Facsimile: + 91 120 251 5381

Registrar of Companies

The Company is registered at the Registrar of Companies, Mumbai located at 100, Everest, Marine Drive Mumbai 400 002, Maharashtra, India.

Board of Directors

The Company's board comprises of the following Directors:

Name, Nature of Directorship and DIN	Age	Residential Address
Dr. Subhash Chandra	64 years	Flat 4, Hyde Park Street, London W2 2JW,

Name, Nature of Directorship and DIN	Age	Residential Address
Non-Executive Chairman DIN No: 00031458		United Kingdom.
Mr. Vinod Kumar Bakshi Non-Executive & Independent Director DIN No: 00771934	75 years	01-02 A Court Greens, The Laburnum, Sushant Lok1, Sector 28, Gurgaon 122 001, India.
Mr. Surjit Banga Non-Executive & Independent Director DIN No: 00001637	73 years	A/1101, Serenity heights, Mindspace Complex, Off Link Road, Malad, Mumbai 400 064, India.
Ms. Uma Mandavgane Non-Executive & Independent Director DIN No: 0315622	47 years	504, Sai Sharan, N.C. Kelkar Road, Dadar (West), Mumbai 400 028, India.

For further details of the Board of Directors, please refer to the section titled "Management of the Company" beginning on page 139 of this Draft Letter of Offer.

Company Secretary and Compliance Officer

Mr. Pushpal Sanghavi, Company Secretary
Zee Media Corporation Limited
Continental Building
135, Dr. Annie Besant Road
Worli Mumbai 400 018, India
Telephone: +91 22 2483 1234
Facsimile: +91 22 2490 0302
Email: complianceofficer@zeemedia.esselgroup.com

Investors may contact the Compliance Officer for any pre-issue /post-issue related matters such as non receipt of letters of allotment/ share certificates/ refund orders, etc. All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the SCSB, giving full details such as name, address of the applicant, number of Equity Shares applied for, Amount blocked, ASBA Account number and the Designated Branch of the SCSB where the CAF was submitted by the ASBA Investors.

Lead Manager

Axis Capital Limited
Axis House, C Wing
C-2 Wadia International Centre
P. B. Marg, Worli, Mumbai 400025, India.
Telephone: +91 22 4325 2183
Facsimile: +91 22 4325 3000
Email: zmcl@axiscap.in
Investor grievance email: complaints@axiscap.in
Contact Person: Ms. Kanika Goyal
Website: www.axiscapital.co.in
SEBI Registration Number: INM000012029
CIN: U51900MH2005PLC157853

Legal Counsel to the Issue

Rajani, Singhania & Partners
Advocates & Solicitors
204-207, Krishna Chambers
59, New Marine Lines
Mumbai 400 020, India
Telephone: +91 22 4096 1000
Facsimile: +91 22 4096 1010
Email: info@rsplaw.in
Website: www.rsplaw.net

Registrar to the Issue

Sharepro Services (India) Private Limited
13 AB, Samhita Warehousing Complex
2nd Floor, Sakinaka Telephone Exchange Lane
Off Andheri-Kurla Road
Mumbai 400072, India.
Telephone: +91 22 6772 0300
Facsimile: +91 22 2859 1568
Email: sharepro@shareproservices.com
Investor grievance email: rights@shareproservices.com

Statutory Auditors

M/s. MGB & Co. LLP, Chartered Accountants
Peninsula Business Park, Tower B
19th Floor, Ganpatrao Kadam Marg
Lower Parel, Mumbai 400 013, India.
Telephone: +91 22 6124 6124
Facsimile: +91 22 6124 6101
Email: ljain@mgbco.com
Contact Person: Mr. Lalit Kumar Jain, Partner
Firm Registration No.: 110069W/W-10035

Contact Person: Mr. Anil Dalvi/ Mr. Sachin Shinde
Compliance Officer: Mr. Anil Dalvi/ Mr. Sachin Shinde
Website: www.shareproservices.com
SEBI Registration Number: INR000001476
CIN: U67120MH2004PTC148994

Membership No.: 072664
Peer Review Certificate No.: 005716

Bankers to the Company

BNP Paribas
BNP Paribas House
1, North Avenue, Maker Maxity
2nd Floor, BKC Bandra (E)
Mumbai 400 051, India.
Telephone: +91 22 6196 4680/ 6196 4639
Facsimile: +91 22 6196 4670
Email: manasi.gondkar@asia.bnpparibas.com
sunil.pillai@asia.bnpparibas.com
cms.bankcollection@asia.bnpparibas.com
Website: www.bnpparibas.co.in
Contact Person: Ms. Manasi Gondkar/ Mr. Sunil Pillai

State Bank of India
Commercial Branch
Mid Corporate Group, 2nd Floor
NGN Vaidya Marg, Horniman Circle
Fort, Mumbai 400 001, India.
Telephone: +91 22 2266 3661
Facsimile: +91 22 2266 2205
Email: k.mukherjee@sbi.co.in
Website: www.sbi.co.in
Contact Person: Mr. Kaushik Mukherjee

ICICI Bank Limited
Corporate Head Office, ICICI Bank Towers
Bandra-Kurla Complex, Bandra (East)
Mumbai 400 051, India.
Telephone: +91 22 2653 6465
Facsimile: +91 22 2653 1206
Email: ankur.sheth@icicibank.com
Website: www.icicibank.com
Contact Person: Mr. Ankur Sheth

Experts

Except for the "Financial Statements" and the "Statement of Possible Tax Benefits Available to the Company and its Shareholders" beginning on pages 197 and 81 respectively of this Draft Letter of Offer, the Company has not obtained any expert opinions under the Companies Act. The term "expert' as used in the Draft Letter of Offer is not intended to be considered an "expert" within the meaning of Section 11 of the U.S. Securities Act.

Bankers to the Issue

[●]

Self Certified Syndicate Banks (SCSBs)

The list of banks that have been notified by SEBI to act as SCSB for the ASBA Process are provided on http://www.sebi.gov.in/pmd/scsb.html.

Monitoring Agency

In terms of Regulation 16(1) of the SEBI (ICDR) Regulations, since the size of the present Issue is less than `5,000 million, the Company is not required to appoint a monitoring agency for the purposes of this Issue.

Statement of *inter se* allocation of Responsibilities for the Issue

Axis Capital Limited is the sole Lead Manager to the Issue and all the responsibilities relating to co-ordination and other activities in relation to the Issue shall be performed by them. The various activities have been set out below:

No.	Activities	Responsibility	Co-ordination
1.	Capital structuring with the relative components and formalities such as composition of debt and equity, type of instruments, etc.	Axis Cap	Axis Cap
2.	Drafting and design of the offer document and of the advertisement or publicity material including newspaper advertisement and brochure or memorandum containing salient features of the offer document.	Axis Cap	Axis Cap
3.	Selection of various agencies connected with issue, such as registrars to the issue, printers, advertising agencies, etc.	Axis Cap	Axis Cap
4.	Liaisoning with the Stock Exchanges and SEBI, including for obtaining in-principle listing approval and completion of prescribed formalities with the Stock Exchanges and SEBI.	Axis Cap	Axis Cap
5.	Marketing of the issue, which shall cover, inter alia, formulating marketing strategies, preparation of publicity budget, arrangements for selection of (i) ad-media, (ii) centres for holding conferences of stock brokers, investors, etc., (iii) bankers to the issue, (iv) collection centres, (v) brokers to the issue, and (vi) underwriters and underwriting arrangement, distribution of publicity and issue material including application form, letter of offer and brochure and deciding upon the quantum of issue material.	Axis Cap	Axis Cap
6.	Post-issue activities, which shall involve essential follow-up steps including follow-up with bankers to the issue and Self Certified Syndicate Banks to get quick estimates of collection and advising the issuer about the closure of the issue, based on correct figures, finalisation of the basis of allotment or weeding out of multiple applications, listing of instruments, dispatch of certificates or demat credit and refunds and coordination with various agencies connected with the post-issue activity such as registrars to the issue, bankers to the issue, Self-Certified Syndicate Banks, etc.	Axis Cap	Axis Cap

Credit Rating

As the Issue is of Equity Shares, credit rating is not required.

Trustee

This being a Rights Issue of Equity Shares, appointment of Trustee is not required.

Appraising Entity

None of the purposes for which the Net Proceeds are proposed to be utilized have been financially appraised by any banks or financial institution.

Underwriting

The Company has not entered into any underwriting arrangement with the Lead Manager in connection with the Issue.

Principal Terms of Loans and Assets charged as security

For details of the principal terms of loans and assets charged as security, please refer to section section titled "Financial Indebtedness" beginning on page 400 of this Draft Letter of Offer.

Additional Subscription by the Promoters and Promoter Group

The Promoters of the Company, currently holds 250,280,727 Equity Shares aggregating to 69.11% of the pre-Issue share capital of the Company and have undertaken that they intend to subscribe to the full extent of its Rights Entitlement in the Issue. Such allotment of Rights Shares shall be exempt from open offer requirements in terms of Regulation 10(4)(a) of the SEBI Takeover Code.

In addition to subscription to its Rights Entitlement, i) 25FPS Media Private Limited; ii) ARM Infra & Uitilities Limited; iii) Prime Publishing Private Limited; and iv) Sprit Textiles Private Limited by way of their letter dated December 26, 2014 have further confirmed that they intend to subscribe to any unsubscribed portion in the Issue to ensure that atleast 90% of the Issue is subscribed, either jointly and/or severally, subject to aggregate shareholding of the Promoter and Promoter Group not exceeding 75% of the issued, outstanding and fully paid-up equity share capital of the Company after the Issue. As a result of such subscription and consequent allotment of Equity Shares, the aforementioned Promoters may acquire Equity Shares in excess of its Right Entitlements. Such acquisition will not attract open offer obligation subject to compliance with Regulation 10(4)(b) of the SEBI Takeover Code.

For further details of under subscription and allotment to the Promoter and Promoter Group, please refer to sub-section titled "Basis of Allotment" under the section titled "Terms of the Issue" beginning on page 466 of this Draft Letter of Offer.

Issue Schedule

The subscription will open upon the commencement of the banking hours and will close upon the close of banking hours on the dates mentioned below:

Issue Opens on	**[●]**
Last date for request for Split Application Forms	**[●]**
Issue Closes on	**[●]**

The Board may however decide to extend the Issue for such period, as it may determine from time to time, but not exceeding thirty (30) days from the date of Opening of the Issue or such other period as may be specified by the SEBI.

Minimum Subscription

If the Company does not receive the minimum subscription of 90% of the Issue and the sum payable on application is not received within a period of thirty (30) days from the date of the Letter of Offer, the Company shall refund the entire subscription amount received within fifteen (15) days from the Issue Closing Date. If there is delay in the refund of the subscription amount within fifteen (15) days after the Issue Closing Date, the Directors of the Company who are "officers in default" shall jointly and severally refund that money along with interest at the rate of fifteen per cent (15%) per annum. Further, the Company and its officer who is in default shall be liable to a penalty of `1,000 for each day during which the default continues or `100,000, whichever is less.

CAPITAL STRUCTURE

The Company's share capital, as of the date of filing this Draft Letter of Offer, before and after the proposed Issue, is set forth below:

(` *in Million except share data*)

No.	Particulars	Nominal Value	Aggregate value at Issue Price
A	**Authorised Share Capital**		
	1,700,000,000 Equity Shares of `1 each	1,700.00	
B	**Issued, Subscribed and Paid Up Capital before the Issue**		
	362,145,773 Equity Shares of `1 each	362.15	
C	**Present Issue in terms of this Draft Letter of Offer**		
	[●] Equity Shares of `1 each at an Issue Price of `[●] each	[●]	[●]
D	**Issued, Subscribed and Paid-up Capital after the Issue**		
	[●] Equity Shares of `1 each	[●]	[●]
E	**Securities Premium Account**		
	Before the Issue	76.50	
	After the Issue	[●]	

1. **Details of changes in Authorised Share Capital**

No.	Date of Shareholders approval/ Court Order	EGM/AGM	Authorised Share Capital (`)	Details of change
1.	On Incorporation	--	20,000,000	Incorporated with an Authorised Share Capital of `20,000,000 comprising of 20,00,000 Equity Shares of `10 each.
2.	July 26, 2005	EGM	200,000,000	Increase in Authorised Share Capital from `20,000,000 comprising of 20,00,000 Equity Shares of `10 each to `200,000,000 comprising of 20,000,000 Equity Shares of `10 each.
The Company had sub-divided the face value of Equity Shares from `10 to `1 by way of a Shareholders resolution dated July 25, 2006. The Authorized Share Capital on sub-division of the face value then comprised of `200,000,000 comprising of 200,000,000 Equity Shares of `1 each.				
3.	July 25, 2006	EGM	300,000,000	Increase in Authorised Share Capital from `200,000,000 comprising of 200,000,000 Equity Shares of `1 each to `300,000,000 comprising of 290,000,000 Equity Shares of `1 each and 10,000,000 Preference Shares of `1 each
4.	July 23, 2008	AGM	500,000,000	Increase in Authorised Share Capital from `30,00,00,000 comprising of 29,00,00,000 Equity Shares of `1 each and 1,00,00,000 Preference Shares of `1 each to `500,000,000 comprising of 490,000,000 Equity Shares of `1 each and 10,000,000 Preference Shares of `1 each.
5.	August 31, 2010	AGM	1,000,000,000	Increase in Authorised Share Capital from

No.	Date of Shareholders approval/ Court Order	EGM/AGM	Authorised Share Capital (`)	Details of change
				`500,000,000 comprising of 490,000,000 Equity Shares of `1 each and 10,000,000 Preference Shares of `1 each to `1,000,000,000 comprising of 1,000,000,000 Equity Shares of `1 each.
6.	May 2, 2014	Consequent upon amalgamation of Essel Publishers Private Limited with the Company – combination of the authorised share capital	1,700,000,000	Increase in Authorised Share Capital from `1,000,000,000 comprising of 1,000,000,000 Equity Shares of `1 each to `1,700,000,000 comprising of 1,700,000,000 Equity Shares of `1 each.

Notes on Capital Structure

2. **Share Capital History of the Company**

(a) Equity Share capital history

The following is the history of the Equity Share capital of the Company:

Date of Allotment	Number of Equity Shares	Face Value per Equity Share (`)	Issue Price per Equity Share (`)	Nature of Consideration (Cash/ Other than Cash)	Nature of allotment	Cumulative Number of Equity Shares	Cumulative Share Capital (`)	Cumulative Share Premium (`)
August 28, 1999	70	10	10	Cash	Subscription to the Memorandum of Association (1)	70	700	--
November 26, 1999	1,000,000	10	10	Cash	Allotment to Zee Telefilms Limited (*now ZEEL*)	1,000,070	10,000,700	--
September 13, 2005	8,749,930	10	10	Cash	Preferential allotment to Churu Trading Company Private Limited and Jayneer Capital Private Limited (2)	9,750,000	97,500,000	--
September 28, 2005	850,000	10	100	Cash	Preferential allotment to Churu Trading Company Private Limited	10,600,000	106,000,000	76,500,000
September 28, 2005	5,250,000	10	10	Cash	Preferential allotment to ZEEL (*formerly known as Zee Telefilms*	15,850,000	158,500,000	76,500,000

Date of Allotment	Number of Equity Shares	Face Value per Equity Share (`)	Issue Price per Equity Share (`)	Nature of Consideration (Cash/ Other than Cash)	Nature of allotment	Cumulative Number of Equity Shares	Cumulative Share Capital (`)	Cumulative Share Premium (`)
					Limited)			
November 29, 2005	4,000,000	10	10	Cash	Rights Issue (1:4) [3]	19,850,000	198,500,000	76,500,000
November 28, 2006	(6,574,920)	1	N.A	N.A.	Cancellation of the shareholding ZEEL Limited pursuant to the Scheme of Arrangement[4]	13,275,080	132,750,800	76,500,000
The Company had sub-divided the face value of Equity Shares from `10 to `1 by way of a Shareholders resolution dated July 25, 2006. The Authorized Share Capital on sub-division of the face value then comprised of `200,000,000 comprising of 200,000,000 Equity Shares of `1 each.								
Equity Share Capital Pursuant to the Split of the Face Value from `10 to `1						**132,750,800**	**132,750,800**	**76,500,000**
November 28, 2006	(88,943,036)	1	N.A.	N.A.	Reduction of Share Capital pursuant to the Scheme of Arrangement[4]	43,807,764	43,807,764	76,500,000
December 29, 2006	195,956,192	1	N.A.	Other than Cash	Issued to shareholders of ZEEL pursuant to the Scheme of Arrangement[4]	239,763,956	239,763,956	76,500,000
June 9, 2014	122,381,817	1	N.A.	Other than Cash	Issued to shareholders of Essel Publishers Private Limited pursuant to the Scheme of Amalgamation[5]	362,145,773	362,145,773	76,500,000
Total	**362,145,773**							

Notes:

(1) *Allotment of ten (10) Equity Shares each to Mr. Vikas Gupta; Mr. Amal Saha; Mr. Brijgopal Jaju; Mr. Hitesh Vakil; Ms. Uma Ganesh; Mr. M.B. Zaidi; and Mr. Riddhish Purohit.*

(2) *Allotment of 2,749,930 and 6,000,000 Equity Shares to Churu Trading Company Private Limited and Jayneer Capital Private Limited respectively.*

(3) *Allotment of 1,160,880 Equity Shares to Churu Trading Company Private Limited; 1,514,200 Equity Shares to Jayneer Capital Private Limited; and 1,324,920 to Zee Telefilms Limited pursuant to the Rights Issue.*

(4) *Pursuant to the Scheme of Arrangement between the Company, Zee Telefilms Limited ("**ZTL**") (now known as 'Zee Entertainment Enterprises Limited'), Siti Cable Network Limited ("**Siti Cable**"), Wire & Wireless (India) Limited ("**WWIL**") and their respective shareholders, as approved by the Bombay High Court, by its order dated November 17, 2006, the equity share capital of the Company was reduced by cancelling 6,574,920 equity shares of `10 each held by ZEEL in the Company. Additionally, pursuant to certain reductions in terms of the Scheme of Arrangement, the equity share capital was further reduced to `43,807,764 comprising of 43,807,764 Equity Shares of `1 each. Further, 195,956,192 Equity Shares were allotted to the shareholders of ZEEL on December 29, 2006. For further details, please refer to section titled "History and Certain Corporate Matters" beginning on page 128 of this Draft Letter of Offer.*

(5) *Pursuant to the Scheme of Amalgamation of Essel Publishers Private Limited ("**Essel Publishers**") with the Company and their respective shareholders and creditors, as approved by the Bombay High Court, by its order dated May 2, 2014, 122,381,817 Equity Shares were allotted to the shareholders of Essel Publishers Private Limited on June 9, 2014. For further details, please refer to section titled "History and Certain Corporate Matters" beginning on page 128 of this Draft Letter of Offer.*

(b) Promoter Capital Build-up

The current promoters of the Company are i) 25FPS Media Private Limited; ii) ARM Infra & Uitilities Limited; iii) Prime Publishing Private Limited; and iv) Sprit Textiles Private Limited. The detail in relation to share capital build-up of the Promoters in the Company is set out below:

i) **25FPS Media Private Limited**

Date of Allotment/ Acquisition/ Sale	Number of Equity Shares	Face Value per Equity Share (`)	Issue/ Acquisition/ Sale Price per Equity Share (`)	Nature of Consideration (Cash/ Other than Cash)	Nature of transaction	Sources of funds
November 16, 2011	56,170,750	1	Nil	Nil	Inter se transfer of equity shares by Essel Corporate Resources Private Limited i.e. Promoter Group entity	N.A.
November 23, 2011	18,501,710	1	Nil	Nil		N.A.
December 23, 2011	32,011,500	1	Nil	Nil		N.A.
December 30, 2011	4,300,000	1	Nil	Nil		N.A.
March 1, 2012	16,914,750	1	Nil	Nil		N.A.
Total	**127,898,710**					

ii) **ARM Infra & Uitilities Limited**

Date of Allotment/ Acquisition/ Sale	Number of Equity Shares	Face Value per Equity Share (`)	Issue/ Acquisition/ Sale Price per Equity Share (`)	Nature of Consideration (Cash/ Other than Cash)	Nature of transaction	Sources of funds
June 9, 2014	122,363,636	1	Nil	Other than cash	Allotment pursuant to the Scheme of Amalgamation of Essel Publishers Private Limited with the Company and their respective shareholders	N.A.
Total	**122,363,636**					

iii) **Prime Publishing Private Limited**

Date of Allotment/ Acquisition/ Sale	Number of Equity Shares	Face Value per Equity Share (`)	Issue/ Acquisition/ Sale Price per Equity Share (`)	Nature of Consideration (Cash/ Other than Cash)	Nature of transaction	Sources of funds
June 9, 2014	18,181	1	N.A.	Other than cash	Allotment pursuant to the Scheme of Amalgamation of Essel Publishers	N.A.

Date of Allotment/ Acquisition/ Sale	Number of Equity Shares	Face Value per Equity Share (`)	Issue/ Acquisition/ Sale Price per Equity Share (`)	Nature of Consideration (Cash/ Other than Cash)	Nature of transaction	Sources of funds
					Private Limited with the Company and their respective shareholders	
Total	**18,181**					

iv) **Sprit Textiles Private Limited**

Date of Allotment/ Acquisition/ Sale	Number of Equity Shares	Face Value per Equity Share (`)	Issue/ Acquisition/ Sale Price per Equity Share (`)	Nature of Consideration (Cash/ Other than Cash)	Nature of transaction	Sources of funds
March 28, 2013	200	1	N.A.	Other than cash	Vesting pursuant to a Scheme of Amalgamation of Churu Trading Company Private Limited and Prajatma Trading Company Private Limited with Sprit Textiles Private Limited and their respective Shareholders	N.A.
Total	**200**					

3. **Acquisition and sale/transfer of Equity Shares by the Promoters in last one (1) year**

Except for issuance of Equity Shares of the Company to ARM Infra & Uitilities Limited and Prime Publishing Private Limited pursuant to a Scheme of Amalgamation, there has been no acquisition, sale or transfer of Equity Shares by the Promoters in the last one (1) year preceding the date of filing of this Draft Letter of Offer.

4. **Shareholding Pattern of the Company**

The table below presents the shareholding pattern of the Company as on September 30, 2014 as per Clause 35 of the Equity Listing Agreement.

(Face value of Equity Shares of ` 1 each)

	Category of shareholder	Number of shareholders	Total number of shares	Number of shares held in dematerialized form	Total shareholding as a percentage of total number of shares		Shares Pledged or otherwise encumbered	
					% of (A+B)	% of (A+B+C)	No. of shares	%
(A)	**Promoter and Promoter Group**							
(1)	**Indian**							
(a)	Individuals/ Hindu Undivided Family	--	--	--	--	--	--	--
(b)	Central Government/ State Government(s)	--	--	--	--	--	--	--
(c)	Bodies Corporate	8	250,280,827	250,280,827	69.11	69.11	49,235,000	19.67
(d)	Financial Institutions/ Banks	--	--	--	--	--	--	--
(e)	Any Other:	--	--	--	--	--	--	--
	Sub-Total (A)(1)	**8**	**250,280,827**	**250,280,827**	**69.11**	**69.11**	**49,235,000**	**19.67**
(2)	**Foreign**							
(a)	Individuals (Non-Resident Individuals/ Foreign Individuals)	--	--	--	--	--	--	--
(b)	Bodies Corporate	--	--	--	--	--	--	--
(c)	Institutions	--	--	--	--	--	--	--
(d)	Qualified Foreign Investor	--	--	--	--	--	--	--
(e)	Any Other (specify)	--	--	--	--	--	--	--
	Sub-Total (A)(2)	--	--	--	--	--	--	--
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	**8**	**250,280,827**	**250,280,827**	**69.11**	**69.11**	**49,235,000**	**19.67**
(B)	**Public shareholding**							
(1)	**Institutions**							
(a)	Mutual Funds/UTI	3	18,276,555	18,276,103	5.05	5.05	0	0.00
(b)	Financial Institutions/ Banks	15	605,547	605,547	0.17	0.17	0	0.00
(c)	Central Government/ State Government(s)	--	--	--	--	--	--	--
(d)	Venture Capital Funds	--	--	--	--	--	--	--
(e)	Insurance Companies	2	91,142	91,142	0.03	0.03	0	0.00
(f)	Foreign Institutional Investors	13	21,117,098	21,112,076	5.83	5.83	0	0.00
(g)	Foreign Venture Capital Investors	--	--	--	--	--	--	--
(h)	Any Other	--	--	--	--	--	--	--
	Sub-Total (B)(1)	**33**	**40,090,342**	**40,084,868**	**11.07**	**11.07**	**0**	**0.00**
(2)	**Non-institutions**							
(a)	Bodies Corporate	1,568	18,586,631	18,583,494	5.13	5.13	0	0.00
(b)	Individuals							
	i. Individual shareholders holding nominal share capital up to ` 1 lakh.	99,299	40,663,653	40,485,565	11.23	11.23	0	0.00

	Category of shareholder	Number of shareholders	Total number of shares	Number of shares held in dematerialized form	Total shareholding as a percentage of total number of shares		Shares Pledged or otherwise encumbered	
					% of (A+B)	% of (A+B+C)	No. of shares	%
	ii. Individual shareholders holding nominal share capital in excess of ` 1 lakh.	22	11,237,695	11,237,695	3.10	3.10	0	0.00
(c)	Any Other (specify)	1,199	**1,286,625**	**1,111,511**	0.36	0.36	0	0.00
	i. Overseas Bodies Corporate	3	6,983	6,983	0.00	0.00	0	0.00
	ii. Foreign Nationals	2	1052	1052	0.00	0.00	0	0.00
	iii. Non Resident Indians	1,189	1,243,362	1,068,248	0.34	0.34	0	0.00
	iv. Trusts	5	35,228	35,228	0.01	0.01	0	0.00
	Sub-Total (B)(2)	**102,088**	**71,774,604**	**71,418,265**	19.82	19.82	0	0.00
	Total Public Shareholding (B)= (B)(1)+(B)(2)	**102,121**	**111,864,946**	**111,503,133**	**30.89**	**30.89**	**0**	**0.00**
	TOTAL (A)+(B)	**102,129**	**362,145,773**	**361,783,960**	**100.00**	**100.00**	**49,235,000**	**13.60**
(C)	**Shares held by Custodians and against which Depository Receipts have been issued**	--	--	--	--	--	--	--
	GRAND TOTAL (A)+(B)+(C)	**102,129**	**362,145,773**	**361,783,960**	**0.00**	**100.00**	**49,235,000**	**13.60**

5. The aggregate shareholding of the Promoters & Promoter Group as on September 30, 2014.

Particulars	Number of Shares	Percentage (%) holding
Promoter & Promoter Group		
25FPS Media Private Limited	12,78,98,710	35.32
ARM Infra & Uitilities Limited	12,23,63,636	33.79
Prime Publishing Private Limited	18,181	0.01
Sprit Textiles Private Limited	200	0.00
Essel Infraprojects Limited	100	0.00
Total	**25,02,80,827**	**69.11**

6. None of the directors of the Promoters of the Company are holding any Equity Shares in the Company.

7. The aggregate shareholding subject to pledge as on September 30, 2014.

Particulars	Number of Equity Shares	Percentage (%) their shareholding
Promoter & Promoter Group		
25FPS Media Private Limited	38,225,000	29.89
ARM Infra & Uitilities Limited	11,010,000	9.00
Total	**49,235,000**	**38.89**

8. None of the shareholding of the Promoters & Promoter Group is subject to lock-in as on the date of this Draft Letter of Offer.

9. Details of shareholding of securities (*including shares, warrants, convertible securities*) of persons belonging to the category Public and holding more than 1% of the total number of shares as on September 30, 2014.

Particulars	Number of Shares	Percentage (%) holding
HDFC Trustee Company Limited - HDFC Prudence Fund	17,467,103	4.82
Acacia Partners LP	6,180,100	1.71
Orange Mauritius Investments Limited	5,971,051	1.65
Acacia Institutional Partners LP	3,989,700	1.10
Total	**33,607,954**	**9.28**

10. None of the Directors or Key Managerial Personnel hold Equity Shares in the Company as on the date of this Draft Letter of Offer.

11. **Top Ten Shareholders of the Company**

a. The top ten (10) shareholders of the Company as of the date of the filing of the Draft Letter of Offer with SEBI are as follows:

No.	Name of the Shareholder	Number of Equity Shares	Shareholding (%)
1.	25FPS Media Private Limited	127,898,710	35.32
2.	Arm Infra & Utilities Limited	122,363,636	33.79
3.	HDFC Trustee Company Limited - HDFC Prudence Fund	17,467,103	4.82
4.	Acacia Partners, LP	6,180,100	1.71
5.	Orange Mauritius Investments Limited	4,077,943	1.13
6.	Acacia Institutional Partners, LP	3,989,700	1.10
7.	Acacia Conservation Fund LP	2,772,000	0.77
8.	Mr. Amit Goela	2,594,000	0.72
9.	Acacia Banyan Partners	1,996,200	0.55
10.	Mr. Vishesh Nimesh Shah	1,400,000	0.39
Total		**290,739,392**	**80.28**

b. The top ten (10) shareholders of the Company as of ten (10) days prior to the filing of the Draft Letter of Offer with SEBI are as follows:

No.	Name of the Shareholder	Number of Equity Shares	Shareholding (%)
1.	25FPS Media Private Limited	127,898,710	35.32
2.	Arm Infra & Utilities Limited	122,363,636	33.79
3.	HDFC Trustee Company Limited - HDFC Prudence Fund	17,467,103	4.82
4.	Acacia Partners, LP	6,180,100	1.71
5.	Orange Mauritius Investments Limited	4,077,943	1.13
6.	Acacia Institutional Partners, LP	3,989,700	1.10
7.	Acacia Conservation Fund LP	2,772,000	0.77
8.	Mr. Amit Goela	2,594,000	0.72
9.	Acacia Banyan Partners	1,996,200	0.55
10.	Mr. Vishesh Nimesh Shah	1,400,000	0.39
Total		**290,739,392**	**80.28**

c. The top ten (10) shareholders of the Company as of two (2) years prior to the filing of the Draft Letter of Offer with SEBI are as follows:

No.	Name of the Shareholder	Number of Equity Shares	Shareholding (%)
1.	25FPS Media Private Limited	127,898,710	53.34
2.	HDFC Trustee Company Limited - HDFC Prudence Fund	17,467,103	7.29
3.	Orange Mauritius Investments Limited	11,743,226	4.90
4.	Acacia Partners, LP	6,180,100	2.58
5.	HDFC Trustee Company Limited - HDFC Core and Satellite Fund	3,414,578	1.42
6.	Acacia Institutional Partners, LP	3,388,000	1.41
7.	Acacia Conservation Fund LP	2,77,2000	1.16
8.	Acacia Banyan Partners	2,597,900	1.08
9.	Mr. AmitGoela	2,000,000	0.83
10.	Teen Lok Advisory Services Private Limted	1,999,900	0.83
Total		**179,461,517**	**74.85**

12. The Company had instituted the Employee Stock Option Plan, 2009 ("***ESOP Scheme***") which was approved by equity shareholders by way of a special resolution passed in the AGM held on August 18, 2009. However, the Company has not granted any options or allotted any Equity Shares under the ESOP Scheme as on the date of this Draft Letter of Offer.

13. The Company has issued and allotted Equity Shares in terms of scheme(s) approved under Section 391-394 of the Companies Act, 1956. For further details, please refer to section titled "History and Certain Corporate Matters" beginning on page 128 of this Draft Letter of Offer.

14. The Company, its Directors, Promoter or the Lead Manager have not entered into any buy-back or standby arrangements for the purchase of the Equity Shares of the Company.

15. The Company undertakes that there shall be only one (1) denomination for the Equity Shares of the Company, unless otherwise permitted by law. The Company shall comply with such disclosure and accounting norms as specified by SEBI from time to time.

16. None of the Promoter Group, Directors of the Promoter(s), the Directors and their relatives have purchased or sold any Equity Shares during the period of six (6) months immediately preceding the date of filing of this Draft Letter of Offer with SEBI.

17. There are no outstanding warrants, options or rights to convert debentures, loans or other instruments into Equity Shares as on the date of this Draft Letter of Offer.

18. The Equity Shares are fully paid up and there are no partly paid-up Equity Shares as on the date of filing of this Draft Letter of Offer.

19. The Company has not made any issue of specified securities at a price lower than the Issue Price during the preceding one (1) year from the date of filing of this Draft Letter of Offer. However, the Company has allotted 122,381,817 Equity Shares on June 9, 2014 to the shareholders of Essel Publishers Private Limited in terms of the Scheme of Amalgamation approved under Section 391-394 of the Companies Act, 1956.

20. The Company has not issued Equity Shares out of Revaluation Reserves.

21. The Equity Shares issued pursuant to this Issue shall be fully paid-up.

22. The Company has not issued any Equity Shares for consideration other than cash, except as set out below:

Date of Allotment	Number of Equity Shares	Face Value per Equity Share (`)	Issue Price per Equity Share (`)	Nature of allotment
December 29, 2006	195,956,192	1	N.A.	Issued to shareholders of ZEEL

Date of Allotment	Number of Equity Shares	Face Value per Equity Share (`)	Issue Price per Equity Share (`)	Nature of allotment
				pursuant to the Scheme of Arrangement
June 9, 2014	122,381,817	1	N.A.	Issued to shareholders of Essel Publishers Private Limited pursuant to the Scheme of Amalgamation
Total	**318,338,009**			

23. The Company has not made any public issue of any kind or class of securities of the Company since its incorporation.

24. The Issue being a rights issue, as per Regulation 34(c) of the SEBI (ICDR) Regulations, the requirement of promoter's contribution and lock-in are not applicable.

25. As on date of this Draft Letter of Offer, the Company has 102,129 shareholders.

26. The Company has not raised any bridge loans from any bank or financial institution as on the date of this Draft Letter of Offer, which are proposed to be repaid from the Net Proceeds. However, depending on its business requirements, the Company may consider raising bridge financing facilities, pending receipt of the Net Proceeds of the Issue.

27. The Company, its Directors, Promoters or Promoter Group shall not make any payments, direct or indirect, discounts, commissions, allowances or otherwise under this Issue except as disclosed in this Draft Letter of Offer.

28. The Company does not have any proposal or intention to alter the equity capital structure by way of split/ consolidation of the denomination of the Equity Shares, or the issue of securities on a preferential basis or issue of bonus or rights or further public issue of securities or qualified institutions placement within a period of six (6) months from the date of opening of the Issue. However, if business needs of the Company so require, the Company may alter the capital structure by way of split / consolidation of the denomination of the Equity Shares / issue of Equity Shares on a preferential basis or issue of bonus or rights or public or preferential issue of Equity Shares or any other securities during the period of six (6) months from the date of opening of the Issue or from the date the application moneys are refunded on account of failure of the Issue, after seeking and obtaining all the approvals which may be required.

29. The Promoters of the Company, currently holds 250,280,727 Equity Shares aggregating to 69.11% of the pre-Issue share capital of the Company and have undertaken that they intend to subscribe to the full extent of its Rights Entitlement in the Issue. Such allotment of Rights Shares shall be exempt from open offer requirements in terms of Regulation 10(4)(a) of the SEBI Takeover Code.

    In addition to subscription to its Rights Entitlement, i) 25FPS Media Private Limited; ii) ARM Infra & Uitilities Limited; iii) Prime Publishing Private Limited; and iv) Sprit Textiles Private Limited by way of their letter dated December 26, 2014 have further confirmed that they intend to subscribe to any unsubscribed portion in the Issue to ensure that atleast 90% of the Issue is subscribed, either jointly and/or severally, subject to aggregate shareholding of the Promoter and Promoter Group not exceeding 75% of the issued, outstanding and fully paid-up equity share capital of the Company after the Issue. As a result of such subscription and consequent allotment of Equity Shares, the aforementioned Promoters may acquire Equity Shares in excess of its Right Entitlements. Such acquisition will not attract open offer obligation subject to compliance with Regulation 10(4)(b) of the SEBI Takeover Code.

    For further details of under subscription and allotment to the Promoter and Promoter Group, please refer to sub-section titled "Basis of Allotment" under the section titled "Terms of the Issue" beginning on page 466 of this Draft Letter of Offer.

30. The Company has not revalued its assets during the last five (5) financial years.

31. The Issue will remain open for fifteen (15) days. However, the Board will have the right to extend the Issue period as it may determine from time to time but not exceeding thirty (30) days including the Issue Opening Date.

32. The Lead Manager and its associates do not hold any Equity Shares in the Company as on the date of filing this Draft Letter of Offer.

OBJECTS OF THE ISSUE

The Objects of the Issue are as follows:

I. Purchase of equipment and accessories for production and broadcasting;
II. Repayment/prepayment of certain loans availed by the Company;
III. Funding Subsidiary(ies) for prepayment/ repayment of loans; and
IV. General corporate purposes.

The Company believes that, availing funds from existing shareholders would be an effective source for meeting the funding requirements of the Company.

The main objects clause of the Memorandum of Association of the Company enables it to undertake the activities for which the funds are being raised in this Issue. Further, the activities been carrying out until now by the Company are in accordance with the main objects clause of its Memorandum of Association.

Issue Proceeds

The details of the Net proceeds (excluding Issue Expenses) of the Issue are summarized in the following table:

No.	Particulars	Amount (` in Million)
1.	Purchase of equipment and accessories for production and broadcasting	450.20
2.	Repayment/prepayment of certain loans of the Company	450.00
3.	Funding Subsidiary(ies) for prepayment/ repayment of loans	600.00
4.	General Corporate Purposes	[●]
Total		**[●]**

Schedule of Implementation and Deployment, Use of Net Proceeds, Requirement of Funds and Means of Finance

The Company intends to utilize the Net Proceeds of `[●] million towards the objects, in accordance with the estimated Schedule of Implementation and deployment of funds set forth in the table below. As of the date of this Draft Letter of Offer, the Company has not deployed any funds towards the objects of the Issue.

No.	Expenditure Items	Total Amount proposed to be financed from the Net Proceeds of the Issue	Estimated Utilization in Financial Year 2016	Estimated Utilization in Financial Year 2017
1.	Purchase of equipment and accessories for production and broadcasting	450.20	250.20	200.00
2.	Repayment/prepayment of certain loans of the Company	450.00	450.00	--
3.	Funding Subsidiary(ies) for prepayment/ repayment of loans	600.00	600.00	--
4.	General Corporate Purposes*	[●]	[●]	[●]
Total		**[●]**	**[●]**	**[●]**

** To be finalized upon determination of Issue Price. The amount shall not exceed 25% of the Gross Proceeds.*

The Company proposes to fund the requirements of the objects detailed above entirely from the Net Proceeds. The fund requirements and deployment, as discussed below, are based on internal management estimates in light of the current requirements of the Company's business and are subject to change in light of changes in external circumstances or costs, or in the Company's financial condition, business or strategy, as discussed further below. The management, in response to the competitive and dynamic nature of the industry, will have the discretion to revise its business plan and estimates from time to time and consequently the funding requirements and deployment of funds may also change. This may also include rescheduling the proposed utilization of Net Proceeds and increasing or decreasing expenditure for a particular object *vis-à-vis* the utilization of Net Proceeds, subject to compliance with applicable law.

In case of any increase in the actual utilization of funds earmarked for the objects, such additional funds for a particular activity will be met by way of means available to the Company, including from internal accruals and any additional equity and/or debt arrangements. If the actual utilization towards any of the objects is lower than the proposed deployment such balance will be used for future growth opportunities including funding existing objects, if required and general corporate purposes.

Details of the Objects

I. Purchase of equipment and accessories for production and broadcasting

The production, distribution and broadcast of content requires purchase of various equipment and accessories. The Company intends to acquire certain equipment and accessories from the Proceeds of the Issue and deploy them in the business and operations in terms of the Schedule of Implementation set out hereinabove.

The Company has obtained various quotations from various suppliers for the purchase of the equipment and accessories, which are currently valid. Set forth below is a break-down of the estimated expenditure towards acquisition of equipment and accessories thereof, along with quotations obtained from various suppliers.

No.	Model/Description	Qty	Unit Price	Amount	Currency (Yen. Franc/ GBP/ USD)*	Amount in INR	Vendor
A.	**HDK-55EXIII HDTV Camera System & Other Accessories**	15	$28,000.00	$420,000.00	USD	26,682,600.00	Agiv (India) Private Limited
B.	**HD Lens**						
1.	HDTV Lens	12	$8,500.00	$102,000.00	USD	6,480,060.00	Agiv (India) Private Limited
2.	Semi Servo Kit	15	$1,600.00	$24,000.00	USD	1,524,720.00	
3.	HDTV Wide Angle lens	3	$13,500.00	$40,500.00	USD	2,572,965.00	
C.	**Tripod**						
1.	Video 25Plus with Tripod EFP 2D and Dolly S	12	$9,000.00	$108,000.00	USD	6,861,240.00	Shashi Enterprises
D.	**Switcher**						
	4 ME HD Switcher	2	$160,000.00	$320,000.00	USD	20,329,600.00	Visual Technologies India Private Limited
	1 ME HD Switcher	2	$29,900.00	$59,800.00	USD	3,799,094.00	Agiv (India) Private Limited
	HD Switcher	2	$80,000.00	$160,000.00	USD	10,164,800.00	Visual Technologies India Private Limited

No.	Model/Description	Qty	Unit Price	Amount	Currency (Yen. Franc/ GBP/ USD)*	Amount in INR	Vendor
E.	**Dual SPG (2 sets)**	4	$15,000.00	$60,000.00	USD	3,811,800.00	Sun Broadcast Equipments Private Limited
F.	**Frame Synchronizer**						
1.	FA-9520,3G/ HD/SD Frame Synchronizer with Up/Down converter and color corrector	12	$3,800.00	$45,600.00	USD	2,896,968.00	Agiv (India) Private Limited
G.	**Monitors**						
1.	Multiviewer with panel	4	$30,400.00	$121,600.00	USD	7,725,248.00	Agiv (India) Private Limited
2.	V-R151DP-AFHD, 15" HD/SD LCD Monitor	60	$1,300.00	$78,000.00		4,955,340.00	Visual Technologies India Private Limited
H.	**HD/SD Base Band Glues**						
1.	3RU Encloser with ethernet /SNPS compitable Roll net Gateway and Dual PSU	10	490	£4,900.00	GBP	485,786.00	Tranns Techno Consultants Private Limited
2.	HD/SD relocking distribution Amp 1 I/P and 7 O/ps	50	495	£24,750.00	GBP	2,453,715.00	
3.	DVDA	8	495	£3,960.00	GBP	392,594.40	
4.	HD MUX	12	1755	£21,060.00	GBP	2,087,888.40	
5.	HD De-Mux	24	1755	£42,120.00	GBP	4,175,776.80	
6.	Down Converter	8	2640	£21,120.00	GBP	2,093,836.80	
7.	VDA	20	220	£4,400.00	GBP	436,216.00	
8.	A to D Converter	4	1800	£7,200.00	GBP	713,808.00	
9.	ADA	24	220	£5,280.00	GBP	523,459.20	
I.	**Waveform Monitor**						
	HD/SD Waveform /Vector Monitor	10	$7,000.00	$70,000.00	USD	4,447,100.00	Sun Broadcast Equipments Private Limited
J.	**Routing Switcher Panels**	2	28855	£57,710.00	GBP	5,721,369.40	Tranns Techno Consultants Private

No.	Model/Description	Qty	Unit Price	Amount	Currency (Yen. Franc/ GBP/ USD)*	Amount in INR	Vendor
							Limited
K.	**Intercomm System with panels**	2	$29,888.00	$59,776.00	USD	3,797,569.28	Advance Telemedia Private Limited
L.	**Audio Mixer, Mics, speakers and accessories**						
1.	STUDER VISTA Audio Mixing console	2	66500	$133,000.00	Franc	8,602,846.05	AVF Distributors (I) Private Limited
2.	Sound Craft console	2	$11,650.00	$23,300.00	USD	1,480,249.00	Visual Technologies India Private Limited
3.	Mics	2	1779792		INR	3,559,584.00	Sun Broadcast Equipments Private Limited
4.	RF Mic Set	2	1519064		INR	3,038,128.00	Advance Telemedia Private Limited
5.	Speaker & telex earset	2	391600		INR	783,200.00	Advance Telemedia Private Limited
6.	Phone in Units and Remote Amp	2	570481		INR	1,140,962.00	Setron India Private Limited
7.	Delay unit	2	398565		INR	797,130.00	Setron India Private Limited
M.	**Telepromptor**	2	$70,307.00	$140,614.00	USD	8,933,207.42	Cinecita Comoptronics Industries Private Limited
N.	**ENG Cameras**	20	$10,989.00	$219,780.00	USD	13,962,623.40	Visual Technologies India

No.	Model/Description	Qty	Unit Price	Amount	Currency (Yen. Franc/ GBP/ USD)*	Amount in INR	Vendor
							Private Limited
O.	**Bureau Setup with 2 camera setup**	6	$40,000.00	$240,000.00	USD	15,247,200.00	Visual Technologies India Private Limited
P.	**Bureau connectivity with Main Hub (Hardware)**	5	$25,000.00	$125,000.00	USD	7,941,250.00	ICI (HK) Limited
Q.	**P2 Play/Recorder**	40	$3,500.00	$140,000.00	USD	8,894,200.00	Visual Technologies India Private Limited
R.	**OB Vans**	4	5893602	23,574,408.00	INR	23,574,408.00	SRSG BROADCAST
S.	**Datacard Based Live setup**	13	$18,000.00	$144,000.00	USD	9,148,320.00	Lamhas Satellite Services Limited
T.	**Servers Hardware/PC/Laptop and Network Accessories**						
1.	Workstation for Nle	24	260000	6,240,000.00	INR	6,240,000.00	Multi Virt India Private Limited
2.	Workstation for Engines Hp Z420 with Rail Mount Kit	12	$11,498.00	$137,976.00	USD	8,765,615.28	Vizrt Limited
3.	Dell Laptops	50	$900.00	$45,000.00	USD	2,855,700.00	
4.	Dell Desktops	100	55400	5,540,000.00	INR	5,540,000.00	Dell International Services India Private Limited
5.	Laser Printers	6	70300	421,800.00	INR	421,800.00	Comsquare Networks (India) Private Limited

No.	Model/Description	Qty	Unit Price	Amount	Currency (Yen. Franc/ GBP/ USD)*	Amount in INR	Vendor
6.	Layer 2	6	170000	1,020,000.00	INR	1,020,000.00	
7.	Network racks						
8.	Head phones	24	2,083.00	49,992.00	INR	49,992.00	
9.	KVM	8	26,500.00	212,000.00	INR	212,000.00	
10.	Aten Extender	30	40,000.00	1,200,000.00	INR	1,200,000.00	
11.	Router	8	60,000.00	480,000.00	INR	480,000.00	
U.	**Software/HW**	2	$280,000.00	$560,000.00	USD	35,576,800.00	Vizrt Limited
	Virtual system with tracking hardware	1	$347,680.00	$347,680.00	USD	22,088,110.40	Vizrt Limited
V.	**Harris Ingest/Payout Servers, ICM and PPC**	2	$290,000.00	$580,000.00	USD	36,847,400.00	ICI (HK) Limited
W.	**Promo Hardware**	6	810000	4,860,000.00	INR	4,860,000.00	Multi Virt India Private Limited
	Promo software(cs6)	6	540000	3,240,000.00	INR	3,240,000.00	Multi Virt India Private Limited
	Promo Gfx	6	540000	3,240,000.00	INR	3,240,000.00	Multi Virt India Private Limited
	Promo Gfx Software(3dmax2k13,cs6)	6	82000	492,000.00	INR	492,000.00	Multi Virt India Private Limited
	Programme	4	810000	3,240,000.00	INR	3,240,000.00	Multi Virt India Private Limited
X.	**Installation Material**	2	5958540	¥11,917,080.00	YEN	6,283,876.00	Advance Telemedia Private Limited
Y.	**TV sets**	90	13600	1,224,000.00	INR	1,224,000.00	Arco One
	Studio Lights	2	$74,962.00	$149,924.00	USD	9,524,671.72	Canara Lighting Industries Private Limited
	OFC connectivity Hardware	2	$56,835.00	$113,670.00	USD	7,221,455.10	HBE (FZE)
	Video Wall	1	$203,800.00	$203,800.00	USD	12,947,414.00	Falcon Technologies Private Limited
	Jimmy Jib	2	$60,000.00	$120,000.00	USD	7,623,600.00	Multi Virt

No.	Model/Description	Qty	Unit Price	Amount	Currency (Yen. Franc/ GBP/ USD)*	Amount in INR	Vendor
							India Private Limited
	Robotic System with Straight track and lift	2	$289,374.00	$578,748.00	USD	36,767,860.44	Visual Technologies India Private Limited
	Total					**450,199,157.09**	

Notes:

1. Duties & taxes payable on the purchase of the above equipment have not been included in the above estimates.
2. Exchange Rates have been considered as 1Yen = `52.90, 1GBP = `99.14 and 1USD = `63.53 (*Source: www.rbi.org.in*)
3. Exchange Rates have been considered as 1 Franc = `64.68 (*Source: www.oanda.com*)

No second-hand equipment is proposed to be purchased out of the Net Proceeds. All the equipment and accessories are proposed to be acquired in a ready-to-use condition.

II. Repayment/prepayment of certain loans availed by the Company

The Company has entered into various secured and unsecured financing arrangements with banks and other lenders. The Company intends to utilize upto `450 million from the Net Proceeds towards repayment/prepayment of certain of these outstanding loans, both secured and unsecured, in the Financial Year 2016, as identified below.

Name of the Lender	Sanctioned Amount as on November 30, 2014 (`in Million)	Amount outstanding as on November 30, 2014 (`in Million)	Rate of Interest (%)	Repayment Schedule/ Terms of Renewal	Security Provided
State Bank of India	450.00 (Cash Credit Limit/ Working Capital Demand Loan)	425.90	125 bps above Base Rate	Facility to be renewed periodically	**Primary Security**: ▪ Hypothecation charge on entire current assets of the Company **Collateral Security**: ▪ First hypothecation charge on the entire movable fixed assets of the Company except vehicles.
Total	**450.00**	**425.90**			

As per the certificate dated December 30, 2014 issued by the Auditors, MGB & Co. LLP, Chartered Accountants bearing Firm Registration No. 110069W/W-100035 by its Partner, Mr. Lalit Kumar Jain, Membership No. 072664, the amounts drawn down under abovementioned loans have been utilized towards purposes for which such loans have been sanctioned. For further details on the terms and

conditions of these financing arrangements, please refer to section titled "Financial Indebtedness" beginning on page 400 of this Draft Letter of Offer.

The Company shall approach the lenders after completion of this Issue for repayment/prepayment of some of the above loans. In the event that the Company chooses to prepay its loans, it may be required to pay an additional prepayment premium to its lenders. We believe that such repayment or prepayment will help in reducing the outstanding indebtedness and debt servicing costs, which inturn will assist in maintaining a favourable debt-equity ratio in the near future. In addition, we believe that the Company's leverage capacity will improve to raise further funds in the future for purposes of potential business expansion opportunities.

III. Funding Subsidiary(ies) for prepayment/repayment/ of loans

The subsidiaries of the Company have entered into various secured and unsecured financing arrangements with banks and other lenders. The Company intends to utilize up to `600 million from the Net Proceeds towards funding the subsidiaries by way of equity, preference or other convertible instruments as may be approved by the management of the Company for repayment/prepayment of some of their outstanding loans, both secured and unsecured, in the Financial Year 2016, as identified below.

The loans identified and listed below are in no particular order of priority. The selection of debt facilities and the quantum to be repaid or prepaid shall be based on various factors, including commercial considerations such as interest rate and tenor of the debt, applicability of any prepayment penalty, quantum of debt and other market conditions.

1. **Pri Media Services Private Limited**

Secured Loans:

Name of the Lender	Sanctioned Amount as on November 30, 2014 (`in Million)	Amount outstanding as on November 30, 2014 (`in Million)*	Rate of Interest (%)	Repayment Schedule	Security Provided
Term Loan					
The Jammu & Kashmir Bank Limited	1,090.00	1,092.98	Base Rate + 2.75% p.a.	Twenty four (24) structured instalments commencing after a moratorium period of one (1) year from the date of first disbursement	**Primary Security**: ▪ First pari passu charge on all the fixed assets including plant and Machinery present and future as under: - Hypothecation of Plant and Machinery at Mumbai, Pune and Bangalore. - Mortgage of leasehold Land & Building situated at Plot No. EL-201, Near Nelco, Mahape, TTC Industrial Areas, MIDC, Navi Mumbai 400 705. - Mortgage of

Name of the Lender	Sanctioned Amount as on November 30, 2014 (`in Million)	Amount outstanding as on November 30, 2014 (`in Million)*	Rate of Interest (%)	Repayment Schedule	Security Provided
					freehold Land & Building situated at Plot No. 296/297, KIABD Industrial Area, Bommasandra, Jigani Link Road, Bangalore 562 106 valued at `267.10 million. ▪ Second pari passu charge on all the current assets, receivables, present and future. **Collateral Security**: ▪ Corporate Guarantee of the the Company.
IDBI Bank Limited	1,100.00	1,101.49	Base Rate + 3.50% p.a.	Twenty four (24) structured instalments commencing after a moratorium period of one (1) year from the date of first disbursement	**Primary Security**: ▪ First pari passu charge on all the fixed assets of Pri Media (both present & future). ▪ Second pari-passu charge on all the current assets, both present and future. **Collateral Security**: ▪ Corporate Guarantee of the Company. ▪ Pending security creation as stipulated, interim collateral security such as pledge of equity shares, equivalent to the value of the amount of loan to be availed from Pri Media, along with the margin of 10%. ▪ Creat and maintain a separate DSRA

Name of the Lender	Sanctioned Amount as on November 30, 2014 (`in Million)	Amount outstanding as on November 30, 2014 (`in Million)*	Rate of Interest (%)	Repayment Schedule	Security Provided
					to meet debt service requirements of ensuing 1 quarter to IDBI Bank, 30 days in advance.
Total (A)	**2,190.00**	**2,190.00**			
Cash Credit Facilities					
The Jammu & Kashmir Bank Limited	200.00	200.00	Base Rate + 2.25% p.a.	One (1) year subject to renewal after review	**Primary Security**: ▪ First pari passu charge on all the current assets, receivables of Pri Media present and future. **Collateral Security**: ▪ Corporate Guarantee of the Company.
IDBI Bank Limited	150.00	135.00	Base Rate + 300 bps	Repayable on demand	**Primary Security**: ▪ First pari-passu charge on all the current assets, both present and future. **Collateral Security**: ▪ Second pari passu charge on all the fixed assets of Pri Media (both present & future). **Corporate Guarantee**: ▪ Corporate Guarantee of the Company.
Total (B)	**350.00**	**335.00**			
Grand Total (A+B)	**2,540.00**	**2,525.00**			

** Amount outstanding includes interest.*

2. **Diligent Media Corporation Limited**

Diligent Media has availed certain unsecured loans in the form of Inter Corporate Deposits (ICDs) as on November 30, 2014 as set out below which the Company may repay from the Net Proceeds of the Issue:

Name of the Lender	Sanctioned Amount as on November 30, 2014 (`in Million)	Amount outstanding as on November 30, 2014 (`in Million)*	Rate of Interest (%)	Repayment Schedule	Security Provided
Adit Infopower Private Limited	500.00	300.99	12.00% p.a.	Twelve (12) months from the date of drawdown	--
Hamlet Regency Private Limited	500.00	300.99	12.00% p.a.	Twelve (12) months from the date of drawdown	--

**Amount outstanding is including interest*

As per the certificate dated December 23, 2014 issued by the Auditors, B. S. Sharma & Co., Chartered Accountants bearing Firm Registration No. 128249W by its proprietor, Mr. B. S. Sharma, Membership No. 031578, the amounts drawn down under abovementioned loans have been utilized towards purposes for which such loans have been sanctioned. For further details on the terms and conditions of these financing arrangements, please refer to section titled "Financial Indebtedness" beginning on page 400 of this Draft Letter of Offer.

IV. Fund expenditure for General Corporate Purposes

We intend to use a part of the Net Proceeds, approximately `[●] million, for general corporate purposes, as may be approved by the Board of Directors or any duly authorized committee thereof, including funding working capital requirements; funding capital expenditure;strengthening marketing capabilities and brand building exercises; and meeting exigencies which the Company may face in the course of its business.

The management, in accordance with the competitive and dynamic nature of its business and the policies of the Board, will have the flexibility to revise its business plan from time to time and in utilizing the sum earmarked for general corporate purposes and any surplus amounts from the Net Proceeds.

Bridge Financing Facilities

The Company has not raised any bridge loans from any bank or financial institution as on the date of this Draft Letter of Offer, which are proposed to be repaid from the Net Proceeds. However, depending on its business requirements, the Company may consider raising bridge financing facilities, pending receipt of the Net Proceeds of the Issue.

Variation in Objects

Section 27 of the Companies Act, 2013 provides for any variation in the objects for which a company had issued a prospectus requires approval of the shareholders of the company by way of a special resolution, and the promoter or controlling shareholders are required to provide an exit opportunity to the shareholders who do not agree to such proposal to vary the objects, at such price, and in such manner, as may be prescribed by the SEBI in this regard.

Issue Related Expenses

The Issue related expenses include, *inter alia*, Lead Managers' fee, printing and distribution expenses, advertisement, registrar, legal and depository fees and other expenses and are estimated at `[●] (approximately [●] % of the total Issue size) and will be met out of the proceeds of the Issue.

Particulars	Amounts (` in million)	As percentage of total expenses	As a percentage of Issue size
Fees of Lead Manager, Bankers to the Issue, Legal Advisor, Registrar to the Issue, commission of SCSBs and out of pocket expenses	[●]	[●]	[●]
Expenses relating to advertising, printing, distribution, marketing and stationery expenses	[●]	[●]	[●]
Regulatory fees, filing fees, listing fees, depository fees, auditor fees and miscellaneous expenses	[●]	[●]	[●]
Total estimated Issue expenses	**[●]**	**[●]**	**[●]**

**Will be incorporated post finalization of the Issue Price*

Appraisal of the Objects

None of the objects for which the Net Proceeds are proposed to be utilized have been financially appraised. The estimates of the cost of the objects mentioned above are based on internal estimates of the Company and quotations received from certain vendors.

Interim Use of Funds

The management, in accordance with the policies established by the Board of Directors, will have flexibility in deploying the Net Proceeds. Pending utilization for the purposes described above, we intend to temporarily invest the funds interest/dividend bearing liquid instruments including deposits with banks, investments in mutual funds and other financial products and investment grade interest bearing securities, for the necessary duration. The Company confirms that pending utilization of the Net Proceeds it shall not use the funds for any investments in the equity markets.

Monitoring of Utilization of the Net Proceeds

In terms of Regulation 16(1) of the SEBI (ICDR) Regulations, since the size of the present Issue is less than `5,000 million, the Company is not required to appoint a monitoring agency for the purposes of this Issue. As required under the listing agreements with the Stock Exchanges, the Audit Committee of the Board of Directors will monitor the utilization of the Issue proceeds. The Company will disclose the utilization of the proceeds of the Issue, including interim use, under a separate head in the quarterly financial disclosures and annual audited financial statements until the Issue proceeds remain unutilized, to the extent required under the applicable law and regulation.

Other Confirmations

There are no material existing or anticipated transactions in relation to the utilization of the Net Proceeds or estimated cost as above with the Promoters of the Company, its Directors, key management personnel, associates and Group Entities. Except for payments in the ordinary course of business, no part of the Net Proceeds will be paid as consideration to the Promoters, Promoter Group, Directors, Group Entities or key management personnel of the Company.

STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS

To
The Board of Directors
Zee Media Corporation Limited
Continental Building
135, Dr. Annie Besant Road
Worli, Mumbai - 400 018
Maharashtra

Dear Sirs,

We hereby confirm that the enclosed annexure, prepared by Zee Media Corporation Limited ('the Company') states the possible tax benefits available to the Company and shareholders of the Company under the Income Tax Act, 1961 ('Act') and Wealth Tax Act, 1957, presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which based on the business imperatives, the Company may or may not choose to fulfill.

The amendments in Finance Act, 2014 have been incorporated to the extent relevant in the enclosed annexure.

The Direct Tax Code (which will replace the Income Tax Act, 1961 and Wealth Tax Act, 1957) was proposed to come into effect from April 1, 2013. As per the Budget Speech delivered by the Finance Minister on February 28, 2013, the Standing Committee on Finance has submitted its report to the Ministry of Finance and its recommendations to the Direct Tax Code are being examined by the Ministry of Finance. Thus, it may undergo changes by the time it is actually introduced and hence, at the moment, it is unclear when will it come into effect and what effect the proposed Direct Tax Code would have on the Company and the investors.

The benefits discussed in the enclosed Annexure are not exhaustive and the preparation of the contents stated is the responsibility of the Company's management. We are informed that this statement is only intended to provide general information to the investors and hence is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences, the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the issue.

Our confirmation is based on the information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company.

We do not express an opinion or provide any assurance as to whether:

- the Company is currently availing any of these tax benefits or will avail these tax benefits in future.
- the Company or its shareholders will continue to obtain these benefits in future; or
- the conditions prescribed for availing the benefits, where applicable have been/would be met.
- the authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and our interpretation of the same, which are subject to change from time to time. We do not assume any responsibility to update the views consequent to such changes.

For **MGB & Co. LLP**
Chartered Accountants
Firm Registration No: 110069W/W-100035

Lalit Kumar Jain
Partner
Membership No. 072664
Place: Delhi
Date: December 24, 2014

ANNEXURE TO THE STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS

Outlined below are the possible tax benefits available to the Company and its shareholders under the current direct tax laws in India for the Financial Year 2014-15.

A. Special Tax benefits available to the Company

No special tax benefit is available to the Company.

B. Benefits to the Company under the Act

1. General tax benefits

(a) Business income

The Company is entitled to claim depreciation on specified tangible and intangible assets owned by it and used for the purpose of its business as per provisions of Section 32 of the Act. Business losses, if any, for an assessment year can be carried forward and set off against business profits for 8 subsequent years. Unabsorbed depreciation, if any, for an assessment year can be carried forward and set off against any source of income in subsequent years as per provisions of Section 32 of the Actr.w.s 72 of the Act.

(b) MAT credit

- As per provisions of Section 115JAA of the Act, the Company is eligible to claim credit for Minimum Alternate Tax ('MAT') paid for any assessment year commencing on or after April 1, 2006 against normal income-tax payable in subsequent assessment years.The amount of credit available shall be the difference between MAT payable undersection 115JB of the Act and taxes payable on total income computed under other provisionsof the Act.

- MAT credit shall be allowed to be carried forward for any assessment year to the extent of difference between the tax paid under Section 115JB and the tax payable as per the normal provisions of the Act for that assessment year. Such MAT credit is available for set-off up to 10 years succeeding the assessment year in which the MAT credit arises.

(c) Capital gains

(i) Computation of capital gains

- Capital assets are to be categorized into short - term capital assets and long – term capital assets based on the period of holding. All capital assets, being shares held in a company or any other security listed in a recognized stock exchange in India or unit of the Unit Trust of India or a unit of a mutual fund specified under section 10(23D) of the Act or a zero coupon bond, held by an assessee for more than twelve months are considered to be long – term capital assets, capital gains arising from the transfer of which are termed as long – term capital gains ('LTCG'). In respect of any other capital assets, the holding period should exceed thirty – six months to be considered as long – term capital assets.

- Short Term Capital Gains ('STCG') means capital gains arising from the transfer of capital asset being a share held in a company or any other security listed in a recognized stock exchange in India or unit of the Unit Trust of India or a unit of a mutual fund specified under clause (23D) of Section 10 or a zero coupon bonds, held by an assessee for 12 months or less.

- In respect of any other capital assets, STCG means capital gains arising from the transfer of an asset, held by an assessee for 36 months or less.

- Finance Act, 2014 has amended section 2(42A) of the Act whereby capital assets, being

security (other than a unit) listed in a recognized stock exchange in India or unit of the Unit Trust of India or a unit of equity oriented fund or a zero coupon bond, held by an assessee for not more than twelve months are considered to be short – term capital asset. In respect of any other capital assets, the holding period should not exceed thirty – six months to be considered as short– term capital assets. This amendment is applicable on and after 10th July, 2014.

- Therefore, capital asset being unlisted share or unit of mutual fund (other than an equity oriented mutual fund) shall be short-term capital asset if it is held for not more than thirty-six months.

- LTCG arising on transfer of equity shares of a company or units of an equity oriented fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D) or a unit of a business trust as defined in Section 2(13A), is exempt from tax as per provisions of Section 10(38) of the Act, provided the transaction is chargeable to securities transaction tax (STT) and subject to conditions specified in that section.

- Income by way of LTCG exempt under Section 10(38) of the Act is to be taken into account while determining book profits in accordance with provisions of Section 115JB of the Act.

- As per provisions of Section 48 of the Act, LTCG arising on transfer of capital assets, other than bonds and debentures (excluding capital indexed bonds issued by the Government) and depreciable assets, is computed by deducting the indexed cost of acquisition and indexed cost of improvement from the full value of consideration.

- As per provisions of Section 112 of the Act, LTCG not exempt under Section 10(38) of the Act are subject to tax at the rate of 20% with indexation benefits. However, if such tax payable on transfer of listed securities or units or zero coupon bonds exceed 10% of the LTCG (without indexation benefit), the excess tax shall be ignored for the purpose of computing the tax payable by the assessee. However, Finance Act, 2014 has amended the provisions of Section 112 allowing the concessional rate of tax of ten per cent on long term capital gain to listed securities (other than unit) and zero coupon bonds. This amendment is applicable on and after 10th July, 2014.No deduction under Chapter VIA is allowed from such income.

- As per provisions of Section 111A of the Act, STCG arising on sale of equity shares or units of equity oriented mutual fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D)) or a unit of a business trust, are subject to tax at the rate of 15% provided the transaction is chargeable to STT. No deduction under Chapter VIA is allowed from such income.

- STCG arising on sale of equity shares or units of equity oriented mutual fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D)), where such transaction is not chargeable to STT is taxable at the rate of 30%.

- The tax rates mentioned above stands increased by surcharge, payable at the rate of 5% where the taxable income of a domestic company exceeds Rs 10,000,000 but does not exceeds Rs 100,000,000 The surcharge shall be payable at the rate of 10% where the taxable income of a domestic company exceeds Rs 100,000,000. Further, education cess and secondary and higher education cess on the total income at the rate of 2% and 1% respectively is payable by all categories of taxpayers.

- As per Section 50 of the Act, where a capital asset is forming part of a block of assets in respect of which depreciation has been allowed under the Act, capital gains shall be computed in the following manner:

    - where full value of consideration on account of transfer of any asset forming part of block of asset, as reduced by expenditure incurred wholly or exclusively in connection with transfer, exceeds the written down value of block of assets and actual cost of assets acquired during the year, such excess shall be deemed to be short term capital gains and taxed accordingly.

- where any block of assets ceases to exist, for the reason that all the assets in that block are transferred, the difference between the consideration arising on result of transfer and the written down value of block of assets and the actual cost of assets acquired during the year, shall be deemed to be short term capital gains/ (losses) and taxed accordingly.

- As per provisions of Section 71 read with Section 74 of the Act, short term capital loss arising during a year is allowed to be set-off against short term as well as long term capital gains. Balance loss, if any, shall be carried forward and set-off against any capital gains arising during subsequent 8 assessment years.

- As per provisions of Section 71 read with Section 74 of the Act, long term capital loss arising during a year is allowed to be set-off only against long term capital gains. Balance loss, if any, shall be carried forward and set-off against long term capital gains arising during subsequent 8 assessment years.

(ii) Exemption of capital gains from income – tax

- Under Section 54EC of the Act, capital gain arising from transfer of long term capital assets shall be exempt from tax, subject to the conditions and to the extent specified therein, if the capital gain are invested within a period of six months from the date of transfer in the bonds redeemable after three years and issuedby –:

  - National Highway Authority of India (NHAI) constituted under Section 3 of National Highway Authority of India Act, 1988; and

  - Rural Electrification Corporation Limited (REC), a company formed and registered under the Companies Act, 1956.

- Where a part of the capital gains is reinvested, the exemption is available on a proportionate basis. The maximum investment in the specified long term asset cannot exceed Rs 5,000,000 per assessee during any financial year and subsequent financial year.

- Where the new bonds are transferred or converted into money within three years from the date of their acquisition, the amount so exempted shall be taxable as capital gains in the year of transfer / conversion.

- The characterization of the gain / losses, arising from sale / transfer of shares/ units as business income or capital gains would depend on the nature of holding and various other factors.

(d) Securities Transaction Tax ('STT')

As per provisions of Section 36(1)(xv) of the Act, STT paid in respect of the taxable securities transactions entered into in the course of the business is allowed as a deduction if the income arising from such taxable securities transactions is included in the income computed under the head 'Profit and gains of business or profession'.

(e) Dividends

- As per provisions of Section 10(34) read with Section 115-O of the Act, dividend (both interim and final), if any, received by the Company on its investments in shares of another Domestic Company is exempt from tax.

- The domestic company distributing dividends will be liable to pay dividend distribution tax at the rate of 15% on net basis on the amount of dividend payable till September 30, 2014 (plus a surcharge of 10% on the dividend distribution tax and education cess and secondary and higher education cess of 2% and 1% respectively on the amount of dividend distribution tax

and surcharge thereon).

- Further w.e.f. 1st October 2014, Finance Act 2014, has amended Section 115-O in order to provide that for the purpose of determining the tax on distributed profits payable in accordance with the Section 115-O, any amount which is declared, distributed or paid by any domestic Company out of current or accumulated profit on or after 1 April 2003 is to be reduced by any amount of dividend as received by the company from its subsidiary or from foreign companies during the financial year and shall be increased to such amount as would, after reduction of the tax on such increased amount at the rate of 15%, be equal to the net distributed profits.

- Therefore, the amount of distributable income and the dividends which are actually received by the unit holder of mutual fund or shareholders of the domestic company need to be grossed up for the purpose of computing the additional tax.

- Further, if the company being a holding company, has received any dividend from its subsidiary on which dividend distribution tax has been paid by such subsidiary, then company will not be required to pay dividend distribution tax to the extent the same has been paid by such subsidiary company.

- As per provisions of Section 10(35) of the Act, income received in respect of units of a mutual fund specified under Section 10(23D) of the Act (other than income arising from transfer of such units) is exempt from tax.

- As per the provisions of Section 115BBD of the Act, dividend received by Indian company from a specified foreign company (in which it has shareholding of 26% or more) would be taxable at the concessional rate of 15% on gross basis (plussurcharge and education cess as applicable) upto March 31, 2014. As per Finance Act, 2014, the benefit of lower rate of 15% is extended without limiting it to a particular assessment year.

- For removing the cascading effect of dividend distribution tax, while computing the amount of dividend distribution tax payable by a Domestic Company, the dividend received from a foreign subsidiary on which income-tax has been paid by the Domestic Company under Section 115BBD of the Act shall be reduced.

(f) Buy-back of shares

As per Section 115QA of the Act, an Indian unlisted Company will have to pay 20% tax on 'distributed income' on buy-back of shares. Distributed income has been defined to mean consideration paid by the Indian unlisted company for purchase of its own shares as reduced by the amount which was received by the Indian unlisted company at the time of issue of such shares. The said provision has come into effect from 1 June 2013.

(g) Other Provisions

- As per provisions of Section 80G of the Act, the Company is entitled to claim deduction of a specified amount in respect of eligible donations, subject to the fulfillment of the conditions specified in that section.

- As per provisions of Section 14A of the Act, expenditure incurred to earn an exempt income is not allowed as deduction while determining taxable income.

C. <u>Benefits to the Resident members / shareholders of the Company under the Act</u>

(a) Dividends exempt under Section 10(34) of the Act

- As per provisions of Section 10(34) of the Act, dividend (both interim and final), if any, received by the resident members / shareholders from a Domestic Company is exempt from tax.

(b) Capital gains

(i) Computation of capital gains

- Capital assets are to be categorized into short - term capital assets and long – term capital assets based on the period of holding. All capital assets, being shares held in a company or any other security listed in a recognized stock exchange in India or unit of the Unit Trust of India or a unit of a mutual fund specified under Section 10(23D) of the Act or a zero coupon bond, held by an assessee for more than twelve months are considered to be long – term capital assets, capital gains arising from the transfer of which are termed as LTCG. In respect of any other capital assets, the holding period should exceed thirty – six months to be considered as long – term capital assets.

- STCG means capital gains arising from the transfer of capital asset being a share held in a company or any other security listed in a recognized stock exchange in India or unit of the Unit Trust of India or a unit of a mutual fund specified under clause (23D) of Section 10 or a zero coupon bonds, held by an assessee for 12 months or less.

- In respect of any other capital assets, STCG means capital gain arising from the transfer of an asset, held by an assessee for 36 months or less.

- Finance Act, 2014 has amended Section 2(42A) of the Act whereby capital assets, being security (other than a unit) listed in a recognized stock exchange in India or unit of the Unit Trust of India or a unit of equity oriented fund or a zero coupon bond, held by an assessee for not more than twelve months are considered to be short – term capital asset. In respect of any other capital assets, the holding period should not exceed thirty – six months to be considered as short– term capital assets. This amendment is applicable on and after 10th July, 2014.

- Therefore, capital asset being unlisted share or unit of mutual fund (other than an equity oriented mutual fund) shall be short-term capital asset if it is held for not more than thirty-six months.

- LTCG arising on transfer of equity shares of a company or units of an equity oriented fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D)) or a unit of a business trust is exempt from tax as per provisions of Section 10(38) of the Act, provided the transaction is chargeable to STT and subject to conditions specified in that section.

- The Finance Act 2012 has amended the chapter of Securities Transaction Tax [Chapter VII of Finance Act (No 2) of 2004]. As per the amendment, sale of unlisted equity shares under an offer for sale to the public which are included in an initial public offer and where such shares are subsequently listed on a recognized stock exchange, the same would be covered within the ambit of taxable securities transaction under the said Chapter. Accordingly, STT is leviable on sale of shares under an offer for sale to the public in an initial public offer and the LTCG arising on transfer of such shares would be exempt from tax as per provisions of Section 10(38) of the Act.

- As per provisions of Section 48 of the Act, LTCG arising on transfer of capital assets, other than bonds and debentures (excluding capital indexed bonds issued by the Government) and depreciable assets, is computed by deducting the indexed cost of acquisition and indexed cost of improvement from the full value of consideration.

- As per provisions of Section 112 of the Act, LTCG not exempt under Section 10(38) of the Act are subject to tax at the rate of 20% with indexation benefits. However, if such tax payable on transfer of listed securities or units or zero coupon bonds exceed 10% of the LTCG (without indexation benefit), the excess tax shall be ignored for the purpose of computing the tax payable by the assessee.However, Finance Act, 2014 has amended the provisions of Section 112 allowing the concessional rate of tax of ten per cent on long term capital gain to

listed securities (other than unit) and zero coupon bonds. This amendment is applicable on and after 10th July, 2014.No deduction under Chapter VIA is allowed from such income.

- As per provisions of Section 111A of the Act, STCG arising on sale of equity shares or units of equity oriented mutual fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D)) or unit of a business trust, are subject to tax at the rate of 15% provided the transaction is chargeable to STT. No deduction under Chapter VIA is allowed from such income.

- STCG arising on sale of equity shares or units of equity oriented mutual fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D)), where such transaction is not chargeable to STT is taxable at the rate of 30% in case of domestic company and at normal slab rates in case of other assessees.

- The Finance Act 2013, any income arising to shareholders on account of buy-back of shares as referred to in Section 115QA of the Act (buy-back of shares by unlisted companies) shall be exempt in the hands of the shareholders u/s 10(34A) of the Act.

- In the case of domestic companies, the tax rates mentioned above stands increased by surcharge, payable at the rate of 5% where the taxable income of a domestic company exceeds Rs 10,000,000 but does not exceeds Rs. 100,000,000. As per Finance Act 2013 surcharge shall be payable at the rate of 10% where the taxable income of a domestic company exceeds Rs 100,000,000. Further, education cess and secondary and higher education cess on the total income at the rate of 2% and 1% respectively is payable.

- As per the Finance Act 2013, surcharge shall be payable at the rate of 10% where the total taxable income of a taxpayer other than a domestic company exceeds Rs 10,000,000. Further, education cess and secondary and higher education cess on the total income at the rate of 2% and 1% respectively is payable.

- As per provisions of Section 71 read with Section 74 of the Act, short term capital loss arising during a year is allowed to be set-off against short term as well as long term capital gains. Balance loss, if any, shall be carried forward and set-off against any capital gains arising during subsequent 8 assessment years.

- As per provisions of Section 71 read with Section 74 of the Act, long term capital loss arising during a year is allowed to be set-off only against long term capital gains. Balance loss, if any, shall be carried forward and set-off against long term capital gains arising during subsequent 8 assessment years.

(ii) Exemption of capital gains arising from income – tax

- As per Section 54EC of the Act, capital gains arising from the transfer of a long term capital asset are exempt from capital gains tax if such capital gains are invested within a period of 6 months after the date of such transfer in specified bonds issued by NHAI and REC and subject to the conditions specified therein.

- Where a part of the capital gains is reinvested, the exemption is available on a proportionate basis. The maximum investment in the specified long term asset cannot exceed Rs 5,000,000 per assessee during any financial year and subsequent financial years.

- Where the new bonds are transferred or converted into money within three years from the date of their acquisition, the amount so exempted is taxable as capital gains in the year of transfer / conversion.

- In addition to the same, some benefits are also available to a resident shareholder being an individual or Hindu Undivided Family ('HUF').

- As per provisions of Section 54F of the Act, in the case of assessee being an individual and

HUF, LTCG arising from transfer of shares is exempt from tax if the net consideration from such transfer is utilized within a period of one year before, or two years after the date of transfer, for purchase of a new residential house, or for construction of residential house within three years from the date of transfer and subject to conditions and to the extent specified therein.

- As per provisions of Section 56(2)(vii) of the Act and subject to exception provided in second proviso therein, where an individual or HUF receives shares and securities without consideration or for a consideration which is less than the aggregate fair market value of the shares and securities by an amount exceeding fifty thousand rupees, the excess of fair market value of such shares and securities over the said consideration is chargeable to tax under the head 'income from other sources'. However, the said section is not applicable in case the shares and securities are received under instances specified under the proviso thereon.

(c) Other Provisions

- As per provisions of Section 14A of the Act, expenditure incurred to earn an exempt income is not allowed as deduction while determining taxable income.

- The characterization of the gain / losses, arising from sale / transfer of shares as business income or capital gains would depend on the nature of holding and various other factors.

D. Benefits to the Non-resident shareholders of the Company under the Act

(a) Dividends exempt under Section 10(34) of the Act

(b) As per provisions of Section 10(34), dividend (both interim and final), if any, received by non-resident shareholders from the Company is exempt from tax. Capital gains

(i) Computation of capital gains

- Capital assets are to be categorized into short - term capital assets and long – term capital assets based on the period of holding. All capital assets, being shares held in a company or any other security listed in a recognized stock exchange in India or unit of the Unit Trust of India or a unit of a mutual fund specified under Section 10(23D) of the Act or a zero coupon bond, held by an assessee for more than twelve months are considered to be long – term capital assets, capital gains arising from the transfer of which are termed as LTCG. In respect of any other capital assets, the holding period should exceed thirty – six months to be considered as long – term capital assets.

- STCG means capital gain arising from the transfer of capital asset being a share held in a company or any other security listed in a recognized stock exchange in India or unit of the Unit Trust of India or a unit of a mutual fund specified under clause (23D) of Section 10 or a zero coupon bonds, held by an assessee for 12 months or less.

- In respect of any other capital assets, STCG means capital gain arising from the transfer of an asset, held by an assessee for 36 months or less.

- Finance Act, 2014 has amended section 2(42A) of the Act whereby capital assets, being security (other than a unit) listed in a recognized stock exchange in India or unit of the Unit Trust of India or a unit of equity oriented fund or a zero coupon bond, held by an assessee for not more than twelve months are considered to be short – term capital asset. In respect of any other capital assets, the holding period should not exceed thirty – six months to be considered as short– term capital assets. This amendment is applicable on and after 10th July, 2014.

- Therefore, capital asset being unlisted share or unit of mutual fund (other than an equity oriented mutual fund) shall be short-term capital asset if it is held for not more than thirty-six months.

- LTCG arising on transfer of equity shares of a company or units of an equity oriented fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D)) or a unit of business trust is exempt from tax as per provisions of Section 10(38) of the Act, provided the transaction is chargeable to STT and subject to conditions specified in that section.

  The Finance Act 2012 has amended the chapter of Securities Transaction Tax [Chapter VII of Finance Act (No 2) of 2004]. As per the amendment, sale of unlisted equity shares under an offer for sale to the public which are included in an initial public offer and where such shares are subsequently listed on a recognized stock exchange, the same would be covered within the ambit of taxable securities transaction under the said Chapter. Accordingly, STT is leviable on sale of shares under an offer for sale to the public in an intial public offer and the LTCG arising on transfer of such shares would be exempt from tax as per provisions of Section 10(38) of the Act.

- As per provisions of Section 112 of the Act, LTCG arising on transfer of listed securities not exempt under Section 10(38) of the Act are subject to tax at the rate of 20% with indexation benefits. The indexation benefits are however not available in case the shares are acquired in foreign currency. In such a case, the capital gains shall be computed in the manner prescribed under the first proviso to Section 48. As per first proviso to Section 48 of the Act, where the shares have been purchased in foreign currency by a non-resident, the capital gains arising on its transfer need to be computed by converting the cost of acquisition, expenditure incurred in connection with such transfer and full value of the consideration received or accruing as a result of the transfer, into the same foreign currency in which the shares were originally purchased. The resultant gains thereafter need to be reconverted into Indian currency. The conversion needs to be at the prescribed rates prevailing on dates stipulated. If the tax payable on transfer of listed securities exceeds 10% of the LTCG, the excess tax shall be ignored for the purpose of computing tax payable by the assessee.However, Finance Act, 2014 has amended the provisions of Section 112 allowing the concessional rate of tax of ten per cent on long term capital gain to listed securities (other than unit) and zero coupon bonds. This amendment is applicable on and after 10th July, 2014.No deduction under Chapter VIA is allowed from such income

- Further, LTCG arising from transfer of unlisted securities (other than by way of offer for sale under an initial public offer) is chargeable to tax at 10% without indexation and foreign exchange fluctuation benefits.

- As per provisions of Section 111A of the Act, STCG arising on sale of equity shares or units of equity oriented mutual fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D)) or a unit of business trust, are subject to tax at the rate of 15% provided the transaction is chargeable to STT. No deduction under Chapter VIA is allowed from such income.

- STCG arising on sale of equity shares or units of equity oriented mutual fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D)), where such transaction is not chargeable to STT is taxable at the normal rates of taxation as applicable to the taxpayer.

- As per the Finance Act 2013, any income arising to shareholders on account of buy-back of shares as referred to in Section 115QA of the Act (buy-back of shares by unlisted companies) shall be exempt in the hands of the shareholders u/s 10(34A) of the Act.

- The tax rates mentioned above stands increased by surcharge, payable at the rate of 2% where the taxable income of a foreign company exceeds Rs 10,000,000 but does not exceeds Rs. 100,000,000.

- In case of a foreign company whose total taxable income exceeds Rs 100,000,000 the rate of surcharge shall increase from 2% to 5%

- In case of other non-residents, whose total taxable income exceeds Rs 10,000,000 surcharge shall be payable at the rate of 10% of income tax payable.

- Further, education cess and secondary and higher education cess on the total income at the rate of 2% and 1% respectively is payable by all categories of taxpayers.

- As per provisions of Section 71 read with Section 74 of the Act, short term capital loss arising during a year is allowed to be set-off against short term as well as long term capital gains. Balance loss, if any, shall be carried forward and set-off against any capital gains arising during subsequent 8 assessment years.

- As per provisions of Section 71 read with Section 74 of the Act, long term capital loss arising during a year is allowed to be set-off only against long term capital gains. Balance loss, if any, shall be carried forward and set-off against long term capital gains arising during subsequent 8 assessment years.

(ii) Exemption of capital gains arising from income – tax

- As per Section 54EC of the Act, capital gains arising from the transfer of a long term capital asset are exempt from capital gains tax if such capital gains are invested within a period of 6 months after the date of such transfer in specified bonds issued by NHAI and REC and subject to the conditions specified therein:

- Where a part of the capital gains is reinvested, the exemption is available on a proportionate basis. The maximum investment in the specified long term asset cannot exceed Rs 5,000,000 per assessee during any financial year and the subsequent financial year.

- Where the new bonds are transferred or converted into money within three years from the date of their acquisition, the amount so exempted is taxable as capital gains in the year of transfer / conversion.

- The characterization of the gain / losses, arising from sale / transfer of shares as business income or capital gains would depend on the nature of holding and various other factors.

- In addition to the same, some benefits are also available to a non- resident shareholder being an individual or HUF.

- As per provisions of Section 54F of the Act, in the case of assessee being an individual and HUF, LTCG arising from transfer of shares is exempt from tax if the net consideration from such transfer is utilized within a period of one year before, or two years after the date of transfer, for purchase of a one new residential house in India, or for construction of one residential house in India within three years from the date of transfer and subject to conditions and to the extent specified therein.

- As per provisions of Section 56(2)(vii) of the Act and subject to exception provided in second proviso therein, where an individual or HUF receives shares and securities without consideration or for a consideration which is less than the aggregate fair market value of the shares and securities by an amount exceeding fifty thousand rupees, the excess of fair market value of such shares and securities over the said consideration is chargeable to tax under the head 'income from other sources'. However, the said section is not applicable in case the shares and securities are received under instances specified under the proviso thereon.

(c) Tax Treaty benefits

As per provisions of Section 90(2) of the Act, non-resident shareholders can opt to be taxed in India as per the provisions of the Act or the double taxation avoidance agreement entered into by the Government of India with the country of residence of the non-resident shareholder, whichever is more beneficial. It needs to be noted that a non-resident is required to hold a valid tax residency certificate. Additionally the non-resident tax payer is required to provide such other documents and information in

the Form 10F as prescribed vide Notification 57 of 2013 dated 1 August 2013. However, it may be noted that Tax Authorities may ask for other information and supporting documents if required.

(d) Taxation of Non-resident Indians

- Special provisions in case of Non-Resident Indian ('NRI') in respect of income / LTCG from specified foreign exchange assets under Chapter XII-A of the Act are as follows:

- NRI means a citizen of India or a person of Indian origin who is not a resident. A person is deemed to be of Indian origin if he, or either of his parents or any of his grandparents, were born in undivided India.

- Specified foreign exchange assets include shares of an Indian company which are acquired / purchased/ subscribed by NRI in convertible foreign exchange.

- As per provisions of Section 115E of the Act, LTCG arising to a NRI from transfer of specified foreign exchange assets as duly mentioned in Section 115C(f) of the Act is taxable at the rate of 10% (plus education cess and secondary & higher education cess of 2% and 1% respectively). Further as per the Finance Act 2013 a surcharge of 10% is applicable in case income of the NRI exceeds Rs 10,000,000.

- As per provisions of Section 115E of the Act, income (other than dividend which is exempt under Section 10(34)) from investments and LTCG (other than gain exempt under Section 10(38)) from assets (other than specified foreign exchange assets under Section 115C(f)) arising to a NRI is taxable at the rate of 20% (education cess and secondary & higher education cess of 2% and 1% respectively). No deduction is allowed from such income in respect of any expenditure or allowance or deductions under Chapter VI-A of the Act. Further as per the Finance Act 2013, a surcharge of 10% is applicable in case income of the NRI exceeds Rs 10,000,000.

- As per provisions of Section 115F of the Act, LTCG arising to a NRI on transfer of a foreign exchange asset is exempt from tax if the net consideration from such transfer is invested in the specified assets or savings certificates within six months from the date of such transfer, subject to the extent and conditions specified in that section. If only part of the net consideration is so reinvested, the exemption will be proportionately reduced. However the amount so exempted will be chargeable to tax subsequently, if the specified assets are transferred or converted into money within three years from the date of their acquisition.

- As per provisions of Section 115G of the Act, where the total income of a NRI consists only of income/LTCG from such foreign exchange asset / specified asset and tax thereon has been deducted at source in accordance with the Act, the NRI is not required to file a return of income.

- As per provisions of Section 115H of the Act, where a person who is a NRI in any previous year, becomes assessable as a resident in India in respect of the total income of any subsequent year, he / she may furnish a declaration in writing to the assessing officer, along with his / her return of income under Section 139 of the Act for the assessment year in which he / she is first assessable as a resident, to the effect that the provisions of the Chapter XII-A shall continue to apply to him / her in relation to investment income derived from the specified assets for that year and subsequent years until such assets are transferred or converted into money.

- As per provisions of Section 115I of the Act, a NRI can opt not to be governed by the provisions of Chapter XII-A for any assessment year by furnishing return of income for that assessment year under Section 139 of the Act, declaring therein that the provisions of the chapter shall not apply for that assessment year. In such a situation, the other provisions of the Act shall be applicable while determining the taxable income and tax liability arising thereon.

- The Finance Act 2013, any income arising to shareholders on account of buy-back of shares as

referred to in Section 115QA of the Act (buy-back of shares by unlisted companies) shall be exempt in the hands of the shareholders u/s 10(34A) of the Act.

E. Benefits available to Foreign Institutional Investors ('FIIs') under the Act

(a) Dividends exempt under section 10(34) of the Act

- As per provisions of Section 10(34) of the Act, dividend (both interim and final), if any, received by a shareholder from a domestic Company is exempt from tax.

(b) Long – term capital gains exempt under section 10(38) of the Act

- LTCG arising on sale equity shares of a company subjected to STT is exempt from tax as per provisions of Section 10(38) of the Act.

- It is pertinent to note that as per provisions of Section 14A of the Act, expenditure incurred to earn an exempt income is not allowed as deduction while determining taxable income.

(c) Capital gains

- As per provisions of Section 115AD of the Act, income (other than income by way of dividends referred to Section 115-O) received in respect of securities (other than units referred to in Section 115AB) is taxable at the rate of 20% (plus applicable surcharge and education cess and secondary & higher education cess). No deduction is allowed from such income in respect of any expenditure or allowance or deductions under Chapter VI-A of the Act. Finance Act, 2014 has inserted a provision that the amount of income tax calculated on the income by way of interest referred in section 194LD shall be at the rate of five percent.

- As per provisions of Section 115AD of the Act, capital gains arising from transfer of securities is taxable as follows:

Nature of income	Rate of tax (%)
LTCG on sale of equity shares not subjected to STT	10
STCG on sale of equity shares subjected to STT	15
STCG on sale of equity shares not subjected to STT	30

- For corporate FIIs, the tax rates mentioned above stands increased by surcharge, payable at the rate of 5% where the taxable income exceeds Rs 100,000,000. Further, education cess and secondary and higher education cess on the total income at the rate of 2% and 1% respectively is payable by all categories of FIIs.

- The benefit of exemption under Section 54EC of the Act mentioned above in case of the Company is also available to FIIs.

- As per the Finance Act, 2013 any income arising to shareholders on account of buy-back of shares as referred to in Section 115QA of the Act (buy-back of shares by unlisted companies) shall be exempt in the hands of the shareholders u/s 10(34A) of the Act.

(d) Securities Transaction Tax

- As per provisions of Section 36(1)(xv) of the Act, STT paid in respect of the taxable securities transactions entered into in the course of the business is allowed as a deduction if the income arising from such taxable securities transactions is included in the income computed under the head 'Profit and gains of business or profession'..

(e) Tax Treaty benefits

- As per provisions of Section 90(2) of the Act, FIIs can opt to be taxed in India as per the provisions of the Act or the double taxation avoidance agreement entered into by the

Government of India with the country of residence of the FII, whichever is more beneficial. It needs to be noted that a non-resident is required to hold a valid tax residency certificate. Additionally the FII is required to provide such other documents and information in the Form 10F as prescribed vide Notification 57 of 2013 dated 1 August 2013. However, it may be noted that Tax Authorities may ask for other information and supporting documents if required.

- The characterization of the gain / losses, arising from sale / transfer of shares as business income or capital gains would depend on the nature of holding and various other factors.

F. Benefits available to Mutual Funds under the Act

(a) Dividend income

Dividend income, if any, received from the investment of mutual funds in shares of a domestic Company will be exempt from tax under section 10(34) read with section 115O of the Act.

(b) As per provisions of Section 10(23D) of the Act, any income of mutual funds registered under the Securities and Exchange Board of India, Act, 1992 or Regulations made there under, mutual funds set up by public sector banks or public financial institutions and mutual funds authorized by the Reserve Bank of India, is exempt from income-tax, subject to the prescribed conditions.

G. Wealth Tax Act, 1957

- Wealth tax is chargeable on prescribed assets. As per provisions of Section 2(m) of the Wealth Tax Act, 1957, the Company is entitled to reduce debts owed in relation to the assets which are chargeable to wealth tax while determining the net taxable wealth.

- Shares in a company, held by a shareholder are not treated as an asset within the meaning of Section 2(ea) of the Wealth Tax Act, 1957 and hence, wealth tax is not applicable on shares held in a company.

Note:

All the above benefits are as per the current tax laws and will be available only to the sole / first name holder where the shares are held by joint holders.

BASIS FOR ISSUE PRICE

The Issue Price of `[●] will be determined by our Company in consultation with the Lead Manager, on the basis of assessment of market demand and the following qualitative and quantitative factors for the Equity Shares. The face value of the Equity Shares is `1 and the Issue Price is `[●].

Investors should also refer to the sections titled "Business of the Company", "Risk Factors" and "Financial Statements" beginning on pages 103, 13 and 197 respectively of this Draft Letter of Offer, to have an informed view before making an investment decision.

Qualitative Factors

Some of the qualitative factors which form the basis for computing the Issue Price are:

1. Relationship with Essel group.
2. Established presence of 'Zee' brand and leveraging the same for news broadcasting in Hindi and other regional language news and current affair channels.
3. Leadership position.
4. Innovative programming content and sponsorship avenues.
5. Bouquet of Pay channels.
6. Established presence in various formats of news distribution: Television, Print and online.
7. Experienced senior management team.

For further details, please refer to section titled "Business of the Company" and "Risk Factors" beginning on pages pages 103 and 13 respectively of this Draft Letter of Offer.

Quantitative Factors

Information presented in this section is derived from the Restated Financial Statements prepared in accordance with the Companies Act, 1956, the Companies Act and the SEBI (ICDR) Regulations.

Some of the quantitative factors which may form the basis for computing the Issue Price are as follows:

1. **Earning Per Share ("*EPS*")**

As per the Restated Financial Information:

Financial Period	Basic/Diluted EPS* (`)	Weight
Financial Year 2012	0.24	1
Financial Year 2013	1.03	2
Financial Year 2014	0.62	3
Weighted Average	0.69	
For six (6) months ended September 30, 2014**	(0.02)	

** Basic and Diluted EPS of continuing operations*
*** Not annualized*

Note: *EPS calculations have been done in accordance with Accounting Standard 20 –"Earning per share" issued by the Institute of Chartered Accountants of India.*

As per the Restated Consolidated Financial Information:

Financial Period	Basic/Diluted EPS* (`)	Weight
Financial Year 2012	0.46	1
Financial Year 2013	1.03	2
Financial Year 2014	0.63	3
Weighted Average	0.73	
For six months ended September 30, 2014**	(0.89)	

* *Basic and Diluted EPS of continuing operations*
** *Not annualized*

Note: *EPS calculations have been done in accordance with Accounting Standard 20 –"Earning per share" issued by the Institute of Chartered Accountants of India.*

2. **Price Earning Ratio ("*P/E*" Ratio)**

a. P/E Ratio (EPS based on Restated Financial Information):

Particulars	**P/E at the Issue Price**
P/E based on basic and diluted EPS for Financial Year 2014	[●]
P/E based on weighted average basic and diluted EPS for Financial Year 2014	[●]

b. P/E Ratio (EPS based on Restated Consolidated Financial Information):

Particulars	**P/E at the Issue Price**
P/E based on diluted EPS for Financial Year 2014	[●]
P/E based on weighted average diluted EPS for Financial Year 2014	[●]

c. Industry P/E*:

Particulars	**P/E**
Highest	N.A.
Lowest	N.A.
Average	N.A.

3. **Return on Net Worth ("*RoNW*")***

As per Restated Financial Information:

Particulars	**RONW%**	**Weight**
Financial Year 2012	3.09	1
Financial Year2013	11.97	2
Financial Year2014	6.70	3
Weighted Average	7.85	
For six (6) months ended September 30, 2014**	(0.14)	

**For details of RoNW computation, please refer to [Annexure XIV - Statements of Accounting Ratios] in section titled "Financial Statements" beginning on page 197 of this Draft Letter of Offer.*
*** Not annualized*

As per Restated Consolidated Financial Information:

Particulars	**RONW%**	**Weight**
Financial Year 2012	5.70	1
Financial Year 2013	11.36	2
Financial Year 2014	6.50	3
Weighted Average	7.99	
For six (6) months ended September 30, 2014**	(8.62)	

**For details of RoNW computation, please refer to [Annexure XIV – Consolidated Statement of Accounting Ratios] in section titled "Financial Statements" beginning on page 197 of this Draft Letter of Offer.*
*** Not annualized*

4. **Minimum Return on Increased Net Worth required for maintaining pre-issue EPS as at March 31, 2014 is**:

To maintain pre-Issue basic& Diluted EPS

(a) Based on Restated Financial Information of the Company: [●]

To maintain pre-Issue Basic & diluted EPS

(b) Based on Restated Consolidated Financial Information of the Company: [●]

5. **NAV Per Equity Share***

(a) NAV per Equity Share as of March 31, 2014 and September 30, 2014 is `9.26 and `10.97 respectively as per Restated Financial Information.

** NAV calculated as defined in [Annexure XIV of the Statement of Accounting Ratios] in section titled "Financial Statements" beginning on page 197 of this Draft Letter of Offer.*

(b) NAV per Equity Share as of March 31, 2014 and September 30, 2014 is `9.64 and `10.32 respectively as per Restated Consolidated Financial Information.

** NAV calculated as defined in [Annexure XIV of the Consolidated Statement of Accounting Ratios] in section titled "Financial Statements" beginning on page 197 of this Draft Letter of Offer.*

6. **Comparison of Accounting Ratios with Industry Peers**

Name of Company	Standalone/ Consolidated	Face Value (` Per share)	EPS (`) Basic/ Diluted	NAV (` per share)	P/E	RONW (%)
Zee Media Corporation Limited[(1)]	Consolidated	1	0.74	9.64	30.87	6.50
Peer Group						
TV Today Networks Limited	Consolidated	5	10.31	63.73	19.83	16.18
TV 18 Broadcast Limited	Consolidated	2	0.61	19.92	49.59	3.04

[(1)]Based on Restated Consolidated Financial Information of the Company for Fiscal 2014. [(2)] Based on audited consolidated financials for Fiscal 2014.

(a) Return on Net Worth is calculated as Net Profit for the year divided by Shareholders Fund (share capital plus reserves and surplus)

(b) Net Asset Value per share is calculated as Shareholders Fund divided by paid-up number of shares of the company.

(c) P/E figures for the peers are computed based on closing market price as on December 22, 2014, of Zee Media Corporation Limited, TV Today Networks Limited and TV 18 Broadcast Limited as `19.45, `204.45 and `30.25 per equity share, respectively, at BSE, available at www.bseindia.com) divided by Basic EPS (on consolidated basis) based on the annual reports of such companies for the fiscal 2014.

The peer group above has been determined on the basis of listed public companies comparable in size to the Company whose business portfolio is comparable with the Company's business.

On the basis of basis of the above qualitative and quantitative parameters, the Company, in consultation with the Lead Manager, is of the opinion that the Issue Price of `[●] is justified based on the above accounting ratios. For further details, please refer to section titled "Risk Factors" beginning on page 13 of this Draft Letter of Offer and the financials of the Company including important profitability and return ratios, as set out in the section titled "Financial Statements" beginning on page 197 of this Draft Letter of Offer to have a more informed view. The trading price of the Equity Shares of the Company could decline due to the factors mentioned under the section titled "Risk Factors" beginning on page 13 of this Draft Letter of Offer and you may lose all or part of your investments.

SECTION IV: ABOUT THE COMPANY AND THE INDUSTRY

INDUSTRY OVERVIEW

The information presented in this section has been obtained from the FICCI-KPMG Indian Media and Entertainment Industry Report 2014. Although we believe the data used in this Draft Letter of Offer is reliable, it has not been independently verified. Similarly, the internal estimates of the Company, while believed by us to be reliable, have not been verified by any independent agencies.

Neither FICCI or KPMG, nor any other member of the global KPMG organization can accept any responsibility for loss occasioned to any person acting or refraining from action as a result of any material in this publication. On any specific matter, reference should be made to the appropriate advisor.

Introduction

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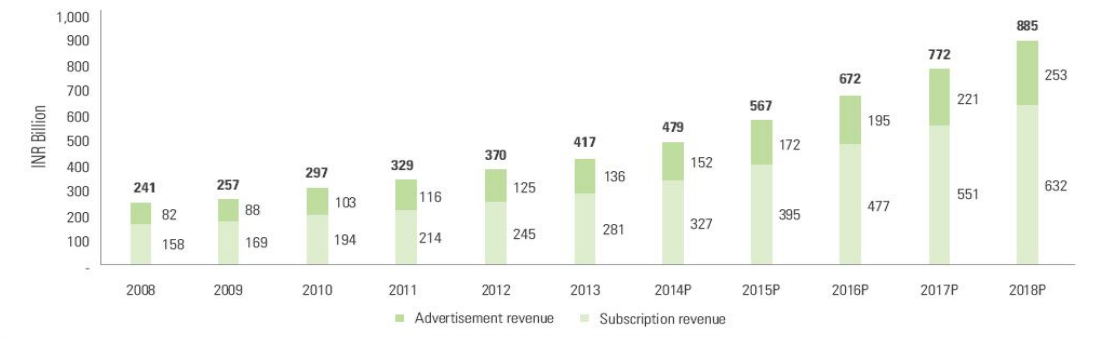
The Indian Media and Entertainment (M&E) Industry, one of the most vibrant and exciting industries in the world, has had a tremendous impact on the lives and the Indian economy. As the M&E industry widens its reach, it plays a critical role in creating awareness on issues affecting, channelling the energy of and building aspirations among India's millions. As it entertains and informs the country, the M&E industry has been a catalyst for the growth of large parts of the Indian economy.

The television industry in India is estimated at INR417 billion in 2013, and is expected to grow at a CAGR of 16 per cent over 2013-18, to reach INR885 billion in 2018. Aided by digitisation and the consequent increase in Average Revenue Per User (ARPU), the share of subscription revenue to the total industry revenue is expected to increase from 67 per cent in 2013 to 71 per cent in 2018.

In 2013, the television industry continued its journey down the game changing path that it had embarked on in 2012. The television industry experienced an unpredictable operating environment in 2013 with digitisation of cable achieving various levels of success in different regions, inclusion of LC1 (less than class I; towns with under 0.1million population) markets in TV ratings, the 12 minute advertising cap ruling and the shift from TV rating points (TVRs) to TV viewership per thousand (TVTs).

While digitisation of cable progressed in the right direction in 2013, better addressability and increase in subscription revenues for Multi System Operators (MSOs) and broadcasters is expected to happen over the next three years. Television advertising continued to face headwinds on account of the soft macro-economic environment, leading to companies cutting advertisement spends. Against this backdrop, leading networks and mainstream genres performed better than smaller players and niche genres. Changes in the television viewership measurement system are expected to further affect the way advertising spend is allocated among different genres and channels.

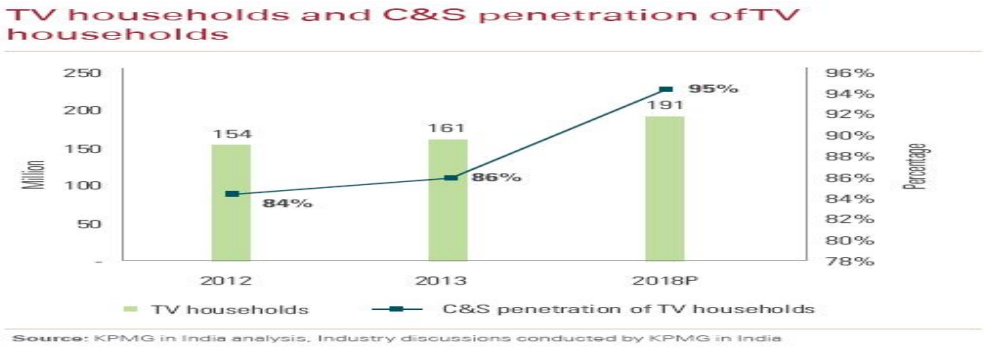
TV Industry size



Source: KPMG in India analysis, Industry discussions conducted by KPMG in India
Note: Figures are rounded to nearest integers and may not add up exactly to column totals

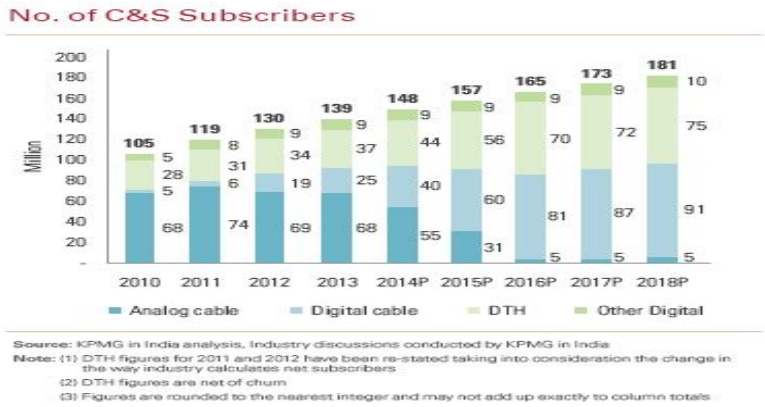
Paid C&S penetration of TV households expected to increase to 90 per cent by 2018

The number of TV households in India increased to 161 million in 2013, implying a TV penetration of 60 per cent. The number of Cable & Satellite (C&S) subscribers increased by 9 million in 2013, to reach 139 million. Excluding DD Direct, the number of paid C&S subscribers is estimated to be 130 million. This C&S subscriber base is expected to grow to 181 million by 2018, representing 95 per cent of TV households. Of this, paid C&S base is expected to be 171 million in 2013, representing 90 per cent of TV households.



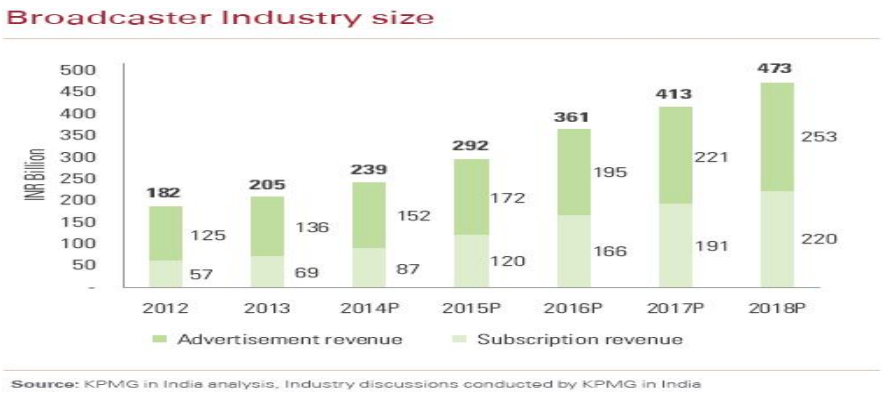
Distribution

2013 will probably be best remembered by the industry as the year in which mandatory Digital Access System (DAS) gained traction with roll out in Phase II cities. As per our report last year, most stakeholders had indicated a delay of 6-12 months for complete rollout of STBs across the 38 Phase II cities. The experience has largely been in line with industry expectations. While there have been implementation challenges in some Phase II cities such as Hyderabad and Coimbatore, DAS roll-out is estimated to be almost complete in Phase II cities. At an overall level, all industry participants agree that digitisation has been a step in the right direction, and that they remain committed to the digitisation effort.



Broadcasting

Going forward, television advertising in India is expected to grow at a CAGR of 13 per cent over 2013-18, to reach INR 220 billion. Subscription revenue is expected to be the driver of growth for broadcasters, growing at an estimated CAGR of 26 per cent from 2013 to 2018. Increase in the declared subscriber base and higher revenue share is expected to drive up the share of subscription to total broadcaster revenue from 34 per cent in 2013 to 46 per cent in 2018.



Source: KPMG in India analysis, Industry discussions conducted by KPMG in India

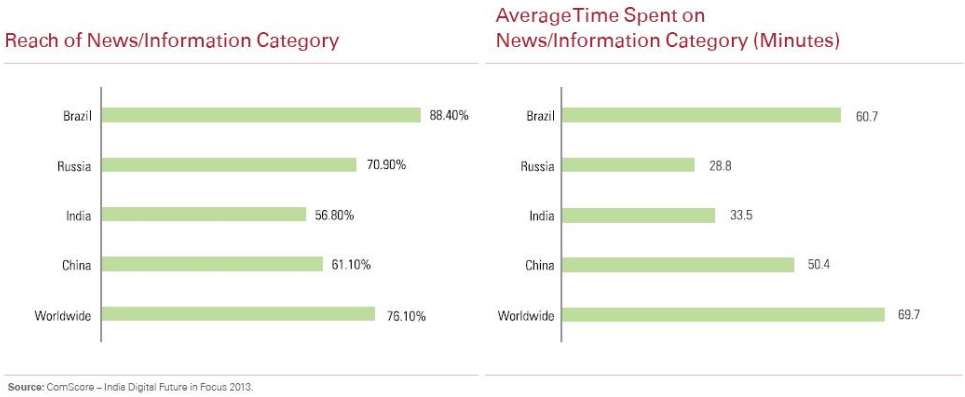
News

The News genre is heavily fragmented, with 389 news channels competing for an estimated INR25 billion ad pie. Flat advertising growth, limited or no reduction in carriage fees and low subscription revenues continued to put pressure on the companies in the genre.

Regional News

In 2013, viewership share of Regional News stood at 3.6 per cent, lower than the 3.8 per cent in 2012. While the growth may have slowed down marginally, the Regional News space is still a high growth space. The ratio of local to national advertisers is in the range of 25-45 per cent for different markets, with the share of national advertisers being on the higher side in Marathi and Bengali markets.

There seems to be a growing trend of state-specific, local news channels, leading to further fragmentation of the ad pie. ZMCL acquired Prakash Jha's Maurya TV for Bihar and Jharkhand markets, following it up with the launch of Zee Kalinga for the Odisha market. The Sahara India group launched state-level news channel 'Samay Rajasthan'.



Source: ComScore – India Digital Future in Focus 2013.

Print

The sector grew at a CAGR of 8.5 per cent in 2013 to touch INR 243 billion. Regional markets performed exceedingly well on the back of steady advertiser spends, the state election impact and new launches. However, with the validity of IRS data called into question by the industry majors, the sector in the short term suffers from the lack of a robust measurement system, critical for decisions on media planning and allocations.

In terms of print media, the rise in literacy rates, significant population growth, resilience of the agrarian economy, the rise in incomes in smaller towns and the entry of big players in regional markets is likely to drive future expansion of regional circulation and readership across India. Examples of national players launching regional print editions include – The Hindu launching a Tamil edition, Times of India launching a Gujarati edition Nav-Gujarat Samay and DainikBhaskar's entry in Patna.

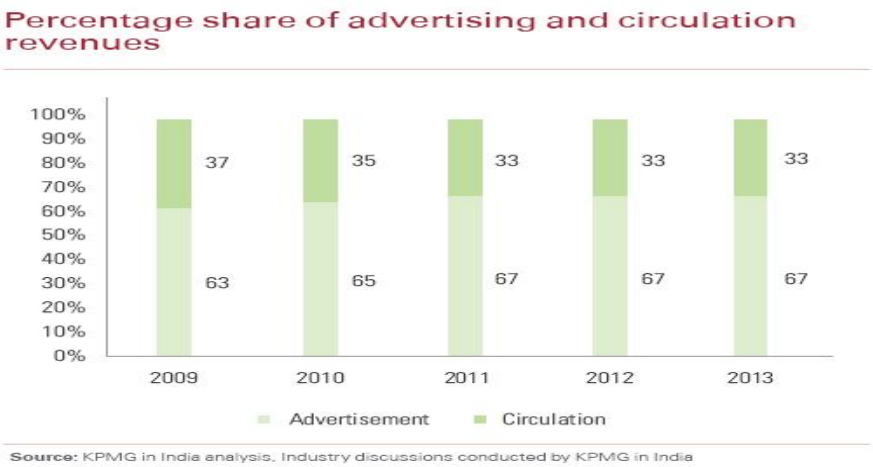
Print Industry Overview

Print media market	2011	2012	2013	2013 Growth	2014p	2015p	2016p	2017p	2018p	CAGR (2013-18)
Total advertising	139	150	163	8.7%	179	199	222	248	275	11.1%
Total circulation	69	75	81	8.1%	85	88	92	95	99	4.2%
Total print market	**209**	**224**	**243**	**8.5%**	**264**	**287**	**313**	**343**	**374**	**9.0%**
Total newspaper revenue	197	211	230	8.7%	250	273	300	329	361	9.5%
Total magazine revenue	12	13	14	4.5%	14	14	14	14	14	0.3%
Total print market	**209**	**224**	**243**	**8.5%**	**264**	**287**	**313**	**343**	**374**	**9.0%**

Source: KPMG in India analysis, Industry discussions conducted by KPMG in India

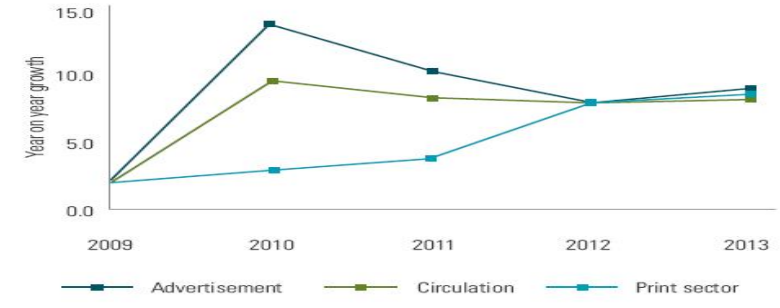
The long term growth in the sector looks promising with industry players witnessing strong growth and a possible future demand in the regional market. Even though print media has shown steady growth in the past calendar year, the macroeconomic environment continues to be challenging. The Indian economy has witnessed a slowdown in the growth momentum, clocking an average GDP growth rate of only 4.9 per cent in FY 2013-14. The slowdown can be attributed to a host of factors, primary among them being the global scenario affecting Indian markets, weakening of the domestic currency contributing to higher deficits, consistently high interest rates and inflation and investment bottlenecks that prevent corporate and infrastructure growth.

Contrary to the prevailing trends in global print media, where there is intense competition from digital media, the print sector in India is showing a strong upsurge. The print industry is expected to grow at a CAGR of 9 per cent for 2013-18, as against estimated 8.7 per cent expected last year. Much of this growth can be attributed to print media's advertising revenues and the faith shown by advertisers in this medium. Most advertisers have shunned their cautious approach, backing the extensive reach and localisation benefits that print offers. Some of the big spending sectors such as FMCG, Retail, and Real Estate have increased their media spend on print this year. Print has also witnessed a boost in its advertising revenues due to the elections in several states this past year. Advertising spends by political parties are expected to benefit the print media in this calendar year as well.



Source: KPMG in India analysis, Industry discussions conducted by KPMG in India

Print sector growth during the last 5 years



Source: KPMG in India analysis, Industry discussions conducted by KPMG in India

Projected revenues from newspapers and magazines

Advertising, as stated earlier, is a prime contributor (67 per cent in 2013) to the total revenue earned by the print sector. However, increased dependency on advertising revenues can hurt the business model of publishers. Taking cognizance of this fact, a few large players have taken a step towards increasing cover prices to bring out balance in the advertising-circulation mix.

Print sector growth during the last 5 years

While English dailies continued to witness subdued growth in comparison to the overall industry growth, regional and vernacular markets performed exceedingly well on the back of low media penetration, high population growth and rising income and literacy levels. The growth of the overall print industry was, hence, largely driven by Hindi and the vernacular print markets. The Hindi print market grew by 10.5 per cent from INR68 billion in 2012 to INR75 billion in 2013 and vernacular grew by 10 per cent from INR69 billion in 2012 to INR76 billion in 2013.

Industry players are expected to continue their focus on optimizing efficiencies, rationalizing newsprint consumption, expanding reach to new geographies and consolidating in the existing markets. The emergence of e-newspapers and the digital media is a challenge for the print industry.

Apt use of Social Campaigns

Newspapers today are taking their social service role to a whole new level with not just news articles, but by supporting causes and using their widespread reach to create awareness about these issues. DNA's latest campaign 'Good is in our DNA' looked to connect with good samaritans and provide people a platform to share good activities that are happening. Apart from the national dailies that have a wide reach, many regional players are also making a difference with these social campaigns.

Hindustan has recently launched 'Friends of Hindustan' in Patna. The initiative aims to identify people's problems, empower them to voice these and in the process create a movement. These 'Friends' would reunite to discuss various problems, the progress made on them and also the way ahead. DainikBhaskar for its social campaigns like 'BetiBachao' and 'JidKaroDuniyaBadlo' has used on- ground activities in addition to print and TVC. The Bhaskar Group has also launched a second edition of Brain Hunt, to engage with young readers who a key demographic for any newspaper – especially when keeping an eye on the inevitable digital surge.

Hindu's Undumb India campaign used various ATL and BTL activities to drive home the message that knowledge is cool, with a vision of making India an informed country.

Digital yet to make a significant dent on the revenues - however the threat cannot be ignored

The emergence of digital and social media news delivery has the potential to pose a challenge for the print industry. However, low literacy rates and poor internet penetration could be a major hindrance for the digital medium to make any significant impact to the print industry in India. Another point to note is that newspaper consumption habits are different in India as compared to the western world. In addition to extremely low cover prices, India is also a high home delivery market – which often plays a role in habit formation. Digital has a very

important advantage in terms of reaching the consumers quickly and distribution of real time content to the consumers. More than reach, digital offers a great opportunity to interact and involve the reader in a two-way communication. The bigger risk for the print medium is not from technology alone, it comes from the content itself. It is very important to engage readers in a constructive dialogue in an era where facts are available freely through multiple sources. Newspapers could be expected to need to experiment more, provide differentiated content and start building communities to thrive in this highly competitive era.

Even as print media shows steady growth, digital media is showing higher growth than print. So, the question advertisers and publishers face today is whether digital is finally beginning to eat into the print pie in a significant way. For the display advertisement business, the impact may not significant, but the classified business has likely borne the brunt of digital medium. In India, the size of the online classifieds industry was estimated at INR18 billion at end of 2013 and it is expected to grow to about INR45 billion by 2018 with a CAGR of 20 per cent.

Source: FICCI-KPMG Indian Media and Entertainment Report 2014

BUSINESS OF THE COMPANY

Business Overview

The Company is a part of the Essel Group of Companies which is one of India's prominent business houses with a diverse portfolio of assets in media & entertainment, technology-enabled services, infrastructure development, education, packaging, precious metals and financial services. Essel Group's media and entertainment venture is one of the largest in India and operates various general entertainment and News and Current Affairs channels. "Zee TV" is the group's flagship channel for general entertainment channels owned by ZEEL and "Zee News" being the group's flagship channel for News and Current affairs owned by the Company.

The Company is one of the India's largest private news networks, with ten (10) channels, a English daily newspaper and digital properties www.zeenews.com; and www.dnaindia.com reaching out to news viewers and readers, both in India and overseas.

The Company's broadcasting network comprises of two (2) national channels namely '*Zee News*' and '*Zee Business*' and eight (8) regional News and Current Affairs channels as set out below:

No.	Name of the Channel	Primary Coverage Region	Language
1.	Zee 24 Taas	Maharashtra	Marathi
2.	24 Ghanta*	West Bengal	Bengali
3.	Zee Sangam	Uttar Pradesh & Uttarakhand	Hindi
4.	Zee Punjab Haryana Himachal	Punjab, Haryana and Himachal Pradesh	Punjabi and Hindi
5.	Zee Madhya Pradesh Chhattisgarh	Madhya Pradesh and Chhattisgarh	Hindi
6.	Zee Marudhara	Rajasthan	Hindi
7.	Zee Kalinga	Odisha	Odia
8.	Maurya TV**	Bihar & Jharkhand	Hindi

**Owned and operated by Zee Akaash News Private Limited, a 60% subsidiary of the Company.*

***The Company has acquired 100% stake in Maurya TV Private Limited on December 12, 2014, thereby making it a WoS of the Company. For further details, please refer to section titled "History and Certain Corporate Matters – Subsidiaries of the Company" beginning on page 132 of this Draft Letter of Offer.*

The Company's flagship channel '*Zee News*', is national 24 hour Hindi language news and current affairs channel. '*Zee Business*', is a 24 hour Hindi language business and financial news and current affairs channel.

Zee News, the Hindi News and Current affairs channel of the Company, is the oldest news channel of the bouquet and believe that it was the first 24-hour private news and current affair channel. The origins of the channel trace to news bulletins on Zee TV in March 1995. We believe that the channel has revolutionised the way news was brought home to the viewers. In the year 1999, Zee News became a separate 24-hour Hindi News and Current affairs channel. Zee News maintains its position among the top four (4) Hindi News and current affairs channels in the Hindi Speaking Market segment clocking a channel share of 11.2%. (*Source: TAM, Q2 FY 15, CS15+, HSM*).

Zee Business was launched in November 2004 and we believe that it was the first 24-hour Hindi language business and financial news and current affairs channel launched in India. Zee Business is No. 2 Hindi Business News and Current Affairs Channel. The Zee Business channel telecast news bulletins by the hour and information related with the stock markets, investments, corporate world, real estate, automobiles, travel and leisure. Zee Business maintains No. 2 position amongst the Hindi Business channels in the Hindi Speaking Market segment with a relative share of 29.1% (*Source: TAM, Q2, CS 25+, HSM*).

For further details on other regional channels, please refer to section titled "Business of the Company - National News and Current Affairs channels of the Company" beginning on page 109 of this Draft Letter of Offer.

National & Regional News Network of the Company

National News Network Channels

Zee News **Zee Business**

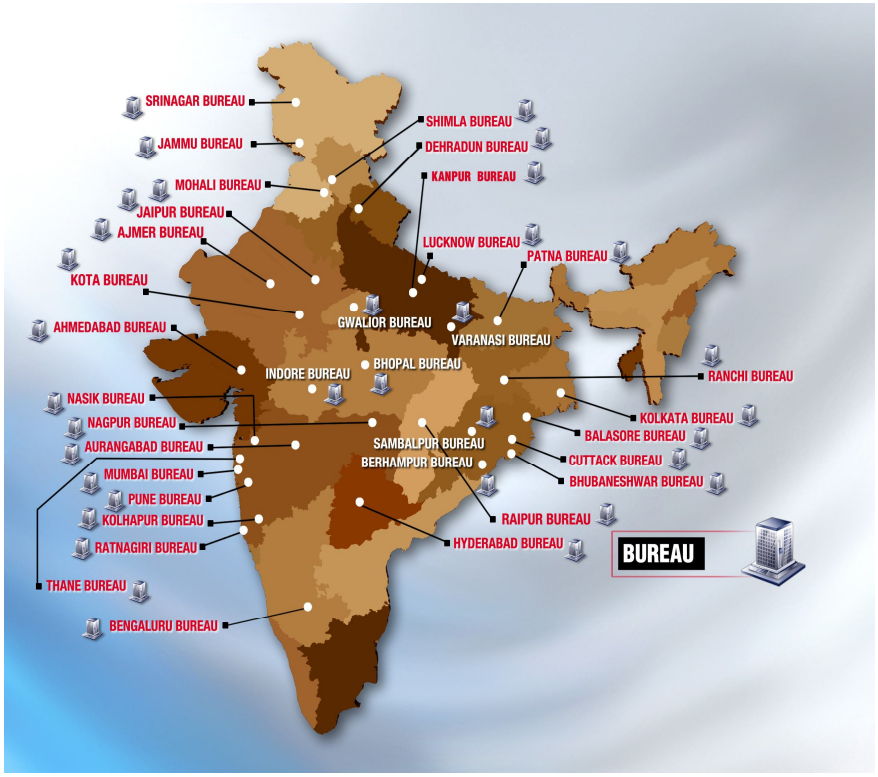
Regional News Network Channels

Zee Sangam **ZEE Madhya Pradesh & Chhatisgarh** **Zee Marudhara** **Zee Punjab Haryana Himachal** **24 Ghanta**

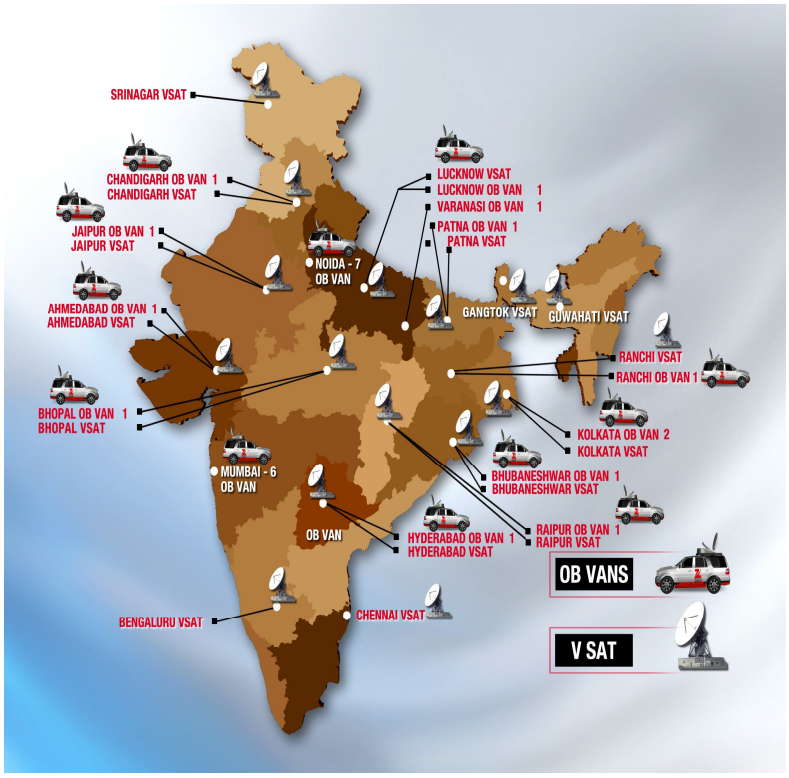
Zee 24 Taas **Zee Kalinga** **Maurya TV**

We believe that we have one of the largest news networks in India. The news-gathering network comprises of 34 news bureaus; 41 studios; 193 news reporters and 437 freelance journalist/stringers. The Company's Bureaus and studios across the country have modern production, newsgathering and archiving facilities, including OB Vans and VSAT facilities across various locations. The Company's network can be set out as under:

Company's Network of Bureau



Outdoor Broadcast (OB) Van and VSAT Network



The Company also supplies content to Asia Today Limited, a wholly owned overseas subsidiary of ZEEL, for international broadcast on its channels in the territories of U.S.A, Europe, Africa, Middle East and Asia Pacific.

The Company's news network is also present on digital and internet platforms *viz.* www.zeenews.com and www.dnaindia.com. The Company owns and operates the online interface of its channels *Zee News* in English, Hindi, Marathi and Bengali languages through www.zeenews.com and *Zee Business* in English language through www.zeebiz.com. The Company also owns and operates online interface of some of its regional channels through www.zeehindi.com, a Hindi language based website; www.24taas.com, a Marathi language based website; www.24ghanta.com, a Bengali language website; and www.zeesangam.com, a Hindi language news portal dedicated to news from Uttar Pradesh and Uttarakhand.

Some of our websites also provide free download application software for Android & iOS based mobiles and tablets enabling internet users to access these websites on their mobile and tablets. Pursuant to an arrangement with India Webportal Private Limited ("***India Webportal***"), all the Company's web properties, websites and associated content are managed and operated by India Webportal and migrated to its sub-domain - India.com.

Pursuant to amalgamation of Essel Publishers Private Limited with the Company in the Financial Year 2014-2015, the Company got under its fold DNA, a English daily newspaper. DNA was launched on July 30, 2005 in Mumbai and is presently being published in Mumbai whereas in the cities of Jaipur and Ahmedabad, DNA is being published under a Publication License Agreement with local publishers.

DNA through news, views, analysis and interactivity provides its readers a composite picture of the city, the country and the world around them. DNA is the third most read English broadsheet daily in the city of Mumbai and is the preferred choice of about 0.79 Million readers in Mumbai (*based on total readership for Q4 2012 from Indian Readership Survey*). Apart from the print edition, DNA also has an interactive website www.dnaindia.com which includes the e-paper edition of the newspaper. Further, DNA can be followed on various social media platforms like Twitter and Facebook.

The Company's presence in the news broadcast, print and online medium of communication or formats for dissemination of news and current affairs has placed the Company in an unique position when compared with its competitors.

The consolidated restated total income of the Company for the Financial Year 2013-2014, Financial Year 2012-2013 and Financial Year 2011-2012 was `3,543.88 million, `3,213.23 million and `3,176.79 million, respectively. The consolidated restated profit after tax of the Company for the Financial Year 2013-2014, Financial Year 2012-2013 and Financial Year 2011-2012 was `150.26 million, `246.25 million and `109.89 million, respectively. The consolidated restated total income and profit/ (loss) after tax of the Company for the six (6) months period ended September 30, 2014 was `2,658.66 million and `(322.04) million, respectively.

Competitive Strengths

The following are the key strengths which the Company believes enable it to be competitive in its business:

1. ***Relationship with Essel group.***

   The Company is a part of the Essel group, which is one of the leading business groups in India with a diverse portfolio of assets in media & entertainment, technology-enabled services, infrastructure development, education, packaging, precious metals and financial services. The group has been present in the media and entertainment sector for over two decades through its flagship channel Zee TV and is involved in all verticals of television media *viz.* production, broadcast and distribution. The Company benefits from Essel group's established business relationships which helps in reaching out to customers as well as to access financing and sponsors for its business.

   The Company further believes that its association with Essel group lends strength to the trust and reliability reposed in the Company and enables it to attract and retain fresh talent and acquisitions. The Company further believes that sharing goals and objectives with the Essel group enables it to utilise various synergies which aid in our business and operations. For instance the Company is able to leverage its relationship with its group entities and have entered into arrangements with regards technology, content and distribution of the Company's channel through cable operators and DTH service providers.

2. ***Established presence of 'Zee' brand and leveraging the same for news broadcasting in Hindi and other regional language news and current affair channels.***

The Company has leveraged the goodwill and brand image of the Zee brand in the general entertainment segment of broadcasting over to the news genre by establishing Zee News and Zee Business channels.

We believe that *Zee News* was the first 24-hour private news and current affairs channel and *Zee Business* was the first 24-hour Hindi language business and financial news and current affairs channel launched in India. We believe that over the years these channels have established and maintained their market position as leading Hindi news and current affairs channels with editorial analysis, production standards and issue based coverage of news and current affairs. The Company further leveraged this brand for its regional language news and current affairs channels like Zee 24 Taas (*24 hour Marathi News channel*) and 24 Ghanta (*24 hour Bengali News channel*) for the specific region as extension of the established Zee News brand. Following the same strategy, the Company further launched other channels *viz*. Zee Madhya Pradesh Chhattisgarh (*in Madhya Pradesh and Chhattisgarh*), Zee Marudhara (*in Rajasthan*) and Zee Kalinga (*in Odisha*).

In addition to maintaining high viewership, our channels, programmes, reporters, producers and editors have won several recognised awards within the television and journalism fields. This has helped in strengthening the Company's brand, which in turn has helped its regional news and current affairs channels in gaining popularity and viewership.

3. ***Leadership position.***

We hold leading market positions in principal markets and genre we serve in. *Zee News* had an audience share of 11.2% in the 24-hour Hindi News and Current Affairs genre and *Zee Business* had 29.1% audience share in the Hindi 24-hour business and financial News. Additionally, the other channels of the Company *viz*. *24 Ghanta*, *Zee Sangam*, *Zee Madhya Pradesh Chattishgarh*, *Zee 24 Taas* and *Zee Punjab Haryana Himachal* had an audience share of 18.4%, 19.9%, 26.5%, 21.5% and 19.5% respectively. (*Source: TAM, Q2 FY 15, CS15+, HSM*)

4. ***Innovative programming content and sponsorship avenues.***

We believe that in addition to the traditional news bulletin and talk shows, which are staple of news and current affairs channels, the content of news and current affairs channels can be packaged in a manner which would gather viewer's interest as well as benefit the advertisers. For instance, '*Zignition*' is an automobile based show on Zee Business, '*Property Guru*' talks about the real estate investment opportunities in Zee Business and '*Maati Ki Mehak*' on cultural heritage of the State in Zee Madhya Pradesh Chhattisgarh. Zee News has '*Trending News*', a programme based on the social media and '*Manthan*', a devotional programme.

5. ***Bouquet of Pay channels.***

All channels of the Company, other than 'Zee Sangam' and 'Maurya TV' are pay channels. This helps us to not rely solely on the advertising revenue in order to run our operations profitably and allows us to focus on content and viewer satisfaction. With arrival of digitization in India, many broadcasters have moved from the FTA to the pay channel mode due to increased subscription revenues and information about viewer preferences. For better access to the viewer through cable and DTH operators, the channels of the Company are placed in a bouquet along with other Zee group channels.

The Government of India has mandated digitization of the Cable Services all over India wherein the Digital Addressable System (DAS) is being implemented in a phased manner. The deadline for implementing DAS was December 2014 which has now been extended to December 2016. This measure provides consumers with an increased number of channels with high quality viewing through a set top box (STB). Implementation of DAS on countrywide basis will result in plugging of leakages and consequent increase in the subscription revenues.

6. ***Established presence in various formats of news distribution: Television, Print and online***.

The Company has an established presence across various formats such as television, print and online news distribution. Presence in these three media television, print and online complement each other and enable the Company to further enhance its reach and content to its viewers. The Company is one of the very few which has an established presence in these three media formats and believe this structure provides the Company an edge over its competitors.

7. ***Experienced senior management team.***

We are part of the Essel Group, which has over two (2) decades of experience in the broadcasting sector. We believe that the senior management of the Company have demonstrated efficiency and discipline in the execution of their strategies and in launching and operating new channels in India. Most of the senior managerial team have an average experience of 22 years in various sectors. The Company's operations are led by an experienced senior management group who has the expertise and vision to continue to expand the business of the Company. For further details, please refer to section titled "Management of the Company" beginning on page 139 of this Draft Letter of Offer.

Strategies of the Company

The business strategy of the Company focuses on the following elements:

1. ***Strengthen market position of the Company's channels and distribution of news through various platforms.***

The Company intends to continue to produce and broadcast programmes that enable each of our channels to maintain and strengthen their market positions and become market leaders in their respective areas of operation. In the present high technology world, news is disseminated through various platforms and it is expected to be available anytime, anywhere. The Company strategy is to meet the requirements of the viewers anytime and anywhere through its various platforms and be known as an organization that has delivered and has the capability to deliver news content anytime and anywhere as per the requirement of its viewers.

The Company intends to achieve this by (i) enhancing news gathering, programming and presentation of each channel, (ii) continuing to create an appealing and innovative programme mix in order to enhance viewer loyalty and attract new viewers and (iii) delivering news through multiple avenues, such as through our associate websites, on mobile platforms and through interactive modes on digital TV/ DTH platforms. The Company also intends to increase the reach of its channels through distribution on different platforms and promote and strengthen its brands by advertising and other publicity efforts and focused promotion.

2. ***Improving the content of local channels by focusing on issues affecting the specific region and disseminating the content through various platforms.***

Amongst our channels, *Zee News and Zee Business,* being Hindi news and current affairs channels has national viewership whereas *Zee 24 Taas, 24 Ghanta, Zee Sangam, Zee Madhya Pradesh Chhatishgarh, Zee Marudhara, Zee Punjab Haryana Himachal, Zee Kalinga* and *Maurya TV* are regional language channels catering mainly to the regional markets. As a part of its growth strategy, the Company shall focus on quality local content for its channels and endeavour to disseminate the same to the target audience in the best possible manner so as to achieve a committed viewership.

3. ***Maximize the advertising revenues.***

We plan to maintain our focus on maximizing advertising revenues by:

- achieving optimum price realisations for advertising time, by aggregating specific viewers with special content so as to enable differential pricing;
- increasing inventory utilisation across our channels, by leveraging our network strength by offering national as well as regional specific solutions to our advertisers;
- enhancing advertising revenues by offering more branding opportunities to advertisers, such as through sponsorships of programmes; and

- offering customised advertising solutions as per client requirements, which include television advertising and event marketing.

4. ***Increase subscription revenues.***

The Company seeks to increase its subscription revenues through various means, including increasing the distribution of its channels through different platforms like cable, DTH and internet. The growth of digital platforms is expected to increase the reach and definition of the market and result in higher subscription revenues for pay channel broadcasters. The Company also intends to be present on emerging distribution platforms with a potential to deliver additional subscription revenue. The growing digitization of cable distribution supported by government policies and measures is resulting in the increased revenues for pay channels.

Amongst all the channels of the Company, only 'Zee Sangam' and 'Maurya TV' are FTA channels while all the other channels are pay channels. All our channels are a part of the Zee group distribution bouquet of channels. The Company believes that being a part of a distribution bouquet has a positive effect on the subscription revenues of its channels with increasing reach and digitization of the cable and satellite market.

5. ***Launching new channels and expanding our presence through strategic acquisitions and joint ventures.***

During the Financial Year 2013-2014, the Company had launched two (2) News and Current Affairs channels *viz*. '*Zee Rajasthan Plus*' (*now renamed as Zee Marudhara*) 'Zee Kalinga'. Additionaly, the Company has acquired 100% stake on December 12, 2014 in an entity which operates 'Maurya TV'. The Company intends to continue to focus on increasing its bouquet of channels by way of launching new channels or acquisition of the same which shall enhance the business, revenues and profitability of the Company. We believe that the strength of our brand and existing relationships and goodwill helps the Company in executing its acquisition strategy more effectively.

National News and Current Affairs channels of the Company

We set out below certain details of the Company's news and current affairs channels:

Zee News

The Company launched its first news bulletin broadcast on Zee TV on March 13, 1995. *Zee News* was launched in the year 1999 and is the Company's flagship news and current affairs channel covering national and international politics, current affairs, sports and entertainment. *Zee News* is a pay channel. Zee News has reach of 42.1 million (*Source: TAM, Q2, CS4+, All India Reach*) and has a leadership position in the Hindi news and current affairs segment.

The channel has further subscribed to news distribution services of various news agencies, such as PTI and APTN to gather news.

Flagship Shows of Zee News

The flagship shows of Zee News are set out below:

- 'Daily News & Analysis (DNA)' is the signature show of Zee News which focuses on the analysis of key news by the day.
- 'Badi Khabar' triggers an informed debate on the big picture of the story to keep the viewers informed about the big news of the day that affects the society at large.
- 'Taal Thok Ke' is a special one-hour show on day's events and discussion with distinguished personalities. Political, non-political, social, sports and entertainment issues are discussed in this programme.
- 'Bharat Bhagya Vidhata' covers various tangible issues that affect the common man and empowers him with information and knowledge.

Zee News Initiatives

Zee News has been executing the 'My Earth, My Duty (MEMD)' campaign. In the 5th edition of the MEMD campaign, more than 1 million saplings were planted across the country by citizens from all walks of life. History was created when more than 0.2 Million saplings were planted within thirty (30) minutes by Border Security Force (BSF) enabling this initiative to enter the Limca Book of Records. Zee News further acknowledges and recognizes the contribution of military and paramilitary forces by felicitating the heroes of the nation with Ananya Samman.

The channel has been awarded the BCS Ratna Award for the programme 'Aapka Vote Aapki Taqat', one of the India's largest voter awareness campaign organised in collaboration with the Election Commission of India. Zee News was awarded for Best Public Service Campaign (Hindi) by news and current affairs channel by exchange4media in addition to Best Spot News Reporting for a story, 'Maut Ke Shivir Main Ek Raat'.

TV ratings of Zee News

The channel was ranked No. 4 in the Hindi Speaking Market in Quarter 2 of Financial Year 2015, clocking a channel share of 11.2% (*Source: TAM, Q2, CS15+, HSM*).

Zee Business

The *Zee Business* channel was launched in November, 2004 and is a Hindi language business and financial news and current affairs channel. The channel covers national and international business and financial affairs and is a pay channel.

Being a Hindi based business news and current affairs channel, the core target group of viewers of *Zee Business* is small and medium retail investors in the country and we believe that we offer information and insight to enable decision making in relation to investments into equity, debt, commodities and real estate. Consistent with the industry and genre wise standards, the popular segment and shows *viz.* 'Big Story Big Debate', 'Mandi Live', 'Share Bazaar Live', 'Antim Baazi', 'Money Guru', etc. on the channel are usually on weekdays during the trading hours of stock exchanges.

Flagship shows of Zee Business

The flagship shows of Zee Business are set out below:

- 'Big Story Big Debate' is a discussion show on the big story of the day.
- 'Mandi Live' gives an update and analysis of various commodity prices and its implications.
- 'Share Bazar Live' is a show that sets the tone for the market hours. Various stocks are discussed in the programme.
- 'Antim Bazi' is a show which summarizes and culminates the day at the stock market. Various stock specific issues are discussed.
- 'Money Guru' addresses issues of the callers and suggests way forward to their financial queries.

Zee Business Initiatives

Zee Business initiatives includes 'Emerging Business Forum, one of India's largest SME discussion forum'; 'India's Best Market Analyst Awards'; 'Growth Drivers Season I'; 'Faayda Unlimited'; etc. The channel organised a Ministerial Conclave wherein four (4) ministers in the new government discussed the challenges faced by the Indian economy and set the agenda for future before business community.

TV ratings of Zee Business

The channel was ranked No. 2 in Quarter 2 of Financial Year 2015, with relative share of 29.1% (*Source: TAM, Q2Fy15, CS 25+, HSM*)

Regional News and Current Affairs channels of the Company

Zee 24 Taas

Zee 24 Taas is a Marathi language 24 hours channel launched in February 2007. It covers regional as well as national and international politics & current affairs, financial, sports and entertainment news. It is a pay channel.

The shows featured on *Zee 24 Taas* provide focus on whole of Maharashtra as opposed to just the city of Mumbai and the interactive approach and viewer participation format of the shows on the channel has helped it carve a niche for itself with the viewers. Some of the most popular shows on the channel include daily news bulletins with stories across Maharashtra.

Flagship shows of Zee 24 Taas

The flagship shows of Zee 24 Taas are set out below:

- 'Rokhtok' is a prime time debate and discussion show on the most important issue of the day. 'Mumbai-Pune-Nashik-Nagpur' is a dedicated news bulletin for Mumbai, Pune, Nashik and Nagpur cities.
- '10 Chya Mega Batmya' is a wrap up of all news from local to global.

Zee 24 Taas Initiatives

Zee 24 Taas organises '*Ananya Samman*' to felicitate the real heroes of Maharashtra. During the Maharashtra elections it launched a programme with a unique initiative, '*Mahamukhyamantri Kon*' to identify as to who should be the Chief Minister of the state from the people.

TV ratings of Zee 24 Taas

The channel was ranked No.2 in Quarter 2 of Financial Year 2015 with a relative share of 21.5%. (*Source: TAM, Q2 FY15, CS 15+, Maharashtra*).

24 Ghanta

24 Ghanta channel was launched in March, 2006. It is a 24 hour Bengali language news and current affairs channel focused on West Bengal. The channel mainly covers regional as well as national and international news and current affairs, sports and entertainment. 24 Ghanta was refreshed in 2013 with a new look and feel keeping in mind the changing viewer and their preferences. A new logo was designed to appeal the young generation and the new brand tag line 'Jana Gana Mana' which literally meant a channel which showcases the 'Minds and Hearts' of the people of Bengal.

The Company has 60% stake in the channel held by its subsidiary, Zee Akaash News Private Limited whereas the balance is owned and held by Sky B (*Bangla*) Private Limited.

Flagship shows of 24 Ghanta

The flagship shows of Zee 24 Ghanta are set out below:

- 'Apnar Ray' is the main discussion program of the channel aired. The most important issue of the day is selected for discussion and eminent celebrities form the panel of this discussion program.
- 'Khabar Nonstop' is non-stop break free news bulletin with top news of the day. It gives a 360-degree in-depth analysis of all the news.
- 'Duronto 24' is in speed news format which carries 24 important news of the day from all fields like politics, sports and entertainment.

24 Ghanta Initiatives

24 Ghanta organizes various on ground events like 'Durga Puja' with pandals across Kolkata. The channel also organizes 'Ananya Samman' to honour the unsung heroes from the field of business, sports, literature, drama and academics in West Bengal.

TV ratings of 24 Ghanta

The channel was ranked No. 3 in Quarter 2 of Financial Year 2015 with 18.4% relative share (*Source: TAM, Q2 FY 15, CS 15+, West Bengal*).

Zee Sangam

The *Zee Sangam* was initially launched as Zee Uttar Pradesh in April, 2009 and is a 24 hour Hindi news and current affairs channel focused on Uttar Pradesh and Uttarakhand. The channel mainly covers regional news as well as national and international news & current affairs, sports and entertainment. It is currently broadcast on a free to air mode.

In two states with different languages spoken in different regions, *Zee Sangam* provides local shows and content in Hindi language, which is widely spoken and understood in these States.

Flagship shows of Zee Sangam

The flagship shows of Zee Sangam are set out below:

- 'Sangam Prime', packages the prime stories of state and the nation.
- 'Apna Pradesh Uttar Pradesh', covers small to big news related to the states. The focus of the bulletin is geared towards politics.
- 'The World Tonight' is a half an hour news bulletin which includes the news from around the world, the special focus is given on politics, major updates of the day. It also focuses on special features to create connect with the people of the state like people of UP who made a mark around the world or people of UP who might be facing issues in different part of the world.

Zee Sangam Initiatives

Zee Sangam has been turning its focus on different sectors of the States. In 2014, to focus on the burgeoning education sector in the state, Zee Sangam organized a summit titled 'Uttar Pradesh, Destination for Education' in which various educational institutions of the State participated. The channel also recognizes the personalities of the State through 'Jewels of Uttar Pradesh and Uttarakhand' and issue a Coffee Table Book'.

TV ratings of Zee Sangam

The channel was No. 2 in the market in Quarter 2 of Financial Year 2015 with a market share of 19.9% (*Source: TAM, Q2 FY15, CS 15+, UP, Uttarakhand*).

Zee Punjab Haryana Himachal

The *Zee Punjab Haryana Himachal* channel was launched in October 1999 by ZEEL as Zee Alpha and became a part of the Company's channel pursuant to the Scheme of Arragement 2006. For further details in relation to the Scheme, please refer to section titled "History and Certain Corporate Data – Scheme of Arrangement 2006" beginning on page 128 of this Draft Letter of Offer. The Company subsequently renamed as Zee Punjabi in 2005. The positioning of the channel was changed as '*Ham Se Hai Shaan*' in 2013. With the change in positioning the channel was renamed as Zee Punjab Haryana Himachal with a view to cater to all the three states. It is Punjabi and Hindi language news and current affairs channel. The channel covers the news and current affairs of the people in Punjab, Haryana and Himachal Pradesh. The channel is a pay channel.

Flagship shows of Zee Punjab Haryana Himachal

The flagship shows of Zee Punjab Haryana Himachal are set out below:

- 'Prime Time' is a panel discussion show based on news of the day from Punjab, Haryana, Himachal Pradesh and Chandigarh.
- 'Punjab @ 9' is a Punjab centric news bulletin in Punjabi language containing latest and developing news as well as whole day wrap-up of Punjab events.

- Himachal News and Khabar Haryana also focus on respective regions.

Zee Punjab Haryana Himachal Initiatives

The channel honours the unsung heroes through Anhad Samman & Shikhar Samman as well as the industrialists of the northern states of India through *Uddhami Samman.*

TV ratings of Zee Punjab Haryana Himachal

The channel was ranked No. 2 in the market in Quarter 2 of Financial Year 2015 clocking a relative share of 19.5% (*Source: TAM, Q2 FY 15, CS 15+, PHH*).

Zee Madhya Pradesh Chhattisgarh

The *Zee Madhya Pradesh Chhattisgarh* channel ("***Zee MPCG***") was launched in March 2013 catering to the States of Madhya Pradesh and Chhattisgarh. The channel mainly covers regional as well as national and international news and current affairs, sports and entertainment. It is a pay channel.

Flagship shows of Zee MPCG

The flagship shows of Zee MPCG are set out below:

- 'Apna MP Apna CG', is a bulletin dedicated to MP and Chhattisgarh. All the big stories of the states are packaged in this bulletin with reporter's live content.
- 'Debate@8' is a daily show in which prominent guest speak on burning issues of state ranging from politics, economics and social issues.
- 'Jal, Jangal Zameen', highlights the livelihood and other problems of different tribes of UP, Uttarakhand, MP, Chhattisgarh etc.

Zee MPCG Initiatives

The channel organized a talent hunt to identify the best singer in the region in a month-long campaign titled 'Madhya Bharat ki Awaaz' wherein over 4,000 registrations were received from 5 cities in Madhya Pradesh and Chhattisgarh.

TV ratings of Zee MPCG

The channel was ranked No. 1 in Quarter 2 of Financial Year 2015 with a relative share of 26.5% (*Source: TAM, Q2 FY 15, CS 15+, MPCG*).

Zee Marudhara

Zee Marudhara channel was launched as Zee Rajasthan Plus in July 2013. The name of the channel has been recently changed to Zee Marudhara. It is a 24 hour Hindi language news and current affairs channel focused on the State of Rajasthan. The channel mainly covers regional as well as national and international news and current affairs, sports and entertainment.

Flagship shows of Zee Marudhara

The flagship shows of Zee Marudhara are set out below:

- 'Aaj Ki Badi Khabar' discusses the major news of the day like a political development/social issue. Eminent guest panel is invited to analyse the news.
- 'Marudhara Express' is a speed news packaging hundred (100) important news stories of Rajasthan.
- 'Apno Shehar Apni Khabaran' is a bulletin with news from prominent cities, including regional headquarters.

TV ratings of Zee Marudhara

The channel was No.3 in the market in Quarter 2 of Financial Year 2015 with a relative share of 9.9% (*Source: TAM, Q2 FY 15, CS 15+, Rajasthan*).

Zee Kalinga

Zee Kalinga, 24 hour Odia news and current affairs channel, was launched in February 2014 catering to the State of Odisha. The channel mainly covers regional as well as national and international news and current affairs, sports and entertainment. It is a pay channel.

Flagship shows on Zee Kalinga

The flagship shows of Zee Kalinga are set out below:

- 'Satya Ra Saamna' is the marquee or signature show from the news desk that is hosted by the editor himself. The show picks out the most important news of the day and brings together an in depth analysis in form of a panel discussion or debate involving an elite panel of experts presenting thoughts from different perspectives.
- 'Odisha 360' is the quick ride around the state, bringing news from the remotest areas and big cities of the state.
- 'Prime Time' comes up at the most sought after hour with a huge palate of news for the viewers.

TV ratings of Zee Kalinga

The channel is No. 4 in Quarter 2 of Financial Year 2015 with a relative share of 5.2%. (*Source: TAM, Q2 FY15, CS 15+, Odisha*)

Maurya TV

Maurya TV is a 24 hour Hindi language news and current affairs channel focusing on the States of Bihar and Jharkhand. The channel mainly covers regional as well as national and international news and current affairs, sports and entertainment. It is currently broadcast on a free to air mode.

The channel is owned by Maurya TV Private Limited, wherein the Company has recently acquired 100% stake.

Flagship shows of Maurya TV

The flagship shows of Maurya TV are set out below:

- 'Purvaiya DNA' is an indepth analysis of major news from Bihar and Jharkhand.
- 'Badi Behas' is a one-hour political debate show involving guests from political arena and experts. This is a panel discussion show encompassing the major political, social developments in the state of Bihar and Jharkhand.
- 'Purvaiyya Muhim' is a show involving issues that concern the common man. Viewers participate in the show.

TV ratings of Maurya TV

The channel was ranked No.2 in Quarter 2 of Financial Yer 2015 with a relative share of 21.3% (*Source: TAM, Q2 FY 15, CS 15+, Bihar & Jharkhand*).

Common Production facilities

As of September 30 2014, the Company had a team of 1,007 editorial personnel which gathers news for all its channels through a network of 34 news bureaus 41 studios across India as well as a network of free lance journalists or stringers. It also subscribes to the services of certain news agencies, such as PTI and APTN to gather news.

News Operations Workflow

The first step in the operations of a news channel is newsgathering. The Company has various sources through which news reaches its studios which is then processed and presented to the viewers. The main sources of news content gathering for the Company is through its OB vans, Stringers Network, Internet, Bureaus, Outside news agencies i.e. Press Trust of India (PTI), Associated Press Television News Limited (APTN) etc. which are directly ingested into the central storage system. After a few seconds of the content being ingested in the Central Storage system, the same is video edited and a final video is prepared for the content. Simultaneously, the journalists in the newsroom write the script for the anchor of the news bulletin whereas the graphic department prepares the graphics to go along with the video in pre-defined templates.

Once the script is ready, video edited and graphic prepared, the news story its ready to go ON AIR. A rundown is then prepared which has all the stories aligned in a sequential manner for a particular bulletin slot. The rundown is then transferred to the Production Control Room (PCR) for the particular show with all its contents *viz*. script, video and graphics for the live telecast with the anchor spearheading the news reporting.

The Broadcast Centre then lays the ticker and the scheduled advertisements are played for the telecast. After the telecast, all the bulletins are recorded and kept in the library for ninety (90) days as required by the MIB. The edited content as also the raw content is archived and sent to a disaster recovery location for storage.

Infrastructure

Most of the Company's channels activities are headquartered at the 64,212 Sq. Ft. administration, production and technical facility at Noida supported by 34 news bureaus across the country. All the channels use common facilities *viz*. Camera, Video Editing, Outdoor Broadcast Vans, Vision Mixing, IT and Technical Support, Administration, etc. Additionally, the Mumbai regional office also has common facilities for Zee 24 Taas, Zee News and Zee Business.

The Company operates its regional news channels through various locations at Mumbai, Kolkata, Raipur, Jaipur, Bhubhaneshwar and Patna with requisite infrastructure facilities for news gathering and production.

All bureaus are equipped with infrastructure that allows the journalists to provide focused coverage of events that are considered relevant for all or any of the specific avenues that we use to deliver news. News footage primarily comprises live coverage of breaking news and events and follow-up coverage on important news stories.

Content Repository

The network is developing platform agnostic (*which can be utilized by television, print and online*) content for many special interest verticals such as education, women, luxury and lifestyle and automobiles. This network also has a central news sharing system named 'Zee News Service' which ensures that the news gathered by the Bureaus across the country are available for utilization by the channels, newspaper and online websites. The Company follows a strong archival system and the library of archives enables quick retrieval of the various key news items which were produced in the yesteryears.

Editorial Policy and Process

The editorial team of the Company consists of news presenters, anchors and journalist who have created a name of themselves in the industry and enjoy following of viewers for their insight in providing news and content to the viewers.

The Company and its editors follow a Code of Ethics as prescribed by the Company which endeavour to create the right conditions for investigative journalism.

Sources of revenue

The following table sets forth the various sources of the Company's standalone revenues from operations as a percentage of total income, for six (6) months period ended September 30, 2014 and each of the three (3) Financial Year ended March 31, 2014, 2013 and 2012.

Particulars	Sources of revenue as a percentage of total income			
	Six (6) months ended September 30, 2014 (%)	Year ended March 31		
		2014 (%)	2013 (%)	2012 (%)
Advertising Revenue	70.02	58.37	57.16	58.91
Subscription Revenue	24.45	30.66	29.20	26.26
Other Sales & Services	3.05	4.52	6.09	11.45

Advertising Revenue

A significant portion of the Company's income is derived from the sale of advertising spots, whether for the fixed spots during the shows or by sponsorship of a show or an event.

Advertising rate structure

We have advertising rate structures for each channel as well as combination of channels. Each channel's advertising rates vary by popularity of the channel, its programmes as well as the time band in which the programme is telecast.

In addition, an advertiser is charged at premium to be a 'title sponsor' on a particular show or programme in which case the name of the advertiser or the advertised product is featured in the title of the show. Each channel's adverting income is net of any advertising agency commissions. Income from the sale of time spots is recognized on an accrual basis when the related advertisements are broadcast. Income from sponsorship of programmes is recognized proportionately over the term of sponsorship. Majority of the programmes are produced in-house. In case of the few programmes which are produced by independent producers, the Company has not entered into any arrangement of revenue sharing with them.

Subscription Revenue

With the advent of digitization of the cable industry in India and the DTH platform being made available for viewers, most of the Company's channels except, Zee Sangam and Maurya TV, have been made pay channels. All the channels of the Company are currently offered through various cable operators and DTH providers and as a part of the Zee distribution bouquet of channels by Taj Television (India) Private Limited ("***Taj Television***"). Pursuant to the Channel Subscription Agreement between the Company and Taj Television, the distribution partner collects the subscription revenues from DTH and cable operators in India, Nepal and Bhutan and remits a specific percentage of subscription revenues to the Company in accordance with the aforementioned arrangement.

Distribution

As per the strategy, most of the Zee group channels are distributed through cable operators and DTH service providers as a bouquet or group of certain channels together, without setting out specific rates per channel. This strategy helps the Company and the Zee group in customizing channel packages as per the region and viewing needs of the country. We believe this leads to an increase in the viewership of the channels over a period of time.

Viewership Reach

As per the standard industry viewership research provided by Television Audience Measurement (TAM) India Limited, the reach of the channels in their respective/ relative markets is set out below:

Channel	Reach (In Million)
Zee News	41.04
Zee Business	10.41
Zee 24 Taas	13.69
24 Ghanta	6.93
Zee Punjab Haryana Himachal	2.50
Zee Sangam	6.00
Zee Madhya Pradesh Chhattisgarh	6.37
Zee Marudhara	1.56
Maurya TV	0.83
Zee Kalinga	1.15
Total	**90.48**

(Source: TAM, Q2, CS 4+, All India reach)

Marketing and Sales Network

The Company has a sales structure which addresses the advertising requirements of various types of advertisers. There are separate teams to cater with the requirements to Corporate and Retail Advertisers. Teams provide customized advertising solutions to its corporate clients. This airtime can be customized in terms of the regions through specific regional channels as well as time bands of the broadcast. e.g., an advertiser intending to reach its target customers in the Hindi belt can take a combination of *Zee News*, *Zee Sangam*, *Maurya TV* and *Zee Madhya Pradesh Chhattisgarh*. Similarly, a client intending target customers in the East of the country can avail a combination of *24 Ghanta*, *Zee Kalinga* and *Maurya TV*. All the regional channels of the Company have their individual retail sales teams. The Retail sales team addresses city and state level advertisers by providing state specific solutions. In addition to the above, the Company has a dedicated team which provides experimental marketing solutions to its advertisers in terms of ground events. These ground events are either the Company's own network properties or create specific properties for its advertisers for eg. Simply Finance Quiz created for one of its corporate client.

Each of the channels has its own marketing team who execute local level marketing through local events as well as tying up with other events as media partners. The Company primarily markets its channels on its own channels, newspaper and websites. As and when required, the Company markets itself by placing advertisements in other media like Out Of Home, radio and vernacular or regional newspapers.

DNA – The Daily Newspaper

Pursuant to the amalgamation of Essel Publishers Private Limited with the Company in the Financial Year 2014-2015, the Company got under its fold business and operations of DNA, a English daily newspaper. DNA was launched on July 30, 2005 in Mumbai and is presently being published and distributed by the Company in Mumbai whereas in the cities of Jaipur and Ahmedabad, DNA is being published and distributed under a Publication License Agreement with local publishers.

DNA through news, views, analysis and interactivity provides its readers a composite picture of the city, the country and the world around them. DNA is the third most read English broadsheet daily in the city of Mumbai and is the preferred choice of about 0.79 Million readers in Mumbai (*based on total readership for Q4 2012 from Indian Readership Survey*). Apart from the print edition, DNA also has an interactive website www.dnaindia.com which includes the e-paper edition of the newspaper. Further, DNA can be followed on various social media platforms like Twitter and Facebook.

The DNA newspaper is printed from a printing facility of Pri-Media Services Private limited situated at Mahape, Maharashtra. DNA is made available in Mumbai for annual subscription at a competitive price to the subscribers

which includes its special editions and add-on editions on Life-sytle, real estate and local editions catering to Thane and Navi Mumbai.

DNA – Business Development & Sales

The sales team assesses the requirements of clients/advertisement agencies and accordingly offers advertisement rates for publishing in the newspaper. On the approval of the offer, clients/advertisement agencies material is obtained for publishing in the newspaper.

DNA gets printed at the printing press of the Company at Mahape, Navi Mumbai. Various vendors appointed by the Company distribute the copies daily to intermediaries who then deliver the same to the ultimate readers.

Competition

The competition in the television news broadcasting industry is intense. We believe that competitive advantage is based principally on the Company's ability to attract and retain viewers and advertisers as well as the Company's connectivity to cable and satellite homes. The Company's ability to compete successfully depends, in part, on its ability to anticipate and respond to competitive factors affecting the Indian News broadcasting industry, and more specifically, the Indian television business news broadcasting industry.

The competitors for '*Zee News*' are Aaj Tak; ABP News; India TV and other 24 hour Hindi News and Current Affairs channels in India. The competitors for 'Zee Business' is CNBC Awaaz and other Hindi business channels. Besides these, ABP Majha, ABP Ananda, ETV Uttar Pradesh Uttarakhand, PTC News, Bansal News MPCG, ETV Rajasthan, OTV, ETV Bihar Jharkhand, etc. are other competitors for the regional channels of the Company.

Further, the Indian newspaper industry is intensely competitive and the Company faces competition from other newspapers for circulation, readership and advertising, which depend on amongst other things on the cover price, quality of editorial content and circulation of newspapers.

Social Initiatives

The Company's campaign 'My Earth My Duty' is an attempt to highlight the environment cause in the country. This initiative won accolades from the United Nations for planting thousands of trees in a single day. It has been recognized by Limca Book of Records for being the only campaign to make India Greener by planting over 50 Lakhs saplings in one (1) day and for making people to take action to adverse climate change. This CSR initiative has also won many coveted awards like Rashtriya Rajiv Gandhi, BCS Ratna Award and Lions Club Award for being the best CSR campaign.

The Company had made it a point to make the people aware about their democratic right to vote by one of the India's largest voter awareness initiative 'Apka Vote Aapki Taqat'. This initiative was supported by The Election Commission of India and has won the National Award from the Election Commission to increase electoral participation and strengthen Indian democracy. It has also been recognized by Limca Book of Records for the best CSR campaign.

The Company, in association with Marrow Donor Registry of India (MDRI) launched a new initiative 'Gift a Life' which was designed to help India in becoming healthier. The awareness initiative aimed to save lives of people suffering from blood disorders and increase the registration count of stem cell donor's manifold. The Company's 'Gift A Life' initiative has created awareness about bone marrow transplant; increasing the voluntary donors database and inviting financial support for MDRI to conduct HLA (Human Leukocyte Antigen) testing.

Information Technology/ Technology

The Company has studio infrastructure across the country. The studios are present in major cities from where the Company operates its channels *viz.* Noida, Mumbai, Kolkata, Jaipur, Bhopal, Patna, Bhubaneshwar, etc. These studios are linked so as to enable the anchors and experts to interact to assess and analyze relevant news of the day. News gathering is enabled through over 200 high end studio cameras and over 425 Electronic News Gathering (ENG) cameras.

To ensure that the viewers receive live updates on key happenings, the Company has 26 Outdoor Broadcast (OB) Vans and 34 Live U/Dijero units. OB vans enable high quality streaming of any event, including press conferences, interviews, major events, etc. Live U/Dijero units are 3G SIM based units which capture and transmit to the studios the news events as they happen and can be operated by a single person. These units are especially helpful in quick response coverage related to sudden news worthy happenings. The Company also has a non-linear editing facilities which can create news packages in quick time.

Human Resource

As of September 30, 2014, the Company had 1,549 full-time employees and 45 consultants in the Company which can be further classified into the following functional lines:

Department	Number
Senior Management	15
Reporters / Producers / News Readers	915
Sales and Marketing	162
Finance, Human Resources, Administration and Back-office	88
Technical	369
Total	**1,549**

The employees of the Company are not currently unionized. The Company believes that it has maintained considerable relations with its employees.

Insurance

The Company generally maintains insurance covering its assets and operations at levels that it believes to be appropriate. The Company has availed special contingency policy (*cameras*), compact policy which includes business furniture, furnishings, safes, office machinery, fixtures and fittings, other contents, portable computers, money in office, wages and salary, dishonesty of employees, office stationery etc., insurance for OB van equipment, etc. of the Company. The Company has also availed term life insurance policy for its employees, mediclaim policy for its employees (*hospitalization benefit policy*) of the Company. The Company has also availed Directors and Officers Liability Insurance.

Immovable Properties of the Company

The Company has various offices/ Bureaus including guest houses across India which are taken by the Company on rental basis. The details of the main facilities taken on lease by the Company are set out below:

Place and Description of Property	Vendor/ Lessor/Licensor	Date and Instrument/Document executed	Term of the Lease & Area
Registered office of the Company			
Continental Building, 135, Dr. Annie Besant Road, Worli Mumbai 400 018, India.	The Company does not have any formal arrangement for occupancy of the premises where the registered office of the Company is situated.		
Corporate office of the Company			
Essel Studio, FC-19, Sector 16A, Noida 201301, Uttar Pradesh, India.	Zee Entertainment Enterprises Limited	Leave and License Agreement dated May 8, 2014 [FC-9]	Three (3) years from April 1, 2014 18,202 Sq. Ft.
		Right to Use Agreement dated April 1, 2011 Letter of Addendum dated November 7, 2014 to aforementioned Agreement (for renewal of the term) [FC-19]	Three (3) years from April 1, 2011 Extended for five (5) months till December 31, 2014 20,960 Sq. Ft.

Place and Description of Property	Vendor/ Lessor/Licensor	Date and Instrument/Document executed	Term of the Lease & Area
		Right to Use Agreement dated April 1, 2011 Letter of Addendum dated November 7, 2014 to aforementioned Agreement (for renewal of the term) [FC-20]	Three (3) years from April 1, 2011 Extended for five (5) months till December 31, 2014 25,050 Sq. Ft.

Intellectual Property Rights

The Company had made 380 applications under various classes with the Trade Mark Registry which are mostly related to the logos of its channels *viz.* '*Zee News*'; '*Zee Business*'; '*Zee Uttar Pradesh*' etc. and certain titles of its programmes *viz.* '*Bada Sawaal*'; '*Aapka Vote Aapki Taquat*'; etc. As on the date of this Draft Letter of Offer, out of the above applications made by the Company, 110 trade marks have been registered with the Trade Mark Registry, whereas 270 are in the process of registration.

The Company further owns the copyrights over the content and programmes produced by it for telecast on its channels.

KEY REGULATIONS AND POLICIES

The following description is a summary of the relevant regulations and policies as prescribed by the Government of India. The regulations set below are not exhaustive, and is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional legal advice. The Company sets forth below are certain significant legislations and regulations which generally govern the television and broadcast industry in India:

Legislations related to the Media and Broadcasting industry:

1. **The Cable Television Networks (Regulation) Act, 1995**

The principal purpose of the Cable Television Networks (Regulation) Act, 1995 ("***Cable Telvision Act***") was to introduce regulatory certainty to the cable market that had emerged in the early 1990s. The statement of objects and reasons declared that cable TV constituted a 'cultural invasion' as cable programmes were predominantly western and alien to Indian culture and way of life. It declared that the lack of regulation had resulted in undesirable programmes and advertisements being shown to Indian viewers without any censorship.

The Cable Television Act was enacted for the purpose of regulating the operations of cable television networks in the country so as to bring uniformity in their operations, avoid undesirable programmes from being made available to the viewers as well as to enable the optimal exploitation of the technology which had the potential of making available to the subscribers a vast pool of information and entertainment.

2. **The Standard of Quality of Service (Duration of Advertisement in Television Channels) Regulations, 2013**

The Standard of Quality of Service (Duration of Advertisements in Television Channels) (Amendment) Regulations, 2013 mandates the broadcasters to restrict the duration of advertisements and promotions in their channels to a maximum of 12 minutes in any given clock-hour as prescribed in the existing rules. In order to monitor and ensure compliance of these regulations, broadcasters are now also mandated to report the duration of advertisements carried in their channels to the Authority on quarterly basis in a proforma prescribed by the authority.

3. **The Cable Television Network (Regulation) Amendment Act, 2011**

The Telecom Regulatory Authority of India (TRAI), in its recommendations dated the August 5, 2010 on "Implementation of Digital Addressable Cable Systems in India" had, *inter alia*, recommended that "digitalization with addressability be implemented on priority in cable TV services in Non-CAS areas" and, accordingly, recommended a time-frame comprising four phases for switch over from analog system to the digital addressable system (DAS) in the cable TV sector. In view of the above-mentioned recommendations of the TRAI, the Central Government decided to introduce digitalization with addressability in the cable TV services in a phased time bound manner on a pan India basis, leading to complete switch off of analog TV services by the December 31, 2014.

4. **Press Council Act, 1978**

The Press Council Act, 1978 ("***Press Council Act***") was enacted to establish a Press council for the purpose of preserving the freedom of the Press and for maintaining the standards of newspaper and news agencies in India. The Press Council Act established the Press Council of India which is a body corporate having perpetual succession, with effect from 1st March 1979. The Press Council of India is empowered to make observations in respect of conduct of any authority including Government, if considered necessary for performance of its functions under the Press Council Act. The Council can warn, admonish or censure the newspaper, the news agency, the editor or the journalist or disapprove the conduct of the editor or the journalist if it finds that a newspaper or a news agency has not complied with the standards of journalistic ethics or public taste or that an editor or a working journalist has committed any professional misconduct.

5. **The Telecom Regulatory Authority of India Act, 1997, as amended**

The TRAI Act established the Telecom Regulatory Authority of India ("***TRAI***") and the Telecom Disputes Settlement and Appellate Tribunal ("***TDSAT***"). TRAI is the regulatory body for telecommunication services in India and TDSAT is a special court to adjudicate disputes relating to telecommunications and related services and to act as the appellate authority in respect of any directions, decisions and orders of TRAI.

Pursuant to a notification No. 39, dated January 9, 2004 issued by the Ministry of Communications and Information Technology ("***MCIT***"), GoI, the television industry was brought under the ambit of TRAI by classifying "broadcasting and cable services" as telecommunications services. Under the TRAI Act, TRAI is empowered to make recommendations to the Central Government to issue licenses in connection with matters regarding timing for introduction of new service provider, and also the terms and conditions of license to a service provider. TRAI can also recommend revocation of license, and also monitors the quality of service, inspect the equipment used in the network and recommend the type of equipment to be used by the service providers.

6. **Policy Guidelines for Uplinking of Television Channels from India, 2011**

Ministry of Information and Broadcasting, Government of India notified the "Guidelines for Uplinking from India" in July 2000. This was followed by "Guidelines for Uplinking of News and Current Affairs TV Channels from India" in March 2003, which were amended in August 2003. Further followed by "Guidelines for use of SNG/DSNGs" in May 2003 and addendum dated April 1, 2005 to the Uplinking guidelines. The Government has, on October 20, 2005, further amended these Guidelines, which came into effect from December 2, 2005. Some amendments to these Guidelines have also come into operation as a result of enactment of the Sports Broadcasting Signals (Mandatory Sharing with Prasar Bharati) Act, 2007 and the rules and notifications there under. Some amendments were also needed in the provisions relating to the determination of the foreign investment in the applicant/permission holder company to bring them in line with the extant FDI Policy of the Government. Accordingly, in supersession of all previous guidelines, the Government had notified the Uplinking Guidelines which came into effect from today the December 5, 2011.

7. **Policy Guidelines for Downlinking of Television Channels, 2011**

Ministry of Information and Broadcasting, Government of India, has formulated policy guidelines for downlinking all satellite television channels downlinked / received / transmitted and re-transmitted in India for public viewing. Consequently, no person/entity shall downlink a channel, which has not been registered by the Ministry of Information and Broadcasting under these guidelines. These Guidelines envisage two kinds of permissions. The first kind of permission is required to be obtained by an Indian Company which wants to enter into the business of downlinking one or more foreign satellite Television Channels. The second kind of permission is for allowing the downlinking of the satellite Television Channel and registering it in the list of channels permitted for downlinking in India. A foreign Television Channel can thus seek permission for registration under Downlinking Guidelines for being viewed in India by entering into agreement with an Indian Company fulfilling the eligibility criteria prescribed hereunder. The companies which have been granted permission under the Uplinking Guidelines for uplinking Television Channels from India will automatically stand permitted for seeking permission for registration of channels for Downlinking in India. A channel which is permitted to uplink from India and caters to foreign audience only is not required to seek registration under the Downlinking Guidelines. All the entities providing Television Satellite Broadcasting Services (Television Channels) uplinked from other countries to viewers in India as well as any entity desirous of providing such a Television Satellite Broadcasting Service (Television Channel), receivable in India for public viewership, shall be required to obtain permission from Ministry of Information and Broadcasting, in accordance with the terms and conditions prescribed under these guidelines.

8. **Permission for the use of Satellite News Gathering Technology under the Uplinking Guidelines**

The use of satellite news gathering ("***SNG***") and digital satellite news gathering ("***DSNG***") equipment is restricted to certain types of users, the users of these equipments have to apply to the MIB and obtain

permission. Press Information Bureau ("***PIB***") accredited content providers, are permitted to use SNG/DSNG for collection/ transmission of news/footage. These channels are permitted to use the technology to gather live news or footage and for point to point transmission, entertainment channels uplinking from their own teleport are permitted to use SNG/DSNG for their approved channels, and for transfer of video feeds to the permitted teleport.

All foreign channels, permitted entertainment channels uplinked from India and entities permitted to use SNG and/or DSNG equipment are required to seek temporary uplinking permission for any live coverage/footage collection and transmission. Uplinking is to be carried out only in the encrypted mode, so as to be receivable only in closed user group and signals are down linked only at the permitted teleport of the licensee and uplinked for broadcasting through permitted satellite only through such teleports. Content collected through SNG and DSNG technology is required to conform to Programme and Advertisement Codes. Such companies are required to inform the MIB about placement of the terminals. The company would be required to take permission from the Wireless Planning and Co-ordination ("***WPC***"), unit of MIB, for the use of SNG and/or DSNG technology and for frequency authorization. The MIB can impose penalties for violations of the Uplinking Guidelines like suspension of the corresponding uplinking licenses for various periods of time, and / or prohibitions on broadcasting material during the permission period.

9. **The Telecommunication (Broadcasting and Cable Services) Interconnection Regulation, 2004, as amended**

TRAI promulgated the The Telecommunication (Broadcasting and Cable Services) Interconnection Regulation, 2004, as amended (the "***Interconnection Regulation***") effective from December 10, 2004, which covers arrangements among service providers for revenue sharing. An owner of a television channel or its designated distributor in India is not permitted to engage in any practice or enter into any understanding, including an exclusive contract, with any distributor of television channels that would prevent any other distributor from obtaining television channels for distribution. Every channel owner is required, upon request, to provide signals of its television channels to all distributors, including LCOs and MSOs. MSOs are also required, upon request, to re-transmit signals received from a channel owner on a non-discriminatory basis to LCOs. A person aggrieved by any discriminatory action is required to report such action to the concerned channel owner (or its designated distributor in India) or MSO, who must respond within a reasonable period of time, which shall not exceed 30 days. Prior to disconnecting a television channel signal, a channel owner or MSO is required to give three weeks notice indicating the reasons for the proposed action. The Interconnection Regulations were amended in August 2006 (the "***Interconnection Regulation Amendment***") pursuant to which all channel owners or their designated distributors in India, MSOs and LCOs are required to mutually negotiate and finalise affiliation agreements in respect of CAS Notified Areas. The Interconnection Regulation Amendment also provides that any broadcaster of a Free-To-Air ("***FTA***") channel that intends to convert its channel to a pay channel, or vice-versa, must inform TRAI and give notice to the public one month before the scheduled conversion date. It is mandatory on the for broadcasters to offer pay channels on *a-la-carte* basis to DTH operators and such offering of channels on *a-la-carte* basis shall not prevent the broadcaster from offering such pay channels additionally in the form of bouquets.

10. **Tariff Order**

TRAI has on August 31, 2006, issued a notification providing *inter alia*, for tariff ceiling for "basic service tier", tariff for supply of set-top boxes and ceiling of maximum retail prices for pay channels in respect of CAS notified areas in Delhi, Mumbai, Kolkata and Chennai (the "***Tariff Order***"). The Tariff Order for pay channels provides that all pay channels are to be offered compulsorily on *a-la-carte* basis and bouquets can be offered with discounts in addition to the *a-la-carte* offer.

11. **Constitution of District Monitoring Committee and State Level Monitoring Committee**

The MIB, by way of its order dated February 19, 2008, has constituted District Monitoring Committees and State Level Monitoring Committees. The District Monitoring Committee provides for, among other functions, a forum where any member of the public can lodge a complaint regarding content aired over cable television and take action on the same as per the prescribed procedure. The functions of the State Level Monitoring Committee include the recommending action and forward complaints against

satellite channels (national channels) to the MIB through the Chief Secretary of the State in cases of violation of GoI's orders on the Programme and Advertising Codes.

12. **The Indian Wireless Telegraphy Act, 1933**

Under the Indian Wireless Telegraphy Act, 1933 (the "***Wireless Act***"), no person is permitted to possess wireless telegraphy apparatus without obtaining a license. Any person held in possession of a wireless telegraphy apparatus, other than a wireless transmitter, without a license is liable to be punished under the Wireless Act.

13. **The Advertising Standards Council of India**

The Advertising Standards Council of India (ASCI), established in 1985, is a self-regulatory organization for advertising content, ensuring the protection of the interests of consumers. ASCI was formed with the support of all four sectors connected with Advertising, viz. Advertisers, Advertising Agencies, Media (including Broadcasters and the Press) and others like PR Agencies, Market Research Companies etc. In 2007, the Government of India amended the Cable TV Network Rules Advertising Code by which ads which violates ASCI code cannot be permitted on TV. Further any consumer who now feels that a particular advertisement is in bad taste or is false in its claims can make a complaint of it in the council based on its code of Advertising Practice ("ASCI Code").

14. **The Food Safety and Standards Authority of India**

The Food Safety and Standards Authority of India (FSSAI) has been established under Food Safety and Standards Act, 2006 which consolidates various acts & orders that have hitherto handled food related issues in various Ministries and Departments. FSSAI has been created for laying down science based standards for articles of food, to regulate their manufacture, storage, distribution, sale and import, to provide scientific advice and technical support to Central Government and State Governments in the matters of framing food safety related policy and rules as well as to contribute to the development of international technical standards for food, sanitary and phyto-sanitary standards and to collect data and ensure availability of safe and wholesome food for human consumption inter alia promoting general awareness about food safety and food standards.

15. **The News Braodcasters Association**

The News Broadcasters Association (NBA) represents the private television news & current affairs broadcasters. It is the collective voice of the news & current affairs broadcasters in India .It is an organization funded entirely by its members. The NBA has presently 26 leading news and current affairs broadcasters (*comprising 59 news and current affairs channels*) as its members. The NBA presents a unified and credible voice before the Government, on matters that affect the growing industry. The main objectives of NBA is to (i) to promote, aid, help, encourage, develop, protect and secure the interests of the News Broadcasters in the Indian television Industry and other related entities; (ii) to promote awareness about the latest developments in the television industry relating to News Broadcasting and to disseminate knowledge amongst its members and the general public regarding such developments; (iii) to provide for the members a place of meeting so as to enable them to work in consensus to achieve common goals for the overall betterment of their industry and to have a common platform/forum at which they may air their grievances and arrive at solutions; (iv) to promote the growth of friendly relations amongst the members and amongst persons engaged in the production and broadcasting of the television software and especially to encourage co-operation among the members so as to maximize mutual benefits; (v) to protect all its members from persons or entities who carry on unfair and/or unethical practices or who discredit the television industry; (vi) to ensure that no objects of the Company will be carried out without obtaining prior approval/ NOC from the concerned authority, wherever required; (vii) none of the main objects shall be carried out on commercial basis.

16. **Newspaper Industry Regulations**

Every person publishing, or intending to publish, a newspaper or a periodical, in India has to be registered under Press and Registration of Books Act, 1867. The authority under the Press and Registration of Books Act, 1867 is the Office of the RNI, which performs the functions of issue of

certificate of registration to newspapers, compilation and maintenance of a register of newspapers containing particulars about all the newspapers published in India and certain other functions as specified below. The chief objective of the RNI is to regulate the newspaper industry and ensure compliance with the provisions of the Press and Registration of Books Act, 1867.

17. **Registration of Newspapers**

The Registration of Newspapers (Central) Rules, 1956 stipulates certain conditions in relation to the newspapers registered under Press and Registration of Books Act, 1867. The authority under the Registration of Newspapers (Central) Rules, 1956 is the Press Registrar who seeks to ensure the governance of the working of the newspapers. Newspapers are obliged to furnish annual statements to the Press Registrar. Further, the publisher of a newspaper is also required to publish in every issue of his newspaper the retail-selling price of each copy and in case of any change, the same has to be intimated to the Press Registrar within 48 hours. Every copy of every newspaper is also required to print legibly on it the names of the printer, publisher, owner and editor and the place of its printing and publication.

18. **Press Accreditation Regulations**

The Central Press Accreditation Rules, 1985 deal with the grant of accreditation to the representatives of news media organizations with the Government of India. Certain eligibility criteria for grant of accreditation to various categories viz., news agencies, cameraman or journalists, etc. as well as the procedure for grant of accreditation, occasions when accreditation could be suspended or withdrawn and the mechanism for review of accreditation have been provided for under the Central Press Accreditation Rules, 1985. Accreditation is granted only to those media representatives who reside within a radius of 25 kilometers from Delhi/ New Delhi.

19. **Working Journalists and Other Newspaper Employees (Conditions of Service) and Miscellaneous Provisions Act, 1955**

The Working Journalists and Other Newspaper Employees (Conditions of Service) and Miscellaneous Provisions Act, 1955 regulates the conditions of service of working journalists, nonjournalists newspaper and news-agency employees. The Working Journalists and Other Newspaper Employees (Conditions of Service) and Miscellaneous Provisions Act, 1955 also deals with the fixing or revising rates of wages in respect of working journalists. In this regard, the Central Government is empowered to constitute a Wage Board who recommends wages for such working journalists, non-journalists newspaper and news-agency employees. The recommendations of the Wage Board are then forwarded to the States and the Central Government monitors implementation of the same.

Industrial and Labour Laws:

1. **Contract Labour (Regulation and Abolition) Act, 1970**

The Contract Labour (Regulation and Abolition) Act, 1970, as amended (the "***CLRA***"), requires establishments that employ, or have employed on any day in the previous 12 months, 20 or more workmen as contract labour to be registered and prescribes certain obligations with respect to the welfare and health of contract labour. The CLRA requires the principal employer of an establishment to which it applies to make an application to the registering officer in the prescribed manner for registration of the establishment. In the absence of registration, contract labour cannot be employed in the establishment. Likewise, every contractor to whom the CLRA applies is required to obtain a licence and not to undertake or execute any work through contract labour except under and in accordance with the licence issued. To ensure the welfare and health of the contract labour, the CLRA imposes certain obligations on the contractor including the establishment of canteens, rest rooms, drinking water, washing facilities, first aid facilities, other facilities and payment of wages. However, in the event the contractor fails to provide these amenities, the principal employer is under an obligation to provide these facilities within a prescribed time period. Penalties, including both fines and imprisonment, may be imposed for contravention of the provisions of the CLRA.

2. **The Factories Act, 1948**

The Factories Act, 1948 regulates occupational safety, health and welfare of workers of the industries, in which 10 or more workers are employed on any day of the preceding 12 months and are engaged in the manufacturing process being carried out with the aid of power. The ambit of the Factories Act includes provisions as to the approval of factory building plans before construction or extension, investigation of complaints, maintenance of registers and the submission of yearly and half-yearly returns.

3. **Employees State Insurance Act, 1948**

The Employees State Insurance Act, 1948, as amended (the "***ESI Act***") provides for certain benefits to employees in case of sickness, maternity and employment injury. All employees in establishments covered by the ESI Act are required to be insured, with an obligation imposed on the employer to make certain contributions in relation thereto. In addition, the employer is also required to register itself under the ESI Act and maintain prescribed records and registers.

4. **The Payment of Gratuity Act, 1972**

The Payment of Gratuity Act, 1972 was enacted with the objective to regulate the payment of gratuity, to an employee who has rendered for his long and meritorious service, at the time of termination of his services. Gratuity is payable to an employee on the termination of his employment after he has rendered continuous service for not less than five years:

- On his/her superannuation; or
- On his/her retirement or resignation; or
- On his/her death or disablement due to accident or disease (in this case the minimum requirement of five years does not apply).

5. **The Shops and Establishment Act, 1948**

The Shops and Establishment Act, 1948 governs a company in the states where it has offices/godowns. It regulates the conditions of work and employment in shops and commercial establishments and generally prescribes obligations in respect of registration, opening and closing hours, daily and weekly working hours, health and safety measures, and wages for overtime work.

6. **The Payment of Bonus Act, 1965**

The Payment of Bonus Act, 1965 was enacted with the objective of providing of payment of bonus to employees on the basis of profit or on the basis of productivity. This Act ensures that a minimum annual bonus is payable to every employee regardless of whether the employer has made a profit or a loss in the accounting year in which the bonus is payable. Every employer is bound to pay to every employee, in respect of the accounting year, a minimum bonus which is 8.33% of the salary or wage earned by the employee during the accounting year or `100, whichever is higher.

7. **Employees' Provident Funds and Miscellaneous Provisions Act, 1952**

Employees' Provident Funds and Miscellaneous Provisions Act, 1952 was introduced with the object to institute provident fund for the benefit of employees in factories and other establishments. It empowers the Central Government to frame the "Employee's Provident Fund Scheme", "Employee's Deposit linked Insurance Scheme' and the "Employees' Family Pension Scheme" for the establishment of provident funds under the EPFA for the employees. It also prescribes that contributions to the provident fund are to be made by the employer and the employee.

Intellectual Property Laws:

1. **Trade Marks Act, 1999**

The Indian law on trademark is enshrined in the Trade Marks Act of 1999. Under the existing Act, a trademark is a mark used in relation to goods and/or services so as to indicate a connection between the goods or services being provided and the proprietor or user of the mark. A 'Mark' may consist of a word or invented word, signature, device, letter, numeral, brand, heading, label, name written in a particular style, the shape of goods other than those for which a mark is proposed to be used, or any combination thereof or a combination of colours and so forth. The trademark once it is applied for is advertised in the trademarks journal, oppositions, if any, are invited and after satisfactory adjudication of the same, is given a certificate of registration. The right to use a mark can be exercised either by the registered proprietor or a registered user. The present term of registration of a trademark is ten years, which may be renewed for similar periods on payment of prescribed renewal fees.

Foreign Investment Regime:

1. Foreign investment in India is governed primarily by the GoI under the provisions of the Foreign Exchange Management Act ("***FEMA***").Under the Industrial Policy of the GoI, FDI is restricted in the following activities in the broadcasting and print sector:

Broadcast

Activity	FDI Limits
Uplinking a news and current affairs television channel	26%, including FII investments, with prior approval from FIPB
Uplinking a non-news or current affairs television channel	100%, with prior appval of FIPB

GoI permits foreign shareholding only up to 26% (*including FIIs*) of the paid-up equity capital in the news and current affairs television broadcasting company subject to, the prior approval from FIPB and guidelines issued by the Ministry of Information and Broadcasting.

Print

Activity	FDI Limits	Entry Route
Publishing of Newspaper and periodicals dealing with news and current Affairs	26% (FDI and investment by NRIs/ PIOs/ FII)	Government
Publication of Indian editions of foreign magazines dealing with news and current affaris	26% (FDI and investment by NRIs/ PIOs/ FII)	Government

HISTORY AND CERTAIN CORPORATE MATTERS

History and Background

The Company was incorporated as a public limited company under the Companies Act, 1956 in the name of Zee Sports Limited at Mumbai vide Certificate of Incorporation dated August 27, 1999 with Registration No. 11-121506 now bearing Corporate Indentification Number (CIN) L92100MH1999PLC121506. The Company was granted the Certificate of Commencement of Business by the Registrar of Companies, Maharashtra at Mumbai ("RoC") on November 19, 1999. The name of the Company was changed to Zee News Limited and Fresh Certificate of Incorporation was issued on May 27, 2004. The name of the Company was further changed to Zee Media Corporation Limited and a Fresh Certificate of Incorporation was issued on July 6, 2013.

Scheme of Arrangement 2006

In the year 2006, pursuant to a Scheme of Arrangement under Sections 391 to 394 read with Sections 78, 100 and other applicable provisions of the Companies Act, 1956 between the Company, Zee Telefilms Limited ("***ZTL***") (*now known as 'Zee Entertainment Enterprises Limited'*), Siti Cable Network Limited ("***Siti Cable***"), Wire & Wireless (India) Limited ("***WWIL***") and their respective shareholders (the "***Scheme***"), ZTL had *inter alia* demerged News business comprising of News and Regional channels ("***News Business Undertaking***") to vest with the Company w.e.f from the appointed date i.e. March 31, 2006.

The News Business Undertaking (*as defined under the Scheme*), vested in the Company as a going concern along with all the assets, liabilities, rights, title and interest of ZTL therein.

Consequent to the Scheme the investments in the equity share capital of the Company held by ZTL stood cancelled and the balance share capital of the Company was reduced to 33%. Pursuant to the Scheme, the Company, on December 29, 2006, allotted 195,956,192 Equity Shares of `1 each to shareholders of ZEEL as on the record date in the ratio of 45.21 fully paid-up Equity Shares of of `1 each of the Company for every 100 equity shares of `1 each held in ZTL.

The Equity Share issued pursuant to the Scheme were listed on BSE, NSE and Calcutta Stock Exchange (CSE) w.e.f January 10, 2007.

Scheme of Arrangement 2010

In the year 2010, pursuant to a Scheme of Arrangement under Sections 391 to 394 and other relevant provisions of the Companies Act, 1956 between the Company and Zee Entertainment Enterprises Limited ("***ZEEL***") and their respective shareholders and creditors, the Regional General Entertainment Channel Business Undertaking of the Company comprising of six (6) television channels namely 'Zee Marathi'; 'Zee Talkies'; 'Zee Bangla'; 'Zee Telugu'; 'Zee Kannada'; and 'Zee Cinemalu', along with the assets of 'Zee Gujarati', a discontinued channel ("***Regional General Entertainment Channel Business Undertaking***"), was transferred and vested in ZEEL as a going concern, with effect from January 1, 2010 (the "***Appointed Date***").

Pursuant to the Scheme and with effect from the Appointed Date, the whole of the undertaking, assets, properties and liabilities of the Regional General Entertainment Channel Business Undertaking (*as defined under the Scheme*), was transferred to and vested in ZEEL along with all the rights, title and interest pertaining to the Regional General Entertainment Channel Business Undertaking.

In consideration of the transfer of the the Regional General Entertainment Channel Business Undertaking from the Company, ZEEL under the Scheme issued and allotted to the shareholders of the Company, 4 fully paid-up equity shares of `1 each of ZEEL for every 19 Equity Shares of the Company held by the shareholders of the Company.

The aforementioned Scheme was sanctioned by the Hon'ble High Court of Bombay by way of its order dated March 19, 2010 which became effective from March 29, 2010.

Scheme of Amalgamation 2014

Further, in the year 2014, pursuant to a Scheme of Amalgamation of Essel Publishers Private Limited ("***Essel Publishers***") with the Company and their respective shareholders and creditors under Sections 391 to 394 and other relevant provisions of the Companies Act, 1956, Essel Publishers amalgamated with the Company w.e.f. from the appointed date i.e. April 1, 2014. Consequent to such amalgamation, the investment of Essel Publishers held in printing and publication business of its subsidiary(ies) *viz*, Mediavest India Private Limited; Pri-Media Services Private Limited; Diligent Media Corporation Limited was vested in the Company.

In consideration of the above, the Company issued and allotted to the shareholders of Essel Publishers, 2 fully paid-up equity shares of `1 each of the Company for every 11 Equity Shares of `1 each held in Essel Publishers.

Further, upon the sanction of the Scheme, the authorised share capital of the Company was automatically increased (*combination of authorised share capital of Essel Publishers and the Company*) to `1,700,000,000 divided into 1,700,000,000 Equity Shares of `1 each.

The aforementioned Scheme was sanctioned by the Hon'ble High Court of Bombay by way of its order dated May 2, 2014 which became effective from May 27, 2014.

Changes in registered office of the Company since incorporation

There are no changes in registered office of the Company since its incorporation.

Key Milestones

Year	Key Milestones
1999	Incorporation of the Company as a public company with the name of 'Zee Sports Limited'.
2004	▪ Change of name of the Company from 'Zee Sports Limited' to 'Zee News Limited' ▪ Launch of 'Zee Business' television channel
2006	▪ Transfer of News Business Undertaking pursuant to the Scheme of Arrangement between the Company with Zee Entertainment Enterprises Limited (ZEEL), Siti Cable Network Limited, Wire and Wireless (India) Limited and their respective shareholders and creditors, as approved by the Bombay High Court, by its order dated November 17, 2006. ▪ Launch of '24 Ghanta' television channel through a JV subsidiary Zee Akaash
2007	Listing of the Equity Shares of the Company on the BSE Limited; National Stock Exchange of India Limited; and Calcutta Stock Exchange Limited (*delisted w.e.f. March 31, 2009*).
2009	Launch of Telugu News channel, Zee 24 Gantalu and 24 hours UP News channel, Zee News Uttar Pradesh.
2010	Transfer of the Regional General Entertainment Channel Business undertakings, comprising of six (6) general entertainment television channels namely 'Zee Marathi'; 'Zee Talkies'; 'Zee Bangla'; 'Zee Telugu'; 'Zee Kannada'; and 'Zee Cinemalu', along with the assets of 'Zee Gujarati', a discontinued channel as a going concern from the Company to ZEEL pursuant to a Scheme of Arrangement under Sections 391 to 394 and other relevant provisions of the Companies Act, 1956 by and between the Company, ZEEL and their respective shareholders and creditors.
2013	▪ Change in the name of the Company from 'Zee News Limited' to 'Zee Media Corporation Limited'; ▪ Launch of news channels *viz.* 'Zee Madhya Pradesh Chattisgarh'; 'Zee Marudhara' and 'Zee Kalinga'.
2014	Combination of News Publication Business of Diligent Media Corporation Limited and Pri Media Services Private Limited with News Broadcasting business of the Company pursuant to the Scheme of Amalgamation of Essel Publishers Private Limited, their holding company with the Company and their respective shareholders and creditors.

Main Objects

The Main Objects of the Company as contained in its Memorandum of Association are:

1. To buy, sell, procure, commission, advise individuals, firms, companies, corporations and others anywhere in the world to organise, sponsor sport events, educational programs, films and entertainment software (programmes) for their exhibition, distribution and dissemination on TV or radio, be it satellite T.V. or radio channels or terrestrial TV channels or cable channels or through DTH or through Pay channels using existing and/or emerging technologies, including distribution via Internet, or webcasting or exhibition in cinema and/or video theatres in all forms, be it as analogue signals or digital signals or through sale of physical materials like cassettes including audio cassettes, video cassettes, digital video discs, CD ROM's etc as also sale of tickets/sponsorship of all events or programmes organized.

2. To buy, sell, procure, commission, films, entertainment, information, News, current affairs, software(Programme) for their exhibition, distribution and dissemination on TV channels, be it satellite TV or terrestrial TV channels or channels or cable channels or through DTH or through Pay channels using existing and/or emerging technologies, including distribution via Internet, or webcasting or exhibition in camera and/or video theatres in all forms, be it as analogue signals or digital signals or through sale of physical materials like cassettes including audio cassettes, video cassettes, digital video discs, CD ROM's etc as also sale of tickets/sponsorship of all events or programmes organized.

   The business relating to broadcasting and uplinking of News and Current affairs contents shall be in compliance with the rules, regulations and guidelines issued by Ministry of Information and Broadcasting, Government of India (MIB) as amended from time to time.

Amendments to the Memorandum of Association of the Company

Since the incorporation of the Company, the following changes have been made to the Memorandum of Association:

No.	Date of Amendment / Shareholders Resolution/ Court Order	Amendement
1.	February 27, 2004	*Clause III (A) 2. of the Memorandum of Association was inserted:* "2. To buy, sell, procure, commission films, entertainment, information, News, current affairs, software (Programme) for their exhibition, distribution and dissemination on TV channels, be it satellite TV channels or terrestrial TV channels or channels or cable channels or through DTH or through Pay channels using existing and/or emerging technologies, including distribution via Internet or webcasting or exhibition in cinema or video theatres in all forms, be it as analogue signals or digital signals or through sale of physical material like cassettes including audio cassettes, video cassettes, digital video discs, CD ROM's as also sale of tickets/sponsorship of all events or programmes organized."
2.	April 15, 2004	The name of the Company was changed from 'Zee Sports Limited' to Zee News Limited
3.	October 14, 2004	*The following was added to Clause III (A) 2. of the Memorandum of Association:* "The business relating to broadcasting and uplinking of News and Current affairs contents shall be in compliance with the rules, regulations and guidelines issued by Ministry of Information and Broadcasting, Government of India (MIB) as amended from time to time"
4.	July 26, 2005	Increase in Authorised Share Capital from `20,000,000 comprising of 20,00,000 Equity Shares of `10 each to `200,000,000 comprising of 20,000,000 Equity Shares of `10 each.
5.	*The Company had sub-divided the face value of Equity Shares from `10 to `1 by way of a Shareholders resolution dated July 25, 2006. The Authorized Share Capital on sub-division of the face value then comprised of `200,000,000 comprising of 200,000,000 Equity Shares of `1 each.*	
6.	July 25, 2006	Increase in Authorised Share Capital from `200,000,000 comprising of

No.	Date of Amendment / Shareholders Resolution/ Court Order	Amendement
		200,000,000 Equity Shares of `1 each to `300,000,000 comprising of 290,000,000 Equity Shares of `1 each and 10,000,000 Preference Shares of `1 each
7.	July 23, 2008	Increase in Authorised Share Capital from `30,00,00,000 comprising of 29,00,00,000 Equity Shares of `1 each and 1,00,00,000 Preference Shares of `1 each to `500,000,000 comprising of 490,000,000 Equity Shares of `1 each and 10,000,000 Preference Shares of `1 each.
8.	August 31, 2010	Increase in Authorised Share Capital from `500,000,000 comprising of 490,000,000 Equity Shares of `1 each and 10,000,000 Preference Shares of `1 each to `1,000,000,000 comprising of 1,000,000,000 Equity Shares of `1 each.
9.	May 2, 2014 (*Consequent upon amalgamation of Essel Publishers Private Limited with the Company – combination of the authorised share capital*)	Increase in Authorised Share Capital from `1,000,000,000 comprising of 1,000,000,000 Equity Shares of `1 each to `1,700,000,000 comprising of 1,700,000,000 Equity Shares of `1 each.

Time and Cost Overrun

Considering the nature of business activities, the Company has not experienced any time or cost overrun in the past.

Strikes or Labour Unrest

The Company has not lost any time on account of strikes or labour unrest as on the date of this Draft Letter of Offer.

Defaults or Rescheduling of Borrowings with Financial Institutions/ Banks

There are no defaults or rescheduling of borrowings with financial institutions/ banks, conversion of loans into equity in relation to the Company.

Injunction or restraining order

The Company is not operating under any injunction or restraining order.

Capital raising (Debt / Equity)

Except as set out in the sections titled "Capital Structure" and "Financial Indebtedness" beginning on pages 58 and 400 respectively of this Draft Letter of Offer, the Company has not raised any capital in the form of Equity Shares or debentures.

Changes in the activities of the Company during the last five (5) years

There have been no changes in the activity of the Company during the last five (5) years preceding the date of this Draft Letter of Offer, which may have had a material effect on the profits or loss, including discontinuance of the lines of business, loss of agencies or markets and similar factors of the Company.

Revaluation of Assets

The Company has not revalued its assets till date.

Shareholders of the Company

As on September 30, 2014, the Company had 102,129 shareholders. For further details in relation to the current shareholding pattern, please refer to section titled "Capital Structure" beginning on page 58 of this Draft Letter of Offer.

Awards and Accreditations

No.	Issuing Authority	Nature of Certification	Date of issuing Certificate
1.	Edition of News Broadcasting Awards (ENBA) 2013	Best Spot News Reporting (Hindi), Zee News 'Maut Ke Shivir Mein Ek Raat – Amit Prakash'	January 18, 2014
		Best Public Service Campaign for a Brand by a News Channel (Hindi)	
2.	Commodity Participants Association of India	Emerging Electronic Media, Best Commodity Channel (Zee Business)	June 14, 2014
3.	Election Commission of India	National Media Award for campaign on Voters Education & Awareness 'Aapka Vote Appki Taaqat'	January 25, 2013
4.	Limca Books of Records	National Record 2012 for 'Aapka Vote Aapki Taaqat', a voter awareness campaign launched by 'Zee News' during the West Bengal Assembly Elections 2011	--

Holding Company

The Company does not have a holding company.

Subsidiaries of the Company

As on the date of this Draft Letter of Offer, the Company has five (5) subsidiaries, *viz*. i) Zee Akaash News Private Limited; ii) Diligent Media Corporation Limited; iii) Pri Media Services Private Limited; iv) Mediavest India Private Limited; and v) Maurya TV Private Limited.

1. **Zee Akaash News Private Limited** ("***Zee Akaash***")

Corporate Information

Zee Akaash was incorporated under the Companies Act, 1956 on October 28, 2005 bearing registration No. 157148. The Corporate Identification Number of Zee Akaash is U92132MH2005PTC157148.

Zee Akaash is currently engaged in the business of broadcasting of a Bengali News & Current Affairs Television Channel '24 Ghanta'. The registered office of Zee Akaash is situated at Continental Building, 135, Dr. Annie Besant Road, Worli, Mumbai 400 018, India.

Board of Directors as on the date of this Draft Letter of Offer

Name of the Director	Designation
Mr. Dinesh Garg	Director
Mr. Avik Dutta	Director
Dr. Bhaskar Das	Director

Shareholding Pattern as on the date of this Draft Letter of Offer

(*Face value of ` 10 each*)

Particulars	No. of equity shares	Percentage (%)
Zee Media Corporation Limited	23,99,982	60
Sky B (Bangla) Private Limited	15,99,988	40
Zee Media Corporation Limited Jointly with Mr. Dinesh Kumar Garg	5	Neglible
Zee Media Corporation Limited Jointly with Mr. Pushpal Sanghavi	5	Neglible
Zee Media Corporation Limited Jointly with Mr. Alok Agarwal	5	Neglible
Zee Media Corporation Limited Jointly with Mr. M. Lakshminarayanan	5	Neglible
Mr. Avik Dutta	5	Neglible
Mr. Arun Agarwal	5	Neglible
Total	**40,00,000**	**100**

Financial Performance

The financial performance for the last three (3) financial years is given below:

(` *in Millions except for per share data*)

Particulars	March 31, 2014	March 31, 2013	March 31, 2012
Equity Capital	40.00	40.00	40.00
Reserves and Surplus (excluding revaluation reserves)	251.59	262.06	275.03
Total revenue	325.21	389.84	361.94
Profit (Loss) after Tax	59.73	80.01	89.11
Earnings per Share (in `) – Basic & Diluted	15.00	20.00	22.00
Net Asset Value per equity share (in `) (Face value)	72.90	75.51	78.76

2. **Diligent Media Corporation Limited** ("***Diligent Media***")

Corporate Information

Diligent Media was incorporated under the Companies Act, 1956 on February 17, 2005 bearing registration No. 151377. The Corporate Identification Number of Diligent Media is U22120MH2005PLC151377.

Diligent Media is currently engaged in the business of publication and distribution of an English Daily (DNA) in Mumbai. The registered office of Diligent Media is situated at 11th Floor, Tower-3, India Bulls Finance Centre, Senapati Bapat Marg, Elphinstone (West), Mumbai 400 013, India.

Board of Directors as on the date of this Draft Letter of Offer

Name of the Director	Designation
Mr. Amit Goenka	Director
Mr. Himanshu Mody	Director
Mr. Mukund Galgali	Director
Ms. Uma Mandavgane	Non-Executive & Independent Director

Shareholding Pattern as on the date of this Draft Letter of Offer

(*Face value of ` 10 each*)

Particulars	No. of equity shares	Percentage (%)
Mediavest India Private Limited	8,90,95,312	100

Particulars	No. of equity shares	Percentage (%)
Mediavest India Private Limited Jointly with Mr. Punit Goenka	10	Negligible
Mediavest India Private Limited Jointly with Mr. Himanshu Mody	10	Negligible
Mediavest India Private Limited Jointly with Mr. Dinesh Kanodia	5	Negligible
Mediavest India Private Limited Jointly with Mr. Ashok Sanghavi	5	Negligible
Mr. Ramesh Chandra Agarwal	100	Negligible
Bhaskar Infrastrucure Limited	100	Negligible
Total	**8,90,95,542**	**100**

Financial Performance

The financial performance for the last three (3) financial years is given below:

(` *in Millions except for per share data*)

Particulars	March 31, 2014	March 31, 2013	March 31, 2012
Equity Capital	89.09	89.09	89.09
Reserves and Surplus (excluding revaluation reserves)	(3,808.11)	(271.75)	(841.12)
Total revenue	1,294.00	1,599.76	1,550.5
Profit (Loss) after Tax	(957.88)	(1,667.4)	(1,266.1)
Earnings per Share (in `) – Basic & Diluted	(10.75)	(18.71)	(14.25)
Net Asset Value per equity share (in `) (Face value)	(32.74)	(6.95)	(14.49)

Diligent Media became subsidiary of the Company by way a Scheme of Amalgamation 2014 w.e.f appointed date i.e. April 1, 2014.

3. **Pri Media Services Private Limited** ("***Pri Media***")

Corporate Information

Pri Media was incorporated under the Companies Act, 1956 on June 8, 2012 bearing registration No.232006. The Corporate Identification Number of Pri Media is U22222MH2012PTC232006.

Pri Media is currently engaged in the business of printing *inter alia* of DNA newspaper. The registered office of Pri Media is situated at Continental Building, 135, Dr. Annie Besant Road, Worli, Mumbai 400 018, India.

Board of Directors as on the date of this Draft Letter of Offer

Name of the Director	Designation
Mr. A.V Ramachandran	Whole Time Director
Mr. Chetan Sharma	Director
Mr. Naresh Dhoundiyal	Director
Mr. Surjit Banga	Non Executive & Independent Director

Shareholding Pattern as on the date of this Draft Letter of Offer

(*Face value of `10 each*)

Particulars	No. of equity shares of `10 each	Percentage (%)
Zee Media Corporation Limited	9,990	100
Zee Media Corporation Limited Jointly with Mr. Dinesh Kanodia	5	Negligible
Zee Media Corporation Limited Jointly with Mr. Dinesh Kumar Garg	1	Negligible
Zee Media Corporation Limited Jointly with Mr. Pushpal Sanghavi	1	Negligible

Particulars	No. of equity shares of `10 each	Percentage (%)
Zee Media Corporation Limited Jointly with Mr. Naresh Dhoundiyal	1	Negligible
Zee Media Corporation Limited Jointly with Mr. Sudam Rajawade	1	Negligible
Zee Media Corporation Limited Jointly with Mr. Vinod Thakurdesai	1	Negligible
Total	**10,000**	**100**

Financial Performance

The financial performance since incorporation is given below:

(` *in Millions except for per share data*)

Particulars	March 31, 2014	March 31, 2013
Equity Capital	0.10	0.10
Reserves and Surplus (excluding revaluation reserves)	96.82	3.32
Total revenue	512.02	44.20
Profit (Loss) after Tax	93.51	3.32
Earnings per Share (in `) – Basic & Diluted	9,350.50	407.45
Net Asset Value per equity share (in `) (Face value)	9,692.00	341.50

Pri Media became subsidiary of the Company by way a Scheme of Amalgamation 2014 w.e.f appointed date i.e. April 1, 2014.

4. **Mediavest India Private Limited ("*Mediavest*")**

Corporate Information

Mediavest was incorporated under the Companies Act, 1956 on January 11, 2001 bearing registration No.130426. The Corporate Identification Number of Mediavest is U92132MH2001PTC130426.

Mediavest is the holding company of Diligent Media. The registered office of Mediavest is situated at Continental Building, 135, Dr. Annie Besant Road, Worli, Mumbai 400 018, India.

Board of Directors as on the date of this Draft Letter of Offer

Name of the Director	Designation
Mr. Himanshu Mody	Director
Mr. Anil Chougale	Director
Mr. Manish Babel	Director

Shareholding Pattern as on the date of this Draft Letter of Offer

(*Face value of `10 each*)

Particulars	No. of equity shares	Percentage (%)
Zee Media Corporation Limited	9,980	99.80
Zee Media Corporation Limited Jointly with Mr. Dinesh Kanodia	20	0.20
Total	**10,000**	**100.00**

Financial Performance

The financial performance for the last three (3) financial years is given below:

(` *in Millions except for per share data*)

Particulars	March 31, 2014	March 31, 2013	March 31, 2012
Equity Capital	0.10	0.10	0.10
Reserves and Surplus (excluding revaluation reserves)	(1,751.26)	(1,477.31)	(886.46)

Particulars	March 31, 2014	March 31, 2013	March 31, 2012
Income/Sales (including other income)	3.38	7.33	0.67
Profit (Loss) after Tax	(273.94)	(590.85)	(80.60)
Earnings per Share (in `) – Basic & Diluted	(27,394.17)	(59,085.95)	(8,060.02)
Net Asset Value per equity share (in `) (Face value)	(175,115.51)	(147,721.35)	(88,636.40)

Mediavest India became subsidiary of the Company by way a Scheme of Amalgamation 2014 w.e.f appointed date i.e. April 1, 2014.

5. **Maurya TV Private Limited ("*Maurya TV*")**

Corporate Information

Maurya TV was incorporated under the Companies Act, 1956 on May 18, 2007 bearing registration No.170952. The CIN is U92130MH2007PTC170952.

Pursuant to a Share Purchase Agreement dated October 7, 2013 ("***SPA***") between Mr. Prakash Jha ("***PJ***"), Ms. Sangita Jha ("***SJ***"), Mr. Manmohan Shetty ("***MS***"), Mr. Krishanlal Chabbra ("***KC***"), the Company and Maurya TV Private Limited ("***Maurya TV***"), the Company has acquired 100% stake in Maurya TV on December 12, 2014.

Maurya TV is currently engaged in the business of broadcasting of a News and Current Affairs Channel 'Maurya TV'. The registered office of Maurya TV is situated at 201, A & B, Abhishek, New Link Road, Andheri (West) Mumbai 400 053.

Board of Directors as on the date of this Draft Letter of Offer

Name of the Director	Designation
Mr. Krishanlal Chhabra	Director
Dr. Bhaskar Das	Director
Mr. Mukesh Jindal	Director

Shareholding Pattern as on the date of this Draft Letter of Offer

(*Face value of `10 each*)

Particulars	No. of equity shares	Percentage (%)
Zee Media Corporation Limited	22,131,638	100
Zee Media Corporation Limited jointly with Mr. Dinesh Garg	5	Negligible
Zee Media Corporation Limited jointly with Mr. Pushpal Sanghavi	1	Negligible
Zee Media Corporation Limited jointly with Dr. Bhaskar Das	1	Negligible
Zee Media Corporation Limited jointly with Mr. Vinod Thakurdesai	1	Negligible
Zee Media Corporation Limited jointly with Mr. M Lakshminarayanan	1	Negligible
Zee Media Corporation Limited jointly with Mr. Mukesh Jindal	1	Negligible
Total	**22,131,648**	**100.00**

Financial Performance

The financial performance for the last three (3) financial years is given below:

(` *in Millions except for per share data*)

Particulars	March 31, 2014	March 31, 2013	March 31, 2012
Equity Capital	221.32	38.50	38.50
Reserves and Surplus (excluding revaluation reserves)	(160.64)	(147.33)	(173.84)
Total revenue	46.94	20.92	54.74
Profit (Loss) after Tax	(13.31)	26.51	(74.98)

Particulars	March 31, 2014	March 31, 2013	March 31, 2012
Earnings per Share (in `) – Basic	(0.60)	6.89	(19.48)
Earnings per Share(in `) – Diluted	(0.71)	6.89	(19.48)
Net Asset Value per equity share (in `) (Face value)	2.74	(28.27)	(35.15)

Subsidiary Confirmations

- All the subsidiary(ies) of the Company are unlisted companies and have not made any public or rights issue since the date of its incorporation.

- None of the subsidiary(ies) of the Company are sick companies or under the process of winding-up.

Material Agreements

The Company has entered into the following agreements, details of which are set out below:

1. **Shareholders Agreement**

The Company has entered into the Shareholders Agreement dated September 3, 2012 with Sky Bangla and Zee Akaash ("***Shareholders Agreement***"). The Company and Sky Bangla had formed Zee Akaash in the State of Maharashtra, in terms of the Memorandum of Understanding dated September 27, 2005 ("***MoU***"). The MOU was further modified by the amendment MoU dated March 30, 2007. The present Shareholders Agreement defines the respective rights, interest, duties, responsibilities and roles of the Company and Sky Bangla in management of Zee Akaash.

The Shareholders Agreement further provides for the following terms and conditions:

- Zee Akaash shall not make any fresh issue of shares without prior written consent of the Company and Sky Bangla except as mentioned in the Shareholders Agreement;

- The Company and Sky Bangla has the Right of First Offer (ROFO) and Right of First Refusal (ROFR) in the event they desire to transfer their equity shares.

- The Director on the Board of Zee Akaash shall be nominated by the Company and Sky Bangla in the ratio of their respective holding in Zee Akaash i.e the Company shall have the right to nominate three (3) directors and Sky Bangla shall have the right to nominate two (2) directors.

- The Board shall meet at least four (4) times in every calendar year and atleast once in calendar quarter.

The Shareholders Agreement further provides for certain restrictions as set out below, on the Powers of the Board and Zee Akaash unless approved by an affirmative vote of majority of the equity shareholders and which shall include affirmative votes of atleast two (2) directors, one each nominated by the Company and Sky Bangla:

- Any change in the rights of the equity shares issued by Zee Akaash or any change including a recapitalization or reclassification of equity shares or alteration in the rights of any class of shareholders;

- Effecting an acquisition of another entity or the sale, merger, consolidation or reconstitution of Zee Akaash or taking any decision, to dissolve, liquidate, dispose of, sell, licence assign or transfer all or substantially all of the assets or the business of Zee Akaash including a sale or licence to a third party, except in the ordinary course of business;

- Any incurrence or discharge or indebtedness by Zee Akaash in excess of `2,500,000 (*Rupees twenty five lakhs*) (*excluding accounts payable*) in one (1) or more transactions outside the business;

- ❖ Creating a subsidiary of Zee Akaash or forming a collective investments vehicle or a sale or winding up of such subsidiary;

- ❖ Any change in the scope of business, entry into a new line of business, suspension or cessation of business or transfer of all or material portion of the business;

- ❖ Redeeming, buying back or extinguishing of equity shares;
- ❖ Related party transactions or any agreement or arrangement between Zee Akaash and/or any Shareholder, Director, Promoters and /or their affiliates;

- ❖ Any amendments to the Memorandum or Articles of Associations;

- ❖ Declaration or payment of any dividends.

The Shareholders Agreement further provides for a dispute resolution clause wherein if any dispute arises between the parties, the same can be referred to arbitration, if not settled amicably, by a panel of three (3) arbitrators where one (1) arbitrator each shall be appointed by the Company and Sky Bangla and third mutually by other two (2) arbitrators. The Shareholders Agreement shall be governed by the laws of India and the Court of Mumbai shall have jurisdiction for the same.

2. **Share Purchase Agreement**

- ❖ Pursuant to a Share Purchase Agreement dated October 7, 2013 ("***SPA***") between Mr. Prakash Jha ("***PJ***"), Ms. Sangita Jha ("***SJ***"), Mr. Manmohan Shetty ("***MS***"), Mr. Krishanlal Chabbra ("***KC***"), the Company and Maurya TV Private Limited ("***Maurya TV***"), the Company purchased 20,000,000 equity shares of `10 each (the "***Transaction Shares***") of Maurya TV constituting 100% of the total issued, subscribed and paid-up capital of Maurya TV from PJ, SJ, MS and KC (the "***Sellers***") for an aggregate purchase price of `56.60 million (`*56,600,000*) at a per equity share price of `2.83 each, thereby acquiring the control of Maurya TV and its management, subject to fulfillment of the terms and conditions under the SPA. In addition to the above, the Company subscribed to 2,131,648 equity shares of `10 each of Maurya TV. The Company has paid the aforementioned consideration.

Joint Venture Agreement

The Company has not entered into any material joint venture agreements except as disclosed under this section.

Other Agreements

The Company has not entered into any other material agreements, other than in the normal course of business.

Strategic Partners

The Company does not have any strategic partners as on the date of this Draft Letter of Offer.

Financial Partners

The Company does not have any financial partners as on the date of this Draft Letter of Offer.

MANAGEMENT OF THE COMPANY

Board of Directors

As per the Articles of Association the Company shall not appoint less than three (3) and more than twelve (12) Directors. Currently, the Company has four (4) Directors out of which one (1) is a Non-executive Chairman and three (3) are Non-Executive and Independent Directors. The following table sets forth details regarding the Board of Directors as on the date of this Draft Letter of Offer:

Name, Father's Name, Nature of Directorship, Residential Address, Date of Appointment/ Re-appointment, Term, Period of Directorship, Occupation, and DIN	Nationality	Age	Other Directorships as on the date of this Draft Letter of Offer
Dr. Subhash Chandra Father's Name: Mr. Nand Kishore Goenka Nature of Directorship: Non-Executive Chairman Residential Address: Flat 4, Hyde Park Street, London W2 2JW, United Kingdom. Date of Appointment: November 23, 2006 Term: Liable to retire by rotation Period of Directorship: Since last eight (8) years Occupation: Business DIN: 00031458	Indian	64 years	Public Limited Entities: ▪ Zee Entertainment Enterprises Limited; ▪ Essel Propack Limited; ▪ Essel Infraprojects Limited; ▪ Dish TV India Limited; ▪ Siti Cable Network Limited; and ▪ Adhikaar Foundation Foreign Entities: ▪ Essel Media Corporation Plc., UK
Mr. Vinod Kumar Bakshi Father's Name: Late Harkrishan Lal Bakshi Nature of Directorship: Non-Executive and Independent Director Residential Address: 01-02 A Court Greens, The Laburnum, Sushant Lok 1, Sector 28, Gurgaon 122001, India. Date of Appointment: Originally appointed on December 23, 2006 and re-appointed on August 7, 2014 Term: Until March 31, 2017 Period of Directorship: Re-appointed on August 7, 2014	Indian	75 years	Public Limited Entities: ▪ Essel Shyam Communication Limited ▪ Siti Cable Network Limited Private Limited Entities: ▪ CottonConnect (South Asia) Private Limited

Name, Father's Name, Nature of Directorship, Residential Address, Date of Appointment/ Re-appointment, Term, Period of Directorship, Occupation, and DIN	Nationality	Age	Other Directorships as on the date of this Draft Letter of Offer
Occupation: Consultant DIN: 00771934			
Mr. Surjit Banga Father's Name: Late Harnam Singh Nature of Directorship: Non-Executive and Independent Director Residential Address: A/1101, Serenity heights, Mindspace Complex, Off Link Road, Malad, Mumbai 400 064, India. Date of Appointment: January 23, 2013 Term: Until March 31, 2017 Period of Directorship: Since January 23, 2013 Occupation: Professional DIN: 00001637	Indian	73 years	Public Limited Entities: ▪ Zee Learn Limited ▪ Jetking Infotrain Limited ▪ Pri Media Services Private Limited (*being a subsidiary of the Company*) Private Limited Entities: ▪ Quantum Trustee Company Private Limited
Ms. Uma Mandavgane Husband's Name: Mr. Manoj Moreshwar Mandavgane Nature of Directorship: Non-Executive and Independent Director Residential Address: 504, Sai Sharan, N.C. Kelkar Road, Dadar (West), Mumbai 400 028, India. Date of Appointment: September 1, 2014 Term: Additional Director to hold office till the next AGM Period of Directorship: Since September 1, 2014 Occupation: Professional DIN: 03156224	Indian	47 years	Public Limited Entities: ▪ Diligent Media Corporation Limited Private Limited Entities: ▪ Bloom Systems Private Limited

Family Relationships between the Directors

None of the directors are related to each other.

Brief Biographies of the Directors

1. **Dr. Subhash Chandra**, aged 64 years, is the Non-executive Chairman of the Company and Promoter of Essel Group of Companies. Dr. Chandra launched one of the first satellite television channel '*Zee TV*' in the year 1992 and a private news channel, '*Zee News*' in the year 1995. His business interests also include a newspaper chain (*DNA*), cable systems (*Siti Cable*), direct-to-home (*Dish TV*), theme parks (*EsselWorld and Water Kingdom*), online gaming (*Playwin*), education (*Zee Learn*), infrastructure development (*Essel Infraprojects*), precious metals (*Shirpur Gold Refinery*) and health, lifestyle & wellness (*Zee Living*). Dr. Chandra has been the recipient of numerous industry awards and civic honours. He has also made his mark as an influential philanthropist in India by setting up TALEEM (*Transitional Alternate Learning for Emancipation and Empowerment through Multimedia*) to provide access to quality education through distance and open learning. He was also associated with Ekal Vidyalaya Foundation of India – A Movement to eradicate illiteracy from rural and tribal India which provides free education. He is also associated with the Global Vipassana Foundation a trust set up to help people raise their spiritual quotient.

2. **Mr. Vinod Kumar Bakshi**, aged 75 years, is a Non-Executive and Independent Director of the Company. Mr. Bakshi holds the degree of Masters of Arts in Public Administration from Panjab University. Mr. Bakshi is an experienced professional with a career spanning over four (4) decades in domestic and overseas marketing, public relations, administration and image building. He has been associated with reputed organizations like Care India, Gabriel India Limited, Escorts Limited, Williamson and Magor Group, Exide Industries, BBC etc. Apart from being professional, Mr. Bakshi is a painter.

3. **Mr. Surjit Banga**, aged 73 years, is a Non-Executive and Independent Director of the Company. Mr. Banga holds Diploma in Rural Services of the National Council of Rural Higher Education, is a Bachelor in Library Science from University of Rajasthan, a Fellow of All India Management Association and a Certified Associate of Indian Institute of Bankers. Mr. Banga held the position of Managing Director of SBI Factors and Commercial Services Limited and was associated with the State Bank of India in various capacities in his thirty seven (37) years of career in Banking.

4. **Ms. Uma Mandavgane**, aged 47 years, is a Non-Executive and Independent Director of the Company. Ms. Uma is an Associate Chartered Accountant and Certified Information Systems Auditor from ISACA, USA. Ms. Mandavgane is a professional with experience of over twenty two (22) years in industry and consulting. She has been associated with reputed organizations like Deloitte, Lupin Laboratories Limited, VIP Industries Limited etc. She is Sub-Group Member of the Information Technology Committee of Western Regional Council of the Institute of Chartered Accountants of India. She is also a trained Carnatic Classical vocalist with formal training.

Arrangements with major Shareholders, Customers, Suppliers or Others

There are no arrangements or understanding between major shareholders, customers, suppliers or others pursuant to which any of the Directors were selected as a Director or member of a senior management as on the date of this Draft Letter of Offer.

Service Contracts

The Company has not executed any service contracts with its directors providing for benefits upon termination of their employment.

Common directorships of the Directors in companies whose shares are/were suspended from trading on the BSE and/ or the NSE for a period beginning from five (5) years prior to the date of this Draft Letter of Offer

None of the Directors are/ were directors of any company whose shares were suspended from trading by Stock Exchange(s) or under any order or directions issued by the stock exchange(s)/ SEBI/ other regulatory authority in the last five (5) years.

Director's association with the Securities Market

Except for one of the director's of the Company, Mr. Surjit Banga who is a director on the Board of Quantum Trustee Company Private Limited, a SEBI registered entity which manages Quantum Trust Fund, none of the Directors are associated with securities market.

Common directorships of the Directors in listed companies that have been/were delisted from stock exchanges in India

Except for the details mentioned under section titled "Other Regulatory and Statutory Disclosures" beginning on page 454 of this Draft Letter of Offer, none of the Directors are/ were directors of any entity whose shares were delisted from any Stock Exchange(s).

Further, none of the directors are/ were directors of any entity which has been debarred from accessing the capital markets under any order or directions issued by the Stock Exchange(s), SEBI or any other Regulatory Authority.

Borrowing Powers of the Board

The Articles, subject to the provisions of the Companies Act, authorize the Board to raise, borrow or secure the payment of any sum or sums of money for the purposes of the Company. The shareholders have, pursuant to a resolution passed at the Annual General Meeting held on August 7, 2014, in accordance with the Companies Act, authorized the Board to raise or borrow from time to time such sum or sums as they may deem appropriate for the purposes of the Company notwithstanding that the monies already borrowed and the monies to be borrowed (*apart from temporary loans obtained from the Company's bankers in the ordinary course of business*) will exceed the paid-up capital and free reserves of the Company. Provided that the total amount upto which monies may be raised or borrowed by the Board of Directors shall not exceed the aggregate of the paid-up capital and free reserves of the Company by more than `10,000 Million at any point of time.

Remuneration to Non-Executive Directors

The Board of Directors in its meeting held on March 25, 2010 had approved sitting fees of `20,000 to be paid to each Non-Executive Director(s) for attending every meeting of the Board or a Committee thereof excluding the Stakeholders Grievances Committee and Finance Sub-Committee.

Further, the shareholders in the Annual General Meeting held on July 19, 2012 had approved the payment of remuneration by way of Commission not exceeding 1% of the net profits of the Company computed in accordance with the provisions of the Section 198 of the erstwhile Companies Act, 1956 for a period of five (5) years commencing from April 1, 2012.

Remuneration to Executive Directors

The Company does not have any executive directors on its Board.

Shareholding of Directors in the Company

None of the Directors hold Equity Shares in the Company as on the date of this Draft Letter of Offer.

Interests of Directors

All of the Directors may be deemed to be interested to the extent of fees payable, if any, to them for attending meetings of the Board or a committee thereof as well as to the extent of other remuneration and reimbursement of expenses payable to them under our Articles of Association or as approved by the Shareholders of the Company.

The directors may also be regarded as interested in the Equity Shares, if any, held by them or that may be subscribed by and allotted to the companies, firms, and trusts, if any, in which they are interested as directors, members, promoters, and /or trustees pursuant to this Issue. Some of the directors also hold directorships in Promoter Group and Group Entities.

The Directors may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares. Except as stated in this section "Management of the Company" or the section titled "Financial Statements - Related Party Transactions" beginning on pages 139 and 197 respectively of this Draft Letter of Offer, and except to the extent of shareholding in the Company, the Directors do not have any other interest in the business of the Company.

The Promoters and Directors have no interest in any property acquired by the Company in the ordinary course of its business within two (2) years of the date of this Draft Letter of Offer. However, the Company has entered into a Leave and License and Right to use agreement with ZEEL, one of the Group Entities of the Company, for use of its corporate office situated at Noida, Uttar Pradesh, India. For further details, please refer to section titled "Business of the Company – Immovable Properties of the Company" beginning on page 119 of this Draft Letter of Offer.

The Directors are not interested in the appointment of Registrar to the Issue or any such intermediaries registered with SEBI.

Changes in the Company's Board of Directors during the last three (3) years

The changes in the Board of Directors of the Company in the last three (3) years are as follows:

No.	Name of the Director & Designation	Date of Appointment	Date of Resignation	Reason
1.	Mrs. Uma Mandavgane, Non-Executive and Independent Director	September 1, 2014	--	Appointment
2.	Mr. Alok Agrawal, Whole Time Director	--	May 12, 2014	Resignation
3.	Mr. Punit Goenka, Non Executive Director	--	September 28, 2013	Resignation as Director
4.	Mr. Alok Agrawal, Whole Time Director	July 30, 2013	--	Appointment
5.	Mr. Punit Goenka, Managing Director	--	July 5, 2013	Resignation as Managing Director
6.	Mr. Kancharana Upendra Rao, Non-Executive and Independent Director	--	March 22, 2013	Resignation
7.	Mr. Naresh Kumar Bajaj, Non-Executive and Independent Director	--	January 28, 2013	Resignation
8.	Mr. Surjit Banga, Non-Executive and Independent Director	January 23, 2013	--	Appointment

Corporate Governance

The Company is in compliance with the applicable corporate governance requirements, including under the Equity Listing Agreements, the Companies Act and other applicable laws and regulations. The corporate governance framework is based on an effective independent Board, separation of the Board's supervisory role from the executive management team and constitution of committees of the Board, as required under law. The Board has constituted committees of Directors, each of which functions in accordance with the relevant provisions of the Companies Act and the Equity Listing Agreements including with respect to the composition of Board of Directors, the constitution of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee.

The details of i) Audit Committee; ii) Nomination and Remuneration Committee; and iii) Stakeholders Relationship Committee committees are set out below:

i) **Audit Committee**:

The Company constituted the audit committee in accordance with the Section 177 of the Companies Act, and Clause 49 of the Listing Agreement. Further, the audit committee was re-constituted by way of a circular resolution dated August 28, 2014 effective from September 1, 2014. The audit committee presently consists of the following Directors of the Board:

i) Mr. Surjit Banga, Chairman, Independent Director
ii) Mr. Vinod Kumar Bakshi, Member, Independent Director
iii) Ms. Uma Mandavgane, Member, Independent Director

The scope of the Audit Committee shall include the following:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.

2. Review with the management, the quarterly financial statements before submission to the Board for approval.

3. Review with the management the annual financial statements before submission to the board, primarily focusing on;
   a. Any changes in accounting policies and practices.
   b. Major accounting entries based on exercise of judgment by management.
   c. Qualifications in draft audit report.
   d. Significant adjustments arising out of audit findings.
   e. The going concern assumption.
   f. Compliance with the listing and other legal requirements relating to financial statements.
   g. Compliance with accounting standards with material departures therefore.
   h. Compliance with listing and legal requirements concerning financial statements.
   i. Proper maintenance of accounting records.
   j. Debtors, receivable and Agewise analysis, write off and provisioning with reference to the Report of the finance committee.
   k. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (2AA) of Section 217 of the erstwhile Companies Act, 1956.

4. Review of Management discussion and Analysis of Financial Condition and Results of Operations on yearly basis.

5. Related Party Transactions(on quarterly basis):-
   a) To review the statements of Significant related party transactions (to be decided by Audit Committee).
   b) Disclosure of related party transactions to the Audit Committee:
      (i) A statement in summary form of transactions with related parties in the ordinary course of business shall be placed periodically before the audit committee.
      (ii) Details of material individual transactions with related parties, which are not in the normal course of business shall be placed before the audit committee.
      (iii) Details of material individual transactions with related parties or others, which are not on an arm's length basis should be placed before the audit committee, together with the Management's justification for the same.

6. Review the company's financial and risk management policies on quarterly basis.

7. Review with the management, external and internal auditors, the adequacy of internal control

systems including computerized information system controls and security.

8. The Audit Committee of the listed holding company shall also review the financial statements of subsidiary companies, in particular, the investments made by the unlisted subsidiary company. (Audit Committee to set up the details of subsidiaries to be placed and system of review).

9. Recommend to the Board the appointment, reappointment and removal of the statutory auditor, fixation of audit fee and approval of payment of fees for any other services.

10. Discussion with external auditors before the audit commences about nature and scope of audit as well as post audit discussion to ascertain any area of concern and internal control weaknesses observed by the Statutory Auditors.

11. Review of appointment, removal and terms of reference of Chief Internal Auditor.

12. Review the adequacy of internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.

13. Discussion of Internal Audit Reports with internal auditors and significant findings and follow up there on and in particular Internal Control weaknesses.

14. Review the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.

15. Status of pending litigations filed by and against the company should be placed before the Audit Committee with their likely financial implications, which could have effect on working of the company.

16. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of nonpayment of declared dividends) and creditors.

17. To review the functioning of Whistle Blower mechanism, in case the same is existing.

18. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

19. Powers of Audit Committee:
    (a) To investigate any activity within its terms of reference.
    (b) To seek information from any employee.
    (c) To obtain outside legal or other professional advice.
    (d) To secure attendance of outsiders with relevant expertise, if it considers necessary.

ii) **Nomination and Remuneration Committee**:

The Company has re-constituted and re-named in terms of Section 178 of the Companies Act, Remuneration Committee as Nomination and Remuneration Committee in the meeting of the Board of Directors held on May 21, 2014. The Nomination and Remuneration Committee presently consists of the following Directors of the Board:

i) Mr. Vinod Kumar Bakshi, Chairman, Independent Director
ii) Mr. Surjit Banga, Member, Independent Director
iii) Dr. Subhash Chandra, Member, Non-Executive and Non-Independent Director

The terms of reference of Nomination and Remuneration Committee are set out below:

i) Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance.

ii) Formulate the criteria for determining qualification, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.

iii) Ensure the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully.

iv) Ensure the relationship of remuneration to performance is clear and meets appropriate performance benchmarks.

v) Formulate policy with regard to remuneration to directors, key managerial personnel and senior management involving a balance between fixed and incentive pay reflecting short and long – term performance objectives appropriate to the working of the company and its goals.

vi) Managing ESOP of the Company.

iii) **Stakeholders Relationship Committee**:

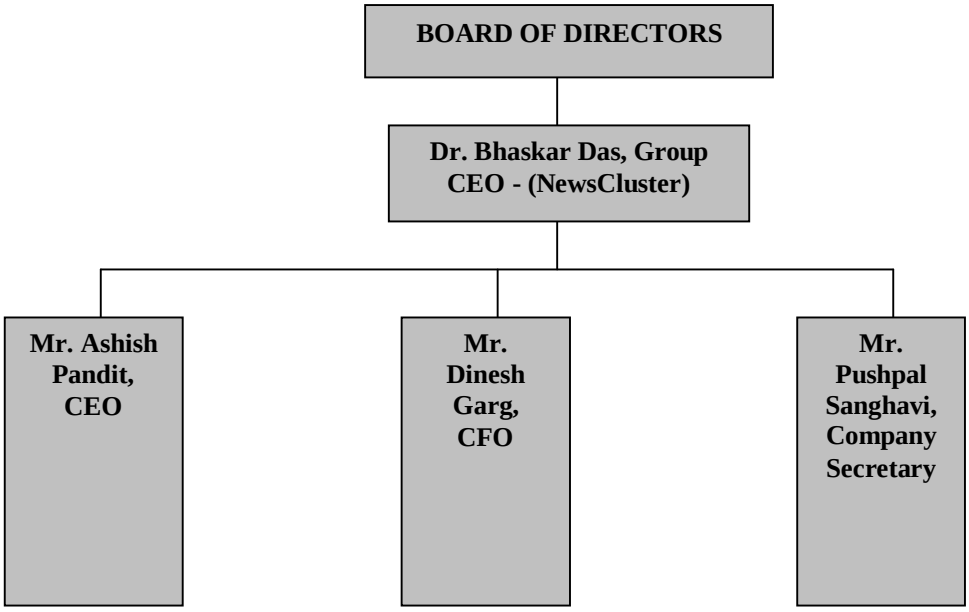
The Company has re-constituted and renamed, in terms of the Section 178 of the Companies Act, Share Transfer & Investor Grievances Committee as the Stakeholders Relationship Committee in the meeting of the Board of Directors held on May 21, 2014. The Stakeholders Relationship Committee presently consists of the following Directors of the Board:

i) Mr. Vinod Kumar Bakshi, Chairman, Non-Executive and Independent Director
ii) Mr. Surjit Banga, Member, Non-Executive and Independent Director
iii) Dr. Subhash Chandra, Member, Non- Executive Director

The scope of the Stakeholders Relationship Committee is set out below:

i) To approve transfer of shares;
ii) To look into the redressal of shareholder and investor complaints; and
iii) To provide information to shareholders.

Management Organizational Structure



Profiles of Key Managerial Personnel

The details of the Key Managerial Personnel as on the date of this Draft Letter of Offer are set out below. All the Key Managerial Personnels are permanent employees of the Company except for Mr. Pushpal Sanghavi, Company Secretary. Except for certain statutory benefits, there are no other benefits accruing to the Key Managerial Personnel.

1. **Dr. Bhaskar Das**, 61 years, is a Group CEO (*News Cluster*) of the Company. Dr. Das holds a degree of Ph.D. from University of Pune; Master in Business Administration (*Marketing Specialization*) from Kolkata University; Master of Arts in International Relations from Jadavpur University; and Bachelor of Arts with Honours in Political Science from St. Xavier's College, Kolkata. He has been associated with the Company since October 2012 and has more than thirty four (34) years of experience in the media sector. Prior to joining the Company, Dr. Das was associated with Bennett Coleman and Company Limited. Dr. Das has been a guest faculty at various reputed Indian and International educational institutions. Dr. Das was paid a remuneration of `49.76 million in the Financial Year 2013-2014.

2. **Mr. Ashish Pandit**, 48 years, is the Chief Executive Officer (CEO) of the Company. Mr. Pandit holds a degree of Master of Business Administration from Indiana State University, Indiana, USA; Master of Arts from Annamalai University, Tamilnadu; Diploma in Systems Management from N.I.I.T, New Delhi; and Bachelor of Arts from Delhi University. He has more than twenty five (25) years of experience in the space of Telecom, Retail and Office Automation and has the capability of developing operational strategies. Prior to joining the Company, Mr. Pandit was associated with Infotel Group as the Director, Operations.

3. **Mr. Dinesh Garg**, 45 years, is a Chief Financial Officer (CFO) of the Company. Mr. Garg is a member of Institute of Chartered Accountants of India. He has been associated with the Company since January 2005 and has more than nineteen (19) years of experience in Accounts and Finance. Prior to joining the Company, Mr. Garg was associated with M/s. MGB & Co. as a Partner. Mr. Garg was paid a remuneration of `2.87 million in the Financial Year 2013-2014.

4. **Mr. Pushpal Sanghavi**, 40 years, is a Company Secretary and Compliance Officer of the Company. Mr. Sanghavi is a member of Institute of Company Secretaries of India and L.L. B from Bombay University. He has been associated with the Company since October 2007. He has more than thirteen (13) years of experience in corporate law compliance. Prior to joining Essel Group, Mr. Sanghavi was associated with Gunnebo India Private Limited (*formerly known as Steelage Industries Limited*) as Company Secretary. Mr. Sanghavi was paid a remuneration of `6.17 million in the Financial Year 2013-2014 by ZEEL, an entity forming part of Essel Group.

Shareholding of Key Management Personnel in the Company

None of the Key Management Personnel hold Equity Shares in the Company as on the date of this Draft Letter of Offer.

Bonus or profit sharing plan of the Key Managerial Personnel

The Company does not have a performance linked bonus or a profit sharing plans for the Key Management Personnel. However, the Company pays incentive to all its employees based on their performance including the Key Managerial Personnel's of the Company.

Interests of Key Management Personnel

The Key Management Personnel do not have any interest in the Company other than to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business.

Payment of Benefits to Officers of the Company (*non-salary related*)

Except as disclosed in this Draft Letter of Offer and any statutory payments made by the Company to its officers, the Company has not paid any sum, any non-salary related amount or benefit to any of its officers or to its employees including amounts towards super-annuation, ex-gratia/rewards.

Relationship amongst the Key Managerial Personnel of the Company

There is no family relationship amongst the Key Managerial Personnel of the Company.

Relationship between the Directors and Key Managerial Personnel

There is no family relationship between the Directors and Key Managerial Personnel of the Company.

Arrangement and Understanding with Major Shareholders/Customers/ Suppliers

None of the above Key Managerial Personnel have been selected pursuant to any arrangement/understanding with major shareholders/customers/suppliers.

Details of Service Contracts of the Key Managerial Personnel

Except for the terms set forth in the appointment letters, the Key Managerial Personnel have not entered into any other contractual arrangements with the Company for provision of benefits or payments of any amount upon termination of employment.

Employee Stock Option or Employee Stock Purchase

The Company had instituted the Employee Stock Option Plan, 2009 ("***ESOP Scheme***") which was approved by equity shareholders by way of a special resolution passed in the AGM held on August 18, 2009. However, the Company has not granted any options or allotted any Equity Shares under the ESOP Scheme as on the date of this Draft Letter of Offer.

Loans availed by Directors / Key Managerial Personnel of the Company

Except for a loan amount of `20.00 million availed by Dr. Bhaskar Das, one of the KMPs of the Company, none of the Directors or Key Managerial Personnels have availed loan from the Company which is outstanding as on the date of this Draft Letter of Offer.

Changes in the Company's Key Managerial Personnel during the last three (3) years

The changes in the Key Managerial Personnel of the Company in the last three (3) years are as follows:

No.	Name of the Key Managerial Personnel & Designation	Date of Appointment	Date of Resignation	Reason
1.	Mr. Alok Agrawal Chief Executive Officer	--	May 12, 2014	Resignation
2.	Mr. Ashish Pandit Chief Executive Officer	October 1, 2014	--	Appointment
3.	Mr. Alok Agrawal Chief Executive Officer	October 25, 2012	--	Appointment
4.	Mr. Barun Das Chief Executive Officer	--	December 7, 2012	Resignation

PROMOTERS OF THE COMPANY

The Promoters

The Promoters of the Company are i) 25FPS Media Private Limited; ii) ARM Infra & Uitilities Limited; iii) Prime Publishing Private Limited; and iv) Sprit Textiles Private Limited. The beneficial interest in these corporate entities is directly or indirectly controlled by Ms. Sushila Devi Goenka and her immediate family members. The brief profiles of the Promoters of the Company are set out below:

Details of Corporate Promoters

1. **25FPS Media Private Limited ("*25FPS Media*")**

Corporate Information

25FPS Media was incorporated under the Companies Act, 1956 on July 16, 2004 bearing Registration Number 147541. The CIN is U92100MH2004PTC147541.

25FPS Media is not carrying on any business activity as on the date of this Draft Letter of Offer except for holding investments. The registered office of 25FPS is situated at Continental Building, 135, Dr. Annie Besant Road, Worli, Mumbai 400 018, India.

Board of Directors

Name of the Director	Designation
Mr. Chetan Sharma	Director
Mr. Sudam Rajiwade	Director

Shareholding Pattern as on the date of this Draft Letter of Offer

(*Equity Shares of face value ` 10 each*)

Particulars	No. of equity shares held	Shareholding (%)
Prime Publishing Private Limited	49,700	99.40
Prime Publishing Private Limited jointly with Mr. Anand Chalwade	300	0.60
Total	**50,000**	**100.00**

Financial Performance

The audited financial performance for the last three (3) financial years is given below:

(` *in Millions except per share data*)

Particulars	March 31, 2014	March 31, 2013	March 31, 2012
Equity Capital	0.50	0.50	0.50
Reserves and Surplus (excluding revaluation reserves)	(3,226.50)	(10.78)	(10.54)
Total revenue	0.00	0.00	0.77
Profit (Loss) after Tax	(3,215.72)	(0.24)	0.06
Earnings per Share (in `) (Face value `10) – Basic & Diluted	(64,314.44)	(4.85)	1.29
Net Asset Value per equity share (in `) (Face value ` 10)	(64,520.09)	(205.65)	(200.80)

Change in Control in the last three (3) years

- ❖ Essel Corporate Resources Private Limited held 100% of equity share capital of 25 FPS Media. However, with effect from June 11, 2013, the entire equity share capital is now being held by Prime Publishing.

Other Confirmations

- ❖ 25FPS is not a sick company and is not under the process of winding-up.
- ❖ 25FPS holds 127,898,710 Equity Shares of the Company but does not hold any warrants/convertible securities in ZMCL as on the date.
- ❖ Except to the extent of its shareholding, 25FPS does not have any interest, including any business or other interest, in the Company.
- ❖ 25FPS is not interested in any property acquired by the Company within the last two (2) years or proposed to be acquired by the Company.
- ❖ 25FPS is not a listed entity therefore has not made any public issue in preceding three (3) years.
- ❖ 25FPS had negative net worth for the last three (3) Financial Year ended March 31, 2014, 2013 and 2012.

2. **ARM Infra & Uitilities Limited ("*ARM Infra*")**

Corporate Information

ARM Infra was incorporated under Companies Act, 1956 on June 11, 2013 bearing Registration Number 244266. The CIN is U45400MH2013PLC244266.

ARM Infra is not carrying on any business activity as on the date of this Draft Letter of Offer except for holding investements. The registered office of ARM Infra is situated at Continental Building, 135, Dr. Annie Besant Road, Worli, Mumbai 400 018, India.

Board of Directors

Name of the Director	Designation
Mr. Anand Chalwade	Director
Mr. Vikas Somani	Director
Mr. Sudam Rajiwade	Director

Shareholding Pattern as on the date of this Draft Letter of Offer

(*Equity Shares of face value `10 each*)

Particulars	No. of equity shares held	Shareholding (%)
Prime Publishing Private Limited	49,994	99.99
Prime Publishing Private Limited jointly with Mr. Anand Chalwade	1	Negligible
Prime Publishing Private Limited jointly with Mr. Ravinder Dogra	1	Negligible
Prime Publishing Private Limited jointly with Mr. Mukund Galgali	1	Negligible
Prime Publishing Private Limited jointly with Mr. Pankaj Suroliya	1	Negligible
Prime Publishing Private Limited jointly with Mr. Dinesh Kanodia	1	Negligible
Prime Publishing Private Limited jointly with Mr. Naresh Dhoundiyal	1	Negligible
Total	**50,000**	**100.00**

Financial Performance

The audited financial performance from its incorporation i.e. June 11, 2013 is given below:

(` *in Millions except per share data*)

Particulars	March 31, 2014
Equity Capital	0.50
Reserves and Surplus (excluding revaluation reserves)	6,056.56
Total revenue	--
Profit (Loss) after Tax	(0.44)
Earnings per Share (in `) (Face value `10) – Basic & Diluted	(8.81)
Net Asset Value per equity share (in `) (Face value ` 10)	121,141.19

Change in Control in the last three (3) years

- The subscribers to the MoA *viz.* Mr. Anand Chalwade, Mr. Ravinder Kumar Dogra, Mr. Mukund Galgali, Mr. Dinesh Kanodia, Mr. Pankaj Suroliya, Mr. Naresh Dhoundiyal and Mr. Manish Babel held 100% of equity share capital of ARM Infra. However, with effect from June 14, 2013, the entire equity share capital is now being held by Prime Publishing.

Other Confirmations

- ARM Infra is not a sick company and is not under the process ofwinding-up.
- ARM Infra holds 122,363,636 Equity Shares of the Company as on the date of this Draft Letter of Offer. However, ARM Infra does not hold any warrants/convertible securities in the Company as of the date of this Draft Letter of Offer.
- Except to the extent of the shareholding of ARM Infra in the Company, it does not have any other interest, including any business or other interest, in the Company.
- ARM is not interested in any property acquired by the Company within the last two (2) years or proposed to be acquired by the Company.
- ARM Infra is not a public listed company and has not made any public or rights issue since its incorporation i.e. June 11, 2013.
- ARM Infra does not have negative networth for the Financial Year ended on March 31, 2014.

3. **Prime Publishing Private Limited**

Corporate Information

Prime Publishing, formerly known as Zee Publishing Limited, was originally incorporated under the Companies Act, 1956 on August 12, 1999 bearing the Registration No. 101126. The CIN is U99999DL1999PTC101126.

Prime Publishing is not engaged any business but holds stakes in various other group entities. The registered office of Prime Publishing is situated at B-10, Lawrence Road, Industrial Area, Essel House, New Delhi 110 035, India.

Board of Directors

Name of the Director	Designation
Mr. Manish Babel	Director
Mr. Raj Kumar Agarwal	Director
Mr. Dinesh Kumar Garg	Director

Shareholding Pattern as on the date of this Draft Letter of Offer

(*Equity Shares of face value ` 10 each*)

Particulars	No. of equity shares held	Shareholding (%)
Sprit Textiles Private Limited	1,760,970	99.99
Sprit Textiles Private Limited jointly with Mr. Ashok Sanghvi	100	Negligible
Total	**1,761,070**	**100.00**

Financial Performance

The audited financial performance for the last three (3) financial years is given below:

(` *in Millions except per share data*)

Particulars	March 31, 2014	March 31, 2013	March 31, 2012
Equity Capital	17.61	17.61	17.61
Reserves and Surplus (excluding revaluation reserves)	(566.30)	(88.51)	(11.82)
Total revenue	0.00	--	0.11
Profit (Loss) after Tax	(477.79)	(76.69)	0.02
Earnings per Share (in `) (Face value `10) – Basic & Diluted	(271.31)	(43.55)	0.01
Net Asset Value per equity share (in `) (Face value ` 10)	(311.56)	(40.26)	3.29

Change in Control in the last three (3) years

- Pursuant to a Composite Scheme of Amalgamation of Churu Trading Company Private Limited and Prajatma Trading Company Private Limited with Sprit Textiles Private Limited which became effective from March 28, 2013, the entire shareholding of these entities in Prime Publishing was vested with Spirit Textiles and hence the erstwhile promoters ceased to be the promoters of Prime Publishing.

Other Confirmations

- Prime Publishing is not a sick company and is not under the process of winding-up.
- Prime Publishing holds 18,181 Equity Shares of the Company. However, it does not hold any warrants/convertible securities of the Company as on the date of this Draft Letter of Offer.
- Prime Publishing does not have any interest, including any business or other interest, in the Company.
- Prime Publishing is not interested in any property acquired by the Company within the last two (2) years or proposed to be acquired by the Company.
- Prime Publishing is not a listed entity therefore has not made any public or rights issue in preceding three (3) years.
- Prime Publishing has negative networth for the Financial Year ended March 31, 2014, 2013 and 2012.

4. **Sprit Textiles Private Limited ("*Sprit Textiles*")**

Corporate Information

Sprit Textiles, formerly known as Sprit Lounge Private Limited, was incorporated under the Companies Act, 1956 on February 5, 2008 bearing registration Number 178527. The CIN is U18101MH2008PTC178527.

Spirit Textiles is presently engaged in the business of dealing in textiles. The registered office of Sprit Textiles is situated at Continental Building, 135, Dr. Annie Besant Road, Worli, Mumbai 400 018, India.

Board of Directors

Name of the Director	Designation
Mr. Sanjeev Choudhary	Director
Mr. Amol Deshmukh	Director

Shareholding Pattern as on the date of this Draft Letter of Offer

(*Equity Shares of face value `10 each*)

Particulars	No. of equity shares held	Shareholding (%)
Ms. Sushila Goenka	5,100	51
Asian Satellite Broadcast Private Limited	4,800	48
Jayneer Capital Private Limited	100	1
Total	**10,000**	**100.00**

(*Preference Shares of face value `10 each*)

Particulars	No. of preference shares held	Shareholding (%)
Jayneer Capital Private Limited	74,136	99.92
Ms. Sushila Goenka	54	0.08
Total	**74,190**	**100.00**

Financial Performance

The audited financial performance for the last three (3) financial years is given below:

(` *in Millions except for per share data*)

Particulars	March 31, 2014	March 31, 2013	March 31, 2012
Share Capital (*Equity & Preference*)	0.84	0.10	0.10
Reserves and Surplus (excluding revaluation reserves)	2.15	4,737.82	(0.65)
Total revenue	835.22	601.27	--
Profit (Loss) after Tax	(4,735.68)	(523.87)	(0.01)
Earnings per Share (in `) (Face value `10) – Basic & Diluted	(473,567.69)	(52,386.66)	(0.93)
Net Asset Value per equity share (in `) (Face value ` 10)	298.91	473,792.40	(54.63)

Change in Control in the last three (3) years

- Sprit Sports Private Limited ("***Sprit Sports***") held 51% of equity share capital of Sprit Textiles. However, on February 20, 2012, Sprit Sports transferred 51% equity share capital to Ms. Sushila Goenka. Further, on February 20, 2012, Sprit Sports, Mr. Rajeev Dak and Mr.

Gaurav Goel transferred 28% equity share capital to Asian Satellite Broadcast Private Limited.

Other Confirmations

- ❖ Sprit Textiles is not a sick company and is not under the process of winding-up.
- ❖ Sprit Textiles holds 200 Equity Shares of the Company. However, it does not hold any warrants/convertible securities of the Company as on the date of this Draft Letter of Offer.
- ❖ Sprit Textiles does not have any interest, including any business or other interest, in the Company.
- ❖ Sprit Textiles is not interested in any property acquired by the Company within the last two (2) years or proposed to be acquired by the Company.
- ❖ Sprit Textiles is not a listed entity therefore has not made any public or rights issue in preceding three (3) years.
- ❖ Sprit Textiles has negative networth for the Financial Year ended March 31, 2012.

Natural person behind the Corporate Promoters

The beneficial interest in these corporate entities is directly or indirectly controlled by Ms. Sushila Devi Goenka and her immediate family members.

Interests of the Promoters

The Promoters may also be deemed to be interested to the extent of Equity Shares that may be subscribed for and allotted to them out of the present Issue in terms of this Draft Letter of Offer and also to the extent of dividend payable to them and other distributions in respect of the said Equity Shares.

Except as stated otherwise in this Draft Letter of Offer, the Promoters have not entered into any contract, agreements or arrangements in which the Promoters are directly or indirectly interested and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be made with them including the properties purchased by the Company other than in the normal course of business.

Common Pursuits

The Company is engaged in broadcast of News and Current Affairs TV Channels, one of the Group Entities of the Company, ZEEL is engaged in business of broadcast of General Entertainment TV channels. However, the Company and ZEEL have similar main objects in their respective MoAs which enable them to engage in the same line of business. There may be potential conflict of interest in addressing business opportunities and strategies in circumstances where the interest of the Company may be similar to that of its group entity, ZEEL.

Except as stated above, the Promoters or directors are not involved with any ventures in the same line of activity or business as that of the Company.

Confirmations

The Company hereby confirms that:

- ❖ The Promoters are neither a sick company nor under winding up.
- ❖ The Promoters are not interested in any property acquired by the Company in the two (2) years immediately preceding the date of this Draft Letter of Offer, or proposed to be acquired by the Company.

- None of the Promoters have been declared as a willful defaulter by the RBI or any other governmental authority and there are no violations of securities laws committed by the Promoters in the past or are pending against them.

- None of the Promoters, Promoter Group or Directors or persons in control of the Company or bodies corporate forming part of the Promoter Group have been (i) prohibited from accessing the capital markets under any order or direction passed by SEBI or any other authority or (ii) refused listing of any of the securities issued by such entity by any stock exchange, in India or abroad.

- The Company confirms that the PAN, bank account number, company registration number and the address of the Registrar of Companies where the company is registered, of the corporate Promoter(s) of the Company, to the extent applicable, will be submitted to the Stock Exchanges at the time of filing this Draft Letter of Offer with them.

- None of the directors of the Corporate Promoters, hold any Equity Shares of the Company.

Payment or benefits to the Promoters

No payment or benefit has been made to the Promoters except as disclosed in the related party transaction. For further details, please refer to Annexure XIX titled "*Restated Consolidated Summary Statement of Related Party Transactions*" and Annexure XIX titled "*Restated Summary Statement of Related Party Transactions*" in the section titled "Financial Information" beginning on 197 of this Draft Letter of Offer.

Disassociation by the Corporate Promoters from entities in last three (3) years

None of the Promoters of the Company have disassociated from any of the companies or firms in the last three (3) years except Sprit Textiles which has disassociated from Essel Propack Limited w.e.f December 29, 2014 as it ceased to be a part of Promoter/ Promoter Group. (*Source: www.bseindia.com*)

GROUP ENTITIES OF THE COMPANY

I. Top five (5) listed Group Entities based on market capitalisation

No.	Name of Group Entities
1.	Zee Entertainment Enterprises Limited
2.	Dish TV India Limited
3.	Siti Cable Network Limited
4.	Zee Learn Limited
5.	Shirpur Gold Refinery Limited

II. Group Entities having negative networth

No.	Name of Group Entities
1.	Asian Satellite Broadcast Private Limited
2.	New Media Broadcasting Private Limited
3.	Essel Corporate Resources Private Limited
4.	Bioscope Cinemas Private Limited,
5.	Direct Media Solutions Private Limited
6.	Digital Satellite Holdings Private Limited
7.	Khoobsurat Infra Private Limited
8.	Digital Subscriber Management & Consultancy Services Private Limited
9.	Churu Enterprises LLP
10.	Prajatma Enterprises LLP
11.	Jayneer Enterprises LLP
12.	Essel Properties LLP

III. Other Group Entities

No.	Name of other Group Entities
1.	Essel Landmark Private Limited
2.	Direct Media Distribution Ventures Private Limited
3.	Pan India Network Infravest Limited
4.	Essel Infraprojects Limited
5.	Pan India Network Limited
6.	Dakshin Mercantile Private Limited
7.	Essel Finance Business Loans Limited

I. Details in relation to the top five (5) listed Group Entities based on market capitalization

The details in relation to the top five (5) Group Entities based on market capitalization is set out below:

1. **Zee Entertainment Enterprises Limited** ("***ZEEL***")

Corporate Information

ZEEL, formerly known as Empire Holdings Limited, was incorporated on November 25, 1982 bearing Registration Number 11-28767. ZEEL obtained Certificate of Commencement of Business on January 5, 1983. The name of ZEEL was changed to Zee Telefilms Limited on September 8, 1992 and it was further changed to Zee Entertainment Enterprises Limited on January 10, 2007. The CIN is L92132MH1982PLC028767.

ZEEL is one of the leading television, media and entertainment companies and amongst one of the largest producers and aggregators of Hindi and regional language programming with an extensive library of television content. The registered office of ZEEL is situated at Continental Building, 135, Dr. Annie Besant Road, Worli, Mumbai 400 018, India.

Interest of the Promoter

As on September 30, 2014, Sprit Textiles holds 300 equity shares of `1 each of constituting negligible percentage of the total paid-up equity shares capital of ZEEL.

Board of Directors as on the date of this Draft Letter of Offer

Name of the Director	Designation
Dr. Subhash Chandra	Non-Executive Chairman
Mr. Subodh Kumar	Executive Vice Chairman
Mr. Punit Goenka	Managing Director & CEO
Mr. Ashok Kurien	Non-Executive Director
Lord Gulam Noon	Independent Director
Prof. Mr. R. Vaidyanathan	Independent Director
Prof. Mr. Sunil Sharma	Independent Director
Prof. (Mrs.) Neharika Vohra	Independent Director

Shareholding Pattern as on September 30, 2014

(*Face value of Equity Shares of `1 each*)

	Category of shareholder	Number of shareholders	Total number of shares	Number of shares held in dematerialized form	Total shareholding as a percentage of total number of shares		Shares Pledged or otherwise encumbered	
					% of (A+B)	% of (A+B+C)	No. of shares	%
(A)	**Promoter and Promoter Group**							
(1)	**Indian**							
(a)	Bodies Corporate	19	241,403,408	241,403,408	25.13	25.13	166,249,215	68.87
	Sub-Total (A)(1)	**19**	**241,403,408**	**241,403,408**	**25.13**	**25.13**	**166,249,215**	**68.87**
(2)	**Foreign**							
(a)	Bodies Corporate	3	172,266,804	172,266,804	17.94	17.94	--	--
	Sub-Total (A)(2)	3	172,266,804	172,266,804	17.94	17.94	--	--
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	**22**	**413,670,212**	**413,670,212**	**43.07**	**43.07**	**166,249,215**	**40.19**
(B)	**Public shareholding**							
(1)	**Institutions**							
(a)	Mutual Funds/UTI	86	13,097,570	13,097,570	1.36	1.36	--	--
(b)	Financial Institutions/ Banks	16	102,693	10,2693	0.01	0.01	--	--
(c)	Insurance Companies	2	162,790	162,790	0.02	0.02	--	--
(d)	Foreign Institutional Investors	321	488,298,828	488,276,928	50.84	50.84	--	--
(e)	Any Other (Specify)	**1**	**1500**	**1500**	--	--	--	--
(f)	Foreign Banks	1	1500	1500	--	--	--	--
	Sub-Total (B)(1)	**426**	**501,663,381**	**501,641,481**	**52.23**	**52.23**	**--**	**--**
(2)	**Non-institutions**							

	Category of shareholder	Number of shareholders	Total number of shares	Number of shares held in dematerialized form	Total shareholding as a percentage of total number of shares		Shares Pledged or otherwise encumbered	
					% of (A+B)	% of (A+B+C)	No. of shares	%
(a)	Bodies Corporate	1,667	20,790,013	20,782,531	2.16	2.16	--	--
(b)	Individuals							
	i. Individual shareholders holding nominal share capital up to ` 1 lakh.	85,397	17,674,829	16,959,452	1.84	1.84	--	--
	ii. Individual shareholders holding nominal share capital in excess of ` 1 lakh.	3	3,460,151	3,460,151	0.36	0.36	--	--
(c)	Any Other (specify)	**1,811**	**3,190,134**	**2,298,980**	**0.33**	**0.33**	--	--
	i. Overseas Bodies Corporate	3	33,838	33,838	0.00	0.00	--	--
	ii. Foreign Nationals	2	3,690	3,690	0.00	0.00	--	--
	iii. Non Resident Indians	1,778	2,623,053	1,774,153	0.27	0.27	--	--
	iv. Trusts	26	435,601	393,347	0.05	0.05	--	--
	v. Foreign Corporate Bodies	2	93,952	93,952	0.01	0.01	--	--
	Sub-Total (B)(2)	**88,878**	**45,115,127**	**43,501,114**	**4.70**	**4.70**	--	--
	Total Public Shareholding (B)= (B)(1)+(B)(2)	**89,304**	**546,778,508**	**545,142,595**	**56.93**	**56.93**	--	--
	TOTAL (A)+(B)	**89,326**	**960,448,720**	**958,812,807**	**100.00**	**100.00**	**166,249,215**	**17.31**
(C)	**Shares held by Custodians and against which Depository Receipts have been issued**	--	--	--	--	--	--	--
	GRAND TOTAL (A)+(B)+(C)	**89,326**	**960,448,720**	**958,812,807**	--	**100.00**	**166,249,215**	**17.31**

Financial Performance

The audited consolidated financial performance for the last three (3) financial years is given below:

(` *in Millions except for per share data*)

Particulars	March 31, 2014	March 31, 2013	March 31, 2012
Equity Capital	960.00	954.00	959.00
Preference Capital	20,170.00	--	--
Reserves and Surplus (excluding revaluation reserves)	26,247.00	38,161.00	33,349.00
Total revenue	46,024.00	38,457.00	31,789.00
Profit (Loss) after Tax	8,921.00	7,196.00	5,891.00

Particulars	March 31, 2014	March 31, 2013	March 31, 2012
Basic Earnings per Share (in `) (Face value `1)	9.19	7.54	6.08
Diluted Earnings per Share (in `) (Face value `1)	9.19	7.51	6.08
Net Asset Value per equity share (in `) (Face value ` 1)	49.32	41.00	35.78

Significant Auditors Notes

Nil

Promise v/s Performance

ZEEL has not made any public or rights issue in the past ten (10) years preeding the date of this Draft Letter of Offer.

Stock Market data

Prices for the last six (6) months:

The high and low prices and volume of Equity Shares traded on the respective dates during the last six (6) months are stated as under:

BSE

Month, Year	High			Low			Average Price for the month (`)
	Date	Price (`)	Volume	Date	Price (`)	Volume	
June 2014	June 30, 2014	292.45	96,321	June 16, 2014	264.60	108,905	277.90
July 2014	July 23, 2014	300.60	80,859	July 10, 2014	286.40	189,136	295.36
August 2014	August 21, 2014	291.90	250,763	August 13, 2014	268.50	867,264	280.37
September 2014	September 30, 2014	314.25	156,999	September 5, 2014	281.20	101,568	293.45
October 2014	October 30, 2014	348.20	81,901	October 7, 2014	307.75	78,543	326.86
November 2014	November 25, 2014	391.40	608,830	November 3, 2014	349.75	113066	374.91

Source: www.bseindia.com

NSE

Month, Year	High			Low			Average Price for the month (`)
	Date	Price (`)	Volume	Date	Price (`)	Volume	
June 2014	June 30, 2014	293.45	988,584	June 16, 2014	264.50	1,119,306	278.00
July 2014	July 23, 2014	301.55	1,180,914	July 10, 2014	286.60	2,725,620	295.40
August 2014	August 21, 2014	291.95	4,037,382	August 13, 2014	269.40	1,333,515	280.48
September 2014	September 30, 2014	314.15	2,565,838	September 5, 2014	281.05	1,302,272	293.43
October 2014	October 30, 2014	347.35	2,989,495	October 7, 2014	308.50	1,713,128	326.73
November, 2014	November 25, 2014	393.85	60,972,072	November 3, 2014	350.20	1,223,128	375.11

Source: www.nseindia.com

Mechanism for redressal of investor grievance

ZEEL constituted the Stakeholder's Relationship Committee comprising of Mr. Ashok Kurien; and Mr. Punit Goenka and in accordance with the Section 178 of the Companies Act, and Clause 49 of the Listing Agreement entered into with the stock exchanges for redressal of complaints of investors such as Non receipt of Share Certificates, Non Receipt of Annual Report, etc. Mr. M Lakshminarayanan, Chief Compliance Officer & Company Secretary of ZEEL, is the compliance officer of the Company. The Stakeholders' Relationship Committee endeavor to redress any complaints received within a

period of five (5) Working Days. As of September 30, 2014, there were Nil investor complaints pending against ZEEL.

Other Confirmations

- ZEEL is not a sick company and is not under the process of winding-up.
- ZEEL does not hold any Equity Shares, warrants/convertible securities in the Company as of the date of this Draft Letter of Offer.
- ZEEL does not have any interest, including any business or other interest, in the Company except as disclosed in related party transactions under section titled "Financial Statements" beginning on page 197 of this Draft Letter of Offer.
- ZEEL is not interested in any property acquired by the Company within the last two (2) years or proposed to be acquired by the Company. However, the Company has entered into a Leave and License and Right to use agreement with ZEEL for use of its corporate office situated at Noida, Uttar Pradesh, India. For further details, please refer to section titled "Business of the Company – Immovable Properties of the Company" beginning on page 119 of this Draft Letter of Offer.
- ZEEL is a listed entity though has not made any public or rights issue in preceding three (3) years.
- ZEEL does not have negative net worth for the last three (3) Financial Year ended March 31, 2014, 2013 and 2012.

2. **Dish TV India Limited** ("***Dish TV***")

Corporate Information

Dish TV, formerly known as Navpad Texturisers Private Limited, was incorporated on August 10, 1988 bearing the Registration No. 11-48445. The CIN is L51909DL1988PLC101836.

Dish TV is a Direct to Home (DTH) company. Dish TV has built and continues to sustain abundant capacity, beaming from two (2) different satellites offering the bouquet of content with various channels and services. The registered office of Dish TV is situated at Essel House, B-10 Lawrence Road Industrial Area, New Delhi 110 035, India.

Interest of the Promoter

As on September 30, 2014, Sprit Textiles holds 300 equity shares of `1 each constituting negligible percentage of the total paid-up equity shares capital of Dish TV.

Board of Directors as on the date of this Draft Letter of Offer

Name of the Director	Designation
Dr. Subhash Chandra	Non-Executive Chairman
Mr. Jawahar Lal Goel	Managing Director
Mr. Ashok Kurien	Non-Executive Director
Mr. Bhagwan Das Narang	Independent Director
Mr. Arun Duggal	Independent Director
Mr. Eric Louis Zinterhofer	Independent Director
Ms. Lakshmi Chand	Independent Director
Mr. Mintoo Bhandari	Non-Executive Nominee Director
Mr. Utsav Baijal	Alt. Director to Mr. Mintoo Bhandari
Ms. Asha Swarup	Independent Director

Shareholding Pattern as on September 30, 2014

(*Equity Shares of face value ` 1 each*)

	Category of shareholder	Number of shareholders	Total number of shares	Number of shares held in dematerialized form	Total shareholding as a percentage of total number of shares		Shares Pledged or otherwise encumbered	
					% of (A+B)	% of (A+B+C)	No. of shares	%
(A)	**Promoter and Promoter Group**							
(1)	**Indian**							
(a)	Bodies Corporate	22	648,651,785	648,651,785	66.19	60.91	329,272,812	50.76
(b)	**Any other (specify)**	**8**	**2594150**	**2594150**	**0.26**	**0.24**	**0**	**0.00**
(c)	Directors/Promoters & their Relatives & Friends	8	2594150	2594150	0.26	0.24	0	0.00
	Sub-Total (A)(1)	**30**	**651,245,935**	**651,245,935**	**66.46**	**61.15**	**329,272,812**	**50.56**
(2)	**Foreign**							
(a)	Bodies Corporate	2	35,632,125	35,632,125	3.64	3.35	--	--
	Sub-Total (A)(2)	**2**	**35,632,125**	**35,632,125**	**3.64**	**3.35**	**--**	**--**
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	**32**	**686,878,060**	**686,878,060**	**70.09**	**64.50**	**329,272,812**	**47.94**
(B)	**Public shareholding**							
(1)	**Institutions**							
(a)	Mutual Funds/UTI	30	30,175,475	30,174,900	3.08	2.83	--	--
(b)	Financial Institutions/ Banks	20	744,169	744,169	0.08	0.07	--	--
(c)	Central Government/ State Government(s)	2	2,243,401	2,243,401	0.23	0.21	--	--
(d)	Insurance Companies	1	4,600	4,600	--	--	--	--
(e)	Foreign Institutional Investors	102	126,317,714	126,311,389	12.89	11.86	--	--
	Sub-Total (B)(1)	**155**	**159,485,359**	**159,478,459**	**16.27**	**14.98**	**--**	**--**
(2)	**Non-institutions**							
(a)	Bodies Corporate	1,998	47,894,271	47,889,878	4.89	4.50	--	--
(b)	Individuals							
	i. Individual shareholders holding nominal share capital up to ` 1 lakh.	157,360	45,161,840	44,923,284	4.61	4.24	--	--
	ii. Individual shareholders holding nominal share capital in excess of ` 1 lakh.	15	4,286,143	4,286,143	0.44	0.40	--	--
(c)	Any Other (specify)	**2,363**	**36,267,272**	**36,035,333**	**3.70**	**3.41**	--	--
	i. Overseas Bodies Corporate	3	8,883	8,883	--	--	--	--
	ii. Foreign Nationals	1	575	575	--	--	--	--
	iii. Non Resident Indians	2,352	4,242,725	4,010,786	0.43	0.40	--	--
	iv. Trusts	6	15,089	15,089	--	--	--	--
	v. Foreign Corporate Bodies	1	32,000,000	32,000,000	3.27	3.00	--	--
	Sub-Total (B)(2)	**161,736**	**133,609,526**	**133,134,638**	**13.63**	**12.55**	**--**	**--**
	Total Public Shareholding (B)= (B)(1)+(B)(2)	**161,891**	**293,094,885**	**292,613,097**	**29.91**	**27.52**	**--**	**--**

	Category of shareholder	Number of shareholders	Total number of shares	Number of shares held in dematerialized form	Total shareholding as a percentage of total number of shares		Shares Pledged or otherwise encumbered	
					% of (A+B)	% of (A+B+C)	No. of shares	%
	TOTAL (A)+(B)	**161,923**	**979,972,945**	**979,491,157**	**100.00**	**92.02**	**329,272,812**	**33.60**
(C)	**Shares held by Custodians and against which Depository Receipts have been issued**	--	--	--	--	--	--	--
	(1) Public	**1**	**85,035,000**	**85,035,000**	--	**7.98**	--	--
	Sub-Total	**1**	**85,035,000**	**85,035,000**	--	**7.98**	--	--
	GRAND TOTAL (A)+(B)+(C)	**161,924**	**1,065,007,945**	**1,064,526,157**	--	**100.00**	**329,272,812**	**30.92**

Financial Performance

The audited consolidated financial performance for the last three (3) financial years is given below:

(` *in Millions except for per share data*)

Particulars	March 31, 2014	March 31, 2013	March 31, 2012
Equity Capital	1,065.0	1,064.80	1,063.60
Preference Capital	--	--	--
Reserves and Surplus (excluding revaluation reserves)	(4,191.0)	(2,620.60)	(2,002.20)
Total revenue	25,738.60	22,179.40	20,286.40
Profit (Loss) after Tax	(1,576.10)	(660.00)	(1,331.40)
Basic Earnings per Share (in `) (Face value `1)	(1.48)	(0.62)	(1.25)
Diluted Earnings per Share (in `) (Face value `1)	(1.48)	(0.62)	(1.25)
Net Asset Value per equity share (in `) (Face value `1)	(2.94)	(1.46)	(0.88)

Significant Auditors Notes

Financial Year 2012-2013 (*Standalone*)

Note4. Basis for Qualified Opinion

The life of the Consumer Premises Equipment (CPE) for the purposes of depreciation has been estimated by the management as five years. However, in certain cases, the one-time advance contributions towards the CPEs in the form of rentals are recognized as revenue over a period of three years, which is not in line with the estimated life of such assets, in terms of Accounting Standard 19 'Leases'. The impact of which on the financial statements has not been ascertained by the management. The Company has streamlined the above practice by recognising the revenue over a period of five years in respect of CPEs installed with effect from 1 April 2012. This was a subject matter of qualification in our audit report on the financial statements for the previous year ended 31 March 2012 [also refer to note 50]

Financial Year 2012-2013 (*Consolidated*)

Note 4. Basis for Qualified Opinion

The life of the Consumer Premises Equipment (CPE) for the purposes of depreciation has been estimated by the management as five years. However, in certain cases, the one-time advance contributions towards the CPEs in the form of rentals are recognized as revenue over a period of three

years, which is not in line with the estimated life of such assets, in terms of Accounting Standard 19 'Leases', though the impact of which on the consolidated financial statements has not been ascertained by the management. The Company has streamlined the above practice by recognising the revenue over a period of five years in respect of CPEs installed with effect from 1 April 2012. This was a subject matter of qualification in our audit report on the consolidated financial statements for the previous year ended 31 March 2012 [also refer to note 33)]

Financial Year 2011-2012 (*Standalone*)

Note 5(f) of Auditors Report: The life of the Consumer Premises Equipment (CPE) for the purposes of depreciation has been estimated by the management as five years. However, in certain cases, the one-time advance contributions towards the CPEs in the form of rentals are recognized as revenue over a period of three years, which is not in line with the estimated life of such assets, in terms of Accounting Standard 19 'Leases', though the impact of which on the financial statements has not been ascertained by the management. This was a subject matter of qualification in our audit report on the financial statements for the previous year ended 31 March 2011 also [Refer to note 39 (b)];

Note 5(g) of Auditors Report: during the previous year, the company received a demand notice for income tax and interest thereon aggregating ` 4,056 lacs in relation to an earlier year, though reduced to ` 2,642 lacs during the year based on a rectification application filed. The matter pertains to short deduction of tax at source on certain payments and interest thereon for delayed period. The company has disputed the above said demand and has filed an appeal against the same with the tax authorities. The company, based on a legal view obtained in the matter, has not made any provision in the financial statements and has not assessed the impact of the above position on the subsequent years. Pending final conclusion, we are unable to comment on the matter and its consequent impact on the Statement of Profit and Loss for the year and the debit balance in the Statement of Profit and Loss at the end of the year. This was a subject matter of qualification in our audit report on the financial statements for the previous year ended 31 March 2011 also [Refer to note 49 (c)].

Financial Year 2011-2012 (*Consolidated*)

Note 6 of Auditors Report: The life of the Consumer Premises Equipment (CPE) for the purposes of depreciation has been estimated by the management as five years. However, in certain cases, the one-time advance contributions towards the CPEs in the form of rentals are recognized as revenue over a period of three years, which is not in line with the estimated life of such assets in terms of Accounting Standard 19, 'Leases', though the impact of which on the financial results has not been ascertained by the management [refer note 37(b) of the attached consolidated financial statements]; and

Note 7 of Auditors Report: During the previous year, the Company received a demand notice for income tax and interest thereon aggregating ` 4,056 lacs in relation to an earlier year, though reduced to ` 2,642 lacs during the year based on a rectification application filed. The matter pertains to short deduction of tax at source on certain payments and interest thereon for delayed period. The Company has disputed the above said demand and has filed an appeal against the same with the tax authorities. The Company, based on a legal view obtained in the matter, has not made any provision in the financial statements and has not assessed the impact of the above position on the subsequent years. Pending final conclusion, we are unable to comment on the matter and its consequent impact on the consolidated financial statements. [refer note 43(C) of the attached consolidated financial statements]

Promise v/s Performance

In January 2009, Dish TV had issued 518,149,592 equity shares of `1 each at a price of `22 per equity share pursuant to a rights issue.

The utilization of the rights issue proceeds have been in accordance with the revised manner of usage of rights issue proceeds as approved by the Board of Directors of Dish TV, in their meeting held on May 28, 2009. The utilization of the rights issue proceeds as per the revised usage aggregating to `98,986 lakhs (*previous year `98,959 lakhs*) is as under. The monitoring agency, IDBI Bank Limited, has issued its report dated January 18, 2014 on utilisation of the rights issue proceeds upto December 31, 2013.

The details of utilisation of rights issue proceds by Dish TV, on an overall basis, are as below:

(` *Lakhs*)

Particulars	Upto March 31, 2014	Upto March 31, 2013
Amount Utilized		
Repayment of loans	28,421	28,421
Repayment of loans, received after rights issue launch	24,300	24,300
General Corporate Purpose/ operating expenses	19,720	19,693
Acquisition of Consumer Premises Equipment (CPE)	26,000	26,000
Rights Issue expenses	545	545
Total money utilized (A)	**98,986**	**98,959**
Untilized amount:-		
Deposits with SICOM Limited	15,000	15,000
Balance in current accounts	--	--
Total Untilized money (B)	**15,000**	**15,000**
Total (A+B)	**113,936**	**113,959**

(*Source: Annual Report for the year ended March 31, 2014*)

The Letter of Offer dated November 26, 2008 of Dish TV provided for the utilization of proceeds till Financial Year 2010. However, `15,000 lakhs is yet to be deployed by Dish TV.

Stock Market data

Prices for the last six (6) months:

The high and low prices and volume of Equity Shares traded on the respective dates during the last six (6) months are stated as under:

BSE

Month, Year	High			Low			Average Price for the month (`)
	Date	Price (`)	Volume	Date	Price (`)	Volume	
June 2014	June 10, 2014	59.75	6,047,034	June 2, 2014	52.05	622,015	56.27
July 2014	July 1, 2014	62.95	3,169,904	July 11, 2014	54.55	1,675,715	59.46
August 2014	August 6, 2014	60.00	3,602,859	August 28, 2014	53.75	399,388	57.26
September 2014	September 18, 2014	58.65	1,119,709	September 30, 2014	53.50	366,462	55.57
October 2014	October 31, 2014	57.55	421,433	October 7, 2014	53.75	135,381	55.38
November 2014	November 28, 2014	65.10	555169	November 5, 2014	57.55	442735	61.28

Source: www.bseindia.com

NSE

Month, Year	High			Low			Average Price for the month (`)
	Date	Price (`)	Volume	Date	Price (`)	Volume	
June 2014	June 10, 2014	59.80	31,952,505	June 2, 2014	52.00	4,547,987	56.28
July 2014	July 1, 2014	63.05	18,905,999	July 11, 2014	54.50	10,168,800	59.46
August 2014	August 6, 2014	60.05	9,335,392	August 28, 2014	53.70	4,910,616	57.25
September 2014	September 18, 2014	58.60	6,026,095	September 30, 2014	53.70	4,474,478	55.59
October 2014	October 31, 2014	57.55	2,776,517	October 7, 2014	53.55	4,348,157	55.42
November 2014	November 28, 2014	65.25	3,708,795	November 5, 2014	57.60	2,521,137	61.33

Source: www.nseindia.com

Mechanism for redressal of investor grievance

Dish TV constituted the Stakeholder's Relationship Committee comprising of Mr. Jawahar Lal Goel; and Mr. Ashok Kurien and in accordance with the Section 178 of the Companies Act, and Clause 49 of

the Listing Agreement entered into with the stock exchanges for redressal of complaints of investors such as as Non receipt of Share Certificates, Non Receipt of Annual Report, etc. Mr. Ranjit Singh, Company Secretary of Dish TV, is the compliance officer of the Company. The Stakeholders' Relationship Committee seeks to redress any complaints received as expeditiously as possible. As of September 30, 2014, there were Nil investor complaints pending against Dish TV.

Other Confirmations

- ❖ Dish TV is not a sick company and is not under the process of winding-up.
- ❖ Dish TV does not hold any Equity Shares, warrants/convertible securities in the Company as of the date of this Draft Letter of Offer.
- ❖ Dish TV does not have any interest, including any business or other interest, in the Company except as disclosed in related party transactions under section titled "Financial Statements" beginning on page 197 of this Draft Letter of Offer.
- ❖ Dish TV is not interested in any property acquired by the Company within the last two (2) years or proposed to be acquired by the Company.
- ❖ Dish TV is a listed entity though has not made any public or rights issue in preceding three (3) years.
- ❖ Dish TV has negative net worth for the last three (3) Financial Year ended March 31, 2014, 2013 and 2012.

3. **Siti Cable Network Limited** ("***Siti Cable***")

Corporate Information

Siti Cable, formerly known as Wire and Wireless (India) Limited, was incorporated under the Companies Act, 1956 on March 24, 2006 bearing CIN L64200MH2006PLC160733. Siti Cable has been granted the Certificate of Commencement of Business on March 27, 2006.

Siti Cable is a Multi System Operator (MSO) and is presently carrying on the business of reception of signals of television channels for various broadcasters from the designated Satellites (*including reception of terrestrial signals of various channels of Doordarshan*) and distribution thereof through cable networks to the cable operators and/ or subscribers in various cities, towns and villages in India. The registered office of Siti Cable is situated at Continental Building, 135, Dr. Annie Besant Road, Worli, Mumbai 400 018, India.

Interest of the Promoter

As on September 30, 2014, none of the Promoters of the Company are holding any equity shares in Siti Cable.

Board of Directors as on the date of this Draft Letter of Offer

Name of the Director	Designation
Dr. Subhash Chandra	Non-Executive Chairman
Mr. Vassdev Wadhwa	Whole-time Director
Mr. Subodh Kumar	Non-Executive Director
Mr. Brijendra Kumar Syngal	Independent Director
Mr. Vinod Kumar Bakshi	Independent Director
Mr. Sureshkumar Agarwal	Independent Director

Shareholding Pattern as on September 30, 2014

(*Equity Shares of face value ` 1 each*)

	Category of shareholder	Number of shareholders	Total number of shares	Number of shares held in dematerialized form	Total shareholding as a percentage of total number of shares		Shares Pledged or otherwise encumbered	
					% of (A+B)	% of (A+B+C)	No. of shares	%
(A)	**Promoter and Promoter Group**							
(1)	**Indian**							
(a)	Individuals/ Hindu Undivided Family	1	1,021,000	1,021,000	0.17	0.17	--	--
(b)	Bodies Corporate	5	262,040,427	262,040,427	42.66	42.66	210,700,000	80.41
	Sub-Total (A)(1)	**6**	**263,061,427**	**263,061,427**	**42.83**	**42.83**	**210,700,000**	**80.10**
(2)	**Foreign**							
(a)	Bodies Corporate	2	184,181,000	184,181,000	29.99	29.99	--	--
	Sub-Total (A)(2)	2	184,181,000	184,181,000	29.99	29.99	--	--
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	**8**	**447,242,427**	**447,242,427**	**72.82**	**72.82**	**210,700,000**	**47.11**
(B)	**Public shareholding**							
(1)	**Institutions**							
(a)	Mutual Funds/UTI	6	13,973,831	13,973,331	2.28	2.28	--	--
(b)	Financial Institutions/ Banks	13	29,559	29,559	--	--	--	--
(c)	Insurance Companies	2	4,001	4,001	--	--	--	--
(d)	Foreign Institutional Investors	18	48,745,869	48,740,369	7.94	7.94	--	--
	Sub-Total (B)(1)	**39**	**62,753,260**	**62,747,260**	**10.22**	**10.22**	--	--
(2)	**Non-institutions**							
(a)	Bodies Corporate	1,492	24,260,210	24,255,238	3.95	3.95	--	--
(b)	Individuals							
	i. Individual shareholders holding nominal share capital up to ` 1 lakh.	121,564	54,217,669	54,008,859	8.83	8.83	--	--
	ii. Individual shareholders holding nominal share capital in excess of ` 1 lakh.	50	23,828,020	23,828,020	3.88	3.88	--	--
(c)	Any Other (specify)	**1,106**	**1,911,329**	**1,707,127**	**0.31**	**0.31**	--	--
	i. Overseas Bodies Corporate	2	7,575	7,575	--	--	--	--
	ii. Foreign Nationals	1	500	500	--	--	--	--
	iii. Non Resident Indians	1,098	1,899,251	1,695,049	0.31	0.31	--	--
	iv. Trusts	4	4,002	4,002	--	--	--	--
	v. Foreign Corporate Bodies	1	1	1	--	--	--	--
	Sub-Total (B)(2)	**124,212**	**104,217,228**	**103,799,244**	**16.97**	**16.97**	--	--
	Total Public Shareholding (B)= (B)(1)+(B)(2)	**124,251**	**166,970,488**	**166,546,504**	**27.18**	**27.18**	--	--
	TOTAL (A)+(B)	**124,259**	**614,212,915**	**613,788,931**	**100**	**100**	**210,700,000**	**34.30**
(C)	**Shares held by**	--	--	--	--	--	--	--

	Category of shareholder	Number of shareholders	Total number of shares	Number of shares held in dematerialized form	Total shareholding as a percentage of total number of shares		Shares Pledged or otherwise encumbered	
					% of (A+B)	% of (A+B+C)	No. of shares	%
	Custodians and against which Depository Receipts have been issued							
	GRAND TOTAL (A)+(B)+(C)	**124,259**	**614,212,915**	**613,788,931**	**--**	**100.00**	**210,700,000**	**34.30**

Financial Performance

The audited consolidated financial performance for the last three (3) financial years is given below:

(` *in Millions except for per share data*)

Particulars	March 31, 2014	March 31, 2013	March 31, 2012
Equity Capital	520.71	452.21	452.21
Preference Capital	0.02	0.02	0.02
Reserves and Surplus (excluding revaluation reserves)	(1,582.98)	(1,922.82)	(1,282.09)
Total revenue	7,103.41	4,836.65	3,642.60
Profit (Loss) after Tax	(940.61)	(640.73)	(913.40)
Basic Earnings per Share (in `) (Face value `1)	(2.07)	(1.42)	(2.02)
Diluted Earnings per Share (in `) (Face value `1)**	(2.07)	(1.42)	(2.02)
Net Asset Value per equity share (in `) (Face value ` 1)	1.19*	(1.20)*	(2.01)

**The Reserves and Surplus as at March 31, 2014 and March 31, 2013 excludes the advance subscription amount of `1,870.00 million and `810.00 million received on account of issuance of warrants to its promoters. NAV for March 31, 2014 and March 31, 2013 is calculated based on expanded share capital.*

*** Effect of potential equity shares being anti-diluted has not been considered while calculating Diluted EPS.*

Significant Auditors Notes

Financial Year 2011-2012 (*Standalone*)

Note. 5

Attention is drawn to Note No. 26 of accompanying financial statements in respect of advances of `1182.70 million (including `450 million given subsequent to the yearend) given to various companies viz`710.90million to subsidiariesfor meeting working capital requirements and `471.80 million to other Companies for technological upgradation andacquisition of MSOs / direct points etc. In view of the reasons stated in the said note, management of the Company is ofthe view that no provision is required there against. Having regard to the nature and size of operations of the recipientsof said advances and in the absence of concrete plans for recovery / adjustments of these amounts / acquisition of MSO/direct points, technological upgradation etc., we are unable to comment on their ability to repay / adjustments of theseadvances, and consequent adjustments, if any, that may be required to the carrying values of such advances. This hadcaused us to qualify our auditopinion on the financial statements relating to previous year and previous quarters also.

Note.6

The company has, during the year, given interest free advances/deposit of `746.00 million to various Companies fortechnological upgradation and acquisition of MSOs / direct points etc. These advances/deposits have been received backby the company during the year (except for an amount of `21.80 million, which is still outstanding as at the year- end). Having regard to the nature and size of operations of the recipients of said advances/deposits and in view of the fact thatthese advances/deposits have been received back without receipt of any services by the company and considering thatthe company is incurring external borrowing costs at the same time, we are not in a position to comment on the natureof these advances/deposits.

Financial Year 2011-2012 (*Consolidated*)

Note 5

Attention is drawn to note no. 26 of accompanying financial statements in respect of advances of `471.80 million (including `450 million given subsequent to the yearend) given to two companies for technological up gradation andacquisition of MSOs / direct points etc. In view of the reasons stated in the said note, management of the Company is ofthe view that no provision is required there against. Having regard to the nature and size of operations of the recipientsof said advances and in the absence of concrete plans for recovery / adjustments of these amounts / acquisition of MSO/direct points, technological up gradation etc., we are unable to comment on their ability to repay / adjustments of theseadvances, and consequent adjustments, if any, that may be required to the carrying values of such advances. This had caused us to qualify our audit opinion on the financial statements relating to previous year also.

Note 6

The company has, during the year, given interest free advances/deposit of `746.00 million to various Companies fortechnological upgradation and acquisition of MSOs / direct points etc. These advances/deposits have been received backby the company during the year (except for an amount of `21.80 million, which is still outstanding as at the year- end). Having regard to the nature and size of operations of the recipients of said advances/deposits and in view of the fact that these advances/deposits have been received back without receipt of any services by the company and considering that the company is incurring external borrowing costs at the same time, we are not in a position to comment on the natureof these advances/deposits.

Promise v/s Performance

In October 2009, Siti Cable had issued 236,767,351 equity shares of `1 each at a price of `19 per equity share pursuant to a rights issue.

The utilization of proceeds of the money received through rights issue by Siti Cable as on March 31, 2014 are as under:

(` *Millions*)

Objects of the Issue		Right Issue Utilization of total receipt	Remaining unutilized as on March 31, 2014
Repayment of certain of the existing unsecured loans	2,733.38	2,733.38	0.00
Funding working capital requirements	275.97	265.90	10.07
Acquisition of MSOs and LCOs	186.70	141.80	44.90
Information Technology infrastructure and ERP	0.30	0.30	0.00
General Corporate Purposes	1,252.20	1,231.27	20.93
Issue Expenses	39.72	39.72	0.00
Total	**4,488.27**	**4,412.37**	**75.90**

(*Source: Annual Report for the year ended March 31, 2014*)

The Letter of Offer dated September 22, 2009 of Siti Cable provided for the utilization of proceeds till Financial Year 2011. However, `75.90 million is yet to be deployed by Siti Cable.

Stock Market data

Prices for the last six (6) months:

The high and low prices and volume of Equity Shares traded on the respective dates during the last six (6) months are stated as under:

BSE

Month, Year	High			Low			Average Price for the month (`)
	Date	Price (`)	Volume	Date	Price (`)	Volume	
June 2014	June 17, 2014	27.25	1,117,093	June 4, 2014	23.65	728,845	25.75
July 2014	July 28, 2014	29.75	96,271	July 1, 2014	26.15	78,281	28.10
August 2014	August 12, 2014	29.45	5,556,957	August 28, 2014	25.90	117,398	28.05
September 2014	September 17, 2014	27.20	25,502	September 5, 2014	25.30	69,376	26.06
October 2014	October 31, 2014	26.05	92,556	October 10, 2014	25.00	110,001	25.41
November 2014	November 18, 2014	28.45	655,816	November 11, 2014	25.00	57346	26.83

Source: www.bseindia.com

NSE

Month, Year	High			Low			Average Price for the month (`)
	Date	Price (`)	Volume	Date	Price (`)	Volume	
June 2014	June 17, 2014	27.30	2,488,891	June 4, 2014	23.60	1,711,520	25.78
July 2014	July 28, 2014	29.90	259,272	July 1, 2014	26.25	932,694	28.15
August 2014	August 12, 2014	29.30	1,610,553	August 28, 2014	25.90	409,036	28.06
September 2014	September 17, 2014	27.25	352,899	September 5, 2014	25.35	207,554	26.09
October 2014	October 31, 2014	26.10	443,538	October 10, 2014	25.05	444,112	25.48
November 2014	November 18, 2014	28.40	1,744,217	November 11, 2014	25.05	496,881	26.86

Source: www.nseindia.com

Mechanism for redressal of investor grievance

Siti Cable constituted the Stakeholder's Relationship Committee comprising of Mr. B.K.Syngal; Mr. Subodh Kumar; and Mr. Vinod Kumar Bakshi and in accordance with the Section 178 of the Companies Act, and Clause 49 of the Listing Agreement entered into with the stock exchanges for redressal of complaints of investors such as to supervise and ensure efficient transfer of shares and proper and timely attendance to investors' grievances. Mr. Suresh Kumar, the Company Secretary of Siti Cable, is the compliance officer. Siti Cable seeks to redress any complaints received as expeditiously as possible. As of September 30, 2014, there were Nil investor complaints pending against Siti Cable.

Other Confirmations

- ❖ Siti Cable is not a sick company and is not under the process of winding-up.
- ❖ Siti Cable does not hold any Equity Shares, warrants/convertible securities in the Company as of the date of this Draft Letter of Offer.
- ❖ Siti Cable does not have any interest, including any business or other interest, in the Company except as disclosed in related party transactions under section titled "Financial Statements" beginning on page 197 of this Draft Letter of Offer.
- ❖ Siti Cable is not interested in any property acquired by the Company within the last two (2) years or proposed to be acquired by the Company.

- ❖ Siti Cable is a listed entity though has not made any public or rights issue in preceding three (3) years.

- ❖ Siti Cable has negative net worth for Financial Year ended March 31, 2013 and 2012.

4. **Zee Learn Limited** ("***Zee Learn***")

Corporate Information

Zee Learn was incorporated on January 4, 2010 bearing the Corporate Identification Number (CIN) L80301MH2010PLC198405. Zee Learn was granted a Certificate of Commencement of Business on January 20, 2010.

Zee Learn is currently carrying on the activities in relation to education in India with chain of K-12 schools and chain of pre-schools in its portfolio. The registered office of Zee Learn is situated at Continental Building, 135, Dr. Annie Besant Road, Worli, Mumbai 400 018, India.

Interest of the Promoter

As on September 30, 2014, Sprit Textiles holds 11,103,864 equity shares of `1 each constituting 3.47% of the total paid-up equity shares capital of Zee Learn.

Board of Directors as on the date of this Draft Letter of Offer

Name of the Director	Designation
Mr. Subodh Kumar	Non-Executive Chairman
Mr. Himanshu Mody	Non-Executive Director
Dr. Manish Agarwal	Independent Director
Mr. Surjit Banga	Independent Director
Ms. Sangeeta Pandit	Independent Director

Shareholding Pattern as on September 30, 2014

(*Equity Shares of face value `1 each*)

	Category of shareholder	Number of shareholders	Total number of shares	Number of shares held in dematerialized form	Total shareholding as a percentage of total number of shares		Shares Pledged or otherwise encumbered	
					% of (A+B)	% of (A+B+C)	No. of shares	%
(A)	**Promoter and Promoter Group**							
(1)	**Indian**							
(a)	Bodies Corporate	13	190,766,475	190,766,475	68.50	59.68	86,766,911	45.48
(b)	**Individuals/ Hindu Undivided Family**	2	729,089	729,089	0.26	0.23	--	--
	Sub-Total (A)(1)	**15**	**191,495,564**	**191,495,564**	**68.76**	**59.90**	**86,766,911**	**45.31**
(2)	**Foreign**							
(a)	Bodies Corporate	1	5,797,315	5,797,315	2.08	1.81	--	--
	Sub-Total (A)(2)	1	5,797,315	5,797,315	2.08	1.81	--	--
	Total Shareholding of	**16**	**197,292,879**	**197,292,879**	**70.84**	**61.72**	**86,766,911**	**43.98**

	Category of shareholder	Number of shareholders	Total number of shares	Number of shares held in dematerialized form	Total shareholding as a percentage of total number of shares		Shares Pledged or otherwise encumbered	
					% of (A+B)	% of (A+B+C)	No. of shares	%
	Promoter and Promoter Group (A)= (A)(1)+(A)(2)							
(B)	**Public shareholding**							
(1)	**Institutions**							
(a)	Mutual Funds/UTI	1	274.00	--	--	--	--	--
(b)	Financial Institutions/ Banks	13	85,299	85,299	0.03	0.03	--	--
(c)	Insurance Companies	2	19,218	19,218	0.01	0.01	--	--
(d)	Foreign Institutional Investors	15	44,379,374	443,76,361	15.94	13.88	--	--
	Sub-Total (B)(1)	**31**	**44,484,165**	**44,480,878**	**15.97**	**13.92**	--	--
(2)	**Non-institutions**							
(a)	Bodies Corporate	1,381	25,384,744	25,382,921	9.12	7.94	--	--
(b)	Individuals							
	i. Individual shareholders holding nominal share capital up to ` 1 lakh.	84,541	9,690,526	9,559,233	3.48	3.03	--	--
	ii. Individual shareholders holding nominal share capital in excess of ` 1 lakh.	7	1,222,049	1,222,049	0.44	0.38	--	--
(c)	Any Other (specify)	**1,270**	**411,700**	**296,944**	**0.15**	**0.13**	--	--
	i. Overseas Bodies Corporate	3	4,230	4,230	--	--	--	--
	ii. Foreign Nationals	2	12,774	12,500	--	--	--	--
	iii. Non Resident Indians	1,262	394,608	280,126	0.14	0.12	--	--
	iv. Trusts	3	88.00	88.00	--	--	--	--
	Sub-Total (B)(2)	**87,199**	**36,709,019**	**36,461,147**	**13.18**	**11.48**	--	--
	Total Public Shareholding (B)= (B)(1)+(B)(2)	**87,230**	**81,193,184**	**80,942,025**	**29.16**	**25.40**	--	--
	TOTAL (A)+(B)	**87,246**	**278,486,063**	**278,234,904**	**100**	**87.12**	**86,766,911**	**31.16**
(C)	**Shares held by Custodians and against which**	--	--	--	--	--	--	--

	Category of shareholder	Number of shareholders	Total number of shares	Number of shares held in dematerialized form	Total shareholding as a percentage of total number of shares		Shares Pledged or otherwise encumbered	
					% of (A+B)	% of (A+B+C)	No. of shares	%
	Depository Receipts have been issued							
	(2) Public	**1**	**41,179,770**	**41,179,770**	--	**12.88**	--	--
	Sub-Total	**1**	**41,179,770**	**41,179,770**	--	**12.88**	--	--
	GRAND TOTAL (A)+(B)+(C)	**87,247**	**319,665,833**	**319,414,674**	--	**100.00**	**86,766,911**	**27.14**

Financial Performance

The consolidated audited financial performance for the last three (3) financial years is given below:

(` *in Millions except for per share data*)

Particulars	March 31, 2014	March 31, 2013	March 31, 2012
Equity Capital	319.33	263.01	262.74
Preference Capital	--	--	--
Reserves and Surplus (excluding revaluation reserves)	1,911.92	931.64	1,139.53
Total revenue	1,243.35	1,014.36	616.29
Profit (Loss) after Tax	(19.38)	(214.14)	(276.17)
Basic Earnings per Share (in `) (Face value `1)	(0.06)	(0.81)	(1.05)
Diluted Earnings per Share (in `) (Face value `1)	(0.06)	(0.81)	(1.05)
Net Asset Value per equity share (in `) (Face value ` 1)	6.99	4.54	5.34

Significant Auditors Notes

Nil

Promise v/s Performance

Zee Learn has not made any public or rights issue in the past ten (10) years preeding the date of this Draft Letter of Offer.

Stock Market data

Prices for the last six (6) months:

The high and low prices and volume of Equity Shares traded on the respective dates during the last six (6) months are stated as under:
BSE

Month, Year	High			Low			Average Price for the month (`)
	Date	Price (`)	Volume	Date	Price (`)	Volume	
June 2014	June 30, 2014	36.05	898,205	June 2, 2014	30.00	394,718	32.86
July 2014	July 2, 2014	37.50	507,809	July 30, 2014	30.85	45,169	33.41
August 2014	August 19, 2014	39.35	592,126	August 8, 2014	29.55	25,504	34.97
September 2014	September 18, 2014	40.85	514,172	September 26, 2014	35.20	58,813	37.02
October 2014	October 31, 2014	35.95	51,683	October 7, 2014	34.15	13,763	35.12

Month, Year	High			Low			Average Price for the month (`)
	Date	Price (`)	Volume	Date	Price (`)	Volume	
November 2014	November 3, 2014	35.70	16,963	November 26, 2014	33.05	15,384	34.34

Source: www.bseindia.com

NSE

Month, Year	High			Low			Average Price for the month (`)
	Date	Price (`)	Volume	Date	Price (`)	Volume	
June 2014	June 30, 2014	36.05	2,743,122	June 2, 2014	30.10	1,176,982	32.88
July 2014	July 2, 2014	37.60	1,441,207	July 30, 2014	30.90	164,073	33.42
August 2014	August 19, 2014	39.20	1,809,642	August 8, 2014	29.75	70,543	34.98
September 2014	September 18, 2014	40.90	2,191,807	September 16, 2014	35.20	470,194	37.02
October 2014	October 16, 2014	36.00	251,115	October 7, 2014	34.15	99,100	35.15
November 2014	November 3, 2014	35.65	240,925	November 25, 2014	33.15	80,626	34.34

Source: www.nseindia.com

Mechanism for redressal of investor grievance

Zee Learn constituted the Stakeholder's Relationship Committee comprising of Mr. Surjit Banga; and Mr. Himanshu Mody in accordance with the Section 178 of the Companies Act, and Clause 49 of the Listing Agreement entered into with the stock exchanges for redressal of complaints of investors such as non-receipt of transfer / transmission / annual report, rematerialization of shares, deletion of name etc. Mr. Samir Raval, the Company Secretary of Zee Learn Limited, is the compliance officer seeks to redress any complaints received as expeditiously as possible. As of September 30, 2014, there were Nil investor complaints pending against Zee Learn.

Other Confirmations

- ❖ Zee Learn is not a sick company and is not under the process of winding-up.
- ❖ Zee Learn does not hold any Equity Shares, warrants/convertible securities in the Company as of the date of this Draft Letter of Offer.
- ❖ Zee Learn does not have any interest, including any business or other interest, in the Company except as disclosed in related party transactions under section titled "Financial Statements" beginning on page 197 of this Draft Letter of Offer.
- ❖ Zee Learn is not interested in any property acquired by the Company within the last two (2) years or proposed to be acquired by the Company.
- ❖ Zee Learn is a listed entity though has not made any public or rights issue in preceding three (3) years.
- ❖ Zee Learn does not have negative net worth for the last three (3) Financial Year ended March 31, 2014, 2013 and 2012.

5. **Shirpur Gold Refinery Limited** ("***Shirpur Gold***")

Corporate Information

Shirpur Gold, formerly known as Skipper Mercantile Limited, was incorporated on November 9, 1984 bearing Registration Number 11-34501. The CIN is L51900MH1984PLC034501. Shirpur Gold was granted the Certificate of Commencement of Business on December 6, 1984.

Shirpur Gold has set up a green field precious metal refinery to refine gold and silver in Shirpur, Maharashtra. The registered office of Shirpur Gold is situated at Refinery Site, Shirpur, Dist. Dule, Dhulia 425 405, India.

Interest of the Promoter

As on September 30, 2014, none of the Promoters of the Company are holding any equity shares of Shirpur Gold.

Board of Directors as on the date of this Draft Letter of Offer

Name of the Director	Designation
Mr. Amit Goenka	Non-Executive Chairman
Mr. Vimal Kumar Agarawal	Non-Executive Director
Mr. Anish Goel	Independent Director
Mr. Manoj Agarwal	Independent Director

Shareholding Pattern as on September 30, 2014

(*Equity Shares of face value ` 10 each*)

	Category of shareholder	Number of shareholders	Total number of shares	Number of shares held in dematerialized form	Total shareholding as a percentage of total number of shares		Shares Pledged or otherwise encumbered	
					% of (A+B)	% of (A+B+C)	No. of shares	%
(A)	**Promoter and Promoter Group**							
(1)	**Indian**							
(a)	Bodies Corporate	1	21,185,703	21,185,703	72.71	72.71	14,300,000	67.50
	Sub-Total (A)(1)	1	21,185,703	21,185,703	72.71	72.71	14,300,000	67.50
(2)	**Foreign**							
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	**1**	**21,185,703**	**21,185,703**	**72.71**	**72.71**	**14,300,000**	**67.50**
(B)	**Public shareholding**							
(1)	**Institutions**							
(a)	Foreign Institutional Investors	1	740,000	740,000	2.54	2.54	--	--
	Sub-Total (B)(1)	**1**	**740,000**	**740,000**	**2.54**	**2.54**	--	--
(2)	**Non-institutions**							
(a)	Bodies Corporate	288	1,968,915	1,968,615	6.76	6.76	--	--
(b)	Individuals							
	i. Individual shareholders holding nominal share capital up to ` 1 lakh.	7,811	2,764,489	2,722,977	9.49	9.49	--	--
	ii. Individual shareholders holding nominal share capital in excess of ` 1	50	2,389,519	2,364,519	8.20	8.20	--	--

	Category of shareholder	Number of shareholders	Total number of shares	Number of shares held in dematerialized form	Total shareholding as a percentage of total number of shares		Shares Pledged or otherwise encumbered	
					% of (A+B)	% of (A+B+C)	No. of shares	%
	lakh.							
(c)	Any Other (specify)	**50**	**88,576**	**88,576**	**0.30**	**0.30**	--	--
	i. Foreign Nationals	1	2,501	2,501	0.01	0.01	--	--
	ii. Non Resident Indians	45	36,626	36,626	0.13	0.13	--	--
	iii. Trusts	1	995.00	995.00	--	--	--	--
	iv. Foreign Corporate Bodies	1	39,900	39,900	0.14	0.14	--	--
	v. Directors & their Relatives & Friends	2	8,554	8,554	0.03	0.03	--	--
	Sub-Total (B)(2)	**8,199**	**7,211,499**	**7,144,687**	**24.75**	**24.75**	--	--
	Total Public Shareholding (B)= (B)(1)+(B)(2)	**8,200**	**7,951,499**	**7,884,687**	**27.29**	**27.29**	--	--
	TOTAL (A)+(B)	**8,201**	**29,137,202**	**29,070,390**	**100**	**100**	**14,300,000**	**49.08**
(C)	**Shares held by Custodians and against which Depository Receipts have been issued**	--	--	--	--	--	--	--
	GRAND TOTAL (A)+(B)+(C)	**8,201**	**29,137,202**	**29,070,390**	**--**	**100.00**	**14,300,000**	**49.08**

Financial Performance

The audited consolidated/ standalone financial performance for the last three (3) financial years is given below:

(` *in Millions except for per share data*)

Particulars	March 31, 2014	March 31, 2013*	March 31, 2012*
Equity Capital	291.37	291.37	291.37
Reserves and Surplus (excluding revaluation reserves)	2,141.72	2,061.81	2,039.01
Total revenue	17,442.57	40,486.71	25,590.55
Profit (Loss) after Tax	56.18	22.80	(141.57)
Earnings per Share (in `) (Face value `10) – Basic & Diluted	1.93	0.78	(4.86)
Net Asset Value per equity share (in `) (Face value ` 10)	82.97	79.47	79.57

**Standalone basis.*

Significant Auditors Notes

Nil

Promise v/s Performance

Shirpur Gold has not made any public or rights issue in the past ten (10) years preeding the date of this Draft Letter of Offer.

Stock Market data

Prices for the last six (6) months:

The high and low prices and volume of Equity Shares traded on the respective dates during the last six (6) months are stated as under:

BSE

Month, Year	High			Low			Average Price for the month (`)
	Date	Price (`)	Volume	Date	Price (`)	Volume	
June 2014	June 9, 2014	80.85	19,426	June 19, 2014	69.75	2,817	74.93
July 2014	July 16, 2014	80.45	22,597	July 11, 2014	71.50	7,943	75.90
August 2014	August 13, 2014	80.15	56,591	August 26, 2014	72.85	7,145	76.97
September 2014	September 18, 2014	94.90	62,562	September 4, 2014	75.55	7,973	82.85
October 2014	October 28, 2014	84.95	12,907	October 17, 2014	77.70	6,404	82.19
November 2014	November 10, 2014	105.00	71,898	November 26, 2014	81.25	6,705	89.74

Source: www.bseindia.com

NSE

Month, Year	High			Low			Average Price for the month (`)
	Date	Price (`)	Volume	Date	Price (`)	Volume	
June 2014	June 9, 2014	81.05	5,394	June 19, 2014	70.00	1,368	75.05
July 2014	July 16, 2014	80.15	12,690	July 14, 2014	70.45	1,871	75.93
August 2014	August 14, 2014	79.95	1,823	August 26, 2014	73.00	6,197	77.00
September 2014	September 18, 2014	94.80	45,907	September 4, 2014	75.15	563	82.45
October 2014	October 23, 2014	87.05	23,191	October 17, 2014	77.45	2,241	82.13
November 2014	November 10, 2014	104.70	52,242	November 26, 2014	81.65	1,216	89.75

Source: www.nseindia.com

Mechanism for redressal of investor grievance

Shirpur Gold constituted the Stakeholder's Relationship Committee comprising of Mr. Manoj Agarwal; Mr. Amit Goenka; and Mr. V.K. Agarwal and in accordance with the Section 178 of the Companies Act, and Clause 49 of the Listing Agreement entered into with the stock exchanges for redressal of complaints of investors such as transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends, etc. Ms. Hemangi Patil, the Company Secretary of Shirpur Gold, is the compliance officer. Shirpur Gold seeks to redress any complaints received as expeditiously as possible. As of September 30, 2014, there were Nil investor complaints pending against Shirpur Gold.

Other Confirmations

- Shirpur Gold is not a sick company and is not under the process of winding-up.
- Shirpur Gold does not hold any Equity Shares, warrants/convertible securities in the Company as of the date of this Draft Letter of Offer.
- Shirpur Gold does not have any interest, including any business or other interest, in the Company except as disclosed in related party transactions under section titled "Financial Statements" beginning on page 197 of this Draft Letter of Offer.
- Shirpur Gold is not interested in any property acquired by the Company within the last two (2) years or proposed to be acquired by the Company.

- ❖ Shirpur Gold is a listed entity though has not made any public or rights issue in preceding three (3) years.

- ❖ Shirpur Gold does not have negative net worth for the last three (3) Financial Year ended March 31, 2014, 2013 and 2012.

II. Details in relation to the Group Entities having Negative Networth

1. **Asian Satellite Broadcast Private Limited ("*Asian Satellite*")**

Corporate Information

Asian Satellite was incorporated under the Companies Act, 1956 on June 25, 1996 bearing registration number 100488. The CIN is U92130MH1996PTC100488.

Asian Satellite presently holds investments in various Group Entities. The registered office of Asian is situated at Continental Building, 135, Dr. Annie Besant Road, Worli, Mumbai 400 018, India.

Board of Directors

Name of the Director	Designation
Mr. Anil Chougule	Director
Mr. Ashok Sanghvi	Director

Shareholding Pattern as on the date of this Draft Letter of Offer

(*Equity Shares of face value ` 10 each*)

Particulars	No. of equity shares held	Shareholding (%)
Rama Associates Limited	2,584	17.00
Essel Agro Private Limited	2,584	17.00
Jay Properties Private Limited	2,584	17.00
Continental Drug Company Private Limited	2,584	17.00
Edisons Utility Works Private Limited	2,584	17.00
Essel International Limited	2,280	15.00
Total	**15,200**	**100.00**

Financial Performance

The audited financial performance for the last three (3) financial years is given below:

(` *in Millions except for per share data*)

Particulars	March 31, 2014	March 31, 2013	March 31, 2012
Equity Capital	0.15	0.15	0.15
Reserves and Surplus (excluding revaluation reserves)	(1,758.52)	(1,162.89)	(451.57)
Total revenue	4.42	0.21	115.67
Profit (Loss) after Tax	(595.61)	(711.33)	(293.68)
Earnings per Share (in `) (Face value `10) – Basic & Diluted	(39,185.12)	(46,798.00)	(19,320.87)
Net Asset Value per equity share (in `) (Face value ` 10)	(115,681.37)	(76,496.24)	(29,698.24)

Other Confirmations

- ❖ Asian Satellite is not a sick company and is not under the process of winding-up.

- ❖ Asian Satellite does not hold any Equity Shares, warrants/convertible securities in the Company as of the date of this Draft Letter of Offer.

- ❖ Asian Satellite does not have any interest, including any business or other interest, in the Company.

- ❖ Asian Satellite is not interested in any property acquired by the Company within the last two (2) years or proposed to be acquired by the Company.

- ❖ Asian Satellite is not a listed entity and has not made any public or rights issue in preceding three (3) years.

- ❖ Asian Satellite has negative networth for the last three (3) Financial Year ended March 31, 2014, 2013 and 2012.

2. **New Media Broadcasting Private Limited** ("***New Media***")

Corporate Information

New Media, was incorporated under the Companies Act, 1956 on November 3, 1999 bearing registration number 102264. The CIN is U09211DL1999PTC102264.

New Media does not have any business activity as on the date of this Draft Letter of Offer. The registered office of the New Media is B-10, Lawrence Road, Industrial Area, New Delhi 110 035, Delhi, India.

Board of Directors

Name of the Director	Designation
Mr. Raj Kumar Agarwal	Director
Mr. Amitabh Kumar	Director
Mr. Anil Chougule	Director
Mr. Amish Pandya	Director

Shareholding Pattern as on the date of this Draft Letter of Offer

(*Equity Shares of face value ` 10 each*)

Particulars	No. of equity shares held	Shareholding (%)
Sprit Textiles Private Limited	37,350	74.70
Ganjam Trading Co. Private Limited	12,450	29.90
Mr. Jawahal Lal Goel	100	0.20
Mr. Sushila Devi Goel	100	0.20
Total	**50,000**	**100.00**

Financial Performance

The audited financial performance for the last three (3) financial years is given below:

(` *in Millions except for per share data*)

Particulars	March 31, 2014	March 31, 2013	March 31, 2012
Equity Capital	0.50	0.50	0.50
Reserves and Surplus (excluding revaluation reserves)	(10.62)	(9.02)	(8.67)
Total revenue	0.02	0.02	--
Profit (Loss) after Tax	(1.59)	(0.35)	(0.27)
Earnings per Share (in `) (Face value ` 10) – Basic & Diluted	(31.88)	(7.02)	(5.36)

Particulars	March 31, 2014	March 31, 2013	March 31, 2012
Net Asset Value per equity share (in `) (Face value ` 10)	(202.34)	(170.46)	(163.45)

Other Confirmations

- ❖ New Media is not a sick company and is not under the process of winding-up.
- ❖ New Media does not hold any Equity Shares, warrants/convertible securities in the Company as of the date of this Draft Letter of Offer.
- ❖ New Media does not have any interest, including any business or other interest, in the Company.
- ❖ New Media is not interested in any property acquired by the Company within the last two (2) years or proposed to be acquired by the Company.
- ❖ New Media is an unlisted entity and has not made any public or rights issue in preceding three (3) years.
- ❖ New Media has negative networth for the last three (3) Financial Year ended March 31, 2014, 2013 and 2012.

3. **Essel Corporate Resources Private Limited** ("***Essel Corporate***")

Corporate Information

Essel Corporate, formerly known as Essel Corporate Services Private Limited, was incorporated under the Companies Act, 1956 on August 6, 2002 bearing registration number 136737. The CIN is U74140MH2002PTC136737.

Essel Corporate is presently engaged in the business of providing management services to various corporates forming part of Essel Group. The registered office of the Essel Corporate is Continental Building, 135, Dr. A. B. Road, Worli, Mumbai 400 018 and is situated at Maharashtra, India.

Board of Directors

Name of the Director	Designation
Mr. Ashok Sanghvi	Director
Mr. Sunil Singhal	Director

Shareholding Pattern as on the date of this Draft Letter of Offer

(*Equity Shares of face value ` 10 each*)

Particulars	No. of equity shares held	Shareholding (%)
Prime Publishing Private Limited	9,900	50.48
Prime Publishing Private Limited jointly with Mr. Sunil Singhal	100	0.51
Essel Media & Entertainment Limited (Mauritious)	9,610	49.01
Total	**19,610**	**100.00**

Financial Performance

The audited financial performance for the last three (3) financial years is given below:

(` *in Millions except for per share data*)

Particulars	March 31, 2014	March 31, 2013	March 31, 2012
Equity Capital	0.19	0.19	0.19

Particulars	March 31, 2014	March 31, 2013	March 31, 2012
Reserves and Surplus (excluding revaluation reserves)	(143.82)	(10,958.78)	(9,897.54)
Total revenue	436.02	335.25	287.06
Profit (Loss) after Tax	(1,065.05)	(1,061.24)	(9,979.40)
Earnings per Share (in `) (Face value ` 10) – Basic & Diluted	(54,311)	(54,117)	(698,239.00)
Net Asset Value per equity share (in `) (Face value ` 10)	(7,324.23)	(558,826.24)	(504,708.90)

Other Confirmations

- ❖ Essel Corporate is not a sick company and is not under the process of winding-up.
- ❖ Essel Corporate does not hold any Equity Shares, warrants/convertible securities in the Company as of the date of this Draft Letter of Offer.
- ❖ Essel Corporate does not have any interest, including any business or other interest, in the Company except as disclosed in related party transactions under section titled "Financial Statements" beginning on page 197 of this Draft Letter of Offer.
- ❖ Essel Corporate is not interested in any property acquired by the Company within the last two (2) years or proposed to be acquired by the Company.
- ❖ Essel Corporate is not a listed entity and has not made any public or rights issue in preceding three (3) years.
- ❖ Essel Corporate does have negative net worth for the last three (3) Financial Year ended March 31, 2014, 2013 and 2012.

4. **Bioscope Cinemas Private Limited ("*Bioscope Cinemas*")**

Corporate Information

Bioscope Cinemas, formerly known as E-City Multiplex Madhya Pradesh Private Limited, was incorporated under the Companies Act, 1956 on May 3, 2005 bearing registration number 152972. The CIN is U92190MH2005PTC152972.

Bioscope Cinemas presently holds investments in various Group Entities. The registered office of Bioscope Cinemas is situated at Continental Building, 135, Dr. Annie Besant Road, Worli, Mumbai 400 018, India.

Board of Directors

Name of the Director	Designation
Mr. Chetan Sharma	Director
Mr. Dinesh Kanodia	Director

Shareholding Pattern as on the date of this Draft Letter of Offer

(*Equity Shares of face value `10 each*)

Particulars	No. of equity shares held	Shareholding (%)
Essel Corporate Resources Private Limited	39,900	99.98
Essel Corporate Resources Private Limited jointly with Mr. Amit Goenka	10	0.02
Total	**40,000**	**100.00**

Financial Performance

The audited financial performance for the last three (3) financial years is given below:

(` *in Millions except for per share data*)

Particulars	March 31, 2014	March 31, 2013	March 31, 2012
Equity Capital	0.40	0.40	0.40
Reserves and Surplus (excluding revaluation reserves)	(0.81)	(0.68)	(0.46)
Total revenue	--	--	--
Profit (Loss) after Tax	(0.13)	(0.22)	(0.23)
Earnings per Share (in `) (Face value `10) - Basic & Diluted	(3.21)	(5.57)	(5.67)
Net Asset Value per equity share (in `) (Face value ` 10)	(10.28)	(7.07)	(1.48)

Other Confirmations

- ❖ Bioscope Cinemas is not a sick company and is not under the process of winding-up.
- ❖ Bioscope Cinemas does not hold any Equity Shares, warrants/convertible securities in the Company as of the date of this Draft Letter of Offer.
- ❖ Bioscope Cinemas does not have any interest, including any business or other interest, in the Company.
- ❖ Bioscope Cinemas is not interested in any property acquired by the Company within the last two (2) years or proposed to be acquired by the Company.
- ❖ Bioscope Cinemas is not a listed entity and has not made any public or rights issue in preceding three (3) years.
- ❖ Bioscope has negative networth for the last three (3) Financial Year ended March 31, 2014, 2013 and 2012.

5. **Direct Media Solutions Private Limited ("*Direct Media*")**

Corporate Information

Direct Media, formerly known as SE Publishing Private Limited, was incorporated under the Companies Act, 1956 on March 13, 2007 bearing Registration Number 168664. The CIN is U74999MH2007PTC168664.

Direct Media is presently engaged in the business of providing services to media entities. The registered office of Direct Media is situated at Continental Building, 135, Dr. Annie Besant Road, Worli, Mumbai 400 018, India.

Board of Directors

Name of the Director	Designation
Mr. Mukund Galgali	Director
Mr. Abhilash Kumar	Director

Shareholding Pattern as on the date of this Draft Letter of Offer

(*Equity Shares of face value `10 each*)

Particulars	No. of equity shares held	Shareholding (%)

Particulars	No. of equity shares held	Shareholding (%)
Prime Publishing Private Limited	9,999	99.99
Prime Publishing Private Limited jointly with Mr. Dinesh Kanodia	1	0.01
Total	**10,000**	**100.00**

Financial Performance

The audited financial performance for the last three (3) financial years is given below:

(` *in Millions except for per share data*)

Particulars	March 31, 2014	March 31, 2013	March 31, 2012
Equity Capital	0.10	0.10	0.10
Reserves and Surplus (excluding revaluation reserves)	(28.47)	(28.07)	(27.93)
Total revenue	0.34	--	0.52
Profit (Loss) after Tax	(0.40)	(0.14)	(0.07)
Earnings per Share (in `) (Face value `10) - Basic & Diluted	(39.89)	(13.85)	(7.47)
Net Asset Value per equity share (in `) (Face value ` 10)	(2,837.22)	(2,797.33)	(2,783.47)

Other Confirmations

- ❖ Direct Media is not a sick company and is not under the process of winding-up.
- ❖ Direct Media does not hold any Equity Shares, warrants/convertible securities in the Company as of the date of this Draft Letter of Offer.
- ❖ Direct Media does not have any interest, including any business or other interest, in the Company.
- ❖ Direct Media is not interested in any property acquired by the Company within the last two (2) years or proposed to be acquired by the Company.
- ❖ Direct Media is not a listed entity and has not made any public or rights issue in preceding three (3) years.
- ❖ Direct Media has negative net worth for the last three (3) Financial Year ended March 31, 2014, 2013 and 2012.

6. **Digital Satellite Holdings Private Limited ("*Ditigal Satellite* ")**

Corporate Information

Digital Satellite, formerly known as Agamesh Builders Private Limited, was incorporated under the Companies Act, 1956 on July 3, 2012. The CIN is U74900MH2012PTC232900.

Digital Satellite is not engaged in any business activity as on the date of this Draft Letter of Offer except holding investments in Group Entities. The registered office of Digital Satellite is situated at Continental Building, 135, Dr. Annie Besant Road, Worli, Mumbai 400 018, India.

Board of Directors

Name of the Director	Designation
Mr. Anand Chalwade	Director

Name of the Director	Designation
Mr. Abhilash Kumar	Director

Shareholding Pattern as on the date of this Draft Letter of Offer

(*Equity Shares of face value `10 each*)

Particulars	No. of equity shares held	Shareholding (%)
Prime Publishing Private Limited	9,999	99.99
Prime Publishing Private Limited jointly with Mr. Anand Chalwade	1	0.01
Total	**10,000**	**100.00**

Financial Performance

The audited financial performance since its incorporation is given below:

(` *in Millions except for per share data*)

Particulars	March 31, 2014	March 31, 2013
Equity Capital	0.10	0.10
Reserves and Surplus (excluding revaluation reserves)	(0.16)	(0.04)
Total revenue	--	--
Profit (Loss) after Tax	(0.13)	(0.04)
Earnings per Share (in `) (Face value `10) - Basic & Diluted	(12.87)	(3.51)
Net Asset Value per equity share (in `) (Face value ` 10)	(6.38)	6.49

Other Confirmations

- ❖ Digital Satellite is not a sick company and is not under the process of winding-up.
- ❖ Digital Satellite does not hold any Equity Shares, warrants/convertible securities in the Company as of the date of this Draft Letter of Offer.
- ❖ Digital Satellite does not have any interest, including any business or other interest, in the Company.
- ❖ Digital Satellite is not interested in any property acquired by the Company within the last two (2) years or proposed to be acquired by the Company.
- ❖ Digital Satellite is not a listed entity and has not made any public or rights issue in preceding three (3) years.
- ❖ Digital Satellite has negative networth for the Financial Year ended March 31, 2014.

7. **Khoobsurat Infra Private Limited** ("***Khoobsurat Infra***")

Corporate Information

Khoobsurat Infra, formerly known as Khoobsurat Designer Private Limited, was incorporated under the Companies Act, 1956 on May 2, 2013 bearing registration number 242821. The CIN is U70102MH2013PTC242821.

Khoobsurat Infra is engaged in investment activities. The registered office of Khoobsurat Infra is situated at Continental Building, 135, Dr. Annie Besant Road, Worli, Mumbai 400 018, India.

Board of Directors

Name of the Director	Designation

Name of the Director	Designation
Mr. Anil Chougule	Director
Mr. Manish Babel	Director

Shareholding Pattern as on the date of this Draft Letter of Offer

(*Equity Shares of face value ` 10 each*)

Particulars,	No. of equity shares held	Shareholding (%)
Prime Publishing Private Limited	9,999	99.99
Prime Publishing Private Limited jointly with Mr. Manish Babel	1	0.01
Total	**10,000**	**100.00**

Financial Performance

The audited financial performance since its incorporation is given below:

(` *in Millions except for per share data*)

Particulars	March 31, 2014
Equity Capital	0.10
Reserves and Surplus (excluding revaluation reserves)	(0.65)
Total revenue	--
Profit (Loss) after Tax	(0.65)
Earnings per Share (in `) (Face value ` 10)	(64.66)
Net Asset Value per equity share (in `) (Face value ` 10)	(54.66)

Other Confirmations

- ❖ Khoobsurat Infra is not a sick company and is not under the process of winding-up.
- ❖ Khoobsurat Infra does not hold Equity Shares, warrants/convertible securities in the Company as of the date of this Draft Letter of Offer.
- ❖ Khoobsurat Infra does not have any other interest, including any business or other interest, in the Company.
- ❖ Khoobsurat Infra is not interested in any property acquired by the Company within the last two (2) years or proposed to be acquired by the Company.
- ❖ Khoobsurat Infra is not a listed entity and has not made public or rights issue in the past.
- ❖ Khoobsurat Infra has negative networth for the Financial Year ended March 31, 2014.

8. **Digital Subscriber Management & Consultancy Services Private Limited** ("***Digital Subscriber***")

Corporate Information

Digital Subscriber, formerly known as Buddha Films Private Limited, was incorporated under the Companies Act, 1956 on November 5, 1993 bearing registration number 74967. The CIN is U72300MH1993PTC074967.

Digital Subscriber is presently engaged in the business of subscriber management services including billing services, all kinds of computer systems whether hardware / software, other IT security services and communication services. The registered office of the Digital Subscriber is situated at Continental Building, 135, Dr. Annie Besant Road, Worli, Mumbai 400 018, India.

Board of Directors

Name of the Director	Designation
Mr. Anand Chalwade	Director
Mr. Pankaj Suroliya	Director

Shareholding Pattern as on the date of this Draft Letter of Offer

(*Equity Shares of face value `10 each*)

Particulars	No. of equity shares held	Shareholding (%)
Sprit Textiles Private Limited	59,999	99.99
Sprit Textiles Private Limited jointly with Mr. Anand Chalwade	1	Negligible
Total	**60,000**	**100.00**

Financial Performance

The audited financial performance for the last three (3) financial years is given below:

(` *in Millions except for per share data*)

Particulars	March 31, 2014	March 31, 2013	March 31, 2012
Equity Capital	0.60	0.60	0.60
Reserves and Surplus (excluding revaluation reserves)	0.48	(2.20)	(0.78)
Total revenue	10.33	0.28	--
Profit (Loss) after Tax	(7.32)	(1.42)	(0.02)
Earnings per Share (in `) (Face value `10) – Basic & Diluted	(122.01)	(23.68)	(0.41)
Net Asset Value per equity share (in `) (Face value ` 10)	17.96	(26.69)	(3.01)

Other Confirmations:

- ❖ Digital Subscriber is not a sick company and is not under the process of winding up.
- ❖ Digital Subscriber does not hold any Equity Shares, warrants/convertible securities in the Company as of the date of this Draft Letter of Offer.
- ❖ Digital Subscriber does not have any interest, including any business or other interest, in the Company.
- ❖ Digital Subscriber is not interested in any property acquired by the Company within the last two (2) years or proposed to be acquired by the Company.
- ❖ Digital Subscriber is not a listed entity and has not made any public or rights issue in preceding three (3) years.
- ❖ Digital Subscriber has negative networth for the Financial Year ended March 31, 2013 and 2012.

9. **Churu Enterprises LLP** (« ***Churu Enterprises*** »)

Corporate Information

Churu Enterprises was incorporated on September 8, 2010 bearing registration number LLPIN: AAA-2200

Churu Enterprises is presently engaged in investment activities. The registered office of Churu Enterprises is situated at Continental Building, 135, Dr. Annie Besant Road, Worli, Mumbai 400 018, India.

Partners

Name of the Partners	Designation
Mr. Himanshu Mody	Designated Partner
Mr. Dinesh Kanodia	Designated Partner
Asian Satellite Broadcast Private Limited	Partner

Contribution from the Partners as on the date of this Draft Letter of Offer

Particulars	Contribution (in `)	Shareholding (%)
Mr. Dinesh Kanodia	1,000	2.00
Mr. Himanshu Mody	1,000	2.00
Asian Satellite Broadcast Private Limited	48,000	96.00
Total	**50,000**	**100.00**

Financial Performance

The audited financial performance for the last three (3) financial years is given below:

(*Amount in* `)

Particulars	March 31, 2014	March 31, 2013	March 31, 2012
Contributions	50,000	50,000	50,000
Profit & Loss Account Balance	(131,914)	(94,634)	(49,559)
Total revenue	--	--	200
Profit/ (Loss) after Tax	(37,280)	(45,075)	(49,559)

Other Confirmations

- ❖ Churu Enterprises is not a sick LLP and is not under the process of winding-up.
- ❖ Churu Enterprises does not hold any Equity Shares, warrants/convertible securities in the Company as of the date of this Draft Letter of Offer.
- ❖ Churu Enterprises does not have any interest, including any business or other interest, in the Company.
- ❖ Churu Enterprises is not interested in any property acquired by the Company within the last two (2) years or proposed to be acquired by the Company.
- ❖ Churu Enterprises is not a listed entity and has not made any public or rights issue in preceding three (3) years.
- ❖ Churu Enterprises has negative contribution for the Financial Year ended March 31, 2014, 2013 and 2012.

10. **Prajatma Enterprises LLP** ("***Prajatma Enterprises***")

Corporate Information

Prajatma Enterprises was incorporated on September 8, 2010 bearing registration number LLPIN: AAA-2199

Prajatma Enterprises is presently engaged in investment activities. The registered office of Prajatma Enterprises is situated at Continental Building, 135, Dr. Annie Besant Road, Worli, Mumbai 400 018, India.

Partners

Name of the Partners	Designation
Mr. Himanshu Mody	Designated Partner
Mr. Dinesh Kanodia	Designated Partner
Asian Satellite Broadcast Private Limited	Partner

Contribution from the Partners as on the date of this Draft Letter of Offer

Particulars	Contribution (in `)	Shareholding (%)
Mr. Dinesh Kanodia	1,000	2.00
Mr. Himanshu Mody	1,000	2.00
Asian Satellite Broadcast Private Limited	48,000	96.00
Total	**50,000**	**100.00**

Financial Performance

The audited financial performance for the last three (3) financial years is given below:

(*Amount in* `)

Particulars	March 31, 2014	March 31, 2013	March 31, 2012
Contributions	50,000	50,000	50,000
Reserves and Surplus (*excluding revaluation reserves*)	--	--	--
Total revenue	--	--	200
Profit/ (Loss) after Tax	(31,718)	(42,295)	(52,003)

Other Confirmations

- ❖ Prajatma Enterprises is not a sick LLP and is not under the process of winding-up.
- ❖ Prajatma Enterprises does not hold any Equity Shares, warrants/convertible securities in the Company as of the date of this Draft Letter of Offer.
- ❖ Prajatma Enterprises does not have any interest, including any business or other interest, in the Company.
- ❖ Prajatma Enterprises is not interested in any property acquired by the Company within the last two (2) years or proposed to be acquired by the Company.
- ❖ Prajatma Enterprises is not a listed entity and has not made any public or rights issue in preceding three (3) years.
- ❖ Prajatma Enterprises has negative contribution for the Financial Year ended March 31, 2014, 2013 and 2012.

11. **Jayneer Enterprises LLP** ("***Jayneer Enterprises***")

Corporate Information

Jayneer Enterprises was incorporated on September 8, 2010 bearing registration number LLPIN: AAA-2198.

Jayneer Enterprises is presently engaged in investment activities. The registered office of Jayneer Enterprises is situated at Continental Building, 135, Dr. Annie Besant Road, Worli, Mumbai 400 018, India.

Partners

Name of the Partners	Designation
Mr. Himanshu Mody	Designated Partner
Mr. Dinesh Kanodia	Designated Partner
Mr. Ashok Kurien	Partner
Asian Satellite Broadcast Private Limited	Partner

Contribution from the Partners as on the date of this Draft Letter of Offer

Particulars	Contribution (in `)	Shareholding (%)
Mr. Dinesh Kanodia	1,000	00.01
Mr. Himanshu Mody	1,000	00.01
Mr. Ashok Kurien	49,000	49.00
Asian Satellite Broadcast Private Limited	51,000	50.98
Total	**102,000**	**100.00**

Financial Performance

The audited financial performance for the last three (3) financial years is given below:

(*Amount in* `)

Particulars	March 31, 2014	March 31, 2013	March 31, 2012
Contributions	102,000	102,000	102,000
Reserves and Surplus (*excluding revaluation reserves*)	--	--	--
Total revenue	--	--	200
Profit (Loss) after Tax	(40,839)	(113,705)	(58,852)

Other Confirmations

- ❖ Jayneer Enterprises is not a sick LLP and is not under the process of winding-up.
- ❖ Jayneer Enterprises does not hold any Equity Shares, warrants/convertible securities in the Company as of the date of this Draft Letter of Offer.
- ❖ Jayneer Enterprises does not have any interest, including any business or other interest, in the Company.
- ❖ Jayneer Enterprises is not interested in any property acquired by the Company within the last two (2) years or proposed to be acquired by the Company.
- ❖ Jayneer Enterprises is not a listed entity and has not made any public or rights issue in preceding three (3) years.
- ❖ Jayneer Enterprises has negative contribution for the Financial Year ended March 31, 2014, 2013 and 2012.

12. **Essel Properties LLP** ("***Essel Properties***")

Corporate Information

Essel Properties was incorporated on December 5, 2012 bearing registration number AAB-2432.

Essel Properties is presently engaged in investment activities. The registered office of Essel Properties is situated at 135, Continental Building, Dr. Annie Besant Road, Worli, Mumbai 400 018, India.

Partners

Name of the Partners	Designation
Mr. Ashok Natha Shirose Representative of Edisons Utility Works Private Limited	Designated Partner
Mr. Pankaj Suroliya Representative of Asian Satellite Broadcast Private Limited	Designated Partner

Contribution from the Partners as on the date of this Draft Letter of Offer

Particulars	Contribution (in `)	Shareholding (%)
Edisons Utility Works Private Limited	50,000	50.00
Asian Satellite Broadcast Private Limited	50,000	50.00
Total	**100,000**	**100.00**

Financial Performance

The audited financial performance for the financial year ended March 31, 2014 is given below:

(*Amount in* `)

Particulars	March 31, 2014
Contributions	100,000
Reserves and Surplus (*excluding revaluation reserves*)	(34,713)
Total revenue	5,933,310
Profit (Loss) after Tax	(34,713)

Other Confirmations

- ❖ Essel Properties is not a sick LLP and is not under the process of winding-up.
- ❖ Essel Properties does not hold any Equity Shares, warrants/convertible securities in the Company as of the date of this Draft Letter of Offer.
- ❖ Essel Properties does not have any interest, including any business or other interest, in the Company.
- ❖ Essel Properties is not interested in any property acquired by the Company within the last two (2) years or proposed to be acquired by the Company.
- ❖ Essel Properties is not a listed entity and has not made any public or rights issue since its incorporation i.e. December 5, 2012.
- ❖ Essel Properties has negative net worth for the Financial Year ended March 31, 2014.

III. Details in relation to other Group Entities:

The details in relation to the other Group Entities of the Company are set out below:

1. **Essel Landmark Private Limited** ("***Essel Landmark***")

Corporate Information

Essel Landmark, formerly known as Zee Motion Pictures Private Limited, was incorporated under the Companies Act, 1956 on September 9, 2008 bearing registration number 186578. The CIN is U70100MH2008PTC186578.

Essel Landmark is presently engaged in trading business. The registered office of Essel Landmark is situated at Continental Building, 135, Dr. Annie Besant Road, Worli, Mumbai 400 018, India.

Interest of the Promoter

As on the date of this Draft Letter of Offer, Prime Publishing holds 9,999 equity shares of `10 each constituting nearly 100% of the total paid-up equity share capital of Essel Landmark. Further, Prime Publishing jointly with Mr. Anand Chalwade, holds 1 equity share of `10 each of Essel Landmark.

2. **Direct Media Distribution Ventures Private Limited** ("***Direct Media***")

Corporate Information

Direct Media, formerly known as Dhaka Warriors Sports Private Limited, was incorporated under the Companies Act, 1956 on January 5, 2009 bearing registration number 189362. The CIN is U92410MH2009PTC189362.

Direct Media is presently engaged in media consultancy business. The registered office of Direct Media is situated at Continental Building, 135, Dr. Annie Besant Road, Worli, Mumbai 400 018, India.

Interest of the Promoter

As on the date of this Draft Letter of Offer, Prime Publishing holds 9,900 equity shares of `10 each of Essel Corporate Resources Private Limited ("***Essel Corporate***") constituting 50.48% of the total paid-up share capital of Essel Corporate. Essel Corporate, holds 999,999 equity shares of `10 each of Direct Media and Essel Corporate jointly with Mr. Himanshu Mody, holds 1 equity share of `10 each constituting 100% of the total paid-up equity share capital of Direct Media.

3. **Pan India Network Infravest Limited** ("***Pan India***")

Corporate Information

Pan India, formerly known as Playwin Infravest Private limited, was incorporated under the Companies Act, 1956 on August 28, 2001. The CIN is U45201MH2001PLC133172.

Pan India is presently engaged in the business of providing various internet data centre services including Web Hosting, Domian Name System (DNS) Services, Load Balancing, Security Storage Services, Messaging Solutions, back-up Services, etc. The registered office of Pan India is situated at Continental Building, 135, Dr. Annie Besant Road, Worli, Mumbai 400 018, India.

Interest of the Promoter

As on the date of this Draft Letter of Offer, Sprit Textiles holds 38,198,660 equity shares of `10 each constituting 51.10% of the total paid-up equity share capital of Pan India.

4. **Essel Infraprojects Limited ("*Essel Infraprojects*")**

Corporate Information

Essel Infraprojects, formerly known as Essel's Amusement Park (India) Limited, was incorporated under the Companies Act, 1956 on July 7, 1987 bearing registration number 044006. The CIN is U74999MH1987PLC044006.

Essel Infraprojects is presently focusing on the following verticals of infrastructure i.e roads, urban infrastructure, transmission, power projects with main emphasis on Renewable Power Projects, Solid Waste Management, Landfill Management, Sewage / Waste Water Treatment, Recycle& Reuse, Water Treatment & Sea Water Desalination directly and/or through various subsidiaries, Joint Ventures and

associate companies. The registered office of Essel Infraprojects is situated at Continental Building, 135, Dr. Annie Besant Road, Worli, Mumbai 400 018, India.

Interest of the Promoter

As on the date of this Draft Letter of Offer, Sprit Textiles holds 40,362,807 equity shares of `10 each constituting 16.47% of the total paid-up equity share capital of Essel Infraprojects.

5. **Pan India Network Limited** ("***Pan India***")

Corporate Information

Pan India, formerly known as Neptune Gaming Private Limited, was incorporated under the Companies Act, 1956 on September 23, 2006. The CIN is U92490MH2006PLC164863.

Pan India is presently engaged in the business of providing the infrastructure in terms of the hardware, networking and software for operation of online lotteries/other gaming solutions. The Company also provides the distribution channels and marketing/publicity services for sale of online lottery.The registered office of Pan India is situated at Continental Building, 135, Dr. Annie Besant Road, Worli Mumbai 400 018, India.

Interest of the Promoter

As on the date of this Draft Letter of Offer, Sprit Textiles holds 40,03,790 equity shares of `10 each constituting 36.48% of the total paid-up equity share capital of Pan India.

6. **Dakshin Mercantile Private Limited** ("***Dakshin Mercantile***")

Corporate Information

Dakshin Mercantile was incorporated under the Companies Act, 1956 on July 17, 2013. The CIN is U74120MH2013PTC245822.

Dakshin Mercantile is presently engaged in the business of trading. The registered office of Dakshin Mercantile is situated at Gharkul Josghar, Near Umrale Church, Post Nallasopara, Thane 401 203, India.

Interest of the Promoter

As on the date of this Draft Letter of Offer, none of the Promoters hold any equity shares of Dakshin Mercantile.

7. **Essel Finance Business Loans Limited** ("***Essel Finance***")

Corporate Information

Essel Finance, formerly known as Blue Blends Equity Limited, was incorporated under the Companies Act, 1956 on March 8, 1996 bearing registration number 97941. The Certificate for Commencement of Bussiness was granted to Essel Finance on March 15, 1996. The CIN is U65990MH1996PLC097941.

Essel Finance is presently engaged in the business of lending particularly to small and medium enterprises. The registered office of Essel Finance is situated at Continental Building, 135, Dr. Annie Besant Road, Worli, Mumbai 400 018, India.

Interest of the Promoter

As on the date of this Draft Letter of Offer, none of the Promoters hold any equity shares of Essel Finance.

Other Confirmations for the Group Entities

The Company hereby confirms, in relation to the Group Entities (*other than Group Entities with negative networth*), that:

- ❖ They are not a sick companies and are not under the process of winding-up.
- ❖ They do not hold any Equity Shares, warrants/convertible securities in the Company as of the date of this Draft Letter of Offer.
- ❖ They do not have any interest, including any business or other interest, in the Company.
- ❖ They are not interested in any property acquired by the Company within the last two (2) years or proposed to be acquired by the Company.
- ❖ They are not a listed entity and have not made any public or rights issue in preceding three (3) years.
- ❖ They do not have negative networth for the preceding three (3) Financial Years ended March 31, 2014, 2013 and 2012.

Defunct group entities

None of the Group Entities are defunct companies as on the date of this Draft Letter of Offer.

Common Pursuits

The Company is engaged in broadcast of News and Current Affairs TV Channels and one of the Group Entities of the Company, ZEEL is engaged in business of broadcast of General Entertainment TV channels. However, the Company and ZEEL have similar main objects in their respective MoAs which enable them to engage in the same line of business. There may be potential conflict of interest in addressing business opportunities and strategies in circumstances where the interest of the Company may be similar to that of its group entity, ZEEL.

Except as stated above, none of the Group Entities, the Promoters or directors are involved with any ventures in the same line of activity or business as that of the Company.

Other Confirmations

The Company hereby confirms that:

- ❖ None of the Group Entities have any interest including business or any other interest in the Company except as disclosed in related party transactions under section titled "Financial Statements" beginning on page 197 of this Draft Letter of Offer.
- ❖ The Group Entities are not sick companies and not under the process of winding-up.
- ❖ The Group Entities have not made any public or rights issue in preceding three (3) years.
- ❖ The Group Entities are not interested in any property acquired by the Company within the last two (2) years or proposed to be acquired by the Company. However, the Company has entered into a lease agreement Leave and License and Right to use agreement with ZEEL for use of its corporate office situated at Noida, Uttar Pradesh, India. For further details, please refer to section titled "Business of the Company – Immovable Properties of the Company" beginning on page 119 of this Draft Letter of Offer.

Related Party Transactions

- ❖ The operating revenue and operating expenses (*comprising of cost of raw material consumed, (increase)/ decrease in inventories and operational cost*) between the Company and Group Entities

(and associate companies) exceed in value in the aggregate of 10% of the total operating revenue and operating expenses respectively of the Company for each party as set out below:

Name of the Entity	Nature of relationship	Nature of transaction	Amount (` in Million)	Period of transaction
Dish TV India Limited	Promoter group company	Lease line and VSAT expenses	25.36	Year ended March 31, 2014
Dish TV India Limited	Promoter group company	Telecast cost	41.55	Year ended March 31, 2014
Maurya TV Private Limited*	Associate company	Loss on channel management	66.28	Six (6) months ended September 30, 2014
Maurya TV Private Limited*	Associate company	Other operating expenses	2.11	Six (6) months ended September 30, 2014

**The Company has acquired 100% stake in Maurya TV Private Limited on December 12, 2014, thereby making it a WoS of the Company. For further details, please refer to section titled "History and Certain Corporate Matters – Subsidiaries of the Company" beginning on page 132 of this Draft Letter of Offer.*

For further details, please refer to Annexure XIX titled "*Restated Summary Statement of Related Party Transactions*" in the section titled "Financial Information" beginning on page 197 of this Draft Letter of Offer.

Name of the Entity	Nature of relationship	Nature of transaction	Amount (` in Million)	Period of transaction
Dish TV India Limited	Promoter group company	Lease line and VSAT expenses	25.36	Year ended March 31, 2014
Dish TV India Limited	Promoter group company	Telecast cost	65.75	Year ended March 31, 2014

For further details, please refer to Annexure XIX titled "*Restated Consolidated Summary Statement of Related Party Transactions*" in the section titled "Financial Information" beginning on page 197 of this Draft Letter of Offer.

- Some of the Group Entities have commercial interest in the Company. For further details, please refer to Annexure XIX titled "*Restated Consolidated Summary Statement of Related Party Transactions*" and Annexure XIX titled "*Restated Summary Statement of Related Party Transactions*" in the section titled "Financial Information" beginning on page 197 of this Draft Letter of Offer.

Changes in Accounting Policies in last three (3) years

The Company has not changed its accounting policies in the last three (3) years.

RELATED PARTY TRANSACTIONS

For details on related party transactions of the Company, please refer to Annexure XIX titled "*Restated Consolidated Summary Statement of Related Party Transactions*" and Annexure XIX titled "*Restated Summary Statement of Related Party Transactions*" in the section titled "Financial Information" beginning on page 197 of this Draft Letter of Offer.

DIVIDEND POLICY

The declaration and payment of dividends will be recommended by the Board of Directors and approved by the shareholders, in their discretion, and will depend on a number of factors, including but not limited to the earnings, general financial conditions, capital requirements, results of operations, contractual obligations and overall financial position, applicable Indian legal restrictions, the Articles of Association and other factors considered relevant by the Board of Directors of the Company.

The Company has not declared dividend in the last five (5) years.

SECTION V: FINANCIAL INFORMATION

FINANCIAL STATEMENTS

AUDITORS REPORT

The Board of Directors
Zee Media Corporation Limited
(Formerly known as Zee News Limited)
135, Continental Building,
Dr A. B. Road,
Mumbai 400 018

Dear Sirs,

1. We have examined the **Restated Financial Information** of **Zee Media Corporation Limited** (Formerly known as Zee News Limited) (hereinafter referred to as 'the Company') for the six months period ended on September 30, 2014 and for the financial years ended on March 31, 2014, 2013, 2012, 2011 and 2010 which comprises of (i) Financial Information as per Restated Summary Financial Statements and (ii) Other Financial Information as referred to in para 3 and para 4 below respectively. These Restated Financial Information have been prepared by the Company and approved by the Board of Directors of the Company, for the purpose of inclusion in the 'Draft Letter of Offer' in connection with proposed Rights Issue of Equity Shares of the Company, in accordance with the requirements of :

   a) Sub clause (i) and (iii) of clause (b) of sub section (1) of Section 26 of the Companies Act, 2013 (hereinafter referred to as 'the Act') read with Rule 4 of the Companies (Prospectus and Allotment of Securities) Rule 2014 (hereinafter referred to as 'the Rules'), and,

   b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended (hereinafter referred to as 'SEBI Regulation') issued by the Securities and Exchange Board of India.

   The Restated Financial Information have been extracted by the Company Management from the audited financial statements which have been audited by us for the six months period ended on September 30, 2014 and the financial years ended on March 31, 2014, 2013, 2012, 2011 and 2010. The Financial Statements for the six months period ended on September 30, 2014 are prepared by the Company management and approved by the Board of Directors of the Company for the purpose of disclosure in the Draft Letter of Offer in connection with the proposed Rights Issue of Equity Shares of the Company.

2. We have examined such Restated Financial Information with reference to:

   a) The terms of our engagement with the Company vide our engagement letter dated October 20, 2014 relating to work to be performed on such Restated Financial Information, proposed to be included in Draft Letter of Offer of the Company in connection with proposed Rights Issue of Equity Shares of the Company; and

   b) The Guidance Note on Reports in Company Prospectuses (Revised) issued by the Institute of Chartered Accountants of India.

3. **Financial Information as per Restated Summary Financial Statements**

   The Financial Information as per Restated Summary Financial Statements referred to in Para 1 above, is contained in the following annexure (collective referred to as '**Restated Summary Financial Information**') to this report:

a) **Annexure I** regarding Restated Summary Statement of Assets and Liabilities of the Company, as at September 30, 2014 and March 31, 2014, 2013, 2012, 2011 and 2010.

b) **Annexure II** regarding Restated Summary Statement of Profit and Loss of the Company for the six months period ended on September 30, 2014 and for each of the financial years ended on March 31, 2014, 2013, 2012, 2011 and 2010.

c) **Annexure III** regarding Restated Summary Statement of Cash Flows for the six months period ended on September 30, 2014 and for each of the financial years ended on March 31, 2014, 2013, 2012, 2011 and 2010.

d) **Annexure IV** regarding Statement of Significant Accounting Policies to the Restated Financial Information**.**

e) **Annexure V** regarding Notes to Restated Financial Information.

4. **Other Financial Information**

Other Financial Information relating to the Company to be included in the 'Draft Letter of Offer', extracted from/ prepared on the basis of the Restated Summary Financial Statements / audited financial statements by the management and approved by the Board of Directors of the Company are annexed to this report as listed below:

a) **Annexure VI**- Statement of Adjustment to Audited Financial Statements (comprises of material adjustments, reconciliation of surplus in Statement of Profit and Loss as at April 1, 2009, non adjustment items and material regrouping).

b) **Annexure VII** - Restated Summary Statement of Long Term Borrowings

c) **Annexure VIIA** - Statement of Principal Terms of Long Term Borrowings outstanding as at September 30, 2014.

d) **Annexure VIII** - Restated Summary Statement of Short Term Borrowings

e) **Annexure VIIIA** - Statement of Principal Terms of Short Term Borrowings outstanding as at September 30, 2014.

f) **Annexure IX** - Restated Summary Statement of Non-current Investments.

g) **Annexure X** - Restated Summary Statement of Loans and Advances.

h) **Annexure XI** - Restated Summary Statement of Other Assets.

i) **Annexure XII** - Restated Summary Statement of Trade Receivable.

j) **Annexure XIII** - Restated Summary Statement of Other Income.

k) **Annexure XIV** -Statement of Accounting Ratios.

l) **Annexure XV** - Statement of Tax Shelters

m) **Annexure XVI** - Statement of Segment Reporting

n) **Annexure XVII** - Statement of Dividend Paid

o) **Annexure XVIII** - Capitalization Statement as at September 30, 2014

p) **Annexure XIX** – Restated Summary Statement of Related Party Transactions.

q) **Annexure XX** – Restated Statement of Contingent Liabilities

5. **Management Responsibility on the Restated Summary Financial Statements and Other Financial Information**

Management of the Company is responsible for the preparation of Restated Summary Financial Statements and Other Financial Information relating to the Company in accordance with section 26(1)(b) of the Act read with Rule 4 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the SEBI Regulations.

6. **Auditors' Responsibility**

Our responsibility is to express an opinion on the Restated Summary Financial Statements based on our procedures, which were conducted in accordance with Standard on Auditing (SA) 810, "Engagement to Report on Summary Financial Statements" issued by the Institute of Chartered Accountants of India.

7. **Opinion**

In our opinion, the Restated Summary Financial Statements of the Company as referred to in para 3 above and Other Financial Information as stated in Para 4 above, which are prepared after making such adjustments/ restatements and regroupings, as in our opinion, considered appropriate and more fully described in Statement of Adjustment to Audited Financial Statements appearing in Annexure VI, read with the Significant Accounting Policies to the Restated Financial Information as enclosed in Annexure IV and Notes to Restated Financial Information as enclosed in Annexure V of this report, have been prepared in accordance with the requirements of clause (b) of sub-section (1) of Section 26 of the Companies Act, 2013.

Based on examination as above, we report that:

a) There are no qualifications in the auditors' report that require an adjustment in the Restated Financial Information.

b) Adjustments for the material amounts in the respective financial years / periods to which they relate to, have been made in the attached Restated Financial Information.

c) There is no change in accounting policies which required adjustments retrospectively except change in basis of valuation of inventories of Raw Stock –tapes. No adjustment is made for this change as reported in note C (1) of Annexure VI- "Statement of Adjustment to Audited Financial Statements.

d) There are no extraordinary items which need to be disclosed separately in the Restated Financial Information.

e) The other remarks/ observation in the Annexure to Auditor's Reports (pursuant to the Companies (Auditors' Report) Order, 2003) which do not require any corrective adjustment in the Restated Financial Information are given in note C (4) of Annexure VI- "Statement of Adjustment to Audited Financial Statements".

8. We have not audited any financial statement of the Company as of any date or for any period subsequent to September 30, 2014. Accordingly, we express no opinion on the financial position, results of operations or cash flows of the Company as of any date or for any period subsequent to September 30, 2014.

9. This report should not, in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by the auditors for the respective years nor should this report be construed as a new opinion on any of the financial statements referred to herein.

10. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

11. This report is intended solely for your information and for inclusion in the Draft Letter of Offer Document in connection with the proposed Rights Issue of the Company and is not be used, referred to or distributed for any other purpose without our prior written consent.

For MGB & Co LLP
Chartered Accountants
Firm Registration No: 110069W/W-100035

Lalit Kumar Jain
Partner
M.No.072664

Place: Mumbai
Dated: December 24, 2014

Annexure I
Restated Summary Statement of Assets and Liabilities, as at

(` *Million*)

Particulars	Annexure	Note	September 30, 2014	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011	March 31, 2010
Equity and Liabilities								
Shareholders' Funds								
Share Capital	V	1	362.15	239.76	239.76	239.76	239.76	239.76
Reserves and Surplus	V	2	3,609.96	1,980.01	1,831.33	1,583.38	1,527.01	1,425.09
			3,972.11	**2,219.77**	**2,071.09**	**1,823.14**	**1,766.77**	**1,664.85**
Non-Current Liabilities								
Long-Term Borrowings	VII		775.90	678.84	6.25	178.17	363.33	2.98
Other Long-Term Liabilities	V	3	7.76	5.77	1.77	-	-	-
Long-Term Provisions	V	4	106.12	96.15	84.68	77.18	62.32	44.94
			889.78	**780.76**	**92.70**	**255.35**	**425.65**	**47.92**
Current Liabilities								
Short-Term Borrowings	VIII		400.67	431.86	482.54	412.76	-	1,680.55
Trade Payables	V	5	76.21	147.83	83.99	80.69	142.00	51.27
Other Current Liabilities	V	5	651.20	644.16	671.79	633.97	719.38	530.95
Short-Term Provisions	V	4	12.31	10.09	2.60	8.81	32.54	110.93
			1,140.39	**1,233.94**	**1,240.92**	**1,136.23**	**893.92**	**2,373.70**
Total			**6,002.28**	**4,234.47**	**3,404.71**	**3,214.72**	**3,086.34**	**4,086.47**
Assets								
Non-Current Assets								
Fixed Assets	V	6						
Tangible Assets			995.03	1,162.37	707.68	686.91	739.97	791.84
Intangible Assets			65.51	78.41	16.03	22.13	8.91	20.44
Capital work-in-progress			27.99	27.28	44.44	13.93	46.63	5.93
			1,088.53	1,268.06	768.15	722.97	795.51	818.21
Non-Current Investments	IX		3,060.14	122.28	83.78	83.28	144.18	144.18
Deferred Tax Assets (net)	V	7	99.94	57.12	38.62	38.73	15.94	21.11
Long-Term Loans and Advances	X		330.14	510.00	70.22	34.05	191.01	207.76
Other Non-Current Assets	XI		4.69	4.50	4.35	4.35	5.22	4.82
			4,583.44	**1,961.96**	**965.12**	**883.38**	**1,151.86**	**1,196.08**

Particulars	Annexure	Note	September 30, 2014	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011	March 31, 2010
Current Assets								
Inventories	V	8	0.92	1.43	1.63	9.76	220.50	297.50
Trade Receivables	XII		835.87	793.33	796.55	904.91	772.61	668.08
Cash and Bank Balances	V	9	117.89	114.94	34.67	154.04	805.49	89.62
Short-Term Loans and Advances	X		424.31	1,297.83	1,451.64	1,259.11	135.85	1,707.19
Other Current Assets	XI		39.85	64.98	155.10	3.52	0.03	128.00
			1,418.84	**2,272.51**	**2,439.59**	**2,331.34**	**1,934.48**	**2,890.39**
Total			**6,002.28**	**4,234.47**	**3,404.71**	**3,214.72**	**3,086.34**	**4,086.47**

Note:

The above statement should be read with the Significant Accounting Policies appearing in Annexure IV, Notes to the Restated Financial Information appearing in Annexure V and Statement of Adjustment to Audited Financial Statements appearing in Annexure VI.

As per our attached report of even date

For MGB & Co. LLP

Chartered Accountants

Firm Registration Number - 110069W/W-100035

Lalit Kumar Jain

Partner

Membership Number - 072664

Place: Mumbai

Date: December 24, 2014

For and on behalf of the Board

Dr. Subhash Chandra Non-Executive Chairman

Surjit Banga Director

Dinesh Garg Chief Financial Officer

Pushpal Sanghavi Company Secretary

Annexure II
Restated Summary Statement of Profit and Loss

` million

Particulars	Annexure	Note	Six Months ended September 30, 2014	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2010
Revenue								
Revenue from Operations	V	10	1,820.18	3,048.30	2,668.19	2,731.81	2,432.05	5,080.62
Other Income	XIII		46.38	210.21	218.01	95.63	101.01	177.55
Total			**1,866.56**	**3,258.51**	**2,886.20**	**2,827.44**	**2,533.06**	**5,258.17**
Expenses								
Operational cost	V	11	453.90	618.50	441.63	638.06	514.13	1,892.93
Employee benefits expense	V	12	514.88	888.30	761.65	660.04	625.40	724.68
Finance costs	V	13	65.42	103.34	87.86	106.56	125.62	261.30
Depreciation and amortisation expense	V	14	145.48	146.75	106.54	101.30	92.51	104.78
Other expenses	V	15	699.94	1,379.86	1,179.86	1,030.08	982.74	1,555.33
Total			**1,879.62**	**3,136.75**	**2,577.54**	**2,536.04**	**2,340.40**	**4,539.02**
Profit/(Loss) before exceptional items and tax, as restated			**(13.06)**	**121.76**	**308.66**	**291.40**	**192.66**	**719.15**
Less : Exceptional Items	V	16	-	(59.88)	(45.96)	166.74	-	-
Profit/(Loss) before tax, as restated			**(13.06)**	**181.64**	**354.62**	**124.66**	**192.66**	**719.15**
Less: Tax expense								
Current Tax			16.66	51.45	106.55	91.08	85.57	293.05
Deferred Tax			(24.21)	(18.49)	0.12	(22.79)	5.17	(50.29)
Profit/(Loss) after tax, as restated			**(5.51)**	**148.68**	**247.95**	**56.37**	**101.92**	**476.39**
Profit/(Loss) after tax of Continuing Operations, as restated			**(5.51)**	**148.68**	**247.95**	**56.37**	**101.92**	**(41.00)**
Profit/(Loss) after tax of Discontinued Operations, as restated			**-**	**-**	**-**	**-**	**-**	**517.39**
Earnings per equity share (face value `1 each) (`)	XIV	12						
- Basic and Diluted EPS before exceptional items			(0.02) *	0.37	0.84	0.93	0.43	1.99
- Basic and Diluted EPS after exceptional			(0.02)*	0.62	1.03	0.24	0.43	1.99

Particulars	Annexure	Note	Six Months ended September 30, 2014	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2010
items								
- Basic and Diluted EPS before discontinued operations			(0.02)*	0.62	1.03	0.24	0.43	1.99
- Basic and Diluted EPS of continuing operations			(0.02)*	0.62	1.03	0.24	0.43	(0.17)

* not annualized

Note:

The above statement should be read with the Significant Accounting Policies appearing in Annexure IV, Notes to the Restated Financial Information appearing in Annexure V and Statement of Adjustment to Audited Financial Statements appearing in Annexure VI.

As per our attached report of even date

For MGB & Co. LLP
Chartered Accountants
Firm Registration Number - 110069W/W-100035

Lalit Kumar Jain
Partner
Membership Number - 072664

Place: Mumbai
Date: December 24, 2014

For and on behalf of the Board

Dr. Subhash Chandra	Non-Executive Chairman
Surjit Banga	Director
Dinesh Garg	Chief Financial Officer
Pushpal Sanghavi	Company Secretary

Annexure III
Restated Summary Statement of Cash Flows

` million

	Particulars		Six Months ended September 30, 2014	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2010
A.	**Cash flow from Operating activities**							
	Profit / (Loss) before Tax, as restated		(13.06)	181.64	354.62	124.66	192.66	719.15
	Adjustments for:							
	Depreciation and amortisation expense		145.48	146.75	106.54	101.30	92.51	104.78
	Loss on sale/discard of fixed assets (net)		6.56	57.41	31.52	32.11	36.54	23.25
	Interest expense		65.19	90.44	85.71	105.00	121.57	256.64
	Interest income		(20.28)	(173.54)	(155.99)	(95.36)	(96.78)	(168.96)
	Dividend income		(24.00)	(36.00)	(48.65)	-	(1.56)	-
	Liabilities/excess provisions written back		-	-	-	-	(1.57)	(3.49)
	Provision for diminution in value of investment		-	-	-	60.90	-	-
	Provision for doubtful advance share application money		-	(59.88)	(45.96)	105.84	-	-
	Provision for doubtful debts and advances		9.42	11.85	(0.04)	(37.54)	(46.50)	88.75
	Unrealised foreign exchange loss (net)		7.31	11.75	3.13	3.90	0.11	0.12
	Operating Profit before working capital changes		**176.62**	**230.42**	**330.88**	**400.81**	**296.98**	**1,020.24**
	Adjustments for:							
	(Increase)/Decrease in inventories		0.51	0.20	8.13	210.74	77.00	(328.94)
	(Increase)/Decrease in trade and other receivables		34.73	(59.73)	486.35	(527.63)	511.44	(695.94)
	Increase/(Decrease) in trade and other payables		(22.72)	216.94	28.62	(165.46)	179.23	294.25
	Cash generated from Operations		**189.14**	**387.83**	**853.98**	**(81.54)**	**1,064.65**	**289.61**
	Direct taxes paid (net)		(57.66)	(141.26)	(140.86)	(115.48)	(164.50)	(195.14)
	Net cash flow from/(used in) Operating activities	**(A)**	**131.48**	**246.57**	**713.12**	**(197.02)**	**900.15**	**94.47**
B.	**Cash flow from Investing activities**							
	Purchase of fixed assets, including capital advances (given) / refunded		173.35	(1,040.81)	(149.50)	(90.52)	(78.71)	(108.20)
	Sale of fixed assets		2.72	1.92	5.96	18.80	2.60	7.42
	Loan given to Subsidiary		(255.50)	-	-	-	-	-
	Loan given to others		(50.00)	(1,360.00)	(1,750.00)	(1,400.00)	-	(1,876.00)
	Loan repaid by others		-	1,510.00	1,200.00	700.00	988.32	1,041.00
	Advance against Share Application Money paid to		-	-	-	-	(35.25)	(59.50)

	Particulars		Six Months ended September 30, 2014	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2010
	Others							
	Refund of share application money given to Others		-	105.84	-	-	-	-
	Refund of share application money given to Subsidiary		-	-	-	67.23	-	-
	Advance Paid to Subsidiary		-	-	-	-	-	(1.75)
	Received against Advance paid to Subsidiary		-	-	-	-	2.79	-
	Investment in Shares of Others		-	-	-	-	-	(60.90)
	Investment in Subsidiary		-	(200.00)	(0.50)	-	-	-
	Sale of investment in Subsidiary		-	200.50	-	-	-	-
	Investment in Associate		-	(39.00)	-	-	-	-
	Advance paid for purchase of shares		(30.00)	-	-	-	-	-
	Purchase of Short-Term Investments		-	-	-	-	(440.00)	-
	Proceeds from sale of Short-Term Investments		-	-	-	-	440.00	-
	Deposits with Banks		-	-	50.00	(50.00)	-	-
	Interest received		5.65	257.61	17.99	94.45	224.34	75.07
	Dividend received		24.00	36.00	48.65	-	1.56	-
	Net cash flow from/(used in) Investing activities	**(B)**	**(129.78)**	**(527.94)**	**(577.40)**	**(660.04)**	**1,105.65**	**(982.86)**
C.	**Cash flow from Financing activities**							
	Proceeds from Long-Term Borrowings		98.66	674.25	-	-	500.00	-
	Repayment of Long-Term Borrowings		-	(170.00)	(180.00)	(150.00)	-	(100.00)
	Proceeds from Short-Term Borrowings		-	200.00	1,200.00	1,600.00	2,200.00	2,111.26
	Repayment of Short-Term Borrowings		-	(200.00)	(1,600.00)	1,200.00)	(3,700.00)	(1,250.00)
	Proceeds from Cash Credit (net)		(31.19)	(50.68)	469.78	12.76	(180.55)	180.55
	Proceeds from Vehicle Loans		1.50	-	8.18	4.47	22.40	1.40
	Repayment of Vehicle Loans		(4.33)	(5.58)	(11.26)	(9.72)	(8.23)	(8.00)
	Interest paid		(63.63)	(86.35)	(91.79)	(101.98)	(123.46)	(257.83)
	Dividend Paid		-	-	-	-	-	(112.20)
	Net cash flow from/(used in) Financing activities	**(C)**	**1.01**	**361.64**	**(205.09)**	**155.53**	**(1,289.84)**	**565.18**
								-
	Net Cash flow / (outflow) during the year	**(A+B +C)**	**2.71**	**80.27**	**(69.37)**	**(701.53)**	**715.96**	**(323.21)**
	Cash and Cash equivalents at the beginning of the year		114.26	33.99	103.36	804.89	88.93	498.80
	Cash and Cash Equivalents (transferred) / received pursuant to the Scheme of		0.24	-	-	-	-	(86.66)

	Particulars		Six Months ended September 30, 2014	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2010
	Amalgamation / Arrangement							
	Cash and Cash equivalents at the end of the year		**117.21**	**114.26**	**33.99**	**103.36**	**804.89**	**88.93**
	Add: Balances earmarked / under bank lien		0.68	0.68	0.68	50.68	0.60	0.69
	Cash and Bank balances at the end of the year		**117.89**	**114.94**	**34.67**	**154.04**	**805.49**	**89.62**

Note:

1 The Scheme of Amalgamation given effect in the financial statements for the period ended September 30, 2014 and the Scheme of Arrangement given effect in the financial statements for the year ended March 31, 2010 have not been considered in the above Cash Flow Statement being non cash transactions.

2 The Cash Flow Statement for the year ended March 31, 2010 (since it includes financials of the demerged Regional General Entertainment Channels for the period from April 01, 2009 to December 31, 2009), and figures for the six months period ended September 30, 2014 are not comparable with figures of the other periods.

As per our attached report of even date

For MGB & Co. LLP
Chartered Accountants
Firm Registration Number - 110069W/W-100035

Lalit Kumar Jain
Partner
Membership Number - 072664

Place: Mumbai
Date: December 24, 2014

For and on behalf of the Board

Dr. Subhash Chandra Non-Executive Chairman

Surjit Banga Director

Dinesh Garg Chief Financial Officer

Pushpal Sanghavi Company Secretary

Annexure IV
Statement of Significant Accounting Policies to the Restated Financial Information

1 Corporate Information

Zee Media Corporation Limited ("ZMCL" or "the Company") is incorporated in the State of Maharashtra, India. The name of the Company is changed to Zee Media Corporation Limited as per revised Certificate of Incorporation dated July 6, 2013 issued by the Registrar of Companies, Maharashtra. The Company is mainly in the business of broadcasting of news / current affairs and regional language channels uplinked from India and sale of television programs including program feeds. The Regional General Entertainment Channels (RGECs) were demerged effective from January 1, 2010 pursuant to the Scheme of Arrangement.

2 Significant Accounting Policies

A. **Basis of preparation**

The Restated Summary Statement of Assets and Liabilities of the Company as on September 30, 2014, March 31, 2014, 2013, 2012, 2011,and 2010 and the Restated Summary Statement of Profit and Loss and Restated Summary Statements of Cash Flows for the six months period ended September 30, 2014 and years ended March 31, 2014, 2013, 2012, 2011 and 2010 and the annexures thereto (collectively, the "Restated Financial Information") have been extracted by the management from the Financial Statements of the Company for the six months ended September 30, 2014 and years ended March 31, 2014, 2013, 2012, 2011 and 2010. Further, the financial statements for the year ended March 31, 2011 and 2010 have been regrouped and rearranged to comply with Revised Schedule VI to the Companies Act, 1956.

The financial statements are prepared and presented under the historical cost convention, on going concern basis, using the accrual system of accounting in accordance with the accounting principles generally accepted in India (Indian GAAP) and the requirements of the Companies Act, 1956 (upto March 31, 2014), and notified sections, schedules and rules of the Companies Act 2013 (with effect from April 01, 2014), including the Accounting Standards as prescribed by the Companies (Accounting Standards) Rules, 2006 as per section 211(3C) of the Companies Act, 1956 (which are deemed to be applicable as per Section 133 of the Companies Act, 2013 ("the Act") read with Rule 7 of Companies (Accounts) Rules, 2014). The accounting policies adopted in the preparation of financial statements are consistent with those of previous year except the method and manner of providing depreciation on tangible fixed assets pursuant to Schedule II of the Companies Act, 2013 made effective from April 1, 2014.

B. **Use of estimates**

The preparation of financial statements requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities, on the date of the financial statements and the reported amount of revenue and expenses for the period. Difference between the actual results and estimates are recognized in the period in which the results are known / materialized.

C. **Tangible fixed assets**

a) Tangible fixed assets are stated at cost, less accumulated depreciation and impairment loss, if any. The cost comprises purchase price, borrowing cost if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Integrated Receiver Decoders (IRD) boxes are capitalised, when available for deployment.

b) Capital work in progress comprises cost of fixed assets and related expenses that are not yet ready for their intended use at the reporting date.

D Intangible assets

Intangible assets acquired are measured on initial recognition at cost and stated at cost less accumulated amortisation and impairment loss, if any.

E Borrowing costs

Borrowing costs attributable to the acquisition or construction of qualifying assets till the time such assets are ready for intended use are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period they occur.

F Impairment of tangible and intangible assets

At each Balance Sheet date, the Company reviews the carrying amount of assets to determine whether there is an indication that those assets have suffered impairment loss. If any such indication exists, the recoverable amount of assets is estimated in order to determine the extent of impairment loss. The recoverable amount is higher of the net selling price and value in use, determined by discounting the estimated future cash flows expected from the continuing use of the asset to their present value.

G Depreciation / Amortization on tangible / intangible assets

Tangible assets

a) Consequent to the enactment of the Companies Act, 2013 and its applicability for accounting periods commencing after April 1, 2014, depreciation on tangible fixed assets is provided on straight line method as per the useful life prescribed by Schedule II to the Companies Act, 2013 except in the following cases where actual useful life of assets as estimated by the management is lower:

Assets	Management's Estimate of Useful Life
Plant and Machinery (Studio equipments – Linear)	10 Years
Plant and Machinery (Studio equipments – Non-Linear)	5 Years
Plant and Machinery (IRD Boxes)	1 Year
Leasehold Improvements	Over the period of lease

b) Upto March 31, 2014, depreciation is provided on straight line method at the rates specified in Schedule XIV to the Companies Act, 1956 except in the case of leasehold improvements which is amortised over the period of lease.

Intangible assets

Intangible assets are amortised on straight line basis over the economic useful life estimated by the management.

H Investments

a) Investments, which are readily realisable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

b) Current investments are stated at lower of cost and market value determined on an individual investment basis. Long-term investments are stated at cost less provision for diminution other than temporary in the value of such investments.

I Transactions in foreign currencies

a) Foreign currency transactions are accounted at the exchange rates prevailing on the date of such transactions.

b) Foreign currency monetary items are translated using the exchange rate prevailing at the reporting date. Exchange differences arising on settlement of monetary items or on reporting such monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements are recognised as income or as expenses in the year in which they arise.

c) Non-monetary foreign currency items are carried at cost.

J Revenue recognition

a) Broadcasting revenue - Advertisement revenue (net of agency commission, discount and volume rebates) is recognized when the related advertisement or commercial appears before the public i.e. on telecast. Subscription revenue is recognized on time basis on the provision of television broadcasting service to subscribers or as per the agreed terms.

b) Sales (including television programs and film rights) are recognized when the significant risks and rewards have been transferred to the customers.

c) Revenue from other services including franchisee fee revenue is recognized as and when such services are completed / performed.

d) Dividend income is recognized when the Company's right to receive dividend is established.

e) Interest income is recognized on a time proportion basis taking into account amount outstanding and the applicable interest rate.

K Inventories

a) Inventories of television programs (completed, under production, available for sale) and film rights are stated at lower of cost/ unamortized cost or net realizable value. Cost comprises acquisition / direct production costs and other allocated production overheads. Where the realizable value on the basis of its estimated useful life is less than its carrying amount, the difference is expensed as impairment. Programs are expensed / amortized as under:
i) Programs- news / current affairs / chat shows / events etc are fully expensed on telecast.

ii) Programs (other than (i) above) are amortized over three financial years starting from the year of first telecast, as per management estimate of future revenue potential.

iii) Cost of movie rights are charged on a straight line basis on the licence period or 60 months from the date of acquisition, whichever is shorter.

b) Raw Stock – Tapes are valued at lower of cost or estimated net realizable value. Cost is taken on weighted average basis.

L Retirement and other employee benefits

a) Short-term employee benefits are expensed at the undiscounted amount in the Statement of Profit and Loss in the year the employee renders the service.

b) Post employment and other long term employee benefits are recognized as an expense in the Statement of Profit and Loss at the present value of the amount payable determined using actuarial valuation techniques in the year the employee renders the service. Actuarial gains and losses are charged to the Statement of Profit and Loss .

M Accounting for taxes on income

a) Current Tax is determined as the amount of tax payable in respect of taxable income as per the provisions of the Income Tax Act, 1961.

b) Deferred tax is recognized, subject to consideration of prudence in respect of deferred tax asset, on timing difference, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods and measured using relevant enacted tax rates and laws.

N Leases

Finance lease

Assets acquired under finance lease are capitalized and the corresponding lease liability is recorded at an amount equal to the fair value of the leased asset at the inception of the lease. Initial costs directly attributable to lease are recognized with the asset under lease.

b) **Operating lease**

Lease of assets under which all the risks and rewards of ownership are effectively retained by the lessor are classified as operating lease. Lease payments under operating lease are recognized as expense on accrual basis in accordance with the respective lease agreements.

O Earnings per share

Basic earnings per share is computed and disclosed using the weighted average number of equity shares outstanding during the year. Dilutive earnings per share is computed and disclosed using the weighted average number of equity and dilutive equity equivalent shares outstanding during the year, except when the results would be anti-dilutive.

P Provisions, Contingent liabilities and Contingent assets

Provisions involving substantial degree of estimation in measurement are recognized when there is present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statements.

Annexure V
Notes to Restated Financial Information

1. **Restated Summary Statement of Share Capital**

` million

	As at September 30, 2014	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011	As at March 31, 2010
Authorised						
1,700,000,000 Equity Shares of ` 1 each as on September 30, 2014; 1,000,000,000 Equity Shares as on March 31, 2014, 2013, 2012, 2011; 490,000,000 Equity Shares as on March 31, 2010	1,700.00	1,000.00	1,000.00	1,000.00	1,000.00	490.00
10,000,000 Preference Shares of Re. 1 each as on March 31, 2010	-		-	-	-	10.00
Total	**1,700.00**	**1,000.00**	**1,000.00**	**1,000.00**	**1,000.00**	**500.00**
Issued, Subscribed and Paid up						
362,145,773 Equity Shares of ` 1 each fully paid up as on September 30, 2014; 239,763,956 Equity Shares of ` 1 each fully paid up as on March 31, 2014, 2013, 2012, 2011, 2010.	362.15	239.76	239.76	239.76	239.76	239.76
Total	**362.15**	**239.76**	**239.76**	**239.76**	**239.76**	**239.76**

a) **Reconciliation of number of Equity shares and Share capital**

	As at September 30, 2014		As at March 31, 2014		As at March 31, 2013		As at March 31, 2012		As at March 31, 2011		As at March 31, 2010	
	Number of equity shares	` million	Number of equity shares	` million	Number of equity shares	` million	Number of equity shares	` million	Number of equity shares	` million	Number of equity shares	` million
At the beginning of the period / year	239,763,956	239.76	239,763,956	239.76	239,763,956	239.76	239,763,956	239.76	239,763,956	239.76	239,763,956	239.76
Add: Issued pursuant to the Scheme of Amalgamation (Refer Note 34 below)	122,381,817	122.39	-	-	-	-	-	-	-	-	-	-
Outstanding at the end of the period	**362,145,773**	**362.15**	**239,763,956**	**239.76**	**239,763,956**	**239.76**	**239,763,956**	**239.76**	**239,763,956**	**239.76**	**239,763,956**	**239.76**

b) **Terms / rights attached to equity shares**

The Company has only one class of equity shares having a par value of ` 1 each. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The final dividend if proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) **Details of shares held by Holding Company**

Name of the Shareholder	As at September 30, 2014	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011	As at March 31, 2010
25FPS Media Private Limited (extent of holding as at March 31 2014, 2013, 2012 : 53.34%)	-	127,898,710	127,898,710	127,898,710	-	-

d) **Details of Shareholders holding more than 5 percent of the aggregate shares in the Company**

Name of Shareholder	As at September 30, 2014		As at March 31, 2014		As at March 31, 2013		As at March 31, 2012		As at March 31, 2011		As at March 31, 2010	
	Number of Equity shares	% Shareholding	Number of Equity shares	% Shareholding	Number of Equity shares	% Shareholding	Number of Equity shares	% Shareholding	Number of Equity shares	% Shareholding	Number of Equity shares	% Shareholding
25FPS Media Private Limited	127,898,710	35.32%	127,898,710	53.34%	127,898,710	53.34%	127,898,710	53.34%	-	-	-	-
Arm Infra and Utilities Limited	122,363,636	33.79%	-	-	-	-	100	0.00%	-	-	-	-
HDFC Trustee Company Limited-HDFC Prudence Fund	17,467,103	4.82%	17,467,103	7.29%	17,467,103	7.29%	17,467,103	7.29%	6,269,745	2.61%	21,473,511	8.96%
Churu Trading Company Private Limited (merged with Sprit Textile Private Limited w.e.f. March 28, 2013)	-	-	-	-	100	0.00%	100	0.00%	96,826,048	40.38%	20,842,163	8.69%
Jayneer Capital Private Limited	-	-	-	-	-	-	-	-	-	-	90,749,452	37.85%

As per the records of the Company, including its register of shareholders/ members and other declaration received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

e) **Details of aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during five years preceding period / year ended :**

i. During the year ended March 31, 2007, the Company has allotted 195,956,192 Equity Shares of ` 1 each fully paid up for consideration other than cash pursuant to the Scheme of Arrangement.

ii. During the six months period ended September 30, 2014, the Company has allotted 122,381,817 Equity Shares of `1 each fully paid up for consideration other than cash pursuant to the Scheme of Amalgamation (Refer 'Note 34' below).

f) The Company has instituted an Employee Stock Option Plan (ESOP 2009) as approved by the Board of Directors and Shareholders of the Company in 2009 for issuance of stock options convertible into equity shares not exceeding in the aggregate 5% of the issued and paid up capital of the Company as at 31 March 2009 i.e. up to 11,988,000 equity shares of Re. 1 each, to the employees of the Company as well as that of its subsidiaries and also to the Directors of the Company at the market price determined as per the Securities and Exchange Board of India (Employee Stock Options Scheme) Guidelines, 1999 (SEBI (ESOS) Guidelines). The said Scheme is administered by the Nomination and Remuneration Committee of the Board. The Company has not granted any options till September 30, 2014.

2. **Restated Summary Statement of Reserves and Surplus**

` million

	As at September 30, 2014	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011	As at March 31, 2010
Capital Reserve						
Balance as at the beginning of the period / year	96.79	96.79	96.79	96.79	96.79	1,344.62
Add: Reserve created pursuant to the Scheme of Amalgamation (Refer 'Note 34' below)	1,671.62	-	-	-	-	-
Less: Transfer pursuant to the Scheme of Arrangement (Refer 'Note 35' below)	-	-	-	-	-	1,247.83
Closing Balance	1,768.41	96.79	96.79	96.79	96.79	96.79
Securities Premium						
Balance as at the beginning of the period / year	76.50	76.50	76.50	76.50	76.50	76.50
General Reserve						
Balance as at the beginning of the period / year	90.00	90.00	90.00	90.00	90.00	90.00
Surplus in the Statement of Profit and Loss						
Balance as at the beginning of the period / year - as restated	1,716.72	1,568.04	1,320.09	1,263.72	1,161.80	685.41
Less: Adjustment for depreciation (Refer 'Note C (2)' of Annexure VI)	(54.78)	-	-	-	-	-
Add: Deferred Tax on above	18.62	-	-	-	-	-
Add / Less: Transferred surplus/(deficit) as per summary statement of Profit and Loss, as restated	(5.51)	148.68	247.95	56.37	101.92	476.39
	1,675.05	1,716.72	1,568.04	1,320.09	1,263.72	1,161.80
Total	**3,609.96**	**1,980.01**	**1,831.33**	**1,583.38**	**1,527.01**	**1,425.09**

3. **Restated Summary Statement of Other Long-Term Liabilities**

` million

	As at September 30, 2014	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011	As at March 31, 2010
Other Payables	7.76	5.77	1.77	-	-	-
Total	**7.76**	**5.77**	**1.77**	**-**	**-**	**-**

4. **Restated Summary Statement of Provisions**

` million

	Long-Term						Short-Term					
	As at September 30, 2014	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011	As at March 31, 2010	As at September 30, 2014	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011	As at March 31, 2010
Provision for employee benefits:												
- Gratuity	67.39	62.30	55.48	48.85	36.60	25.90	6.23	5.47	1.48	1.88	1.42	0.88
- Leave benefits	38.73	33.85	29.20	28.33	25.72	19.04	6.08	4.62	1.12	1.29	1.07	0.94
Provision for tax (net of tax advance)	-	-	-	-	-	-	-	-	-	5.64	30.05	109.11
Total	**106.12**	**96.15**	**84.68**	**77.18**	**62.32**	**44.94**	**12.31**	**10.09**	**2.60**	**8.81**	**32.54**	**110.93**

5. **Restated Summary Statement of Current Liabilities**

` million

	As at September 30, 2014	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011	As at March 31, 2010
Trade Payables	76.21	147.83	83.99	80.69	142.00	51.27
	76.21	**147.83**	**83.99**	**80.69**	**142.00**	**51.27**
Other Current Liabilities						
Current maturities of long-term borrowings (Refer 'Annexure VII')	2.69	3.93	177.85	189.02	159.11	5.30
Interest accrued but not due on borrowings	7.60	6.04	1.94	8.02	5.00	6.85
Unearned Revenue	13.43	54.57	33.45	16.67	4.05	15.66
Advance received from customers	44.03	31.19	16.01	49.76	28.71	19.31
Deposits received from distributors	6.00	6.08	3.43	1.40	1.40	1.40
Creditors for Capital expenditure	1.81	42.63	38.24	4.60	9.41	7.75

	As at September 30, 2014	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011	As at March 31, 2010
Book Overdraft	-	-	-	-	-	51.22
Unclaimed Dividends	0.68	0.68	0.68	0.68	0.60	0.69
Statutory dues payable	44.72	53.29	37.38	45.86	96.92	112.69
Other Payables	530.24	445.75	362.81	317.96	414.18	310.08
	651.20	**644.16**	**671.79**	**633.97**	**719.38**	**530.95**
Total	**727.41**	**791.99**	**755.78**	**714.66**	**861.38**	**582.22**

Note:

(a) Refer Note 25 below for amounts payable to Micro, Small and Medium Enterprises.

(b) There are no amounts due and outstanding to be credited to Investor's Education and Protection Fund as at September 30, 2014.

6. **Restated statement of Fixed Assets**

a) **As at 30 September, 2014**

` million

Description of Assets	Gross Block				Depreciation/Amortisation					Net Block	
	As at 1 April, 2014	Additions	Deductions	As at 30 September, 2014	Upto 31 March, 2014	Adjusted through retained earnings	For the period	Deductions	Upto 30 September, 2014	As at 30 September, 2014	As at 31 March, 2014
Tangible Assets											
Plant and Machinery	1,329.10	15.44	14.28	1,330.26	346.66	22.50	99.00	9.15	459.01	871.25	982.44
Equipments	67.76	2.52	0.55	69.73	14.59	26.74	5.33	0.50	46.16	23.57	53.17
Computers	99.65	4.88	0.05	104.48	36.99	5.36	16.31	0.05	58.61	45.87	62.66
Furniture and Fixtures	8.69	0.13	0.18	8.64	5.11	-	0.32	0.18	5.25	3.39	3.58
Vehicles	53.14	1.76	5.42	49.48	15.11	0.18	3.90	1.33	17.86	31.62	38.03
Leasehold Improvements	40.01	-	-	40.01	17.52	-	3.16	-	20.68	19.33	22.49
Total	**1,598.35**	**24.73**	**20.48**	**1,602.60**	**435.98**	**54.78**	**128.02**	**11.21**	**607.57**	**995.03**	**1,162.37**
Intangible Assets											
Computer Software	182.73	4.56	-	187.29	104.32	0.00	17.46	-	121.78	65.51	78.41
Total	**182.73**	**4.56**	**-**	**187.29**	**104.32**	**0.00**	**17.46**	**-**	**121.78**	**65.51**	**78.41**
Capital Work-in-Progress										**27.99**	**27.28**

Note: With effect from April 01, 2014, the Company has revised the useful life of some of its fixed assets to comply with the useful life as prescribed by Schedule II to the Companies Act, 2013. As per Note 7 of Part C of Schedule II to the Companies Act, 2013 the carrying amount of the asset as on the date, the said Schedule comes in to effect (i.e., April 01, 2014) has to be depreciated over the remaining prescribed useful life of the asset. Consequently, the depreciation charge for the six months period ended September 30, 2014 is higher by ` 64.51 million. Further, where the remaining useful life of an asset is nil, the carrying amount of the asset as on that date (i.e., April 01, 2014) has to be recognised in the opening balance of retained earnings. Accordingly, depreciation amounting to ` 54.78 million and related deferred tax assets of ` 18.62 million has been adjusted in the opening balance of the surplus in the Statement of Profit and Loss.

b) **As at 31 March, 2014**

` million

Description of Assets	Gross Block				Depreciation/Amortisation				Net Block	
	As at 1 April, 2013	Additions	Deductions	As at 31 March, 2014	Upto 31 March, 2013	For the year	Deductions	Upto 31 March, 2014	As at 31 March, 2014	As at 31 March, 2013
Tangible Assets										
Plant and Machinery	891.54	564.25	126.69	1,329.10	330.45	89.99	73.78	346.66	982.44	561.09
Equipments	58.34	13.65	4.23	67.76	12.86	2.88	1.15	14.59	53.17	45.48
Computers	70.23	32.97	3.55	99.65	26.20	13.48	2.69	36.99	62.66	44.03
Furniture and Fixtures	10.22	2.23	3.76	8.69	4.97	1.90	1.76	5.11	3.58	5.25
Vehicles	53.02	1.55	1.43	53.14	11.09	4.97	0.95	15.11	38.03	41.93
Leasehold Improvements	22.12	17.89	-	40.01	12.22	5.30	-	17.52	22.49	9.90
Total	**1,105.47**	**632.54**	**139.66**	**1,598.35**	**397.79**	**118.52**	**80.33**	**435.98**	**1,162.37**	**707.68**
Intangible Assets										
Computer Software	95.14	90.61	3.02	182.73	79.11	28.23	3.02	104.32	78.41	16.03
Total	**95.14**	**90.61**	**3.02**	**182.73**	**79.11**	**28.23**	**3.02**	**104.32**	**78.41**	**16.03**
Capital Work-in-Progress									**27.28**	**44.44**

c) **As at 31 March, 2013**

` million

Description of Assets	Gross Block				Depreciation/Amortisation				Net Block	
	As at 1 April, 2012	Additions	Deductions	As at 31 March, 2013	Upto 31 March, 2012	For the year	Deductions	Upto 31 March, 2013	As at 31 March, 2013	As at 31 March, 2012
Tangible Assets										
Plant and Machinery	836.12	102.90	47.48	891.54	282.22	71.04	22.81	330.45	561.09	553.90
Equipments	52.90	9.25	3.81	58.34	11.25	2.81	1.20	12.86	45.48	41.65
Computers	60.71	23.48	13.96	70.23	26.93	10.77	11.50	26.20	44.03	33.78

Description of Assets	Gross Block				Depreciation/Amortisation				Net Block	
	As at 1 April, 2012	Additions	Deductions	As at 31 March, 2013	Upto 31 March, 2012	For the year	Deductions	Upto 31 March, 2013	As at 31 March, 2013	As at 31 March, 2012
Furniture and Fixtures	8.42	2.45	0.65	10.22	3.90	1.51	0.45	4.96	5.26	4.52
Vehicles	50.99	15.04	13.01	53.02	11.75	4.81	5.47	11.09	41.93	39.24
Leasehold Improvements	22.12	-	-	22.12	8.30	3.93	-	12.23	9.89	13.82
Total	**1,031.26**	**153.12**	**78.91**	**1,105.47**	**344.35**	**94.87**	**41.43**	**397.79**	**707.68**	**686.91**
Intangible Assets										
Computer Software	89.57	5.57	-	95.14	67.44	11.67	-	79.11	16.03	22.13
Total	**89.57**	**5.57**	**-**	**95.14**	**67.44**	**11.67**	**-**	**79.11**	**16.03**	**22.13**
Capital Work-in-Progress									**44.44**	**13.93**

d) **As at 31 March, 2012**

` million

Description of Assets	Gross Block				Depreciation/Amortisation				Net Block	
	As at 1 April, 2011	Additions	Deductions	As at 31 March, 2012	Upto 31 March, 2011	For The Year	Deductions	Upto 31 March, 2012	As at 31 March, 2012	As at 31 March, 2011
Tangible Assets										
Plant and Machinery	843.26	57.70	64.84	836.12	243.83	62.11	23.72	282.22	553.90	599.43
Equipments	54.66	2.33	4.09	52.90	9.76	2.51	1.02	11.25	41.65	44.90
Computers	50.84	13.78	3.91	60.71	20.66	8.51	2.24	26.93	33.78	30.18
Furniture and Fixture	10.62	0.69	2.89	8.42	3.67	0.83	0.60	3.90	4.52	6.95
Vehicles	49.72	5.92	4.65	50.99	8.96	4.68	1.89	11.75	39.24	40.76
Leasehold Improvements	29.52	-	7.40	22.12	11.77	3.93	7.40	8.30	13.82	17.75
Total	**1,038.62**	**80.42**	**87.78**	**1,031.26**	**298.65**	**82.57**	**36.87**	**344.35**	**686.91**	**739.97**
Intangible Assets										
Computer Softwares	57.65	31.94	0.02	89.57	48.74	18.73	0.03	67.44	22.13	8.91

Description of Assets	Gross Block				Depreciation/Amortisation				Net Block	
	As at 1 April, 2011	Additions	Deductions	As at 31 March, 2012	Upto 31 March, 2011	For The Year	Deductions	Upto 31 March, 2012	As at 31 March, 2012	As at 31 March, 2011
Total	**57.65**	**31.94**	**0.02**	**89.57**	**48.74**	**18.73**	**0.03**	**67.44**	**22.13**	**8.91**
Capital Work-in-Progress	-	-	-	-	-	-	-	-	**13.93**	**46.63**

e) **As at 31 March, 2011**

` million

Description of Assets	Gross Block				Depreciation / Amortisation				Net Block	
	As at 1 April, 2010	Additions	Deductions	As at 31 March, 2011	Upto 31 March, 2010	For The Year	Deductions	Upto 31 March, 2011	As at 31 March, 2011	As at 31 March, 2010
Tangible Assets										
Plant and Machinery	874.02	18.53	49.29	843.26	198.51	60.89	15.57	243.83	599.43	675.51
Equipments	53.42	1.68	0.44	54.66	7.34	2.51	0.09	9.76	44.90	46.08
Computers	45.22	6.48	0.86	50.84	13.90	7.49	0.73	20.66	30.18	31.32
Furniture and Fixture	10.10	0.52	-	10.62	2.82	0.85	-	3.67	6.95	7.28
Vehicles	31.04	26.63	7.95	49.72	8.36	3.46	2.86	8.96	40.76	22.68
Leasehold Improvements	27.41	14.54	12.43	29.52	18.44	5.75	12.42	11.77	17.75	8.97
Total	**1,041.21**	**68.38**	**70.97**	**1,038.62**	**249.37**	**80.95**	**31.67**	**298.65**	**739.97**	**791.84**
Intangible Assets										
Computer Softwares	57.62	0.03	-	57.65	37.18	11.56	-	48.74	8.91	20.44
Total	**57.62**	**0.03**	**-**	**57.65**	**37.18**	**11.56**	**-**	**48.74**	**8.91**	**20.44**
Capital Work-in-Progress									**46.63**	**5.93**

f) **As at 31 March, 2010**

` million

Description of Assets	Gross Block					Depreciation					Net Block	
	As at 1 April, 2009	Additions	Deductions	Transferred pursuant to the Scheme of Arrangement	As at 31 March, 2010	Upto 31 March, 2009	For The Year	Deductions	Transferred pursuant to the Scheme of Arrangement	Upto 31 March, 2010	As at 31 March, 2010	As at 31 March, 2009
Tangible Assets												
Plant and Machinery	751.01	184.79	18.52	43.26	874.02	155.61	66.44	6.48	17.06	198.51	675.51	595.40
Equipments	74.49	3.86	11.50	13.43	53.42	9.07	3.04	1.98	2.79	7.34	46.08	65.42
Computers	57.51	15.23	7.50	20.02	45.22	19.68	8.66	4.46	9.98	13.90	31.32	37.83
Furniture and Fixture	21.07	0.96	1.48	10.45	10.10	5.21	1.34	0.42	3.31	2.82	7.28	15.86
Vehicles	42.45	1.11	6.85	5.67	31.04	7.96	3.55	1.78	1.37	8.36	22.68	34.49
Leasehold Improvements	27.33	7.92	-	7.84	27.41	18.15	5.99	0.05	5.65	18.44	8.97	9.18
Total	**973.86**	**213.87**	**45.85**	**100.67**	**1,041.21**	**215.68**	**89.02**	**15.17**	**40.16**	**249.37**	**791.84**	**758.18**
Inangible Assets												
Computer Softwares	33.05	24.96	-	0.39	57.62	21.61	15.76	-	0.19	37.18	20.44	11.44
-												
Total	**33.05**	**24.96**	**-**	**0.39**	**57.62**	**21.61**	**15.76**	**-**	**0.19**	**37.18**	**20.44**	**11.44**
Capital Work-in-Progress											**5.93**	

7. **Restated Summary Statement of Deferred Tax Assets (net)**

The components of deferred tax balances as at following dates are as under:

` million

	As at September 30, 2014	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011	As at March 31, 2010
Deferred Tax Assets						
Arising on account of timing difference in employee retirement benefits	40.25	36.11	29.67	26.07	21.03	15.53
Allowable on payment basis	56.27	56.10	40.68	47.32	20.68	21.84
Provision for doubtful debts and advances	18.60	15.97	11.94	11.36	23.87	39.89

	As at September 30, 2014	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011	As at March 31, 2010
	115.12	**108.18**	**82.29**	**84.75**	**65.58**	**77.26**
Deferred Tax Liabilities						
Depreciation / Amortization	15.18	51.06	43.67	46.02	49.64	56.15
	15.18	**51.06**	**43.67**	**46.02**	**49.64**	**56.15**
Deferred Tax Assets (net)	**99.94**	**57.12**	**38.62**	**38.73**	**15.94**	**21.11**

8. **Restated Summary Statement of Inventories**

` million

	As at September 30, 2014	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011	As at March 31, 2010
Raw Stock - Tapes	0.92	1.43	1.63	2.87	2.91	3.77
Finished Goods- Television programs *	-	-	-	6.89	22.44	32.37
Finished Goods- Film Rights *	-	-	-	-	-	261.36
Film Rights held for sale	-	-	-	-	195.15	-
Total	**0.92**	**1.43**	**1.63**	**9.76**	**220.50**	**297.50**

Refer Note 2(K) of Annexure IV for inventory valuation policy.
* Refer Note11(a) below

9. **Restated Summary Statement of Cash and Bank Balances**

` million

	Non Current						Current					
	As at September 30, 2014	**As at March 31, 2014**	**As at March 31, 2013**	**As at March 31, 2012**	**As at March 31, 2011**	**As at March 31, 2010**	**As at September 30, 2014**	**As at March 31, 2014**	**As at March 31, 2013**	**As at March 31, 2012**	**As at March 31, 2011**	**As at March 31, 2010**
Cash and Cash Equivalents												
Balances with Banks in Current accounts	-	-	-	-	-	-	116.35	113.65	33.58	103.12	804.32	88.20
Cash in Hand	-	-	-	-	-	-	0.86	0.61	0.41	0.24	0.57	0.73
	-	-	-	-	-	-	**117.21**	**114.26**	**33.99**	**103.36**	**804.89**	**88.93**
Other Bank Balances												
Balances with Banks												
Fixed Deposits with maturity within 3 months (under bank's lien)	-	-	-	-	-	-	-	-	-	50.00	-	-
Fixed Deposits with maturity more than 12 months	4.35	4.35	4.35	4.35	4.35	4.35	-	-	-	-	-	-
In Unclaimed dividend accounts	-	-	-	-	-	-	0.68	0.68	0.68	0.68	0.60	0.69
	4.35	**4.35**	**4.35**	**4.35**	**4.35**	**4.35**	**0.68**	**0.68**	**0.68**	**50.68**	**0.60**	**0.69**
Less: Amount disclosed under the head "Other Assets" (Refer 'Annexure XI')	4.35	4.35	4.35	4.35	4.35	4.35	-	-	-	-	-	-
	-	-	-	-	-	-	**0.68**	**0.68**	**0.68**	**50.68**	**0.60**	**0.69**
Total	-	-	-	-	-	-	**117.89**	**114.94**	**34.67**	**154.04**	**805.49**	**89.62**

10. **Restated Summary Statement of Revenue from Operations**

` million

	Six Months ended September 30, 2014	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2010
Services - Broadcasting Revenue						
Advertisement	1,306.94	1,902.08	1,649.66	1,665.74	1,636.45	3,976.62
Subscription	456.40	999.00	842.65	742.45	723.36	987.71
Sales -						
Television Programs	56.84	143.37	115.07	89.35	46.09	37.81
Film Rights	-	-	-	195.15	0.95	52.02
Franchise Fee Revenue	-	-	30.49	27.72	25.20	24.00
Other Operating Income	-	3.85	30.32	11.40	-	2.46
Total	**1,820.18**	**3,048.30**	**2,668.19**	**2,731.81**	**2,432.05**	**5,080.62**

11. **Restated Summary Statement of Operational Cost**

` million

	Six Months ended September 30, 2014	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2010
Opening stock :						
a) Television Programs	-	-	6.89	22.44	32.37	323.60
b) Film Rights	-	-	-	-	261.36	1,320.12
	-	-	**6.89**	**22.44**	**293.73**	**1,643.72**
Add: Production/ Acquisition Cost						
Acquisition of Programs/Film Rights	58.49	28.41	-	9.70	20.96	1,362.32
Raw tapes consumed	1.20	2.25	2.35	3.70	6.06	15.15
Consultancy and Professional charges	75.38	152.63	116.43	131.72	122.58	175.44
News Subscription fees	24.80	40.46	36.10	33.03	26.58	26.60
Vehicle running, maintenance and Hire charges	40.16	62.00	47.50	47.59	48.53	48.31
Travelling and Conveyance expenses	16.63	19.62	12.31	11.60	15.01	19.84
Lease-line and V-Sat expenses	31.06	58.69	49.26	44.75	46.64	32.99
Hire Charges	21.65	25.82	14.73	14.24	22.92	144.54
Other Production expenses	42.09	64.29	39.89	33.64	43.40	284.87
	311.46	**454.17**	**318.57**	**329.97**	**352.68**	**2,110.06**
Less: Adjustment pursuant to the Scheme of Arrangement (Refer 'Note 35 below')	-	-	-	-	-	1,679.20
Less: Film Rights held for sale	-	-	-	-	195.15	-
	311.46	**454.17**	**318.57**	**329.97**	**157.53**	**430.86**
Less: Closing stock :						
a) Television Programs	-	-	-	6.89	22.44	32.37
b) Film Rights	-	-	-	-	-	261.36
	-	-	-	**6.89**	**22.44**	**293.73**

	Six Months ended September 30, 2014	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2010
	311.46	**454.17**	**325.46**	**345.52**	**428.82**	**1,780.85**
Film Rights held for sale	-	-	-	195.15	-	-
Telecast cost	66.25	120.14	101.39	84.86	85.31	112.08
Channel Subscription fees	9.91	21.69	14.78	12.53	-	-
Loss on Channel Management (Refer 'Note 24' below)	66.28	22.50	-	-	-	-
Total	**453.90**	**618.50**	**441.63**	**638.06**	**514.13**	**1,892.93**

a) Television Programs/ Film Rights are intangible assets as defined in AS-26 but these are acquired and used for broadcasting business, therefore considered and included in Operational Cost and Current Assets - Inventories.

b) The Company has impaired Programs of ` 4.12 million and ` 0.61 million in the year ending March 31, 2012 and 2011 respectively.

12. **Restated Summary Statement of Employee benefits expense**

` million

	Six Months ended September 30, 2014	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2010
Salaries and allowances	463.15	770.63	661.53	571.27	545.10	632.00
Contribution to provident and other funds	26.93	46.30	40.80	37.16	32.33	32.30
Staff welfare expenses	22.69	67.53	58.78	50.69	47.45	58.02
Staff recruitment and training expenses	2.11	3.84	0.54	0.92	0.52	2.36
Total	**514.88**	**888.30**	**761.65**	**660.04**	**625.40**	**724.68**

13. **Restated Summary Statement of Finance costs**

` million

	Six Months ended September 30, 2014	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2010
Interest - on Loans	64.70	90.22	78.60	104.99	112.48	256.54
- on Others	0.49	0.22	7.11	0.01	9.09	0.10
Bank and other financial charges	0.23	12.90	2.15	1.56	4.05	4.66
Total	**65.42**	**103.34**	**87.86**	**106.56**	**125.62**	**261.30**
Note: Interest on Others for year ended March 31, 2011 includes ` 9.05 million being interest on tax						

14. **Restated Summary Statement of Depreciation and amortisation expense**

` million

	Six Months ended September 30, 2014	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2010
Depreciation on tangible assets	128.02	118.52	94.87	82.57	80.95	89.02
Amortisation on intangible assets	17.46	28.23	11.67	18.73	11.56	15.76
Total	**145.48**	**146.75**	**106.54**	**101.30**	**92.51**	**104.78**

15. **Restated Summary Statement of Other expenses**

` million

	Six Months ended September 30, 2014	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2010
Rent	45.00	72.43	56.60	58.53	58.90	115.29
Rates and Taxes	15.24	5.54	4.90	7.09	5.48	4.53
Repairs and Maintenance - Building	0.24	3.16	10.81	1.09	1.41	0.59
- Plant and Machinery	23.36	38.04	17.11	13.78	11.68	17.60
- Other	13.44	23.69	26.95	12.46	10.48	16.80
Insurance	1.72	3.20	2.51	2.96	4.23	4.38
Electricity and water charges	38.51	73.30	57.54	40.79	38.02	43.20
Communication charges	15.47	27.06	17.36	17.54	20.61	40.87
Printing and Stationary expenses	4.58	7.33	4.94	5.13	5.29	9.04
Travelling and Conveyance expenses	55.97	92.56	72.67	68.09	31.58	31.58
Legal and Professional charges	70.54	158.30	86.06	18.75	21.73	48.84
Payment to Auditors (Refer 'Note 20 below')	0.97	2.46	2.25	1.66	1.32	2.31
Donation	-	1.30	1.45	2.16	2.48	4.21
Hire & Service Charges	19.15	36.54	33.77	27.70	30.52	54.88
Miscellaneous expenses	7.36	17.56	12.71	10.33	8.16	13.51
Marketing, distribution, business promotion expenses	324.39	609.50	635.08	634.40	579.96	774.71
Advertisement and Publicity expenses	33.44	106.65	72.65	33.09	26.31	112.57
Commission/ Discount on services	14.58	26.66	24.08	34.64	66.57	78.18
Provision for doubtful debts and advances	9.42	11.85	2.57	3.54	0.50	88.75
Bad debts / advances written off	-	-	4.83	2.10	20.97	70.24
Loss on sale/discard of fixed assets (net)	6.56	57.41	31.52	32.11	36.54	23.25
Loss on exchange difference (net)	-	5.32	1.50	2.14	-	-
Total	**699.94**	**1,379.86**	**1,179.86**	**1,030.08**	**982.74**	**1,555.33**

16. **Restated Summary Statement of Exceptional items**

` million

	Six Months ended September 30, 2014	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2010
Provision for Diminution in value of Investment	-	-	-	60.90	-	-
Provision for doubtful advance share application money	-	(59.88)	(45.96)	105.84	-	-
Total	**-**	**(59.88)**	**(45.96)**	**166.74**	**-**	**-**

The Company made long term investment of ` 60.90 million in Akash Bangla Private Limited (ABPL) and also advanced share application money of ` 105.84 million. Provision for diminution in value of entire investment in ABPL and provision for doubtful advance share application money was made in the financial year ended March 31, 2012 as exceptional items, as the net worth of ABPL was eroded. However, in the financial year ended March 31, 2014 the Company has realised advance share application money in two tranches of ` 45.96 million and ` 59.88 million.

17. **Operating Lease**

The Company has taken office premises, residential premises and plant and machinery (including equipments) etc. under cancellable/non-cancellable lease agreements, that are renewable on a periodic basis at the option of both the Lessor and the Lessee.

` million

	Six Months ended September 30, 2014	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2010
Lease rental charges for the year	85.14	155.52	119.51	118.29	124.23	307.24
Future lease rental obligation payable (under non-cancellable leases)						
Not later than one year	52.52	75.30	64.74	57.32	43.54	36.27
Later than one year but not later than five years	19.84	33.93	85.58	126.20	98.79	61.28
Later than five years	-	-	-	-	-	-
The initial tenure of the lease (months)	11-120	11-120	11-108	11-108	11-108	11-108

18. **Capital and other Commitments**

` million

	Six Months ended September 30, 2014	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2010
a) Estimated amount of contracts remaining to be executed on capital account, not provided for (net of advances)	53.79	57.88	53.21	85.86	32.66	8.94
b) Commitment for acquiring shares of associate company (net of advance)	8.92	38.92	-	-	-	-
c) The Company has made commitment to provide continued financial support to two direct subsidiaries	Unascertained	-	-	-	-	-

19. **Managerial Remuneration**

a) Details of remuneration paid to whole time director/ managing director :

` million

	Six Months ended September 30, 2014	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2010
Salaries, allowances and perquisites*	2.54	10.14	-	-	-	8.44
Contribution to provident and other funds	0.11	0.66	-	-	-	-
Total	**2.65**	**10.80**	**-**	**-**	**-**	**8.44**

* Excludes leave encashment and gratuity provided on the basis of actuarial valuation on an overall Company basis.

Note: Shri Alok Agrawal was appointed as a Whole-time Director of the Company w.e.f. 30 July, 2013 for a period of 3 years. He resigned as Whole-time Director effective from close of business on 12 May, 2014.

b) Payment made to Non Executive Directors is included in Miscellaneous Expenses under Note 15 above.

` million

	Six Months ended September 30, 2014	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2010
Commission paid / payable to Non Executive Directors based on profits for the respective year	-	1.20	1.60	1.00	1.35	3.00
Sitting fee	0.32	0.68	0.64	0.70	0.82	0.43

20. **Payment to Auditors**

` million

	Six Months ended September 30, 2014	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2010
Audit Fees	0.50	1.00	0.80	0.80	0.70	0.80
Tax Audit Fees	0.13	0.25	0.25	0.20	0.15	0.15
Certification work (including limited reviews)	0.31	1.01	0.74	0.51	0.30	1.11
Tax Representation and other matters	0.03	0.17	0.44	0.14	0.16	0.24
Reimbursement of expenses	0.00	0.03	0.02	0.01	0.01	0.01
Total	**0.97**	**2.46**	**2.25**	**1.66**	**1.32**	**2.31**

*The above are exclusive of service tax

21. **Foreign Exchange**

Foreign currency exposures that are not hedged by derivative instruments as at balance sheet date, are as under:

` million

	As at September 30, 2014	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011	As at March 31, 2010
Payables	30.05	33.11	58.67	35.07	36.23	7.74
Receivables	101.81	113.28	121.90	95.41	35.15	29.45

22. During the year ended March 31, 2013, the Company has given advances/deposits of ` 640.90 millions to various companies for the purpose of content and marketing of channels. However, due to various reasons, the contracts could not be executed and accordingly the advances/deposits have been received back.

23. During the year ended March 31, 2014, the Company has given advances of ` 246.25 million to certain parties for purchase of fixed assets. However, the contracts could not be executed and accordingly the capital advances have been received back subsequent to the balance sheet date.

24. The Company, during the year ended March 31, 2013, has entered into a channel management agreement i.e. operation and management of channel owned by the associate company. As per the agreed terms, the Company has agreed to bear all costs / expenses and losses that may be incurred in the operation of the channel and in case of net surplus after recovering of costs / expenses, share the surplus with the said associate in the agreed ratio.

25. **Micro, Small and Medium Enterprises**

The Company has no dues to Micro, Small and Medium Enterprises during the period ended September 30, 2014 and year ended March 31, 2014, 2013, 2012, 2011, 2010.

26. **Employee Benefits**

As per the Accounting Standard 15 "Employee Benefits", the disclosure of Employee benefits as defined in the Accounting Standard are given below

(A) **Defined Benefit Plan**

The present value of gratuity obligation (non funded) is determined based on actuarial valuation using the Projected Unit Credit Method which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for leave benefits (non funded) is also recognised using the projected unit credit method.

Disclosure of gratuity in terms of AS 15 is as under:

i. Expenses recognised during the period:

` million

	Six Months ended September 30, 2014	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2010
Service cost	6.30	10.81	9.99	8.75	7.42	6.05
Interest cost	3.10	4.67	4.23	3.23	2.14	2.08
Net actuarial (gain)/loss on obligation	5.40	12.32	7.87	3.44	3.17	(6.44)
Total Expenses	14.80	27.80	22.09	15.42	12.73	1.69

ii. Net Assets/ (Liability) recognised in the Balance Sheet

` million

	As at September 30, 2014	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011	As at March 31, 2010
Present value of deferred obligation	73.62	67.77	56.96	50.73	38.02	26.78
Net Asset/ (Liability)	(73.62)	(67.77)	(56.96)	(50.73)	(38.02)	(26.78)

iii. Reconciliation of Net Asset/ (Liability) recognised in the Balance sheet

` million

	As at September 30, 2014	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011	As at March 31, 2010
Net Asset/ (Liability) at the beginning of the period	(67.77)	(56.97)	(50.73)	(38.02)	(26.78)	(27.77)
Expenses as per (i) above	(14.80)	(27.80)	(22.09)	(15.42)	(12.73)	(1.69)
Benefits paid	8.95	17.00	15.86	2.71	1.49	2.68
Net Asset/ (Liability) at the end of the period	(73.62)	(67.77)	(56.96)	(50.73)	(38.02)	(26.78)

iv. Actuarial assumptions :

	Six Months ended September 30, 2014	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2010
Discount Rate	9.15%	9.15%	8.20%	8.50%	8.00%	7.50%
Expected Salary Escalation Rate	6.50%	6.50%	6.00%	6.00%	5.50%	5.00%
Mortality Table	IAL (2006-08)	IAL (2006-08)	IAL (1994-96)	LIC (1994-96)	LIC (1994-96)	LIC (1994-96)

Note:

a) Details given above for the year ended March 31, 2010 is in respect of continuing business (remained after demerger of regional general entertainment channels). The gratuity liability of discontinued business transferred to is ` 6.16 million.

b) Amount recognised as an expense and included in Note 12 of Annexure V in respect to -

	Six Months ended September 30, 2014	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2010
Gratuity	14.80	27.80	22.10	15.42	12.73	8.55

Leave Encashment	15.32	22.42	17.64	8.42	10.94	12.18

c) The estimates of rate of escalation in salary considered in the actuarial valuation takes into account of inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

(B) **Defined Contribution Plan**

"Contribution to provident fund and other funds" is recognized as an expense under the head "Employee benefits expense" in Note 12 of Annexure V.

27. **Disclosures as required by clause 32 of the listing agreement**

a) Loans and advances given to Subsidiary (Loanee)

` million

	As at September 30, 2014	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011	As at March 31, 2010
Subsidiary						
Mediavest India Private Limited	255.50	-	-	-	-	-
24 Ghantalu News Limited*	-	-	1.74	-	-	-
Associate Maurya TV Private Limited	0.15	-	-	-	-	-

* ceased to be subsidiary w.e.f. 24 December, 2013

b) Loans and advances given to Subsidiary (Loanee) (Maximum amount outstanding during the period)

` million

	Six Months ended September 30, 2014	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2010
Subsidiary						
Mediavest India Private Limited	255.50	-	-	-	-	-
24 Ghantalu News Limited*	-	1.77	1.74	-	-	-
Associate Maurya TV Private Limited	0.15	-	-	-	-	-

* ceased to be subsidiary w.e.f. 24 December, 2013

c) None of the loanees have made investments in the shares of the Company

28. **Value of Imported and Indigeneous Raw Stock-Tapes consumed:**

` million

	Six Months ended September 30, 2014	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2010
Amount						
Imported	0.89	1.75	1.84	2.50	3.05	5.39
Indigeneous	0.31	0.50	0.51	1.20	3.01	9.76
Total	**1.20**	**2.25**	**2.35**	**3.70**	**6.06**	**15.15**
Percentage						
Imported	74.18%	77.89%	78.43%	67.59%	50.31%	35.58%
Indigeneous	25.82%	22.11%	21.57%	32.41%	49.69%	64.42%

29. **Earnings in Foreign Currency**

` million

	Six Months ended September 30, 2014	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2010
FOB Value of Export of Programs	56.84	143.37	115.07	86.85	44.55	37.25
Advertising Revenue	1.60	6.34	6.26	5.06	7.83	19.84
Other Income	-	-	-	0.01	0.33	0.08

30. **Expenditure in Foreign Currency (on accrual basis)**

` million

	Six Months ended September 30, 2014	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2010
Telecast cost	27.80	55.29	41.43	33.41	27.87	33.93
Production expenses	8.55	12.89	13.83	12.04	1.15	10.71
Other expenses	0.23	4.24	13.59	0.02	0.22	0.11

31. **Remittances in Foreign Currency**

` million

	Six Months ended September 30, 2014	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2010
Net Dividend Remitted	-	-	-	-	-	0.04
Number of Shareholders	-	-	-	-	-	122
Number of Equity Shares Held	-	-	-	-	-	1,10,357

Note: Dividend remitted is in respect of financial year ended March 31, 2009.

32. **CIF Value of Imports**

` million

	Six Months ended September 30, 2014	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2010
Raw Stock-Tapes	0.67	1.57	0.52	2.99	2.48	5.39
Capital Equipmement	14.14	308.51	102.89	36.63	23.36	60.63
Repair and Maintenance	4.83	5.10	4.71	5.82	3.19	9.82

33. The Management is of the opinion that its international and domestic transactions are at arm's length as per the independent accountants report for the year ended March 31, 2014. The Management continues to believe that its international transactions and the specified domestic transactions are at arm's length and that the transfer pricing legislation will not have any impact on these financial statements, particularly on amount of tax expense and that of provision of taxation.

34. **The Scheme of Amalgamation**

The Scheme of Amalgamation (the 'Scheme') under Section 391 to 394 and other applicable provisions of the Companies Act, 1956 for the amalgamation of Essel Publishers Private Limited ("EPPL") with the Company was approved by the Hon'ble Bombay High Court vide Order dated May 2, 2014, with Appointed Date being April 1, 2014. The Scheme has been made effective on May 27, 2014 and hence given effect to in the financial statements for the six months ended September 30, 2014. Pursuant to the Scheme, the entire business and whole of the undertaking of EPPL, including all assets and liabilities of EPPL as detailed below, vested in the Company as a going concern and recorded at their respective fair values as per Accounting Standard 14.

In pursuance of the Scheme, the Company on June 9, 2014 issued and allotted 122,381,817 fully paid up Equity Shares of ` 1

each to the shareholders of EPPL in the ratio of 2 fully paid up Equity Shares ` 1 each of the Company for every 11 Equity Shares ` 1 each held in EPPL.

The amount of ` 1,671.62 million i.e. excess of assets over liabilities transferred to the Company and cancellation of inter company balances and obligations, has been transferred to the Capital Reserve as detailed below:

Particulars		` million
ASSETS		
Non-Current Investments:		
0% Compulsory Convertible Debentures of `1 each in Mediavest India Private Limited	1,837.66	
0.01% Compulsory Convertible Debentures of ` 100 each in Pri-Media Services Private Limited	1,100.00	
10,000 Equity shares of Mediavest India Private Limited of `10 each fully paid	0.10	
10,000 Equity shares of Pri - Media Services Private Limited of `10 each fully paid	0.10	2,937.86
Trade Receivables		0.08
Cash and Bank Balances		0.24
Total Assets		**2,938.18**
Less: Liabilities received:		
Other Current Liabilities		4.61
Total Liabilities		**4.61**
NET ASSETS		**2,933.57**
Less: Cancellation of Inter Company Balances and Obligations		1,139.57
Less: Shares allotted pursuant to the Scheme		122.38
NET ASSETS TRANSFERRED TO CAPITAL RESERVE		**1,671.62**
Further, pursuant to the Scheme, the authorised share capital of the Company stands increased to ` 1700 million divided into 1700,000,000 Equity Shares of ` 1 each.		

35. **The Scheme of Arrangement:**

"The Scheme of Arrangement under Section 391 to 394 and other applicable provisions of the Companies Act, 1956 between Zee Media Corporation Limited (ZMCL) and Zee Entertainment Enterprises Limited (ZEEL) and their respective shareholders and creditors was sanctioned by the Hon'ble Bombay High Court on March 19, 2010 and filed with the Registrar of Companies on March 29, 2010. Pursuant to the Scheme, the Regional General Entertainment Channel (RGEC) Business Undertaking of the Company, comprising of six television channels namely Zee Marathi, Zee Talkies, Zee Bangla, Zee Kannada, Zee Telugu and Zee Cinemalu (broadcasting yet to be commenced), assets of Zee Gujrati, a discontinued television channel, on a going concern basis has been transferred to and vested in ZEEL with effect from the appointed date i.e. January 1, 2010. The Scheme has been given effect to in these financial statements."

In consideration for the transfer and vesting of the RGEC Business Undertaking in ZEEL, the members of the Company holding fully paid-up equity shares in the Company, and whose names appear in the register of members of the Company, on the Record Date, are allotted 4 fully paid Equity Shares of ` 1 each of ZEEL for every 19 fully paid Equity Shares of ` 1 each held in ZMCL.

In pursuance of the Scheme of Arrangement approved by the Hon'ble Bombay High Court, Mumbai, the Board of Directors in the meeting held on March 25, 2010 has approved the transfer of assets and liabilities as under and approved adjustment of excess of the book value of the assets transferred over the book value of liabilities aggregating to `1,247.83 million against Capital Reserve Account.

Particulars		` million
ASSETS		
Fixed Assets		63.90
Deferred Tax Assets		25.95
Current Assets, loans and advances:		

Particulars		` million
Program and Film Rights	1,679.20	
Inventories	2.16	
Sundry Debtors	1,251.11	
Cash and Bank Balances	86.66	
Loans and Advances	546.32	
	3,565.45	
Less: Current Liabilities and Provisions	1,144.37	2,421.08
TOTAL		2,510.93
Less: LIABILITIES		
Secured and Unsecured Loans		1,263.10
NET ASSETS		**1,247.83**

36. **During the year, the Company has shared expenses with a related party, as under:**

` million

	Six Months ended September 30, 2014	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2010
Personnel Cost	-	-	-	-	-	84.10
Administrative and Other Expenses	-	-	-	-	-	81.98
Selling and Distribution Expenses	-	-	-	-	-	0.72
Total	-	-	-	-	-	**166.80**

37. **Disclosure in accordance with Accounting Standard - 24:**

i. Carrying amount of assets and liabilities of continuing and discontinued operations as restated:

` million

Particulars	2010	
	Continuing Operations	Discontinued Operations (As Transferred)
Total Assets	4,086.47	3,656.06
Total Liabilities	2,421.62	2,407.47

ii. Revenue and expenses of continuing and discontinued operations as restated

` million

Particulars	2010	
	Continuing Operations	Discontinued Operations
Income	2,315.53	2,942.64
Expenditure	2,380.23	2,158.79
Profit / (Loss) Before Tax	(64.70)	783.85
Tax Benefit / (Expenses)	23.70	(266.46)
Profit / (Loss) After Tax	(41.00)	517.39

iii. Cash flows from continuing and discontinued operations as restated:

Particulars	2010	
	Continuing Operations	Discontinued Operations
Net Cash from/(used in):		
-Operating activities	(398.82)	493.29

-Investing activities	(951.93)	(30.93)
-Financing activities	709.78	(144.60)
Net Increase/ (decrease) in cash and cash equivalents	(640.97)	317.76

38. During the year ended March 31, 2013, the Company was in the process of reconciling Integrated Receiver Decoder (IRD) boxes in possession of third parties with those as per the books of account. The Management is of the view that the financial impact on reconciliation, if any, would not be material.

39. **Material development subsequent to September 30, 2014**

Maurya TV Private Limited, an associate company as on September 30, 2014, has become a wholly owned subsidiary company w.e.f. December 12, 2014 on acquisition of remaining shares of the said company.

40. **Comparative**

a) The financials for the year ended March 31, 2010 includes financials of the demerged Regional General Entertainment Channels for the period from April 01, 2009 to December 31, 2009, hence are not comparable with figures of the other periods.

b) The financials for the six months ended September 30, 2014 are not comparable with full year figures for the year ended March 31, 2014, 2013, 2012, 2011, 2010 and also due to amalgamation of Essel Publishers Private Limited with the Company (Refer Note 34 above).

For and on behalf of the Board

Dr. Subhash Chandra	Non-Executive Chairman
Surjit Banga	Director
Dinesh Garg	Chief Financial Officer
Pushpal Sanghavi	Company Secretary

Annexure VI
Statement of Adjustment to Audited Financial Statements

(A) Material Adjustments:

The summary of results of restatements made in the audited financial statements of the Company for the respective period / years and their impact on the profit / (losses) of the Company is as under:

` million

Particulars	Explanatory Note No.	Six Months ended September 30, 2014	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2010
Profit / (Loss) after tax as per audited financial statements		**(5.17)**	**188.17**	**242.99**	**62.00**	**97.80**	**439.66**
Impact due to:							
Liabilities / Excess provisions written back	(a)	(1.08)	(43.00)	1.68	(46.68)	35.41	28.66
Prior Period Items	(b)	0.57	(1.21)	0.64	(1.45)	1.45	8.30
Interest expense	(c)	-	-	-	-	0.03	-
Tax expense of prior periods	(d)	-	(10.31)	3.39	26.88	(23.32)	12.29
Tax Impact on adjustments made as above		0.17	15.03	(0.75)	15.62	(9.45)	(12.52)
Profit / (Loss) after tax, as restated		**(5.51)**	**148.68**	**247.95**	**56.37**	**101.92**	**476.39**

Explanatory Note:

a) During the six months ended September 30, 2014 and financial year ended March 31, 2014, 2013, 2012, 2011 and 2010, certain liabilities / excess provisions were written back to the Statement of Profit and Loss Account. For the purpose of this statement, such liabilities / excess provisions written back have been appropriately adjusted in the respective years in which such liabilities / provisions were originally recognised.

b) (i) During the six months ended September 30, 2014 and financial year ended March 31, 2014, 2012 and 2010, certain items of income / expense were identified as prior period items. For the purpose of this statement, such prior period items have been appropriately adjusted in the respective years to which it relates.

(ii) During the financial year ended March 31, 2014, the Company has availed CENVAT credit of ` 7.13 million on fixed assets capitalized during the year ended March 31, 2013. For the purpose of this statement, the CENVAT credit claimed has been adjusted in the fixed assets for the year ended March 31, 2013 along with related depreciation of ` 0.38 million. Such depreciation is included in prior period adjustments given above.

c) During the financial year ended March 31, 2011, direct tax expense of ` 0.29 million and excess provision for fringe benefit tax ` 0.26 million were wrongly grouped under 'Interest - Others'. Further both these items were in respect to period before April 01, 2009. For the purpose of this statement, these items have been adjusted in the Surplus in the Statement of Profit and Loss as at April 01, 2009.

d) During the financial year ended March 31, 2014, 2013, 2012, 2011 and 2010, the Company has incurred tax expense / reversal of excess tax provision related to prior periods which for the purpose of this statement, have been appropriately adjusted in the respective years to which they relates.

(B) **Reconciliation of Surplus in the Statement of Profit and Loss as at April 01, 2009:**

Particulars	Refer Explanatory Note No. (above)	` million
Surplus in the Statement of Profit and Loss as at April 01, 2009		**685.77**
Adjustments:		
Liabilities / Excess provisions written back	(a)	25.01
Prior Period Items	(b)	(8.30)
Interest expense	(c)	(0.03)
Tax expense of prior periods	(d)	(8.94)
Tax Impact on adjustments made as above		(8.10)

Particulars	Refer Explanatory Note No. (above)	` million
Surplus in the Statement of Profit and Loss, as restated		**685.41**

(C) **Non Adjustment Items:**

1. Change in Accounting Policy:

The Company has not made any change in accounting policy except as stated in the audited financial statement for the financial year ended March 31, 2012, that until March 31, 2011, the valuation of inventories of Raw Stock- Tapes was done on first-in, first-out (FIFO) basis. From April 01, 2011, valuation of inventories of Raw Stock- Tapes is determined on the basis of weighted average basis, due to implementation of ERP. The impact of such change in the accounting policy can not be derived from the system but is likely to be insignificant, considering inventories in hand, and accordingly no retrospective effect has been given to in the Restated Financial Information.

2. Change in Useful Life of Fixed Assets pursuant to the Schedule II of The Companies Act, 2013 made effective from April 01, 2014:

With effect from April 01, 2014, the Company has revised the useful life of some of its fixed assets to comply with the useful life as prescribed by Schedule II to the Companies Act, 2013. As per Note 7 of Part C of Schedule II to the Companies Act, 2013 the carrying amount of the asset as on the date, the date from which the Schedule comes in to effect (i.e., April 01, 2014) has to be depreciated over the remaining prescribed useful life of the asset. Consequently, the depreciation charge for the six months period ended September 30, 2014 is higher by ` 64.51 million. Further, where the remaining useful life of an asset is nil, the carrying amount of the asset as on that date (i.e., April 01, 2014) has to be recognised in the opening balance of retained earnings. Accordingly, an amount of ` 36.16 million (net of deferred tax thereon amounting to ` 18.62 million) has been adjusted in the opening balance of the surplus in the Statement of Profit and Loss. This, being a change in accounting estimate, hence no adjustment is required in this regard in the Restated Financial Information.

3. Auditors' qualifications requiring corrective adjustment in the Restated Financial Information:

There is no audit qualification that require corrective adjustment in these Restated Financial Information.

4. Other remarks/ observation in the Annexure to Auditors' Report (pursuant to the Companies (Auditors' Report) Order, 2003), which do not require any corrective adjustment in the Restated Financial Information are as follows:

(i)a Financial Year ended March 31, 2014, 2013, 2011

All the fixed assets, except Integrated Receiver Decoders (IRD) boxes lying with third parties, have been physically verified by the management during the year. In our opinion, the periodicity of verification is reasonable having regard to the size of the Company and the nature of its assets. Discrepancies noticed on such verification, which are not material, have been properly dealt with in the books of account.

(i)b Financial Year ended March 31, 2012

All the fixed assets, except assets lying with third parties (including capital work in progress), have been physically verified by the management during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. As informed, no material discrepancies were noticed on such verification.

(i)c Financial Year ended March 31, 2010

According to the information and explanations given to us, the fixed assets except lying with third parties have been physically verified by the management as per the phased program of verification and the material discrepancies noticed on such verification have been properly dealt with in books of account. In our opinion, the frequency of such verification is reasonable having regard to the size of the Company and nature of its assets.

(ii)a Financial Year ended March 31, 2014

In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of inventory and sale of goods and services, however internal control system for purchase of fixed assets is required to be strengthened. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in the internal control system in respect of the aforesaid areas.

(ii)b Financial Year ended March 31, 2013

In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of fixed assets and sale of television programs (inventory) and services, however internal control system for purchase of television programs (inventory) is required to be strengthened. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in the internal control system in respect of the aforesaid areas.

(iii)a Financial Year ended March 31, 2014

Undisputed Statutory dues including provident fund, investor education and protection fund, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess and others as applicable have generally been regularly deposited with the appropriate authorities. There are no undisputed amounts payable in respect of the aforesaid dues outstanding as at 31 March, 2014 for a period of more than six months from the date they became payable except income tax demand of ` 0.23 million for AY 2010-11 for which rectification application is filed.

(iii)b Financial Year ended March 31, 2012

Undisputed Statutory dues including provident fund, investor education and protection fund, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess and others as applicable have generally been regularly deposited with appropriate authorities except delay in few cases. There are no undisputed amounts payable in respect of the aforesaid dues which have remained outstanding as at March 31, 2012 for a period of more than six months from the date they became payable.

(iv)a Financial Year ended March 31, 2014

According to the records of the Company, the dues of income tax and service tax which are not deposited on account of any dispute are as under:

Name of the Statute	Nature of the Dues	Amount (` million)	Period to which the amount relate	Forum where dispute is pending
The Income Tax Act, 1961	Income Tax	6.68	A.Y. 2007-2008	Commissioner of Income Tax (Appeals)
		317.75	A.Y. 2008-2009	
		2.64	A.Y. 2011-2012	
The Central Excise Act, 1944	Service Tax and penalty	142.63#	AY 2008-2009 to 2012-2013*	Central Excise and Service Tax Appellant Tribunal
# Interest and penalty to the extent quantified.				
*Appeal to be filed before due date.				

(iv)b Financial Year ended March 31, 2013

According to the records of the Company, the dues of income tax which are not deposited on account of any dispute are as under:

Name of the Statute	Nature of the Dues	Amount (` million)	Period to which the amount relate	Forum where dispute is pending
The Income Tax Act, 1961	Income Tax	6.68	A.Y. 2007-2008	Commissioner of Income Tax (Appeals)
		0.31	A.Y. 2008-2009	
		2.69	A.Y. 2010-2011	
The Income Tax Act, 1961	Income Tax- Tax Deducted at Source	2.08	A.Y. 2008-2009	Commissioner of Income Tax (Appeals)
		0.59	A.Y. 2009-2010	

(iv)c Financial Year ended March 31, 2012

According to the records of the Company, the dues of income tax which are not deposited on account of any dispute are as under:

Name of the Statute	Nature of the Dues	Amount (` million)	Period to which the amount relate	Forum where dispute is pending
The Income Tax Act, 1961	Income Tax	0.52	A.Y. 2008-2009	Commissioner of Income Tax (Appeals), Mumbai
The Income Tax Act, 1961	Income Tax	0.23	A.Y. 2009-2010	Commissioner of Income Tax (Appeals)-Mumbai

Name of the Statute	Nature of the Dues	Amount (` million)	Period to which the amount relate	Forum where dispute is pending
The Income Tax Act, 1961	Income Tax Deducted at source	2.08	A.Y. 2008-2009	Commissioner of Income Tax (Appeals)- Ghaziabad
The Income Tax Act, 1961	Income Tax Deducted at source	0.59	A.Y. 2009-2010	Commissioner of Income Tax (Appeals)- Ghaziabad

(iv)d Financial Year ended March 31, 2011

According to the records of the Company, there are no dues in respect of Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty and Cess, which have not been deposited on account of any dispute except the followings:

Name of the Statute	Nature of the Dues	Amount (` million)	Period to which the amount relate	Forum where dispute is pending
The Income Tax Act, 1961	Income Tax	0.52	A.Y. 2008-2009	Commissioner of Income Tax (Appeals)

(v) Financial Year ended March 31, 2014

According to the records of the Company examined by us, the information and explanations given to us and based on extension granted by the bank for repayment of principal and interest, the Company has not defaulted in repayment of dues to banks. The Company has not borrowed any funds from financial institutions or issued debentures during the year.

(vi) Financial Year ended March 31, 2010

Based on the audit procedures performed and according to the information and explanations given to us no fraud on the Company or by the Company has been noticed or reported except misappropriation of ` 7.0 million approximately by certain employees reported by the Company.

(D) Material Regroupings:

Appropriate adjustments have been made in the Restated Financial Information, wherever required, by reclassification and regrouping of the corresponding items of assets, liabilities, income, expenditure and cash flows, in order to bring them in line with the presentation as per the audited financials of the Company for the period ended September 30, 2014 which have been prepared as per the Schedule III to the Companies Act, 2013.

Annexure VII
Restated Summary Statement of Long-Term Borrowings

` million

Particulars	Non- Current Maturities						Current Maturities					
	As at September 30, 2014	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011	As at March 31, 2010	As at September 30, 2014	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011	As at March 31, 2010
Secured Borrowings												
Term Loan from Bank	772.91	674.25	-	170.00	350.00	-	-	-	170.00	180.00	150.00	-
Vehicle Loans												
from Banks	1.65	2.63	2.68	6.44	12.05	1.01	1.51	2.31	5.65	7.14	7.09	2.79
- from Others	1.34	1.96	3.57	1.73	1.28	1.97	1.18	1.62	2.20	1.88	2.02	2.51
	775.90	**678.84**	**6.25**	**178.17**	**363.33**	**2.98**	**2.69**	**3.93**	**177.85**	**189.02**	**159.11**	**5.30**
Less: Amount disclosed under "Other Current Liabilities" (Refer 'Note 5 of Annexure V')	-	-	-	-	-	-	2.69	3.93	177.85	189.02	159.11	5.30
Total	**775.90**	**678.84**	**6.25**	**178.17**	**363.33**	**2.98**	**-**	**-**	**-**	**-**	**-**	**-**

Note:

1 There is no borrowings from any related party.

2 The above statement should be read with the Significant Accounting Policies appearing in Annexure IV, Notes to the Restated Financial Information appearing in Annexure V and Statement of Adjustment to Audited Financial Statements appearing in Annexure VI.

3 For terms, conditions and other details in respect of above borrowings outstanding as on September 30, 2014, refer Annexure VII (A).

For and on behalf of the Board

Dr. Subhash Chandra	Non-Executive Chairman
Surjit Banga	Director
Dinesh Garg	Chief Financial Officer
Pushpal Sanghavi	Company Secretary

Annexure VII (A)
Statement of Principal Terms of Long Term Borrowings outstanding as at September 30, 2014

1. Term Loan from Banks

` million

Name of Bank	Loan Sanctioned	Loan Drawn / Disbursed	Loan Outstanding
State Bank of India	800.00	772.91	772.91

Terms & Conditions

(i) Security

Term Loan from bank is secured by way of first hypothecation charge on entire movable fixed assets except vehicles.

(ii) Interest Rate

The loan carries interest @ Base Rate + 200 bps, currently being 12% p.a., payable monthly.

(iii) Repayment

After moratarium of 23 months from date of first disbursement - the loan is repayable in 14 quarterly installments commencing from October 2015, as follows:

` million

Repayable in	Repayment Amount
FY 2015-16	72.00
FY 2016-17	96.00
FY 2017-18	160.00
FY 2018-19	160.00
FY 2019-20	192.00
FY 2020-21	120.00

(iv) Prepayment

Prepayment penalty will not apply in case loan is pre-paid out of own resources. 25% concession in repayment penalty if prepaid after 3rd year.

(v) Penalties

a) In case of default in payment of installment/interest of SBI or other lenders, penal interest @ 1% payable on entire outstanding for the period of such default.

b) In case of any adverse deviation by more than 20% from the stipulated levels of any two of Current Ratio, Total Debt Gearing Ratio and Interest Coverage Ratio, penal interest at the rate of 1% per annum.

(vi) Cancellation of Limits

Bank reserves the absolute right to cancel the limits (either fully or partially) unconditionally without prior notice in case of :
- Limits partly / wholly not utilised, and / or
- Deterioration in the loan accounts in any manner whatsoever, and / or
- Non-compliance of terms and conditions of the sanction.

2. Vehicles Loans

The Company has taken Vehicle Loans for purchase of vehicles. These loans are secured by way of hypothecation

of vehicles. The terms and conditions alongwith outstanding balances as on September 30, 2014 are as under:

Loan Taken from	Loan Drawn / Disbursed (` million)	Loan Outstanding (` million)	Interest Rate (per annum)	Repayment *
Loans from Banks				
Axis Bank Limited	3.29	1.71	8.90% to 9.75%	Repayable upto February 2016
ICICI Bank Limited	1.50	1.45	10.00%	Repayable upto July 2018
Loans from Others				
Kotak Mahindra Prime Limited	4.58	2.52	12.25%	Repayable upto September 2016
Total		**5.68**		

* The loans are repayable in monthly installments.

For and on behalf of the Board

Dr. Subhash Chandra	Non-Executive Chairman
Surjit Banga	Director
Dinesh Garg	Chief Financial Officer
Pushpal Sanghavi	Company Secretary

Annexure VIII
Restated Summary Statement of Short-Term Borrowings

` million

	As at September 30, 2014	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011	As at March 31, 2010
Secured						
Cash Credit from Bank	400.67	431.86	482.54	12.76	-	180.55
Working Capital Loan from Bank	-	-	-	400.00	-	1,000.00
Total Secured Borrowings	**400.67**	**431.86**	**482.54**	**412.76**	**-**	**1,180.55**
Unsecured						
Short-Term Loan from Bank	-	-	-	-	-	500.00
Total Unsecured Borrowings	**-**	**-**	**-**	**-**	**-**	**500.00**
Total	**400.67**	**431.86**	**482.54**	**412.76**	**-**	**1,680.55**

Note:

1 There is no borrowings from any related party.

2 The above statement should be read with the Significant Accounting Policies appearing in Annexure IV, Notes to the Restated Financial Information appearing in Annexure V and Statement of Adjustment to Audited Financial Statements appearing in Annexure VI.

3 For terms, conditions and other details in respect of above borrowings outstanding as on September 30, 2014, refer Annexure VIII (A).

For and on behalf of the Board

Dr. Subhash Chandra Non-Executive Chairman

Surjit Banga Director

Dinesh Garg Chief Financial Officer

Pushpal Sanghavi Company Secretary

Annexure VIII (A)
Statement of Principal Terms of Short Term Borrowings outstanding as at September 30, 2014

1. Cash Credit Facilities from Banks

` million

Name of Bank	Sanctioned Limit	Outstanding Balance
State Bank of India	450.00	400.67

Terms & Conditions

(i) Security

Cash Credit loan from bank is secured by way of hypothecation charge on entire current assets and collaterally secured by first hypothecation charge on entire movable fixed assets except vehicles.

(ii) Interest Rate

The loan carries interest @ Base Rate + 125 bps, currently being 11.25% p.a., payable monthly.

(iii) Penalties and Commitment Charges

a) Following events shall attract penal interest:
- Irregularities in the account - penal interest @ 2% - on the entire outstanding if continuously irregular for more than 60 days and in other cases on the irregular portion.
- Non submission of stock statements on time - penal interest @ 1%.
- Non compliance with covenants - submission of stock statements on time, penal interest @ 1% on the entire outstanding.

However, the total penal interest charged on a borrower due to various non-compliances will not exceed 3% p.a.

b) In case of any adverse deviation by more than 20% from the stipulated levels of any two of Current Ratio, Total Debt Gearing Ratio and Interest Coverage Ratio, penal interest at the rate of 1% per annum.

c) Commitment charges:

Average Utilisation	Commitment Charges
More than 75%	Nil
Between 50-75%	0.25% p.a. (to be recovered on entire unutilized portion on quarterly basis)
Less than 50%	0.50% p.a. (to be recovered on entire unutilized portion on quarterly basis)

(iv) Cancellation of Limits

Bank reserves the absolute right to cancel the limits (either fully or partially) unconditionally without prior notice in case of :
- Limits partly / wholly not utilised, and / or
- Deterioration in the loan accounts in any manner whatsoever, and / or
- Non-compliance of terms and conditions of sanction.

For and on behalf of the Board

Dr. Subhash Chandra Non-Executive Chairman

Surjit Banga Director

Dinesh Garg Chief Financial Officer

Pushpal Sanghavi Company Secretary

Annexure IX
Restated Summary Statement of Non-Current Investments

` million

	As at September 30, 2014	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011	As at March 31, 2010
Investments (valued at cost unless otherwise stated)						
Fully Paid Up and Unquoted						
Trade Investments						
i. In Equity shares of Rs. 10 each						
In Subsidiary - Wholly owned						
Nil (50,000 as on March 31, 2013) of 24 Ghantalu News Limited	-	-	0.50	-	-	-
10,000 of Mediavest India Private Limited (extent of holding 100 %) *	0.10	-	-	-	-	-
10,000 of Pri-Media Services Private Limited (extent of holding 100 %) *	0.10	-	-	-	-	-
	0.20	**-**	**0.50**	**-**	**-**	**-**
In Subsidiary - Others						
Zee Akaash News Private Limited (extent of holding 60 %)	83.28	83.28	83.28	83.28	83.28	83.28
(2,400,002 Equity Shares as on September 30, 2014, March 31, 2014, 2013; 2,399,982 Equity Shares as on March 31, 2012, 2011, 2010.)						
	83.28	**83.28**	**83.28**	**83.28**	**83.28**	**83.28**
In Associate						
8,380,241 of Maurya TV Private Limited (extent of holding 37.87%)	39.00	39.00	-	-	-	-
	39.00	**39.00**	**-**	**-**	**-**	**-**
In Others						
435,000 of Akash Bangla Private Limited	60.90	60.90	60.90	60.90	60.90	60.90
Less: Provision for diminution in value of investment	60.90	60.90	60.90	60.90	-	-
	-	**-**	**-**	**-**	**60.90**	**60.90**
ii. In Debentures of Wholly Owned Subsidiary						
9,882,410,565 0% Compulsorily Convertible Debentures of Re. 1 each of Mediavest India Private Limited (Refer Note 1 below) *	1,837.66	-	-	-	-	-
11,000,000 0.01% Compulsorily Convertible Debentures of ` 100 each of Pri-Media Services Private Limited (Refer Note 2 below) *	1,100.00	-	-	-	-	-
	2,937.66	**-**	**-**	**-**	**-**	**-**
Total	**3,060.14**	**122.28**	**83.78**	**83.28**	**144.18**	**144.18**
Aggregate amount of unquoted Investments	3,121.04	183.18	144.68	144.18	144.18	144.18
Aggregate amount of quoted Investments	-	-	-	-	-	-
Provision for Diminution in value of investments	60.90	60.90	60.90	60.90	-	-
Investments in Related Parties	**3,060.14**	**122.28**	**83.78**	**83.28**	**83.28**	**83.28**
Investments in Related Parties includes:						

	As at September 30, 2014	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011	As at March 31, 2010
- Wholly owned Subsidiaries	2,937.86	-	0.50	-	-	-
- Other Subsidiaries	83.28	83.28	83.28	83.28	83.28	83.28
- Associates	39.00	39.00	-	-	-	-
Total	**3,060.14**	**122.28**	**83.78**	**83.28**	**83.28**	**83.28**

* Acquired under the Scheme of Amalgamation (Refer Note 34 of Annexure V)

Note:

1. Each debenture is compulsorily convertible on or before seven years from the date of allotment at the option of the debenture holder. The details of allotment are as under:

Date of allotment	No. of Debentures held
April 15, 2012	1,411,431,000
April 18, 2012	900,000,000
December 11, 2012	240,000,000
February 28, 2013	490,000,000
March 28, 2013	908,490,000
July 10, 2013	437,020,000
July 23, 2013	5,494,969,650
August 02, 2013	499,915
	9,882,410,565

2. Each debenture is compulsorily convertible on or before five years from the date of allotment i.e. January 02, 2014 at the option of the debenture holder.

3. List of related parties are identified by the management as per Accounting Standard - 18 " Related Party Disclosures" and relied up on by the auditors.

4. The above statement should be read with the Significant Accounting Policies appearing in Annexure IV, Notes to the Restated Financial Information appearing in Annexure V and Statement of Adjustment to Audited Financial Statements appearing in Annexure VI.

For and on behalf of the Board

Dr. Subhash Chandra Non-Executive Chairman

Surjit Banga Director

Dinesh Garg Chief Financial Officer

Pushpal Sanghavi Company Secretary

Annexure X
Restated Summary Statement of Loans and Advances

` million

	Long-Term						Short-Term					
	As at September 30, 2014	**As at March 31, 2014**	**As at March 31, 2013**	**As at March 31, 2012**	**As at March 31, 2011**	**As at March 31, 2010**	**As at September 30, 2014**	**As at March 31, 2014**	**As at March 31, 2013**	**As at March 31, 2012**	**As at March 31, 2011**	**As at March 31, 2010**
(unsecured, considered good unless otherwise stated)												
Capital Advances												
Related Parties	1.89	1.89	-	-	-	-	-	-	-	-	-	-
Others (Refer 'Note 23' of Annexure V)	90.07	334.44	4.36	10.43	2.22	32.64	-	-	-	-	-	-
	91.96	**336.33**	**4.36**	**10.43**	**2.22**	**32.64**	**-**	**-**	**-**	**-**	**-**	**-**
Deposits												
Related Parties	20.17	19.36	-	-	-	-	-	-	-	-	22.00	22.00
Others												
For Programs and Contents	-	-	-	-	-	-	-	-	-	512.65	-	-
For Others: Considered Good	20.11	24.44	23.18	23.48	15.71	37.12	1.89	2.77	2.30	1.96	13.85	1.48
Considered Doubtful	-	-	-	-	-	-	1.61	-	-	-	-	-
	40.28	**43.80**	**23.18**	**23.48**	**15.71**	**37.12**	**3.50**	**2.77**	**2.30**	**514.61**	**35.85**	**23.48**
Less: Provision for doubtful deposits	-	-	-	-	-	-	1.61	-	-	-	-	-
	40.28	**43.80**	**23.18**	**23.48**	**15.71**	**37.12**	**1.89**	**2.77**	**2.30**	**514.61**	**35.85**	**23.48**
Loans and Advances to Related Parties												
Loans	-	-	-	-	-	-	255.50	1,100.00	1,250.00	700.00	-	988.32
Other Advances	-	-	-	-	-	-	21.43	5.05	78.59	16.44	74.42	669.35
	-	**-**	**-**	**-**	**-**	**-**	**276.93**	**1,105.05**	**1,328.59**	**716.44**	**74.42**	**1,657.67**

	Long-Term						Short-Term					
	As at September 30, 2014	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011	As at March 31, 2010	As at September 30, 2014	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011	As at March 31, 2010
Advance Share Application Money / Advance for Share Purchase												
Subsidiary	-	-	-	-	67.23	67.23	-	-	-	-	-	-
Others	30.00	-	-	105.84	105.85	70.59	-	-	105.84	-	-	-
Less: Provision for doubtful advance	-	-	-	105.84	-	-	-	-	59.88	-	-	-
	30.00	**-**	**-**	**-**	**173.08**	**137.82**	**-**	**-**	**45.96**	**-**	**-**	**-**
Other Loans and Advances												
Loan to Employee *	6.18	8.86	13.79	-	-	-	5.21	4.93	4.41	-	-	-
Loan to Others	-	-	-	-	-	-	50.00	-	-	-	-	-
Advances												
- considered good	-	-	-	-	-	-	64.64	85.24	22.80	19.27	21.64	8.35
- considered doubtful	-	-	-	-	-	-	0.94	0.87	0.86	1.00	1.00	0.50
	6.18	**8.86**	**13.79**	**-**	**-**	**-**	**120.79**	**91.04**	**28.07**	**20.27**	**22.64**	**8.85**
Less: Provision for doubtful advances	-	-	-	-	-	-	0.94	0.87	0.87	1.00	1.00	0.50
	6.18	**8.86**	**13.79**	**-**	**-**	**-**	**119.85**	**90.17**	**27.20**	**19.27**	**21.64**	**8.35**
Prepaid expenses	2.23	2.53	0.22	0.14	-	0.08	7.70	8.42	9.55	8.79	3.94	17.08
Balances with Government authorities												
Advance direct tax (net of provisions)	159.49	118.48	28.67	-	-	0.10	-	-	-	-	-	-
Advance indirect taxes	-	-	-	-	-	-	17.94	91.42	38.04	-	-	0.61
Total	**330.14**	**510.00**	**70.22**	**34.05**	**191.01**	**207.76**	**424.31**	**1,297.83**	**1,451.64**	**1,259.11**	**135.85**	**1,707.19**
Amount due from related parties includes:												

	Long-Term						Short-Term					
	As at September 30, 2014	**As at March 31, 2014**	**As at March 31, 2013**	**As at March 31, 2012**	**As at March 31, 2011**	**As at March 31, 2010**	**As at September 30, 2014**	**As at March 31, 2014**	**As at March 31, 2013**	**As at March 31, 2012**	**As at March 31, 2011**	**As at March 31, 2010**
- Due from Subsidiaries	-	-	-	-	67.23	67.23	255.50	-	1.74	-	-	2.48
- Due from Associates	19.36	19.36	-	-	-	-	0.15	-	-	-	-	-
- Due from Others *	8.88	1.89	-	-	-	-	26.49	1,105.05	1,326.85	716.44	96.42	1,677.19
Total	**28.24**	**21.25**	**-**	**-**	**67.23**	**67.23**	**282.14**	**1,105.05**	**1,328.59**	**716.44**	**96.42**	**1,679.67**
Amount due from other related parties includes:												
- Due from Promoters	-	-	-	-	-	-	-	-	-	-	-	-
- Due from Promoter Group Companies	1.89	1.89	-	-	-	-	6.02	0.73	0.07	0.08	10.61	1,481.13
Total	**1.89**	**1.89**	**-**	**-**	**-**	**-**	**6.02**	**0.73**	**0.07**	**0.08**	**10.61**	**1,481.13**

* Key Management Personnel identified with effect from April 01, 2014, i.e. the date from which the Companies Act, 2013 became effective.

Note:-

1 The above statement should be read with the Significant Accounting Policies appearing in Annexure IV, Notes to the Restated Financial Information appearing in Annexure V and Statement of Adjustment to Audited Financial Statements appearing in Annexure VI.

2 List of related parties are identified by the management as per Accounting Standard - 18 " Related Party Disclosures" and relied up on by the auditors.

3 List of persons / entities classified as Promoters / Promoter Group Companies has been determined by the management and relied up on by the auditors.

For and on behalf of the Board

Dr.Subhash Chandra Non-Executive Chairman

SurjitBanga Director

Dinesh Garg Chief Financial Officer

PushpalSanghavi Company Secretary

Annexure XI
Restated Summary Statement of Other Assets

` million

	Non-Current						Current					
	As at September 30, 2014	**As at March 31, 2014**	**As at March 31, 2013**	**As at March 31, 2012**	**As at March 31, 2011**	**As at March 31, 2010**	**As at September 30, 2014**	**As at March 31, 2014**	**As at March 31, 2013**	**As at March 31, 2012**	**As at March 31, 2011**	**As at March 31, 2010**
(Unsecured, considered good)												
Balances with bank in deposit accounts* (Refer 'Note 9 of Annexure V')	4.35	4.35	4.35	4.35	4.35	4.35	-	-	-	-	-	0.01
Interest accrued on - Bank deposits	0.34	0.15	-	-	0.87	0.47	-	0.00 #	1.66	1.77	-	-
- Debentures of related party	-	-	-	-	-	-	0.06	-	-	-	-	-
- Loan to related parties	-	-	-	-	-	-	14.08	39.57	138.14	-	-	127.99
- Other loans and advances	-	-	-	-	-	-	16.31	16.01		0.03	0.03	
Other receivables - from related parties	-	-	-	-	-	-	0.23	0.23	1.80	-	-	-
- from others	-	-	-	-	-	-	9.17	9.17	13.50	1.72	-	-
Total	**4.69**	**4.50**	**4.35**	**4.35**	**5.22**	**4.82**	**39.85**	**64.98**	**155.10**	**3.52**	**0.03**	**128.00**
Amount due from related parties includes:												
- Due from Subsidiaries	-	-	-	-	-	-	14.14	-	-	-	-	-
- Due from Associates	-	-	-	-	-	-	-	-	-	-	-	-
- Due from Others	-	-	-	-	-	-	0.23	39.80	139.94	-	-	127.99
Total	**-**	**-**	**-**	**-**	**-**	**-**	**14.37**	**39.80**	**139.94**	**-**	**-**	**127.99**
Amount due from other related parties includes:												
- Due from Promoters	-	-	-	-	-	-	-	-	-	-	-	-
- Due from Promoter Group Companies	-	-	-	-	-	-	0.23	0.23	1.80	-	-	127.99
Total	-	-	-	-	-	-	**0.23**	**0.23**	**1.80**	-	-	**127.99**

* Pledged with Statutory Authorities.

Represents ` 1,537

Note:-

1 The above statement should be read with the Significant Accounting Policies appearing in Annexure IV, Notes to the Restated Financial Information appearing in Annexure V and Statement of Adjustment to Audited Financial Statements appearing in Annexure VI.

2 List of related parties are identified by the management as per Accounting Standard - 18 " Related Party Disclosures" and relied up on by the auditors.

3 List of persons / entities classified as Promoters / Promoter Group Companies has been determined by the management and relied up on by the auditors.

For and on behalf of the Board

Dr.Subhash Chandra	Non-Executive Chairman
SurjitBanga	Director
Dinesh Garg	Chief Financial Officer
PushpalSanghavi	Company Secretary

Annexure XII
Restated Summary Statement of Trade Receivables

` million

	As at September 30, 2014	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011	As at March 31, 2010
Trade Receivables (unsecured)						
Due for period over six months						
considered good	43.37	20.51	43.39	99.72	126.78	162.49
considered doubtful	54.71	46.97	35.12	35.03	72.57	119.57
Others						
considered good	792.50	772.82	753.16	805.19	645.83	505.59
considered doubtful	-	-	-	-	-	-
	890.58	840.30	831.67	939.94	845.18	787.65
Less: Provision for doubtful debts	54.71	46.97	35.12	35.03	72.57	119.57
Total	**835.87**	**793.33**	**796.55**	**904.91**	**772.61**	**668.08**
Amount due from related parties	**342.62**	**372.17**	**359.62**	**397.03**	**176.11**	**231.80**
Amount due from related parties includes:						
- Due from Subsidiaries	1.66	0.53	0.46	-	-	-
- Due from Associates	-	-	-	-	-	-
- Due from Others	340.96	371.64	359.16	397.03	176.11	231.80
Total	**342.62**	**372.17**	**359.62**	**397.03**	**176.11**	**231.80**
Amount due from other related parties includes:						
- Due from Promoters	-	-	-	-	-	-
- Due from Promoter Group Companies	9.76	10.32	4.68	101.65	130.05	175.25
Total	**9.76**	**10.32**	**4.68**	**101.65**	**130.05**	**175.25**

Note:-

1 The above statement should be read with the Significant Accounting Policies appearing in Annexure IV, Notes to the Restated Financial Information appearing in Annexure V and Statement of Adjustment to Audited Financial Statements appearing in Annexure VI.

2 List of related parties are identified by the management as per Accounting Standard - 18 " Related Party Disclosures" and relied up on by the auditors.

3 List of persons / entities classified as Promoters / Promoter Group Companies has been determined by the management and relied up on by the auditors.

For and on behalf of the Board

Dr.Subhash Chandra Non-Executive Chairman

SurjitBanga Director

Dinesh Garg Chief Financial Officer

PushpalSanghavi Company Secretary

Annexure XIII
Restated Summary Statement of Other Income

` million

	Six Months ended September 30, 2014	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2010	Classification
Interest Income							
from Bank Deposits	0.19	0.37	1.54	0.95	0.50	2.41	Recurring
from Loans	17.82	155.27	153.49	94.37	96.23	142.21	Recurring
from Debentures	0.06	-	-	-	-	-	Recurring
from Others	2.21	17.90	0.96	0.04	0.05	24.34	Recurring
Dividend Income							
from Subsidiary	24.00	36.00	48.00	-	-	-	Non-recurring
from Current Investments	-	-	0.65	-	1.56	-	Non-recurring
Liabilities / Excess provisions written back	-	-	-	-	1.57	3.49	Non-recurring
Miscellaneous Income	0.50	0.67	13.37	0.27	0.56	2.15	Non-recurring
Gain on exchange difference (net)	1.60	-	-	-	0.54	2.95	Non-recurring
Total	**46.38**	**210.21**	**218.01**	**95.63**	**101.01**	**177.55**	

Note:

1 The classification of Other Income into Recurring and Non-recurring is based on the current operations and business activity of the Company.
2 The above statement should be read with the Significant Accounting Policies appearing in Annexure IV, Notes to the Restated Financial Information appearing in Annexure V and Statement of Adjustment to Audited Financial Statements appearing in Annexure VI.

For and on behalf of the Board

Dr. Subhash Chandra Non-Executive Chairman

Surjit Banga Director

Dinesh Garg Chief Financial Officer

Pushpal Sanghavi Company Secretary

Annexure XIV
Statement of Accounting Ratios

S.No.	Particulars	Six Months ended September 30, 2014	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2010
1	Net Profit/(Loss) before exceptional items but after Tax (` million)	(5.51)	88.79	201.99	223.11	101.92	476.39
2	Net Profit/(Loss) after exceptional items and Tax (` million)	(5.51)	148.68	247.95	56.37	101.92	476.39
3	Net Profit/(Loss) after exceptional items and Tax (including discontinued operations) (` million)	(5.51)	148.68	247.95	56.37	101.92	476.39
4	Net Profit/(Loss) after exceptional items and Tax of continuing operations (` million)	(5.51)	148.68	247.95	56.37	101.92	(41.00)
5	Weighted average number of Equity Shares `1 each outstanding during the year/period (for Basic as well as Diluted earning per share)	362,145,773	239,763,956	239,763,956	239,763,956	239,763,956	239,763,956
6	Number of Equity Shares outstanding at the end of the year/period	362,145,773	239,763,956	239,763,956	239,763,956	239,763,956	239,763,956
7	Paid up value of each Equity Share (`)	1	1	1	1	1	1
8	Total Paid-up Capital (` million)	362.15	239.76	239.76	239.76	239.76	239.76
9	Reserves and surplus (` million)	3,609.96	1,980.01	1,831.33	1,583.38	1,527.01	1,425.09
10	Miscellaneaous Expenses (to the extent not written off or adjusted) (` million)	-	-	-	-	-	-
11	Net Worth (8+9-10) (` million)	3,972.11	2,219.77	2,071.09	1,823.14	1,766.77	1,664.85
	Accounting Ratios						
12	**Earning per share (`)**						
(a)	Basic and Diluted before exceptional items (1 / 5)	(0.02) *	0.37	0.84	0.93	0.43	1.99
(b)	Basic and Diluted after exceptional items (2 / 5)	(0.02) *	0.62	1.03	0.24	0.43	1.99
(c)	Basic and Diluted EPS before discontinuing operations (3 / 5)	(0.02) *	0.62	1.03	0.24	0.43	1.99
(d)	Basic and Diluted EPS of continuing operations (4 / 5)	(0.02) *	0.62	1.03	0.24	0.43	(0.17)
13	**Return on Net Worth - %**						

S.No.	Particulars	Six Months ended September 30, 2014	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2010
(a)	Before Exceptional Items (1 / 11)	(0.14)	4.00	9.75	12.24	5.77	28.61
(b)	After Exceptional Items (2 / 11)	(0.14)	6.70	11.97	3.09	5.77	28.61
(c)	Before discontinuing operations (3/ 11)	(0.14)	6.70	11.97	3.09	5.77	28.61
(d)	Of continuing operations (4 / 11)	(0.14)	6.70	11.97	3.09	5.77	(2.46)
14	**Net Asset Value Per Share (11 / 6) (`)**	10.97	9.26	8.64	7.60	7.37	6.94

* Not annualized

Notes:

1 The figures disclosed above are based on the Restated Financial Information of the Company.

2 Earning per share calculations are done in accordance with Accounting Standard - 20 on Earnings per Share notified pursuant to the Companies (Accounting Standards) Rules, 2006 (as amended).

3 The ratios have been computed as under:

Basic and Diluted earnings per equity share (`)

$$\frac{\text{Net profit/(loss) after tax, as restated, attributable to Shareholders}}{\text{Weighted average number of equity shares outstanding during the year/period}}$$

Return on Net Worth (%)

$$\frac{\text{Net Profit /(Loss) after tax, as restated}}{\text{Net Worth, as restated, at the end of the year/period}}$$

Net asset value per share (`)

$$\frac{\text{Net Worth, as restated, at the end of the year/period}}{\text{Number of equity shares outstanding at the end of the year/period}}$$

4 No preference shares were alloted and also there is no revaluation reserve.

5 The above statement should be read with the Significant Accounting Policies appearing in Annexure IV, Notes to the Restated Financial Information appearing in Annexure V and Statement of Adjustment to Audited Financial Statements appearing in Annexure VI.

For and on behalf of the Board

Dr. Subhash Chandra	Non-Executive Chairman
Surjit Banga	Director
Dinesh Garg	Chief Financial Officer
Pushpal Sanghavi	Company Secretary

Annexure XV
Statement of Tax Shelter

` million

		Six months ended September 30, 2014	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2010
A	**Profit/ (Loss) after exceptional items but before taxes as per Statement of Profit and Loss**	**(12.54)**	**225.85**	**352.30**	**172.79**	**155.77**	**682.31**
B	Income tax rates applicable (including surcharge and education cess)	33.990%	33.990%	32.445%	32.445%	33.218%	33.990%
C	Tax at notional rate on profits (A*B)	(4.26)	76.77	114.30	56.06	51.74	231.92
D	**Add: Permanent Differences**						
	Dividend Income	(24.00)	(36.00)	(48.65)	-	(1.56)	-
	Donations (Net of amount allowable)	0.00	0.65	0.73	1.03	1.19	0.86
	Expenses related to exempted income u/s 14A	-	0.10	0.00	-	0.02	0.15
	Wealth tax	0.11	0.26	0.24	0.19	-	-
	Provision for Diminution in Value of Investment	-	-	-	60.90	-	-
	Provision for Doubtful Advance Share Application Money	-	(59.89)	(45.96)	105.84	-	-
	Interest on FBT & TDS	0.47	0.20	0.13	0.01	8.46	0.05
	Fees paid for increase in Share Capital	12.52	-	-	-	3.50	-
	Other disallowance	-	0.11	0.02	0.06	0.05	8.30
	Total Permanent Differences	**(10.90)**	**(94.57)**	**(93.49)**	**168.03**	**11.66**	**9.36**
E	**Add: Timing Differences : (Allowances) / Disallowances**						
	Difference between Tax and Book Depreciation including loss on sale/discard of fixed assets	50.79	(24.60)	17.61	11.94	15.62	(20.04)
	Provision for Gratuity	5.86	10.80	6.24	12.71	11.24	5.18
	Amounts considered under Section 43B	7.23	8.53	0.09	1.18	5.99	7.77
	Provision for Bad and doubtful debts	9.42	11.85	(0.04)	(37.54)	(46.50)	88.75
	Expenses covered under Section 35 D and Section 35 DD	(0.34)	8.00	(1.12)	(1.12)	(1.19)	4.05
	Amounts covered under Section 40 (a) (ia)	-	(31.11)	29.01	(53.45)	76.58	47.98
	Total Timing Differences	**72.96**	**(16.53)**	**51.79**	**(66.28)**	**61.74**	**133.69**
F	**Net Adjustments (D+E)**	**62.06**	**(111.10)**	**(41.70)**	**101.75**	**73.40**	**143.05**
G	**Tax Expense/(Tax Savings) thereon (F*B)**	**21.09**	**(37.77)**	**(13.52)**	**33.01**	**24.38**	**48.62**
H	**Taxable income / (Loss) (A+F)**	**49.52**	**114.75**	**310.60**	**274.54**	**229.17**	**825.36**

		Six months ended September 30, 2014	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2010
I	**Taxation charge based on taxable income (H*B)**	**16.82**	**39.00**	**100.77**	**89.07**	**76.12**	**280.54**

Note:

The above statement of Tax shelter has been prepared as per the audited accounts and return of income filed by the Company for the respective years except the figures for the six months ended September 30, 2014 which is based on the provisional computation of the total income prepared by the Company and is subject to change. Further, the above statement is not based on the profit/(Loss) as per the "Restated Summary Statement of Profit and Loss ".

For and on behalf of the Board

Dr. Subhash Chandra Non-Executive Chairman

Surjit Banga Director

Dinesh Garg Chief Financial Officer

Pushpal Sanghavi Company Secretary

Annexure XVI
Statement of Segment Reporting

The Company is engaged in the business of broadcasting of satellite television channel which in the context of AS 17 "Segment Reporting" is considered as the only reportable business segment. The geographical segment is not relevant as exports are insignificant.

Note:

1. The above statement should be read with the Significant Accounting Policies appearing in Annexure IV, Notes to the Restated Financial Information appearing in Annexure V and Statement of Adjustment to Audited Financial Statements appearing in Annexure VI.

For and on behalf of the Board

Dr. Subhash Chandra	Non-Executive Chairman
Surjit Banga	Director
Dinesh Garg	Chief Financial Officer
Pushpal Sanghavi	Company Secretary

Annexure XVII
Statement of Dividend

We have not declared or paid any interim dividend on our Equity Shares for the period ended September 30, 2014 and any dividend for the year ended March 31, 2014, 2013, 2012, 2011 and 2010.

Note:

1. The above statement is not indicative of the dividend policy of the Company in the future.

2. The above statement should be read with the Significant Accounting Policies appearing in Annexure IV, Notes to the Restated Financial Information appearing in Annexure V and Statement of Adjustment to Audited Financial Statements appearing in Annexure VI.

For and on behalf of the Board

Dr. Subhash Chandra	Non-Executive Chairman
Surjit Banga	Director
Dinesh Garg	Chief Financial Officer
Pushpal Sanghavi	Company Secretary

Annexure XVIII
Capitalization Statement as at September 30, 2014

` million

		Pre Issue as at September 30, 2014	Post Issue *
Borrowings:			
Short-Term Borrowings	(A)	400.67	[●]
Long-Term Borrowings (including current maturities)	(B)	778.59	[●]
Total Borrowings	**(A)+(B) = (C)**	**1,179.26**	[●]
Shareholders Fund:			
Paid-up Share Capital		362.15	[●]
Reserves and Surplus		3,609.96	[●]
Total Shareholders Fund	**(D)**	**3,972.11**	[●]
Long-Term Borrowings/ Shareholders Fund	**(B) / (D)**	**0.20**	[●]
Total Borrowings/ Shareholders Fund	**(C) / (D)**	**0.30**	[●]

* Will be updated.

Note:

1. The figures disclosed above are based on the Restated Summary Financial Statement of the Company.

For and on behalf of the Board

Dr. Subhash Chandra Non-Executive Chairman

Surjit Banga Director

Dinesh Garg Chief Financial Officer

Pushpal Sanghavi Company Secretary

Annexure XIX
Restated Summary Statement of Related Party Transactions

List of parties where control exists

Holding Company

25 FPS Media Private Limited subsidiary of Essel Corporate Resources Private Limited (w.e.f. March1, 2012 to March 31, 2014 holding 53.34%)

Essel Corporate Resources Private Limited (w.e.f. October 20, 2011 to Febuary 28, 2012)

List of Ultimate Holding Company

Entity Name	Period of relationship
25 FPS Media Private Limited held by Essel Corporate Resources Private Limited	March 01, 2012 upto June 10, 2013
Essel Corporate Resources Private Limited held by Prime Publishing Private Limited	March 01, 2012 upto June 10, 2013
25 FPS Media Private Limited held by Prime Publishing Private Limited	June 11, 2013 upto March 31, 2014
Prime Publishing Private Limited held by Sprit Textiles Private Limited	October 01, 2012 upto March 31, 2014

Subsidiaries

Name of Entity	Extent of Holding (In Percentage) as at					
Subsidiary Company	**September 30, 2014**	**March 31, 2014**	**March 31, 2013**	**March 31, 2012**	**March 31, 2011**	**March 31, 2010**
(a) Direct Subsidiaries						
Zee Akaash News Private Limited	60.00	60.00	60.00	60.00	60.00	60.00
24 Ghantalu News Limited (w.e.f July 19, 2012 up to 23 December, 2013)	NA	NA	100	NA	NA	NA
Mediavest India Private Limited (w.e.f. April 01, 2014)	100.00	NA	NA	NA	NA	NA
Pri - Media Services Private Limited (w.e.f. April 01, 2014)	100.00	NA	NA	NA	NA	NA
(b) Step Down Subsidiaries						
Diligent Media Corporation Limited (w.e.f. April 01, 2014) #	99.99	NA	NA	NA	NA	NA

89,095,342 equity shares held out of a total of 89,095,542 equity shares.

Fellow Subsidiary

Entity Name	Period of relationship
Bioscope Cinemas Private Limited	From March 01, 2012 to March 31, 2014
Direct Media Distribution Ventures Private Limited	From March 01, 2012 to March 31, 2014
Mediavest India Private Limited	upto March 31, 2014
Pri - Media Services Private Limited	upto March 31, 2014
Diligent Media Corporation Limited	upto March 31, 2014

Associate

Name of Entity	Period of relationship
Maurya TV Private Limited	Holding 37.87% w.e.f. October 07, 2013

Other Related Parties with whom transactions have taken place during the period and balance outstanding as on :

September 30, 2014	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011	March 31, 2010
Asia Today Limited	Asia Today Limited	Asia Today Limited	Asia Today Limited	Asia Today Limited	Asia Today Limited
Cyquator Media Services Private Limited	Cyquator Media Services Private Limited	Cyquator Media Services Private Limited	Cyquator Media Services Private Limited	Cyquator Media Services Private Limited	Cyquator Media Services Private Limited
Dish TV India Limited	Dish TV India Limited	Dish TV India Limited	Dish TV India Limited	Dish TV India Limited	Dish TV India Limited
Digital Subscriber Management & Consultancy Services Private Limited (Formerly known as Buddha Films Private Limited)	Digital Subscriber Management & Consultancy Services Private Limited (Formerly known as Buddha Films Private Limited)	Digital Ventures Private Limited	Essel International Limited	Essel Shyam Communication Limited	Essel Shyam Communication Limited
Essel Shyam Communication Limited	Digital Ventures Private Limited	Essel International Limited	Essel Shyam Communication Limited	Pan India Network Limited	Pan India Network Limited
India Webportal Private Limited	Essel International Limited	Essel Shyam Communication Limited	India Webportal Private Limited	Procall Private Limited	Procall Private Limited
Media Pro Enterprise India Private Limited	Essel Publishers Private Limited (mergered with the company w.e.f. April 01, 2014)	India Webportal Private Limited	Media Pro Enterprise India Private Limited	Rama Associates Limited	Rama Associates Limited
Pan India Network Limited	Essel Shyam Communication Limited	Media Pro Enterprise India Private Limited	Pan India Network Limited	Siti Cable Network Limited (Previous known as Wire & Wireless (India) Limited	Siti Cable Network Limited (Previous known as Wire & Wireless (India) Limited
Siti Cable Network Limited (Previous known as Wire & Wireless (India) Limited	India Webportal Private Limited	Pan India Network Limited	Procall Private Limited	Smart Wireless Private Limited	Smart Wireless Private Limited
Smart Wireless Private Limited	Media Pro Enterprise India Private Limited	Procall Private Limited	Rama Associates Limited	Zee Entertainment Enterprises Limited	Zee Entertainment Enterprises Limited
Taj Television (India) Private Limited	Pan India Network Limited	Rama Associates Limited	Siti Cable Network Limited (Previous known as Wire & Wireless (India) Limited	Zee Foundation	Zee Foundation
Zee Entertainment Enterprises Limited	Procall Private Limited	Siti Cable Network Limited (Previous known as Wire & Wireless (India) Limited	Smart Wireless Private Limited	Zee Learn Limited	Zee Sports Limited,
Zee Learn Limited	Rama Associates	Smart Wireless Private Limited	Taj Television (India) Private	Zee Sports Limited,	Zee Telefilms Middle East FZ

September 30, 2014	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011	March 31, 2010
	Limited		Limited		LLC,
Zee Sports Limited,	Siti Cable Network Limited (Previous known as Wire & Wireless (India) Limited	Taj Television (India) Private Limited	Zee Entertainment Enterprises Limited	Zee Telefilms Middle East FZ LLC,	Zee Turner Limited
Zee Turner Limited	Smart Wireless Private Limited	Zee Entertainment Enterprises Limited	Zee Foundation	Zee Turner Limited	E - City Bioscope Entertainment Private Limited
Essel Coporate Resources Private Limited (w.e.f. June 10, 2013)	Zee Entertainment Enterprises Limited	Zee Foundation	Zee Learn Limited	E - City Bioscope Entertainment Private Limited	Veena Investments Private limited
Essel Business Excellence Services Private Limited	Zee Foundation	Zee Learn Limited	Zee Sports Limited	Veena Investments Private limited	Agrani Convergence Limited
24 Ghantalu News Limited	Zee Learn Limited	Zee Sports Limited	Zee Telefilms Middle East FZ LLC	Agrani Convergence Limited	Diligent Media Corporation Limited
Jay Properties Private Limited	Zee Sports Limited	Zee Telefilms Middle East FZ LLC	Zee Turner Limited	Diligent Media Corporation Limited	E - City Property Management and Services Private Limited
	Zee Turner Limited	Zee Turner Limited	E - City Bioscope Entertainment Private Limited	E - City Property Management and Services Private Limited	Himgiri Navh Vishwa Vidyalaya
	Essel Coporate Resources Private Limited (w.e.f. June 10, 2013)	E - City Bioscope Entertainment Private Limited	Taj TV Limited	Himgiri Navh Vishwa Vidyalaya	Intrex India Limited
		Taj TV Limited	Veena Investments Private limited	Intrex India Limited	Pan India Paryatan Private Limited
		Veena Investments Private limited	Diligent Media Corporation Limited	Pan India Paryatan Private Limited	Real Media FZ LLC
		New Media Broadcasting Private Limited	E - City Property Management and Services Private Limited *	Real Media FZ LLC	RKJ Woods Plantations Private Limited
			Intrex India Limited *	RKJ Woods Plantations Private Limited	Wire and Wireless Tisai Satellite Limited
			Pan India Paryatan Private Limited *	Wire and Wireless Tisai Satellite Limited	Asia TV Limited
			Real Media FZ LLC	Asia TV Limited	Continental Drugs Company Private Limited
			RKJ Woods Plantations Private Limited *	Essel Coporate Resources Private Limited	Dakshin Communication Private Limited

September 30, 2014	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011	March 31, 2010
			Wire and Wireless Tisai Satellite Limited	Interactive Tradex India Private Limited	E - City Projects Construction Private Limited
			Essel Coporate Resources Private Limited (upto October 20, 2011)	ITX Trade Exchange Limited	Essel Coporate Resources Private Limited
					Interactive Tradex India Private Limited
					ITX Trade Exchange Limited
					Pan India Network Infrawest Private Limited
					Prime Publishing Private Limited
					CornerShop Entertainment Company Private Limited
					ETC Network Limited
					Sun City Projects Private Limited
					United News of India
					Zee Interactive Learning Systems Limited

* Ceased to be related for FY 11-12

List of Directors/ Key Managerial Person

Six months ended September 30, 2014	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2010
Director	**Director**	**Director**	**Director**	**Director**	**Director**
Dr. Subhash Chandra	Dr. Subhash Chandra	Dr. Subhash Chandra	Dr. Subhash Chandra	Dr. Subhash Chandra	Dr. Subhash Chandra
Shri Alok Agrawal $	Shri Punit Goenka *	Shri Punit Goenka	Shri Punit Goenka	Shri Punit Goenka *	Shri Punit Goenka
	Shri Alok Agrawal #			Shri Laxmi N. Goel #	Shri Laxmi N. Goel
Other Key Management Personnel @					
Shri Dinesh Garg (Chief Financial Officer)					
Shri Pushpal Sanghavi (Company					

Six months ended September 30, 2014	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2010
Secretary)					
Shri Bhaskar Das (Group CEO) - News Cluster					
Note:					
$Resigned wef May 12, 2014	*upto September 27, 2013			*Appointed as Managing Director wef Jul 5, 2010	
	# Appointed Whole time director wef Jul 30, 2013			# Resigned as Managing Director wef July 5, 2010 and as director wef Sept 30, 2010	

@ These key managerial personnel ars identified effective from April 01, 2014 i.e. the date from which the Companies Act, 2013 become effective. Accordingly transcations are disclosed for the period from April 01, 2014 and onwards.

Transactions with Related Parties:

` million

	Six Months ended September 30, 2014	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2010
(A) Transactions :						
(i) With Holding and Ultimate Holding Company						
Essel Corporate Resources Private Limited						
· Legal and Professional charges	-	3.12	15.60	13.20	-	-
(ii) With Subsidiary Company						
Zee Akaash News Private Limited						
Channel Subscription fees paid	9.91	21.68	14.78	12.53	-	-
· Other Operational Expenses	9.77	2.43	-	-	-	1.05
· Share Application Money Received back	-	-	-	67.23	-	-
· Loans, Advances and Deposits given	-	-	-	2.29	0.98	3.21
· Loans, Advances and Deposit Received Back	-	-	-	2.04	3.76	1.59
· Dividend income	24.00	36.00	48.00	-	-	-
24 Ghantalu News Limited						
· Investment made in equity share capital	-	-	0.50	-	-	-
· Investment made in preference share capital	-	200.00	-	-	-	-
· Loans, Advances and Deposits given	-	0.03	1.74	-	-	-
· Loans, Advances and Deposits repayment received	-	0.35	-	-	-	-
- Pri - Media Services Private Limited						
· Interest Income	0.06	-	-	-	-	-
· Printing & Stationary	1.26	-	-	-	-	-
- Mediavest India Private Limited						

	Six Months ended September 30, 2014	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2010
· Interest Income	14.08	-	-	-	-	-
· Loans, Advances and Deposits given	255.50	-	-	-	-	-
- Diligent Media Corporation Limited						
· Rent	6.00	-	-	-	-	-
· Advertisement and Publicity expenses	0.25	-	-	-	-	-
· Legal and Professional expenses	0.19	-	-	-	-	-
(iii) With Fellow Subsidiary Company						
- Diligent Media Corporation Limited						
· Loans, Advances and Deposits given	-	260.00	1,250.00	-	-	-
· Loans, Advances and Deposits repayment received	-	1,510.00	-	-	-	-
· Loans, Advances and Deposits received	-	-	0.08	-	-	-
· Revenue from Broadcasting services	-	-	0.53	-	-	-
· Interest income	-	111.31	4.62	-	-	-
· Rent	-	6.00	-	-	-	-
· Advertisement and Publicity expenses	-	0.86	-	-	-	-
· Printing & Stationery	-	1.26	-	-	-	-
- Pri - Media Services Private Limited						
· Corporate guarantee given	-	2,540.00	-	-	-	-
(iv) With Associate						
- Maurya TV Private Limited						
· Investment in Equity Shares	-	21.32	-	-	-	-
· Security Deposit Given	-	19.36	-	-	-	-

	Six Months ended September 30, 2014	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2010
· Channel Management Fees Paid	66.28	22.50	-	-	-	-
· Other Operational Expenses	2.11	-	-	-	-	-
(v) With Key Management Personnel						
- Remuneration to Non Executive Directors	**-**	**0.40**	**0.40**	**0.25**	**0.38**	**1.20**
Dr. Subhash Chandra	-	0.40	0.40	0.25	0.30	0.60
Shri Punit Goenka	-	-	-	-	0.08	0.60
- Salaries, allowances and perquisites	**30.69**	**10.14**	-	-	-	**8.44**
Shri Laxmi N. Goel	-	-	-	-	-	8.44
Shri Alok Agrawal	2.54	10.14	-	-	-	-
Shri Bhaskar Das	25.30	-	-	-	-	-
Shri Dinesh Garg	2.85	-	-	-	-	-
- Contribution to provident and other funds	**0.92**	**0.66**	-	-	-	-
Shri Alok Agrawal	0.11	0.66	-	-	-	-
Shri Bhaskar Das	0.68	-	-	-	-	-
Shri Dinesh Garg	0.13	-	-	-	-	-
- Loans, Advances and Deposits repayment received	**2.40**	-	-	-	-	-
Shri Bhaskar Das	2.40	-	-	-	-	-
- Interest Income	**0.72**	-	-	-	-	-
Shri Bhaskar Das	0.72	-	-	-	-	-
- Sitting Fee to Non Executive Directors	**0.04**	**0.12**	**0.08**	**0.06**	**0.16**	**0.07**
Dr. Subhash Chandra	0.04	0.10	0.08	0.06	0.14	0.05

	Six Months ended September 30, 2014	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2010
Shri Punit Goenka	-	0.02	-	-	0.02	0.02
(vi) With Other Related Parties:						
· Revenue from Broadcasting services	**500.60**	**1,042.75**	**874.51**	**607.74**	**91.25**	**154.28**
Media Pro Enterprise India Private Limited	200.00	999.00	840.00	562.50	-	-
Dish TV India Limited	9.23	3.33	14.47	33.68	87.98	138.23
Taj Television (India) Private Limited	256.40	-	0.11	0.37	-	-
Other Related Parties	34.97	40.42	19.93	11.19	3.27	16.05
· Sale of Television programs and Film rights	**56.85**	**143.37**	**115.07**	**284.00**	**44.55**	**37.25**
Asia Today Limited	56.85	143.37	115.07	85.53	44.55	37.25
Zee Entertainment Enterprises Limited	-	-	-	198.47	-	-
					-	
· Other operating income	-	**0.34**	**5.89**	**2.40**	-	-
Zee Entertainment Enterprises Limited	-	0.34	5.89	2.40	-	-
· Interest income	**-**	**43.96**	**148.87**	**94.37**	**96.23**	**142.21**
Essel Publishers Private Limited	-	43.96	-	-	-	-
Siti Cable Network Limited	-	-	-	46.34	96.23	142.21
Essel International Limited	-	-	148.87	48.03	-	-
· Purchase of fixed assets / capital work in progress	-	**2.43**	**3.21**	**-**	**4.83**	**6.24**
Zee Entertainment Enterprises Limited	-	-	3.21	-	-	-
Dish TV India Limited	-	2.43	-	-	1.07	-
Real Media FZ LLC	-	-	-	-	3.60	-
Cyquator Media Services Private Limited	-	-	-	-	-	6.16

	Six Months ended September 30, 2014	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2010
Other Related Parties	-	-	-	-	0.16	0.08
Sale of fixed assets / capital work in progress	**0.30**	**-**	**-**	**16.61**	**-**	**-**
Zee Entertainment Enterprises Limited	-	-	-	16.61	-	-
Dish TV India Limited	0.30	-	-	-	-	-
· **Miscellaneous income**		**-**	**1.57**	-	-	-
New Media Broadcasting Private Limited	-	-	1.57	-	-	-
· **Purchase of services**						
· **Lease-line & V-Sat expenses**	**19.62**	**44.19**	**41.89**	**34.16**	**31.23**	**22.61**
Dish TV India Limited	10.20	25.36	23.06	19.93	17.54	10.15
Essel Shyam Communication Limited	9.42	18.83	18.83	14.23	13.69	12.46
· **Telecast cost**	**38.45**	**64.85**	**59.95**	**51.29**	**74.91**	**107.09**
Dish TV India Limited	21.12	41.55	34.11	26.32	25.73	36.48
Asia Today Limited	-	-	-	-	20.90	33.93
Zee Entertainment Enterprises Limited	17.33	23.30	25.84	24.97	28.28	36.68
· **Rent**	**22.98**	**34.34**	**26.81**	**27.64**	**22.01**	**24.87**
Zee Entertainment Enterprises Limited	22.24	34.34	26.81	26.92	21.78	20.44
Veena Investments Private Limited	-	-	-	0.62	-	4.20
Other Related Parties	0.74	-	-	0.10	0.23	0.23
Marketing, distribution, business promotion expenses	**44.79**	**51.06**	**55.45**	**49.04**	**39.69**	**138.93**
Siti Cable Network Limited	25.53	51.06	55.45	49.04	36.05	128.93
Dish TV India Limited	19.26	-	-	-	-	-
Other Related Parties	-	-	-	-	3.64	10.00

	Six Months ended September 30, 2014	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2010
· **Advertisement and publicity expenses**	**0.60**	**8.62**	-	**0.57**	**0.70**	**0.29**
Dish TV India Limited	0.60	1.15	-	-	-	-
Taj TV Limited	-	-	-	0.45	-	-
Zee Entertainment Enterprises Limited	-	7.47	-	-	-	-
Diligent Media Corporation Limited	-	-	-	0.12	0.70	0.29
· **Sharing of expenses paid**	-	-	-	-	-	**166.80**
Zee Entertainment Enterprises Limited	-	-	-	-	-	166.80
· **Other services**	**41.62**	**74.96**	**39.96**	**18.24**	**78.10**	**145.30**
Zee Entertainment Enterprises Limited	31.71	58.33	37.59	3.03	0.01	79.14
Essel Corporate Resources Private Limited	9.60	15.61	-	-	13.20	14.40
Zee Turner Limited	-	-	0.59	12.59	59.23	48.85
Other Related Parties	0.31	1.02	1.78	2.62	5.66	2.91
· **Loans, Advances and Deposits given**	**15.21**	**1,101.89**	**653.25**	**1,405.79**	**4.41**	**1,898.67**
Essel Publishers Private Limited	-	1,100.00	-	-	-	-
Essel International Limited	-	-	500.00	700.00	-	-
Digital Ventures Private Limited	-	-	75.00	-	-	-
Siti Cable Network Limited	-	-	-	702.67	2.52	1,878.55
New Media Broadcasting Private Limited	-	-	78.25	-	-	-
Essel Business Excellence Services Private Limited	15.21	-	-	-	-	-
Other Related Parties	-	1.89	-	3.12	1.89	20.12

	Six Months ended September 30, 2014	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2010
· **Loans, Advances and Deposits repayment received**	**2.22**	**75.00**	**1,292.83**	**765.96**	**998.09**	**1,041.00**
Essel International Limited	-	-	1,200.00	-	-	-
Digital Ventures Private Limited	-	75.00	-	-	-	-
Siti Cable Network Limited	-	-	-	700.00	988.31	1,041.00
New Media Broadcasting Private Limited	-	-	78.25	-	-	-
24 Ghantalu News Limited	1.42	-	-	-	-	-
Zee Sports Limited	0.80	-	-	-	-	-
Other Related Parties	-	-	14.58	65.96	9.78	-
· **Loans, Advances and Deposits Received**	-	-	-	**27.40**	**25.40**	**21.90**
Zee Entertainment Enterprises Limited	-	-	-	26.38	25.33	21.01
Other Related Parties	-	-	-	1.02	0.07	0.89
· **Loans, Advances and Deposits Repaid**	-	-	-	-	**0.27**	**0.45**
Pan India Paryatan Private Limited	-	-	-	-	0.27	-
Prime Publishing Private Limited	-	-	-	-	-	0.28
Zee Telefilms Middle East FZ LLC	-	-	-	-	-	0.17
· **Balances written back**	-	**0.01**	**0.70**	-	**0.02**	**0.09**
Zee Turner Limited	-	-	0.70	-	-	-
Dakshin Communications Private Limited	-	-	-	-	-	0.09
Asia Today Limited	-	-	-	-	0.02	-
Zee Learn Limited	-	0.01	-	-	-	-

	Six Months ended September 30, 2014	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2010
· **Balances written off**	-	-	-	-	**0.11**	-
Himgiri Nabh Vishwavidyalaya	-	-	-	-	0.11	-
· **Donation**	-	**1.30**	**1.00**	**2.05**	**2.38**	**1.70**
Zee Foundation	-	1.30	1.00	2.05	2.38	1.70
Net assets transferred pursuant to the Scheme of Arrangement to:	-	-	-	-	-	**1,247.83**
Zee Entertainment Enterprises Limited	-	-	-	-	-	1,247.83
Transaction Pursuant to the Scheme of Amalgamation from :						
Essel Publisher Private Limited	**1,794.00**	-	-	-	-	-
Investments received	2,937.86	-	-	-	-	-
Trade Receivables received	0.07	-	-	-	-	-
Cash and Bank Balances received	0.25	-	-	-	-	-
Less: Other Current Liabilities received	(4.61)	-	-	-	-	-
Less: Inter Company balances	(1,139.57)	-	-	-	-	-
· **Corporate Guarantee Released**	-	-	-	-	**300.00**	-
Zee Entertainment Enterprises Limited	-	-	-	-	300.00	-
(B) Balances at the end of the period:						
(i) Holding Company and Ultimate Holding Company						
- Essel Corporate Resources Private Limited						
· Trade Payables / Other Payables	-	-	1.45	2.41	-	-

	Six Months ended September 30, 2014	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2010
(ii) Subsidiary Company						
- Zee Akaash News Private Limited						
· Investment made in equity share capital	83.28	83.28	83.28	83.28	83.28	83.28
· Advance against share application money	-	-	-	-	67.23	67.23
· Loans, Advances and Deposit Given	-	-	-	-	-	2.48
· Trade Payables / Other Payables	25.18	12.29	3.67	5.03	0.31	-
· Trade Receivables	0.64	0.53	0.46	-	-	-
- 24 Ghantalu News Limited						
· Investment made in equity share capital	-	-	0.50	-	-	-
· Loans, Advances and Deposits given	-	-	1.74	-	-	-
- Pri - Media Services Private Limited						
· Investment made in equity share capital	0.10	-	-	-	-	-
· Investment made in 0% Compulsory Convertible Debentures	1,100.00	-	-	-	-	-
· Corporate guarantee given	2,540.00	-	-	-	-	-
· Interest receivable	0.06	-	-	-	-	-
- Mediavest India Private Limited						
· Investment made in equity share capital	0.10	-	-	-	-	-
Investment made in 0% Compulsory Convertible Debentures	1,837.66	-	-	-	-	-
· Loans, Advances and deposits given	255.50	-	-	-	-	-
· Interest receivable	14.08	-	-	-	-	-

	Six Months ended September 30, 2014	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2010
- Diligent Media Corporation Limited						
· Trade Payables / Other Payables	8.55	-	-	-	-	-
· Trade Receivables	1.02	-	-	-	-	-
(iii) With Fellow Subsidiary Company						
- Diligent Media Corporation Limited						
· Loans, Advances and Deposits given	-	-	1,250.00	-	-	-
· Interest Receivable	-	-	4.16	-	-	-
· Trade Payables / Other Payables	-	2.05	0.08	-	-	-
· Trade Receivables	-	1.02	-	-	-	-
- Pri - Media Services Private Limited						
· Corporate guarantee given	-	2,540.00	-	-	-	-
(iv) With Associates						
- Maurya TV Private Limited						
· Investment in Equity Shares	39.00	39.00	-	-	-	-
· Loans, Advances and Deposits given	19.51	19.36	-	-	-	-
· Trade Payables / Other Payables	-	7.76	-	-	-	-
(v) With Key Management Personnel						
· **Remuneration payable to Non Executive Directors**	-	**0.40**	**0.40**	**0.25**	**0.38**	**1.20**
Dr. Subhash Chandra	-	0.40	0.40	0.25	0.30	0.60
Shri Punit Goenka	-	-	-	-	0.08	0.60

	Six Months ended September 30, 2014	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2010
· **Loans, Advances and Deposits given**	**11.39**	-	-	-	-	-
Shri Bhaskar Das	11.39	-	-	-	-	-
(vi) Other Related Parties						
· **Trade Receivables**	**340.96**	**370.62**	**359.16**	**397.03**	**176.11**	**231.80**
Media Pro Enterprise India Private Limited	0.10	251.76	224.50	194.62	-	-
Asia Today Limited	77.95	97.26	119.31	89.95	31.30	23.86
Zee Entertainment Enterprises Limited	0.53	6.69	1.83	78.28	13.55	0.13
India Web Portal Private Limited	20.70	11.25	9.59	6.89	-	-
Dish TV India Limited	9.23	3.63	2.85	23.37	116.50	175.12
Taj Television India Private Limited	232.45	-	-	0.40	-	-
Other Related Parties	-	0.03	1.08	3.52	14.76	32.69
· **Loans, Advances and Deposits given**	**23.98**	**1,106.94**	**76.85**	**716.44**	**96.42**	**1,677.20**
Essel Publishers Private Limited	-	1,100.00	-	-	-	-
Essel International Limited	-	-	-	700.00	-	-
Digital Ventures Private Limited	-	-	75.00	-	-	-
Zee Entertainment Enterprises Limited	0.64	0.66	-	-	0.30	492.81
Zee Learn Limited	0.07	0.07	0.07	0.08	10.31	-
Siti Cable Network Limited	5.31	-	-	-	-	988.32
Zee Turner Limited	0.23	1.38	0.25	14.26	62.29	152.78
Veena Investments Private Limited	-	-	-	-	22.00	22.00
Essel Business Excellence Services Private Limited	15.21	-	-	-	-	-
Other Related Parties	2.52	4.83	1.53	2.10	1.52	21.29

	Six Months ended September 30, 2014	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2010
· **Other Receivable**	**0.23**	**0.23**	**1.80**	-	-	-
New Media Broadcasting Private Limited	-	-	1.57	-	-	-
Siti Cable Network Limited	0.23	0.23	0.23	-	-	-
· **Interest Receivable**	-	**39.57**	**133.98**	-	-	**127.99**
Essel Publishers Private Limited	-	39.57	-	-	-	-
Essel International Limited	-	-	133.98	-	-	-
Siti Cable Network Limited	-	-	-	-	-	127.99
· **Trade Payables / Other Payables**	**112.64**	**159.45**	**70.78**	**45.34**	**186.39**	**117.32**
Dish TV India Limited	51.87	60.30	31.41	20.00	33.57	19.54
Asia Today Limited	21.71	29.16	21.71	21.71	21.71	1.31
Zee Entertainment Enterprises Limited	29.43	51.78	12.03	-	38.78	-
Siti Cable Network Limited	-	6.17	0.92	2.17	67.99	67.50
Veena Investment Private Limited	-	-	-	-	8.67	8.67
Interactive Tradex India Private Limited	-	-	-	-	12.71	16.39
Other Related Parties	9.63	12.04	4.71	1.46	2.96	3.91
· **Advances and Deposits received**	**0.60**	**0.07**	**0.07**	**0.15**	-	**0.27**
Zee Entertainment Enterprises Limited	-	-	-	0.05	-	-
Pan India Paryatan Limited	-	-	-	-	-	0.27
Pan India Network Limited	0.60	0.07	0.06	0.07	-	-
Smart Wireless Private Limited	-	-	-	0.01	-	-
Zee Learn Limited	-	-	0.01	0.02	-	-

	Six Months ended September 30, 2014	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2010
· **Corporate Guarantee Given by**						
Zee Entertainment Enterprises Limited	-	-	-	-	-	300.00

Note:

1. Parties with transactions less than 10% of the group total are grouped under the head "Other Related Parties".
2. List of related parties are identified by the management as per Accounting Standard - 18 " Related Party Disclosures" and relied up on by the auditors.

For and on behalf of the Board

Dr. Subhash Chandra	Non-Executive Chairman
Surjit Banga	Director
Dinesh Garg	Chief Financial Officer
Pushpal Sanghavi	Company Secretary

Annexure XX
Restated Statement of Contingent Liability

Contingent Liabilities not provided for

	As at September 30, 2014	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011	As at March 31, 2010
Claims against the company not acknowledged as debts		-	-	-	2.13	2.13
Custom Duty pending export obligations	18.18	18.18	18.18	18.18	18.18	18.18
Disputed Direct Taxes	363.19	362.69	9.31	3.82	3.82	3.59
Disputed Indirect Taxes	142.63	142.63	-	-	-	-
Corporate Guarantee given	2,540.00	2,540.00	-	-	-	-
Legal cases against the Company *	Not Ascertainable					

* The Company has received legal notices of claims / law suits filed against it relating to infringement of copy rights, defamation suits etc. in relation to programs telecasted / other matters. In the opinion of the management, no material liability is likely to arise on account of such claims / law suits.

For and on behalf of the Board

Dr. Subhash Chandra Non-Executive Chairman

Surjit Banga Director

Dinesh Garg Chief Financial Officer

Pushpal Sanghavi Company Secretary

AUDITORS REPORT

The Board of Directors
Zee Media Corporation Limited
(Formerly known as Zee News Limited)
135, Continental Building,
Dr A. B. Road,
Mumbai 400018

Dear Sirs,

1. We have examined the **Restated Consolidated Financial Information** of **Zee Media Corporation Limited** (Formerly known as Zee News Limited) (hereinafter referred to as 'the Company') and its subsidiaries and an associate (together referred to as the "Group") for the six months period ended on September 30, 2014 and for the financial years ended on March 31, 2014, 2013, 2012, 2011 and 2010 which comprises of (i) Financial Information as per Restated Consolidated Summary Financial Statements and (ii) Other Financial Information as referred to in para 4 and para 5 below respectively. These Restated Consolidated Financial Information have been prepared by the Company and approved by the Board of Directors of the Company, for the purpose of inclusion in the 'Draft Letter of Offer' in connection with proposed Issue of Equity Shares of the Company, in accordance with the requirements of :

   a) Sub clause (i) and (iii) of clause (b) of sub section (1) of Section 26 of the Companies Act, 2013 (hereinafter referred to as 'the Act') read with Rule 4 of the Companies (Prospectus and Allotment of Securities) Rule 2014 (hereinafter referred to as 'the Rules'), and,

   b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended (hereinafter referred to as 'SEBI Regulation') issued by the Securities and Exchange Board of India.

2. The Restated Consolidated Financial Information as referred to in para 1 above have been extracted by the Company Management from the Audited consolidated financial statements of the Group which have been audited by us for the six months period ended on September 30, 2014 and the financial years ended on March 31, 2014, 2013, 2012, 2011 and 2010. The Consolidated Financial Statements for the six months period ended on September 30, 2014 are prepared by the Company management and approved by the Board of Directors of the Company for the purpose of disclosure in the Draft Letter of Offer in connection with the proposed Right Issue of Equity Shares of the Company.

   a) We did not audit the financial statements of following subsidiaries of the Group which have been audited by other firms of chartered accountants (as mentioned below), whose reports for the respective years have been furnished to us and our opinion in so far as it relates to the amounts included in these Restated Consolidated Summary Statements of Assets and Liabilities, Restated Consolidated Summary Statement of Profit and Loss and Restated Consolidated Summary Statement of Cash Flow are based solely on the report of the other auditors. Accordingly, we have placed reliance on the restatements for these years examined by other auditors and we have relied on their respective reports furnished to us.

      i) Zee Akaash News Private Limited for the six months period ended September 30, 2014 and the financial years ended on March 31, 2014, 2013, 2012 and 2011 which have been audited by AVRM & Associates and the financial year ended March 31, 2010 which has been audited by Ashok Kumar Aggarwal & Co.

      ii) Diligent Media Corporation Limited and Pri Media Services Private Limited for the six months period ended September 30, 2014 which have been audited by B. S. Sharma & Co.

iii) 24 Ghantalu News Private Limited for the period from the date of incorporation i.e. July 19, 2012 to March 31, 2013 which has been audited by Subhash C. Gupta & Co and from April 1, 2013 to December 23, 2013 (date on which subsidiary was sold) which has been prepared by the management and hence unaudited.

The financial statements of the above subsidiaries of the Group, not audited by us, reflect total assets (net) and total revenues (net) as under:

(Amount in Rs/million)

	Six months period ended September 30, 2014	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2010
Total assets	5087.32	324.57	337.31	362.84	359.86	250.31
Total revenues	831.83	302.32	375.06	374.44	342.18	216.17

b) The audited consolidated financial statements of the Group includes Group's share of profit of associates of Rs Nil for the six months period ended September 30, 2014 as well as the financial years ended on March 31, 2014 which have been audited by B. S. Sharma & Co. whose reports for the respective period have been furnished to us and our opinion in so far as it relates to the amounts included in these Restated Consolidated Summary Statements of Assets and Liabilities, Restated Consolidated Summary Statement of Profit and Loss and Restated Consolidated Summary Statement of Cash Flow Statement are based solely on the report of the other auditor. Accordingly, we have placed reliance on the restatements for these years examined by other auditors and we have relied on their respective reports furnished to us.

3. We have examined such Restated Consolidated Financial Information with reference to:

a) The terms of our engagement with the Company vide our engagement letter dated October 20, 2014 relating to work to be performed on such Restated Consolidated Financial Information, proposed to be included in Draft Letter of Offer of the Company in connection with proposed Right Issue of Equity Shares of the Company; and

b) The Guidance Note on Reports in Company Prospectuses (Revised) issued by the Institute of Chartered Accountants of India.

4. **Financial Information as per Restated Consolidated Summary Financial Statements**

The Financial Information as per Restated Consolidated Summary Financial Statements referred to in Para 1 above, is contained in the following annexure (collective referred to as '**Restated Consolidated Summary Financial Information**') to this report:

a) **Annexure I** regarding Restated Consolidated Summary Statement of Assets and Liabilities of the Group, as at September 30, 2014 and March 31, 2014, 2013, 2012, 2011 and 2010.

b) **Annexure II** regarding Restated Consolidated Summary Statement of Profit and Loss of the Group for the six months period ended on September 30, 2014 and for each of the financial years ended on March 31, 2014, 2013, 2012, 2011 and 2010.

c) **Annexure III** regarding Restated Consolidated Summary Statement of Cash Flows of the Group for the six months period ended on September 30, 2014 and for each of the financial years ended on March 31, 2014, 2013, 2012, 2011 and 2010.

d) **Annexure IV** regarding Statement of Significant Accounting Policies to the Restated Consolidated Financial Information

e) **Annexure V** regarding Notes to Restated Consolidated Financial Information.

5. **Other Financial Information**

Other Financial Information relating to the Company to be included in the 'Draft Letter of Offer', extracted from/ prepared on the basis of the Restated Consolidated Summary Financial Statements / consolidated audited financial statements by the management and approved by the Board of Directors of the Company are annexed to this report as listed below:

a) **Annexure VI**- Statement of Adjustment to Consolidated Audited Financial Statements (comprises of material adjustments, reconciliation of surplus in Statement of Consolidated Profit and Loss as at April 1, 2009, non adjustment items and material regroupings).

b) **Annexure VII** - Restated Consolidated Summary Statement of Long Term Borrowings

c) **Annexure VIIA** - Statement of Principal Terms of Long Term Borrowings outstanding as at September 30, 2014.

d) **Annexure VIII** - Restated Consolidated Summary Statement of Short Term Borrowings

e) **Annexure VIIIA** - Statement of Principal Terms of Short Term Borrowings outstanding as at September 30, 2014.

f) **Annexure IX -** Restated Consolidated Summary Statement of Non-current Investments.

g) **Annexure X** - Restated Consolidated Summary Statement of Loans and Advances**.**

h) **Annexure XI -** Restated Consolidated Summary Statement of Other Assets**.**

i) **Annexure XII -** Restated Consolidated Summary Statement of Trade Receivable**.**

j) **Annexure XIII -** Restated Consolidated Summary Statement of Other Income.

k) **Annexure XIV** - Consolidated Statement of accounting ratios**.**

l) **Annexure XV -** Consolidated Statement of Tax Shelters

m) **Annexure XVI -** Consolidated Statement of Segment Reporting

n) **Annexure XVII -** Consolidated Statement of Dividend Paid

o) **Annexure XVIII -** Consolidated Capitalization Statement as at September 30, 2014

p) **Annexure XIX –** Restated Consolidated Summary Statement of Related Party Transactions

q) **Annexure XX** – Restated Consolidated Statement of Contingent Liabilities

6. **Management Responsibility on the Restated Consolidated Summary Financial Statements and Other Financial Information**

Management of the Company is responsible for the preparation of Restated Consolidated Summary Financial Statements and Other Financial Information relating to the Company in accordance with section 26(1)(b) of the Act read with Rule 4 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the SEBI Regulations.

7. **Auditors' Responsibility**

Our responsibility is to express an opinion on the Restated Consolidated Summary Financial Statements based on our procedures, which were conducted in accordance with Standard on Auditing (SA) 810, "Engagement to Report on Summary Financial Statements" issued by the Institute of Chartered Accountants of India.

8. **Opinion**

In our opinion, the Restated Consolidated Summary Financial Statements of the Group as referred to in para 4 above and Other Financial Information as stated in Para 5 above, which are prepared after making such adjustments/ restatements and regroupings, as in our opinion, considered appropriate and more fully described in Statement of Adjustment to Audited Consolidated Financial Statements appearing in Annexure VI, read with the Significant Accounting Policies to the Restated Consolidated Financial Information as enclosed in Annexure IV and Notes to Restated Consolidated Financial Information as enclosed in Annexure V of this report, have been prepared in accordance with the requirements of clause (b) of sub-section (1) of Section 26 of the Companies Act, 2013.

Based on examination as above, we report that:

a) No adjustment is made in the Restated Consolidated Financial Information for auditors' qualification in their audit report in respect of a subsidiary (which became subsidiary w.e.f. April 1, 2014) as explained in Note D (3) of Annexure VI- "Statement of Adjustment to Audited Consolidated Financial Statements" as the qualification has no impact on the Restated Consolidated Financial Statements.

b) Adjustments for the material amounts in the respective financial years / period to which they relate to, have been made in the attached Restated Consolidated Financial Information.

c) The impact arising on account of changes in accounting policies adopted by the Group as at September 30, 2014 is applied with retrospective effect in the Restated Consolidated Summary Information (refer Note C of Annexure VI to this report) except for change in basis of valuation of inventories of Raw Stock –tapes. as reported in Note D (1) of Annexure VI- "Statement of Adjustment to Audited Consolidated Financial Statements.

d) There are no extraordinary items which need to be disclosed separately in the Restated Consolidated Financial Information.

e) The Emphasis of Matter given in the auditor's report and the other remarks/ observation in the Annexure to Auditor's Reports (pursuant to the Companies (Auditors' Report) Order, 2003) which do not require any corrective adjustment in the Restated Consolidated Financial Information are given in Note D (4) and Note D (5) of Annexure VI- "Statement of Adjustment to Audited Consolidated Financial Statements" respectively.

9. We have not audited any consolidated financial statement of the Company as of any date or for any period subsequent to September 30, 2014. Accordingly, we express no opinion on the financial position, results of operations or cash flows of the Company as of any date or for any period subsequent to September 30, 2014.

10. This report should not, in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by the auditors for the respective years nor should this report be construed as a new opinion on any of the financial statements referred to herein.

11. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

12. This report is intended solely for your information and for inclusion in the Draft Letter of Offer Document in connection with the proposed Rights Issue of the Company and is not be used, referred to or distributed for any other purpose without our prior written consent.

For MGB & Co LLP
Chartered Accountants
Firm Registration No: 110069W/W-100035

Lalit Kumar Jain
Partner
M.No.072664

Place: Mumbai
Dated: December 24, 2014

Annexure I
Restated Consolidated Summary Statement of Assets and Liabilities, as at

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Particulars	Annexure	Note	September 30, 2014	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011	March 31, 2010
Equity and Liabilities								
Shareholders' Funds								
Share Capital	V	1	362.15	239.76	239.76	239.76	239.76	239.76
Reserves and Surplus	V	2	3,375.26	2,071.69	1,927.55	1,689.10	1,579.20	1,411.02
			3,737.41	**2,311.45**	**2,167.31**	**1,928.86**	**1,818.96**	**1,650.78**
Minority Interest			**113.23**	**116.63**	**120.54**	**125.99**	**108.81**	**64.63**
Non-Current Liabilities								
Long-Term Borrowings	VII		2,801.29	678.84	6.25	178.17	363.41	3.17
Deferred Tax Liability (Net)	V	3 (a)	6.77	13.66	12.53	11.72	10.55	-
Other Long-Term Liabilities	V	4	32.26	5.76	1.76	-	-	-
Long-Term Provisions	V	5	135.50	106.99	94.94	85.70	68.08	48.91
			2,975.82	**805.25**	**115.48**	**275.59**	**442.04**	**52.08**
Current Liabilities								
Short-Term Borrowings	VIII		1,063.01	431.86	482.54	412.76	-	1,680.55
Trade Payables	V	6	344.62	145.61	86.83	77.61	147.25	63.55
Other Current Liabilities	V	6	1,227.07	656.25	693.86	664.35	745.69	551.89
Short-Term Provisions	V	5	23.19	10.09	6.16	8.81	32.54	117.19
			2,657.89	**1,243.81**	**1,269.39**	**1,163.53**	**925.48**	**2,413.18**
Total			**9,484.35**	**4,477.14**	**3,672.72**	**3,493.97**	**3,295.29**	**4,180.67**
Assets								
Non-Current Assets								
Fixed Assets	V	7						
Tangible Assets			4,478.23	1,297.50	833.07	806.76	853.31	893.39
Intangible Assets			1,773.99	80.80	19.54	23.98	10.77	20.44
Capital work-in-progress			55.93	27.28	44.45	13.93	50.65	5.93
			6,308.15	**1,405.58**	**897.06**	**844.67**	**914.73**	**919.76**
Non-Current Investments	IX		61.27	39.00	-	-	60.90	60.90
Deferred Tax Assets (net)	V	3 (b)	953.18	57.11	39.04	38.73	15.94	25.84
Long-Term Loans and Advances	X		423.93	547.55	84.61	43.70	125.17	140.53
Other Non-Current Assets	XI		45.09	4.50	4.35	4.35	40.70	4.82
			7,791.62	**2,053.74**	**1,025.06**	**931.45**	**1,157.44**	**1,151.85**

Particulars	Annexure	Note	September 30, 2014	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011	March 31, 2010
Current Assets								
Inventories	V	8	40.96	1.59	1.90	9.96	221.11	297.63
Trade Receivables	XII		1,175.66	875.76	887.89	996.39	897.97	751.92
Cash and Bank Balances	V	9	225.42	162.79	128.33	275.11	875.55	138.67
Short-Term Loans and Advances	X		222.16	1,317.68	1,472.47	1,270.46	140.61	1,712.26
Other Current Assets	XI		28.53	65.58	157.07	10.59	2.61	128.34
			1,692.73	**2,423.40**	**2,647.66**	**2,562.51**	**2,137.85**	**3,028.82**
Total			**9,484.35**	**4,477.14**	**3,672.72**	**3,493.96**	**3,295.29**	**4,180.67**

Note:

The above statement should be read with the Significant Accounting Policies appearing in Annexure IV, Notes to the Restated Consolidated Financial Information appearing in Annexure V and Statement of Adjustment to Audited Consolidated Financial Statements appearing in Annexure VI.

As per our attached report of even date

For MGB & Co. LLP
Chartered Accountants
Firm Registration Number - 110069W/W-100035

Lalit Kumar Jain
Partner
Membership Number - 072664

Place: Mumbai
Date: December 24, 2014

For and on behalf of the Board

Dr. Subhash Chandra	Non-Executive Chairman
Surjit Banga	Director
Dinesh Garg	Chief Financial Officer
Pushpal Sanghavi	Company Secretary

Annexure II
Restated Consolidated Summary Statement of Profit and Loss

` million

Particulars	Annexure	Note	Six Months ended September 30, 2014	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2010
Revenue								
Revenue from Operations	V	10	2,643.14	3,351.37	3,038.45	3,070.69	2,769.45	5,295.53
Other Income	XIII		15.52	192.51	174.78	106.10	105.32	178.37
Total			**2,658.66**	**3,543.88**	**3,213.23**	**3,176.79**	**2,874.77**	**5,473.90**
Expenses								
Cost of Raw Material Consumed	V	11	285.33	-	-	-	-	-
(Increase) / Decrease in Inventories	V	12	(1.19)	-	-	-	-	-
Operational cost	V	13	533.71	661.25	528.95	709.28	597.78	1,965.40
Employee benefits expense	V	14	815.58	990.93	864.29	746.91	691.58	779.00
Finance costs	V	15	252.17	103.38	87.90	106.59	125.69	261.36
Depreciation and amortisation expense	V	16	254.38	161.10	119.10	111.98	100.92	112.28
Other expenses	V	17	925.59	1,445.11	1,234.69	1,079.69	1,011.63	1,581.48
Total			**3,065.57**	**3,361.77**	**2,834.93**	**2,754.45**	**2,527.60**	**4,699.52**
Profit/(Loss) before exceptional items and tax, as restated			**(406.91)**	**182.11**	**378.30**	**422.34**	**347.17**	**774.38**
Less : Exceptional Items	V	18	-	(59.88)	(45.96)	166.74	-	-
Profit/(Loss) before tax, as restated			**(406.91)**	**241.99**	**424.26**	**255.60**	**347.17**	**774.38**
Less: Tax expense								
Current Tax			44.54	84.84	145.78	131.63	114.36	301.27
Deferred Tax			(145.61)	(17.28)	0.49	(21.61)	20.45	(32.37)
Profit/(Loss) for the period before minority interest and share of profit/(loss) of associate			**(305.84)**	**174.43**	**277.99**	**145.58**	**212.36**	**505.48**
Less : Minority interest			16.20	24.17	31.74	35.69	44.18	11.60
Add: Share of profit/(loss) from the associate			-	-	-	-	-	-
Profit/(Loss) after tax, as restated			**(322.04)**	**150.26**	**246.25**	**109.89**	**168.18**	**493.88**
Profit/(Loss) after tax of Continuing Operations, as restated			**(322.04)**	**150.26**	**246.25**	**109.89**	**168.18**	**(23.51)**

Particulars	Annexure	Note	Six Months ended September 30, 2014	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2010
Profit/(Loss) after tax of Discontinued Operations, as restated			-	-	-	-	-	**517.39**
Earnings per equity share (face value ` 1 each)	XIV	12						
- Basic and Diluted before exceptional items			(0.89)*	0.38	0.84	1.15	0.70	2.06
- Basic and Diluted after exceptional items			(0.89)*	0.63	1.03	0.46	0.70	2.06
- Basic and Diluted EPS before discontinued operations			(0.89)*	0.63	1.03	0.46	0.70	2.06
- Basic and Diluted EPS of continuing operations			(0.89)*	0.63	1.03	0.46	0.70	(0.10)

* not annualized

Note:

The above statement should be read with the Significant Accounting Policies appearing in Annexure IV, Notes to the Restated Consolidated Financial Information appearing in Annexure V and Statement of Adjustment to Audited Consolidated Financial Statements appearing in Annexure VI.

As per our attached report of even date

For MGB & Co. LLP
Chartered Accountants
Firm Registration Number - 110069W/W-100035

Lalit Kumar Jain
Partner
Membership Number - 072664

Place: Mumbai
Date: December 24, 2014

For and on behalf of the Board

Dr. Subhash Chandra	Non-Executive Chairman
Surjit Banga	Director
Dinesh Garg	Chief Financial Officer
Pushpal Sanghavi	Company Secretary

Annexure III
Restated Consolidated Summary Statement of Cash Flows

` million

	Particulars		Six Months ended September 30, 2014	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2010
A.	**Cash flow from Operating activities**							
	Profit / (Loss) before Tax, as restated		(406.91)	241.99	424.26	255.60	347.17	774.38
	Adjustments for:							
	Depreciation and amortisation expense		254.38	161.10	119.10	111.98	100.92	112.28
	Loss on sale/discard of fixed assets (net)		6.46	57.45	31.52	32.09	36.54	23.25
	Loss on sale of Investment		-	10.05	-	-	-	-
	Interest expense		251.78	90.45	85.73	105.02	121.61	256.68
	Interest income		(9.12)	(191.78)	(160.71)	(105.81)	(100.83)	(169.70)
	Dividend income		-	-	(0.65)	-	(1.56)	-
	Liabilities/excess provisions written back		-	-	-	-	(1.57)	(3.49)
	Provision for diminution in value of investment		-	-	-	60.90	-	-
	Provision for doubtful advance share application money		-	(59.88)	(45.96)	105.84	-	-
	Provision for doubtful debts and advances		9.42	11.85	(0.04)	(37.54)	(46.50)	88.75
	Unrealised foreign exchange loss (net)		11.32	11.75	3.13	3.90	0.11	0.12
	Operating Profit before working capital changes		117.33	332.98	456.38	531.98	455.89	1,082.27
	Adjustments for:							
	(Increase)/Decrease in inventories		1.36	0.32	8.06	211.16	76.52	(328.62)
	(Increase)/Decrease in trade and other receivables		(91.57)	(78.50)	471.70	(500.80)	505.40	(712.42)
	Increase/(Decrease) in trade and other payables		(59.81)	204.25	28.07	(164.80)	143.75	294.35
	Cash generated from Operations		**(32.69)**	**459.05**	**964.21**	**77.54**	**1,181.56**	**335.58**
	Direct taxes paid (net)		(86.12)	(174.45)	(175.97)	(163.82)	(199.39)	(195.58)
	Net cash flow from/(used in) Operating activities	**(A)**	**(118.81)**	**284.60**	**788.24**	**(86.28)**	**982.17**	**140.00**
B.	**Cash flow from Investing activities**							
	Purchase of fixed assets, including capital advances (given) / refunds of advances		156.01	(1,056.77)	(169.25)	(105.85)	(103.12)	(111.26)
	Sale of fixed assets		3.29	2.00	5.96	18.84	2.60	7.42
	Loan given to others		(51.40)	(1,560.00)	(1,750.00)	(1,400.00)	-	(1,876.00)
	Loan repaid by others		203.29	1,510.00	1,200.00	700.00	988.32	1,041.00
	Advance paid for purchase of shares		(30.00)	-	-	-	-	-
	Advance against Share Application Money paid to Others		-	-	-	-	(35.25)	(59.50)

	Particulars		Six Months ended September 30, 2014	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2010
	Refund of share application money given to Others		-	105.84	-	-	-	-
	Decrease in minority interest		(18.72)	(28.08)	(37.19)	(18.50)	-	-
	Investment in Shares of Others		-	-	-	-	-	(60.90)
	Sale of investment in Subsidiary		-	200.50	-	-	-	-
	Investment in Associate		-	(39.00)	-	-	-	-
	Purchase of Short-Term Investments		-	-	-	-	(440.00)	-
	Proceeds from sale of Short-Term Investments		-	-	-	-	440.00	-
	Deposits with Banks		(48.00)	70.00	20.00	(16.00)	(66.49)	20.66
	Interest received		7.00	260.31	27.80	100.90	225.66	75.48
	Dividend received		-	-	0.65	-	1.56	-
	Net cash flow from/(used in) Investing activities	**(B)**	**221.47**	**(535.20)**	**(702.03)**	**(720.61)**	**1,013.28**	**(963.10)**
C.	**Cash flow from Financing activities**							
	Proceeds from Long-Term Borrowings		98.66	674.25	-	-	500.00	-
	Repayment of Long-Term Borrowings		(0.51)	(170.00)	(180.00)	(150.00)	-	(100.00)
	Proceeds from Short-Term Borrowings		252.44	200.00	1,200.00	1,600.00	2,200.00	2,111.26
	Repayment of Short-Term Borrowings		(141.91)	(200.00)	(1,600.00)	(1,200.00)	(3,700.00)	(1,250.00)
	Proceeds from Cash Credit (net)		(23.63)	(50.68)	469.78	12.76	(180.55)	180.55
	Proceeds from Vehicle Loans		1.50	-	8.18	4.47	22.39	1.40
	Repayment of Vehicle Loans		(4.33)	(5.59)	(11.35)	(9.83)	(8.33)	(8.08)
	Interest paid		(272.77)	(86.35)	(91.81)	(102.03)	(123.49)	(257.88)
	Dividend Paid		-	-	-	-	-	(112.20)
	Dividend tax paid		(4.08)	(6.12)	(7.79)	-	-	-
	Net cash flow from/(used in) Financing activities	**(C)**	**(94.63)**	**355.51**	**(212.99)**	**155.37**	**(1,289.98)**	**565.05**
								-
	Net Cash flow / (outflow) during the period / year	**(A+B +C)**	**8.03**	**104.91**	**(126.78)**	**(651.52)**	**705.47**	**(258.05)**
	Cash and Cash equivalents at the beginning of the period / year		162.11	57.65	184.43	835.95	130.48	475.19
	Cash and Cash equivalents transferred on sale of subsidiary		-	(0.45)	-	-	-	-
	Cash and Cash Equivalents transferred pursuant to the Scheme of Amalgamation / Arrangement		44.60	-	-	-	-	(86.66)
	Cash and Cash equivalents at the end of the period / year		**214.74**	**162.11**	**57.65**	**184.43**	**835.95**	**130.48**
	Add: Other Bank Balances		10.00	-	70.00	40.00	39.00	7.50
	Add: Balances earmarked / under bank lien		0.68	0.68	0.68	50.68	0.60	0.69
	Cash and Bank balances at the end of the period / year		**225.42**	**162.79**	**128.33**	**275.11**	**875.55**	**138.67**

	Particulars	Six Months ended September 30, 2014	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2010

Note:

1 The above cash flow do not include the effect of transfer / receipt of assets, liabilities, investment and others persuant to the Schemes being non cash transactions as referred to in Note 29 and Note 30 of Annexure V.

2 The cash flow for the period ended September 30, 2014 are for six months hence not comparable with full year figures presented for five years. Further cash flow of a period / year is not comparable with other period / year due to the subsidiaries acquired / transferred and demerger of certain channels.

For MGB & Co. LLP
Chartered Accountants
Firm Registration Number - 110069W/W-100035

Lalit Kumar Jain
Partner
Membership Number - 072664

Place: Mumbai
Date: December 24, 2014

For and on behalf of the Board

Dr. Subhash Chandra Non-Executive Chairman

Surjit Banga Director

Dinesh Garg Chief Financial Officer

Pushpal Sanghavi Company Secretary

Annexure IV

Statement of Significant Accounting Policies to the Restated Consolidated Financial Information

1 Corporate Information

Zee Media Corporation Limited (herein after referred to as "the holding company", "ZMCL" or "the Company") together with subdidiaries and associates (collectively known as "the Group") is mainly in the business of broadcasting of news / current affairs and regional language channels uplinked from India, sale of television programs including program feeds. The Regional General Entertainment Channels (RGECs) were demerged effective from January 1, 2010 pursuant to the Scheme of Arrangement. Consequent to the merger of Essel Publishers Private Limited with the Company with effect from April 1, 2014, three direct/in-direct subsidiaries viz Mediavest India Private Limited, Diligent Media Corporation Limited (engaged in publishing and distribution of an English Daily 'DNA') and Pri-Media Services Private Limited (engaged in the business of printing newspapers etc.) are vested in the Company. As a result, the consolidated operations of the Group effective from April 1, 2014 include a new business segment i.e. Print Business.

2 Significant Accounting Policies

A Basis of consolidation

a) The Restated Consolidated Summary Statement of Assets and Liabilities of the Group as on September 30, 2014, March 31, 2014, 2013, 2012, 2011 and 2010 and the Restated Consolidated Summary Statement of Profit and Loss and Restated Consolidated Summary Statements of Cash Flows for the six months period ended September 30, 2014 and years ended March 31, 2014, 2013, 2012, 2011 and 2010 and the annexures thereto (collectively, the "Restated Consolidated Financial Information") have been extracted by the management from the Consolidated Financial Statements of the Group for the six months ended September 30, 2014 and years ended March 31, 2014, 2013, 2012, 2011 and 2010. Further, the financial statements for the year ended March 31, 2011 and 2010 have been regrouped and rearranged to comply with Revised Schedule VI to the Companies Act, 1956.

b) The Consolidated Financial Statements (CFS) of the Group are prepared and presented under Historical Cost Convention on going concern basis (including three subsidiaries, networth of which have been eroded (refer note 2(A)(d) below)) using the accrual system of accounting in accordance with accounting principles generally accepted in India and Accounting Standard - 21 on "Consolidated Financial Statements" as prescribed by the Companies (Accounting Standards) Rules, 2006 as per section 211 (3C) of the Companies Act, 1956 (deemed to be applicable as per section 133 of the Companies Act, 2013) to the extent possible in the same manner as that adopted by the holding company for its separate financial statements by regrouping, recasting or rearranging figures, wherever considered necessary. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year except the method and manner of providing depreciation on tangible fixed assets pursuant to Schedule II of the Companies Act, 2013 made effective from April 1, 2014.

c) The consolidation of financial statements of the holding company and its subsidiaries is done to the extent possible on a line-by-line basis by adding together like items of assets, liabilities, income and expenses. All significant intra-group transactions, unrealized inter-company profits and balances have been eliminated in the process of consolidation.

d) The CFS includes the Financial Statements of the holding company and the subsidiaries (as listed in the table below). Subsidiaries are consolidated from the date on which effective control is acquired and are excluded from the date of transfer/disposal.

Name of the Subsidiaries	Proportion of Interest (including beneficial interest) / Voting Power	Country of Incorporation
Direct Subsidiaries		
Zee Akaash News Private Limited (ZANPL)	60.00%	India
24 Ghantalu News Limited ^	100.00%	India
Mediavest India Private Limited (MIPL)*	100.00%	India
Pri-Media Services Private Limited (PMSPL)*	100.00%	India
Indirect Subsidiaries		
Diligent Media Corporation Limited (DMCL)*#	99.99%	India

^ Incorporated on July 19, 2012 and ceased to be subsidiary as sold on December 24, 2013. The subsidiary is consolidated based on management accounts for the year ended March 31, 2014, and therefore unaudited.

* Vested in the Company consequent to merger of Essel Publishers Private Limited with the Company with Appointed Date being April 1, 2014. The Financial Statements have been prepared on going concern basis, despite erosion of net worth, based on financial support extended / assured by the respective holding company.

89,095,342 equity shares held out of a total of 89,095,542 equity shares.

(e) **Associate**

The Group has adopted and accounted for Investment in Associate, using the "Equity Method" as per AS - 23 - Accounting for Investments in Associates in Consolidated Financial Statements as prescribed by the Companies (Accounting Standards) Rules, 2006 , for the following:

Name of the Associate	Extent of Holding	Country of Incorporation
Maurya TV Private Limited *	37.87%	India

* Acquired with effect from October 7, 2013.

(f) The CFS are prepared using uniform accounting policies for transactions and other events in similar circumstances, except in the following cases. No adjustment has been made for such policy differences except otherwise stated below:

TV - Broadcasting Business

i) In the case of one subsidiary, inventories of Raw Stock - Tapes are valued on First In First Out (FIFO) basis as against Weighted Average Basis followed by the Company.

ii) In the case of one subsidiary, Preliminary Expenses are amortised over the period of five years as against the Group's policy to expense out all Preliminary Expenses in the year such expenses are incurred. For the purpose of Restatement Consolidated Financial Information, these expenses are adjusted in the Surplus in the Statement of Profit and Loss as at April 01, 2009.

Print Business

i) In the case of two subsidaries, provisions in respect of gratuity expense and leave encashment expense for the six months period ending September 30, 2014 are estimated based on actuarial valuation for the year ended March 31, 2014.

ii) Inventories are valued on First In First Out (FIFO) basis.

g) Minority interest in subsidiaries represents the minority shareholders proportionate share of the net assets and net income.

B Use of estimates

The preparation of financial statements requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities, on the date of the financial statements and the reported amount of revenue and expenses for the period. Difference between the actual results and estimates are recognized in the period in which the results are known / materialized.

C Tangible fixed assets

a) Tangible fixed assets are stated at cost, less accumulated depreciation and impairment loss, if any. The cost comprises purchase price, borrowing cost if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Integrated Receiver Decoders (IRD) boxes are capitalised, when available for deployment.

b) Capital work in progress comprises cost of fixed assets and related expenses that are not yet ready for their intended use at the reporting date.

c) Leasehold land is stated at cost including lease premium paid.

D Intangible assets

a) Goodwill / Capital Reserve on Consolidation

Goodwill on Consolidation represents the difference between the Group's share in the net worth of the subsidiary / associate and the cost of acquisition at the date on which the investment in the subsidiary / associate is made / acquired. Capital reserve represents negative goodwill arising on consolidation.

b) Intangible assets acquired are measured on initial recognition at cost and stated at cost less accumulated amortisation and impairment loss, if any.

E Borrowing costs

Borrowing costs attributable to the acquisition or construction of qualifying assets till the time such assets are ready for intended use are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period they occur.

F Impairment of tangible and intangible assets

At each Balance Sheet date, the Company reviews the carrying amount of assets to determine whether there is an indication that those assets have suffered impairment loss. If any such indication exists, the recoverable amount of assets is estimated in order to determine the extent of impairment loss. The recoverable amount is higher of the net selling price and value in use, determined by discounting the estimated future cash flows expected from the continuing use of the asset to their present value.

G Depreciation / Amortization on tangible / intangible assets

a) **Tangible assets**

TV Broadcasting Business

i) Consequent to the enactment of the Companies Act, 2013 and its applicability for accounting periods commencing after April 1, 2014, depreciation on tangible fixed assets is provided on straight line method as per the useful life prescribed by Schedule II to the Companies Act, 2013 except in the following cases where actual useful life of assets as estimated by the management is lower:

Assets	Management's Estimate of Useful Life
Plant and Machinery (Studio equipments – Linear)	10 Years
Plant and Machinery (Studio equipments – Non-Linear)	5 Years
Plant and Machinery (IRD Boxes)	1 Year
Leasehold Improvements	Over the period of lease

ii) Upto March 31, 2014, depreciation is provided on straight line method at the rates specified in Schedule XIV to the Companies Act, 1956 except in the case of leasehold improvements which is amortised over the period of lease.

Print Business

i) Consequent to the enactment of the Companies Act, 2013 and its applicability for accounting periods commencing after April 1, 2014, depreciation on tangible fixed assets is provided on straight line method as per the useful life prescribed by Schedule II to the Companies Act, 2013.

ii) Leasehold Improvements and Premium paid on Leasehold Land are amortised over the period of lease.

b) **Intangible assets**

Goodwill on Consolidation

No part of Goodwill arising on consolidation is amortised.

TV Broadcasting Business

Intangible assets are amortised on straight line basis over the economic useful life estimated by the management.

Print Business

Intangible assets are amortised on straight line basis over the economic useful life estimated by the management as under:

i) Software is depreciated over an estimated useful life of five years.

ii) Technical knowhow is amortised over an estimated useful life of five years.

H Investments

a) Investments, which are readily realisable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

b) Current investments are stated at lower of cost and market value determined on an individual investment basis. Long-term investments are stated at cost less provision for diminution other than temporary in the value of such investments.

I Transactions in foreign currencies

a) Foreign currency transactions are accounted at the exchange rates prevailing on the date of such transactions.

b) Foreign currency monetary items are translated using the exchange rate prevailing at the reporting date. Exchange differences arising on settlement of monetary items or on reporting such monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements are recognised as income or as expenses in the year in which they arise.

c) Non-monetary foreign currency items are carried at cost.

J Revenue recognition

a) Broadcasting revenue - Advertisement revenue (net of agency commission, discount and volume rebates) is recognized when the related advertisement or commercial appears before the public i.e. on telecast. Subscription revenue is recognized on time basis on the provision of television broadcasting service to subscribers or as per the agreed terms.

b) Sales (including television programs, film rights and newspapers) are recognized when the significant risks and rewards have been transferred to the customers and is net of sales returns.

c) Revenue from other services including franchisee fee revenue is recognized as and when such services are completed / performed.

d) Advertisement Revenue (net of commission) related to printing segment is recognised when the related advertisement is published.

e) Revenue from printing job work is recognized on the completion of the work.

f) Syndication revenue and royalty income is accounted as per agreed terms / completion of services.

g) Dividend income is recognized when the right to receive dividend is established.

h) Interest income is recognized on a time proportion basis taking into account amount outstanding and the applicable interest rate.

i) Rent income is recognised on a monthly basis as per the terms of the contracts.

j) Software development charges recognised on acknowledgment from parties.

K Inventories

TV Broadcasting Business

a) Inventories of television programs (completed, under production, available for sale) and film rights are stated at lower of cost/ unamortized cost or net realizable value. Cost comprises acquisition / direct production costs and other allocated production overheads. Where the realizable value on the basis of its estimated useful life is less than its carrying amount, the difference is expensed as impairment. Programs are expensed / amortized as under:

i) Programs- news / current affairs / chat shows / events etc are fully expensed on telecast.

ii) Programs (other than (i) above) are amortized over three financial years starting from the year of first telecast, as per management estimate of future revenue potential.

iii) Cost of movie rights are charged on a straight line basis on the licence period or 60 months from the date of acquisition, whichever is shorter.

b) Raw Stock – Tapes are valued at lower of cost or estimated net realizable value. Cost is taken on weighted average basis except in case of a subsidiary which follows First in First out Basis (FIFO).

Print Business

a) Inventories of Raw Materials - Newsprint, Ink and Plate are valued at lower of cost or net realizable value. Cost is determined on FIFO.

b) Inventories of Scrap and Waste Paper Stock is valued at net estimated realisable value.

c) Stores and Spares are valued at lower of average cost or net realizable value.

L Retirement and other employee benefits

a) Short-term employee benefits are expensed at the undiscounted amount in the Statement of Profit and Loss in the year the employee renders the service.

b) Post employment and other long term employee benefits are recognized as an expense in the Statement of Profit and Loss at the present value of the amount payable determined using actuarial valuation techniques in the year the employee renders the service. Actuarial gains and losses are charged to the Statement of Profit and Loss.

M Accounting for taxes on income

a) Current Tax is determined as the amount of tax payable in respect of taxable income as per the provisions of the Income Tax Act, 1961.

b) Deferred tax is recognized, subject to consideration of prudence in respect of deferred tax asset, on timing difference, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods and measured using relevant enacted tax rates and laws.

N Leases

a) Finance lease

Assets acquired under finance lease are capitalized and the corresponding lease liability is recorded at an amount equal to the fair value of the leased asset at the inception of the lease. Initial costs directly attributable to lease are recognized with the asset under lease.

b) Operating lease

Lease of assets under which all the risks and rewards of ownership are effectively retained by the lessor are classified as operating lease. Lease payments under operating lease are recognized as expense on accrual basis in accordance with the respective lease agreements.

O Circulation Scheme Promotion Expense

Circulation scheme promotion expense is net of receipts from customers.

P Preliminary Expenses

Preliminary Expenses are expensed out in the year the expenses are incurred.

Q Earnings per share

Basic earnings per share is computed and disclosed using the weighted average number of equity shares outstanding during the year. Dilutive earnings per share is computed and disclosed using the weighted average number of equity and dilutive equity equivalent shares outstanding during the year, except when the results would be anti-dilutive.

R Provisions, Contingent liabilities and Contingent assets

Provisions involving substantial degree of estimation in measurement are recognized when there is present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statements.

Annexure V
Notes to Restated Consolidated Financial Information

1. **Restated Consolidated Summary Statement of Share Capital**

` million

	As at September 30, 2014	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011	As at March 31, 2010
Authorised						
1,700,000,000 Equity Shares of ` 1 each as on September 30, 2014; 1,000,000,000 Equity Shares as on March 31, 2014, 2013, 2012, 2011; 490,000,000 Equity Shares as on March 31, 2010	1,700.00	1,000.00	1,000.00	1,000.00	1,000.00	490.00
10,000,000 Preference Shares of ` 1 each as on March 31, 2010	-	-	-	-	-	10.00
	1,700.00	1,000.00	1,000.00	1,000.00	1,000.00	500.00
Issued, Subscribed and Paid up						
362,145,773 Equity Shares of ` 1 each fully paid up as on September 30, 2014; 239,763,956 Equity Shares of ` 1 each fully paid up as on March 31, 2014, 2013, 2012, 2011, 2010	362.15	239.76	239.76	239.76	239.76	239.76
Total	**362.15**	**239.76**	**239.76**	**239.76**	**239.76**	**239.76**

a) **Reconciliation of number of Equity shares and Share capital**

	As at September 30, 2014		As at March 31, 2014		As at March 31, 2013		As at March 31, 2012		As at March 31, 2011		As at March 31, 2010	
	Number of equity shares	` million	Number of equity shares	` million	Number of equity shares	` million	Number of equity shares	` million	Number of equity shares	` million	Number of equity shares	` million
At the beginning of the period / year	239,763,956	239.76	239,763,956	239.76	239,763,956	239.76	239,763,956	239.76	239,763,956	239.76	239,763,956	239.76
Add: Issued pursuant to the Scheme of Amalgamation (Refer 'Note 29' below)	122,381,817	122.39	-	-	-	-	-	-	-	-	-	-
Outstanding at the end of the period	**362,145,773**	**362.15**	**239,763,956**	**239.76**	**239,763,956**	**239.76**	**239,763,956**	**239.76**	**239,763,956**	**239.76**	**239,763,956**	**239.76**

b) **Terms / rights attached to equity shares**

The Company has only one class of equity shares having a par value of Re 1 each. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The final dividend if proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) Details of shares held by Holding Company

Name of the Shareholder	As at September 30, 2014	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011	As at March 31, 2010
25FPS Media Private Limited (extent of holding as at March 31 2014, 2013, 2012 : 53.34%)	-	127,898,710	127,898,710	127,898,710	-	-

d) **Details of Shareholders holding more than 5 percent of the aggregate shares in the Company:**

Name of Shareholder	As at September 30, 2014		As at March 31, 2014		As at March 31, 2013		As at March 31, 2012		As at March 31, 2011		As at March 31, 2010	
	Number of Equity shares	% Share-holding	Number of Equity shares	% Share-holding	Number of Equity shares	% Share-holding	Number of Equity shares	% Share-holding	Number of Equity shares	% Share-holding	Number of Equity shares	% Share-holding
25FPS Media Private Limited	127,898,710	35.32%	127,898,710	53.34%	127,898,710	53.34%	127,898,710	53.34%	-	-	-	-
Arm Infra and Utilities Limited	122,363,636	33.79%	-	-	-	-	100	0.00%	-	-	-	-
HDFC Trustee Company Limited-HDFC Prudence Fund	17,467,103	4.82%	17,467,103	7.29%	17,467,103	7.29%	17,467,103	7.29%	6,269,745	2.61%	21,473,511	8.96%
Churu Trading Company Private Limited (merged with Sprit Textile Private Limited w.e.f. March 28, 2013)	-	-	-	-	100	0.00%	100	0.00%	96,826,048	40.38%	20,842,163	8.69%
Jayneer Capital Private Limited	-	-	-	-	-	-	-	-	-	-	90,749,452	37.85%

As per the records of the Company, including its register of shareholders/ members and other declaration received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

e) **Details of aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during five years preceding period / year ended :**

(i) During the year ended March 31, 2007, the Company has allotted 195,956,192 Equity Shares of ` 1 each fully paid up for consideration other than cash pursuant to the Scheme of Arrangement.

(ii) During the six months period ended September 30, 2014, the Company has allotted 122,381,817 Equity Shares of ` 1 each fully paid up for consideration other than cash pursuant to the Scheme of Amalgamation (Refer 'Note 29' below).

f) The Company has instituted an Employee Stock Option Plan (ESOP 2009) as approved by the Board of Directors and Shareholders of the Company in 2009 for issuance of stock options convertible into equity shares not exceeding in the aggregate 5% of the issued and paid up capital of the Company as at 31 March 2009 i.e. up to 11,988,000 equity shares of Re. 1 each, to the employees of the Company as well as that of its subsidiaries and also to the Directors of the Company at the market price determined as per the Securities and Exchange Board of India (Employee Stock Options Scheme) Guidelines, 1999 (SEBI (ESOS) Guidelines). The said Scheme is administered by the Nomination and Remuneration Committee of the Board. The Company has not granted any options till September 30, 2014.

2. **Restated Consolidated Summary Statement of Reserves and Surplus**

` million

	As at September 30, 2014	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011	As at March 31, 2010
Capital Reserve						
Balance as at the beginning of the period / year	96.79	96.79	96.79	96.79	96.79	1,344.62
Add: Reserve created pursuant to the Scheme of Amalgamation (Refer 'Note 29' below)	1,671.62	-	-	-	-	-
Less: Transfer pursuant to the Scheme of Arrangement (Refer 'Note 30' below)	-	-	-	-	-	1,247.83
Closing Balance	**1,768.41**	**96.79**	**96.79**	**96.79**	**96.79**	**96.79**
Securities Premium						
Balance as at the beginning of the period / year	76.50	76.50	76.50	76.50	76.50	76.50
General Reserve						
Balance as at the beginning of the period / year	103.97	98.00	90.00	90.00	90.00	90.00
Add: Appropriated during the period / year	4.05	5.97	8.00	-	-	-
Closing Balance	**108.02**	**103.97**	**98.00**	**90.00**	**90.00**	**90.00**
Surplus in the Statement of Profit and Loss						
Balance as at the beginning of the period / year	1,794.43	1,656.26	1,425.81	1,315.91	1,147.73	653.85
Less: Adjustment for depreciation (Refer 'Note 7 below')*	(63.52)	-	-	-	-	-
Add: Deferred Tax on above#	21.59	-	-	-	-	-
Add / (Less): Profit / (Loss) as per Restated Consolidated Summary Statement of Profit and Loss	(322.04)	150.26	246.25	109.89	168.18	493.88
Less: Transferred to General Reserve	4.05	5.97	8.00	-	-	-
Less: Tax on Interim Dividend	4.08	6.12	7.79	-	-	-
	1,422.33	**1,794.43**	**1,656.26**	**1,425.81**	**1,315.91**	**1,147.73**
Total	**3,375.26**	**2,071.69**	**1,927.55**	**1,689.10**	**1,579.20**	**1,411.02**

* Net of minority interest of ` 1.35 million
\# Net of minority interest of ` 0.46 million

3. **(a) Restated Consolidated Summary Statement of Deferred Tax Liability (net)**

` million

	As at September 30, 2014	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011	As at March 31, 2010
Deferred Tax Liability						
- Depreciation / Amortisation	11.01	18.37	17.02	14.49	12.42	-
	11.01	18.37	17.02	14.49	12.42	-
Deferred Tax Asset:						
- Arising on account of timing difference in employee retirement benefits	4.05	3.68	3.49	2.77	1.87	-
- Allowable on payment basis	0.19	1.03	1.00	-	-	-
	4.24	4.71	4.49	2.77	1.87	-

	As at September 30, 2014	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011	As at March 31, 2010
Deferred Tax Liabilities (Net)	**6.77**	**13.66**	**12.53**	**11.72**	**10.55**	**-**

3 (b) Restated Consolidated Summary Statement of Deferred Tax Assets (net)

` million

	As at September 30, 2014	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011	As at March 31, 2010
Deferred Tax Assets						
- Depreciation / Amortisation	18.84	-	-	-	-	-
- Arising on account of timing difference in employee retirement benefits	47.23	36.10	29.67	26.07	21.03	16.85
- Allowable on payment basis	56.27	56.10	40.68	47.32	20.68	21.84
- Provision for doubtful debts and advances	18.60	15.97	11.94	11.36	23.87	39.88
- Unabsorbed tax losses and depreciation	902.84	-	-	-	-	14.30
- Preliminary expenses	-	-	0.43	-	-	-
	1,043.78	**108.17**	**82.72**	**84.75**	**65.58**	**92.87**
Deferred Tax Liabilities						
- Depreciation/Amortisation	90.60	51.06	43.68	46.02	49.64	67.03
	90.60	**51.06**	**43.68**	**46.02**	**49.64**	**67.03**
Deferred Tax Assets (net)	**953.18**	**57.11**	**39.04**	**38.73**	**15.94**	**25.84**

Considering the present financial position, the requirement of the accounting standard regarding certainty/virtual certainty for realisability of deferred tax assets and out of abundant caution and management prudence, deferred tax asset is not recognised in Mediavest India Private Limited. However, for Diligent Media Corporation Limited and Pri Media Services Private Limited, deferred tax assets on unabsorbed depreciation and business losses has been recognized as the management is of the opinion that sufficient future taxable income will be available against which these deferred tax assets can be realized, on the basis of business plan which projects increase in revenue, stringent cost reduction and control measures with forseable positive working results.

4. **Restated Consolidated Summary Statement of Other Long-Term Liabilities**

` million

	As at September 30, 2014	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011	As at March 31, 2010
Unearned Revenue	12.60	-	-	-	-	-
Deposits	11.90	-	-	-	-	-
Other Payables	7.76	5.76	1.76	-	-	-
Total	**32.26**	**5.76**	**1.76**	**-**	**-**	**-**

5. **Restated Consolidated Summary Statement of Provisions**

	Long-Term						Short-Term					
	As at September 30, 2014	**As at March 31, 2014**	**As at March 31, 2013**	**As at March 31, 2012**	**As at March 31, 2011**	**As at March 31, 2010**	**As at September 30, 2014**	**As at March 31, 2014**	**As at March 31, 2013**	**As at March 31, 2012**	**As at March 31, 2011**	**As at March 31, 2010**
Provision for employee benefits:												
- Gratuity	87.21	69.36	62.03	54.28	40.31	28.38	7.86	5.47	1.49	1.89	1.42	0.88
- Leave benefits	48.29	37.63	32.91	31.42	27.77	20.53	8.06	4.62	1.12	1.28	1.07	0.94
Provision for tax (net of tax advance)	-	-	-	-	-	-	7.27	-	3.55	5.64	30.05	115.37
Total	**135.50**	**106.99**	**94.94**	**85.70**	**68.08**	**48.91**	**23.19**	**10.09**	**6.16**	**8.81**	**32.54**	**117.19**

6. **Restated Consolidated Summary Statement of Current Liabilities**

` million

	As at September 30, 2014	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011	As at March 31, 2010
Trade Payables	344.62	145.61	86.83	77.61	147.25	63.55
	344.62	**145.61**	**86.83**	**77.61**	**147.25**	**63.55**
Other Current Liabilities						
Current maturities of long-term borrowings (Refer 'Annexure VII')	166.79	3.93	177.85	189.10	159.22	5.39
Interest accrued but not due on borrowings	10.70	6.04	1.94	8.02	5.00	6.85
Unearned Revenue	42.75	54.57	33.45	16.67	4.04	15.66
Advance received from customers	47.60	37.56	21.24	57.82	34.72	21.36
Deposits received from distributors / customers	8.82	6.08	3.43	1.40	1.40	1.40
Creditors for Capital expenditure	4.64	42.63	38.24	4.61	9.41	7.75
Book Overdraft	-	-	-	-	-	51.22
Unclaimed Dividends^	0.68	0.68	0.68	0.68	0.60	0.69
Statutory dues payable	86.44	56.27	40.49	48.46	108.06	120.11
Other Payables	858.65	448.49	376.54	337.59	423.24	321.46
	1,227.07	**656.25**	**693.86**	**664.35**	**745.69**	**551.89**
Total	**1,571.68**	**801.86**	**780.69**	**741.96**	**892.94**	**615.44**

Note:

a) Refer 'Note 27' below for amounts payable to Micro, Small and Medium Enterprises.

b) ^ There are no amounts due and outstanding to be credited to Investor's Education and Protection Fund as at September 30, 2014.

7. **Restated Consolidated Statement of Fixed Assets**

a) As at 30 September, 2014

` million

Description of Assets	Gross Block					Depreciation/Amortisation						Net Block	
	As at 1 April, 2014	Additions Pursuant to the Scheme (Refer 'Note 29 of Annexure V')	Additions	Deductions	As at September 30, 2014	Upto 31 March, 2014	Additions Pursuant to the Scheme (Refer 'Note 29 of Annexure V')	Adjusted through retained earnings	For the period	Deductions	Upto 30 September, 2014	As at 30 September, 2014	As at 31 March, 2014
Tangible Assets													
Freehold Land	-	130.41	3.81	-	134.22	-	-	-	-	-	-	134.22	-
Leasehold Land	-	1,101.17	-	-	1,101.17	-	14.50	-	6.70	-	21.20	1,079.97	-
Leasehold Improvements	40.01	40.74	-	-	80.75	17.52	12.70	-	11.81	-	42.03	38.72	22.49
Factory Building	-	635.26	0.88	-	636.14	-	23.69	-	8.58	-	32.27	603.87	-
Plant and Machinery	1,470.09	1,631.64	18.24	14.29	3,105.68	384.52	84.29	22.50	166.10	9.15	648.26	2,457.42	1,085.57
Equipments	70.58	14.82	2.90	1.07	87.23	15.13	8.66	29.63	6.56	0.98	59.00	28.23	55.45
Computers	126.63	94.94	7.99	2.44	227.12	51.69	55.22	12.56	28.69	2.02	146.14	80.98	74.94
Furniture and Fixtures	30.06	13.92	0.46	0.21	44.23	14.71	8.53	-	3.12	0.19	26.17	18.06	15.35
Vehicles	60.94	1.03	1.76	5.42	58.31	17.24	0.98	0.18	4.48	1.33	21.55	36.76	43.70
Total	**1,798.31**	**3,663.93**	**36.04**	**23.43**	**5,474.85**	**500.81**	**208.57**	**64.87**	**236.04**	**13.67**	**996.62**	**4,478.23**	**1,297.50**
Intangible Assets													
Goodwill on Consolidation	-	1,706.26	-	-	1,706.26	-	-	-	-	-	-	1,706.26	-

Description of Assets	Gross Block					Depreciation/Amortisation						Net Block	
	As at 1 April, 2014	Additions Pursuant to the Scheme (Refer 'Note 29 of Annexure V')	Additions	Deductions	As at September 30, 2014	Upto 31 March, 2014	Additions Pursuant to the Scheme (Refer 'Note 29 of Annexure V')	Adjusted through retained earnings	For the period	Deductions	Upto 30 September, 2014	As at 30 September, 2014	As at 31 March, 2014
Computer Software	189.71	-	5.28	-	194.99	108.91	-	0.01	18.34	-	127.26	67.73	80.80
Total	**189.71**	**1,706.26**	**5.28**	**-**	**1,901.25**	**108.91**	**-**	**0.01**	**18.34**	**-**	**127.26**	**1,773.99**	**80.80**
Capital Work-in-Progress												**55.93**	**27.28**

Note:

With effect from April 01, 2014, the Group has revised the useful life of some of its fixed assets to comply with the useful life as prescribed by Schedule II to the Companies Act, 2013. As per Note 7 of Part C of Schedule II to the Companies Act, 2013 the carrying amount of the asset as on the date, the said Schedule comes in to effect (i.e., April 01, 2014) has to be depreciated over the remaining prescribed useful life of the asset. Consequently, the depreciation charge for the six months period ended September 30, 2014 is higher by ` 96.44 million. Further, where the remaining useful life of an asset is nil, the carrying amount of the asset as on that date (i.e., April 01, 2014) has to be recognised in the opening balance of retained earnings. Accordingly, depreciation amounting to ` 63.52 million (net of minority interest of ` 1.35 million) and related deferred tax assets of ` 21.59 million (net of minority interest of ` 0.46 million) has been adjusted in the opening balance of the surplus in the Statement of Profit and Loss.

b) As at 31 March, 2014

Description of Assets	Gross Block				Depreciation/Amortisation				Net Block	
	As at 1 April, 2013	Additions	Deductions	As at 31 March, 2014	Upto 31 March, 2013	For the year	Deductions	Upto 31 March, 2014	As at 31 March, 2014	As at 31 March, 2013
Tangible Assets										
Plant and Machinery	1,018.06	578.82	126.79	1,470.09	361.43	96.91	73.82	384.52	1,085.57	656.63
Equipments	60.50	14.31	4.23	70.58	13.18	3.09	1.14	15.13	55.45	47.32
Computers	92.06	39.12	4.55	126.63	38.94	16.39	3.64	51.69	74.94	53.12
Furniture and Fixtures	30.85	2.98	3.77	30.06	13.09	3.38	1.76	14.71	15.35	17.76

Description of Assets	Gross Block				Depreciation/Amortisation				Net Block	
	As at 1 April, 2013	Additions	Deductions	As at 31 March, 2014	Upto 31 March, 2013	For the year	Deductions	Upto 31 March, 2014	As at 31 March, 2014	As at 31 March, 2013
Vehicles	60.82	1.55	1.43	60.94	12.48	5.72	0.96	17.24	43.70	48.34
Leasehold Improvements	22.12	17.89	-	40.01	12.22	5.30	-	17.52	22.49	9.90
Total	**1,284.41**	**654.67**	**140.77**	**1,798.31**	**451.34**	**130.79**	**81.32**	**500.81**	**1,297.50**	**833.07**
Intangible Assets										
Computer Software	101.18	91.56	3.03	189.71	81.64	30.31	3.04	108.91	80.80	19.54
Total	**101.18**	**91.56**	**3.03**	**189.71**	**81.64**	**30.31**	**3.04**	**108.91**	**80.80**	**19.54**
Capital Work-in-Progress									**27.28**	**44.45**

c) As at 31 March, 2013

` million

Description of Assets	Gross Block				Depreciation/Amortisation				Net Block	
	As at 1 April, 2012	Additions	Deductions	As at 31 March, 2013	Upto 31 March, 2012	For the year	Deductions	Upto 31 March, 2013	As at 31 March, 2013	As at 31 March, 2012
Tangible Assets										
Plant and Machinery	950.27	115.27	47.48	1,018.06	307.21	77.03	22.81	361.43	656.63	643.06
Equipments	54.04	10.27	3.81	60.50	11.42	2.96	1.20	13.18	47.32	42.62
Computers	82.01	24.01	13.96	92.06	37.05	13.38	11.49	38.94	53.12	44.96
Furniture and Fixtures	28.40	3.09	0.64	30.85	10.74	2.80	0.45	13.09	17.76	17.66
Vehicles	57.06	16.77	13.01	60.82	12.43	5.52	5.47	12.48	48.34	44.63
Leasehold Improvements	22.12	-	-	22.12	8.29	3.93	-	12.22	9.90	13.83
Total	**1,193.90**	**169.41**	**78.90**	**1,284.41**	**387.14**	**105.62**	**41.42**	**451.34**	**833.07**	**806.76**
Intangible Assets										
Computer Software	92.14	9.04	-	101.18	68.16	13.48	-	81.64	19.54	23.98

Description of Assets	Gross Block				Depreciation/Amortisation				Net Block	
	As at 1 April, 2012	Additions	Deductions	As at 31 March, 2013	Upto 31 March, 2012	For the year	Deductions	Upto 31 March, 2013	As at 31 March, 2013	As at 31 March, 2012
Total	**92.14**	**9.04**	**-**	**101.18**	**68.16**	**13.48**	**-**	**81.64**	**19.54**	**23.98**
Capital Work-in-Progress									**44.45**	**13.93**

d) As at 31 March, 2012

` million

Description of Assets	Gross Block				Depreciation/Amortisation				Net Block	
	As at 1 April, 2011	Additions	Deductions	As at 31 March, 2012	Upto 31 March, 2011	For The Year	Deductions	Upto 31 March, 2012	As at 31 March, 2012	As at 31 March, 2011
Tangible Assets										
Plant and Machinery	950.79	64.32	64.84	950.27	263.43	67.49	23.71	307.21	643.06	687.36
Equipments	55.62	2.51	4.09	54.04	9.81	2.62	1.01	11.42	42.62	45.81
Computers	67.25	18.80	4.04	82.01	27.99	11.41	2.35	37.05	44.96	39.26
Furniture and Fixture	29.96	1.33	2.89	28.40	9.28	2.07	0.61	10.74	17.66	20.68
Vehicles	51.72	10.00	4.66	57.06	9.27	5.05	1.89	12.43	44.63	42.45
Leasehold Improvements	29.52	-	7.40	22.12	11.77	3.94	7.42	8.29	13.83	17.75
Total	**1,184.86**	**96.96**	**87.92**	**1,193.90**	**331.55**	**92.58**	**36.99**	**387.14**	**806.76**	**853.31**
Intangible Assets										
Computer Softwares	59.56	32.60	0.02	92.14	48.79	19.40	0.03	68.16	23.98	10.77
Total	**59.56**	**32.60**	**0.02**	**92.14**	**48.79**	**19.40**	**0.03**	**68.16**	**23.98**	**10.77**
Capital Work-in-Progress	-	-	-	-	-	-	-	-	**13.93**	**50.65**

e) **As at 31 March, 2011**

` million

Description of Assets	Gross Block				Depreciation / Amortisation				Net Block	
	As at 1 April, 2010	Additions	Deductions	As at 31 March, 2011	Upto 31 March, 2010	For The Year	Deductions	Upto 31 March, 2011	As at 31 March, 2011	As at 31 March, 2010
Tangible Assets										
Plant and Machinery	970.46	29.63	49.30	950.79	213.24	65.76	15.57	263.43	687.36	757.22
Equipments	53.42	2.64	0.44	55.62	7.34	2.56	0.09	9.81	45.81	46.08
Computers	55.65	12.47	0.87	67.25	19.26	9.46	0.73	27.99	39.26	36.39
Furniture and Fixture	28.89	1.07	-	29.96	7.23	2.05	-	9.28	20.68	21.66
Vehicles	31.48	28.19	7.95	51.72	8.41	3.72	2.86	9.27	42.45	23.07
Leasehold Improvements	27.41	14.54	12.43	29.52	18.44	5.76	12.43	11.77	17.75	8.97
Total	**1,167.31**	**88.54**	**70.99**	**1,184.86**	**273.92**	**89.31**	**31.68**	**331.55**	**853.31**	**893.39**
Intangible Assets										
Computer Softwares	57.62	1.94	-	59.56	37.18	11.61	-	48.79	10.77	20.44
Total	**57.62**	**1.94**	**-**	**59.56**	**37.18**	**11.61**	**-**	**48.79**	**10.77**	**20.44**
Capital Work-in-Progress									**50.65**	**5.93**

f) As at 31 March, 2010

` million

Description of Assets	Gross Block					Depreciation					Net Block	
	As at 1 April, 2009	Additions	Deductions	Transferred pursuant to the Scheme of Arrangement (Refer 'Note 30 of Annexure V')	As at 31 March, 2010	Upto 31 March, 2009	For The Year	Deductions	Transferred pursuant to the Scheme of Arrangement (Refer 'Note 30 of Annexure V')	Upto 31 March, 2010	As at 31 March, 2010	As at 31 March, 2009
Tangible Assets												
Plant and Machinery	845.21	187.03	18.52	43.26	970.46	165.80	70.99	6.49	17.06	213.24	757.22	679.41
Equipments	74.48	3.87	11.50	13.43	53.42	9.07	3.04	1.98	2.79	7.34	46.08	65.41
Computers	67.24	15.92	7.50	20.01	55.65	23.37	10.33	4.46	9.98	19.26	36.39	43.87
Furniture and Fixture	39.73	1.08	1.48	10.44	28.89	8.38	2.58	0.42	3.31	7.23	21.66	31.35
Vehicles	42.90	1.11	6.85	5.68	31.48	7.97	3.59	1.78	1.37	8.41	23.07	34.93
Leasehold Improvements	27.33	7.92	-	7.84	27.41	18.15	5.99	0.05	5.65	18.44	8.97	9.18
Total	**1,096.89**	**216.93**	**45.85**	**100.66**	**1,167.31**	**232.74**	**96.52**	**15.18**	**40.16**	**273.92**	**893.39**	**864.15**
Inangible Assets												
Computer Softwares	33.05	24.96	-	0.39	57.62	21.61	15.76	-	0.19	37.18	20.44	11.44
-												
Total	**33.05**	**24.96**	**-**	**0.39**	**57.62**	**21.61**	**15.76**	**-**	**0.19**	**37.18**	**20.44**	**11.44**
Capital Work-in-Progress											**5.93**	

8. **Restated Consolidated Summary Statement of Inventories**

` million

	As at September 30, 2014	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011	As at March 31, 2010
a) TV - Broadcasting Business						
Raw Stock - Tapes	1.09	1.59	1.90	3.07	3.52	3.90
Finished Goods- Television programs *	-	-	-	6.89	22.44	32.37
Finished Goods- Film Rights *	-	-	-	-	-	261.36
Film Rights held for sale	-	-	-	-	195.15	-
b) Print Business						
Raw Materials						
- Newsprint	9.34	-	-	-	-	-
- Ink	3.29	-	-	-	-	-
- Plates	1.92	-	-	-	-	-
Scrap and Waste Papers	1.19	-	-	-	-	-
Consumables, Stores and Spares	24.13	-	-	-	-	-
Total	**40.96**	**1.59**	**1.90**	**9.96**	**221.11**	**297.63**

Refer 'Note 2(K)' of Annexure IV for inventory valuation policy.
* Refer 'Note 13 (a)' below.

9. **Restated Consolidated Summary Statement of Cash and Bank Balances**

	Non Current						Current					
	As at September 30, 2014	**As at March 31, 2014**	**As at March 31, 2013**	**As at March 31, 2012**	**As at March 31, 2011**	**As at March 31, 2010**	**As at September 30, 2014**	**As at March 31, 2014**	**As at March 31, 2013**	**As at March 31, 2012**	**As at March 31, 2011**	**As at March 31, 2010**
Cash and Cash Equivalents												
Balances with Banks - in Current accounts	-	-	-	-	-	-	213.10	141.45	57.13	124.10	811.32	103.72
- in Deposit accounts	-	-	-	-	-	-	-	20.00	-	60.00	24.00	26.00
Cheques in Hand	-	-	-	-	-	-	0.44	-	-	-	-	-
Cash in Hand	-	-	-	-	-	-	1.20	0.66	0.52	0.33	0.63	0.76
	-	-	-	-	-	-	**214.74**	**162.11**	**57.65**	**184.43**	**835.95**	**130.48**
Other Bank Balances												
Balances with Banks												
- Fixed Deposits with maturity within 3 months (under bank's lien)	-	-	-	-	-	-	-	-	-	50.00	-	-
- Fixed Deposits with maturity for more than 3 months but less than 12 months	-	-	-	-	-	-	10.00	-	70.00	40.00	39.00	7.50
- Fixed Deposits with maturity more than 12 months	42.35	4.35	4.35	4.35	39.35	4.35	-	-	-	-	-	-
- In Unclaimed dividend accounts	-	-	-	-	-	-	0.68	0.68	0.68	0.68	0.60	0.69
	42.35	**4.35**	**4.35**	**4.35**	**39.35**	**4.35**	**10.68**	**0.68**	**70.68**	**90.68**	**39.60**	**8.19**
Less: Amount disclosed under the head "Other Assets" (Refer 'Annexure XI')	42.35	4.35	4.35	4.35	39.35	4.35	-	-	-	-	-	-
	-	-	-	-	-	-	10.68	0.68	70.68	90.68	39.60	8.19
Total	-	-	-	-	-	-	**225.42**	**162.79**	**128.33**	**275.11**	**875.55**	**138.67**

10. **Restated Consolidated Summary Statement of Revenue from Operations**

` million

	Six Months ended September 30, 2014	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2010
a) TV - Broadcasting Business						
Services - Broadcasting Revenue						
- Advertisement	1,511.11	2,205.16	2,019.91	2,001.67	1,961.74	4,186.31
- Subscription	456.40	999.00	842.65	745.40	735.47	992.94
Sales -						
- Television Programs	56.84	143.36	115.08	89.35	46.09	37.81
- Film Rights	-	-	-	195.15	0.95	52.02
Franchise Fee Revenue	-	-	30.49	27.72	25.20	24.00
Other Operating Income	-	3.85	30.32	11.40	-	2.45
	2,024.35	**3,351.37**	**3,038.45**	**3,070.69**	**2,769.45**	**5,295.53**
b) Print Business						
Services - Printing Revenue						
- Advertisement Revenue	439.96	-	-	-	-	-
- Syndication Revenue	9.19	-	-	-	-	-
- Revenue from Printing Job Work	79.15	-	-	-	-	-
Sale of Products -						
- Sale of News papers	73.64	-	-	-	-	-
Other Operating Revenue -						
- Sale of waste and scrap	12.77	-	-	-	-	-
- Royalty Income	4.08	-	-	-	-	-
	618.79	-	-	-	-	-
Total	**2,643.14**	**3,351.37**	**3,038.45**	**3,070.69**	**2,769.45**	**5,295.53**

11. **Restated Consolidated Summary Statement of Cost of Raw Material Consumed**

` million

	Six Months ended September 30, 2014	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2010
Print Business						
Inventory at the beginning of the period / year *						
- Newsprint	12.70	-	-	-	-	-
- Ink	2.85	-	-	-	-	-
- Plates	1.59	-	-	-	-	-

	Six Months ended September 30, 2014	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2010
Total Inventory at the beginning of the period / year (a)	**17.14**	**-**	**-**	**-**	**-**	**-**
Add : Purchases of Raw Materials						
- Newsprint (Refer 'Note 36 (d)' below)	241.28	-	-	-	-	-
- Ink	26.44	-	-	-	-	-
- Plates	15.02	-	-	-	-	-
Total Purchases for the period / year (b)	**282.74**	**-**	**-**	**-**	**-**	**-**
Less: Inventory at the end of the period / year						
- Newsprint	9.34	-	-	-	-	-
- Ink	3.29	-	-	-	-	-
- Plates	1.92	-	-	-	-	-
Total Inventory at the end of the period / year (c)	**14.55**	**-**	**-**	**-**	**-**	**-**
Cost of Raw Materials consumed						
- Newsprint	244.64	-	-	-	-	-
- Ink	26.00	-	-	-	-	-
- Plates	14.69	-	-	-	-	-
Total Cost of Raw Materials consumed (a+b-c)	**285.33**	**-**	**-**	**-**	**-**	**-**

* Related to subsidiaries acquired during the period

12. **Restated Consolidated Summary Statement of (Increase) / Decrease in Inventories**

` million

	Six Months ended September 30, 2014	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2010
Scrap and waste papers						
Inventory at the beginning of the period / year	-	-	-	-	-	-
Inventory at the end of the period / year	(1.19)	-	-	-	-	-
Total	**(1.19)**	-	-	-	-	-

13. **Restated Consolidated Summary Statement of Operational Cost**

` million

	Six Months ended September 30, 2014	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2010
a) TV - Broadcasting Business						
Opening stock :						
a) Television Programs	-	-	6.89	22.44	32.37	323.60
b) Film Rights	-	-	-	-	261.36	1,320.12
	-	**-**	**6.89**	**22.44**	**293.73**	**1,643.72**
Add: Production/ Acquisition Cost						
- Acquisition of Programs/Film Rights	58.50	28.41	-	9.70	20.96	1,362.33
- Raw tapes consumed	1.37	2.59	2.93	4.55	6.96	16.23
- Consultancy and Professional charges	80.81	161.74	129.71	145.06	128.05	181.08
- News Subscription fees	25.59	41.97	37.89	34.42	27.80	27.94
- Vehicle running, maintenance and Hire charges	44.68	72.37	60.74	60.13	56.73	56.07
- Travelling and Conveyance expenses	17.77	21.35	20.15	16.46	16.43	22.67
- Lease-line and V-Sat expenses	31.72	60.74	51.32	46.52	48.25	34.88
- Hire Charges	24.43	25.82	14.73	14.24	22.92	144.54
- Other Production expenses	48.65	78.63	80.82	64.87	93.29	325.50
	333.52	**493.62**	**398.29**	**395.95**	**421.39**	**2,171.24**
Less: Adjustment pursuant to the Scheme of Arrangement (Refer 'Note 30' below)	-	-	-	-	-	1,679.20
Less: Film Rights held for sale	-	-	-	-	195.14	-
	333.52	**493.62**	**398.29**	**395.95**	**226.25**	**492.04**
Less: Closing stock :						
a) Television Programs	-	-	-	6.89	22.44	32.37
b) Film Rights	-	-	-	-	-	261.36
	-	-	-	**6.89**	**22.44**	**293.73**

	Six Months ended September 30, 2014	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2010
	333.52	**493.62**	**405.18**	**411.50**	**497.54**	**1,842.03**
Film Rights held for sale	-	-	-	195.14	-	-
Telecast cost	77.45	145.13	123.77	102.64	100.24	123.37
Loss on Channel Management (Refer 'Note 26' below)	66.28	22.50	-	-	-	-
Total TV Broadcasting Business	**477.25**	**661.25**	**528.95**	**709.28**	**597.78**	**1,965.40**
b) Print Business						
News Collection Expenses	27.95	-	-	-	-	-
Packing Material and Other Material consumed	14.77	-	-	-	-	-
Direct Labour Charges	7.58	-	-	-	-	-
Other Production Expenses	2.24	-	-	-	-	-
Stores and Spares Consumed	3.92	-	-	-	-	-
Total Print Business	**56.46**	-	-	-	-	-
Total Operational Cost	**533.71**	**661.25**	**528.95**	**709.28**	**597.78**	**1,965.40**

a) Television Programs/ Film Rights are intangible assets as defined in AS-26 but these are acquired and used for broadcasting business therefore considered and included in Operational Cost and Current Assets - Inventories.

b) The Company has impaired Programs of ` 4.12 millions and ` 0.61 millions in the year ending March 31, 2012 and 2011 respectively.

14. **Restated Consolidated Summary Statement of Employee benefits expense**

` million

	Six Months ended September 30, 2014	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2010
Salaries and allowances	737.65	866.46	757.75	651.96	606.39	682.04
Contribution to provident and other funds	48.32	51.59	45.34	41.25	36.19	35.38
Staff welfare expenses	26.71	68.90	60.66	52.78	48.47	59.22
Staff recruitment and training expenses	2.90	3.98	0.54	0.92	0.53	2.36
Total	**815.58**	**990.93**	**864.29**	**746.91**	**691.58**	**779.00**

15. **Restated Consolidated Summary Statement of Finance costs**

` million

	Six Months ended September 30, 2014	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2010
Interest - on Loans	249.72	90.22	78.60	105.01	112.52	256.58
- on Others	2.06	0.23	7.13	0.01	9.09	0.10
Bank and other financial charges	0.39	12.93	2.17	1.57	4.08	4.68
Total	**252.17**	**103.38**	**87.90**	**106.59**	**125.69**	**261.36**

Note: Interest on Others for year ended March 31, 2011 includes ` 9.05 million being interest on tax.

16. **Restated Consolidated Summary Statement of Depreciation and amortisation expense**

` million

	Six Months ended September 30, 2014	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2010
Depreciation on tangible assets	236.04	130.79	105.62	92.58	89.31	96.52
Amortisation on intangible assets	18.34	30.31	13.48	19.40	11.61	15.76
Total	**254.38**	**161.10**	**119.10**	**111.98**	**100.92**	**112.28**

17. **Restated Consolidated Summary Statement of Other expenses**

` million

	Six Months ended September 30, 2014	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2010
Rent	79.88	82.39	66.67	67.45	67.18	123.58
Rates and Taxes	18.57	5.90	5.16	7.16	5.48	4.53
Repairs and Maintenance - Building	1.43	3.16	10.81	1.09	1.41	0.59
- Plant and Machinery	25.96	40.95	20.21	15.98	13.70	19.87
- Other	19.03	25.52	28.51	13.73	11.23	17.73
Insurance	2.40	3.49	2.74	3.15	4.34	4.48
Electricity and water charges	65.05	82.47	65.92	47.82	44.96	49.00
Communication charges	19.83	30.02	20.57	20.53	22.75	43.13
Printing and Stationary expenses	5.54	7.96	5.70	5.97	5.56	9.30

	Six Months ended September 30, 2014	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2010
Travelling and Conveyance expenses	67.37	97.87	74.47	70.03	32.15	32.15
Legal and Professional charges	82.07	163.47	86.84	19.33	22.04	48.96
Payment to Auditors (Refer 'Note 22' below)	2.20	2.82	2.57	2.08	1.54	2.51
Donation	-	1.40	1.45	2.16	2.48	4.21
Hire & Service Charges	20.46	38.32	35.59	28.65	30.68	55.00
Miscellaneous expenses	38.35	19.57	13.60	11.08	8.49	13.91
Marketing, distribution, business promotion expenses	352.49	616.47	643.57	642.36	586.19	778.55
Advertisement and Publicity expenses	37.33	108.81	77.75	46.15	26.41	112.84
Circulation Scheme Promotion expenses (net)	44.67	-	-	-	-	-
Commission/ Discount on services	25.29	29.85	29.59	34.64	67.03	78.90
Provision for doubtful debts and advances	9.42	11.85	2.57	3.54	0.50	88.75
Bad debts / advances written off (March 31, 2014 : ` 2,899)	-	0.00	5.65	2.56	20.97	70.24
Loss on sale/discard of fixed assets (net)	6.46	57.45	31.52	32.09	36.54	23.25
Loss on exchange difference (net)	1.79	5.32	1.50	2.14	-	-
Preliminary expenses	-	-	1.73	-	-	-
Loss on sale of Subsidiary	-	10.05	-	-	-	-
Total	**925.59**	**1,445.11**	**1,234.69**	**1,079.69**	**1,011.63**	**1,581.48**

18. **Restated Consolidated Summary Statement of Exceptional items**

` million

	Six Months ended September 30, 2014	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2010
Provision for Diminution in value of Investment	-	-	-	60.90	-	-
Provision for doubtful advance share application money	-	(59.88)	(45.96)	105.84	-	-
Total	**-**	**(59.88)**	**(45.96)**	**166.74**	**-**	**-**

The Company made long term investment of ` 60.90 million in Akash Bangla Private Limited (ABPL) and also advanced share application money of ` 105.84 million. Provision for diminution in value of entire investment in ABPL and provision for doubtful advance share application money was made in the financial year ended March 31, 2012 as exceptional items, as the net worth of ABPL was eroded. However, in the financial year ended March 31, 2014 the Company has realised advance share application money in two tranches of ` 45.96 million and ` 59.88 million.

19. **Operating Lease**

The Group has taken office premises, residential premises and plant and machinery (including equipments) etc. under cancellable/non-cancellable lease agreements, that are renewable on a periodic basis at the option of both the Lessor and the Lessee.

` million

	Six Months ended September 30, 2014	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2010
Lease rental charges for the year	126.01	165.48	129.58	127.21	132.51	315.52
Future lease rental obligation payable (under non-cancellable leases)						

	Six Months ended September 30, 2014	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2010
Not later than one year	109.32	83.05	74.78	67.29	52.08	44.55
Later than one year but not later than five years	139.04	33.93	93.12	143.26	125.37	96.40
Later than five years	-	-	-	-	-	-
The initial tenure of the lease (months)	11-120	11-120	11-108	11-108	11-108	11-108

20. **Capital and other Commitments**

` million

	Six Months ended September 30, 2014	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2010
a) Estimated amount of contracts remaining to be executed on capital account, not provided for (net of advances)	55.30	57.88	53.21	85.86	32.66	8.94
b) Commitment for acquiring shares of associate company (net of advance)	8.92	38.92	-	-	-	-
c) Commitments in respect of News-print purchase	33.17	-	-	-	-	-

21. **Managerial Remuneration**

(a) Details of remuneration paid to whole time director/ managing director :

` million

	Six Months ended September 30, 2014	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2010
Salaries, allowances and perquisites*	2.54	10.14	-	-	-	8.44
Contribution to provident and other funds	0.11	0.66	-	-	-	-
Total	**2.65**	**10.80**	-	-	-	**8.44**

* Excludes leave encashment and gratuity provided on the basis of actuarial valuation on an overall Company basis.

Mr. Alok Agrawal was appointed as a Whole-time Director of the Company w.e.f. July 30, 2013 for a period of 3 years. He resigned as Whole-time Director effective from close of business on May 12, 2014.

(b) Payment made to Non Executive Directors is included in Miscellaneous Expenses under Note 17 above:

` million

	Six Months ended September 30, 2014	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2010
Commission paid / payable to Non Executive Directors based on profits for the respective year	-	1.20	1.60	1.00	1.35	3.00
Sitting fee	0.32	0.68	0.64	0.70	0.82	0.43

22. **Payment to Auditors**

For Standalone

` million

	Six Months ended September 30, 2014	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2010
Audit Fees	0.50	1.00	0.80	0.80	0.70	0.80
Tax Audit Fees	0.13	0.25	0.25	0.20	0.15	0.15
Certification work (including limited reviews)	0.31	1.01	0.74	0.51	0.30	1.11
Tax Representation and other matters	0.03	0.17	0.44	0.14	0.16	0.24
Reimbursement of expenses	0.00	0.03	0.02	0.01	0.01	0.01
Total	**0.97**	**2.46**	**2.25**	**1.66**	**1.32**	**2.31**
*The above figures are exclusive of service tax						

For Subsidiaries

	Six Months ended September 30, 2014	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2010
Audit Fees	0.93	0.23	0.21	0.20	0.17	0.15
Tax Audit Fees	0.15	0.07	0.06	0.07	0.06	0.05
Certification work	-	-	-	0.10	-	-
Reimbursement of expenses	0.15	0.06	0.05	0.05	-	-
Total	**1.23**	**0.36**	**0.32**	**0.42**	**0.23**	**0.20**
*The above figures are exclusive of service tax						

23. **Foreign Exchange**

Foreign currency exposures that are not hedged by derivative instruments as at balance sheet date, are as under:

` million

	As at September 30, 2014	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011	As at March 31, 2010
Payables	134.86	33.11	58.67	35.07	36.23	7.74
Receivables	101.81	113.28	121.90	95.41	35.15	29.45

24. During the year ended March 31, 2013, the Group has given advances/deposits of ` 640.90 millions to various companies for the purpose of content and marketing of channels. However, due to various reasons, the contracts could not be executed and accordingly the advances/deposits have been received back.

25. During the year ended March 31, 2014, the Group has given advances of ` 246.25 million to certain parties for purchase of fixed assets. However, the contracts could not be executed and accordingly the capital advances have been received back subsequent to the balance sheet date.

26. The Company, during the year ended March 31, 2013, has entered into a channel management agreement i.e. operation and management of channel owned by the associate company. As per the agreed terms, the Group has agreed to bear all costs / expenses and losses that may be incurred in the operation of the channel and in case of net surplus after recovering of costs / expenses, share the surplus with the said party in the agreed ratio.

27. **Micro, Small and Medium Enterprises**

The Group has dues to Micro, Small and Medium Enterprises as under:

` million

	As at September 30, 2014	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011	As at March 31, 2010
Principal amount due to suppliers under the Act	1.25	-	-	-	-	-
Interest accrued and due to suppliers under the Act, on the above amount	0.01	-	-	-	-	-
Payment made to suppliers (other than interest) beyond the appointed day during the period / year	5.12	-	-	-	-	-
Interest paid to suppliers under the Act, (Other than Section 16)	-	-	-	-	-	-
Interest paid to suppliers under the Act, (Section 16)	-	-	-	-	-	-
Interest due and payable to suppliers under the Act, for payments already made	0.24	-	-	-	-	-
Interest accrued and remaining unpaid at the end of the period / year to suppliers under the Act	0.25	-	-	-	-	-

The above information has been given in respect of such vendors to the extent they could be identified by the management as Micro, Small and Medium Enterprises on the basis of information available with the Group.

28. The Management of the Company is of the opinion that its international and domestic transactions are at arm's length as per the independent accountants report for the year ended March 31, 2014. The Management continues to believe that its international transactions and the specified domestic transactions are at arm's length and that the transfer pricing legislation will not have any impact on these financial statements, particularly on amount of tax expense and that of provision of taxation.

29. **The Scheme of Amalgamation**

The Scheme of Amalgamation (the 'Scheme') under Section 391 to 394 and other applicable provisions of the Companies Act, 1956 for the amalgamation of Essel Publishers Private Limited ("EPPL") with the Company was approved by the Hon'ble Bombay High Court vide Order dated May 2, 2014, with Appointed Date being April 1, 2014. The Scheme has been made effective on May 27, 2014 and hence given effect to in the financial statements for the six months ended September 30, 2014. Pursuant to the Scheme, the entire business and whole of the undertaking of EPPL, including all assets and liabilities of EPPL as detailed below, vested in the Company as a going concern and recorded at their respective fair values as per Accounting Standard 14.

In pursuance of the Scheme, the Company on June 9, 2014 issued and allotted 122,381,817 fully paid up Equity Shares of ` 1 each to the shareholders of EPPL in the ratio of 2 fully paid up Equity Shares ` 1 each of the Company for every 11 Equity Shares ` 1 each held in EPPL.

The amount of ` 1,671.62 million i.e. excess of assets over liabilities transferred to the Company and cancellation of inter company balances and obligations, has been transferred to the Capital Reserve as detailed below:

` million

Particulars		
Assets		
Non-Current Investments:		
0% Compulsory Convertible Debentures of ` 1 each in Mediavest India Private Limited	1,837.66	
0.01% Compulsory Convertible Debentures of ` 100 each in Pri-Media Services Private Limited	1,100.00	
10,000 Equity shares of Mediavest India Private Limited of ` 10 each fully paid	0.10	
10,000 Equity shares of Pri - Media Services Private Limited of ` 10 each fully paid	0.10	2,937.86
Trade Receivables		0.07
Cash and Bank Balances		0.24

Particulars		
Total Assets		**2,938.17**
Less: Liabilities received:		
Other Current Liabilities		4.60
Total Liabilities		**4.60**
Net Assets		**2,933.57**
Less: Cancellation of Inter Company Balances and Obligations		1,139.57
Less: Shares allotted pursuant to the Scheme		122.38
Net Assets Transferred To Capital Reserve		**1,671.62**

Further, pursuant to the Scheme, the authorised share capital of the Company stands increased to ` 1700 million divided into 1700,000,000 Equity Shares of ` 1 each.

30. **The Scheme of Arrangement:**

"The Scheme of Arrangement under Section 391 to 394 and other applicable provisions of the Companies Act, 1956 between Zee Media Corporation Limited (ZMCL) and Zee Entertainment Enterprises Limited (ZEEL) and their respective shareholders and creditors was sanctioned by the Hon'ble Bombay High Court at Mumbai on March 19, 2010 and filed with the Registrar of Companies on March 29, 2010. Pursuant to the Scheme, the Regional General Entertainment Channel (RGEC) Business Undertaking of the Company, comprising of six television channels namely Zee Marathi, Zee Talkies, Zee Bangla, Zee Kannada, Zee Telugu and Zee Cinemalu (broadcasting yet to be commenced), assets of Zee Gujrati, a discontinued television channel, on a going concern basis has been transferred to and vested in ZEEL with effect from the appointed date i.e. January 1, 2010. The Scheme has been given effect to in these financial statements."

In consideration for the transfer and vesting of the RGEC Business Undertaking in ZEEL, the members of the Company holding fully paid-up equity shares in the Company, and whose names appear in the register of members of the Company, on the Record Date, are allotted 4 fully paid Equity Shares of ` 1 each of ZEEL for every 19 fully paid Equity Shares of ` 1 each held in ZMCL.

In pursuance of the Scheme of Arrangement approved by the Hon'ble Bombay High Court, Mumbai, the Board of Directors in the meeting held on March 25, 2010 has approved the transfer of assets and liabilities as under and approved adjustment of excess of the book value of the assets transferred over the book value of liabilities aggregating to ` 1,247.83 million against Capital Reserve Account.

` million

Particulars		
Assets		
Fixed Assets		63.90
Deferred Tax Assets		25.95
Current Assets, loans and advances:		
Program and Film Rights	1,679.20	
Inventories	2.16	
Sundry Debtors	1,251.11	
Cash and Bank Balances	86.66	
Loans and Advances	546.32	
	3,565.45	
Less: Current Liabilities and Provisions	1,144.37	2,421.08
Total		**2,510.93**
Less: Liabilities		
Secured and Unsecured Loans		1,263.10
Net Assets		**1,247.83**

31. **During the year, the Group has shared expenses with a related party, as under:**

` million

	Six Months ended September 30, 2014	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2010
Personnel Cost	-	-	-	-	-	84.10

	Six Months ended September 30, 2014	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2010
Administrative and Other Expenses	-	-	-	-	-	81.98
Selling and Distribution Expenses	-	-	-	-	-	0.72
Total	-	-	-	-	-	**166.80**

32. **Disclosure in accordance with Accounting Standard - 24:**

i) Carrying amount of assets and liabilities of continuing and discontinued operations as restated:

` million

Particulars	2010	
	Continuing Operations	Discontinued Operations (As Transferred)
Total Assets	4,180.67	3,656.06
Total Liabilities	2,529.89	2,407.47

ii) Revenue and expenses of continuing and discontinued operations as restated:

` million

Particulars	2010	
	Continuing Operations	Discontinued Operations
Income	2,531.26	2,942.64
Expenditure	2,540.73	2,158.79
Profit/(Loss) Before Tax	(9.47)	783.85
Tax Benefit / (Expenses)	(2.44)	(266.46)
Profit/(Loss) After Tax Before Minority Interest	(11.91)	517.39

iii) Cash flows from continuing and discontinued operations as restated:

` million

Particulars	2010	
	Continuing Operations	Discontinued Operations
Net Cash from / (used in):		
-Operating activities	(353.29)	493.29
-Investing activities	(932.17)	(30.93)
-Financing activities	709.65	(144.60)
Net Increase / (decrease) in cash and cash equivalents	(575.81)	317.76

33. During the year ended March 31, 2013, the Company was in the process of reconciling Integrated Receiver Decoder (IRD) boxes in possession of third parties with those as per the books of account. The Management is of the view that the financial impact on reconciliation, if any, would not be material.

34. **Additional information required to be disclosed as per the Schedule III of Companies Act, 2013**

Additional information required to be disclosed as per the Schedule III of Companies Act, 2013 is given in Annexure V (A).

35. **Other disclosures for Mediavest India Private Limited:**

a) The Company's net worth has been fully eroded due to accumulated losses and the loss for the six months period ended September 30, 2014. The negative net worth of the Company as at September 30, 2014 is ` 1,732.92 million. Though Company has incurred losses, the accounts have been prepared on going concern basis as the promoters have regularly financed the Company.

b) Investments in Equity shares of ` 5,201.70 million and Share application money of ` 2,696.40 million to subsidiary company viz. Diligent Media Corporation Limited are long term investments and having strategic business interests and hence the management is of the view that inspite of substantial losses, diminution in value of these investments is temporary in nature and accordingly no provision is considered necessary.

c) The Company was alloted 10,208 Equity shares of ` 100 each of United News of India (UNI) at a premium of ` 21,533 per share totaling to ` 220.83 million in the earlier years and also given share application money of ` 99.58 million for 4,603 Equity shares of ` 100 each at a premium of ` 21,533 per share, which pending allotment was shown under Other Advances.

d) The said allotment of shares was set aside by the Hon'ble Court in FY 2008-09 and as per the Terms of Settlement, UNI has to refund the amount received against shares allotted and on account of share application money along with interest. The balance amount of ` 3.71 million receivable from UNI is included in other advances. The management is of the view that the amount is good and recoverable.

e) The Scheme of Arrangement for Demerger of Media business undertaking of Diligent Media Corporation Limited (DMCL) vesting with the Zee Entertainment Enterprises Limited was approved by Hon'ble Bombay High Court with appointed date being March 31, 2014. In accordance with the Scheme, the shareholders of Diligent Media Corporation Limited (DMCL), during the six months period ended September 30, 2014, have been allotted 2,22,73,866 - 6% Non-cumulative Non-convertible Redeemable Preference Shares (Class A) of Re.1 each fully paid up. The said Preference Shares will not be listed on stock exchange.

36. **Other disclosures for Diligent Media Corporation Limited:**

a) Diligent Media Corporation Limited has received from its holding Company, Mediavest India Private Limited share application money of ` 2,696.40 million from time to time pending allotment and compliance with Notification issued under The Companies Act, 1956.

b) Some of the Debtors/Loans and advances and creditors and subscription liabilities, pending confirmation, reconciliation and adjustments. In the opinion of the management, same will not have any consequential material effect on the Statement of Profit and Loss and/or Assets and Liabilities.

c) The Scheme of Arrangement to demerge Media & Event Business:

A Scheme of Arrangement (“the Scheme”), for the demerger of Media and Event Business (the Business) of Diligent Media Corporation Limited "DMCL" called “the Transferor Company” to Zee Entertainment Enterprises Limited "ZEEL" (the Transferee Company) with effect from March 31, 2014, (“the Appointed Date”), was sanctioned by the Hon’ble High Court of Judicature at Bombay (“the Court”), vide its Order dated September 12, 2014 and certified copies of the Order of the Court and others sanctioning the Scheme were filed with the Registrar of Companies, Maharashtra on September 26, 2014 (the “Effective Date”).

The above Scheme of Arrangement between DMCL and ZEEL for demerger of the Business of the transferor company had been given effect in the books for the year ended March 31, 2004, by transferring to ZEEL, all the assets and liabilities related to the said business with effect from the appointed date, i.e., March 31, 2014, in terms of the Order dated September 12, 2014 with effective date September 26, 2014 of the Hon'ble Bombay High Court, (the Court). The accounting of such demerger of the said business, has been accounted for under the “purchase method” as prescribed by Accounting Standard AS 14 - Accounting for Amalgamations and the specific provisions of the Scheme.This has resulted in a deficit of ` 2,578.47 million and has been adjusted against the Securities Premium Account, as per the directions of the said Court. The brief of the assets and liabilities of the said business is detailed below:

Particulars	` million
Total Assets	3,627.97
Total Liabilities	1,049.50
Net Assets	**2,578.47**

d) Purchase of Newsprint for the six months period ended September 30, 2014 is net of Newsprint taken and given on loan of ` 8.45 million.

37. **Other disclosures for Pri Media Services Private Limited:**

a) Some of the Debtors/Loans and advances and creditors, pending confirmation, reconciliation and adjustments. In the opinion of the management, same will not have any consequential material effect on the Statement of Profit and Loss and/or Assets and Liabilities.

b) The Current assets, Loans and advances are stated at the values, which in the opinion of the Management, are realisable in the ordinary course of business at the amounts stated in the financial statements for the six months period ended September 30, 2014.

38. **Material development subsequent to September 30, 2014**

Maurya TV Private Limited, an associate company as on September 30, 2014, has become a wholly owned subsidiary company w.e.f. December 12, 2014 on acquisition of remaining shares of the said company.

39. **Comparative**

The financials for the six months period ended September 30, 2014 are not comparable with full year figures presented for five years. Further the financials of a period / year is not comparable with other period / year due to the subsidiaries acquired / transferred and demerger of certain channels.

Annexure VI
Statement of Adjustment to Audited Consolidated Financial Statements

A. **Material Adjustments:**

The summary of results of restatements made in the audited consolidated financial statements of the Group for the respective period / years and their impact on the profit / (losses) of the Group is as under:

` million

Particulars	Explanatory Note No.	Six Months ended September 30, 2014	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2010
Profit / (Loss) as per audited consolidated financial statements		**(321.71)**	**189.32**	**241.68**	**115.47**	**163.67**	**456.84**
Impact due to:							
Liabilities / Excess provisions written back	(a)	(1.07)	(43.27)	1.65	(46.69)	35.14	28.64
Prior Period Items	(b)	0.57	(1.12)	0.59	(1.31)	1.28	9.60
Interest expense	(c)	-	-	-	-	0.03	-
Preliminary Expenses	(d)	-	-	-	-	-	0.08
Tax expense of prior periods	(e)	-	(9.48)	2.79	27.09	-	11.53
Tax Impact on adjustments made as above		0.17	15.09	(0.72)	15.38	(9.11)	(12.67)
Total Impact of adjustments		**(0.33)**	**(38.78)**	**4.31**	**(5.53)**	**4.76**	**37.18**
Profit / (Loss) before Minority Interest		**(322.04)**	**150.54**	**245.99**	**109.94**	**168.43**	**494.02**
Add / (Less) : Minority Interest		-	(0.28)	0.26	(0.05)	(0.25)	(0.14)
Profit / (Loss) after tax, as restated		**(322.04)**	**150.26**	**246.25**	**109.89**	**168.18**	**493.88**

Explanatory Note:

a) During the six months ended September 30, 2014 and financial year ended March 31, 2014, 2013, 2012, 2011 and 2010, certain liabilities / excess provisions were written back to the Statement of Profit and Loss Account. For the purpose of this statement, such liabilities / excess provisions written back have been appropriately adjusted in the respective years in which such liabilities / provisions were originally recognised.

b) (i) During the six months ended September 30, 2014 and financial year ended March 31, 2014, 2012, 2011 and 2010, certain items of income / expense were identified as prior period items. For the purpose of this statement, such prior period items have been appropriately adjusted in the respective years to which it relates.

(i) During the financial year ended March 31, 2014, the Company has availed CENVAT credit of ` 7.13 million on fixed assets capitalized during the year ended March 31, 2013. For the purpose of this statement, the CENVAT credit claimed has been adjusted in the fixed assets for the year ended March 31, 2013 along with related depreciation of ` 0.38 million. Such depreciation is included in prior period adjustments given above.

c) During the financial year ended March 31, 2011, direct tax expense of ` 0.29 million and excess provision for fringe benefit tax ` 0.26 million were wrongly grouped under 'Interest - Others'. Further both these items were in respect to period before April 01, 2009. For the purpose of this statement, these items have been adjusted in the Surplus in the Statement of Profit and Loss as at April 01, 2009.

d) One of the subsidiary is amortising Preliminary Expenses over the period of five years as against the Group's present policy to expense out all Preliminary Expenses in the year such expenses are incurred. For the purpose of Restated Consolidated Financial Information, these expenses are adjusted in the Surplus in the Statement of Profit and Loss as at April 01, 2009.

e) During the financial year ended March 31, 2014, 2013, 2012, 2011 and 2010, the Company has incurred tax expense / reversal of excess tax provision related to prior periods which for the purpose of this statement, have been appropriately adjusted in the respective years to which they relates.

B. **Reconciliation of Surplus in the Statement of Profit and Loss as at April 01, 2009:**

Particulars	Refer Explanatory Note No. (above)	` million
Surplus in the Statement of Profit and Loss as at April 01, 2009		**654.98**
Adjustments:		
Liabilities / Excess provisions written back	(a)	24.41
Prior Period Items	(b)	(8.40)
Interest expense	(c)	(0.03)
Preliminary expense	(d)	(0.08)
Tax expense of prior periods	(e)	(9.43)
Tax Impact on adjustments made as above		(8.07)
Total Impact of adjustments		**(1.60)**
Profit / (Loss) before Minority Interest		**653.38**
Add / (Less) : Minority Interest		0.47
Surplus in the Statement of Profit and Loss, as restated		**653.85**

C. **Adjustments for change in Accounting Policies:**

Until March 31, 2012, Preliminary Expenses were being amortised over a period of five years. From April 01, 2012, Preliminary Expenses are being amortised in the year in which such expenses are incurred. Accordingly, as per the present policy of the Company, unamortised Preliminary Expenses amortised in the year ended March 31, 2010 has been adjusted in the Surplus in the Statement of Profit and Loss as at April 01, 2009.

D. **Non Adjustment Items:**

1. Change in Accounting Policy:

Until March 31, 2011, the valuation of inventories of Raw Stock- Tapes was done on first-in, first-out (FIFO) basis. From April 01, 2011, valuation of inventories of Raw Stock- Tapes is determined on the basis of weighted average basis, due to implementation of ERP. The impact of such change in the accounting policy can not be derived from the system but is likely to be insignificant, considering inventories in hand, and accordingly no retrospective effect has been given to in the Restated Consolidated Financial Information.

2. Change in Useful Life of Fixed Assets pursuant to the Schedule II of The Companies Act, 2013 made effective from April 01, 2014:

With effect from April 01, 2014, the Group has revised the useful life of some of its fixed assets to comply with the useful life as prescribed by Schedule II to the Companies Act, 2013. As per Note 7 of Part C of Schedule II to the Companies Act, 2013 the carrying amount of the asset as on the date, the date from which the Schedule comes in to effect (i.e., April 01, 2014) has to be depreciated over the remaining prescribed useful life of the asset. Consequently, the depreciation charge for the six months period ended September 30, 2014 is higher by ` 96.44 million. Further, where the remaining useful life of an asset is nil, the carrying amount of the asset as on that date (i.e., April 01, 2014) has to be recognised in the opening balance of retained earnings. Accordingly, depreciation amounting to ` 63.52 million (net of minority interest of ` 1.35 million) and related deferred tax assets of ` 21.59 million (net of minority interest of ` 0.46 million) has been adjusted in the opening balance of the surplus in the Statement of Profit and Loss. This, being a change in accounting estimate, hence no adjustment is required in this regard in the Restated Consolidated Financial Information.

3. Auditors' qualifications requiring corrective adjustment in the Restated Consolidated Financial Information:

In case of Mediavest India Private Limited (MIPL), their auditors have qualified their report for the six months period ended September 30, 2014 for the diminution in the value of investments in Equity Shares and Share Application Money paid to its step down subsidiary viz. Diligent Media Corporation Limited (DMCL),

aggregating to ` 7,898.10 million, as required by AS-13 "Accounting for Investments", which is considered as temporary in nature by the management. Had the amount been provided as diminution, loss for the period and the deficit in the Statement of Profit and Loss would have been higher to that extent. However, no effect has been considered for the same in Restated Financial Information prepared by MIPL.

In view of the management of MIPL, inspite of substantial losses, diminution in the value of these investments is temporary in nature and no provision is considered necessary as these investments are long term investments and having strategic business interests.

The above audit qualification has no impact on the Restated Consolidated Financial Information as the aforementioned investment in Equity Shares and Share Application Money by MIPL has been eliminated on consolidation.

4. Other matters of emphasis, which do not require any corrective adjustment in the Restated Consolidated Financial Information is as follows:

Six months period ended September 30, 2014

In case of MIPL, the auditors have reported that MIPL's net worth has been fully eroded due to accumulated losses and the losses for the six months period ended September 30, 2014. The negative net worth of MIPL as at September 30, 2014 is ` 1,732.92 million. Though MIPL has incurred losses, the accounts have been prepared on going concern basis as the Promoters have regularly financed MIPL.

5. Other remarks/ observation in the Annexure to Auditors' Report (pursuant to the Companies (Auditors' Report) Order, 2003), which do not require any corrective adjustment in the Restated Consolidated Financial Information are as follows:

(i)a **Financial Year ended March 31, 2014, 2013, 2011**

All the fixed assets, except Integrated Receiver Decoders (IRD) boxes lying with third parties, have been physically verified by the management during the year. In our opinion, the periodicity of verification is reasonable having regard to the size of the Company and the nature of its assets. Discrepancies noticed on such verification, which are not material, have been properly dealt with in the books of account.

(i)b **Financial Year ended March 31, 2012**

All the fixed assets, except assets lying with third parties (including capital work in progress), have been physically verified by the management during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. As informed, no material discrepancies were noticed on such verification.

(i)c **Financial Year ended March 31, 2010**

According to the information and explanations given to us, the fixed assets except lying with third parties have been physically verified by the management as per the phased program of verification and the material discrepancies noticed on such verification have been properly dealt with in books of account. In our opinion, the frequency of such verification is reasonable having regard to the size of the Company and nature of its assets.

(ii)a **Financial Year ended March 31, 2014**

In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of inventory and sale of goods and services, however internal control system for purchase of fixed assets is required to be strengthened. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in the internal control system in respect of the aforesaid areas.

(ii)b **Financial Year ended March 31, 2013**

In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of fixed assets and sale of television programs (inventory) and services, however internal control system for purchase of television programs (inventory) is required to be strengthened. During the course of our audit, we have not

observed any continuing failure to correct major weaknesses in the internal control system in respect of the aforesaid areas.

(iii)a **Financial Year ended March 31, 2014**

Undisputed Statutory dues including provident fund, investor education and protection fund, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess and others as applicable have generally been regularly deposited with the appropriate authorities. There are no undisputed amounts payable in respect of the aforesaid dues outstanding as at 31 March, 2014 for a period of more than six months from the date they became payable except income tax demand of ` 0.23 million for AY 2010-11 for which rectification application is filed.

(iii)b **Financial Year ended March 31, 2012**

Undisputed Statutory dues including provident fund, investor education and protection fund, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess and others as applicable have generally been regularly deposited with appropriate authorities except delay in few cases. There are no undisputed amounts payable in respect of the aforesaid dues which have remained outstanding as at March 31, 2012 for a period of more than six months from the date they became payable.

(iv)a **Financial Year ended March 31, 2014**

According to the records of the Company, the dues of income tax and service tax which are not deposited on account of any dispute are as under:

Name of the Statute	Nature of the Dues	Amount (` million)	Period to which the amount relate	Forum where dispute is pending
The Income Tax Act, 1961	Income Tax	6.68	A.Y. 2007-2008	Commissioner of Income Tax (Appeals)
		317.75	A.Y. 2008-2009	
		2.64	A.Y. 2011-2012	
The Central Excise Act, 1944	Service Tax and penalty	142.63 #	AY 2008-2009 to 2012-2013*	Central Excise and Service Tax Appellant Tribunal

Interest and penalty to the extent quantified.
*Appeal to be filed before due date.

(iv)b **Financial Year ended March 31, 2013**

According to the records of the Company, the dues of income tax which are not deposited on account of any dispute are as under:

Name of the Statute	Nature of the Dues	Amount (` million)	Period to which the amount relate	Forum where dispute is pending
The Income Tax Act, 1961	Income Tax	6.68	A.Y. 2007-2008	Commissioner of Income Tax (Appeals)
		0.31	A.Y. 2008-2009	
		2.69	A.Y. 2010-2011	
The Income Tax Act, 1961	Income Tax- Tax Deducted at Source	2.08	A.Y. 2008-2009	Commissioner of Income Tax (Appeals)
		0.59	A.Y. 2009-2010	

(iv)c **Financial Year ended March 31, 2012**

According to the records of the Company, the dues of income tax which are not deposited on account of any dispute are as under:

Name of the Statute	Nature of the Dues	Amount (` million)	Period to which the amount relate	Forum where dispute is pending
The Income Tax Act, 1961	Income Tax	0.52	A.Y. 2008-2009	Commissioner of Income Tax (Appeals), Mumbai

Name of the Statute	Nature of the Dues	Amount (` million)	Period to which the amount relate	Forum where dispute is pending
The Income Tax Act, 1961	Income Tax	0.23	A.Y. 2009-2010	Commissioner of Income Tax (Appeals)-Mumbai
The Income Tax Act, 1961	Income Tax Deducted at source	2.08	A.Y. 2008-2009	Commissioner of Income Tax (Appeals)- Ghaziabad
The Income Tax Act, 1961	Income Tax Deducted at source	0.59	A.Y. 2009-2010	Commissioner of Income Tax (Appeals)- Ghaziabad

(iv)d **Financial Year ended March 31, 2011**

According to the records of the Company, there are no dues in respect of Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty and Cess, which have not been deposited on account of any dispute except the followings:

Name of the Statute	Nature of the Dues	Amount (` million)	Period to which the amount relate	Forum where dispute is pending
The Income Tax Act, 1961	Income Tax	0.52	A.Y. 2008-2009	Commissioner of Income Tax (Appeals)

(v) **Financial Year ended March 31, 2014**

According to the records of the Company examined by us, the information and explanations given to us and based on extension granted by the bank for repayment of principal and interest, the Company has not defaulted in repayment of dues to banks. The Company has not borrowed any funds from financial institutions or issued debentures during the year.

(vi) **Financial Year ended March 31, 2010**

Based on the audit procedures performed and according to the information and explanations given to us no fraud on the Company or by the Company has been noticed or reported except misappropriation of ` 7.0 million approximately by certain employees reported by the Company.

6. Other disclosures related to Subsidiaries:

(i) **Diligent Media Corporation Limited**

The Company's accumulated losses as at September 30, 2014 aggregating to ` 9,618.42 million has resulted in complete erosion of the net worth of the Company. In view of the erosion of the entire Equity, the Promoter viz. Mediavest India Private Limited has given a support letter to bring in funds from time to time to ensure continuation of operations and to ensure compliance of Going Concern policy. Based on the above, the management is of the opinion that it is appropriate to prepare the financial statements of the Company on Going Concern basis.

(ii) **Pri Media Services Private Limited**

The Company's accumulated losses as at September 30, 2014 aggregating to ` 79.54 million has resulted in complete erosion of the net worth of the Company. In view of the erosion of the entire Equity, the Promoter viz. Zee Media Corporation Limited has given a support letter to bring in funds from time to time to ensure continuation of operations and to ensure compliance of Going Concern policy. Based on the above, the management is of the opinion that it is appropriate to prepare the financial statements of the Company on Going Concern basis.

(iii) **Six months period ended September 30, 2014**

All the fixed assets, except Integrated Receiver Decoders (IRD) boxes lying with third parties, have been physically verified by the management during the year. In our opinion, the periodicity of verification is reasonable having regard to the size of the Company and the nature of its assets. Discrepancies noticed on such verification, which are not material, have been properly dealt with in the books of account.

E. **Material Regroupings:**

Appropriate adjustments have been made in the Restated Consolidated Financial Information, wherever required, by reclassification and regrouping of the corresponding items of assets, liabilities, income, expenditure and cash flows, in order to bring them in line with the presentation as per the audited financials of the Company for the period ended September 30, 2014 which have been prepared as per the Schedule III to the Companies Act, 2013.

For and on behalf of the Board

Dr. Subhash Chandra	Non-Executive Chairman
Surjit Banga	Director
Dinesh Garg	Chief Financial Officer
Pushpal Sanghavi	Company Secretary

Annexure VII
Restated Consolidated Summary Statement of Long-Term Borrowings

` million

Particulars	Non- Current Maturities						Current Maturities					
	As at September 30, 2014	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011	As at March 31, 2010	As at September 30, 2014	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 20110	As at March 31, 2010
Secured Borrowings												
Term Loan from Bank	2,798.30	674.25	-	170.00	350.00	-	164.10	-	170.00	180.00	150.00	-
Vehicle Loans												
- from Banks	1.65	2.63	2.68	6.43	12.05	1.01	1.51	2.31	5.65	7.14	7.09	2.78
- from Others	1.34	1.96	3.57	1.74	1.36	2.16	1.18	1.62	2.20	1.96	2.13	2.61
	2,801.29	**678.84**	**6.25**	**178.17**	**363.41**	**3.17**	**166.79**	**3.93**	**177.85**	**189.10**	**159.22**	**5.39**
Less: Amount disclosed under "Other Current Liabilities" (Refer 'Note 6 of Annexure V')	-	-	-	-	-	-	166.79	3.93	177.85	189.10	159.22	5.39
Total	**2,801.29**	**678.84**	**6.25**	**178.17**	**363.41**	**3.17**	**-**	**-**	**-**	**-**	**-**	**-**

Note:

1 There are no borrowings from any related party.

2 The above statement should be read with the Significant Accounting Policies appearing in Annexure IV, Notes to the Restated Consolidated Financial Information appearing in Annexure V and Statement of Adjustment to Audited Consolidated Financial Statements appearing in Annexure VI.

3 For terms, conditions and other details in respect of above borrowings outstanding as on September 30, 2014, refer Annexure VII (A).

For and on behalf of the Board

Dr. Subhash Chandra Non-Executive Chairman

Surjit Banga Director

Dinesh Garg Chief Financial Officer

Pushpal Sanghavi Company Secretary

Annexure VII (A)
Statement of Principal Terms of Long Term Borrowings outstanding as at September 30, 2014

Term Loan from Banks

` million

Name of Bank	Borrower	Loan Sanctioned	Loan Drawn / Disbursed	Loan Outstanding	Refer Note below
State Bank of India	Zee Media Corporation Limited	800.00	772.91	772.91	A
Jammu and Kashmir Bank Limited	Pri-Media Services Private Limited	1,090.00	1,090.00	1,089.49	B
IDBI Bank Limited	Pri-Media Services Private Limited	1,100.00	1,100.00	1,100.00	C
Total		**2,990.00**	**2,962.91**	**2,962.40**	

A. **Terms & Conditions - Term Loan from State Bank of India**

` million

Name of Bank	Borrower	Loan Sanctioned	Loan Drawn / Disbursed	Loan Outstanding
State Bank of India	Zee Media Corporation Limited	800.00	772.91	772.91

(i) Security
Term Loan from bank is secured by way of first hypothecation charge on entire movable fixed assets of Zee Media Corporation Limited except vehicles.

(ii) Interest Rate
The loan carries interest @ Base Rate + 200 bps, currently being 12% p.a., payable monthly.

(iii) Repayment
After moratarium of 23 months from date of first disbursement - the loan is repayable in 14 quarterly installments commencing from October 2015, as follows:

` million

Repayable in	Repayment Amount
FY 2015-16	72.00
FY 2016-17	96.00
FY 2017-18	160.00
FY 2018-19	160.00
FY 2019-20	192.00
FY 2020-21	120.00

(iv) Prepayment
Prepayment penalty will not apply in case loan is pre-paid out of own resources. 25% concession in repayment penalty if prepaid after 3rd year.

(v) Penalties
a) In case of default in payment of installment/interest of SBI or other lenders, penal interest @ 1% payable on entire outstanding for the period of such default.
b) In case of any adverse deviation by more than 20% from the stipulated levels of any two of Current Ratio, Total Debt Gearing Ratio and Interest Coverage Ratio, penal interest at the rate of 1% per annum.

(vi) Cancellation of Limits
Bank reserves the absolute right to cancel the limits (either fully or partially) unconditionally without prior notice in case of :
- Limits partly / wholly not utilised, and / or
- Deterioration in the loan accounts in any manner whatsoever, and / or
- Non-compliance of terms and conditions of the sanction.

B. Terms & Conditions - Term Loan from Jammu and Kashmir Bank Limited

` million

Name of Bank	Borrower	Loan Sanctioned	Loan Drawn / Disbursed	Loan Outstanding
Jammu and Kashmir Bank Limited	Pri-Media Services Private Limited	1,090.00	1,090.00	1,089.49

(i) Security

Primary security:

First Pari Passu charge in favor of Jammu and Kashmir Bank Limited, on all the Fixed Assets including Leasehold land and Building plant and machinery of the Company present and future as under:

a) Hypothecation of Plant and Machinery of the Company at Mumbai , Pune and Bangalore with value of ` 1,611.0 million.

b) Mortage of leasehold land and building situated at Plot No. EL 201, near Nelco Mahape, TTC industrial area MIDC, Navi Mumbai - 400705, valued at ` 1,818.5 million.

c) Mortage of leasehold land and building situated at Plot No. 296/297 KIABD industrial area, Bommasandra Jigani Link Road, Bangalore - 562106, valued at ` 267.1 million.

Second Pari Passu charge on all the current assets, receivables of the Company present and future.

Collateral: Corporate Guarantee of Zee Media Corporation Limited

(ii) **Interest Rate**

The loan carries interest @ Base rate + 2.75% p.a., presently 13% p.a. payable monthly.

(iii) **Repayment**

After moratarium of 12 months from date of first disbursement - the loan is repayable in 23 quarterly installments commencing from March 2015, as follows:

` million

Repayable in	Repayment Amount
FY 2014-15	27.20
FY 2015-16	81.90
FY 2016-17	136.20
FY 2017-18	190.70
FY 2018-19	245.30
FY 2019-20	272.50
FY 2020-21	136.20

(iv) Penalties

a) In case of delay of more than 15 days in payment of installment/interest, penal interest @ 2% p.a.

b) In case of delay of more than 60 days in submission of audited financials, penal interest @ 2% p.a.

c) In case of default in non creation of charge, penal interest @ 1% payable on entire outstanding for the period of such default.

C. Terms & Conditions - Term Loan from IDBI Bank Limited

` million

Name of Bank	Borrower	Loan Sanctioned	Loan Drawn / Disbursed	Loan Outstanding
IDBI Bank Limited	Pri-Media Services Private Limited	1,100.00	1,100.00	1,100.00

(i) **Security**

Primary security:

First Pari Passu charge in favor of IDBI Bank Limited, on all the Fixed Assets including Leasehold land and Building plant and machinery of the Company present and future as under:

a) Hypothecation of Plant and Machinery of the Company at Mumbai , Pune and Bangalore with value of ` 1,611.0 million.

b) Mortage of leasehold land and building situated at Plot No. EL 201, near Nelco Mahape, TTC industrial area MIDC, Navi Mumbai - 400705, valued at ` 1,818.5 million.

c) Mortage of leasehold land and building situated at Plot No. 296/297 KIABD industrial area, Bommasandra Jigani Link Road, Bangalore - 562106, valued at ` 267.1 million.

Second Pari Passu charge on all the current assets, receivables of the Company present and future.

Collateral: Corporate Guarantee of Zee Media Corporation Limited.

The Company shall create and maintain a separate Debt Service Reserve Account (DSRA) to meet debt service requirements of ensuing one quarter (Fixed Deposit of ` 38.00 million).

(ii) **Interest Rate**

The loan carries interest @ Base Rate + 350 bps p.a. (present effective rate is 13.75% p.a.)., payable monthly.

(iii) **Repayment**

After moratarium of 12 months from date of first disbursement - the loan is repayable in 24 quarterly installments commencing from April 2015, as follows:

` million

Repayable in	Repayment Amount
FY 2015-16	55.00
FY 2016-17	110.00
FY 2017-18	165.00
FY 2018-19	220.00
FY 2019-20	275.00
FY 2020-21	275.00

(iv) **Penalties**

a) In case of default in repayment of loans, penal interest @ 2% payable on entire outstanding for the period of such default.

b) In case of default in non creation of charge, penal interest @ 1% payable on entire outstanding for the period of such default.

c) In case of diversion of the facilities to inter - corporate deposits, debentures, stocks and shares, real estate business etc., the facilities will be withdrawn forthwith and will also attract penal interest @ 2% over and above the rate charged till the repayment.

Vehicles Loans

The Company has taken Vehicle Loans for purchase of vehicles. These loans are secured by way of hypothecation of vehicles. The terms and conditions alongwith outstanding balances as on September 30, 2014 are as under:

Loan Taken from	Loan Drawn / Disbursed (` million)	Loan Outstanding (` million)	Interest Rate (per annum)	Repayment *
Loans from Banks				
Axis Bank Limited	3.29	1.71	8.90% to 9.75%	Repayable upto February 2016
ICICI Bank Limited	1.50	1.45	10.00%	Repayable upto July 2018
Loans from Others				
Kotak Mahindra Prime Limited	4.58	2.52	12.25%	Repayable upto September 2016
Total		**5.68**		

* The loans are repayable in monthly installments.

For and on behalf of the Board

Dr. Subhash Chandra	Non-Executive Chairman
Surjit Banga	Director
Dinesh Garg	Chief Financial Officer
Pushpal Sanghavi	Company Secretary

Annexure VIII
Restated Consolidated Summary Statement of Short-Term Borrowings

` million

	As at September 30, 2014	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011	As at March 31, 2010
Secured						
Cash Credit from Bank	734.99	431.86	482.54	12.76	-	180.55
Working Capital Loan from Bank	-	-	-	400.00	-	1,000.00
Total Secured Borrowings	**734.99**	**431.86**	**482.54**	**412.76**	**-**	**1,180.55**
Unsecured						
Inter Corporate Deposits from Related Parties	328.02	-	-	-	-	-
Short-Term Loan from Bank	-	-	-	-	-	500.00
Total Unsecured Borrowings	**328.02**	**-**	**-**	**-**	**-**	**500.00**
Total Short-Term Borrowings	**1,063.01**	**431.86**	**482.54**	**412.76**	**-**	**1,680.55**

Note:

1. Amount due from related parties includes

` million

Amount due from related parties includes:	
- Due from Subsidiaries	-
- Due from Associates	-
- Due from Others	328.02
	328.02
Amount due from other related parties includes:	
- Due from Promoters	-
- Due from Promoter Group Companies	-

(i) List of related parties are identified by the management as per Accounting Standard - 18 " Related Party Disclosures" and relied up on by the auditors.

(ii) List of persons / entities classified as Promoters / Promoter Group Companies has been determined by the management and relied up on by the auditors.

2. The above statement should be read with the Significant Accounting Policies appearing in Annexure IV, Notes to the Restated Consolidated Financial Information appearing in Annexure V and Statement of Adjustment to Audited Consolidated Financial Statements appearing in Annexure VI.

3. For terms, conditions and other details in respect of above borrowings outstanding as on September 30, 2014, refer Annexure VIII (A).

For and on behalf of the Board

Dr. Subhash Chandra Non-Executive Chairman

Surjit Banga Director

Dinesh Garg Chief Financial Officer

Pushpal Sanghavi Company Secretary

Annexure VIII (A)
Statement of Principal Terms of Short Term Borrowings outstanding as at September 30, 2014

1. **Cash Credit Facilities from Banks**

` million

Name of Bank	Borrower	Sanctioned Limit	Outstanding Balance	Refer Note below
State Bank of India	Zee Media Corporation Limited	450.00	400.67	A
Jammu and Kashmir Bank Limited	Pri-Media Services Private Limited	200.00	199.90	B
IDBI Bank Limited	Pri-Media Services Private Limited	150.00	134.42	C
Total		**800.00**	**734.99**	

A. **Terms & Conditions - Cash Credit from State Bank of India**

` million

Name of Bank	Borrower	Sanctioned Limit	Outstanding Balance
State Bank of India	Zee Media Corporation Limited	450.00	400.67

(i) Security

Cash Credit loan from bank is secured by way of hypothecation charge on entire current assets and collaterally secured by first hypothecation charge on entire movable fixed assets except vehicles.

(ii) Interest Rate

The loan carries interest @ Base Rate + 125 bps, currently being 11.25% p.a., payable monthly.

(iii) Penalties and Commitment Charges

a) Following events shall attract penal interest:
- Irregularities in the account - penal interest @ 2% - on the entire outstanding if continuously irregular for more than 60 days and in other cases on the irregular portion.
- Non submission of stock statements on time - penal interest @ 1%.
- Non compliance with covenants - submission of stock statements on time, penal interest @ 1% on the entire outstanding.
  However, the total penal interest charged on a borrower due to various non-compliances will not exceed 3% p.a.

b) In case of any adverse deviation by more than 20% from the stipulated levels of any two of Current Ratio, Total Debt Gearing Ratio and Interest Coverage Ratio, penal interest at the rate of 1% per annum.

c) Commitment charges:

Average Utilisation	Commitment Charges
More than 75%	Nil
Between 50-75%	0.25% p.a. (to be recovered on entire unutilized portion on quarterly basis)
Less than 50%	0.50% p.a. (to be recovered on entire unutilized portion on quarterly basis)

(iv) Cancellation of Limits

Bank reserves the absolute right to cancel the limits (either fully or partially) unconditionally without prior notice in case of :

- Limits partly / wholly not utilised, and / or
- Deterioration in the loan accounts in any manner whatsoever, and / or
- Non-compliance of terms and conditions of sanction.

B. Terms & Conditions - Cash Credit from Jammu and Kashmir Bank Limited

` million

Name of Bank	Borrower	Sanctioned Limit	Outstanding Balance
Jammu and Kashmir Bank Limited	Pri-Media Services Private Limited	200.00	199.90

(i) Security:

First Pari Passu charge on all the current assets wherever lying, receivables of the Company present and future. Second pari Passu chatge on all the fixed assets including plant and machinery of the Company wherever lying/installed both present and future, collaterally secured by Corporate Guarantee of Zee Media Corporation Limited.

(ii) Interest Rate

The loan carries interest @ Base rate + 2.25% p.a., presently 12.50% p.a., payable monthly.

(iii) Penalties and Commitment Charges

a) Following events shall attract penal interest:
- In case of delay of more than 15 days in payment of interest, penal interest @ 2% p.a.
- In case of delay of more than 30 days in submission of stock statement/book debts, penal interest @ 2% p.a.
- In case of default in non creation of charge, penal interest @ 1% payable on entire outstanding for the period of such default.

b) Commitment charges:

Average Utilisation	Commitment Charges
More than 70%	Nil
Between 50-70%	0.25% p.a.
Less than 50%	0.50% p.a.

C. Terms & Conditions - Cash Credit from IDBI Bank Limited

` million

Name of Bank	Borrower	Sanctioned Limit	Outstanding Balance
IDBI Bank Limited	Pri-Media Services Private Limited	150.00	134.42

(i) Security

First Pari Passu charge on all the current assets wherever lying, receivables of the Company present and future. Second pari Passu charge on all the fixed assets including plant and machinery of the Company wherever lying/installed both present and future, collaterally secured by Corporate Guarantee of Zee Media Corporation Limited.

(ii) **Interest Rate**

The loan carries interest @ Base Rate + 300 bps, currently being 13.25% p.a., payable monthly.

(iii) **Penalties and Commitment Charges**

a) Following events shall attract penal interest:
- In case of defult in repayment of loans, penal interest @ 2% p.a.
- Non submission of stock & Debtors statements and cash flow statements on time - penal interest @ 2%.
- In case of default in non creation of charge, penal interest @ 1% payable on entire outstanding for the period of such default.

b) Incase of diversion of the facilities to inter-corporate deposits, debentures, stocks and shares, real estate business, etc., the facilities will be withdrawn forthwith and will also attract penal interest @2% over and above the rate charged till the repayment.

c) Commitment charges:

Average Utilisation	Commitment Charges
More than 50%	Nil
Less than 50%	0.25% p.a. (Charges payable on half yearly basis)

2. **Inter Corporate Deposits from Related Parties**

` million

Name of Loaner	Borrower	Sanctioned Limit	Outstanding Balance
Tapaswi Mercantile Private Limited	Diligent Media Corporation Limited	1,360.00	328.02

Terms & Conditions - ICD from Tapaswi Mercantile Private Limited

(i) **Interest Rate**
The loan carries nil interest.

(ii) **Cancellation of Limits**
The ICD agreement is effective from July 01, 2013 for a maximum period of 24 months, and the loan is repayable on demand.

For and on behalf of the Board

Dr. Subhash Chandra Non-Executive Chairman

Surjit Banga Director

Dinesh Garg Chief Financial Officer

Pushpal Sanghavi Company Secretary

Annexure IX
Restated Consolidated Summary Statement of Non-Current Investments

` million

		As at September 30, 2014	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011	As at March 31, 2010
	Investments (valued at cost unless otherwise stated)						
i)	**Trade Investments (Equity shares of Rs. 10 each, fully paid up) - Unquoted**						
	In Associate						
	8,380,241 of Maurya TV Private Limited (extent of holding 37.87%)	39.00	39.00	-	-	-	-
	(includes unamortised goodwill of ` 22.51 million)						
		39.00	**39.00**	-	-	-	-
	In Others						
	435,000 of Akash Bangla Private Limited	60.90	60.90	60.90	60.90	60.90	60.90
	Less: Provision for diminution in value of investment	60.90	60.90	60.90	60.90	-	-
		-	-	-	-	**60.90**	**60.90**
ii)	**Non-Trade Investments - Unquoted**						
	22,273,886 6% Non-cumulative Redeemable Non-Convertible Preference shares of Rs. 1 each, fully paid up of Zee Entertainment Enterprises Limited	22.27	-	-	-	-	-
		22.27	-	-	-	-	-
	Total	**61.27**	**39.00**	-	-	**60.90**	**60.90**
	Aggregate amount of unquoted Investments	122.17	99.90	60.90	60.90	60.90	60.90
	Aggregate amount of quoted Investments	-	-	-	-	-	-
	Provision for Diminution in value of investments	60.90	60.90	60.90	60.90	-	-
	Investments in Related Parties	**61.27**	**39.00**	-	-	-	-

Note:

1 List of related parties are identified by the management as per Accounting Standard - 18 "Related Party Disclosures" and relied up on by the auditors.

2 The above statement should be read with the Significant Accounting Policies appearing in Annexure IV, Notes to the Restated Consolidated Financial Information appearing in Annexure V and Statement of Adjustment to Audited Consolidated Financial Statements appearing in Annexure VI.

For and on behalf of the Board

Dr. Subhash Chandra Non-Executive Chairman

Surjit Banga	Director
Dinesh Garg	Chief Financial Officer
Pushpal Sanghavi	Company Secretary

Annexure X
Restated Consolidated Summary Statement of Loans and Advances

` million

	Long – Term						Short - Term					
	As at September 30, 2014	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011	As at March 31, 2010	As at September 30, 2014	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011	As at March 31, 2010
(unsecured, considered good unless otherwise stated)												
Capital Advances												
Related Parties	1.89	1.89	-	-	-	-	-	-	-	-	-	-
Others (Refer 'Note 25 of Annexure V')	92.99	334.44	4.35	10.43	2.23	32.64	-	-	-	-	-	-
	94.88	**336.33**	**4.35**	**10.43**	**2.23**	**32.64**	**-**	**-**	**-**	**-**	**-**	**-**
Deposits												
Related Parties	56.17	55.36	14.40	-	-	-	-	-	-	-	22.00	22.00
Others:												
For Programs and Contents	-	-	-	-	-	-	-	-	-	512.65	-	-
For Others: Considered Good	41.46	24.44	23.18	23.48	15.71	37.12	5.63	3.00	2.50	2.25	13.89	1.61
Considered Doubtful	-	-	-	-	-	-	1.61	-	-	-	-	-
	97.63	**79.80**	**37.58**	**23.48**	**15.71**	**37.12**	**7.24**	**3.00**	**2.50**	**514.90**	**35.89**	**23.61**
Less: Provision for doubtful deposits	-	-	-	-	-	-	1.61	-	-	-	-	-
	97.63	**79.80**	**37.58**	**23.48**	**15.71**	**37.12**	**5.63**	**3.00**	**2.50**	**514.90**	**35.89**	**23.61**
Loans and Advances to Related Parties												
Loans	-	-	-	-	-	-	1.40	1,100.00	1,250.00	700.00	-	988.32
Other Advances	-	-	-	-	-	-	21.43	5.05	76.85	16.44	74.42	666.88
	-	-	-	-	-	-	**22.83**	**1,105.05**	**1,326.85**	**716.44**	**74.42**	**1,655.20**

	Long – Term						Short - Term					
	As at September 30, 2014	**As at March 31, 2014**	**As at March 31, 2013**	**As at March 31, 2012**	**As at March 31, 2011**	**As at March 31, 2010**	**As at September 30, 2014**	**As at March 31, 2014**	**As at March 31, 2013**	**As at March 31, 2012**	**As at March 31, 2011**	**As at March 31, 2010**
Advance Share Application Money / Advance for Share Purchase												
To Others	30.00	-	-	105.84	105.84	70.59	-	-	105.84	-	-	-
Less: Provision for doubtful advance share application money	-	-	-	105.84	-	-	-	-	59.88	-	-	-
	30.00	**-**	**-**	**-**	**105.84**	**70.59**	**-**	**-**	**45.96**	**-**	**-**	**-**
Other Loans and Advances (unsecured)										-	-	-
Loan to Employee*	6.18	8.86	13.79	-	-	-	5.21	5.05	4.41	-	-	-
Loan to Others	-	-	-	-	-	-	50.00	-	-	-	-	-
Advances												
- considered good	-	-	-	-	-	-	93.11	90.05	30.52	24.19	22.70	12.28
- considered doubtful	2.34	-	-	-	-	-	3.54	0.87	0.87	1.00	1.00	0.50
	8.52	**8.86**	**13.79**	**-**	**-**	**-**	**151.86**	**95.97**	**35.80**	**25.19**	**23.70**	**12.78**
Less: Provision for doubtful advances	2.34	-	-	-	-	-	3.54	0.87	0.87	1.00	1.00	0.50
	6.18	**8.86**	**13.79**	**-**	**-**	**-**	**148.32**	**95.10**	**34.93**	**24.19**	**22.70**	**12.28**
Prepaid expenses	2.23	2.53	0.22	0.14	-	0.08	12.84	10.64	11.83	11.19	5.37	18.35
Balances with Government authorities:							-	-	-	-	-	-
Advance direct tax (net of provisions)	193.01	120.03	28.67	9.65	1.39	0.10	-	-	-	-	-	-
Advance indirect taxes	-	-	-	-	-	-	20.08	92.98	39.55	1.98	-	0.60
Income Tax Refund Due	-	-	-	-	-	-	12.46	10.91	10.85	1.76	2.23	2.22
Total	**423.93**	**547.55**	**84.61**	**43.70**	**125.17**	**140.53**	**222.16**	**1,317.68**	**1,472.47**	**1,270.46**	**140.61**	**1,712.26**

	Long – Term						Short - Term					
	As at September 30, 2014	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011	As at March 31, 2010	As at September 30, 2014	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011	As at March 31, 2010
Amount due from related parties includes:												
- Due from Associates	19.36	19.36	-	-	-	-	0.15	-	-	-	-	-
- Due from Others *	44.88	37.89	14.40	-	-	-	27.89	1,105.05	1,326.85	716.44	96.42	1,677.20
Total	**64.24**	**57.25**	**14.40**	-	-	-	**28.04**	**1,105.05**	**1,326.85**	**716.44**	**96.42**	**1,677.20**
Amount due from other related parties includes:												
- Due from Promoters	-	-	-	-	-	-	-	-	-	-	-	-
- Due from Promoter Group Companies	37.89	37.89	14.40	-	-	-	6.02	0.73	0.07	0.08	10.61	1,481.13
Total	**37.89**	**37.89**	**14.40**	-	-	-	**6.02**	**0.73**	**0.07**	**0.08**	**10.61**	**1,481.13**
* Key Management Personnel identified with effect from April 01, 2014, hence balances have been considered outstanding as on September 30, 2014 only.												

Note:-

1 The above statement should be read with the Significant Accounting Policies appearing in Annexure IV, Notes to the Restated Consolidated Financial Information appearing in Annexure V and Statement of Adjustment to Audited Consolidated Financial Statements appearing in Annexure VI.

2 List of related parties are identified by the management as per Accounting Standard - 18 " Related Party Disclosures" and relied up on by the auditors.

3 List of persons / entities classified as Promoters / Promoter Group Companies has been determined by the management and relied up on by the auditors.

For and on behalf of the Board

Dr. Subhash Chandra	Non-Executive Chairman
Surjit Banga	Director
Dinesh Garg	Chief Financial Officer
Pushpal Sanghavi	Company Secretary

Annexure XI
Restated Consolidated Summary Statement of Other Assets

` million

	Non-Current						Current					
	As at September 30, 2014	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011	As at March 31, 2010	As at September 30, 2014	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011	As at March 31, 2010
(Unsecured, considered good)												
Balances with bank in deposit accounts* (Refer 'Note 9 of Annexure V')	42.35	4.35	4.35	4.35	4.35	4.35	-	-	-	-	-	0.01
Fixed Deposits with maturity for more than 12 months	-	-	-	-	35.00	-	-	-	-	-	-	-
Interest accrued on - Bank deposits	2.74	0.15	-	-	1.35	0.47	0.04	0.61	3.63	8.83	2.58	0.34
- Loan to related parties	-	-	-	-	-	-	-	39.56	138.14	-	-	127.99
- Other loans and advances	-	-	-	-	-	-	16.67	16.01	-	0.03	0.03	-
Other receivables - from related parties	-	-	-	-	-	-	0.23	0.23	1.80	-	-	-
- from other parties	-	-	-	-	-	-	11.59	9.17	13.50	1.73	-	-
Total	**45.09**	**4.50**	**4.35**	**4.35**	**40.70**	**4.82**	**28.53**	**65.58**	**157.07**	**10.59**	**2.61**	**128.34**
Amount due from related parties includes:												
- Due from Associates	-	-	-	-	-	-	-	-	-	-	-	-
- Due from Others	-	-	-	-	-	-	0.23	39.80	139.94	-	-	127.99
Total	-	-	-	-	-	-	**0.23**	**39.80**	**139.94**	**-**	**-**	**127.99**
Amount due from other related parties includes:												
- Due from Promoters	-	-	-	-	-	-	-	-	-	-	-	-

	Non-Current						Current					
	As at September 30, 2014	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011	As at March 31, 2010	As at September 30, 2014	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011	As at March 31, 2010
- Due from Promoter Group Companies	-	-	-	-	-	-	0.23	0.23	1.80	-	-	127.99
Total	-	-	-	-	-	-	**0.23**	**0.23**	**1.80**	-	-	**127.99**

* Pledged with Statutory Authorities / under bank lien

Note:-

1 The above statement should be read with the Significant Accounting Policies appearing in Annexure IV, Notes to the Restated Consolidated Financial Information appearing in Annexure V and Statement of Adjustment to Audited Consolidated Financial Statements appearing in Annexure VI.

2 List of related parties are identified by the management as per Accounting Standard - 18 " Related Party Disclosures" and relied up on by the auditors.

3 List of persons / entities classified as Promoters / Promoter Group Companies has been determined by the management and relied up on by the auditors.

For and on behalf of the Board

Dr. Subhash Chandra Non-Executive Chairman

Surjit Banga Director

Dinesh Garg Chief Financial Officer

Pushpal Sanghavi Company Secretary

Annexure XII
Restated Consolidated Summary Statement of Trade Receivables

` million

	As at September 30, 2014	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011	As at March 31, 2010
Trade Receivables (unsecured)						
Due for period over six months						
considered good	70.32	41.75	62.65	122.78	148.00	180.67
considered doubtful	54.71	46.97	35.12	35.03	72.57	119.57
Others						
considered good	1,105.34	834.01	825.24	873.61	749.97	571.25
considered doubtful	-	-	-	-	-	-
	1,230.37	922.73	923.01	1,031.42	970.54	871.49
Less: Provision for doubtful debts	54.71	46.97	35.12	35.03	72.57	119.57
Total	**1,175.66**	**875.76**	**887.89**	**996.39**	**897.97**	**751.92**
Amount due from related parties	**376.27**	**372.07**	**361.15**	**398.27**	**178.83**	**242.36**
Amount due from related parties includes:						
- Due from Associates	-	-	-	-	-	-
- Due from Others	376.27	372.07	361.15	398.27	178.83	242.36
Total	**376.27**	**372.07**	**361.15**	**398.27**	**178.83**	**242.36**
Amount due from other related parties includes:						
- Due from Promoters	-	-	-	-	-	-
- Due from Promoter Group Companies	13.23	10.75	5.23	102.05	130.85	175.98
Total	**13.23**	**10.75**	**5.23**	**102.05**	**130.85**	**175.98**

Note:-

1 The above statement should be read with the Significant Accounting Policies appearing in Annexure IV, Notes to the Restated Consolidated Financial Information appearing in Annexure V and Statement of Adjustment to Audited Consolidated Financial Statements appearing in Annexure VI.

2 List of related parties are identified by the management as per Accounting Standard - 18 " Related Party Disclosures" and relied up on by the auditors.

3 List of persons / entities classified as Promoters / Promoter Group Companies has been determined by the management and relied up on by the auditors.

For and on behalf of the Board

Dr. Subhash Chandra	Non-Executive Chairman
Surjit Banga	Director
Dinesh Garg	Chief Financial Officer
Pushpal Sanghavi	Company Secretary

Annexure XIII
Restated Consolidated Summary Statement of Other Income

` million

	Six Months ended September 30, 2014	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2010	Classification
Interest Income							
- from Bank Deposits	2.80	1.70	6.25	11.20	4.54	3.15	Recurring
- from Loans	3.74	172.17	153.49	94.37	96.23	142.21	Recurring
- from Others	2.58	17.90	0.96	0.24	0.06	24.34	Recurring
Dividend Income							
- from Current Investments	-	-	0.65	-	1.56	-	Non-recurring
Rent Income	5.84	-	-	-	-	-	Recurring
Liabilities / Excess provisions written back	-	-	-	-	1.57	3.49	Non-recurring
Miscellaneous Income	0.56	0.74	13.43	0.29	0.82	2.23	Non-recurring
Net Gain on Exchange Difference	-	-	-	-	0.54	2.95	Non-recurring
Total	**15.52**	**192.51**	**174.78**	**106.10**	**105.32**	**178.37**	

Note:

1 The classification of Other Income into Recurring and Non-recurring is based on the current operations and business activity of the Group.

2 The above statement should be read with the Significant Accounting Policies appearing in Annexure IV, Notes to the Restated Consolidated Financial Information appearing in Annexure V and Statement of Adjustment to Audited Consolidated Financial Statements appearing in Annexure VI.

For and on behalf of the Board

Dr. Subhash Chandra Non-Executive Chairman

Surjit Banga Director

Dinesh Garg Chief Financial Officer

Pushpal Sanghavi Company Secretary

Annexure XIV
Consolidated Statement of Accounting Ratios

S.No.	Particulars	Six Months ended September 30, 2014	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2010
1	Net Profit/(Loss) before exceptional items but after Tax (` million)	(322.04)	90.38	200.29	276.63	168.18	493.88
2	Net Profit/(Loss) after exceptional items and Tax (` million)	(322.04)	150.26	246.25	109.89	168.18	493.88
3	Net Profit/(Loss) after exceptional items and Tax (including discontinued operations) (` million)	(322.04)	150.26	246.25	109.89	168.18	493.88
4	Net Profit/(Loss) after exceptional items and Tax of continuing operations (` million)	(322.04)	150.26	246.25	109.89	168.18	(23.51)
5	Weighted average number of Equity Shares ` 1 each outstanding during the year/period (for Basic as well as Diluted earning per share)	362,145,773	239,763,956	239,763,956	239,763,956	239,763,956	239,763,956
6	Number of Equity Shares outstanding at the end of the year/period	362,145,773	239,763,956	239,763,956	239,763,956	239,763,956	239,763,956
7	Paid up value of each Equity Share (`)	1	1	1	1	1	1
8	Total Paid-up Capital (` million)	362.15	239.76	239.76	239.76	239.76	239.76
9	Reserves and surplus (` million)	3,375.26	2,071.69	1,927.55	1,689.10	1,579.20	1,411.02
10	Miscellaneaous Expenses (to the extent not written off or adjusted) (` million)	-	-	-	-	-	-
11	Net Worth (8+9-10) (` million)	3,737.41	2,311.45	2,167.31	1,928.86	1,818.96	1,650.78
	Accounting Ratios						
12	**Earning per share (`)**						
(a)	Basic and Diluted before exceptional items (1 / 5)	(0.89) *	0.38	0.84	1.15	0.70	2.06
(b)	Basic and Diluted after exceptional items (2 / 5)	(0.89) *	0.63	1.03	0.46	0.70	2.06
(c)	Basic and Diluted EPS before discontinuing operations (3 / 5)	(0.89) *	0.63	1.03	0.46	0.70	2.06
(d)	Basic and Diluted EPS of continuing operations (4 / 5)	(0.89) *	0.63	1.03	0.46	0.70	(0.10)
13	**Return on Net Worth - %**						
(a)	Before Exceptional Items (1 / 11)	(8.62)	3.91	9.24	14.34	9.25	29.92
(b)	After Exceptional Items (2 / 11)	(8.62)	6.50	11.36	5.70	9.25	29.92
(c)	Before discontinuing	(8.62)	6.50	11.36	5.70	9.25	29.92

S.No.	Particulars	Six Months ended September 30, 2014	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2010
	operations (3 / 11)						
(d)	Of continuing operations (4 / 11)	(8.62)	6.50	11.36	5.70	9.25	(1.42)
14	**Net Asset Value Per Share (11 / 6)**	10.32	9.64	9.04	8.04	7.59	6.89

* Not annualized

Notes:

1 The figures disclosed above are based on the Restated Financial Information of the Company.

2 Earning per share calculations are done in accordance with Accounting Standard - 20 on Earnings per Share notified pursuant to the Companies (Accounting Standards) Rules, 2006 (as amended).

3 The ratios have been computed as under:

Basic and Diluted earnings per equity share (`)	Net profit/(loss) after tax, as restated, attributable to Shareholders / Weighted average number of equity shares outstanding during the year/period
Return on Net Worth (%)	Net Profit /(Loss) after tax, as restated / Net Worth, as restated, at the end of the year/period
Net asset value per share (`)	Net Worth, as restated, at the end of the year/period / Number of equity shares outstanding at the end of the year/period

4 No preference shares were alloted and also there is no revaluation reserve.

5 The above statement should be read with the Significant Accounting Policies appearing in Annexure IV, Notes to the Restated Consolidated Financial Information appearing in Annexure V and Statement of Adjustment to Audited Consolidated Financial Statements appearing in Annexure VI.

For and on behalf of the Board

Dr. Subhash Chandra Non-Executive Chairman

Surjit Banga Director

Dinesh Garg Chief Financial Officer

Pushpal Sanghavi Company Secretary

Annexure XV
Consolidated Statement of Tax Shelters

` million

S.No.	Particulars	Six months ended September 30, 2014	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2010
A	**Profit/ (Loss) after exceptional Items but before taxes as per Consolidated Statement of Profit and Loss**	**(406.40)**	**286.39**	**422.01**	**303.60**	**310.72**	**736.17**
B	Base Income tax rates applicable	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%
C	Tax at notional rate on profits	(121.92)	85.92	126.60	91.08	93.22	220.85
D	Tax rate under MAT	18.50%	18.50%	18.50%	18.50%	18.00%	15.00%
E	**Add: Permanent Differences**						
	Dividend Income	-	-	(0.65)	-	(1.56)	-
	Donations (Net of amount allowable)	0.00	0.75	0.83	1.12	1.28	0.94
	Expenses related to exempted income u/s 14A	-	0.10	0.00	-	0.02	0.15
	Wealth tax	0.11	0.26	0.24	0.19	-	-
	Provision for Diminution in Value of Investment	-	-	-	60.90	-	-
	Provision for Doubtful Advance Share Application Money	-	(59.89)	(45.96)	105.84	-	-
	Interest on FBT & TDS	0.47	0.20	0.13	0.01	8.46	0.05
	Fees paid for increase in Share Capital	12.52	-	-	-	3.50	-
	Disallowed u/s 36 (1)	7.85	-	-	-	-	-
	Loss on sale of Subsidiary	-	10.05	-	-	-	-
	Other disallowance	0.03	0.19	0.02	0.24	0.06	8.40
	Total Permanent Differences	**20.98**	**(48.34)**	**(45.39)**	**168.30**	**11.76**	**9.54**

S.No.	Particulars	Six months ended September 30, 2014	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2010
F	**Add: Timing Differences : (Allowances) / Disallowances**						
	Difference between Tax & Book Depreciation including loss on sale/discard of fixed assets	(9.62)	(28.68)	12.19	5.56	10.10	(24.66)
	Provision for Gratuity	9.74	11.31	7.36	14.41	12.48	5.74
	Disallowance u/s 43B	9.61	8.59	0.72	2.23	6.55	8.01
	Provision for Bad and doubtful debts	9.42	11.85	(0.04)	(37.54)	(46.50)	88.75
	Allowance under Section 35 DD and 35D	(1.04)	8.26	0.27	(1.12)	(2.79)	2.46
	Disallowed U/s 40 (a) (ia)	(0.11)	(31.02)	31.96	(53.45)	75.36	49.28
	Total Timing Differences	**18.00**	**(19.69)**	**52.46**	**(69.91)**	**55.20**	**129.58**
G	**Net Adjustments (E+F)**	**38.98**	**(68.03)**	**7.07**	**98.39**	**66.96**	**139.12**
H	**Tax Expense/(Tax Savings) thereon (G*B)**	**11.69**	**(20.41)**	**2.12**	**29.52**	**20.09**	**41.74**
I	**Less: Brought forward losses adjusted against profits**	**-**	**-**	**-**	**-**	**41.72**	**49.93**
	Less: Losses of the Subsidiaries carried forward	**(503.16)**	**-**	**(0.36)**	**-**	**-**	**-**
J	**Taxable income (A+G-I)**	**135.74**	**218.36**	**429.44**	**401.99**	**335.96**	**825.36**
K	**Tax as per MAT provisions**						
	Book Profit	-	-	-	-	-	43.55
	Tax Payable @ 15%	-	-	-	-	-	**6.53**
L	**Taxation charge based on taxable income**	**40.72**	**65.51**	**128.83**	**120.60**	**100.79**	**247.61**

S.No.	Particulars	Six months ended September 30, 2014	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2010
	(J*B)						
	Less: (MAT Credit)/ MAT payment	**-**	**-**	**-**	**(0.96)**	**(5.57)**	**6.53**
	Tax Payable at Base Rate	**40.72**	**65.51**	**128.83**	**119.64**	**95.22**	**254.14**
	Add: Surcharge (As applicable to respective entities)	2.69	4.74	6.44	6.03	7.14	25.41
	Add: Education Cess	1.30	2.11	4.06	3.80	3.07	8.39
	Total Tax Payable	**44.71**	**72.36**	**139.33**	**129.47**	**105.43**	**287.94**

Note: Consolidated statement of Tax Shelter has been prepared as per audited accounts/management accounts and return of income filed by various entities of the group for the respective years except the figures for the six months ended September 30, 2014 which are based on the provisional computation of the total income prepared by the group entities and are subject to change. Also, tax shelter of the subsidiary sold during te year ended March 31, 2014 is based on the management accounts. Further, the above statement is not based on the profit/(Loss) as per the "Restated Consolidated Summary Statement of Profit and Loss ".

For and on behalf of the Board

Dr. Subhash Chandra Non-Executive Chairman

Surjit Banga Director

Dinesh Garg Chief Financial Officer

Pushpal Sanghavi Company Secretary

Annexure XVI
Consolidated Statement of Segment Reporting

The Group follows AS 17 "Segment Reporting" relating to the reporting of financial and descriptive information above their operating segments in financial statements:

The Group's reportable operating segments have been determined in accordance with the business operations, which is organised based on the operating business segments as described below. The geographical segment is not relevant as exports are insignificant.

1. **TV - Broadcasting Business** comprises of business of broadcasting of news / current affairs and regional language channels uplinked from India and sale of television programs including program feeds. The segment derives revenue mainly from advertisement on and subscription of its channels and sale of programs.

2. **Print Business** comprises of publishing and distribution of english daily 'DNA' and other publishing activities including on job work basis. The segment derives revenue mainly from advertisement in and subscription of newspaper and job work.

Primary Segment Disclosure - Business segment for the six months period ended September 30, 2014 :

` million

	TV - Broadcasting Business	Print Business	Unallocable	Eliminations	Total
Segment Revenue					
External Revenue	2,024.35	618.79	-	-	2,643.14
Inter Segment Revenue	-	1.71	-	(1.71)	-
Other Income	0.52	11.88	-	(6.00)	6.40
Total Segment Revenue	**2,024.87**	**632.38**	**-**	**(7.71)**	**2,649.54**
Segment Results	**68.22**	**(232.08)**	**-**	-	**(163.86)**
Less: Finance costs					252.17
Add: Interest income					9.12
Profit / (Loss) before tax					**(406.91)**
Provision for taxation:					
- Current Tax					44.54
- Deferred Tax					(145.61)
Net Profit / (Loss) before Minority Interest and Share of Profit / (Loss) from Associates					**(305.84)**
Add / (Less) : Share of Profit / (Loss) from Associates					-
Less: Minority Interest					16.20
Profit / (Loss) for the period					**(322.04)**

Other Segment Information:

	TV - Broadcasting Business	Print Business	Unallocable	Eliminations	Total
Segment assets	2,678.80	5,552.34	-	(8.55)	8,222.59
Unallocated corporate assets	-	-	-	-	1,261.76
Total Assets	**-**	**-**	**-**	**-**	**9,484.35**
Segment liabilities	855.23	722.76	-	(8.55)	1,569.44
Unallocated corporate liabilities	-	-	-	-	4,177.50
Total Liabilities	**-**	**-**	**-**	**-**	**5,746.94**
Capital expenditure	35.22	13.03	-	-	48.25
Depreciation / Amortisation	171.69	82.69	-	-	254.38

Note:

1 The Group is having only one business segment i.e. TV - Broadcasting business for the financial years ended March 31, 2014, 2013, 2012, 2011, 2010. Consequent to direct and indirect subsidiaries vested in the Company pursuant to the merger of Essel Publishers Private Limited with the Company effective from April 1, 2014, the Group is engaged in two business segments i.e. TV - Broadcasting business and Print business and there is no geographical segment.

2 The above statement should be read with the Significant Accounting Policies appearing in Annexure IV, Notes to the Restated Consolidated Financial Information appearing in Annexure V and Statement of Adjustment to Consolidated Audited Financial Statements appearing in Annexure VI.

For and on behalf of the Board

Dr. Subhash Chandra	Non-Executive Chairman
Surjit Banga	Director
Dinesh Garg	Chief Financial Officer
Pushpal Sanghavi	Company Secretary

Annexure XVII
Consolidated Statement of Dividend

We have not declared or paid any interim dividend on our Equity Shares for the period ended September 30, 2014 and any dividend for the year ended March 31, 2014, 2013, 2012, 2011 and 2010.

Note:

1. The above statement is not indicative of the dividend policy of the Company in the future.

2. The above statement should be read with the Significant Accounting Policies appearing in Annexure IV, Notes to the Restated Consolidated Financial Information appearing in Annexure V and Statement of Adjustment to Audited Consolidated Financial Statements appearing in Annexure VI.

For and on behalf of the Board

Dr. Subhash Chandra	Non-Executive Chairman
Surjit Banga	Director
Dinesh Garg	Chief Financial Officer
Pushpal Sanghavi	Company Secretary

Annexure XVIII
Consolidated Capitalization Statement as at September 30, 2014

` million

		Pre Issue as at September 30, 2014	Post Issue *
Borrowings:			
Short-Term Borrowings	(A)	1,063.01	[●]
Long-Term Borrowings (including current maturities)	(B)	2,968.08	[●]
Total Borrowings	**(A)+(B) = (C)**	**4,031.09**	[●]
Shareholders Fund:			
Paid-up Share Capital		362.15	[●]
Reserves and Surplus		3,375.26	[●]
Total Shareholders Fund	**(D)**	**3,737.41**	[●]
Long-Term Borrowings / Shareholders Fund	**(B) / (D)**	**0.79**	[●]
Total Borrowings / Shareholders Fund	**(C) / (D)**	**1.08**	[●]

* Will be updated.

Note:

1 The figures disclosed above are based on the Restated Consolidated Financial Information of the Company.

For and on behalf of the Board

Dr. Subhash Chandra Non-Executive Chairman

Surjit Banga Director

Dinesh Garg Chief Financial Officer

Pushpal Sanghavi Company Secretary

Annexure XIX
Restated Consolidated Summary Statement of Related Party Transactions

List of parties where control exists

Holding Company

25 FPS Media Private Limited subsidiary of Essel Corporate Resources Private Limited (w.e.f. March 1, 2012 to March 31, 2014 holding 53.34%)

Essel Corporate Resources Private Limited (w.e.f. October 20, 2011 to Febuary 28, 2012)

List of Ultimate Holding Company

Entity Name	Period of relationship
25 FPS Media Private Limited held by Essel Corporate Resources Private Limited	March 01, 2012 upto June 10, 2013
Essel Corporate Resources Private Limited held by Prime Publishing Private Limited	March 01, 2012 upto June 10, 2013
25 FPS Media Private Limited held by Prime Publishing Private Limited	June 11, 2013 upto March 31, 2014
Prime Publishing Private Limited held by Sprit Textiles Private Limited	October 01, 2012 upto March 31, 2014

Fellow Subsidiary

Entity Name	Period of relationship
Bioscope Cinemas Private Limited	From March 01, 2012 to March 31, 2014
Direct Media Distribution Ventures Private Limited	From March 01, 2012 to March 31, 2014
Mediavest India Private Limited	upto March 31, 2014
Pri - Media Services Private Limited	upto March 31, 2014
Diligent Media Corporation Limited	upto March 31, 2014

Associate

Name of Entity	Period of relationship
Maurya TV Private Limited	Holding 37.87% w.e.f. October 07, 2013

Other Related Parties with whom transactions have taken place during the period and balance outstanding as on :

September 30, 2014	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011	March 31, 2010
Asia Today Limited	Asia Today Limited	Asia Today Limited	Asia Today Limited	Asia Today Limited	Asia Today Limited
Cyquator Media Services Private Limited	Cyquator Media Services Private Limited	Cyquator Media Services Private Limited	Cyquator Media Services Private Limited	Cyquator Media Services Private Limited	Cyquator Media Services Private Limited
Dish TV India Limited	Dish TV India Limited	Dish TV India Limited	Dish TV India Limited	Dish TV India Limited	Dish TV India Limited
Digital Subscriber Management & Consultancy Services Private Limited (Formerly known as Buddha Films Private Limited)	Digital Subscriber Management & Consultancy Services Private Limited (Formerly known as Buddha Films Private Limited)	Digital Ventures Private Limited	Essel International Limited	Essel Shyam Communication Limited	Essel Shyam Communication Limited

September 30, 2014	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011	March 31, 2010
Essel Shyam Communication Limited	Digital Ventures Private Limited	Essel International Limited	Essel Shyam Communication Limited	Pan India Network Limited	Pan India Network Limited
India Webportal Private Limited	Essel International Limited	Essel Shyam Communication Limited	India Webportal Private Limited	Procall Private Limited	Procall Private Limited
Media Pro Enterprise India Private Limited	Essel Publishers Private Limited (mergered with the company w.e.f. April 01, 2014)	India Webportal Private Limited	Media Pro Enterprise India Private Limited	Rama Associates Limited	Rama Associates Limited
Pan India Network Limited	Essel Shyam Communication Limited	Media Pro Enterprise India Private Limited	Pan India Network Limited	Siti Cable Network Limited (Previous known as Wire & Wireless (India) Limited	Siti Cable Network Limited (Previous known as Wire & Wireless (India) Limited
Siti Cable Network Limited (Previous known as Wire & Wireless (India) Limited	India Webportal Private Limited	Pan India Network Limited	Procall Private Limited	Smart Wireless Private Limited	Smart Wireless Private Limited
Smart Wireless Private Limited	Media Pro Enterprise India Private Limited	Procall Private Limited	Rama Associates Limited	Zee Entertainment Enterprises Limited	Zee Entertainment Enterprises Limited
Taj Television (India) Private Limited	Pan India Network Limited	Rama Associates Limited	Siti Cable Network Limited (Previous known as Wire & Wireless (India) Limited	Zee Foundation	Zee Foundation
Zee Entertainment Enterprises Limited	Procall Private Limited	Siti Cable Network Limited (Previous known as Wire & Wireless (India) Limited	Smart Wireless Private Limited	Zee Learn Limited	Zee Sports Limited,
Zee Learn Limited	Rama Associates Limited	Smart Wireless Private Limited	Taj Television (India) Private Limited	Zee Sports Limited,	Zee Telefilms Middle East FZ LLC,
Zee Sports Limited,	Siti Cable Network Limited (Previous known as Wire & Wireless (India) Limited	Taj Television (India) Private Limited	Zee Entertainment Enterprises Limited	Zee Telefilms Middle East FZ LLC,	Zee Turner Limited
Zee Turner Limited	Smart Wireless Private Limited	Zee Entertainment Enterprises Limited	Zee Foundation	Zee Turner Limited	E - City Bioscope Entertainment Private Limited
Essel Coporate Resources Private Limited (w.e.f. June 10, 2013)	Zee Entertainment Enterprises Limited	Zee Foundation	Zee Learn Limited	E - City Bioscope Entertainment Private Limited	Veena Investments Private limited

September 30, 2014	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011	March 31, 2010
Essel Business Excellence Services Private Limited	Zee Foundation	Zee Learn Limited	Zee Sports Limited	Veena Investments Private limited	Agrani Convergence Limited
24 Ghantalu News Limited	Zee Learn Limited	Zee Sports Limited	Zee Telefilms Middle East FZ LLC	Agrani Convergence Limited	Diligent Media Corporation Limited
Jay Properties Private Limited	Zee Sports Limited	Zee Telefilms Middle East FZ LLC	Zee Turner Limited	Diligent Media Corporation Limited	E - City Property Management and Services Private Limited
Sprit Textiles Private Limited	Zee Turner Limited	Zee Turner Limited	E - City Bioscope Entertainment Private Limited	E - City Property Management and Services Private Limited	Himgiri Navh Vishwa Vidyalaya
Tapaswi Mercantile Private Limited	Essel Coporate Resources Private Limited (w.e.f. June 10, 2013)	E - City Bioscope Entertainment Private Limited	Taj TV Limited	Himgiri Navh Vishwa Vidyalaya	Intrex India Limited
		Taj TV Limited	Veena Investments Private limited	Intrex India Limited	Pan India Paryatan Private Limited
		Veena Investments Private limited	Diligent Media Corporation Limited	Pan India Paryatan Private Limited	Real Media FZ LLC
		New Media Broadcasting Private Limited	E - City Property Management and Services Private Limited *	Real Media FZ LLC	RKJ Woods Plantations Private Limited
			Intrex India Limited *	RKJ Woods Plantations Private Limited	Wire and Wireless Tisai Satellite Limited
			Pan India Paryatan Private Limited *	Wire and Wireless Tisai Satellite Limited	Asia TV Limited
			Real Media FZ LLC	Asia TV Limited	Continental Drugs Company Private Limited
			RKJ Woods Plantations Private Limited *	Essel Coporate Resources Private Limited	Dakshin Communication Private Limited
			Wire and Wireless Tisai Satellite Limited	Interactive Tradex India Private Limited	E - City Projects Construction Private Limited
			Essel Coporate Resources Private Limited (upto October 20, 2011)	ITX Trade Exchange Limited	Essel Coporate Resources Private Limited
					Interactive Tradex India Private Limited

September 30, 2014	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011	March 31, 2010
					ITX Trade Exchange Limited
					Pan India Network Infrawest Private Limited
					Prime Publishing Private Limited
					CornerShop Entertainment Company Private Limited
					ETC Network Limited
					Sun City Projects Private Limited
					United News of India
					Zee Interactive Learning Systems Limited

* Ceased to be related for FY 11-12

List of Directors/ Key Managerial Personnel

Six months ended September 30, 2014	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2010
Director	**Director**	**Director**	**Director**	**Director**	**Director**
Dr. Subhash Chandra	Dr. Subhash Chandra	Dr. Subhash Chandra	Dr. Subhash Chandra	Dr. Subhash Chandra	Dr. Subhash Chandra
Shri Alok Agrawal$	Shri Punit Goenka *	Shri Punit Goenka	Shri Punit Goenka	Shri Punit Goenka *	Shri Punit Goenka
-	Shri Alok Agrawal #			Shri Laxmi N. Goel #	Shri Laxmi N. Goel
Other Key Management Personnel @					
Shri Dinesh Garg (Chief Financial Officer)					
Shri Pushpal Sanghavi (Company Secretary)					
Shri Bhaskar Das (Group CEO)-News Cluster					
Note: $Resigned wef May 12,	*upto September 27, 2013 # Appointed Whole			*Appointed as Managing Director wef Jul 5, 2010	

Six months ended September 30, 2014	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2010
2014	time director wef Jul 30, 2013			# Resigned as Managing Director wef July 5, 2010 and as director wef Sept 30, 2010	

@ These key managerial personnel are identitied effective from April 01, 2014 i.e. the date from which the Companies Act, 2013 become effective. Accordingly, transcations are disclosed from the period from April 01, 2014 onwards.

Transactions with Related Parties:

` million

	Six Months ended September 30, 2014	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2010
(A) Transactions :						
(i) With Holding and Ultimate Holding Company						
- Essel Corporate Resources Private Limited						
· Legal and Professional charges	-	3.12	15.60	13.20	-	-
(ii) With Fellow Subsidiary Company						
- Diligent Media Corporation Limited						
· Loans, Advances and Deposits given	-	260.00	1,250.00	-	-	-
· Loans, Advances and Deposits repayment received		1,510.00	-	-	-	-
· Loans, Advances and Deposits received	-	-	0.08	-	-	-
· Revenue from Broadcasting services	-	-	0.53	-	-	-
· Interest income	-	111.31	4.62	-	-	-
· Rent	-	6.00	-	-	-	-
· Advertisement and Publicity expenses	-	0.86	-	-	-	-
· Printing and Stationery expenses	-	1.26	-	-	-	-
- Pri - Media Services Private Limited						
· Corporate guarantee given	-	2,540.00	-	-	-	-
(iii) With Associate						
- Maurya TV Private Limited						
· Investment in Equity Shares	-	21.32	-	-	-	-
· Security Deposit Given	-	19.36	-	-	-	-
· Channel Management Fees Paid	66.28	22.50	-	-	-	-
· Other Operational Expenses	2.11	-	-	-	-	-
(iv) With Key Management Personnel						
- Salaries, allowances and perquisites	**30.68**	**10.14**	**-**	**-**	**-**	**8.44**
Shri Laxmi N. Goel	-	-	-	-	-	8.44

	Six Months ended September 30, 2014	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2010
Shri Alok Agrawal	2.53	10.14	-	-	-	-
Shri Bhaskar Das	25.30	-	-	-	-	-
Shri Dinesh Garg	2.85	-	-	-	-	-
- Contribution to provident and other funds	**0.92**	**0.66**	**-**	**-**	**-**	**-**
Shri Alok Agrawal	0.11	0.66	-	-	-	-
Shri Bhaskar Das	0.68	-	-	-	-	-
Shri Dinesh Garg	0.13	-	-	-	-	-
- Loans, Advances and Deposits repayment received	**2.40**	-	-	-	-	-
Shri Bhaskar Das	2.40	-	-	-	-	-
- Interest Income	**0.72**	-	-	-	-	-
Shri Bhaskar Das	0.72	-	-	-	-	-
- Sitting Fee	**0.04**	**0.12**	**0.08**	**0.06**	**0.16**	**0.07**
Dr. Subhash Chandra	0.04	0.10	0.08	0.06	0.14	0.05
Shri Punit Goenka	-	0.02	-	-	0.02	0.02
- Commission	-	**0.40**	**0.40**	**0.25**	**0.38**	**1.20**
Dr. Subhash Chandra	-	-	0.40	0.25	0.30	0.60
Shri Punit Goenka	-	-	-	-	0.08	0.60
(v) With Other Related Parties:						
· Revenue from Broadcasting services	**501.44**	**1,044.80**	**878.70**	**611.48**	**104.08**	**160.31**
Media Pro Enterprise India Private Limited	200.00	999.00	840.00	562.50	-	-
Dish TV India Limited	9.23	3.70	17.29	34.89	87.98	138.44
Taj Television (India) Private Limited	256.40	-	0.11	0.41	-	-
Zee Turner Limited	-	-	0.58	2.33	12.11	5.23

	Six Months ended September 30, 2014	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2010
Other Related Parties	35.81	42.10	20.72	11.35	3.99	16.64
· **Sale of Television programs and Film rights**	**56.85**	**143.37**	**115.07**	**284.00**	**44.55**	**37.25**
Asia Today Limited	56.85	143.37	115.07	85.53	44.55	37.25
Zee Entertainment Enterprises Limited	-	-	-	198.47	-	-
· **Revenue from Printing services**	**25.60**	-	-	-	-	-
Zee Entertainment Enterprises Limited	10.79	-	-	-	-	-
Dish TV India Limited	3.37	-	-	-	-	-
India Web Portal Private Limited	9.71	-	-	-	-	-
Other Related Parties	1.73	-	-	-	-	-
· **Other operating income**	-	**0.34**	**5.89**	**2.40**	-	-
Zee Entertainment Enterprises Limited	-	0.34	5.89	2.40	-	-
· **Interest income**	-	**43.96**	**148.87**	**94.36**	**96.23**	**142.21**
Essel Publishers Private Limited	-	43.96	-	-	-	-
Siti Cable Network Limited	-	-	-	46.34	96.23	142.21
Essel International Limited	-	-	148.87	48.02	-	-
· **Purchase of fixed assets / capital work in progress**	-	**2.43**	**3.21**	-	**4.83**	**6.24**
Zee Entertainment Enterprises Limited	-	-	3.21	-	-	-
Dish TV India Limited	-	2.43	-	-	1.07	-
Real Media FZ LLC	-	-	-	-	3.60	-
Cyquator Media Services Private Limited	-	-	-	-	-	6.16
Other Related Parties	-	-	-	-	0.16	0.08
· **Sale of fixed assets / capital work in progress**	**0.30**	-	-	**16.61**	-	-
Zee Entertainment Enterprises Limited	-	-	-	16.61	-	-
Dish TV India Limited	0.30					
· **Miscellaneous income**	-	-	**1.57**	-	-	-

	Six Months ended September 30, 2014	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2010
New Media Broadcasting Private Limited	-	-	1.57	-	-	-
· **Purchase of services**						
· **Lease-line & V-Sat expenses**	**19.63**	**44.19**	**41.88**	**34.16**	**31.23**	**22.61**
Dish TV India Limited	10.21	25.36	23.05	19.93	17.54	10.15
Essel Shyam Communication Limited	9.42	18.83	18.83	14.23	13.69	12.46
· **Telecast cost**	**49.25**	**89.05**	**81.16**	**69.35**	**92.15**	**124.59**
Dish TV India Limited	31.92	65.75	55.32	43.55	40.67	47.98
Asia Today Limited	-	-	-	-	20.90	33.93
Zee Entertainment Enterprises Limited	17.33	23.30	25.84	25.80	30.58	42.68
· **Rent**	**22.98**	**34.34**	**26.81**	**27.65**	**22.01**	**24.87**
Zee Entertainment Enterprises Limited	22.24	34.34	26.81	26.93	21.78	20.44
Veena Investments Private Limited	-	-	-	0.62	-	4.20
Other Related Parties	0.74	-	-	0.10	0.23	0.23
· **Marketing, distribution, business promotion expenses**	**44.79**	**51.06**	**55.45**	**49.04**	**39.69**	**138.93**
Siti Cable Network Limited	25.53	51.06	55.45	49.04	36.05	128.93
Dish TV India Limited	19.26	-	-	-	-	-
Other Related Parties	-	-	-	-	3.64	10.00
· **Advertisement and publicity expenses**	**0.60**	**8.62**	**-**	**0.57**	**0.70**	**0.29**
Dish TV India Limited	0.60	1.15	-	-	-	-
Taj TV Limited	-	-	-	0.45	-	-
Zee Entertainment Enterprises Limited	-	7.47	-	-	-	-
Diligent Media Corporation Limited	-	-	-	0.12	0.70	0.29
· **Sharing of expenses paid**	**-**	**-**	**-**	**-**	**-**	**166.80**

	Six Months ended September 30, 2014	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2010
Zee Entertainment Enterprises Limited	-	-	-	-	-	166.80
· **Other services**	**41.62**	**75.00**	**40.02**	**18.37**	**78.12**	**145.30**
Zee Entertainment Enterprises Limited	31.71	58.33	37.59	3.03	0.01	79.14
Essel Corporate Resources Private Limited	9.60	15.61	-	-	13.20	14.40
Zee Turner Limited	-	-	0.58	12.59	59.23	48.85
Other Related Parties	0.31	1.06	1.85	2.75	5.68	2.91
· **Preference Share issued by**	**22.27**	**-**	**-**	**-**	**-**	**-**
Zee Entertainment Enterprises Limited	22.27	-	-	-	-	-
· **Loans, Advances and Deposits given**	**16.61**	**1,101.89**	**653.25**	**1,405.91**	**4.45**	**1,898.69**
Essel Publishers Private Limited	-	1,100.00	-	-	-	-
Essel International Limited	-	-	500.00	700.00	-	-
Digital Ventures Private Limited	-	-	75.00	-	-	-
Siti Cable Network Limited	-	-	-	702.67	2.53	1,878.55
Dish TV India Limited	-	-	-	0.02	0.50	0.92
Zee Entertainment Enterprises Limited	-	-	-	3.07	0.93	18.37
New Media Broadcasting Private Limited	-	-	78.25	-	-	-
Essel Business Excellence Services Private Limited	15.21	-	-	-	-	-
Other Related Parties	1.40	1.89	-	0.15	0.49	0.85
· **Loans, Advances and Deposits repayment received**	**205.51**	**75.00**	**1,292.83**	**765.96**	**998.10**	**1,041.00**
Essel International Limited	-	-	1,200.00	-	-	-
Digital Ventures Private Limited	-	75.00	-	-	-	-
Siti Cable Network Limited	-	-	-	700.00	988.32	1,041.00
Sprit Textiles Private Limited	144.69					

	Six Months ended September 30, 2014	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2010
Tapaswi Mercantile Private Limited	58.60	-	-	-	-	-
Other Related Parties	2.22	-	92.83	65.96	9.78	-
· **Loans, Advances and Deposits Received**	**308.10**	**-**	**0.00**	**27.40**	**25.58**	**21.90**
Zee Entertainment Enterprises Limited	-	-	0.00	26.38	25.51	21.01
Tapaswi Mercantile Private Limited	308.10	-	-	-	-	-
Other Related Parties	-	-	-	1.02	0.07	0.89
· **Loans, Advances and Deposits Repaid**	**197.57**	**-**	**-**	**-**	**0.27**	**0.45**
Pan India Paryatan Private Limited	-	-	-	-	0.27	-
Prime Publishing Limited	-	-	-	-	-	0.28
Zee Telefilms Middle East FZ LLC	-	-	-	-	-	0.17
Tapaswi Mercantile Private Limited	197.57	-	-	-	-	-
· **Balances written back**	**-**	**0.01**	**0.70**	**-**	**0.02**	**0.09**
Zee Turner Limited	-	-	0.70	-	-	-
Dakshin Communications Private Limited	-	-	-	-	-	0.09
Asia Today Limited	-	-	-	-	0.02	-
Zee Learn Limited	-	0.01	-	-	-	-
· **Balances written off**	**-**	**-**	**-**	**-**	**0.11**	**-**
Himgiri Nabh Vishwavidyalaya	-	-	-	-	0.11	-
· **Donation**	**-**	**1.30**	**1.00**	**2.05**	**2.38**	**1.70**
Zee Foundation	-	1.30	1.00	2.05	2.38	1.70
· **Corporate Guarantee Released**	**-**	**-**	**-**	**-**	**300.00**	**-**
Zee Entertainment Enterprises Limited	-	-	-	-	300.00	-

	Six Months ended September 30, 2014	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2010
· **Net assets transferred pursuant to the Scheme to:**	-	-	-	-	-	**1,247.83**
Zee Entertainment Enterprises Limited	-	-	-	-	-	1,247.83
· **Transaction Pursuant to the Scheme of Amalgamation from Essel Publisher Private Limited**	**1,794.00**	-	-	-	-	-
Investments received	2,937.86	-	-	-	-	-
Trade Receivables received	0.07	-	-	-	-	-
Cash and Bank Balances received	0.25	-	-	-	-	-
Less: Other Current Liabilities received	(4.61)	-	-	-	-	-
Less: Inter Company balances squared off	(1,139.57)	-	-	-	-	-

(B) Balances at the end of the period:

	As at September 30, 2014	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011	As at March 31, 2010
(i) Holding Company and Ultimate Holding Company						
- Essel Corporate Resources Private Limited						
· Trade Payables / Other Payables	-	-	1.45	2.41	-	-
(ii) With Fellow Subsidiary Company						
- Diligent Media Corporation Limited						
· Loans, Advances and Deposits given	-	-	1,250.00	-	-	-
· Interest Receivable	-	-	4.16	-	-	-
· Trade Payables / Other Payables	-	2.05	0.08	-	-	-
· Other Receivables	-	1.02	-	-	-	-
- Pri - Media Services Private Limited						
· Corporate guarantee given	-	2,540.00	-	-	-	-

	As at September 30, 2014	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011	As at March 31, 2010
(iii) With Associates						
- Maurya TV Private Limited						
· Investment in Equity Shares	39.00	39.00	-	-	-	-
· Loans, Advances and Deposits given	19.51	19.36	-	-	-	-
· Trade Payables / Other Payables	-	7.76	-	-	-	-
(iv) With Key Management Personnel						
· **Remuneration payable to Non Executive Directors**	**-**	**0.40**	**0.40**	**0.25**	**0.38**	**1.20**
Dr. Subhash Chandra	-	0.40	0.40	0.25	0.30	0.60
Shri Punit Goenka	-	-	-	-	0.08	0.60
· **Loans, Advances and Deposits given**	**11.39**	**-**	**-**	-	-	-
Shri Bhaskar Das	11.39	-	-	-	-	-
(v) Other Related Parties						
· **Trade Receivables**	**376.27**	**371.05**	**361.15**	**398.27**	**178.83**	**242.36**
Media Pro Enterprise India Private Limited	0.09	251.76	224.50	194.62	-	-
Asia Today Limited	77.95	97.26	119.31	89.96	31.30	23.86
Zee Entertainment Enterprises Limited	2.75	7.12	1.94	78.36	14.33	0.63
Dish TV India Limited	9.45	3.63	3.27	23.67	116.50	175.35
Taj Television India Private Limited	232.52	-	-	0.45	-	-
Other Related Parties	53.51	11.28	12.13	11.21	16.70	42.52
· **Loans, Advances and Deposits given**	**61.38**	**1,142.94**	**91.25**	**716.44**	**96.41**	**1,677.20**
Essel Publishers Private Limited	-	1,100.00	-	-	-	-
Essel International Limited	-	-	-	700.00	-	-
Digital Ventures Private Limited	-	-	75.00	-	-	-
Zee Entertainment Enterprises Limited	0.64	0.66	-	-	0.30	492.81
Siti Cable Network Limited	41.31	36.00	14.40	-	-	988.32
Zee Turner Limited	0.23	1.38	0.25	14.26	62.29	152.78

	As at September 30, 2014	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011	As at March 31, 2010
Veena Investments Private Limited	-	-	-	-	22.00	22.00
Essel Business Excellence Services Private Limited	15.21	-	-	-	-	-
Other Related Parties	3.99	4.90	1.60	2.18	11.82	21.29
· **Other Receivable**	**0.23**	**0.23**	**1.80**	-	-	-
New Media Broadcasting Private Limited	-	-	1.57	-	-	-
Siti Cable Network Limited	0.23	0.23	0.23	-	-	-
· **Interest Receivable**	**-**	**39.57**	**133.98**	-	-	**127.99**
Essel Publishers Private Limited	-	39.57	-	-	-	-
Essel International Limited	-	-	133.98	-	-	-
Siti Cable Network Limited	-	-	-	-	-	127.99
· **Trade Payables / Other Payables**	**125.72**	**165.21**	**76.34**	**45.34**	**187.57**	**126.46**
Dish TV India Limited	57.47	65.83	36.74	20.00	34.57	28.19
Asia Today Limited	21.71	29.16	21.71	21.71	21.71	1.30
Zee Entertainment Enterprises Limited	34.65	51.78	12.03	-	38.96	0.50
Siti Cable Network Limited	0.05	6.40	1.15	2.17	67.99	67.50
Interactive Tradex India Private Limited	-	-	-	-	12.71	16.39
Other Related Parties	11.84	12.04	4.71	1.46	11.63	12.58
· **Investment in Preference Shares**	**22.27**	**-**	**-**	-	-	-
Zee Entertainment Enterprises Limited	22.27	-	-	-	-	-
· **Loan Advances and Deposits received**	**328.62**	**0.07**	**0.07**	**0.15**	**0.06**	**0.30**
Zee Entertainment Enterprises Limited	-	-	-	0.05	0.06	0.03
Pan India Paryatan Limited	-	-	-	-	-	0.27
Pan India Network Limited	0.60	0.07	0.06	0.07	-	-

	As at September 30, 2014	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011	As at March 31, 2010
Smart Wireless Private Limited	-	-	-	0.01	-	-
Zee Learn Limited	-	-	0.01	0.02	-	-
Tapaswi Mercantile Private Limited	328.02	-	-	-	-	-
· **Corporate Guarantee Given by**	-	-	-	-	-	**300.00**
Zee Entertainment Enterprises Limited	-	-	-	-	-	300.00

Note:

Parties with transactions less than 10% of the group total are grouped under the head "Other Related Parties".

List of related parties are identified by the management as per Accounting Standard - 18 " Related Party Disclosures" and relied up on by the auditors.

For and on behalf of the Board

Dr. Subhash Chandra	Non-Executive Chairman
Surjit Banga	Director
Dinesh Garg	Chief Financial Officer
Pushpal Sanghavi	Company Secretary

Annexure XX
Restated Consolidated Statement of Contingent Liability

` million

	As at September 30, 2014	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011	As at March 31, 2010
Claims against the company not acknowledged as debts	-	-	-	-	2.13	2.13
Custom Duty pending export obligations	18.18	18.18	18.18	18.18	18.18	18.18
Disputed Direct Taxes (Including Penalty)	372.90	362.69	9.31	3.82	3.82	3.59
Disputed Indirect Taxes	142.63	142.63	-	-	-	-
Corporate Guarantee given	-	2,540.00	-	-	-	-
Legal cases against the Company *	Not Ascertainable					

*The Group has received legal notices of claims / law suits filed against it relating to infringement of copy rights, defamation suits etc. in relation to programs telecasted / other matters. In the opinion of the management, no material liability is likely to arise on account of such claims / law suits.

For and on behalf of the Board

Dr. Subhash Chandra Non-Executive Chairman

Surjit Banga Director

Dinesh Garg Chief Financial Officer

Pushpal Sanghavi Company Secretary

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS

The following is a discussion and analysis of the Company's financial condition and results of operations and certain trends, risks and uncertainties that may affect its business. The significant accounting policies section discloses certain accounting policies and management judgments that are material to the Company's consolidated financial results of operations and financial condition for the periods presented in this report. The discussion and analysis of the Company's results of operations is presented in following manner: for the six (6) months period ended September 30, 2014, the year ended March 31, 2014 compared with the year ended March 31, 2013, the year ended March 31, 2013 compared with the year ended March 31, 2012, and the year ended March 31, 2012 compared with the year ended March 31, 2011.

Prospective investors should read this discussion and analysis of the Company's financial condition and results of operations in conjunction with the Restated Consolidated Financial Information and the notes thereto set forth elsewhere in this Draft Letter of Offer.

This discussion contains forward-looking statements and reflects the current views of the Company with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors such as those set forth in the section titled "Risk Factors" beginning on page 13 respectively of this Draft Letter of Offer. For additional information regarding such risks and uncertainties, please refer to section titled "Forward Looking Statements" and "Risk Factors" beginning on pages 12 and 13 respectively of this Draft Letter of Offer.

Business Overview

The Company is a part of the Essel Group of Companies which is one of India's prominent business houses with a diverse portfolio of assets in media & entertainment, technology-enabled services, infrastructure development, education, packaging, precious metals and financial services. Essel Group's media and entertainment venture is one of the largest in India and operates various general entertainment and News and Current Affairs channels. "Zee TV" is the group's flagship channel for general entertainment channels owned by ZEEL and "Zee News" being the group's flagship channel for News and Current affairs owned by the Company.

The Company is one of the India's largest private news networks, with ten (10) channels, a English daily newspaper and digital properties www.zeenews.com; and www.dnaindia.com reaching out to news viewers and readers, both in India and overseas.

The Company's broadcasting network comprises of two (2) national channels namely '*Zee News*' and '*Zee Business*' and eight (8) regional News and Current Affairs channels as set out below:

No.	Name of the Channel	Primary Coverage Region	Language
1.	Zee 24 Taas	Maharashtra	Marathi
2.	24 Ghanta*	West Bengal	Bengali
3.	Zee Sangam	Uttar Pradesh & Uttarakhand	Hindi
4.	Zee Punjab Haryana Himachal	Punjab, Haryana and Himachal Pradesh	Punjabi and Hindi
5.	Zee Madhya Pradesh Chhattisgarh	Madhya Pradesh and Chhattisgarh	Hindi
6.	Zee Marudhara	Rajasthan	Hindi
7.	Zee Kalinga	Odisha	Odia
8.	Maurya TV**	Bihar & Jharkhand	Hindi

**Owned and operated by Zee Akaash News Private Limited, a 60% subsidiary of the Company.*

***The Company has acquired 100% stake in Maurya TV Private Limited on December 12, 2014, thereby making it a WoS of the Company. For further details, please refer to section titled "History and Certain Corporate Matters – Subsidiaries of the Company" beginning on page 132 of this Draft Letter of Offer.*

The Company's flagship channel '*Zee News*', is national 24 hour Hindi language news and current affairs channel. '*Zee Business*', is a 24 hour Hindi language business and financial news and current affairs channel.

Significant Factors Affecting Results of Operations of the Company

The results of operations and financial condition of the Company are affected by a number of factors, including the following, which are of particular importance:

- **Revenue from Operations**

  Revenue from Operations includes Advertisement Income, Subscription Income, Sale of Programs and Franchisee Fees.

- **Other Income**

  Other Income includes Interest & Other Income

- **Operational Cost**

  Operational Cost includes expenditure on account of new channel launches, producing the national and regional general news and entertainment contents for channels.

- **Personnel Cost**

  Personnel Cost includes salary, perquisites, annual increments, incentives and employee welfare cost,in line with the Company's continuous investment in hiringand retaining the best talent. The newchannel launches also has its impact in the incrementalpersonnel costs.

- **Other Expenses**

  Other Expenses which includes all Administrative, Selling and Distribution Expenses, upgradation of existing facilities and marketing expenditures to facilitate the launch of newchannels.

- **Finance Cost**

  Finance cost mainly comprises the interest cost and incidental expenses thereto.

Significant Accounting Policies

Statement of Significant Accounting Policies to the Restated Consolidated Financial Information

1. Corporate Information

Zee Media Corporation Limited (herein after referred to as "the holding company", "ZMCL" or "the Company") together with subsidiaries and associates (collectively known as "the Group") is mainly in the business of broadcasting of news / current affairs and regional language channels uplinked from India, sale of television programs including program feeds. The Regional General Entertainment Channels (RGECs) were demerged effective from January 1, 2010 pursuant to the Scheme of Arrangement. Consequent to the merger of Essel Publishers Private Limited with the Company with effect from April 1, 2014, three direct/in-direct subsidiaries viz. Mediavest India Private Limited, Diligent Media Corporation Limited (engaged in publishing and distribution of an English Daily 'DNA') and Pri-Media Services Private Limited (engaged in the business of printing newspapers etc.) are vested in the Company. As a result, the consolidated operations of the Group effective from April 1, 2014 include a new business segment i.e. Print Business.

2. **Significant Accounting Policies**

A. **Basis of consolidation**

a) The Restated Consolidated Summary Statement of Assets and Liabilities of the Group as on September 30, 2014, March 31, 2014, 2013, 2012, 2011 and 2010 and the Restated Consolidated Summary Statement of Profit and Loss and Restated Consolidated Summary Statements of Cash Flows for the six months period ended September 30, 2014 and years ended March 31, 2014, 2013, 2012, 2011 and 2010 and the annexures thereto (collectively, the "Restated Consolidated Financial Information") have been extracted by the management from the Consolidated Financial Statements of the Group for the six months ended September 30, 2014 and years ended March 31, 2014, 2013, 2012, 2011 and 2010. Further, the financial statements for the year ended March 31, 2011 and 2010 have been regrouped and rearranged to comply with Revised Schedule VI to the Companies Act, 1956..

b) The Consolidated Financial Statements (CFS) of the Group are prepared and presented under Historical Cost Convention on going concern basis (including three subsidiaries, networth of which have been eroded (refer note 2(A)(d) below)) using the accrual system of accounting in accordance with accounting principles generally accepted in India and Accounting Standard - 21 on "Consolidated Financial Statements" as prescribed by the Companies (Accounting Standards) Rules, 2006 as per section 211 (3C) of the Companies Act, 1956 (deemed to be applicable as per section 133 of the Companies Act, 2013) to the extent possible in the same manner as that adopted by the holding company for its separate financial statements by regrouping, recasting or rearranging figures, wherever considered necessary. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year except the method and manner of providing depreciation on tangible fixed assets pursuant to Schedule II of the Companies Act, 2013 made effective from April 1, 2014.

c) The consolidation of financial statements of the holding company and its subsidiaries is done to the extent possible on a line-by-line basis by adding together like items of assets, liabilities, income and expenses. All significant intra-group transactions, unrealized inter-company profits and balances have been eliminated in the process of consolidation.

d) The CFS includes the Financial Statements of the holding company and the subsidiaries (as listed in the table below). Subsidiaries are consolidated from the date on which effective control is acquired and are excluded from the date of transfer/disposal.

Name of the Subsidiaries	Proportion of Interest (including beneficial interest) / Voting Power	Country of Incorporation
Direct Subsidiaries		
Zee Akaash News Private Limited (ZANPL)	60.00%	India
24 Ghantalu News Limited ^	100.00%	India
Mediavest India Private Limited (MIPL)*	100.00%	India
Pri-Media Services Private Limited (PMSPL)*	100.00%	India
Indirect Subsidiaries		
Diligent Media Corporation Limited (DMCL)*#	99.99%	India

^ Incorporated on July 19, 2012 and ceased to be subsidiary as sold on December 24, 2013. The subsidiary is consolidated based on management accounts for the year ended March 31, 2014, and therefore unaudited.

* Vested in the Company consequent to merger of Essel Publishers Private Limited with the Company with Appointed Date being April 1, 2014. The Financial Statements have been prepared on going concern basis, despite erosion of net worth, based on financial support extended / assured by the respective holding company.

89,095,342 equity shares held out of a total of 89,095,542 equity shares.

e) **Associate**

The Group has adopted and accounted for Investment in Associate, using the "Equity Method" as per AS - 23 - Accounting for Investments in Associates in Consolidated Financial Statements as prescribed by the Companies (Accounting Standards) Rules, 2006 , for the following:

Name of the Associate	Extent of Holding	Country of Incorporation
Maurya TV Private Limited *	37.87%	India

* Acquired with effect from October 7, 2013.

f) The CFS are prepared using uniform accounting policies for transactions and other events in similar circumstances, except in the following cases. No adjustment has been made for such policy differences except otherwise stated below:

TV - Broadcasting Business

i) In the case of one subsidiary, inventories of Raw Stock - Tapes are valued on First In First Out (FIFO) basis as against Weighted Average Basis followed by the Company.

ii) In the case of one subsidiary, Preliminary Expenses are amortised over the period of five years as against the Group's policy to expense out all Preliminary Expenses in the year such expenses are incurred. For the purpose of Restatement Consolidated Financial Information, these expenses are adjusted in the Surplus in the Statement of Profit and Loss as at April 01, 2009.

Print Business

i) In the case of two subsidaries, provisions in respect of gratuity expense and leave encashment expense for the six months period ending September 30, 2014 are estimated based on actuarial valuation for the year ended March 31, 2014.

ii) Inventories are valued on First In First Out (FIFO) basis.

g) Minority interest in subsidiaries represents the minority shareholders proportionate share of the net assets and net income.

B. **Use of estimates**

The preparation of financial statements requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities, on the date of the financial statements and the reported amount of revenue and expenses for the period. Difference between the actual results and estimates are recognized in the period in which the results are known / materialized.

C. **Tangible fixed assets**

i. Tangible fixed assets are stated at cost, less accumulated depreciation and impairment loss, if any. The cost comprises purchase price, borrowing cost if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Integrated Receiver Decoders (IRD) boxes are capitalised, when available for deployment.

ii. Capital work in progress comprises cost of fixed assets and related expenses that are not yet ready for their intended use at the reporting date.

iii. Leasehold land is stated at cost including lease premium paid.

D. **Intangible assets**

i. Goodwill / Capital Reserve on Consolidation

Goodwill on Consolidation represents the difference between the Group's share in the net worth of the subsidiary / associate and the cost of acquisition at the date on which the investment in the subsidiary / associate is made / acquired. Capital reserve represents negative goodwill arising on consolidation.

ii. Intangible assets acquired are measured on initial recognition at cost and stated at cost less accumulated amortisation and impairment loss, if any.

E. **Borrowing costs**

Borrowing costs attributable to the acquisition or construction of qualifying assets till the time such assets are ready for intended use are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period they occur.

F. **Impairment of tangible and intangible assets**

At each Balance Sheet date, the Company reviews the carrying amount of assets to determine whether there is an indication that those assets have suffered impairment loss. If any such indication exists, the recoverable amount of assets is estimated in order to determine the extent of impairment loss. The recoverable amount is higher of the net selling price and value in use, determined by discounting the estimated future cash flows expected from the continuing use of the asset to their present value.

G. **Depreciation / Amortization on tangible / intangible assets**

i. **Tangible assets**

TV Broadcasting Business

i) Consequent to the enactment of the Companies Act, 2013 and its applicability for accounting periods commencing after April 1, 2014, depreciation on tangible fixed assets is provided on straight line method as per the useful life prescribed by Schedule II to the Companies Act, 2013 except in the following cases where actual useful life of assets as estimated by the management is lower:

Assets	Management's Estimate of Useful Life
Plant and Machinery (Studio equipments – Linear)	10 Years
Plant and Machinery (Studio equipments – Non-Linear)	5 Years
Plant and Machinery (IRD Boxes)	1 Year
Leasehold Improvements	Over the period of lease

ii) Upto March 31, 2014, depreciation is provided on straight line method at the rates specified in Schedule XIV to the Companies Act, 1956 except in the case of leasehold improvements which is amortised over the period of lease.

Print Business

i) Consequent to the enactment of the Companies Act, 2013 and its applicability for accounting periods commencing after April 1, 2014, depreciation on tangible fixed assets is provided on straight line method as per the useful life prescribed by Schedule II to the Companies Act, 2013.
ii) Improvements and Premium paid on Leasehold Land are amortised over the period of lease.

ii. **Intangible assets**

Goodwill on Consolidation

No part of Goodwill arising on consolidation is amortised.

TV Broadcasting Business

Intangible assets are amortised on straight line basis over the economic useful life estimated by the management.

Print Business

Intangible assets are amortised on straight line basis over the economic useful life estimated by the management as under:
i) Software is depreciated over an estimated useful life of five years.
ii) Technical knowhow is amortised over an estimated useful life of five years.

H. **Investments**

a) Investments, which are readily realisable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

b) Current investments are stated at lower of cost and market value determined on an individual investment basis. Long-term investments are stated at cost less provision for diminution other than temporary in the value of such investments.

I. **Transactions in foreign currencies**

a) Foreign currency transactions are accounted at the exchange rates prevailing on the date of such transactions.

b) Foreign currency monetary items are translated using the exchange rate prevailing at the reporting date. Exchange differences arising on settlement of monetary items or on reporting such monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements are recognised as income or as expenses in the year in which they arise.

c) Non-monetary foreign currency items are carried at cost.

J. **Revenue recognition**

a) Broadcasting revenue - Advertisement revenue (net of agency commission, discount and volume rebates) is recognized when the related advertisement or commercial appears before the public i.e. on telecast. Subscription revenue is recognized on time basis on the provision of television broadcasting service to subscribers or as per the agreed terms.

b) Sales (including television programs, film rights and newspapers) are recognized when the significant risks and rewards have been transferred to the customers and is net of sales returns.

c) Revenue from other services including franchisee fee revenue is recognized as and when such services are completed / performed.

d) Advertisement Revenue (net of commission) related to printing segment is recognised when the related advertisement is published.

e) Revenue from printing job work is recognized on the completion of the work.

f) Syndication revenue and royalty income is accounted as per agreed terms / completion of services.

g) Dividend income is recognized when the right to receive dividend is established.

h) Interest income is recognized on a time proportion basis taking into account amount outstanding and the applicable interest rate.

i) Rent income is recognised on a monthly basis as per the terms of the contracts.

j) Software development charges recognised on acknowledgment from parties.

K. **Inventories**

TV Broadcasting Business

a) Inventories of television programs (completed, under production, available for sale) and film rights are stated at lower of cost/ unamortized cost or net realizable value. Cost comprises acquisition / direct production costs and other allocated production overheads. Where the realizable value on the basis of its estimated useful life is less than its carrying amount, the difference is expensed as impairment. Programs are expensed / amortized as under:

i) Programs- news / current affairs / chat shows / events etc are fully expensed on telecast.
ii) Programs (other than (i) above) are amortized over three financial years starting from the year of first telecast, as per management estimate of future revenue potential.

iii) Cost of movie rights are charged on a straight line basis on the licence period or 60 months from the date of acquisition, whichever is shorter.

b) Raw Stock – Tapes are valued at lower of cost or estimated net realizable value. Cost is taken on weighted average basis except in case of a subsidiary which follows First in First out Basis (FIFO).

Print Business

a) Inventories of Raw Materials - Newsprint, Ink and Plate are valued at lower of cost or net realizable value. Cost is determined on FIFO.
b) Inventories of Scrap and Waste Paper Stock is valued at net estimated realisable value.
c) Stores and Spares are valued at lower of average cost or net realizable value.

L. **Retirement and other employee benefits**

i. Short-term employee benefits are expensed at the undiscounted amount in the Statement of Profit and Loss in the year the employee renders the service.

ii. Post employment and other long term employee benefits are recognized as an expense in the Statement of Profit and Loss at the present value of the amount payable determined using actuarial valuation techniques in the year the employee renders the service. Actuarial gains and losses are charged to the Statement of Profit and Loss.

M. **Accounting for taxes on income**

i. Current Tax is determined as the amount of tax payable in respect of taxable income as per the provisions of the Income Tax Act, 1961.

ii. Deferred tax is recognized, subject to consideration of prudence in respect of deferred tax asset, on timing difference, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods and measured using relevant enacted tax rates and laws.

N. **Leases**

i. **Finance lease**

Assets acquired under finance lease are capitalized and the corresponding lease liability is recorded at an amount equal to the fair value of the leased asset at the inception of the lease. Initial costs directly attributable to lease are recognized with the asset under lease.

ii. **Operating lease**

Lease of assets under which all the risks and rewards of ownership are effectively retained by the lessor are classified as operating lease. Lease payments under operating lease are recognized as expense on accrual basis in accordance with the respective lease agreements.

O. **Circulation Scheme Promotion Expense**

Circulation scheme promotion expense is net of receipts from customers.

P. **Preliminary Expenses**

Preliminary Expenses are expensed out in the year the expenses are incurred.

Q. **Earnings per share**

Basic earnings per share is computed and disclosed using the weighted average number of equity shares outstanding during the year. Dilutive earnings per share is computed and disclosed using the weighted average number of equity and dilutive equity equivalent shares outstanding during the year, except when the results would be anti-dilutive.

R. **Provisions, Contingent liabilities and Contingent assets**

Provisions involving substantial degree of estimation in measurement are recognized when there is present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statements.

Changes in Accounting Policies

There have been no changes in accounting policies during last three (3) years in relation to the financial operations of the Company.

Our Revenues from Operations

The table below provides a break-down of our revenue from operations for the financial year 2012, financial year 2013 and financial year 2014:

(` *in Millions*)

	For 6 months period ended		For the 12 months period ended March 31					
	September 30, 2014		2014		2013		2012	
	Amount	% of total income	Amount	% of total income	Amount	% of total income	Amount	% of total income
a) TV - Broadcasting Business								
Services - Broadcasting Revenue								
- Advertisement	1,511.11	56.84	2,205.16	62.22	2019.91	62.86	2001.67	63.01
- Subscription	456.40	17.17	999.00	28.19	842.65	26.22	745.40	23.46
Sales								
- Television Programs	56.84	2.14	143.36	4.05	115.08	3.58	89.35	2.81
- Film Rights	-	-	-	-	-	-	195.15	6.14
Franchise Fee Revenue	-	-	-	-	30.49	0.95	27.72	0.87
Other Operating Income	-	-	3.85	0.11	30.32	0.94	11.40	0.36
b) Print Business								
Services - Revenue								
- Advertisement Revenue	439.96	16.55	-	-	-	-	-	-
- Syndication Revenue	9.19	0.35	-	-	-	-	-	-
- Revenue from Printing Job Work	79.15	2.98	-	-	-	-	-	-
Sale of Products								
- Sale of News papers	73.65	2.77	-	-	-	-	-	-
Other Operating Revenue								
- Sale of waste and scrap	12.77	0.48	-	-	-	-	-	-
- Royalty Income	4.08	0.15	-	-	-	-	-	-
Revenue From Operations	**2,643.14**	**99.42**	**3,351.37**	**94.57**	**3,038.45**	**94.56**	**3,070.69**	**96.66**

Component of Income and Expenditure

The components of our income and expenditure are as set forth below.

Income

Revenue from Operations

Our operating income is substantially derived from Advertisement Income, Subscription Income, Sale of Programs and Franchisee Fees.

Other income

Our other income comprises of operating income in form of interest income on fixed deposits and other instruments.

Expenditure

Our expenditure comprises cost of operational cost, employee benefit expenses and other expenses.

Cost of Raw Materials consumed

Our expenditure on raw material comprises of newsprint and other consumables for the print business.

Operational cost

Our expenditure on Operational cost is towards production and broadcasting of television programs and related direct expenditure.

Employee benefit expense

Our employee benefit expenses comprise of salaries, wages and bonus, remuneration to directors, contribution to provident and other funds, gratuity and expenses towards staff welfare.

Other expenses

Our other expenses comprise of advertisement, selling and distribution expenses.

Our Results of Operations

Set forth below is an extract of Restated Consolidated Statement of Profit and Loss, the components of which are expressed as a percentage of total income for the periods indicated.

(` *in Millions*)

Particulars	Six Months ended September 30, 2014	% of Total Income	Year ended March 31, 2014	% of Total Income	Year ended March 31, 2013	% of Total Income	Year ended March 31, 2012	% of Total Income
Revenue								
Revenue from Operations	2,643.14	99.42	3,351.37	94.57	3,038.45	94.56	3,070.69	96.66
Other Income	15.52	0.58	192.51	5.43	174.78	5.44	106.10	3.34
Total Revenue	**2,658.66**	**100.00**	**3,543.88**	**100.00**	**3,213.23**	**100.00**	**3,176.79**	**100.00**
Expenses								
Cost of Raw Material Consumed	285.33	10.73	-	-	-	-	-	-
(Increase) / Decrease in Inventories	(1.19)	(0.04)	-	-	-	-	-	-
Operational cost	533.71	20.07	661.25	18.66	528.95	16.46	709.28	22.33
Employee benefits expense	815.58	30.68	990.93	28.08	864.29	26.90	746.91	23.51
Other expenses	925.59	34.81	1,445.11	40.66	1,234.69	38.43	1,079.69	33.99

Particulars	Six Months ended September 30, 2014	% of Total Income	Year ended March 31, 2014	% of Total Income	Year ended March 31, 2013	% of Total Income	Year ended March 31, 2012	% of Total Income
Total Expenses	**2,559.02**	**96.25**	**3,097.29**	**87.40**	**2,627.93**	**81.78**	**2,535.88**	**79.83**
EBITDA	**99.64**	3.75	**446.59**	12.60	**585.30**	18.22	**640.91**	20.17
Depreciation and amortisation expense	254.38	9.57	161.10	4.55	119.10	3.71	111.98	3.52
Finance costs	252.17	9.48	103.38	2.92	87.90	2.74	106.59	3.36
Profit/(Loss) before exceptional items and tax, as restated	**(406.91)**	(15.31)	**182.11**	5.14	**378.30**	11.77	**422.34**	13.29
Less : Exceptional Items	-		(59.88)		(45.96)		166.74	
Profit/(Loss) before tax, as restated	**(406.91)**	(15.31)	**241.99**	6.83	**424.26**	13.20	**255.60**	8.05
Less: Tax expense								
Current Tax	44.54	1.68	84.84	2.39	145.78	4.54	131.63	4.14
Deferred Tax	(145.61)	(5.48)	(17.28)	(0.49)	0.49	0.02	(21.61)	(0.68)
Profit/(Loss) for the period before minority interest and share of profit/(loss) of associate	**(305.84)**	(11.50)	**174.43**	4.92	**277.99**	8.65	**145.58**	4.58
Less : Minority interest	16.20	0.61	24.17	0.68	31.74	0.99	35.69	1.12
Add: Share of profit/(loss) from the associate	-		-		-		-	
Profit/(Loss) after tax, as restated	**(322.04)**	(12.11)	**150.26**	4.24	**246.25**	7.66	**109.89**	3.46

Adjustments for Restatement

Set forth below is certain information with respect to the restatement adjustments for the periods indicated.

Particulars	Six Months ended September 30, 2014	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2010
Profit / (Loss) as per audited consolidated financial statements	**(321.71)**	**189.32**	**241.68**	**115.47**	**163.67**	**456.84**
Impact due to:						
Liabilities / Excess	(1.07)	(43.27)	1.65	(46.69)	35.14	28.64

Particulars	Six Months ended September 30, 2014	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2010
provisions written back						
Prior Period Items	0.57	(1.12)	0.59	(1.31)	1.28	9.60
Interest expense	-	-	-	-	0.03	-
Preliminary Expenses	-	-	-	-	-	0.08
Tax expense of prior periods	-	(9.48)	2.79	27.09	(22.58)	11.53
Tax Impact on adjustments made as above	0.17	15.09	0.72)	15.38	(9.11)	(12.67)
Total Impact of adjustments	**(0.33)**	**(38.78)**	**4.31**	**(5.53)**	**4.76**	**37.18**
Profit / (Loss) before Minority Interest	**(322.04)**	**150.54**	**245.99**	**109.94**	**168.43**	**494.02**
Add / (Less) : Minority Interest	-	(0.28)	0.26	(0.05)	(0.25)	(0.14)
Profit / (Loss) after tax, as restated	**(322.04)**	**150.26**	**246.25**	**109.89**	**168.18**	**493.88**

For six (6) months period ended September 30, 2014

Our total revenue for six (6) months period ended September 30, 2014 was `2,658.66 million which comprised of `2,643.14 million from revenue from operations and `15.52 million from other income.

Our total revenue from operations for six (6) months period ended September 30, 2014 was `2,643.14 million which comprised of `2,024.35 million revenue from TV Broadcasting Business, `618.79 million revenue from print business. Our total revenue from operations was positively impacted by revenue from print business due to merger of Essel Publishers Private Limited with the Company.

Our other income for six (6) months period ended September 30, 2014 was `15.52 million.

Expenditure

Our total expenses for six month ended September 30, 2014 was `3,065.57 million.

Our total expenses for six (6) months period ended September 30, 2014 comprised of `285.33 million cost of raw material consumed, `(1.19) million cost of (increase)/ decrease in inventories, `533.71 million operational cost, `815.58 million employee benefit expenses, `252.17 million finance costs, `254.38 million depreciation and amortisation expense and `925.59 million other expenses.

Additionally, pursuant to the notification of Schedule II of the Companies Act, 2013, by the Ministry of Corporate Affairs which is effective from April 1, 2014, we have reassessed and changed, wherever necessary, the useful lives to compute depreciation, to conform to the requirements of the Companies Act, 2013 for the six (6) months period ended September 30, 2014.

Profit/(loss) before exceptional items and tax, as restated

Our loss before exceptional items and tax for six (6) months ended September 30, 2014 was `406.91 million.

Tax

Our provisions for tax liabilities for six month ended September 30, 2014 was `(101.07) million which comprised ofcurrent tax liability of `44.54 million and deferred tax liability of `(145.61) million.

Net profit/(loss), as restated

Our loss after tax for six (6) months period ended September 30, 2014 was `322.04 million.

Year ended March 31, 2014 compared to year ended March 31, 2013

Income

The Company's total income increased by `330.65 million, or 10.29%, to `3,543.88 million for the Financial Year ended March 31, 2014, from `3,213.23 million for the Financial Year ended March 31, 2013.

- *Broadcasting revenue.* Broadcasting revenue increased by `341.60 million, or 11.93%, to `3,204.16 million for the Financial Year ended March 31, 2014, from `2,862.56 million for the Financial Year ended March 31, 2014. The components of broadcasting revenue are set out below:

  - *Advertisement income.* Advertisement income increased by `185.24 million, or 9.17%, to `2,205.16 million for the Financial Year ended March 31, 2014, from `2,019.91 million for the Financial Year ended March 31, 2013. The increase in advertisement income was primarily due to increase in ad spend by existing customers, addition of new customers and optimum utilization of spots.

  - *Subscription income.* Subscription income increased by `156.35 million, or 18.55% to `999.00 million for the Financial Year ended March 31, 2014, from `842.65 million for the Financial Year ended March 31, 2013. The increase in subscription income was primarily due to implementation of DAS, increase in viewer demand for our channels and revamping of content.

- *Sale income from television programs and Film Rights.* Sales income (from television programs and Film Rights) increased by `28.28 million, or 24.58%, to `143.36 million for the Financial Year ended March 31, 2014, from `. 115.08 million for the Financial Year ended March 31, 2013. The increase in sales income from television programs was primarily due to better content which increased the number of episodes exported and increase in dollar rate also added to the revenues.

- *Franchise Fee Revenue.* We had no Income from Franchise Fee the year ended March 31, 2014. The decrease in Franchise Fee Revenue was primarily due to discontinuance of franchise in March 2013 as we launched our own channel in same region.

- *Other Operating Income.* Income from Other Operating Income decreased by `26.47 million, or 87.30%, to `3.85 million for the Financial Year ended March 31, 2014, from `30.32 million for the Financial Year ended March 31, 2013. The decrease in other operating income was primarily due to discontinuance of management fee and transmission rental towards our channels.

- *Other income.* Other income increased by `17.73 million, or 10.14%, to `192.51 million for the Financial Year ended March 31, 2014, from `174.78 million for the Financial Year ended March 31, 2013. The increase in other income was primarily due to interest income.

Expenditure

The Company's expenditure increased by `526.84 million, or 18.58%, to `3,361.77 million for the Financial Year ended March 31, 2014, from `2,834.93 million for the Financial Year ended March 31, 2013.

- *Operational Cost.* Operational Costincreased by `132.30 million, or 25.01%, to `661.25 million for the Financial Year ended March 31, 2014, from `528.95 million forthe year ended March 31, 2013. The increase in Operational

Cost was primarily due to the new channel launches out which major cost component is towards producing the regional general entertainment contents for these regional channels, as wellas normal YOY increase in existing channels.

- *Employee benefit expenses*. Employee benefit expenses increased by `126.64 million, or 14.65%, to `990.93 million for the Financial Year ended March 31, 2014, from `864.29 million for the Financial Year ended March 31, 2013. The increase in personnel expenses was primarily due to annual increments, incentives, employee welfare cost in line with the Company's continuous investment in hiring and retaining the best talent.The new channel launches also has its impact in the incrementalpersonnel costs.

- *Other expenses*. Other expenses increased by `210.43 million, or 17.04%, to `1,445.11million for the Financial Year ended March 31, 2014, from `1,234.69 million for the Financial Year ended March 31, 2013. The increase in operating expenses was primarily due to new channel launches, which is in the respective regional locations, hence every facility has to be created afresh for these new launches also upgradation of existing facilities and marketing expenditures to facilitate the launch of newchannels.

- *Finance cost*. Financecost increased by `15.48 million, or 17.61%, to `103.38 million for the Financial Year ended March 31, 2014, from `87.90 million for the Financial Year ended March 31, 2013, due to increase in loan facilities for incurring capital expenditure for launching new channels..

- *Depreciation/amortization*. Depreciation/amortization increased by `42.00 million, or 35.27%, to `161.10 million for the Financial Year ended March 31, 2014 from `119.10 million for the Financial Year ended March 31, 2013. The increase in depreciation/amortization was primarily due to the addition in fixed assets for the new channel launches and up gradation of existing facilities, accordingly it has its bearing on depreciation as well.

Restated Profit before exceptional items and tax

Restated profit before exceptional items and tax decreased by `196.19 million, or 51.86%, to `182.11 million for the Financial Year ended March 31, 2014 from `378.30 million for the Financial Year ended March 31, 2013. The decrease was primarily attributable to the higherexpenses on new channels vis-à-vis lower contribution to thetop line by them, since newer channels have less viewershipand hence lower contribution to the revenues, but demandhigher expenditures to support launch activities.

Exceptional Item

Company has reversed the provision of `59.88 million which was provided for in Financial Year ended March 31, 2012 towards provision for doubtful advance share application money given to a company as exceptional item, since the same was recovered from them.

Tax Expense

Tax expense decreased by `78.72 million, or 53.82%, to `67.56 million for the Financial Year ended March 31, 2014 from `146.27 million for the Financial Year ended March 31, 2013.

Restated Profit after Tax

As a result of the above, restated profit after tax decreased by `95.99 million, or 38.98%, to `150.26 million for the Financial Year ended March 31, 2014, from `246.25 million for the Financial Year ended March 31, 2013.

Year ended March 31, 2013 compared to year ended March 31, 2012

Income

The Company's total income increased by `36.44 million, or 1.15%, to `3,213.23 million for the Financial Year ended March 31, 2013, from `3,176.79 million for the Financial Year ended March 31, 2012.

- *Broadcasting revenue.* Broadcasting revenue increased by `115.49 million, or 4.2%, to `2,862.56 million for the Financial Year ended March 31, 2013, from `2,747.07 million for the Financial Year ended March 31, 2012. The components of broadcasting revenue is set out below:

  - *Advertisement income.* Advertisement income increased by `18.24 million, or 0.91%, to `2,019.91 million for the Financial Year ended March 31, 2013, from `2,001.67 million for the Financial Year ended March 31, 2012. The increase in advertisement income was nearly flat due to the adverse economic environment wherein the advertisers tightened their ad spends. Additionally, our Company had an advertising rate stand-off with the key government advertising agencies. Also, the state elections which gave additional revenue generating opportunity in Financial Year ended March 31, 2012, were not there in Financial Year ended March 31, 2013.

  - *Subscription income.* Subscription income increased by `97.25 million, or 13.05%, to `842.65 million for the Financial Year ended March 31, 2013, from `745.40 million for the Financial Year ended March 31, 2012. The increase in subscription income was primarily due to more control on subscription revenue due to implementation of DAS and saleability of channel as a Bouquet which increased viewer demand for our channels.

- *Sale income from television programs and Film Rights.* Sales income (from television programs and Film Rights) decreased by `169.42 million, or 59.55%, to `115.08 million for the Financial Year ended March 31, 2013, from `284.50 million for the Financial Year ended March 31, 2012. The increase in sales income from television programs was primarily due to the increase in sales income from television programs was primarily due to better content which increased the number of episodes exported and increase in dollar rate also added to the revenues. Further, sales income from film rights dropped reflecting the effect of one time transaction of selling film rights pertainingto Zee Tamil in Financial Year 2012.

- *Franchise Fee Revenue.* Income from Franchise Fee Revenue increased marginally by `2.77 million, or 10.00%, to `30.49 million for the Financial Year ended March 31, 2013, from `27.72 million for the Financial Year ended March 31, 2012. The increase in franchise fee revenuewas primarily due to YOY increase in franchise fee based on the agreement.

- *Other Operating Income.* Income from Other Operating Income increased by `18.92 million, or 165.96%, to `30.32 million for the Financial Year ended March 31, 2013, from `11.40 million for the Financial Year ended March 31, 2012. The increase in other operating income was primarily due to management fee and increase in transmission rental towards our channels.

- *Other income.* Other income increased by `68.68 million, or 64.73%, to `174.78 million for the Financial Year ended March 31, 2013, from `106.10 million for the Financial Year ended March 31, 2012. The increase in sales income was primarily due to interest income from inter-corporatedeposits.

Expenditure

The Company's expenditure increased by `80.48 million, or 2.92%, to `2,834.93 million for the Financial Year ended March 31, 2013, from `2,754.45 million for the Financial Year ended March 31, 2012.

- *Operational Cost.* Operational Cost decreased by `180.33 million, or 25.42%, to `528.95 million for the Financial Year ended March 31, 2013, from `709.28 million for the Financial Year ended March 31, 2012. The decrease in Operational Cost was primarily due to amortization of Film Rights and exploited programs of Zee Tamil in Financial Year 2012.

- *Employee benefits expenses.* Employee benefit expenses increased by `117.38 million, or 15.72%, to `864.29 million for the Financial Year ended March 31, 2013, from `746.91 million for the Financial Year ended March 31, 2012. The increase in personnel expenses was primarily due to annual increments, incentives and employee welfare costin line with the Company's continuous investment in hiring and retaining the best talent.

- *Other expenses.* Other expenses increased by `155.00 million, or 14.36%, to `1,234.69 million for the Financial Year ended March 31, 2013, from `1,079.69 million for the Financial Year ended March 31, 2012. The increase in

operating expenses was primarily due major repairs/renovations in existing infrastructure to support expansion besides investing in marketing activities tofacilitate the upcoming launches.

- *Finance cost*. Financecost decreased by `18.69 million, or 17.54%, to `87.90 million for the Financial Year ended March 31, 2013, from `106.59 million for the Financial Year ended March 31, 2012, due to to efficient and regular monitoring of working capital requirement and maintaining the Cash Credit utilization at the lowest possible level. The Company had also repaid apart of the term bank loan fell due in the current year.

- *Depreciation/amortization*. Depreciation/amortization increased by `7.12 million, or 6.36%, to `119.10 million for the Financial Year ended March 31, 2013 from `111.98 million for the Financial Year ended March 31, 2012. The increase in depreciation/amortization was primarily due to additions of software and technology related fixed assets during Financial Year 2013, having higher rate of depreciation.

Restated Profit before exceptional items and tax

Restated profit before exceptional items and tax decreased by `44.04 million or 10.43%, to `378.30 million for the Financial Year ended March 31, 2013 from `422.34 million for the Financial Year ended March 31, 2012. The decrease was primarily attributable to Operating Profits have reduced considerablyowing to relatively flat revenues and higher expenses due toexpansion plans.

Exceptional Items

Company has reversed the provision of `45.96 million in Financial Year 2013 which was provided for in Financial Year 2012, towards provision for doubtful advance share application money given to a company as Exceptional Item, since the same was recovered from them.

Tax Expense

Tax expense increased by `36.25 million, or 32.96%, to `146.27 million for the Financial Year ended March 31, 2013 from `110.02 million for the Financial Year ended March 31, 2012.

Restated Profit after Tax

As a result of the above, restated profit after tax increasedby `136.36 million, or 124.07%, to `246.25 million for the Financial Year ended March 31, 2013, from `109.89 million for the Financial Year ended March 31, 2012.

Liquidity and Capital Resources

Our primary liquidity needs have been to finance our working capital needs and capital expenditure. We have financed our operations primarily by way of cash flow from operations and long-term and short-term borrowings in the form of cash credit and commercial papers.

We had cash and cash equivalents of `1,62.11 million and ` 57.65 million as of March 31, 2014 and March 31, 2013, respectively. Our anticipated cash flows are however dependent on several factors beyond our control. For further details, please refer to section titled "Risk Factors" beginning on page 13 of this Draft Letter of Offer.

Set forth below is a summary of our cash flow data for the periods indicated.

Particulars	**For 6 months period ended**	**Year ended March 31,**		
	September 30, 2014	**2014**	**2013**	**2012**
	In ` Million			
Cash and cash equivalents at the beginning of the period	162.11	57.65	184.43	835.95
Net cash flow generated from/(used in) operating activities	(118.81)	284.60	788.24	(86.28)
Net cash flow generated from/(used in) investing	221.47	(535.20)	(702.03)	(720.61)

Particulars	For 6 months period ended	Year ended March 31,		
	September 30, 2014	2014	2013	2012
	In ` Million			
activities				
Net cash flow generated from/(used in) financing activities	(94.63)	355.51	(212.99)	155.37
Cash and Cash equivalents transferred on sale of subsidiary	-	(0.45)	-	-
Cash and Cash Equivalents received pursuant to the Scheme of Amalgamation / Arrangement	44.60	-	-	-
Cash and cash equivalent at the end of the period	214.74	162.11	57.65	184.43

Cash Flow Statement

For the six (6) months period ended September 30, 2014, our net cash flow from operating activities was `(118.81) million, while it was `284.60 million, `788.24 million, `(86.28) million for year ended March 31, 2014, 2013 and 2012 respectively. For the six (6) months period ended September 30, 2014, our net cash flow from investing activities was `221.47 million, while it was `(535.20) million, `(702.03) million, `(720.61) for year ended March 31, 2014, 2013 and 2012 respectively. For the six (6) months period ended September 30, 2014, our net cash flow from financing activities was `94.63 million, while it was `355.51 million, `(212.99) million, `155.37 million for year ended March 31, 2014, 2013 and 2012 respectively. For details of changes in operating, investment and financing cash flow, please refer to section titled "Financial Statements – Restated Consolidated Financial Information" beginning on page 197 of this Draft Letter of Offer.

Indebtedness

The Company's total amount of secured loans was `1,114.63 million as of March 31, 2014, with a current portion (consisting of cash credit and current maturities of long term borrowings) of `435.79 million. The Company's secured loans comprised of term loans and cash credit facilities. All of the Company's loans are currently Indian Rupee-denominated.

Capital Expenditure

Capital expenditures represent our fixed assets plus changes in capital work-in-progress (i.e., expenses incurred in relation to work-in-progress but not capitalized). In fiscal year 2014, our total capital expenditure was `729.06 million, which represented an increase of 248.90% over the total capital expenditure in fiscal year 2014, when our capital expenditure was `208.96 million.

The Company has historically sourced funding for capital expenditures through internally-generated funds and long-term borrowings.

The Company expects to fund its budgeted capital expenditures principally through the proceeds of this offering, cash from operations and from borrowings. The figures in the Company's capital expenditure plans are based on management's estimates and have not been appraised by an independent organization. In addition, the Company's capital expenditure plans are subject to a number of variables, including: possible cost overruns; construction/development delays; the receipt of critical government approvals; availability of financing on acceptable terms; changes in management's views of the desirability of current plans; the identification of new plans/projects and potential acquisitions; and macroeconomic factors such as the India's economic performance and interest rates. There can be no assurance that the Company will execute its capital expenditure plans as contemplated at or below estimated costs.

Working Capital

As of September 30, 2014, our cash and cash equivalents were `214.74 million. We use and expect to use bank loans to meet our working capital requirements as and when needed.

Contingent Liabilities

Set forth below are the contingent liabilities that had not been provided for as of September 30, 2014.

Particulars	As at September 30, 2014 (` in Million)
Custom Duty pending export obligations	18.18
Disputed Direct Taxes (Including Penalty)	372.90
Disputed Indirect Taxes	142.63
Legal cases against the Company *	Not Ascertainable

**The Company has received legal notices of claims / law suits filed against it relating to infringement of copy rights, defamation suits etc. in relation to programs telecasted / other matters. In the opinion of the management, no material liability is likely to arise on account of such claims / law suits.*

Off-Balance Sheet Arrangements

The Company does not have any off-balance sheet arrangements.

Transactions with Associates and Related Parties

From time to time, we enter into transactions with companies that are controlled by members of the Company's Promoter, Promoter Group, Group Entities and other related parties in the ordinary course of our business. For details on related party transactions of the Company, please refer to Annexure XIX titled "*Restated Consolidated Summary Statement of Related Party Transactions*" and Annexure XIX titled "*Restated Summary Statement of Related Party Transactions*" in the section titled "Financial Information" beginning on page 197 of this Draft Letter of Offer.

Quantitative and Quantitative Disclosure of Market Risk

The Company's principal financial instruments consist of its long-term debt, cash on hand and in the bank, short-term investments and receivables from and payables to affiliated companies. These are used to provide funding for the Company's business operations. The Company enters into hedging transactions as and when it sees the need to do so in order to shield itself from fluctuations in currency exchange rates when importing raw materials. The Company is not currently party to any hedging transactions or speculation with respect to financial instruments.

The Company believes that the principal risks arising from its financial instruments are liquidity risk, interest rate risk and foreign exchange risk.

Interest Rate Risk

The Company's exposure to interest rate risk relates primarily to its long-term debt. As of September 30, 2014, the Company has secured loans consisiting of cash credit and buyers credit facilities of `3,697.39 million, which bore interest at floating rates. Therefore, fluctuations in interest rates could have the effect of increasing the interest due on the Company's outstanding debt and increases in such rates could make it more difficult for the Company to procure new debt on attractive terms. The Company currently does not, and has no plans to engage in, interest rate derivative or swap activity.

Liquidity Risk

The Company faces the risk that it will not have sufficient cash flows to meet its operating requirements and its financing obligations when they come due. The Company manages its liquidity profile through the efficient management of existing funds and effective forward planning for future funding requirements.

Going forward, and to the extent it is able to do so, the Company intends to primarily use internally generated funds and proceeds from this equity offering to meet its financing requirements.

Known Trends or Uncertainties

Other than as described in the sections titled "Risk Factors" and this "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on pages 13 and 379 respectively of this Draft Letter of Offer, to our

knowledge there are no known trends or uncertainties that have or had or are expected tohave a material adverse impact on our income or revenue from operations.

Unusual or Infrequent Events or Transactions

Other than as described in the section titled "Business of the Company" beginning on page 103 of this Draft Letter of Offer, there have been no events or transactions to our knowledge which may be described as 'unusual' or 'infrequent'.

Seasonality of Business

While we do not characterize our business as seasonal, our income and profits may vary from quarter to quarter depending on factors including political and social events, festive season, political developments, etc.

Competitive Conditions

The competition in the television news broadcasting industry is intense. We believe that competitive advantage is based principally on the Company's ability to attract and retain viewers and advertisers as well as the Company's connectivity to cable and satellite homes. For further details, please refer to the sections titled "Risk Factors" and "Business of the Company" beginning on pages 13 and 103 respectively of this Draft Letter of Offer.

Future Relationship between Costs and Income

Other than as described above and in section titled "Risk Factors" beginning on page 13 of this Draft Letter of Offer, to our knowledge, there are no known factors which will have a material adverse impact on our operations and finances.

Significant Dependence on a Single or few customers

Although we have a wide client base and our business is not dependent on any single or few clients, a majority of our clientele is in the retail sector. For more information, please refer to section titled "Business of the Company" beginning on page 103 of this Draft Letter of Offer.

Significant Developments

Maurya TV Private Limited, an associate company as on September 30, 2014, has become a wholly owned subsidiary company w.e.f. December 12, 2014 on acquisition of remaining shares of the said company.

WORKING RESULTS

In accordance with Circular No.F.2/5/SE/76 dated February 5, 1977 issued by the Ministry of Finance, Government of India, as amended by Ministry of Finance, Government of India through its circular dated March 8, 1977, our working results on a standalone basis for the period from April 1, 2014 till November 30, 2014 are set out in the table below:

(` *in Millions*)

Particulars	For the period April, 01 2014 to November 30, 2014
Sales/ Turnover	2,474.22
Other Income	53.93
Total Income	**2,528.15**
Estimated Gross Profit/ (Loss) (excluding depreciation/amortization and taxes)	230.99
Provision for depreciation/amortization	190.83
Provision for taxes (Current tax and Deferred Tax)	10.73
Estimated Net Profit/ (Loss)	**29.43**

Note: As certified by MGB & Co. LLP, Chartered Accountants (Firm Registration Number: 110069W/W-100035) vide its certificate dated December 24, 2014

Material changes and commitments, if any, affecting the financial position of the Company

There are no material changes affecting the financial position of the Company after the last date of the financial statements included in this Draft Letter of Offer, except as disclosed in "Financial Statements" beginning on page 197 of this Draft Letter of Offer.

MARKET PRICE INFORMATION

The Company is listed on the BSE and NSE. The Company's shares are traded on the BSE and NSE.

Stock Market Data of the Equity Shares

The high and low closing prices recorded on BSE during the last three (3) years and the number of Equity Shares traded on the days the high and low prices were recorded are stated below.

BSE

Calender Year	High			Low			Average Price for the year (`)
	Date	Price (`)	Volume	Date	Price (`)	Volume	
2012	September 7, 2011	14.00	315,095	December 20, 2011	8.74	334,550	11.50
2013	December 7, 2012	19.05	553,915	June 4, 2012	9.24	38,651	13.65
2014	May 14, 2013	17.95	599,583	August 29, 2013	10.66	34,442	13.22

Source: www.bseindia.com

NSE

Calender Year	High			Low			Average Price for the year (`)
	Date	Price (`)	Volume	Date	Price (`)	Volume	
2012	September 7, 2011	14.05	778,170	December 20, 2011	8.70	1,099,941	11.51
2013	January 18, 2013	19.10	445,314	June 5, 2012	9.25	46,703	13.65
2014	May 14, 2013	18.05	1,121,051	August 29, 2013	10.65	112,528	13.22

Source: www.nseindia.com

Prices for the last six (6) months:

The high and low prices and volume of Equity Shares traded on the respective dates during the last six (6) months are stated as under:

BSE

Month, Year	High			Low			Average Price for the month (`)
	Date	Price (`)	Volume	Date	Price (`)	Volume	
June 2014	June 9, 2014	22.80	1,758,721	June 2, 2014	18.00	912,348	20.49
July 2014	July 2, 2014	21.95	743,098	July 11, 2014	17.15	236,232	18.72
August 2014	August 28, 2014	18.95	1,356,145	August 14, 2014	16.10	186,586	17.38
September 2014	September 15, 2014	20.25	935,846	September 25, 2014	16.55	450,317	18.27
October 2014	October 31, 2014	20.05	752,801	October 16, 2014	16.60	270,408	17.63
November 2014	November 13, 2014	23.65	1,503,614	November 28, 2014	21.15	324,060	22.34

Source: www.bseindia.com

NSE

Month, Year	High			Low			Average Price for the month (`)
	Date	Price (`)	Volume	Date	Price (`)	Volume	
June 2014	June 9, 2014	22.75	5,191,440	June 2, 2014	17.90	1,843,897	20.48
July 2014	July 2, 2014	21.80	2,526,205	July 11, 2014	17.15	916,826	18.70
August 2014	August 28, 2014	19.00	4,215,961	August 14, 2014	16.20	458,848	17.39
September 2014	September 15, 2014	20.20	2,560,631	September 25, 2014	16.50	1,118,099	18.24
October 2014	October 31, 2014	20.00	1,762,422	October 16, 2014	16.55	897,163	17.63

Month, Year	High			Low			Average Price for the month (`)
	Date	Price (`)	Volume	Date	Price (`)	Volume	
November 2014	November 13, 2014	23.60	4,770,093	November 28, 2014	21.10	723,105	22.30

Source: www.nseindia.com

The Board of Directors of the Company has approved the Issue at their meeting held on October 20, 2014. The high and low prices of the Company's shares as quoted on the BSE and NSE on October 21, 2014, the day on which the trading happened immediately following the date of the Board Meeting is as follows:

BSE

Date	Volume (Nos.)	High (`)	Low (`)
October 21, 2014	176,398	17.50	16.90

Source: www.bseindia.com

NSE

Date	Volume (Nos.)	High (`)	Low (`)
October 21, 2014	682,234	17.50	16.90

Source: www.nseindia.com

Volume of Shares traded in the last six (6) months:

BSE

Month	Volume (Nos)
June 2014	23,569,143
July 2014	6,693,614
August 2014	6,664,945
September 2014	8,911,529
October 2014	5,041,215
November 2014	12,264,992

Source: www.bseindia.com

NSE

Month	Volume (Nos)
June 2014	64,253,992
July 2014	20,495,632
August 2014	19,199,573
September 2014	23,429,621
October 2014	15,615,468
November 2014	35,469,764

Source: www.nseindia.com

FINANCIAL INDEBTEDNESS

The Company has availed certain term loans and working capital facilities from several banks as on November 30, 2014, details of which are set out below:

Name of the Lender	Sanctioned Amount as on November 30, 2014 (`in Million)	Amount outstanding as on November 30, 2014 (`in Million)	Rate of Interest (%)	Repayment Schedule/ Terms of Renewal	Security Provided
Term Loans					
State Bank of India Sanction Letter dated November 7, 2013 Agreement of Loan for overall limit dated November 12, 2013 Agreement for hypothecation of Goods and Assets dated November 12, 2013	800.00	794.76	Base Rate plus 200 bps	After moratorium period of twenty three (23) months from the date of first disbursement i.e. November 14, 2013. The loan is repayable in fourteen (14) quarterly instalments commencing from October 2015.	**Primary Security**: ▪ First hypothecation charge on the entire movable fixed assets of the Company except vehicles.
Total (A)	**800.00**	**794.76**			
Fund Based Limit I					
State Bank of India Sanction Letter dated November 7, 2013 Agreement of Hypothecation of Goods and Assets dated May 21, 2009 executed for an overall limit of `1,250 million.	450.00 (Cash Credit Limit/ Working Capital Demand Loan)	425.90	125 bps above Base Rate	Facility to be renewed periodically	**Primary Security**: ▪ Hypothecation charge on entire current assets of the Company **Collateral Security**: ▪ First hypothecation charge on the entire movable fixed assets of the Company except vehicles.
Total (B)	**450.00**	**425.90**			
Total (A+B)	**1,250.00**	**1,220.66**			

Restrictive Covenants:

The Company has availed term loan and working capital facility from the State Bank of India (SBI). SBI by way of its letter dated November 7, 2013 (the "***Sanction Letter***") has sanctioned the aforementioned facilities. The Sanction Letter contain various restrictive conditions and covenants restricting certain corporate actions, and for some of these corporate actions the Company is required to take the prior approval of the lender before carrying out such activities which are set out below:

- Effect any change in the Company's capital structure; in all cases of term loans, where a condition prohibiting disinvestments by promoters of their quota in the equity of the borrower Company, without the prior approval of the Bank, all the promoters of the Company should furnish an undertaking on the lines specified for this purpose. On the basis of the letter of undertaking, promoters should also furnish each year in the first week of April; the latter's confirmation together with the Auditor's certificate as on 31st March every year for record of the Bank.
- Formulate any scheme of amalgamation or reconstruction.
- Undertake any new project, implement any scheme of expansion or acquire fixed assets except those indicated in the funds flow statement submitted to the Bank from time to time and approved by the Bank.
- Invest by way of share capital in or lend or advance funds to or place deposits with any other concern (*including group companies*): normal trade credit or security deposits in the normal course of business or advances to employees can however, be extended.
- Enter into borrowing arrangement either secured or unsecured with any other bank, financial institution, Company or otherwise or accept deposits apart from the arrangement indicated in the funds flow statements submitted to the bank from time to time and approved by the Bank.
- Undertake any guarantee obligation on behalf of any other Company (*including group companies*).
- Declare dividends for any year out of the profits relating to that year or of the previous years. It is, however, necessary for the borrower to ensure first that provisions are made and that no repayment obligations remain unmet at the time of making the request for Bank's approval for the declaration of dividend.
- Create any charge, lien or encumbrance over its undertaking or any part thereof in favour of any financial institution, bank, Company, firm or persons.
- Sell, assign, mortgage or otherwise dispose off any of the fixed assets charged to the Bank.
- Enter into any contractual obligation of a long- term nature or affecting the Company financially to a significant extent.
- Change the practice with regard to remuneration of directors by means of ordinary remuneration or commission, scale of sitting fees, etc.
- Undertake any trading activity other than the sale of products arising out of its own manufacturing operations.
- Permit any transfer of the controlling interest or make any drastic change in the management set-up.
- Repay monies brought in by the promoters/directors/principal shareholders and their friends and relatives by way of deposits/loans/advances. Further, the rate of interest, if any, payable on such deposits/loans/advances should be lower than the rate of interest charges by the Bank on its term loan and payment of such interest will be subject to regular repayment of installments under term loans granted/deferred payment guarantees executed by the Bank or other repayment obligations, if any, due from the Company to the Bank.
- All unsecured loans/deposits raised by the Company for financing a project are always subordinate to the loans of the banks/financial institutions and should be permitted to be repaid only with the prior approval of all the banks and the financial institutions concerned.

Secured and Unsecured loans availed by the Subsidiaries of the Company

The Subsidiary(ies) of the Company have availed certain secured and unsecured loans from several banks and entities as on November 30, 2014, details of which are set out below:

1. **Pri Media Services Private Limited**

Secured Loans:

Name of the Lender	Sanctioned Amount as on November 30, 2014 (`in Million)	Amount outstanding as on November 30, 2014 (`in Million)*	Rate of Interest (%)	Repayment Schedule	Security Provided
Term Loan					
The Jammu & Kashmir Bank Limited Sanction Letter dated October 12, 2013	1,090.00	1,092.98	Base Rate + 2.75% p.a.	Twenty four (24) structured instalments commencing after a moratorium period of one (1) year from the date of first	**Primary Security**: ▪ First pari passu charge on all the fixed assets including plant and Machinery present and future as

Name of the Lender	Sanctioned Amount as on November 30, 2014 (`in Million)	Amount outstanding as on November 30, 2014 (`in Million)*	Rate of Interest (%)	Repayment Schedule	Security Provided
Loan Agreement dated December 30, 2013 Hypothecation Agreement dated February 21, 2014 Memorandum of Entry (MoE) dated August 13, 2014 recording mortgage by deposit of title deeds Corporate Guarantee Agreement dated December 23, 2013 Security Trustee Appointment Agreement dated July 31, 2014 between Pri Media; The Jammu & Kashmir Bank Limited; IDBI Bank Limited; and IDBI Trusteeship Services Limited				disbursement	under: - Hypothecation of Plant and Machinery at Mumbai, Pune and Bangalore. - Mortgage of leasehold Land & Building situated at Plot No. EL-201, Near Nelco, Mahape, TTC Industrial Areas, MIDC, Navi Mumbai 400 705. - Mortgage of freehold Land & Building situated at Plot No. 296/297, KIABD Industrial Area, Bommasandra, Jigani Link Road, Bangalore 562 106 valued at `267.10 million. ▪ Second pari passu charge on all the current assets, receivables, present and future. **Collateral Security**: ▪ Corporate Guarantee of the Company.
IDBI Bank Limited Sanction Letter dated December 14, 2013 Loan Agreement dated January 13, 2014 Deed of Hypothecation dated January 13, 2014	1,100.00	1,101.49	Base Rate + 3.50% p.a.	Twenty four (24) structured instalments commencing after a moratorium period of one (1) year from the date of first disbursement	**Primary Security**: ▪ First pari passu charge on all the fixed assets of Pri Media (both present & future). ▪ Second pari-passu charge on all the current assets, both present and future. **Collateral Security**: ▪ Corporate Guarantee of the Company.

Name of the Lender	Sanctioned Amount as on November 30, 2014 (`in Million)	Amount outstanding as on November 30, 2014 (`in Million)*	Rate of Interest (%)	Repayment Schedule	Security Provided
Guarantee Agreement dated January 17, 2014 Security Trustee Appointment Agreement dated July 31, 2014 between Pri Media; The Jammu & Kashmir Bank Limited; IDBI Bank Limited; and IDBI Trusteeship Services Limited					▪ Pending security creation as stipulated, interim collateral security such as pledge of equity shares, equivalent to the value of the amount of loan to be availed from Pri Media, along with the margin of 10%. ▪ Creat and maintain a separate DSRA to meet debt service requirements of ensuing 1 quarter to IDBI Bank, 30 days in advance.
Total (A)	**2,190.00**	**2,190.00**			
Cash Credit Facilities					
The Jammu & Kashmir Bank Limited Sanction Letter dated October 12, 2013 Loan Agreement dated December 30, 2013 Corporate Guarantee Agreement dated December 23, 2013 Security Trustee Appointment Agreement dated July 31, 2014 between Pri Media; The Jammu & Kashmir Bank Limited; IDBI Bank Limited; and IDBI Trusteeship Services Limited	200.00	200.00	Base Rate + 2.25% p.a.	One (1) year subject to renewal after review	**Primary Security**: ▪ First pari passu charge on all the current assets, receivables of Pri Media present and future. **Collateral Security**: ▪ Corporate Guarantee of the Company.

Name of the Lender	Sanctioned Amount as on November 30, 2014 (`in Million)	Amount outstanding as on November 30, 2014 (`in Million)*	Rate of Interest (%)	Repayment Schedule	Security Provided
IDBI Bank Limited Sanction Letter dated December 14, 2013 Loan Agreement dated January 13, 2014 Deed of Hypothecation dated January 13, 2014 Guarantee Agreement dated January 17, 2014 Security Trustee Appointment Agreement dated July 31, 2014 between Pri Media; The Jammu & Kashmir Bank Limited; IDBI Bank Limited; and IDBI Trusteeship Services Limited	150.00	135.00	Base Rate + 300 bps	Repayable on demand	**Primary Security**: ▪ First pari-passu charge on all the current assets, both present and future. **Collateral Security**: ▪ Second pari passu charge on all the fixed assets of Pri Media (both present & future). **Corporate Guarantee**: ▪ Corporate Guarantee of the Company.
Total (B)	**350.00**	**335.00**			
Grand Total (A+B)	**2,540.00**	**2,525.00**			

** Amount outstanding includes interest.*

Restrictive Covenants:

Pri Media has availed term loan and working capital facility from the Jammu & Kashmir Bank Limited ("***J&K Bank***") and IDBI Bank Limited ("***IDBI***"). J&K Bank by way of its sanction letter dated October 12, 2013 and IDBI by way of its agreement dated January 13, 2014 respectively have sanctioned the aforementioned facilities. The aforementioned sanction letter and agreement contain various restrictive conditions and covenants restricting certain corporate actions, and for some of these corporate actions Pri Media is required to take the prior approval of the lender before carrying out such activities which are set out below:

J&K Bank:

- ❖ Effect any change in Pri Media's capital structure; in all cases of term loans, where a condition prohibiting disinvestments by promoters of their quota in the equity of the borrower Company, without the prior approval of the Bank, all the promoters of Pri Media should furnish an undertaking with effect to this.
- ❖ Formulate any scheme of amalgamation or reconstruction.

- Undertake any new project, implement any scheme of expansion or acquire fixed assets except those indicated in the funds flow statement submitted to the Bank from time to time and approved by the Bank.
- Pay guarantee commission to the guarantors whose guarantees have been stipulated/ furnished for the credit limits sanctioned by the Bank.
- Undertake any guarantee obligation on behalf of any other Company (*including group companies*).
- Declare dividends for any year except out of the profits relating to that year after making all due and necessary provisions and provided further that no default had occurred in any repayment obligations.
- Create any charge, lien or encumbrance over its undertaking or any part thereof in favour of any financial institution, bank, Company, firm or persons.
- Sell, assign, mortgage or otherwise dispose off any of the fixed assets charged to the Bank.
- Enter into any contractual obligation of a long- term nature or affecting Pri Media financially to a significant extent.
- Change the practice with regard to remuneration of directors by means of ordinary remuneration or commission, scale of sitting fees, etc.
- Implement any scheme of expansion or acquire fixed assets except as required in the normal course of business.
- Enter into borrowing arrangement either secured or unsecured with any other bank, financial institution, Company or otherwise or accept deposits apart from the arrangement indicated in the funds flow statements submitted to the bank from time to time and approved by the Bank.
- Undertake any trading activity other than the sale of products arising out of its own manufacturing operations.
- Withdraw monies brought into the system by the principal shareholders /directors/ depositors.
- Pri Media will not pay any consideration by way of commission, brokerage, fees or any other form to guarantors directly or indirectly.

IDBI Bank Limited:

- Undertake any new project, diversification, modernisation or substantial expansion of the project described in the agreement. The word "substantial" shall have the same meaning as under the Industries (Development and Regulation) Act, 1951.
- Issue any debentures, raise any loans, accept deposits from public, issue equity or preference capital, change its capital structure or create any charge on its assets or give any guarantee's. This provision shall not apply to normal trade guarantees or temporary loan and advances granted to staff or contractors or suppliers in the ordinary course of business or raising of unsecured loans, overdrafts, cash credit or other facilities from banks in the ordinary course of business.
- Prepay any loan availed by it from any other party for the project without prior written approval of the lender, which may be granted subject to such conditions as maybe stipulated by the lender.
- Pay any commission to its promoters, directors, managers or other persons for furnishing guarantees, counter-guarantees or indemnities or for undertaking any other liability in connection with any financial assistance obtained for or by the borrower or in connection with any other obligation undertaken fro or by the borrower for the purpose of the project.
- Create any subsidiary or permit any company to become its subsidiary.
- Under or permit any merger, consolidation, re-organisation, scheme of arrangement or compromise with its creditors or shareholders or effect any scheme of amalgamation or reconstruction.
- Declare or pay dividend to its shareholders so long as the borrower is in default to the lender under the agreement and is not in compliance with stipulated financial covenants.
- Make any investments by way of deposits, loans or in share capital of any other concerns (including subsidiaries) beyond projected and accepted level by the lender so long as any money remains due to the lender; the borrower will however be free to deposit funds by way of security with third party in the normal course of business or if required for the business.
- Revalue its assets at any time during the currency of the loan.

Premature repayment:

The Borrower may prepay the outstanding principal amounts of the loan in full or in part, before the due dates along with the prepayment premium as decided by the Lender calculated in accordance with the guidelines prevailing at the time of payment

OR

The Borrower may prepay the outstanding principal amounts of the loan in full or in part, before the due dates along with the prepayment premium calculated as per the formula stipulated in the Sanction Letter.

2. **Diligent Media Corporation Limited**

Diligent Media has availed certain unsecured loans in the form of Inter Corporate Deposits (ICDs) as on November 30, 2014 as set out below which the Company may repay from the Net Proceeds of the Issue:

Name of the Lender	Sanctioned Amount as on November 30, 2014 (`in Million)	Amount outstanding as on November 30, 2014 (`in Million)	Rate of Interest (%)	Repayment Schedule	Security Provided
Adit Inforpower Private Limited ICD Agreement dated November 21, 2014	500.00	300.99	12.00% p.a.	Twelve (12) months from the date of drawdown	--
Hamlet Regency Private Limited ICD Agreement November 21, 2014	500.00	300.99	12.00% p.a.	Twelve (12) months from the date of drawdown	--

SECTION VI: LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except as described below, there are no outstanding litigations against the Company, its Subsidiaries and Group Entities that may have an adverse effect on the business. Further, there are no defaults, non-payment of statutory dues including institutional / bank dues and dues payable to holders of any debentures, bonds and fixed deposits that would have a material adverse effect on the business other than unclaimed liabilities against the Company, its Subsidiaries and Group Entities as on the date of this Draft Letter of Offer.

Save and except as disclosed herein below, there are no pending proceedings of the Company, its Subsidiaries and Group Entities pertaining to:

- *matters likely to affect operation and finances of the Company including disputed tax liabilities of any nature; and*
- *criminal prosecution launched against the Company and its Directors, its Subsidiaries and Group Entities for alleged offences.*

Further from time to time, the Company has been and will continue to be involved in legal proceedings filed by and against the Company, its Subsidiaries and Group Entities, arising in the ordinary course of its business. These legal proceedings are in the nature of civil, criminal and revenue proceedings. We believe that the number of proceedings in which the Company is involved is not unusual for a company of our size doing business in India. Further, as stated below, there are no show-cause notices / claims served on the Company, its Promoters or Directors from any statutory authority / revenue authority that would have a material adverse affect on the business of the Company.

I. Cases filed against the Company

Civil Cases:

1. Jindal Steel and Power Limited (the "***Plaintiff***") has filed a defamation suit (*2467 of 2012*) before the Bombay High Court against the Company, Dr. Subhash Chandra, Mr. Punit Goenka, Ex-Managing Director and other senior officials of the Company (the "***Defendants***") claiming damages of `2,000.00 million (`*2,000,000,000*). The suit has been filed by the Plaintiff in relation to certain programmes telecast on the Company's television channel '*Zee News*' and '*Zee Business*' with regards to the Comptroller and Auditor General of India (CAG) Report on "Allocation of Coal Blocks and Augmentation of Coal Production". The present suit has been filed by the Plaintiff alleging defamatory and factually incorrect statements made on the Plaintiff's chairman, Mr. Navin Jindal, in programmes telecast by these news channels in relation to the CAG Report. The Written Statement has been filed by all the Defendants. The matter shall come up for hearing in due course.

2. Jindal Steel and Power Limited, Mr. Naveen Jindal and Ors (the "***Plaintiffs***") have filed a civil suit (*881 of 2014*) before the Delhi High Court against the Company and Ors. (the "***Defendants***") seeking permanent and mandatory injunction restraining the Company from telecasting defamatory material in relation to the election campaign or having an impact on the minds of the Electorate. The Delhi High Court rejected the application made by the Plaintiffs by way of an order dated April 1, 2014 for grant of pre-telecasting stay against the Company. The matter shall come up for hearing on the application for condonation of delay in filing of written statement by the Company on January 19, 2015.

3. Mr. Rakesh Kapoor and National Food Products Private Limited (the "***Plaintiffs***") has filed a civil defamation suit (*1613 of 2011*) before Bombay High Court against Ms. Priyanka Chopra and Ors. including the Company (*Defendant No. 19*) (the "***Defendants***") for allegedly making and publishing defamatory and derogatory statements against the Plaintiffs in relation to a dispute involving a residential premises. The Plaintiffs has claimed damages of `5,000.00 million (`*5,000,000,000*) to be paid jointly and severally by the Defendants. The Plaintiffs have further prayed for a temporary order and injunction from making any further defamatory statements against the Plaintiffs. The matter shall come up for hearing on February 4, 2015.

4. Mr. Humayun Nazar (the "***Plaintiff***") has filed a civil defamation Suit (*289 of 2011*) before the Bombay High Court against the Company and Ors. (the "***Defendants***") for allegedly making false allegations and defamatory statements made on its news channel Zee News against the Plaintiff causing damage to the reputation of the Plaintiff. The Plaintiff is seeking `5.00 million (`*5,000,000*) as damages for causing harassment and defamation to the Plaintiff and an order for permanent injunction against the Company from indulging in any defamatory activity against the Plaintiff and his family members. The suit has now been transferred to the Bombay City Civil Court and the matter

shall come up for hearing on January 21, 2015.

5. Ms. Niki Francis D'Souza (*Winner of Gladrags Mega Model-2005*) has filed (the "***Plaintiff***") a civil defamation suit (*51of 2007*) before the Bombay High Court against Zee Telefilms Limited, the Non-Chairman of the Company Dr. Subhash Chandra Goel and Ors. (the "***Defendants***") for the alleged defamatory statements made in the commentary by the Defendant No. 4 (Reporter) and the statements made by the Defendant No. 5 & 6 (Producer of movie "Raja Bhaiya") during the interview conducted by Zee News under the caption "Shatir Sundari" which was telecast on April 20, 2005 & April 21, 2005. It has been alleged that the Defendants in the interview telecast made defamatory statements about the Plaintiff and that she was involved in criminal cases and had threatened films producers. She has claimed that these statements had caused loss and damage to her marital prospects, reputation and profession. The Plaintiff is seeking damages of `30.00 million (`*30,000,000*) jointly and severally from the Defendants and injunction from making any further defamatory statements or repeating the said telecast "Shatir Sundari" against the Plaintiffs. The matter shall come up for framing of issues in due course.

6. Mr. K. Karunakar, owner of "Apoorva Clinic", Nellore (the "***Plaintiff***") has filed a Civil Defamation Suit (*O.S No. 122 of 2010*) before VI additional District Judge, Nellore (A.P) against Bhaskar Reddy and Ors. (the "***Defendants***") for allegedly defaming the reputation of the Plaintiff on a programme telecast on April 26, 2010 by Zee 24 Gantalu channel of the Company. It was alleged in the programme that the Plaintiff was cheating the public by misrepresenting himself as a doctor by profession. The Plaintiff aggrieved by the said telecast has filed the present suit for damages of `5.00 million (`*5,000,000*) with interest. The matter shall come up for hearing in due course.

7. Shree Vithal Rukhmini Mandire Samittee (the "***Plaintiff***") has filed a Defamation Special Civil Suit (*22 of 2014*) before Court of Civil Judge Senior Division Sangli against the Company & Ors. (the "***Defendants***") for telecasting a programme around the end of January 2013 on '*Zee 24 Taas*' channel reporting that costly ornaments and donations of the Deity Vitthal of Pandharpur were missing; that the Prasadam Laddu of the God were of inferior quality and also that the place where the Laddu's were being prepared was not hygienic. The Plaintiff has alleged that the statements made in the said telecast were defamatory and maligned the image of the Plaintiff's Committee and their office bearers amongst the devotees and society in general which will affect the donations for the temple. As per the Defendants, the said news was based on the report published by Law and Judiciary Department, Government of Maharashtra with respect to the inspection carried out around the end of January 2012. The Plaintiffs are seeking damages of `1,500.00 million (`*1,500,000,000*) to be paid jointly and severally by the Defendants. The matter shall come up for framing of issues on January 9, 2015.

8. Ms. S.S Khatawkar, Food Safety Officer, Greater Mumbai (the "***Applicant***") has filed the Adjudication Application (*92 of 2013*) before Adjudicating Officer & Joint Commissioner (Food), F.D.A, Bandra against the Company and Ors. (the "***Accused***") for advertising of Telebrand product "Wild Horse Power Prash" telecast on the Company's channel Zee News which according to FDA contravenes the provisions of section 23(1), section 24(1), section 24(2)(a),(b) and (c) of Food Safety and Standards Act, 2006 read with the regulation 2.4.6(2) and 2.5 of Food Safety and Standard (Packaging & Labeling) Regulation 2011. Subsequently, Adjudicating Officer issued a Notice dated December 2, 2013 and directed all the accused to be present before him on January 21, 2014. The matter is now reserved for orders.

9. Mr. Mahendra Singh Dhoni, Captain of Indian Cricket Team (the "***Plaintiff***") has filed a Civil Defamation Suit (*O.A No. 208 of 2014 in C.S. No.185 of 2014)* before the Madras High Court against the Company and Ors. (the "***Defendants***") on March 13, 2014 for allegedly making defamatory reports against Plaintiff and damaging his integrity and honesty as a cricketer. The matter is n relation to a news report telecast on Zee News insinuating that the Plaintiff was involved in betting, match fixing and spot fixing. The Plaintiff is seeking `1,000.00 million (`*1,000,000,000*) as damages jointly and severally from Defendants and permanent injunction restraining the Defendants from publishing, republishing or carrying out any reports or telecasts defamatory of the Plaintiff. On April 8, 2014 High Court of Madras passed an order for interim injunction except the publication or news of the exact judicial order or proceedings, if any, pending disposal of the above suit. The matter shall come up on hearing in due course.

10. M/s Tele View Mall (TVM) & M/s Quick Telemall Marketing Private Limited (the "***Petitioners***") has filed a Writ Petition (*1563 of 2013*) before Bombay High Court against Union of India and Others including the Company's channels Zee Marathi and Zee Business (*Respondent No. 20 & 21 - Proforma Respondents*) and its group company i.e. Zee Entertainment Enterprises Limited (the "***Respondents***"). The Petitioners are engaged in the distribution of the various consumable products since 2003 like easy slim tea, wild horse power prash etc. and these products distributed by them were broadcast in accordance with the laws and after the due scrutiny and approval of the Food & Drug Administration Authority as well as the Advertising Standards Council of India. The Drug Inspectors (FDA)

(*Respondent No. 3 to 12*) issued a Notice to advertising company (*Respondent No. 13 to 30*) to immediately discontinue the broadcasting of the advertisement in respect of the products of the Petitioner. The Petitioners filed this Writ seeking the Hon'ble Court to issue a writ of mandamus or writ of certiorari or any other order or direction in relation to the legality and correctness of the impugned Notices issued by the Respondents No. 3 to 12 and to set aside the same and ad-interim reliefs by way of stay on the effect/operation of the impugned Notices. The matter shall come up for hearing on December 24, 2014.

11. Mr. Prabhakar Krishnaji Deshmukh, Ex-Divisional Commissioner of Pune Division, State of Maharashtra (the "***Plaintiff***") has filed a Special Civil Suit (*295 of 2014*) before Court of Civil Judge Senior Division at Pune against the Company and Ors. (the "***Defendants***") for defaming Plaintiff on its channel '*Zee 24 Taas*' alleging illegal purchase of the property located at Jambhe and Lodhawade (Maharashtra) and taking undue advantage of his position while purchasing the property. He has alleged that the Defendants had telecast false news in a programme, sentences used in that programme were false and with an intention to defame him and cause harm to the Plaintiff who was a public figure. The Plaintiff is seeking `1,000.00 million (`*1,000,000,000*) as damages jointly and severally from the Defendants and a permanent injunction restraining the Defendants from publishing, republishing carrying out any reports or telecasts defamatory of the Plaintiff. The Civil Judge Senior Division passed an order dated April 30, 2014 in favour of Plaintiff and by an order of temporary injunction restrained the Defendants or any person acting on behalf of them by an order of temporary injunction from publishing or re-telecasting episodes which were telecast on January 7, 2014, January 10, 2014, January 21, 2014, January 22, 2014, February 13, 2014, February 14, 2014 or telecast defamatory news against Plaintiff except the news which is disclosed as true or fact as per NBSA Guidelines. In August 2014, the Company has filed an appeal (*Civil Application No. St 22750 of 2014 in 22749 of 2014*) against the order dated April 30, 2014 passed by Civil Judge Senior Division seeking a stay on the order passed on April 30, 2014. The matter before the Court of Senior Division at Pune shall come up for hearing on January 14, 2015.

12. Mr. Sanjay Kakade, Chairman and Director of Kakde Infrastructure Private Limited (the "***Plaintiff***") filed a Defamation Suit (*5459 of 2012*) before Court of Civil Judge Junior Division Pune against the Company, its Non-Executive Chairman & Director Dr. Subhash Chandra Goyal (the "***Defendants***") and its group company Zee Entertainment Enterprises Limited. A Joint Venture Agreement was executed in the year 2011 between Plaintiff's Company and a Group Entity, Essel Infraprojects Limited and it has been alleged by the Plaintiff that `2,000.00 million (`*2,000,000,000*) was due from Defendant No.2 (*Director of the Company*) to the Plaintiff. It has been alleged that Defendant No. 2 i.e. Non-Executive Chairman & Director Dr. Subhash Chandra Goyal committed default in payment of the money to the Plaintiff and also breached certain terms of the joint venture agreement. He has further alleged that the Chairman & Director, Dr. Subhash Chandra Goyal in order to pressurize and defame the Plaintiff had threatened to publish false and frivolous articles in its newspaper DNA as well as in the electronic media. The matter is in relation to a land at Hingne near Pune The Plaintiff is seeking `2,000.00 million (`*2,000,000,000*) as damages jointly and severally from the Defendants and permanent injunction restraining the Defendants from publishing, republishing carrying out any reports or telecast any defamatory matter about the Plaintiff and the residential complex known as Kakde City in Hingne. Interim injunction was granted by the court which restrained the Defendants, their agents or anyone claiming through them from publishing, broadcasting, telecasting any defamatory item, news, and statement in any form in the electronic media maligning the Plaintiff, his company or officers regarding the Kakade City residential complex at Hingane, till final disposal of suit. The matter shall come up for framing of issues on December 29, 2014.

13. National Association for the Blind (a Public Charitable Trust) and Ors. (the "***Plaintiffs***") has filed a Defamation Suit (*585 of 2012*) before Bombay High Court against the Company, Dr. Subhash Chandra and Ors. (the "***Defendants***") for telecasting a programme on National Association for the Blind (India) by the Company on the Zee News Channel under the heading "Mumbai May Andher Gardhi". In the said programme it has been alleged that the Defendants made various false and defamatory allegations of corruption and siphoning off by the honoraries and officers of the Association, the donations and aid received for the blind for their own benefit. The Plaintiffs are seeking damages of `200.00 million (`*200,000,000*) to be paid jointly and severally by the Defendants with interest at the rate of 18% per annum from the date of filling of the suit till payment and an order for permanent injunction against the Company for telecasting, re-telecasting, communicating, publishing, re-publishing the said defamatory and frivolous televisions statements. Based on an assurance by the channel that they would not air the same programme again, the Bombay High Court passed an order dated January 30, 2014 granting injunction in favour of the Plaintiffs and directed Defendants to not telecast, re-telecast, publish or communicate the televised statements till the pendency of the suit. The matter shall come up for hearing on January 5, 2015.

14. The Court Receiver, Bombay High Court issued a Show Cause Notice (*1631 of 2006*) in Appeal (*723 of 2004*) in Arbitration Petition (*57 of 2004*) to various news channels including Zee News who telecast news of a boy named

Rishab who was left inside a flat sealed by the Court Receiver and was removed by his father by breaking open the seal of the Court. The Division Bench of the Hon'ble Bombay High Court by an order dated June 4, 2007 directed various news channel including Zee News to produce before the court the entire clippings of the episode on December 13, 2006 along with their necessary transcript versions in relation to the boy name Mr. Rishab Pamnani who was allegedly found locked in the premises situate at Flat No. 7A & 7B Jeevan Niwas, Worli Sea Face, Mumbai. Mr. Hetal Gangar of Zee News filed his Affidavit stating that on December 13, 2006 he had covered the incident which was later aired on Zee News between 10 and 10:30 p.m. The matter shall come up for hearing in due course.

15. Prasar Bharti (*Broadcasting Corporation of India*) (the "***Plaintiff***") has filed a suit (*1721 of 2008*) before the Hon'ble Delhi High Court against the Company and Ors. (the "***Defendants***") seeking permanent injunction against the Defendants from broadcasting clips of Beijing Olympics Games 2008 from the TV channels of the Plaintiff. The matter is shall come up for hearing on February 2, 2015.

16. Ms. Romila Sharma (the "***Plaintiff***") has filed a civil suit (*15 of 2013*) before the District Judge, District Courts Dwarka, New Delhi against the Company (the "***Defendant***") seeking a declaration that her services have been wrongfully terminated; claiming damages of `1.00 million (`*1,000,000*) and registration of a car in her name. The matter shall come up for argument on an application under Order 7 Rule 11 of CPC on January 30, 2015.

17. Ms. Romila Sharma (the "***Complainant***") has filed a complaint (8/4912/VT/WS-MSH/NSW/2009) before the National Commission for Women ("***NCW***") against the Company alleging non-payment of salary dues; termination; harassment and mental torture meted out to her at the workplace. The complaint is pending before the NCW, Delhi.

18. The Indian Performing Right Society and Anr. (the "***Plaintiffs***") have filed a civil suit (*1356 of 2007*) before the Delhi High Court against the Company and Mr. Laxmi Narain Goel (the "***Defendants***") in relation to the alleged infringement of rights of the Plaintiffs by incorporating, featuring and exploiting literary and/ or musical works, and/or sound recordings from the Plaintiffs songs repertoire in the television serials, shows and programmes produced and broadcast by the Company without obtaining licenses from the Plaintiffs. The present suit has been filed for obtaining a decree of permanent injunction restraining alleged infringement of copyright and claiming damages. The matter shall come up for argument on January 29, 2015.

19. The Indian Performing Right Society and Anr. (the "***Plaintiffs***") have filed a Summary Suits (*2171 of 2009 and 2172 of 2009*) before the Bombay High Court against ZEEL and the Company (the "***Defendants***") in relation default of payment of `30.48 million (`*30,484,729*) and `19.29 million (`*19,290,319*) together with interest on the basis of agreement dated March 5, 2009 and April 8, 2009. The Summons for Judgement has been withdrawn on account of the proceedings pending before the Delhi High Court (*1216 of 2007*). The matter shall come up for hearing in due course.

20. Saas Construction & Power Company Private Limited (the "***Plaintiff***") has filed a suit (*257 of 2005*) before the Calcutta High Court against the Company for recovery of `2.13 million (`*2,130,005.81*) in relation to certain interior works carried out at the Calcutta office of the Company which is being disputed by the Company. The matter shall come up for hearing on January 29, 2015.

21. Mr. Rupinder Singh & Ors. have filed a defamation suit (*120 of 2011*) before the Civil Judge, Senior Division, Yamuna Nagar against the Company and its officials alleging telecast of defamatory content on 'Zee News' channel on December 23/ 24/ 28, 2007 in its programme 'Crime Reporter' and further claiming damages of `10.00 million (`*10,000,000*). The matter shall come up for hearing on January 29, 2015.

22. Mr. Kandala Karunakar (the "***Plaintiff***") has filed a suit (*122 of 2010*) before the 6th Additional District Judge, Vellore, Andhra Pradesh in relation to telecast of defamatory content on channel of the Company 'Zee 24 Ghantalu' on April 26, 2011. The matter shall come up for hearing in due course.

23. Mr. Agasti Kantitkar (the "***Plaintiff***") has filed a Special Civil Suit (*1551 of 2008*) before the Civil Judge, Senior Division, Pune against Dr. Subhash Chandra and Ors. alleging telecast of defamatory content on 'Zee Marathi' channel on February 15, 2006 and further claiming damages of `2.50 million (`*2,500,000*). The matter shall come up for hearing in due course.

24. Micro Finance Limited & Anr. has filed a civil suit (*75 of 2014*) before the Court off the Civil Judge (Senior Division), Baliguda against the Company, Dr. Subhash Chandra & Ors. for permanent injunction and damages in relation to telecast of defamatory content on channel of the Company 'Zee Kalinga' on March 26, 2014 and has

further claimed damages of `0.20 million (`*199,800*). The proceeding has been stayed by the Orissa High Court by way of its order dated June 25, 2014 in Transfer Petition No. (*70 of 2014*), to transfer the aforementioned suit to Civil Judge, Senior Division, Bhubaneshwar to tag with suit (*467 of 2014*). The matter shall come up for hearing in due course.

25. Ms. Sanjukta Mishra & Anr. has filed a civil suit (*467 of 2014*) before the Court off the Civil Judge (Senior Division), Bhubaneshwar against the Company, Dr. Subhash Chandra & Ors. for permanent injunction and damages in relation to telecast of defamatory content on channel of the Company 'Zee Kalinga' on April 9, 2014 and has further claimed damages of `1.00 million (`*999,800*). The Court has not granted any injunction in the matter. The matter shall come up for hearing in due course.

Criminal Cases:

1. Jindal Steel and Power Limited (the "***Complainant***") has filed a criminal defamation complaint (*14/1 of 2013*) before the Court of Metropolitan Magistrate, Patiala House Court, New Delhi against the Company, Dr. Subhash Chandra and Mr. Punit Goenka, Ex- Managing Director and other senior officials of the Company (the "***Accused***") under Section 200 of Criminal Procedure Code, 1973 for commission of offences under Sections 500, 501 and 506 of the Indian Penal Code (IPC) read with Section 34/120-B of the IPC. The complaint has been filed by the Complianant in relation to certain programmes telecast on the Company's channel '*Zee News*' and '*Zee Business*' with regards to the Comptroller and Auditor General of India (CAG) Report on "Allocation of Coal Blocks and Augmentation of Coal Production". The present complaint has been filed by the Complainant alleging defamatory and factually incorrect statements made on the Complainant's chairman, Mr. Navin Jindal, in programmes telecast by these channels in relation to the CAG Report.

   The Accused filed an application under Section 210 of the CrPC for stay of the proceedings which was rejected by the Metropolitan Magistrate by order dated February 25, 2013. The Accused filed a Revision Petition before the Additional Session Judge, Patiala House Courts against the above order, which was also rejected. The Accused further filed a Criminal Miscellaneous Petition (*2565 of 2013*) before the Delhi High Court for setting aside and quashing the impugned order dated February 25, 2013 passed by the Metropolitan Magistrate Court, Patiala House Courts, New Delhi. The CMP shall come up for hearing on January 9, 2015.

   The Company and other Accused have also filed applications under Section 340 of the CrPC alleging suppression and concealment of material information and attempting to mislead the Court and falsely implicating the Accused in the matter. The matter shall come up for arguments on April 28, 2015.

2. Mr. M.V. Syam Sundar member of Corporate Frauds Watch Society (the "***Petitioner***") has filed Writ Petition (*11381 of 2009*) before Andhra Pradesh High Court against the Government of Andhra Pradesh and Ors. including the Company (*Defendant No. 17) (*the "***Respondents***") for seizing of the illegal money circulation in India through Amway India Enterprises ("***Amway***") scheme which is alleged as an offence under Section 385, 420 of Indian Penal Code and Section 4, 5 and 6 r/w 2(c), 3 of the Prize Chits and Money Circulation Scheme (Banning) Act, 1978 and restraining Amway from issuing advertisements in the media and violated the orders of the Government of Andhra Pradesh. The Petitioner is seeking directions from the Court to direct the State of Andhra Pradesh to take immediate steps to stop the advertisements published and being published in the media by Amway. The matter shall come up for hearing in due course.

3. Mr. Deepak Nikhalje, Vice-President of the Republican Party of India, (the "***Complainant***") has filed a Criminal Defamation Complaint (*C.C.No.3701879/SS/2007*) before 37th Court, Esplanade, Mumbai against the Company and certain officers of the Company (the "***Accused***") under Sections 500 & 501 of the Indian Penal Code (IPC) for circulating false, untrue and defamatory news against the Complainant. The Court passed an order dated June 26, 2007 in favour of the Complainant issuing process under Sections 500 & 501 and declared that Complainant has made a prima-facie case. Being aggrieved and dissatisfied by the aforesaid order, the Accused/Applicants filed a Criminal Revision Application (*945 of 2007*) & (*963 of 2007*) before Sessions Court at Mumbai in August, 2007 and prayed for quash and set aside of the order dated June 26, 2007 passed by Metropolitan Magistrate Court, Esplanade and stay the trial and operation /execution/implementation of the order. However, on December 28, 2008 Metropolitan Magistrate Court, Esplanade passed an order dismissing the complaint under Section 256 of Criminal Procedure Code on the ground that complainant was continuously absent before the court. Further, the Sessions Court by order dated March 2, 2009 rejected the criminal revision application filed by the applicant. The Company (*Applicant/Accused*) presented the Criminal Application (*43 of 2010 & 44 of 2010*) before the Bombay High Court on January 6, 2010 praying to quash the issue process under Sections 500 & 501 of the IPC pending before the lower court (Metropolitan Magistrate Court, Esplanade). The Bombay High Court passed an order dated April 21,

2010 granting stay on the issue of process. The complaint shall come up for hearing on January 19, 2015.

4. Sahayak (*a Socio-Legal & Educational Forum*) (the "***Petitioner***") has filed a Criminal Writ Petition (*2651 of 2014*) before Bombay High Court against State of Maharashtra and Others (the "***Respondents***") under Article 226 and 227 of the Constitution of India. The Petitioner had discovered the mega housing scam committed in Navi Mumbai based Fam Co-operative Housing Society and its Chief Promoters in collusion with several politicians, police officials and officials of CIDCO. The Petitioner shared all documentary evidence with Respondent No. 7 (an official of the Company) in the month of January 2014. It has been alleged that Respondent No. 5 to 7 (*the Company and Zee 24 Taas channel officials*) showed the news by editing several facts on their news channel on July 7, 2014 and in fact defamed the chief promoter of society. The Petitioner is seeking orders in the nature of mandamus directing the State of Maharashtra and its police authorities to take appropriate steps and lodge a FIR against the Respondent No. 5 to 7. The matter shall come up for admission on March 5, 2015.

5. Ms. Vaibhava Amrish Rele (the "***Complainant***") filed a Criminal Defamation Compliant (*15584 of* 2009) before Junior Magistrate First Class (JMFC) (A.C) Pune against the Company, Dr. Subhash Chandra and certain other executives of the Company (the "***Accused***") under Section 500, 501 & 502 of IPC for misrepresenting the Complainant as a terrorist in a programme aired on the Zee News channel under the title "Ye Kaisa Jehad?". The Complainant is seeking an investigation under Section 202 of CrPC by the police. JMFC Pune Court directed Deccan Gymkhana Police station to investigate the Complaint and submit its report within one (1) month. The Accused then filed a Criminal Revision Application (*807 of 2012*) before Sessions Court, Pune challenging the order dated March 21, 2009 passed by the JMFC Court Pune. The Revision Application (*807 of 2012*) filed against JMFC Court order got dismissed on February 1, 2014. The Company, Dr. Subhash Chandra Goel and Mr. Laxmi Narain Goel then filed a Criminal Writ Petition (*1024 of 2014*) before Bombay High Court for stay of the execution /operation /implementation of Order dated February 1, 2014 in Criminal Revision Application (*807 of 2012*) and Order dated April 4, 2012 passed by the JMFC Court Pune in Criminal Complaint (*15584 of 2009*) issuing process. The CWP shall come up for hearing on January 22, 2015.

6. Mr. Ravindra N. Singh, Principal of Swami Vivekananda High School, Jogeshwari (the "***Complainant***") has filed a Criminal Defamation Complaint (*191 of 2011)* under Sections 501 and 502 of the Indian Penal Code (IPC) before the 8th Court at Esplanade, Mumbai against the Company, its director, Dr. Subhash Chandra and Ors. (the "***Accused***") for allegedly making false, frivolous and defamatory statements in a programme named "Breaking News- Culprits running the racket of fake degrees/certificates" which was telecast on the Marathi news channel Zee 24 Taas. The Complainant is seeking for inquiry under Section 156(3) of Criminal Penal Code. The court issued summons to the Company on April 12, 2013. The matter shall come up for hearing on February 4, 2015.

7. Mr. Rajesh Kumar (the "***Complainant***") has filed a Criminal Complaint (*106 of 2006*) under Sections 406, 418, 420 and 120B of the IPC before the Judicial Magistrate First Class, Bokaro against the Company in relation to a contest undertaken by the Company along with Videocon International during the India Vs. Sri Lanka cricket series in the year 2005 which was won by the Complainant. The Complainant has alleged that the declared prize money has not been delivered to him. Non-Bailable warrants were issued by the Court against the Company, its employee and its correspondents. The Company and its officials have filed a Criminal Miscellaneous Petition (CMP) (*805 of 2013*) before the Jharkhand High Court, Ranchi for quashing of the order dated September 14, 2011 passed by the Judicial Magistrate, 1st Class and for stay of the proceedings. The matter has been settled before the Lok Adalat. The CMP shall come up for hearing before the Jharkhand High Court, Ranchi in due course and shall be withdrawn.

8. The Central Bureau of Investigation (CBI) has filed a criminal compliant (*19 of 2004*) before the CBI Court at Ahmedabad against Mr. Vijay Shekhar & Shri Thiyagraj, employees of the Company (the "***Accused***") in relation to order dated January 29, 2004 passed by the Hon'ble Supreme Court of India to make an investigation into the sting operation carried out by the Accused to expose the alleged mal practices prevailing in the lower judiciary. The Accused have been added to the array of the accused by way of an order dated December 14, 2007. The matter shall come up for hearing in due course.

Labour Cases:

1. Ms. Sonika Tiwari (the "***Complainant***") has filed an Unfair Labour Practices Complaint (*220 of 2012*) before 6th Labour Court at Mumbai against the Company and Ors. (the "***Respondents***") alleging that the Company has engaged in unfair labour practices under item 1(a) (b) (c) (d) (e) & (f) of Schedule IV of MRTU and PULP Act, 1971 including illegal termination of her services in August, 2012 without following due process of law. An application for interim relief under Section 30(2) of the MRTU and PULP Act, 1971 has also been filed for directions to allow the Complainant resume her duties, provide her work and wages or any other ad-interim relief as

the court deems fit. The Labour Court passed an order dated April 11, 2014 and held that Respondents have terminated service of the Complainant by engaging in unfair labour practice and directed Respondents to cease and desist from engaging into unfair labour practice and allowed complainant to resume on duty and payment of wages from termination of her service till the date of the order. The Company filed a Revision Application (ULP) (*50 of 2014*) (the "***Applicants***") against Ms. Sonika Tiwari (the "***Opponents***") before Industrial Court at Mumbai challenging the Labour Court's Order. The Industrial Court passed an order staying the order of the Labour Court dated April 11, 2014. The matter shall come up for hearing in due course.

II. Proceedings initiated against the Company by Regulatory Authority

1. The News Boradcasting Standards Authority ("***NBSA***") has issued a notice dated June 13, 2014 to the Company on the basis of a complaint made by Mr. Naveen Jindal to the Election Commission of India alleging the broadcast of various programmes on the Company's news channels are against him and has violated the NBA/ NBSA Regulations and Guidelines. The Company has submitted its reply dated August 17, 2014. The matter is currently pending before the NBSA.

2. TRAI has filed a complaint (*37/1 of 2013*) before the Chief Metropolitan Magistrate, Tis Hazari Court, Delhi against the Company and Ors. under Section 190/200 of the Code of Criminal Prodecure, 1973 in relation to offences under Section 29 read with Sections 30 and 34 of the TRAI Act, 1997 ("***TRAI Act***"). The complaint emanates from the alleged breach of Regulation 3 of the Standards of Quality of Service (Duration of Advertisements in Television Channels) Amendment Regulation, 2013 requiring a broadcaster to comply with the prescribed parameters of carrying advertisements not exceeding twelve (12) minutes in a clock hour. The matter shall come up for hearing on February 28, 2015.

III. Cases filed by the Company

<u>*Civil Cases*</u>:

1. The Company (the "***Petitioner***") has filed a Writ Petition (*84 of 2013*) before the Hon'ble Supreme Court of India against the Union of India, Jindal Steel & Power Limited and Mr. Naveen Jindal (the "***Respondents***"). The Writ Petition has been filed for quashing of Clauses 5, 8 and 10 of the Policy Guidelines for uplinking of television channels from India and Clauses 5, 6 and 9 of the Policy Guidelines for downlinking of television channels in India and also a communication dated January 31, 2013 issued by the Ministry of Information & Broadcasting (MIB) and all proceedings emanating therefrom. The Petition emanates from a Show Cause Notice (SCN) dated April 18, 2013 issued by the MIB on the basis of complaint filed by Jindal Steel & Power Limited. The matter shall come up for hearing in due course.

2. The Company (the "***Plaintiff***") has filed a civil suit (*442 of 2008*) before the Additional District Judge, Delhi against XE-BEC Electronic India Private Limited and Ors (the "***Defendants***") for recovery of `0.90 million (`*900,000*). The matter shall come up for hearing on February 24, 2015.

3. The Company (the "***Plaintiff***") has filed a civil suit (*408 of 2011*) before the District Judge, District Courts Dwarka, New Delhi against Ms. Romila Sharma (the "***Defendant***") seeking a recovery of `0.86 million (`*859,309*) for unauthorized possession and use of car and an advance of `1.00 million (`*1,000,000*) provided by the Company to the Defendant. The matter shall come up for cross examination of the Defendant on January 30, 2015.

4. Mr. Vijay Shekhar and the Company (the "***Petitioners***") have filed a Writ Petition (*46 of 2004*) before the Supreme Court of India against the Union of India in relation with the undue advantage taken by large number of businessmen of the criminal process of the Judicial system by filing false and concocted criminal complaints for embarrassing and harassing business rivals for their vested interest. The matter shall come up hearing in due course.

5. The Company through Mr. Shailesh Reddy, Channel Head of 'Zee 24 Ghantalu' has filed an Appeal (*304 of 2013*) before the Andhra Pradesh High Court in Hyderabad against the decree and judgement dated December 31, 2012 in O.S. No (*4 of 2010*) filed by Dr. B. Sreenivasulu ("***Plaintiff/ Respondent***") before the Court of Senior Civil Judge at Adoni, Kurnool District. The present Appeal has been filed for stay of the execution of the decree and judgement granting damages to the tune of `0.50 million (`*500,000*) claimed by the Plaintiff/ Respondent in relation to certain defamatory content telecast on the channel 'Zee 24 Ghantalu'.

Criminal Cases:

1. The Company (the "***Complainant***") has filed a Criminal Defamation Complaint (*49/1 of 2013*) before the Additional Chief Metropolitan Magistrate, Patiala House Courts, New Delhi against Mr. Naveen Jindal (the "***Accused***") under Sections 499, 500 and 501 of the Indian Penal Code (IPC) for defaming the Company in a press conference held on October 25, 2012 by the Accused. Summons has been issued against Mr. Navin Jindal. Mr. Navin Jindla has filed a Revision Petition before the Additional Sessions Judge (ASJ), Patiala House Courts. By an Order the ASJ has stayed the appearance of the Accused and the matter shall come up for argumenets before the ASJ on January 31, 2015. The complaint shall come up further proceedings on January 7, 2015 before the Additional Chief Metropolitan Magistrate.

2. The Company (the "***Complainant***") has filed a criminal complaint (*240 of 2012*) before the Additional Chief Metropolitan Magistrate (Spl Acts) Central, Tis Hazari Courts, Delhi against Ms. Romila Sharma (the "***Accused***") for an offence under Section 630 of the erstwhile Companies Act, 1956. The matter shall come up for hearing on January 6, 2015.

3. The Company has filed a criminal complaint (*282/01 of 2014*) Metropolitan Magistrate, Patiala House Courts before the against Positiv Television Private Limited operating the channel Focus TV for telecast of defamatory content against the Company, its editors, officer and its Non-Executive Chairman & Director Mr. Subhash Chandra on various occasions. The matter is pending for pre-summoning evidence on January 2, 2015.

4. The Company filed an application (*115 of 2014*) under Section 156 (3) before Metropolitan Magistrate, Patiala House Courts seeking directions against the Police Station - Chankya Puri to register a FIR against Mr. Kalyan Kumar and Mr. Naveen Jindal under section 66A of Information Technology Act, 2000 read with 417, 468, 471, 120-B, 34, 107 and 109 of the IPC in relation with certain tweets made on Twitter. The matter is shall come up for hearing on February 10, 2015 for filing of actions taken report by police.

5. The Company filed an application on December 19, 2014 under Section 156 (3) before Metropolitan Magistrate, Patiala House Courts seeking directions against the Police Station - Chankya Puri to register a FIR against Mr. Naveen Jindal for registering an FIR under Section 66A of Information Technology Act, 2000 in relation with two (2) tweets made on Twitter. The matter shall come up for hearing on April 16, 2015 for filing of actions taken report by police.

6. The Company has filed 52 Criminal Complaints before various Magistrate Courts under Section 138 and 141 of the Negotiable Instruments Act, 1881 against several parties for dishonour of cheques amounting to `23.27 million (`*23,270,256*). These proceedings are pending at various stages before these Courts.

IV. Revenue proceedings against the Company

Direct Tax (Income Tax) proceedings against the Company

1. **Assessment Year 2006-2007**

The Income Tax Appellate Tribunal has by way of an order dated September 12, 2013 directed the Assessing Officer for re-adjudication of the matter in respect of disallowance of transponder fee. The Company has not yet received a letter from the AO to that effect.

2. **Assessment Year 2008-2009**

The Department and the Company has preferred cross appeals. The Department has preferred an appeal before the Income Tax Appellate Tribunal ("***ITAT***") against the order dated September 14, 2012 passed by the Commissioner of Income Tax (Appeals) ("***CIT(A)***") in relation to (i) disallowance u/s 14A of `0.54 million (`*540,324*) (ii) disallowance u/s 40(a)(ia) of `0.49 million (`*488,500*). The matter is pending before the ITAT. Further, the Company has preferred an Appeal before the Commissioner of Income Tax (Appeals)-13, Mumbai ("***CIT(A)***") against the order dated February 17, 2014 passed by the Deputy Commissioner of Income Tax Circle -7(3), Mumbai. The Company has preferred the present Appeal for (i) re-opening the assessment under Section 147 of the IT Act without proving any income escaped assessment and solely on the basis of details and documents on record due to change in opinion; and (ii) holding that the programs and film rights used for broadcasting TV Channels as

intangible assets and allowing 25% depreciation thereon disturbing the consistently following accounting policy by the Company and industry as a whole. The matter is currently pending before the CIT(A), Mumbai.

3. **Assessment Year 2009-2010**

The Department has preferred an appeal before the Income Tax Appellate Tribunal ("***ITAT***") against the order dated September 14, 2012 passed by the Commissioner of Income Tax (Appeals) ("***CIT(A)***") in relation to (i) disallowance u/s 14A of `3.41 million (`*3,412,659*) (ii) disallowance under Section 40(a)(ia) of `2.85 million (`*2,846,340*). The matter is pending before the ITAT.

4. **Assessment Year 2010-2011**

The Department has preferred an appeal before the Income Tax Appellate Tribunal ("***ITAT***") against the order dated May 16, 2013 passed by the Commissioner of Income Tax (Appeals) ("***CIT(A)***") in relation to disallowance u/s 14A of `2.39 million (`*2,388,124*). The matter is pending before the ITAT.

The Deputy Commissioner of Income Tax – 7(3), Mumbai ("***DCIT***") by way of an order dated July 10, 2013 has revised the total income of the Company to `825.37 million (`*825,369,391*). Further, on March 6, 2014, the DCIT has requested its department to verify the status of the payment of `2.09 million (`*2,087,803*) claimed to have already been made by the Company to enable the Department to take necessary action, if required against the Deductor (i.e. DAVP). The matter is currently pending before the DCIT, Mumbai.

5. **Assessment Year 2011-2012**

The Company has preferred an Appeal before the Commissioner of Income Tax (Appeals)-13, Mumbai ("***CIT(A)***") against the order dated March 12, 2014 passed by the Additional Commissioner of Income Tax, Range 7(3), Mumbai. The Company has preferred the present Appeal for (i) disallowance of `0.63 million (`*631,221*) out of interest and `0.71 million (`*705,258*) out of expenses calculated at 0.5% of average investments under Section 14A read with Rule 8D of the IT Act; (ii) holding that the TV programs, news, film rights used for broadcasting TV Channels as intangible assets and allowing 25% depreciation thereon disturbing the consistently followed accounting policy by the Company and industry as a whole; (iii) treating the entire purchase of programs and film rights as intangible assets and allowing depreciation of 25% instead of on the film rights only which are amortized @ 20% per annum by the Company; (iv) disallowing interest of `0.02 million (`*17,126*) on delayed payment of service tax without giving any reason; and (v) addition of `1.41 million (`*1,413,908*) to the total income of the Company on account of difference of receipts as per the books of account and as per AIR data (26 AS). The matter is currently pending before the CIT(A), Mumbai

6. The Company has received notices and various orders have been issued for several Assessment Years in relation to *inter alia* the alleged short deduction of taxes (TDS); interest on late payment etc. raising an aggregate demand of `4.21 million (`*4,212,690*). The Company has contested these notices/ orders (*15 matters*) at various Appellate Forums and the matter(s) are subjudiced.

Indirect Tax (Service Tax) proceedings against the Company

1. **Period from January 1, 2010 and March 29, 2010**

The Company has preferred an Appeal before the Customs, Excise and Service Tax Appellate Tribunal, New Delhi ("***CESTAT***") against the order dated March 19, 2014 passed by the Commissioner, Customs, Central Excise & Service Tax, Noida (the "***Commissioner***"). The Company has preferred the present appeal since the Commissioner (i) has confimed a demand of service tax of `4.52 million (`*4,523,799*) and Cenvat Credit of `66.79 million (`*66,792,233*) under Section 73(1) of the Finance Act, 1994 aling with interest under Section 75 of the Finance Act, 1994; and (ii) has imposed a penalty of `200 per day or at the rate of 2% per month from the day on which tax as required to be paid and upto May 10, 2008 (whichever is higher subject to maximum of 50% of the tax demand) and has also imposed penalty amounting `4.52 million (`*4,523,799*) and `66.79 million (`*66,792,233*) under Section 78 of the Finance Act, 1994. The Company has also filed a stay application for waiver of pre-deposit of the service tax of `4.53 million (`*4,523,799*) amount along with interest and penalty. The matter is currently pending before CESTAT, New Delhi.

V. Cases filed by and against the Promoters of the Company

Nil

VI. Revenue Proceedings against the Promoters

*Revenue Proceedings filed against Sprit Textiles Limited ("**Sprit Textiles** ")*

1. Churu Trading Co. Private Limited (*now merged with Sprit Textiles*) has received several notices and orders for various Assessment Years have been passed on applicability of income tax, for which aggregate demands of `275.00 million (`*275,004,367*) have been raised by the Income Tax Department in relation to various issues involved which *inter alia* includes disallowances of various expenses; etc. Churu Trading has contested these orders at various Appellate Forums/ Courts (*12 matters*) and the matter(s) are subjudiced.

2. Prajatma Trading Co. Private Limited (*now merged with Sprit Textiles*) has received several notices and orders for various Assessment Years have been passed on applicability of income tax, for which aggregate demands of `59.16 million (`*59,160,420*) have been raised by the Income Tax Department in relation to various issues involved which *inter alia* includes disallowances of various expenses; etc. Prajatma Trading has contested these orders at various Appellate Forums/ Courts (*12 matters*) and the matter(s) are subjudiced.

3. Premier Finance & Trading Co. Limited (*now merged with Sprit Textiles*) has received several notices and orders for various Assessment Years have been passed on applicability of income tax, for which aggregate demands of `320.22 million (`*320,219,257*) have been raised by the Income Tax Department in relation to various issues involved which *inter alia* includes *viz*. (i) addition made to the total income; (ii) disallowances of various expenses; etc. Premier Finance has contested these orders at various Appellate Forums/ Courts (*15 matters*) and the matter(s) are subjudiced.

VII. Cases filed by and against the Directors

Civil Cases against Dr. Subhash Chandra

1. Jindal Steel and Power Limited (the "***Plaintiff***") has filed a defamation suit (*2467 of 2012*) before the Bombay High Court against the Company, Dr. Subhash Chandra, Mr. Punit Goenka, Ex- Managing Director and other senior officials of the Company (the "***Defendants***") claiming damages of `2,000.00 million (`*2,000,000,000*). The suit has been filed by the Plaintiff in relation to certain programmes telecast on the Company's channel '*Zee News*' and '*Zee Business*' with regards to the Comptroller and Auditor General of India (CAG) Report on "Allocation of Coal Blocks and Augmentation of Coal Production". The present suit has been filed by the Plaintiff alleging defamatory and factually incorrect statements made on the Plaintiff's chairman, Mr. Navin Jindal, in programmes telecast by these channels in relation to the CAG Report. The Written Statement has been filed by all the Defendants. The matter shall come up for hearing in due course.

2. Ms. Niki Francis D'Souza (*Winner of Gladrags Mega Model-2005*) has filed (the "***Plaintiff***") a civil defamation suit (*51of 2007*) before the Bombay High Court against Zee Telefilms Limited, Dr. Subhash Chandra and Ors. (the "***Defendants***") for Defamatory allegations in the commentary by the Defendant No. 4 (*Reporter*) and the statements made by the Defendant No. 5 & 6 (Producer of movie "Raja Bhaiya") during the interview conducted by Zee News under the caption "Shatir Sundari" which was telecast on April 20, 2005 & April 21, 2005. It has been alleged that the Defendants in the interview telecast made defamatory statements about the Plaintiff and that she was involved in criminal cases and had threatened films producers. She has claimed that these statements had caused loss and damage to her marital prospects, reputation and profession. The Plaintiff is seeking damages of `30.00 million (`*30,000,000*) jointly and severally from the Defendants and injunction from making any further defamatory statements or repeating the said telecast "Shatir Sundari" against the Plaintiffs. The matter shall come up for framing of issues in due course.

3. Mr. Sanjay Kakade, Chairman and Director of Kakde Infrastructure Private Limited (the "***Plaintiff***") filed a Defamation Suit (*5459 of 2012*) before Court of Civil Judge Junior Division Pune against the Company, its Non-Executive Chairman & Director Dr. Subhash Chandra (the "***Defendants***") and its group company Zee Entertainment Enterprises Limited. A Joint Venture Agreement was executed in the year 2011 between Plaintiff's Company and a Group Entity, Essel Infraprojects Limited and it has been alleged by the Plaintiff that `2,000.00 million (`*2,000,000,000*) was due from Defendant No.2 (*Director of the Company*) to the Plaintiff. It has been alleged that

Defendant No. 2 i.e. Non-Executive Chairman & Director Dr. Subhash Chandra Goyal committed default in payment of the money to the Plaintiff and also breached certain terms of the joint venture agreement. He has further alleged that the Non-Executive Chairman & Director, Dr. Subhash Chandra in order to pressurize and defame the Plaintiff had threatened to publish false and frivolous articles in its newspaper DNA as well as in the electronic media. The matter is in relation to a land at Hingne near Pune The Plaintiff is seeking `2,000.00 million (`*2,000,000,000*) as damages jointly and severally from the Defendants and permanent injunction restraining the Defendants from publishing, republishing carrying out any reports or telecast any defamatory matter about the Plaintiff and the residential complex known as Kakde City in Hingne. Interim injunction was granted by the court and restrained the Defendants, their agents or anyone claiming through them from publishing, broadcasting, telecasting any defamatory item, news, and statement in any form in the electronic media maligning the Plaintiff, his company or officers regarding the Kakade City residential complex at Hingane, till final disposal of suit. The matter shall come up for framing of issues on December 29, 2014.

4. National Association for the Blind (a Public Charitable Trust) and Ors. (the "***Plaintiffs***") has filed a Defamation Suit (*585 of 2012*) before Bombay High Court against the Company, Dr. Subhash Chandra and Ors. (the "***Defendants***") for telecasting a programme on National Association for the Blind (India) by the Company on the Zee News Channel under the heading "Mumbai May Andher Gardhi". In the said programme it has been alleged that the Defendants made various false and defamatory allegations of corruption and siphoning off by the honoraries and officers of the Association, the donations and aid received for the blind for their own benefit. The Plaintiffs are seeking damages of `200.00 million (`*200,000,000*) to be paid jointly and severally by the Defendants with interest at the rate of 18% per annum from the date of filling of the suit till payment and an order for permanent injunction against the Company for telecasting, re-telecasting, communicating, publishing, re-publishing the said defamatory and frivolous televisions statements. Based on an assurance by the channel that they would not air the same programme again, the Bombay High Court passed an order dated January 30, 2014 granting injunction in favour of the Plaintiffs and directed Defendants to not telecast, re-telecast, publish or communicate the televised statements till the pendency of the suit. The matter shall come up for hearing on January 5, 2015.

5. Samta Sainik Dal has filed a Public Interest Litigation (*12 of 2014*) before the Bombay High Court against the Government of India and Ors. including ZEEL and Dr. Subhash Chandra in relation to the television serial "Life of Buddha" alleging that the serial showing the life of Buddha was factually incorrect and that the telecast of the serial be restrained by an order of the Court. The matter shall come up for hearing in due course.

6. Micro Finance Limited & Anr. has filed a civil suit (*75 of 2014*) before the Court off the Civil Judge (Senior Division), Baliguda against the Company, Dr. Subhash Chandra & Ors. for permanent injunction and damages in relation to telecast of defamatory content on channel of the Company 'Zee Kalinga' on March 26, 2014 and has further claimed damages of `0.20 million (`*199,800*). The proceeding has been stayed by the Orissa High Court by way of its order dated June 25, 2014 in Transfer Petition No. (*70 of 2014*), to transfer the aforementioned suit to Civil Judge, Senior Division, Bhubaneshwar to tag with suit (*467 of 2014*). The matter shall come up for hearing in due course.

7. Ms. Sanjukta Mishra & Anr. has filed a civil suit (*467 of 2014*) before the Court off the Civil Judge (Senior Division), Bhubaneshwar against the Company, Dr. Subhash Chandra & Ors. for permanent injunction and damages in relation to telecast of defamatory content on channel of the Company 'Zee Kalinga' on April 9, 2014 and has further claimed damages of `1.00 million (`*999,800*). The Court has not granted any injunction in the matter. The matter shall come up for hearing in due course.

Criminal Proceedings by and against Dr. Subhash Chandra

1. The details of First Information Reports ("***FIRs***") are set out below:

   - An FIR (*FIR No. 240 of 2012*) was lodged by Jindal Steel and Power Limited before the Delhi Police on October 2, 2012 against Dr. Subhash Chandra, Chairman of the Company and Ors. (the "***Accused***") under Sections 384, 466, 468, 469, 471, 420, 511 read with Section 34/120B of the Indian Penal Code (IPC). The present FIR has been filed on a complaint made by Jindal Steel & Power Limited in relation to the alleged offences of criminal conspiracy, extortion, criminal intimidation and defamation by certain officers of the Company. The matter is under investigation and the police has directed to file the status report on January 8, 2015.

   - An FIR (*FIR No. 12 of 2013*) was lodged by Jindal Steel and Power Limited before the Delhi Police on January 15, 2013 against Dr. Subhash Chandra, Chairman of the Company and Ors. (the "***Accused***") under

Sections 467, 468, 469, 471 read with Section 34/120B of the Indian Penal Code (IPC). The present FIR has been filed on a complaint made by Jindal Steel & Power Limited in relation to the alleged forged CAG report presented by the editors of the Company in programme titled 'Media ka sauda' telecast on October 19, 2012. The matter is under investigation and the police has directed to file the status report on January 12, 2015.

- An FIR (*FIR No. 7 of 2013*) was lodged by Vasant Vihar Police Station on January 4, 2013 against the Company (*Zee News channel*) under Section 228A of the Indian Penal Code (IPC) for telecast of the interview of the friend of the prosecutrix. The statement of Mr. Sudhir Chaudhary, chief editor of the channel, was recorded by the Police.

The Company has filed a Criminal Writ Petition (*25 of 2013*) before the Hon'ble Supreme Court of India for quashing of the aforementioned FIRs. The matter shall come up for hearing on January 13, 2015.

2. Mr. Vinod Pandey (the "***Complainant***") has filed a Criminal Defamation Complaint (*89 of 2010*) before the Additional Civil Judge (Junior Division/ Judicial Magistrate, Court Room No.21, District Pratapgarh) under Sections 500, 504, 120B of the Indian Penal Code (IPC) against Dr. Subhash Chandra, Chairman of the Company and Ors. (the "***Accused***") for allegedly broadcasting false and defamatory material on its news channel Zee News U.P. against the Complainant causing damage to the reputation of the Complainant. The Magistrate has issued an order dated August 25, 2010 summoning the Accused to appear before the Court. The Accused filed a Criminal Miscellaneous Application (*1044 of 2011*) before the Lucknow Bench of the Allahabad High Court under Section 482 of the Criminal Procedure Code, 1973 for quashing the criminal proceedings against the Accused. The High Court by an order dated March 8, 2011 granted a stay on the above proceedings before the Magistrate. The matter shall come up for hearing in due course.

3. Mahalaxmi Factoring Services Limited (the "***Complainant***") has filed a Criminal Complaint (*1976 of 2001*) before the II Metropolitan Magistrate, Egmore, Chennai under Section 406 & 420 read with Section 34 of the Indian Penal Code against Singhal Swaroop Ispat Limited and its Directors including Dr. Subhash Chandra (the "***Accused***") alleging that the Accused have defaulted in paying the consideration for purchase of certain machineries from the Complainant. Dr. Subhash Chandra has filed Criminal Original Petition (*3134 of 2011*) before High Court, Madras for quashing proceedings against him. The Hon'ble Madras High Court had granted Stay for all further proceeding against Dr. Subhash Chandra in March 2011. The matter shall come up for hearing in due course.

4. Ceat Financial Services Limited (the "***Complainant***") has filed a Criminal Compliant (*3927/SS of 2007*) before the Court of Metropolitan Magistrate, 16th Court, Ballard Pier, Bombay against Singhal Swaroop Ispat Limited and its Directors including Dr. Subhash Chandra under Section 138 and 141 of the Negotiable Instruments Act, 1881 for dishonour of certain cheques issued by Singhal Swaroop Ispat Limited in favour of the Complainant. Dr. Subhash Chandra has filed Criminal Writ Petition (*1759 of 2007*) before Bombay High Court for quashing proceeding against him. The Bombay High Court by its Order dated August 20, 2008 has granted ad-interim relief and stayed further proceedings of the lower court against Dr. Subhash Chandra. The matter shall come up for hearing in due course.

5. Maharashtra State Trading Corporation (the "***Complainant***") has filed a Criminal Compliant (*143/S of 2003*) under Section 420, 403, 406/34 of the Indian Penal Code before the Court of Metropolitan Magistrate, 47th Court, Esplanade, Bombay against Singhal Swaroop Ispat Limited and its Directors including Dr. Subhash Chandra. Dr. Subhash Chandra has filed Criminal Application (*2663 of 2008*) before the Bombay High Court for setting aside the proceedings against him. The Bombay High Court has stayed the proceeding in lower Court against Dr. Subhash Chandra in the year 2008. The matter shall come up for hearing in due course.

6. Abhyudaya Co-op.Bank Limited (the "***Complainant***") has filed a Criminal Compliant (*1548/SS of 2005*) before the Court of Metropolitan Magistrate, 7th Court, Bhoiwada, Bombay against Singhal Swaroop Ispat Limited and its Directors including Dr. Subhash Chandra under Section 138 read with Section 141 of the Negotiable Instruments Act, 1881 for dishonour of certain cheques issued by Singhal Swaroop Ispat Limited in favour of the Complainant. Dr. Subhash Chandra has filed a Criminal Writ Petition (*2421 of 2007*) in the Bombay High Court for quashing proceedings against him. The matter shall come up for hearing in due course.

7. Mr. Agasti Kantitkar (the "***Complainant***") has filed a Criminal Complaint (*960 of 2006*) under Section 500 of the Indian Penal Code before the Judicial Magistrate First Class, Pune against Dr. Subhash Chandra and Ors. for telecasting a news item on 'Zee Marathi' channel on February 15, 2006. Dr. Subhash Chandra filed a Criminal Writ Petition (*2465 of 2006*) before the Bombay High Court and the Bombay High court has stayed the proceeding against Dr. Subhash Chandra in the year 2006. The matter shall come up for hearing in due course.

8. Maharashtra State Trading Corporation (the "***Complainant***") has filed a Criminal Compliant (*1 of 1999*) before the Bombay Small Causes Court, Bombay against Singhal Swaroop Ispat Limited and its Directors including Dr. Subhash Chandra under Section 3(2) of the Criminal Law (amendment) Ordinance, 1944 seeking attachment of certain specified properties belonging to the Singhal Swaroop Ispat Limited. The matter shall come up for hearing in due course.

9. Mr. Ravindra N. Singh, Principal of Swami Vivekananda High School, Jogeshwari (the "***Complainant***") has filed a Criminal Defamation Complaint (*191 of 2011)* under Sections 501 and 502 of the Indian Penal Code (IPC) before the 8th Court at Esplanade, Mumbai against the Company, its director, Dr. Subhash Chandra and Ors. (the "***Accused***") for allegedly making false, frivolous and defamatory statements in a programme named "Breaking News- Culprits running the racket of fake degrees/certificates" which was telecast on the Marathi news channel Zee 24 Taas. The Complainant is seeking for inquiry under Section 156(3) of Criminal Penal Code. The court issued summons to the Company on April 12, 2013. The matter shall come up for hearing on February 4, 2015.

10. Ms. Vaibhava Amrish Rele (the "***Complainant***") filed a Criminal Defamation Compliant (*15584 of* 2009) before Junior Magistrate First Class (JMFC) (A.C) Pune against the Company, Dr. Subhash Chandra Goel and certain other executives of the Company (the "***Accused***") under Section 500, 501 & 502 of IPC for misrepresenting the Complainant as a terrorist in a programme aired on the Zee News channel under the title "Ye Kaisa Jehad?". The Complainant is seeking an investigation under Section 202 of CrPC by the police. JMFC Pune Court directed Deccan Gymkhana Police station to investigate the Complaint and submit its report within one (1) month. The Accused then filed a Criminal Revision Application (*807 of 2012*) before Sessions Court, Pune challenging the order dated March 21, 2009 passed by the JMFC Court Pune. The Revision Application (*807 of 2012*) filed against JMFC Court order got dismissed on February 1, 2014. The Company, Dr. Subhash Chandra Goel and Mr. Laxmi Narain Goel then filed a Criminal Writ Petition (*1024 of 2014*) before Bombay High Court for stay of the execution /operation /implementation of Order dated February 1, 2014 in Criminal Revision Application (*807 of 2013*) and Order dated April 4, 2012 passed by the JMFC Court Pune in Criminal Complaint (*15584 of 2009*) issuing process. Further, the Company, Mr. Satish Kumar Singh & Ors. then filed a Criminal Writ Petition (*1072 of 2014*) before Bombay High Court for stay of the execution /operation /implementation of Order dated February 1, 2014 in Criminal Revision Application (*808 of 2013*) and Order dated April 4, 2012 passed by the JMFC Court Pune in Criminal Complaint (*15584 of 2009*) issuing process. The CWP shall come up for hearing on January 22, 2015.

11. M/s. Lahari Recording Company (the "***Complainant***") has filed a Criminal Complaint(s) (*5794 of 2013; 5795 of 2013; 5796 of 2013; 5797 of 2013; and 5798 of 2013*) before the IX Additional Chief Metropolitan Magistrate, Bangalore under Section 200, 156(3) and 181 of the CrPC and Section 51 and 63 of the Copyrights Act, 1955 in relation to the alleged infringement of copyrights by ZEEL's channel Zee TV – Kannada of certain movie songs. The matter(s) shall come up for hearing in due course.

12. Mr. Israr Ahmed Nagori (the "***Complainant***") has filed a Criminal Complaint (*456 of 2014*) before the Judicial Magisterate First Class, Mahidpur (M.P.) under Section 499 and 500 of the Indian Penal Code against Dr. Subhash Chandra & Ors. for telecast of news story on its channel 'Zee MP/ Chhattisgarh' in respect of an Anti Terrorist Squad (ATS) investigation. A revision petition under Section 397 of the CrPC has been filed before the Session Court, Mahidpur (M.P). The Sessions Court has stayed the proceedings of lower court by way of its order dated June 16, 2014. The matter before the Sessions Court shall come up for order on January 24, 2015.

13. First Information Reports (*FIR No. 710 of 2014*) ("***FIR***") was lodged by the Hisar, Civil Lines Police on October 16, 2010 against Dr. Subhash Chandra, Chairman of the Company and Ors. (the "***Accused***") under Sections 131 and 132 of the Representaton of People Act, 1950. The present FIR has been filed on a complaint made by Mr. Kaushal Kataria, returning officer in relation to the alleged violations of model code of conduct in Hisar assembly election on October 15, 2014 for checking ID at polling booth. The police has not issued any notice in relation to the same till date.

14. The Special Director/ Enforcement Directorate ("***ED***") have initiated adjudication proceedings under the FERA Act, 1973 bearing Memo No. T-4/8-D/1999(SCN-XI) dated July 27, 2001 against Dr. Subhash Chandra & Ors. A call notice dated September 30, 2014 has been issued by the ED against Dr. Subhash Chandra for alleged violation of certain provisions of FERA Act, 1973 which was attended on October 12, 2014.

15. The Special Director/ Enforcement Directorate ("***ED***") have initiated adjudication proceedings under the FERA Act, 1973 bearing Memo No. T-4/8-D/1999(SCN-IX) dated July 27, 2001 against Dr. Subhash Chandra & Ors. A call

notice dated September 30, 2014 has been issued by the ED against Dr. Subhash Chandra for alleged violation of certain provisions of FERA Act, 1973 which was attended on October 12, 2014.

VIII. Revenue Proceedings against the Directors

Nil

IX. Cases filed by and against the Subsidiary Companies of the Company

*Cases filed against Zee Akaash News Private Limited ("**Zee Akaash** ")*

1. The Ministry of Information & Broadcasting (MIB) has issued a Show Cause Notice (SCN) dated July 24, 2014 to Zee Akaash in relation to telecast of a 'News Report' by '24 Ghanta' TV channel on January 8, 2014 which violated the provisions of Cable Television Network Rules, 1994. Zee Akaash has replied to the aforementioned SCN by way of its letter dated August 26, 2014. The matter is currently pending before the MIB.

*Cases filed by Zee Akaash News Private Limited ("**Zee Akaash** ")*

1. Nil

*Cases filed against Diligent Media Corporation Limited ("**Diligent Media**")*

Civil cases

1. Jindal Steel and Power Limited (the "***Complainant***") has filed a complaint (*14/554/12-13-PCI*) before the Press Council of India against Diligent Media in relation to an article published in the DNA Newspaper allegedly defaming the Complainant and has prayed for holding an enquiry in the matter and also to admonish or censure the DNA Newspaper and its editors and journalists. The matter shall come up for hearing on January 5, 2015.

2. Mr. Terence Nazareth has filed a complaint (*14/575/12-13-PCI*) before the Press Council of India against Diligent Media in relation to an article published in the DNA Newspaper alleging that the article was inaccurate and false. The matter shall come up for hearing on January 5, 2015.

3. City Traders & Ors (the "***Plaintiffs***") have filed a suit (*3414 of 2007*) before the Bombay High Court against Diligent Media on account of alleged defamatory content published by DNA and has further claimed an amount of `10.00 million (`*10,000,000*). The matter has been transferred to the Bombay City Civil Court in view of the change of the pecuniary jurisdiction of the Courts in Mumbai. The matter shall come up for hearing on January 29, 2015.

4. Mr. Kalanithi Maran (the "***Plaintiff***") has filed a civil suit (*166/167 of 2012*) before the Madras High Court against Diligent Media on the basis of an article published in DNA allegedly defaming the Plaintiff. The Plaintiff has claimed damages of `10.00 million (`*10,000,000*). The Madras High Court has granted an interim injunction by way of an order from publishing any further article pertaining to the Plaintiff in relation to the subject matter of the suit. The matter shall come up for hearing in due course.

5. Mr. Arun Khetan (the "***Plaintiff***") has filed a civil suit (*2954 of 2009*) before the Bombay High Court against Diligent Media in relation to an article published in DNA allegedly defaming the Plaintiff. The Plaintiff has claimed damages of `0.10 million (`*100,000*). The matter has been transferred to the Bombay City Civil Court in view of the change of the pecuniary jurisdiction of the Courts in Mumbai. The matter shall come up for framing of issues on January 21, 2015.

6. Mr. V. Nagraj (the "***Plaintiff***") has filed a civil suit (*2356 of 2013*) before the City Civil Court, Bangalore against Diligent Media & Anr in relation to alleged defamatory publication against the Plaintiff who had been contesting for elections. The Plaintiff has applied for an injuction against Diligent Media & Anr. from publishing any defamatory content against the Plaintiff. The matter shall come up for hearing on January 3, 2015.

7. Mr. M. Srinivas (the "***Plaintiff***") has filed a civil suit (*3392 of 2013*) before the City Civil Court, Bangalore against Diligent Media & Anr in relation to an alleged defamatory article published against the Plaintiff who had been contesting for elections. The Plaintiff has sought an injuction against Diligent Media & Anr. from publishing any defamatory content against the Plaintiff. The matter shall come up for hearing on January 19, 2015..

8. Mr. Rakesh Kapoor and National Food Products Private Limited (the "***Plaintiffs***") has filed a Defamation suit (*1613 of 2011*) before Bombay High Court against Ms. Priyanka Chopra and Others including the Company (*Defendant No. 19*) and Diligent Media (the "***Defendants***") for allegedly making and publishing defamatory and derogatory statements against the Plaintiffs in relation to a dispute involving a residential premises. The Plaintiffs has claimed damages of `5,000.00 million (`*5,000,000,000*) to be paid jointly and severally by the Defendants. The Plaintiffs have further prayed for a temporary order and injunction from making any further defamatory statements against the Plaintiffs. The matter shall come up for hearing on February 4, 2015.

9. Mr. Rajeev Singh (the "***Plaintiff***") has filed a civil suit (*S811 of 2013*) before the Bombay High Court against Diligent Media in relation to the alleged harassment at the workplace of Diligent Media and for compensation of `13.00 million (`*13,000,000*). The matter shall come up for hearing on January 8, 2015.

10. The Victoria Mills Limited (the "***Plaintiff***") has filed two (2) eviction suits (*61/70 of 2008 and 182/236 of 2009*) and before the Small Causes Court at Bombay against Diligent Media in relation to eviction of premises situated at Victoria Mills, Lower Parel. The Plaintiff has claimed an aggregate amount of `120.03 million (`*120,033,900*). The Plaintiff has further filed an Appeal (*50 of 2010*) against the dismissal of an application for injunction to restrain Diligent Media from alienating the premises and parking its vehicles in the suit premises. The matter(s) shall come up for hearing in the due course.

11. Oasis Reality Private Limited (the "***Plaintiff***") has filed an eviction suit (*139/184 of 2010*) before the Small Causes Court at Bombay against Diligent Media in relation to eviction of premises situated at Victoria Mills, Lower Parel. The Plaintiff has claimed an aggregate amount of `6.16 million (`*6,160,000*). The matter shall come up for hearing in due course.

12. Mr. Ratnadeep Chaudhary (the "***Plaintiff***") has filed a defamation suit (*203 of 2014*) before the Civil Judge, Senior Division, No.2, Kamrup, Gauwhati against Diligent Media & Ors for allegedly making and publishing defamatory and derogatory statements against the Plaintiff. The Plaintiff has claimed an aggregate amount of `420.00 million (`*420,000,000*). The matter shall come up for hearing in the due course.

13. Golden Tobacco Limited & Ors. (the "***Plaintiff***") have filed a defamation suit (*620 of 2012*) before the Bombay High Court against Diligent Media seeking damages of `5,000 million (`*5,000,000,000*) and for perpetual order and injuction for the alleged defamatory statements made in the article published on January 21, 2010 in the DNA Newspaper against the Plaintiff. At the time of the hearing of the matter on February 26, 2010, Diligent Media made a statement to the Court that it shall not publish the impugned article and also withdraw the same from its website. The Court accordingly passed an order recording a statement made by Diligent Media. The matter shall come up on January 28, 2015.

14. Ms. Latha Rajanikanth (the "***Plaintiff***") has sought an injunction (*9312 of 2014*) before City Civil and Sessions Court, Bangalore Civil Courts, Bangalore against various media companies including Diligent Media in relation to certain content which has been published by certain news papers. Although DNA has not published any such article it has been made a party. The matter shall come up for hearing in due course.

15. Mr. Kapil Marwaha has filed a complaint (*14/133/12-13-PCI*) before the Press Council of India (PCI) against Diligent Media in relation to an article published in the DNA Newspaper alleging that the article was obscene and vulgar. Diligent Media has filed its written statement before the PCI and the matter shall come up for hearing on January 6, 2015.

16. M/s. J.K. Cement has filed a complaint (*14/409/10-11-PCI*) before the Press Council of India (PCI) against Diligent Media in relation to an article published in the DNA Newspaper alleging that the article was inaccurate and false. The matter shall come up for hearing on in due course.

17. Ms. Shamshad Abdul Wahid Supariwala & Ors. (the "***Plaintiffs***") have filed a suit for Declaration and Permanent Injunction (*2305 of 2010*) before the Bombay City Civil Court against Mr. Sunder Shaekar and Ors. including Diligent Media (the "***Defendants***") in relation to certain an article published in the DNA and other Newspapers alleging that the article contained certain defamatory content. The Plaintiff has filed an Application (*NOM 2722 of 2010*) seeking injunction restraining the other Defendants from portraying Defendant No.1. as the son of Haji Mastan Mirza. The matter shall come up for hearing on February 9, 2014.

Labour Cases

1. Dharmarajya Kamgar Karamchari Mahasangh (the "***Complainant***") has filed a complaint (*ULP 358 of 2013 and ULP 295 of 2014*) before the Industrial Court, Thane against Diligent Media alleging that not only is Diligent Media not following the Majithia Wage Board but is also not providing several benefits payable under the Majithia Wage Board. It is further alleged that Diligent Media is harassing some workers. The matter shall come up for hearing in due course.

2. Mr. Bharat Shinde (the "***Complainant***") has filed a complaint (*ULP No. 125 of 2014*) before the Labour Court at Pune against Diligent Media & Anr. alleging that Diligent Media has engaged in the acts of unfair labour practices under the Maharashtra Recognition of Trade Unions and Prevention of Unfair Labour Practices Act, 1972 from August 22, 2014 and wrongfully terminated his employment with Diligent Media. Diligent Media has filed its Written Statement and the matter shall come up for hearing on January 14, 2015.

3. Mr. Vipendra Mandal (the "***Complainant***") has filed a complaint (*ULP No. 232 of 2014 and ULP 140 of 2014*) before the Labour Court at Thane, against Diligent Media & Ors. alleging that Diligent Media has not implemented the Wage Board guidelines and is engaged in acts of unfair labour practices under the Maharashtra Recognition of Trade Unions and Prevention of Unfair Labour Practices Act, 1972 and wrongfully terminated his employment with Diligent Media from September, 9, 2014. The matter shall come up for hearing on December 30, 2014.

*Cases filed by Diligent Media Corporation Limited ("**Diligent Media**")*

Civil Cases

1. Diligent Media has filed a civil suit (*104288 of 2013*) before the City Civil Court, Mumbai against Mr. Adarsh Mishra, an employee of Diligent Media for recovery of outstanding dues of `1.50 million (`*1,500,464*). The matter shall come up for hearing on May 1, 2015.

2. Diligent Media has initiated Arbitration Proceedings against Alpha Heavy Engineering (Chirag Joshi sole Proprietor) (the "***Respondents***") claiming a refund of `2.92 million (`*2,920,000*) in relation to a work order issued by Diligent Media for one of its projects. The Bombay High Court has appointed an arbitrator in the matter and Diligent Media has filed its Statement of Claim. The Respondents are required to file their Written Statement and counter claim, if any by February 7, 2015.

3. Diligent Media has initiated Arbitration Proceedings against Media Research Users Council (the "***Respondent***") challenging the Indian Research Survey Report issued by the Respondent for the readership survey for the Period July 2013 to December 2013. Diligent Media has filed an Arbitration Petition (*483 of 2014*) before the Bombay High Court seeking an order that a independent research agency / audit firm to conduct an audit of the aforementioned report and restrain the Respondent from conducting any further survey on the basis of the aforementioned report. By an order dated February 24, 2014, the Court passed an order as per the statement made by the Respondent that all links from the server would be disabled so that the aforementioned report is not accessible. The matter shall come up for hearing in due course.

Criminal Proceedings

1. Diligent Media has filed 8 Criminal Complaints before various Magistrate Courts under Section 138 and 141 of the Negotiable Instruments Act, 1881 against several parties for dishonour of cheques amounting to `3.42 million (`*3,415,981*). These proceedings are pending at various stages before these Courts.

Revenue Proceedings against Subsidiary Companies

*Indirect Tax (Service Tax) Proceedings against Zee Akaash News Private Limited ("**Zee Akaash**")*

1. **Assessment Year 2012-2013**

The office of the Assistant Commissioner of Service Tax- Division I ("***ACST***") has issued a Show Cause cum demand Notice dated December 18, 2013 ("***SCN***") Zee Akaash to show cause as to why (i) irregular Cenvat Credit availed & utilized of `0.22 million (`*223,804*) should not be recoved; and (ii) interest and penalty should not be

imposed under relevant Rules. Zee Akaash has replied to the aforementioned SCN by way of its letter dated February 19, 2014. The matter is currently pending before the ACST.

*Direct Tax (Income Tax) Proceedings against Diligent Media Corporation Limited ("**Diligent Media**")*

1. **Assessment Year 2006-2007**

Diligent Media has preferred an Appeal before the Commissioner of Income Tax (Appeals) -12, Mumbai ("***CIT(A)***") against the order dated March 10, 2014 passed by the Deputy Commissioner of Income Tax 6(2). Diligent Media has preferred the present Appeal for treating `5.39 million (`*5,390,903*) as expenditure incurred in connection with various heads under Section 115 WE(3) read with Section 115WG of the IT Act not falling in the ambit of employer and employee's relationship to attact Fringe Benefit Tax (FBT). The matter(s) are currently pending before the CIT(A), Mumbai.

2. **Assessment Year 2008-2009**

Diligent Media has preferred an Appeal before the Deputy Commissioner (Appeals) of Income Tax and Commissioner of Income Tax (Appeals)-12 ("***CIT(A)***") against the order dated December 29, 2010 passed by the Deputy Commissioner of Income Tax Circle 6(2), Mumbai. Diligent Media has preferred the present Appeal for deletion of the addition made of `1.42 million (`*1,424,016*) to the total income of Diligent Media on account of differences between receipts as per the books of accounts and as per the 'AIR Report'. The matter(s) are currently pending before the CIT(A), Mumbai.

3. **Assessment Year 2010-2011**

Diligent Media has preferred an Appeal before the Deputy Commissioner (Appeals) of Income Tax and Commissioner of Income Tax (Appeals)-12 ("***CIT(A)***") against the order dated February 22, 2013 passed by the Deputy Commissioner of Income Tax Circle 6(2), Mumbai. Diligent Media has preferred the present Appeal for (i) disallowing `3.91 million (`*3,909,348*) on account of delayed payment of Employees' contribution towards Provident Fund and ESIC beyond the due dates prescribed under the relevant Act; and (ii) making addition of `0.13 million (`*128,738*) to the total income of the Company on account of differences between receipts as per books of accounts and as per the "AIR report". The matter(s) are currently pending before the CIT(A), Mumbai.

*Direct Tax (Income Tax) Proceedings against Mediavest India Private Limited ("**Mediavest**")*

1. **Assessment Year 2006-2007**

Mediavest has preferred an Appeal before the Income Tax Appellate Trubinal, Mumbai, against the order dated March 10, 2014 passed by the Deputy Commissioner of Income Tax 6(2), Mumbai. Mediavest has preferred the present Appeal for (i) upholding levy of penalty of `10.21 million (`*10,206,807*) under Section 271(1)(c) of the IT Act; (ii) confirming levy of penalty under Section 271(1)(c) of the IT Act on the ground that Mediavest is deemed to have concealed the particulars of income; and (iii) upholding levy of penalty in respect of interest disallowed and which is allowed to be capitalized by the AO due to difference of opinion and interpretations of law. The matter is presently pending before ITAT, Mumbai.

X. Cases filed by and against the Group Entities

*Cases filed against Zee Entertainment Enterprises Limited ("**ZEEL**")*

Civil Cases

1. The Indian Performing Right Society Limited and Anr. (the "***Plaintiffs***") have filed a civil suit (*1216 of 2007*) before the High Court of Delhi at New Delhi against Mr. Punit Goenka and ZEEL (the "***Defendants***") in relation to the alleged infringement of rights of the Plaintiffs by incorporating, featuring and exploiting literary and/ or musical works, and/or sound recordings from the Plaintiffs songs repertoire in the television serials, shows and programmes produced and broadcast by ZEEL without obtaining licenses from the Plaintiffs. The present suit has been filed for obtaining a decree of permanent injunction restraining alleged infringement of copyright and claiming damages of `153.42 million (`*153,415,000*). The Court passed an ad-interim ex-parte order restraining ZEEL from causing the reproduction, broadcast or communication of musical works of the Plaintiff's societies without obtaining licenses from the Plaintiffs. The aforementioned order was modified by the Court to the extent of exempting the programme

'Sa Re Ga Ma Pa' which was being telecast on Zee TV in the year 2007. The Plaintiffs filed a Contempt of Court Petition (*128 of 2007 and 105 of 2007*) alleging non-compliance of the order by ZEEL for its other programmes. The matter shall come up for hearing on January 29, 2015 for evidence.

2. The Child Rights Protection Forum (the "***Petitioner***") has filed a Writ Petition (*15327 of 2010*) before the Andhra Pradesh High Court at Hyderabad against Government of India and Ors including ZEEL in relation to the participation of children below the age of 18 years in reality shows. The matter shall come up for hearing in due course.

3. Mr. Ganapathy (the "***Plaintiff***") has filed a suit (*1664 of 2014*) before the City Civil Court at Chennai in relation to telecast of a programme by 'Zee Tamil TV' on life of the daughter of the Plaintiff. The Plaintiff by way of an order has received a permanent injuction restraining ZEEL to telecast the aforementioned episode of the programme. The matter shall come up for hearing on January 16, 2015.

4. Marico Limited (the "***Plaintiff***") has filed a suit (*183 of 2012*) before the Madras High Court against ZEEL and Anr in relation to telecast of product advertisement on 'Zee TV' which is similar to the brand and product of the Plaintiff. The Plaintiff by way of an order has received ad-interim injuction restraining ZEEL to telecast the advertisement on its channel. The matter shall come up for hearing in due course.

5. Goldmines Telefilms Private Limited (the "***Plaintiff***") has filed a suit (*871 of 2013*) before the Bombay High Court against Reliance Big Entertainment Private Limited & Ors. including ZEEL in relation to a hindi dubbed version of the telugu feature film "Bhai" and *inter alia* praying for various reliefs. The matter shall come up for hearing on April 1, 2015.

6. Goldmines Telefilms Private Limited (the "***Plaintiff***") has filed a suit (*194 of 2013*) before the Bombay High Court against Reliance Big Entertainment Private Limited & Ors. including ZEEL (the "***Defendants***") in relation to a hindi dubbed version of the telugu feature film "Bhai". Various disputes had arisen between the parties i.e. between the Plaintiff and Defendant No.1 (*Reliance Big Entertainment Private Limited*) in relation to the rights of certain films. ZEEL acquired the rights of the film 'Bhai' from the Defendant No.2 i.e. producer of the Telugu feature film 'Bhai' under an agreement dated August 26, 2013. By an order dated July 15, 2014, the Bombay High Court dismissed the interim application filed by the Plaintiff and directed the Defendant No.1 to hand over the amount received from the Plaintiff. The Plaintiff preferred an appeal (*(L) 458 of 2014*) before the Division Bench of the Bombay High Court against the aforementioned order which was set aside by an order dated September 24, 2014 and temporary injunction was granted against the Defendants from releasing and distributing the hindi dubbed version of the film 'Bhai' during the pendency of the suit subject to the Plaintiff depositing `0.60 million (`*600,000*) in the Court, being the amount expended by Defendant No.3 towards dubbing of the film in Hindi. The matter shall come up for hearing in due course.

7. Mr. Arul Mary (the "***Petitioner***") has filed a Writ Petition (*15175 of 2011*) before the Madurai Bench of the Madras High Court in relation to alleged defamatory content telecast on a programme by 'Zee Tamizh' channel and to restrain ZEEL from telecasting the same. The matter shall come up for hearing in due course.

8. Mr. Vasan @ Shakti Vasan (the "***Petitioner***") has filed a Writ Petition (*21819 of 2011*) before the Madras High Court against the Union of India making ZEEL a party to the Petition for seeking the establishment of a separate statutory body to monitor, regulate and check the private channels and programmes telecast by them. The matter shall come up for hearing in due course.

9. Mr. Maganlal Savani & Ors (the "***Plaintiffs***") have filed a suit (*171 of 2008*) before the Bombay High Court against ZEEL & Ors in relation to the alleged exploitation of certain hindi feature films over satellite TV which have infringed the sole and exclusive rights of the Plaintiffs. The matter shall come up for hearing in due course.

10. Asianet Communications Limited (the "***Plaintiff***") has filed a suit (*1676 of 2011*) before the City Civil Judge, Bangalore against ZEEL in relation to the copyright over a reality show in Kannada language format of which is alleged to be similar or a copy of the Plaintiff's show 'Halli Haida Pyateg Bhanda' on Suvarna channel. By an order dated March 21, 2011, the Court restrained ZEEL from producing, advertising and airing the show 'Kondaveeti Raja Kotalo Rani' during the pendency of the suit. ZEEL has filed an appeal (*MFA 2940 of 2011*) before the Karnataka High Court at Bangalore challenging the aforementioned order. The appeal shall come up for hearing on January 27, 2015.

11. Genx Entertainment Limited (the "***Plaintiff***") has filed a Suit (*2083 of 2009*) before Bombay High Court against the Company for restraining its channel 'Zee Bangla' or any other Zee News channels from using the word 'Dadagiri Unlimited or Dadagiri' or any other trade mark deceptively similar to above trademark in the title of its programmes since the same has been registered by the Plaintiff. The Notice of Motion filed by the Plaintiff seeking an injuction against the Defendants was dismissed by the Court. An Appeal (*492 of 2009*) has been filed by the Plaintiff challenging the order passed by the single judge. The appeal shall come up for hearing in due course.

12. Emami Limited (the "***Plaintiff***") has filed a suit (*5638 of 2009*) before the City Civil Court, Calcutta against ZEEL & Ors for declaration, perpetual injunction, temporary injunction and special damages to the tune of `0.85 million (`*850,000*) against ZEEL and Ors who had allegedly telecast a disparaging advertisement of a product named "Vaseline" manufactured by Hindustan Unilever Limited as against a similar product manufactured by Emami by the name of "Boro Plus". The matter shall come up for hearing on February 3, 2015.

13. Mr. Nawman Malik (the "***Plaintiff***") has filed a suit (*1306 of 2012*) before the Bombay High Court against Essel Group & Ors including ZEEL claiming copyright in respect of the serial known as 'Punarvivah' based on the script/subject/story claimed to have been written by the Plaintiff originally titled as 'Aaaj Phir Jeene Ki Tamanna Hai/Sarva Gunn Sampann' and restraining ZEEL to telecast the this serial. The matter shall come up for hearing in due course.

14. Major General M.S. Ahluwalia (the "***Plaintiff***") has filed a suit (*622 of 2002*) before the Delhi High Court against Zee TV & Ors for alleged defamation of the Plaintiff and that of the Indian Army by telecast of content produced by Tahelka.com about alleged corruption in defence deals relating to import of defence equipment and the Plaintiff has further claimed damages of `20 million (`*20,000,000*). The matter shall come up for hearing in due course.

15. Mr. Muktinath Jha (the "***Plaintiff***") has filed a money suit (*7 of 2006*) before the 2nd Court, Civil Judge, Howrah against ZEEL & Ors in relation to telecast of defamatory content on channel of ZEEL 'Zee Bangla'. The matter shall come up for hearing on February 18, 2015.

16. Mr. Dilip Kankaria (the "***Plaintiff***") has filed a suit (*782 of 2001*) before the City Civil Court, Calcutta against ZEEL & Ors for temporary injunction till the disposal and restraining ZEEL from dealing with in any manner or telecasting twenty two (22) Bengali feature films alleged to the be the subject matter and also restraining from claiming any right, title or interest in respect of hindi feature film "Desh Prem"; "Itihas"; "Tyagi" and "Kundan". The matter shall come up for hearing in due course.

17. Suresh Productions (the "***Appellant***") has filed an Appeal (*265 of 2011*) before the Ahdhra Pradesh High Court against the judgement dated March 9, 2011 passed by the Court wherein the Appellant has sought for injunction restraining ZEEL from broadcasting fifteen (15) films. The matter shall come up for hearing in due course.

18. Mr. Suneel Darshan (the "***Plaintiff***") has filed a suit (*78 of 2009*) before the Bombay High Court against ZEEL and Ors wherein the Plaintiff has claimed cable TV rights for the film 'Mere Jeevan Sathi'. The Plaintiff is alleging that though ZEEL has satellite rights it cannot broadcast through cable to the end user as it amounts to infringing the rights of the Plaintiff. No ad-interim reliefs have been granted to the Plaintiff. The Plaintiff has claimed an amount of `15.39 million (`*15,390,000*) towards loss and damages. The matter shall come up for hearing on January 15, 2015.

19. Nahata Limited (the "***Plaintiff***") has filed a suit (*3516 of 1992*) before the Delhi High Court against Raam Raj Kalamandir & Ors. in relation to copyrights and broadcast rights of certain films. ZEEL has filed an application to be impleaded as a party of the proceedings in relation to its own interest in the films. The matter shall come up for hearing on February 4, 2015.

20. Lux Hoseiry India Limited (the "***Petitioner***") has filed a Writ Petition (*602 of 2002*) before the Calcutta High Court against the Union of India with respect to levy of service tax making ZEEL a formal party. The matter shall come up for hearing in due course.

21. Nayananda Creations (rep. by Arupula Sanjay Gandhi) (the "***Plaintiff***") has filed a civil suit (*O.S. No. 8 19 of 2014*) before the XI Addl. Chief Judge, City Civil Court at Hyderabad against ZEEL ("***Defendant***") in relation to its channel Zee Telugu seeking permanent injunction against the use of the title "TOUCHLO UNDU" alleging that the Zee Telugu was telecasting a TV serial in the name "KONCHAM TOUCHLO UNTE CHEPTA" which was similar to the film name "TOUCHLO UNDU" registered by the Plaintiff. The matter shall come up for hearing in due course.

22. The Board of Control of Cricket in India (BCCI) has filed an Arbitration Petition (*O.P. No. 68 of 2013*) against ZEEL in relation to an Award dated November 3, 2012 passed by an Arbitration Tribunal directing BCCI to pay in aggregate `1,236.00 million (`*1,236,000,000*) to ZEEL. The Award has been passed by the Arbitration Tribunal in relation to the termination of a contract by BCCI granting telecast of cricket matches played by the Indian team on neutral venues for a period of five (5) years from April 1, 2007 to March 31, 2011. The dispute arose due to the termination of the contract for failing to renew the Bank Guarantee on or before March 21, 2007 by ZEEL. The matter shall come up for hearing in due course.

23. Mr. P.S. Giridharan (the "***Plaintiff***") has filed a suit (*C.S. No. 508 of 2013*) before the Madras High Court against ZEEL & Anr. seeking damages of `2.60 million (`*2,600,000*) for allegedly defaming the Plaintiff on one of its programs telecast on Zee Tamil channel on November 3, 2010. The matter is at the state of settlement of issues and shall come up for hearing in due course.

24. Mr. M. Ramesh (the "***Appellant***") has filed an Appeal (*1604 of 2010*) before the Karnataka High Court at Bangalore against the dismissal of a suit filed for the prize amount in respect of Play Win Lottery Mega Maha Lotto Govt. of Maharashtra, which was won by the Appellant at the draw held on April 24, 2013. The trial court by its judgment and decree dated November 9, 2009 dismissed the suit. Aggrieved by the same the Appellant has filed this Appeal. The matter shall come up for hearing in due course.

25. Mr. R. Seetharam (the "***Plaintiff***") has filed an appeal (*1020 of 2012*) against the order passed in the consumer compliant (*1453 of 2009*) before the District Consumer Disputes Redressal Forum, Bangalore against ZEEL claiming a sum of `0.20 million (`*200,000*) in relation to a television game show and prize money. The matter shall come up for hearing January 2, 2015.

26. All India Katyan Society has filed a civil suit (*198 of 2014*) before the Senior Civil Judge (North-East), Delhi against ZEEL and Ors. in relation to the television serial "Life of Buddha" alleging that the serial showing the life of Buddha was factually incorrect and that the telecast of the serial be restrained by n order of the Court. The matter shall come up for further proceeding on January 29, 2015.

27. Samta Sainik Dal has filed a Public Interest Litigation (*12 of 2014*) before the Bombay High Court against the Government of India and Ors. including ZEEL and Dr. Subhash Chandra in relation to the television serial "Life of Buddha" alleging that the serial showing the life of Buddha was factually incorrect and that the telecast of the serial be restrained by an order of the Court. The matter shall come up for hearing in due course.

28. Mr. Jyothischandran (the "***Complainant***") has filed a consumer complaint (*44 of 2005*) before the National Consumer Disputes Redressal Commission against ZEEL and Ors. complaining deficiency in services and unfair trade practice on the part of ZEEL & Ors. for non-payment of the lottery prize money including damages and cost for the suit amounting of `12.90 million (`*12,900,000*) allegedly won by the Complainant seeking injunction restraining ZEEL and Ors. from telecast of the programme 'Mahalotto' and other such promotional schemes. The matter(s) shall come up for hearing on April 29, 2015.

29. Mr. Atin Bandhopadhyay (the "***Plaintiff***") has filed a Title Suit (*691 of 2011*) under the City Civil Court, Calcutta against ZEEL & Ors. in relation to telecast of a serial "Keya Patar Nouka" on 'Zee Bangla' Channel thereby infringing the copyright of the Plaintiff. The matter shall come up for hearing in due course.

30. PLA Exports Private Limited (the "***Plaintiff***") has filed a Suit (*193 of 2001*) before the Bombay High Court against Essel Vision, a division of ZEEL & Ors. (the "***Defendants***") in order to seek a permanent injunction against the Defendants from infringing the copyright of the Plaintiff in respect of the film 'Saheeb'. The Plaintiff has also claimed a compensation of `1.00 million (`*1,000,000*) for alleged infringement of copyright. The matter shall come up for hearing in due course.

31. Vijay Vision, represented by its Proprietor Mr. G.R. Raju (the "***Plaintiff***") has filed two (2) Civil Suits (*861 of 2008* and *862 of 2008*) under Section 55 and 62 of the Copyright Act, 1955 read with O IV R1 of the O.S. Rules and Order VII Rule 1 of the Civil Procedure Code before the Madras High Court against ZEEL & Ors. (the "***Defendants***") in order to seek a permanent injunction against the Defendants from infringing the copyright of the Plaintiff in respect of the films Rao Gopala Rao, Rendujadals Seeta, Jananeejanmabhoomi, Merupudadi, Ranarangam, Kukumatilakam and Dharamatmudu. The matter shall come up for hearing in due course.

32. Glaxo Smithkline Consumer Health Limited (the "***Plaintiff***") has filed a Civil Suit (*235 of 2004*) before the Calcutta High Court against ZEEL, Heinz India Private Limited & Ors. (the "***Defendants***") in respect of the product Complan & Horlicks. The Plaintiff has alleged that the advertisements in relation to the Plaintiff's products shown by the Defendants in its TV Channels have caused irreparable loss to the Petitioner. ZEEL has been made a formal party since it was one of the telecasting channels. The Court has passed an order restraining TV Channels from advertising the Plaintiff's products. However, a modified version of the advertisement was telecast on ZEEL's TV Channels due to which the Plaintiff filed a Contempt Petition before the Calcutta High Court. The Single Judge of the Calcutta High Court passed an order dated July 27, 2006 of imprisonment of Ms. Seema Modi (*Heinz*) and Mr. Punit Goenka (*ZEEL*). The Plaintiff has challenged the aforementioned order by filing a Special Leave Petition (*29939-40 of 2008*) before the Hon'ble Supreme Court of India. The matter shall come up for hearing in due course.

33. Glaxo Smithkline Consumer Healthcare Limited (the "***Plaintiff***") has filed a Civil Suit (*142 of 2008*) before the Calcutta High Court against Abbott Healthcare & ZEEL (the "***Defendants***") in relation to passing off their product 'Horlicks' by way of a similar advertisement of their product *viz.* 'Pediasure' and for seeking orders to restrain the Defendants from telecasting the advertisement of the aforementioned product. The matter shall come up for hearing in due course.

34. Raga Productions Private Limited (the "***Plaintiff***") has filed a Suit (*995 of 1998*) before the Tis Hazari District Court against Mr. Shohaib Ilyasi & Ors. including ZEEL (*Defendant No.2*) (the "***Defendants***") wherein the Plaintiff has alleged that Mr. Shohaib Ilyasi had stolen certain scripts prior to resigning from the Plaintiff's organization and has sought an injunction restraining the Defendants from using the stolen scripts and materials to telecast similar programmes. The matter has been dismissed but a restoration application is pending to be decided. Mr. Shohaib Ilyasi has made an application for directions to ZEEL to release the payment to him for the remaining four (4) episodes. The matter shall come up for hearing on January 15, 2015.

35. Ms. Komal Jadhav (the "***Plaintiff***") has filed a Civil Suit (*41 of 2014*) before Court of Civil Judge (J.D.) Vashi, Navi Mumbai against ZEEL in relation to telecast of a programme called Asmita on its channel 'Zee Marathi' which is alleged to be based on a story called on Zhasi, script and pilot of which was given to ZEEL by the Plaintiff. The Civil Court has passed an order dated March 21, 2014 assuming jurisdiction in the matter wherein ZEEL has filed a Civil Revision Application (*723 of 2014*) before the Bombay High Court against the aforementioned order. The matter shall come up for hearing on April 17, 2015.

36. Vintage FZE (India) Private Limited (the "***Plaintiff***") has filed Suit (*525 of 2012*) before the Bombay High Court against ZEEL & Anr. (the "***Defendants***") for seeking permanent injunction and restraining the Defendants from exhibiting, telecasting & broadcasting the alleged illegal telecast of the film 'Ek-The Power of One'. By way of an order dated February 21, 2012, the Court has granted injunction against ZEEL from telecast of the aforementioned film. The matter shall come up for hearing in due course.

37. Mr. Nirav Pandya (the "***Petitioner***") has filed a Criminal Writ Petition (*1603 of 2010*) before the Bombay High Court against the State of Maharashtra and Ors. challenging the legality and propriety of the order dated February 16, 2010 issuing process against the Petitioner. Further, the Petitioner has filed a Criminal Revision Application (*278 of 2012*) before Court of Sessions, Greater Bombay for the same. By an order dated January 16, 2012, the Bombay High Court has allowed the petition to be withdrawn with the liberty to the Petitioner to file Revision Application to challenge the order of issuance of process. The matter shall come up for hearing in due course.

38. Euro RSCG Advertising Private Limited (the "***Plaintiff***") has filed a Civil Suit (*833 of 2002*) before the High Court, Bombay against Enkay Texofoods Industries Limited and Ors. including ZEEL (the "***Defendants***") for recovery of dues outstanding by the Defendants for marketing and advertisement of their products by the Plaintiff. The Plaintiff has further claimed an amount of `2.34 million (`*2,345,460*) at the rate of 24% per annum till the date of payment. Further the Enkay Texofoods (2nd defendant) has been referred to the BIFR under the Sick Industrial Companies (Special Provisions) Act, 1985, resulting in the adjournment of proceedings *sine die* against Enko Texofoods. The matter shall come up for hearing in due course.

39. Navchitra Distributors Private Limited (the "***Plaintiff***") has filed a Suit (*1857 of 2008*) before the Bombay High Court (OOCJ) against Ram Raj Kalamandir and Ors. including ZEEL (the "***Defendants***") in relation to assignment of rights and telecast of the certain feature films by the Defendants. By an order dated September 2, 2014, interim reliefs were refused by the Court to the Plaintiff against which the Plaintiff has filed an Appeal (L) No. (*654 of 2014*) before the Division Bench of the Bombay High Court. The matter shall come up for hearing in due course.

40. Navchitra Distributors Private Limited (the "***Plaintiff***") has filed a Suit (*711 of 2008*) before the City Civil Court, Bombay against Ram Raj Kalamandir and Anr. (the "***Defendants***") including ZEEL in relation to assignment of rights and telecast of certain feature films by the Defendants. The matter shall come up for hearing in due course.

41. Ashish Mark-N-Ad Private Limited has initiated Arbitration proceedings (*1950 of 2013*) against ETC Networks Limited (*now merged with ZEEL*) before an Arbitrator claiming an amount of `9.25 million (`*9,250,000*) in relation to the supply of certain editing equipment to ETC Networks Limited. The Arbitrator has been appointed and proceedings have commenced at Mumbai. The matter is at the stage of framing of issues before the Arbitrator and shall come up on January 10, 2015.

42. Mr. T. Bernat Shan (the "***Petitioner***") has filed a Writ Petition (*1022 of 2012*) before the Madhurai Bench of the Madras High Court against the Union of India & Ors. including ZEEL in relation to a programme telecast on Zee Tamil channel allegedly having defamatory content against the Petitioner. The matter shall come up for hearing in due course.

43. Maganlal Savani & Anr. (the "***Petitioners***") has filed a Suit (*820 of 2013*) before the Bombay High Court against M/s. Kiron Productions & Ors. including ZEEL in relation to infringement of copyright and broadcast rights of certain films. The matter shall come up for hearing in due course.

44. HDFC Bank (the "***Applicant***") had filed recovery proceedings (*O.A. 15 of 2005*) before the DRT, Mumbai against Padmalaya Telefilms Limited ("***PTL***") for the recovery of `35.98 million (`*35,976,935*) alongwith interest aggregating to `55.96 million (`*55,961,317.81*). PTL had availed certain fund and non-fund based facilities from the Applicant wherein PTL defaulted in repayment of the same. ZEEL and Briggs Trading Company Private Limited ("***Briggs***") were made a party to the proceedings as PTL had entered into certain financial arrangements with ZEEL and Briggs. The DRT proceeded in issuing the recovery certificate which was challenged by both ZEEL and Briggs before the DRAT on various grounds. However, the DRAT passed an order dated March 25, 2010 directing the ZEEL and Briggs to deposit a sum of `20.00 million (`*20,000,000*) failing which the Appeal shall not be entertained. The Appeal was filed against the aforementioned order. Thenafter, ZEEL and Briggs proceeded to file a Writ Petition (*9837 of 2010*) before the Bombay High Court. The Court admitted the Writ Petition on the deposit of `56.00 million (`*56,000,000*) and stayed the execution of the recovery proceedings by the DRT. The matter shall come up for final hearing in due course.

45. Zee Footwears Private Limited (the "***Plaintiff***") has filed a Suit (*13 of 2001*) before the District Judge, Gaziabad against ZEEL in relation to the use of the trademark 'Ekta Zee' by the Plaintiff since ZEEL had objected to the application made by the Plaintiff before the Trade Marks Registry for registration of the aforementioned trademark. The matter shall come up for hearing in due course.

46. R.K. Productions Private Limited (the "***Plaintiff***") has filed a Suit (*258 of 2012*) before the Madras High Court against N.K. Theatres Private Limited & Ors. including ZEEL (formal party) (the "***Defendants***"). The Plaintiff has claimed monies from N.K. Theatres Private Limited in relation to the assignment of copyright of the film '3' starring Dhanush and Shruti Hassan and injunction against ZEEL from telecast of the movie. By an order dated July 23, 2012, the Single Judge of the Madras High Court granted injunction to the Plaintiff disregarding the contention of the Defendants to resolve all disputes in terms of the arbitration clause mentioned in the agreement including the infringement of copyrights and non-payment of certain amounts. The Defendants has filed an Appeal (*307 of 2012*) before the Division Bench of the Madras High Court which set aside the order of the Single Judge by way of an order dated December 11, 2012. N.K. Theatres Private Limited has filed a Special Leave Petitoion (SLP) (*16103-16104 of 2013*) before the Supreme Court of India challenging the order of Division Bench of the Madras High Court. The Supreme Court of India by an order dated June 3, 2013 has stayed the Arbitral Tribunal proceedings between R.K. Productions Private Limited and N.K. Theatres Private Limited. The matter shall come up for hearing in due course.

47. Syed Inam Ul Rehman (the "***Plaintiff***") has filed a Suit (*47 of 2002*) before the 11th Additional Chief Judge, City Civil Court (Fast Track Court) at Hyderabad against ZEEL, Siti Cable & Ors. (the "***Respondents***") in relation to the alleged wrongful termination of services by Siti Cable. The Court passed a judgement and decree dated February 27, 2004 directing ZEEL and Siti Cable to pay damages of `2.00 million (`*2,000,000*). ZEEL has filed an Appeal (*177 of 2004*) before the Andhra Pradesh High Court against the aforementioned order seeking interim suspension of the decree and judgement which was allowed on the condition of the Petitioner depositing `0.50 million (`*500,000*) in the Court with liberty to the Respondent to withdraw the same without any security. ZEEL has further filed an SLP (*18571 of 2004*) challenging the order of the Andhra Pradesh High Court. The Supreme Court by an order dated February 7, 2005 modified the order of the Andhra Pradesh High Court to the extent of deposit of `0.25 million

(`*250,000*) and withdrawal of the same by the Respondent. ZEEL has deposited the aforementioned amount. The Appeal is pending before the Andhra Pradesh High Court. The matter shall come up for hearing in due course.

48. Mr. Ravishankar (the "***Petitioner***") has filed a Writ Petition (PIL) (*PIL No. 27449 of 2012*) before the Karnataka High Court against the State of Karnataka & Ors.including ZEEL in relation to the alleged disfiguring of public and private walls, protected areas, government buildings, schools, residential places an dother places of high visibility and thereby creating revenue loss for the State Government. The matter shall come up for hearing in due course.

49. Mr. Satyavir Singh Rathi (the "***Plaintiff***") has filed a suit (*262 of 2001*) before the Delhi High Court against ZEEL & Ors. seeking to restrain ZEEL from telecasting the serial 'India's Most Wanted' in relation to the depiction of the Plaintiff as the most wanted person and further claiming damages of `1.50 million (`*1,500,000*). The matter shall come up for hearing on January 9, 2015.

50. Inspector Anil Kumar (the "***Plaintiff***") has filed a suit (*887 of 1998*) before the Delhi High Court against ZEEL & Ors. seeking to restrain ZEEL from telecasting the serial 'India's Most Wanted' in relation to the depiction of the Plaintiff as the most wanted person and further claiming damages of `1.00 million (`*1,000,000*). The matter shall come up for hearing on January 9, 2015.

51. Dr. L.S. Rathore (the "***Petitioner***") has filed a Civil Writ Petition (*7099 of 2013*) before the Rajasthan High Court against Union of India and Ors. including ZEEL in relation to the television serial 'Jodha Akbar'. The Petitioner is seeking *inter alia* to restrain the telecast of the aforementioned serial. The matter shall come up for hearing in due course.

52. The Indian Performing Right Society and Anr. (the "***Plaintiffs***") have filed a Summary Suits (*2171 of 2009 and 2172 of 2009*) before the Bombay High Court against ZEEL and the Company (the "***Defendants***") in relation default of payment of `30.48 million (`*30,484,729*) and `19.29 million (`*19,290,319*) together with interest on the basis of agreement dated March 5, 2009 and April 8, 2009. The Summons for Judgement has been withdrawn on account of the proceedings pending before the Delhi High Court (*1216 of 2007*). The matter shall come up for hearing in due course.

53. Mr. Lokinder Singh Kalvi (the "***Petitioner***") has filed a Writ Petition (*PIL No. 9950 of 2013*) before the Rajasthan High Court, Jaipur Bench against ZEEL in relation to the television serial 'Jodha Akbar'. The Petitioner is seeking *inter alia* to restrain the telecast of the aforementioned serial. The matter shall come up for hearing in due course.

54. Mr. Puneet Kaul (the "***Plaintiff***") has filed a suit (*292 of 2008*) before the District and Sessions Judge, Tis Hazari, Delhi against ZEEL in relation to the recovery of `1.30 million (`*1,301,315.33*) for the promotional work done by the Plaintiff with regards to the Football World Cup 2010. The matter shall come up for argument on January 16, 2015.

55. K. Sera Sera Productions Limited (the "***Claimant***") has filed Arbitration Proceedings before a sole Arbitrator against ZEEL in relation to a dispute arising out of an agreement entered into between the parties for the acquisition of theatrical, satellite and or television rights with regards to the film 'Ek-The Power of One' for an aggregate consideration of `130.00 million (`*130,000,000*). The Claimant has alleged that ZEEL has made a payment of sum (*after TDS*) of `35.47 million (`*35,468,000*) and defaulted on payment of the balance of `86.50 million (`*86,500,000*). The Claimant has alleged that due to the default in payment on ZEEL's part, IDBI Bank Limited, lender to the Claimnat's film, assigned theatrical rights for overseas circuit to Vintage FZE (India) Private Limited for a term of eleven (11) years thereby leading to a loss of approx. `35.00 million (`*35,000,000*) to the Claimant. Further, IDBI Bank Limited recalled its outstanding loan of `55.20 million (`*55,200,000*) in December 2008. ZEEL on its part has alleged thsat there were certain objections received on the assignment of the rights of the film and the said film was not delivered by October 30, 2007 as per the agreement due to which the agreement was terminated by ZEEL. The Claimant has claimed a sum of `246.68 million (`*246,680,200*) along with interest. The matter shall come up for hearing in due course.

Criminal Proceedings

1. M/s. Lahari Recording Company (the "***Complainant***") has filed a Criminal Complaint(s) (*5794 of 2013; 5795 of 2013; 5796 of 2013; 5797 of 2013; and 5798 of 2013*) before the IX Additional Chief Metropolitan Magistrate, Bangalore under Section 200, 156(3) and 181 of the CrPC and Section 51 and 63 of the Copyrights Act, 1955 in relation to the alleged infringement of copyrights by ZEEL's channel Zee TV – Kannada of certain movie songs. The matter(s) shall come up for hearing in due course.

2. Mr. Muktinath Jha (the "***Complainant***") has filed a criminal compliant (*1110 of 2005*) before the Chief Judicial Magistrate, Howrah under Section 500, 120B and 499 of the Indian Penal Code against ZEEL (*Zee Bangla Channel*) & Ors. in relation to telecast of defamatory content on channel of ZEEL 'Zee Bangla'. The matter shall come up for hearing in the due course.

3. Delhi Compliance and Consultancy Integrated Private Limited (the "***Complainant***") has filed a Consumer Complaint (*12 of 2010*) before the National Consumer Dipute Redressal Commission, New Delhi against various broadcasters including ZEEL in relation to lottery programmes organized by the broadcasters alleging irregularities and unfair trade practices in conducting the same. The Complainant is seeking punitive damages of `1,500 million (`*1,500,000,000*) amongst other reliefs. The matter shall come up for arguments on maintainability on January 29, 2015.

4. Mr. Chiragbhai Shah has filed a Criminal Complaint (*12209 of 2008*) before the Judicial Magistrate Court, Surat against ZEEL and its officials in relation to the non-performance by artist of its programme SA RE GA MA PA at Surat in the year 2007. The Judicial Magistrate Court, Surat issued process against the accused by an order dated June 4, 2008. ZEEL filed a Criminal Revision Application (*400 of 2010*) before the Sessions Court, Surat which was rejected. ZEEL further files a Miscelleneous Criminal Application (*10314 of 2010*) was filed by ZEEL before the Gujarat High Court at Ahmedabad which stayed further proceedings in the matter by an Order dated January 24, 2011. The matter shall come up for hearing in due course.

5. Mittal Investments (the "***Complainant***") has filed a Criminal Complaint (*1 of 2013*) under Section 120B, 406, 409 and 420 of the Indian Penal Code before the Metropolitan Magistrate, Ahmedabad against ZEEL & Anr. in relation to the dispute pertaining to the ownership of 1,000 equity shares of ZEEL. The Court issued non-bailable warrants against ZEEL and its officials against which ZEEL has filed a Criminal Miscelleneous Application (*12605 of 2013*) before the Gujarat High Court at Ahmedabad for quashing and setting aside the order dated August 2, 2013. The Gujarat High Court stayed the process of the matter and the operation and implementation of the non-bailable warrant. The matter shall come up for hearing in due course.

6. Mr. Dilwarkhan Dawoodkhan Pathan (the "***Complainant***") has filed a Criminal Complaint (*516 of 2008*) before the Chief Judicial Magistrate Court, Nashik against ZEEL & Ors. (the "***Accused***") for violating the rules of a TV show Sa Re Ga Ma Pa (*Hindi*). The Court issued process against ZEEL and Ors. which was challenged by the Accused by way of a Criminal Revision Application (*1 of 2014 and 425 of 2011*) before the Court of Sessions, Nashik. The matter shall come up for hearing in due course.

7. TRAI has filed a Criminal Complaint (*42/1 of 2013*) before the Chief Metropolitan Magistrate, Tis Hazari Court, Delhi against ZEEL & Anr. in relation to offences under Section 29 read with Sections 30 and 34 of the TRAI Act for carrying advertisements in excess of the limit of 12 minutes per hour as prescribed under the Cable Television Network Rules, 1994. The matter shall come up for hearing in due course.

8. Dr. Dinesh Mohan has a Criminal Complaint (*227/9 of 1998*) against ZEEL and its officers before the II Additional Chief Judicial Magistrate, Moradabad, U.P. under section of 406 of the IPC. The Complainant has alleged that he had made an application to ZEEL for transfer in his name 300 shares of ZEEL on January 3, 1994, however he received only 200 share certificates duly transferred in his name. The Complainant has alleged that ZEEL has embezzled the 100 shares and filed this Complaint. The II Additional Chief Judicial Magistrate, Moradabad, U.P. passed an order dated September 26, 1998 dismissing the Complaint against which the Complaint filed a Criminal Revision before the X Additional Sessions Judge, Moradabad. The Session Court heard the matter ex-parte and quashed the order passed by the II Additional Chief Judicial Magistrate and remanded the matter. ZEEL & Ors. then filed a Criminal Miscellaneous Application No (*2597 of 2001*) before the Allahabad High Court which has directed that the application be treated as a revision and be listed before the appropriate court by an order dated August 5, 2013. The matter shall come up for hearing in due course.

*Cases filed by Zee Entertainment Enterprises Limited ("**ZEEL**")*

Civil Cases

1. ZEEL (the "***Plaintiff***") has filed a civil suit (*588 of 2005*) before the City Civil Court, Calcutta against Duncuns Industries Limited (the "***Defendant***") to recover outstandings of `0.89 million (`*894,081*) including interest towards Advertisement revenues. The proceedings in the matter have been suspended as a reference before the BIFR has been initiated in relation to the Defendant. The matter shall come up for hearing on February 18, 2015.

2. ZEEL (the "***Plaintiff***") has filed a Summary Suit (*201 of 2006*) before the High Court, Madras against Rite Tyiam Advertising & Ors. for recovery of an amount of `7.48 million (`*7,478,680*) including interest in relation to Chakola Brand products being advertised in Zee Network Channels. The matter shall come up for hearing in due course.

3. ZEEL and Asia Today Limited (the "***Plaintiffs***") have filed a Summary Suit (*2718 of 2003),* before the High Court, Bombay against MBD Exports & Ors. (the "***Defendants***") for recovery of `0.29 million (`*291,322*) in relation to the dues unpaid by the Defendants to ZEEL for advertising their products on ZEE Channels. The matter shall come up for hearing in due course.

4. Asia Today Limited and ZEEL (the "***Plaintiffs***") have filed a Civil Suit No. (*745 of 2003*) before the High Court, Madras against Argus Cosmetics Limited and Ors. for recovery of outstanding towards advertisements aired on ZEE channels. The Plaintiffs has further claimed an amount of `4.01 million (`*4,007,467*) including interest of `1.72 million (`*1,725,334*) at the rate of 24% per annum till the date of payment. The matter shall come up for hearing in due course.

5. Asia Today Limited and ZEEL (the "***Plaintiffs***") have filed a Summary Suit No. (*3749 of 2002*) before the High Court, Bombay against Euro RSCG Advertising Private Limited & Ors. in relation to recovery of outstanding towards advertisements aired on the ZEE channels. The Plaintiffs has further claimed an amount of `3.45 (`*3,466,318.82*) including interest of `1.98 million (`*1,978,800*) at the rate of 24% per annum till the date of payment. The matter is transferred by High Court, Bombay to City Civil Court. The matter shall come up for hearing in due course.

6. Asia Today Limited and ZEEL have filed a Summary Suit (*3069 of 2006*) before the City Civil Court, Bombay against Bell Granito & Ors. (the "***Defendants***") wherein ZEEL has claimed a compensation of `2.35 million (`*2,350,597*) together with an interest of 24% per annum from the Defendants who failed to pay the aforementioned amount for broadcasting their advertisement. The matter shall come up for hearing on January 29, 2015.

7. Asia Today Limited and ZEEL (the "***Petitioner***") have filed a Company Petition (*914 of 2001*) before the High Court, Bombay against Enkay Texofoods Industries Limited (the "***Defendants***") in relation to recovery of dues of an amount of `2.8 million (`*2,888,614.64*) outstanding by the Defendants for marketing and advertisement of their products by the Plaintiff. Enkay Texofoods has been referred to the BIFR under the Sick Industrial Companies (Special Provisions) Act, 1985, resulting in the adjournment of proceedings *sine die.*

8. ZEEL and Ors. (the "***Plaintiffs***") have filed a Summary Suit (*2519-107439 of 2001),* before the High Court, Bombay against Surya Agroils Limited and Anr in relation to recovery of dues of `0.53 million (`*533,655*) along with interest at the rate of 24% per annum, unpaid by the defendants for advertising their products on ZEE channels. The matter has been transferred to City Civil Court. The matter shall come up for hearing in due course.

9. Asia Today Limited and ZEEL (the "***Plaintiff***s") have filed a Summary Suit No. (*3750 of 2002*) before the High Court, Bombay against Brasstacks Advertising in relation to recovery of dues unpaid by the defendants for advertising their products on ZEE channels. The plaintiffs have further claimed an amount of `0.07 million (`*608,540.76*) together with an interest of `0.34 million (`*339,700*) at the rate of 24% per annum. The matter shall come up for hearing in due course.

10. Indian Broadcasting Foundation, ZEEL & Ors (the "***Petitioners***") have filed a Writ Petition (*2116 of 2013*) before the High Court, (OOCJ) Bombay against Union of India in relation to certain provisions inserted in the Copyright Act, 1957 by the Copyright Amendment Act, 2012 namely Section 17, newly inserted provisos to Section 18, Section 19 (9), and Rule 54(4), of the newly introduced Copyright Rules, 2013 as being violating the plaintiffs fundamental rights guaranteed under of the Constitution of India. The matter shall come up for hearing in due course.

11. ZEEL (the "***Plaintiff***") has filed a Summary Suit (*3201/3202 of 2005*) before the High Court, Bombay against Creative TV Links Private limited and Anr. for recovery of dues unpaid by the defendants for advertising their product on ZEE channels. The Plaintiff has claimed an amount of `0.69 million (`*693,809.17*) jointly and severally together with interest at the rate of 2% per month on the principle sum of `0.41 million (`*410,550*). The Court has passed a decree in favor of ZEEL on April 13, 2010.

12. ZEEL and Asia Today Limited (the "***Plaintiffs***") have filed a Summary Suit (*3201 of 2005*) before the Bombay High Court against Creative TV Links Private Limited & Anr. (the "***Defendants***") for default of payment of `1.54 million

(`*1,547,660.06*) along with interest in relation to the advertisement of the products of the Defendants on ZEEL's channels. The matter has been transferred to the Bombay City Civil Court in view of the change of the pecuniary jurisdiction of the Courts in Mumbai. The matter shall come up for hearing in due course.

13. ZEEL and Asia Today Limited have filed a Summary Suit No. (*3608 of 2004*) before the Bombay High Court against Mr. J.H. Kanani & Anr. (the "***Defendants***") in relation to advertising their product on ZEE channel claiming compensation from the Defendants of `1.63 million (`*1,626,324.05*) along with the sum of `0.95 million (`*950,955*) together with an interest of 2% per month. The matter shall come up for hearing in due course.

14. ZEEL and Asia Today Limited have filed a Summary Suit (*3582 of 2004)* before the High Court of Bombay against Mr. J. H. Kanani & Anr. in relation to advertising of products on ZEE channel and recovery of `1.53 million (`*1,529,818.28*) along with the sum of `0.89 million (`*892,500*) together with an interest at the rate of 2% per month. The matter shall come up for hearing in due course.

15. ZEEL has filed a Money Suit (*784 of 2012*) before the City Civil Court at Calcutta against Mr. Siddhartha Sen (the "***Defendant***") for recovery of dues of `0.37 million (`*370,819*) along with interest @ 24% per annum unpaid by the Defendant for telecast of advertisement on its channel 'Akaash Bangla'. The matter shall come up for filing Written Statement on March 7, 2015.

16. ETC Networks Limited (*now merged with ZEEL*) (the " ***Plaintiff*** ") has filed a Summary Suit (*4032 of 2003*) before the Bombay High Court against M/s. Jupiter Multimedia (the "***Defendant***") in relation to the default of payment of `0.97 million (`*974,039.60*) with regards to the advertisement of the products of the Defendant made on ETC's channel. The matter has been transferred to the Bombay City Civil Court in view of the change of the pecuniary jurisdiction of the Courts in Mumbai. The matter shall come up for hearing in due course.

17. ETC Networks Limited (*now merged with ZEEL*) (the " ***Plaintiff*** ") has filed a Summary Suit (*2249 of 2003*) before the Bombay High Court against Synthico Export Private Limited (the "***Defendant***") in relation to the default of payment of `0.59 million (`*586,219*) with regards to the advertisement of the products of the Defendant on ETC's channel. The matter has been transferred to the Bombay City Civil Court in view of the change of the pecuniary jurisdiction of the Courts in Mumbai. The matter shall come up for hearing in due course.

18. ETC Networks Limited (*now merged with ZEEL*) (the " ***Plaintiff*** ") has filed a Summary Suit (*2400 of 2007*) before the Bombay High Court against M/s Adzone Advertising (the "***Defendant***") in relation to the default of payment of `0.19 million (`*186,871.65*) with regards to the advertisement of the products of the Defendant on ETC's channel. The matter has been transferred to the Bombay City Civil Court in view of the change of the pecuniary jurisdiction of the Courts in Mumbai. The matter shall come up for hearing on January 14, 2015.

19. ETC Networks Limited (*now merged with ZEEL*) (the " ***Plaintiff*** ") has filed a Summary Suit (*104594 of 2008 [High Court Suit No. 2694 of 2008]*) before the Bombay High Court against Update Advertising and Marketing Private Limited (the "***Defendant***") in relation to the default of payment of `0.63 million (`*626,335*) with regards to the advertisement of the products of the Defendant on ETC's channel. The matter has been transferred to the Bombay City Civil Court in view of the change of the pecuniary jurisdiction of the Courts in Mumbai. The matter is at the stage of evidence and shall come up in due course.

20. ETC Networks Limited (*now merged with ZEEL*) (the "***Plaintiff*** ") has filed a Summary Suit (*68 of 2003*) before the Bombay High Court against Kunwar Ajay Designes Sarees Private Limited & Ors. (the "***Defendants***") in relation to the default of payment of `1.36 million (`*1,356,545*) with regards to the advertisement of the products of the Defendant on ETC's channel. The matter shall come up for hearing on January 20, 2015.

21. ZEEL and Asia Today Limited (the "***Plaintiffs***") have filed a Summary Suit (*4090 of 1999*) before the Bombay High Court against M/s Multiprint Advertising and Chowgule & Co. Limited (the "***Defendants***") for default of payment of `1.25 million (`*1,248,042*) along with interest at the rate of 24% p.a. from the date of filing the aforementioned suit, in relation to the advertisement of the products of the Defendants on ZEEL's channels. The matter has been transferred to the Bombay City Civil Court in view of the change of the pecuniary jurisdiction of the Courts in Mumbai. The matter shall come up for hearing in due course.

22. Asia Today Limited, ZEEL and Ors. (the "***Plaintiffs***") have filed a Summary Suit (*3997-108299 of 1998*) before the High Court (OOCJ), Bombay against Mudra Communications Limited and Anr. (the "***Defendants***") in relation to recovery of dues of an amount of `4.44 million (`*4,437,223*) unpaid by the defendants for advertising their products on ZEE channels for which an interim order dated February 13, 2001 was passed directing Mudra to

deposit an amount of `2.00 million (`*2,000,000*) with the court. Further the GSL (India) Limited (2nd defendant) has been referred to the BIFR under the Sick Industrial Companies (Special Provisions) Act, 1985, resulting in the adjournment of proceedings sine dine against GSL. The matter has been transferred to City Civil Court. The matter shall come up for hearing in due course.

23. ZEEL (the "***Plaintiff***") has filed a Suit (*472 of 2006*) before the Bombay High Court against Aftab Pictures Private Limited (the "***Defendant***") for recovery of `5.21 million (`*5,210,137*) in relation to the broadcast rights of the certain films. The matter has been transferred to the Bombay City Civil Court in view of the change of the pecuniary jurisdiction of the Courts in Mumbai. The matter shall come up for hearing in due course.

24. ZEEL (the "***Plaintiff***") has filed a Suit (*2320 of 2005*) before the Bombay High Court against CEE (I) TV Entertainment Limited (the "***Defendant***") for recovery of `5.00 million (`*5,000,000*) in relation to the broadcast rights of a film. The decree has been passed by the Bombay High Court on the basis of consent terms filed between the parties. ZEEL is in the process of filing the execution proceedings against the Defendant.

25. ZEEL (the "***Plaintiff***") has filed a Summary Suit (*2351 of 2006*) before the Bombay High Court against Yuvraj Industries Limited (the "***Defendant***") for recovery of `0.17 million (`*168,434*) in relation to the advertisement of the products of the Defendants on ZEEL's channels. The Defendant has been referred to BIFR/AAIFR. The matter has been transferred to the Bombay City Civil Court in view of the change of the pecuniary jurisdiction of the Courts in Mumbai. The matter shall come up for hearing in due course.

26. ZEEL (the "***Plaintiff***") has filed a Summary Suit (*2355 of 2006*) before the Bombay High Court against Yuvraj Industries Limited (the "***Defendant***") for recovery of `2.52 million (`*2,519,073*) in relation to the advertisement of the products of the Defendants on ZEEL's channels. The Defendant has been referred to BIFR/AAIFR. The matter has been transferred to the Bombay City Civil Court in view of the change of the pecuniary jurisdiction of the Courts in Mumbai. The matter shall come up for hearing in due course.

27. ZEEL and Asia Today Limited (the "***Plaintiffs***") have filed a Civil Suit (*283 of 2005*) before the Calcutta High Court against Duncuns Industries Limited and FCB Ulka Advertising Limited (the "***Defendants***") for default of payment of `7.35 million (`*7,346,186*) along with interest in relation to the advertisement of the products of the Defendant No.1 on ZEEL's channels. The matter shall come up for hearing in due course.

28. ZEEL and Asia Today Limited (the "***Plaintiffs***") have filed a Suit (*4852 of 1999*) before the Bombay High Court against Shree Venkateshwara Pan Masala Industries Private Limited & Anr. (the "***Defendants***") in relation to the use of the trademark "Zee" for their product 'Zee Gutka'. The Bombay High Court restrained the Defendant for using the mark 'Zee' for their product by an order dated June 26, 2001. The matter is at the evidence stage and shall come up for hearing in due course.

29. ZEEL (the "***Petitioner***") has filed a Company Petition (*17 of 2012*) before the Kerala High Court at Kochi against Kunnath Pharmaceuticals Private Limited (the "***Respondent***") for winding up of the Respondent alleging default in payment of `0.23 million (`*228,542*) and inability of the Respondent to pay its debts. The matter shall come up for hearing in due course.

30. ETC Networks Limited (*now merged with ZEEL*) (the "***Plaintiff***") has filed a suit (*1079 of 2010*) before the Delhi High Court against Nupur Marketing Incorporation & Anr. (the "***Defendants***") for default of payment of `3.56 million (`*3,559,187*) along with interest in relation to the advertisement of the products of the Defendant No.1 on ETC's channel. The matter shall come up for hearing on February 27, 2015.

31. ETC Networks Limited (*now merged with ZEEL*) (the "***Plaintiff***") has filed a suit (*620 of 2012*) before the District Judge, (District West), Tis Hazari Court at Delhi against M/s. Palco Advertising & Anr. (the "***Defendants***") for default of payment of `1.05 million (`*1,047,586*) along with interest in relation to the advertisement of the products of the Defendant on ETC's channel. The matter shall come up for recording the ex-parte evidence on January 19, 2015.

32. ETC Networks Limited (*now merged with ZEEL*) (the "***Plaintiff***") has filed a summary suit (*3351 of 2008*) before the Bombay High Court against M/s. Picture N Kraft, sole proprietor Mr. Hayat Asad Tyrewala (the "***Defendant***") for default of payment of `0.49 million (`*491,433*) along with interest in relation to the advertisement of the products of the Defendant on ETC's channel. The matter shall come up for hearing in due course.

33. ETC Networks Limited (*now merged with ZEEL*) (the "***Plaintiff***") has filed a suit (*3570 of 2007*) before the Bombay High Court against Sangam Marketing & Network Private Limited (the "***Defendant***") for default of payment of `1.59 million (`*1,587,908*) along with interest in relation to the advertisement of the products of the Defendant on ETC's channel. The matter has been transferred to the Bombay City Civil Court in view of the change of the pecuniary jurisdiction of the Courts in Mumbai. The matter shall come up for hearing in due course.

34. ETC Networks Limited (*now merged with ZEEL*) (the "***Plaintiff***") has filed a suit (*1361 of 2010*) before the Delhi High Court against Angel Records Entertainment (the "***Defendant***") for default of payment of `3.79 million (`*3,789,707*) along with interest in relation to the advertisement of the products of the Defendant on ETC's channel. The matter shall come up for hearing on January 28, 2015.

35. ETC Networks Limited (*now merged with ZEEL*) has filed a suit (*255 of 2011*) before the Additional District Judge, Rohini District Court, New Delhi against Point Zero Entertainers Private Limited (the "***Defendant***") for default of payment of `0.98 million (`*977,781*) along with interest in relation to the advertisement of the products of the Defendant on ETC's channel. The matter shall come up for hearing on March 9, 2015.

36. ZEEL (the "***Plaintiff***") has filed a suit (*43 of 2011*) before the District Judge, Rohini Court, New Delhi against Music Waves (the "***Defendant***") for default of payment of `1.89 million (`*1,894,263*) along with interest in relation to the advertisement of the products of the Defendant on ZEEL's channels. The matter shall come up for arguments in due course.

37. ZEEL (the "***Plaintiff***") has filed a suit (*158 of 2008*) before the Additional District Judge, Tis Hazari Court, Delhi against A&S Advertising Private Limited (the "***Defendant***") for default of payment of `0.83 million (`*830,631.69*) along with interest in relation to the advertisement of the products of the Defendant on ZEEL's channels. The matter shall come up for hearing on January 28, 2015.

38. ZEEL (the "***Plaintiff***") has filed a suit (*439 of 2011*) before the District Judge, Rohini District Court, New Delhi against M/s. Audio Touch Music Corporation (the "***Defendant***") for default of payment of `0.78 million (`*784,630*) along with interest in relation to the advertisement of the products of the Defendant on ZEEL's channels. The matter shall come up for hearing on January 31, 2015.

39. Asia Today Limited and ZEEL (the "***Plaintiffs***") have filed a summary suit (*4710 of 1999*) before the Bombay High Court against M/s. Western Advertising & Marketing Services & Anr. (the "***Defendants***") for default of payment of `1.76 million (`*1,762,917*) along with interest in relation to the advertisement of the products of one of the Defendant on ZEEL's channels. The matter shall come up for hearing in due course.

40. ZEEL has filed Arbitration Proceedings (*2 of 2012*) before a Sole Arbitrator at Hyderabad against Mr. S. Pandu Ranga Rao and Aishwarya Art Creations Private Limited for recovery of `0.50 million (`*500,000*) in relation with the assignment of rights of a Telugu feature film. The matter has been reserved for orders.

41. ZEEL has filed a Suit for Declaration (*452 of 2012*) before the Chief Judge City Civil Court, Hyderabad against Maa Television Network Limited & Ors. (the "***Defendants***") in relation with the infringement of copyrights of ZEEL for its show 'Mayadweepm' by the Defendants by way of telecast of a similar show named 'Bhootladevi' on the Defendant No.1's channels. The matter shall come up for hearing on January 29, 2015

42. ZEEL has filed a Suit for Declaration (*173 of 2011*) before the Chief Judge City Civil Court, Hyderabad against Asianet Communications Limited & Ors. (the "***Defendants***") in relation with the infringement of copyrights of ZEEL for its show 'Pyatehudugeer Halli Life U – Season 2' by the Defendants by way of telecast of a similar show named 'Thrill' on the Defendant No. 1's channels. The matter shall come up for hearing on February 16, 2015.

43. ZEEL has filed a Suit for Declaration (*25 of 2013*) before the Bombay High Court against Federation of Western India Cine Employees (FWICE) and Ors. *inter alia* for seeking an Order of Declaration that no monies were due and payable to Ms.Himani Kapoor (Defendant No.4) in terms of the agreements dated December 23, 2005 and October 11, 2006 executed with ZEEL and has further claimed an amount of `500 million (`*500,000,000*). The matter shall come up for hearing in due course.

44. ZEEL has filed a Long Causes Suit (*2602 of 2008*) before the City Civil Court, Bombay against the Mumbai Corporation of Greater Bombay (MCGM) & Ors. for certain notices issued by the MCGM in relation to internal alterations undertaken by ZEEL at one of its office premises situated at Madhu Industrial Estate, Worli Mumbai. The matter shall come up for hearing in due course.

45. ZEEL has filed a suit (*3909 of 2014*) before the Delhi High Court against Mr. Babbar Chopra & Ors. (the "***Defendants***") for permanent injunction and damages of `10.00 million (`*10,000,000*) in relation to infringement of copyright in certain Hindi feature films telecast by the Defendants on 'Manoranjan TV'. The Court by an ex-parte order dated December 18, 2014 restraining the Defendants to telecast the feature film as per the list annexed by ZEEL. The matter shall come up for hearing in due course.

Criminal Proceedings

1. ZEEL (the "***Complainant***") has filed a criminal compliant (*14/S/2002*) before the Additional Metropolitan Magistrate, 7th Court, Bhiwada, Dadar, Mumbai against Mr. Dilip Kankaria in relation to production of certain feature films. The matter shall come up for hearing in due course.

2. Essel Vision, a division of ZEEL (the "***Complainant***") has filed a Criminal Complaint (*30/SW of 2006*) before the 29th Court, Bhoiwada, Mumbai against London Films and Ors. in relation to the investments of `6.00 million (`*6,000,000*) made by the Complainant for the production of two (2) films of the accused. The matter shall come up for hearing in due course.

3. ZEEL (the "***Complainant***") has filed a Criminal Complaint (*1462/SS of 2010*) before the 22nd Metropolitan Magistrate Court against K Sera Sera Production Limited and Ors. (the "***Accused***") in relation to assignment of rights of the film 'Ek - The Power of One' and wrongful inducement by the Accused to pay as well as default of payments by the Accused. The matter shall come up for hearing on December 23, 2014.

4. ZEEL has filed an FIR (*243 of 2014*) against Desitvforum.net & Ors. on October 30, 2014 under Section 420, 465, 107, 109 and 120-B of the Indian Penal Code (IPC) in relation to the alleged copyright infringement, theft, cheating, forgery with an intention of causing wrongful loss to ZEEL and getting a wrongful gain thereof.

5. ZEEL has filed 46 Criminal Complaints before various Magistrate Courts under Section 138 and 141 of the Negotiable Instruments Act, 1881 against several parties for dishonour of cheques amounting to `26.83 million (`*26,832,798*). These proceedings are pending at various stages before these Courts.

*Cases filed against Dish TV India Limited ("**Dish TV**")*

Civil Cases

1. Star India Private Limited has filed a Civil Appeal (*3363 of 2006*) before the Hon'ble Supreme Court against Dish TV (*formerly known as ASC Enterprises Limited*) in relation to the provision of certain channels of Star on the Dish TV DTH platform on reasonable terms. The interim relief applied for in the appeal now stands infructuous and the matter shall come up for hearing in the due course.

2. ESPN Software India Private Limited (the "***Appellant***") has filed a Civil Appeal (*4178-79 of 2012*) before the Hon'ble Supreme Court of India against Dish TV in relation to an Appeal against the TDSAT order dated April 10, 2012 wherein the TDSAT had allowed the Petition (*382(C) of 2011*) in favor of Dish TV and the parties were directed to enter into an agreement with effect from September 1, 2011 which would be governed by the modified Reference Interconnect Offer (RIO). The Hon'ble Supreme Court rejected the interim application of the Appellant for an injunction against the stay the order passed by the TDSAT. The matter shall come up for hearing in due course.

3. The Hon'ble TDSAT disposed the Petition (*836(C) of 2012*) filed by Dish TV against ESPN Software India Private Limited (ESPN) by way of its order dated April 25, 2014 wherein the TDSAT allowed the petition filed by Dish TV and further held that the India Cricket Pack offered by Dish TV is in accordance of the regulations of TRAI. The order further stated that ESPN cannot impose any lock-in period for Dish TV for distribution of its channels to the subscribers of Dish TV. The Hon'ble TDSAT also disposed of all the applications filed during the pendency of the said petition by way of its order dated April 25, 2014. ESPN Software India Private Limited (the "***Appellant***") has filed a Civil Appeal (*5033-5034 of 2014*) before the Hon'ble Supreme Courtchallenging the aforementioned order. The Supreme Court however did not grant any stay on the order passed by Hon'ble TDSAT vis-à-vis Dish TV, but the operation of the Order was stayed with regard to any other or third party and barred them from taking any advantage of the said order. The matter shall come up for hearing in due course.

4. While disposing off the Petition (*836(C) of 2012*) filed by Dish TV against ESPN Software India Private Limited (ESPN) mentioned above, the Hon'ble TDSAT also disposed ofall the other applications filed during the pendency

of the said petition by way of its Order dated April 25, 2014. Following the same, TDSAT by way of an order dated May 1, 2014 concluded that the Petition No. 205 (C) of 2013 filed by ESPN against Dish TV, wherein damages had been claimed against Dish TV, would also get covered by its order dated April 25, 2014. The Petition No. 205 (C) of 2013 was earlier disposed ofby TDSAT on July 30, 2013 on the ground that the cause of action regarding any damage would be subject to the outcome of the Petition No. 836 (C) of 2012. The matter was accordingly taken up and dismissed on May 1, 2014 since the Petition No. 836 (C) of 2012 was decided in favour of Dish TV. ESPN has now filed an appeal against the said order wherein the Hon'ble Supreme Court has issued notice. The matter shall be taken up in due course.

5. Dish TV's commercial arrangement for the channels being distributed by MSM Discovery India Private Limited except for three channels namely Six, Six HD and Set HD expired on October 31, 2014. Dish TV therefore opted for the channels of MSMD on Reference Interconnect Offer (RIO) basis except for the said three channels. MSMD however contended that Dish TV was required to take these three channels on RIO basis as well since the agreement executed between the parties automatically got terminated because of the application of TRAI's Content Regulator Regulation which required all the interconnection agreements between any broadcaster and a distributors of channels in the name of the broadcasters only. Upon Dish TV denial and insistence that the said Regulation does not have any impact on the agreements for these channels, MSMD issued a public notice for disconnection of the mentioned three channels from Dish TV's DTH platform which led to Dish TV filing a petition before Hon'ble TDSAT praying therein for stay of the threatened disconnection by MSMD. Reply by MSMD and Rejoinder to the said reply has been filed by Dish TV and the matter shall be taken up for final argument. However, the parties have settled that dispute and a revised agreement is being executed between the parties and in view of the same, the notices shall be withdrawn by MSMD and Dish TV shall withdraw its Petition on the next date of hearing.

6. TRAI has filed a Civil Appeal (*9035 of 2011*) before the Hon'ble Supreme Court of India against TamilNadu Progressive Consumer Centre, Dish TV &Ors. against the order dated June 3, 2011 passed by the TDSAT directing TRAI to complete the consultation process regarding the applicability of inter-operability within three (3) months and make recommendation within six (6) weeks thereafter. A stay has been granted on the operation of the aforementioned order. The matter shall come up for hearing in due course.

7. There are 101 consumer cases filed against Dish TV by various consumers in relation to deficiency of services/ defective equipment provided by Dish TV. The matters are pending before various consumer forums across India. The aggregate amount claimed as compensation by these consumers is `10.53million (`*10,529,160)*.

8. There are three (3) matters filed before the Motor Accident Claims Tribunal wherein Dish TV has been made a party to these matters. The hearing of the matters are going on and has not been decided yet.

9. Mahalaxmi Telecom (the "***Plaintiff***") has filed a recovery suit (*17 of 2014*) before the Civil Judge, Koppal, Karnataka against Dish TV for recovery of `0.05 million (`*50,000*). The Plaintiff was a distributor of Dish TV who surrendered in the year 2013. Accordingly, full and final settlement of his accounts was done by Dish TV to which the Plaintiff had issued 'No Dues Certificate'. However, later alleged that a sum of `0.05 million (`*50,000*) is yet to be refunded by Dish TV. The matter shall come up for hearing in due course.

*Cases filed by Dish TV India Limited ("**Dish TV**")*

Civil Cases

1. Dish TV has filed a civil suit (*OS 3142 of 2014*) before the Delhi High Court against M/s. Prasar Bharti (the "***Defendant***") in relation to infringement of its registered trademark as well as the device logo and the copyright of "Dish TV". The present suit has been filed in relation to the impugned mark/ logo 'Free Dish' being used by the Defendant. The matter shall come up for hearing in due course.

2. Dish TV has filed an intervention application (*M.A. 167 of 2014*) in Appeal (*1(C) of 2014*) before the TDSAT against Telecom Regulatory Authority of India ("***TRAI***") filed by Centre for Transforming India, a consumer organization. The Appeal has been filed against TRAI for issuance of 'The Telecommunication (Broadcasting and Cable) Services, (Second) Tariff (Eleventh Amendment) Order, 2014 wherein it has allowed the broadcasters to increase the tariff of their channels by 15% w.e.f April 1, 2014 and 12.5% w.e.f January 1, 2015. One of the consumer organization and a cable operator has already challenged the aforementioned tariff order. Dish TV has intervened in the matter by way of filing the aforementioned intervention application against the issuance of the Tariff Order. The matter shall come up for hearing in due course.

3. Dish TV has filed Petition (*205(C) of 2014*) before the TDSAT against Union of India challenging the propriety and legality of the demand of `6,241.96 million (`*6,241,964, 335*) raised by the MIB by way of a demand letter dated March 19, 2014 towards alleged short payment of license fee for the period 2003-2004 to 2012-2013. However, out of the aforementioned demand, Dish TV has already made payment of `3,572.71 million (`*3,572,710,350*) and as such there is a short payment of `4,655.28 million (`*4,655,280,363*). The Hon'ble TDSAT has granted a stay on the operation of the aforementioned demand notice. The MIB has filed its reply to the present petition. The matter shall come up for hearing in due course.

4. Dish TV has preferred an Appeal (*19(C) of 2013*) before the TDSAT against the impugned tariff order "The Telecommunication (Broadcasting & Cable) Services (Fourth) (addressable Systems) Tariff (Second Amendment) Order 2013" dated September 20, 2013 passed by TRAI in relation to the stipulation of the maximum tariff which a DTH operator can charge while offering the channels on Ala-carte basis to its subscribers. Dish TV has preferred the present appeal *inter alia*challenging the aforementioned tariff order and for setting aside the same; the formula prescribed by TRAI for calculation of the ala carte rates of the channel. The matter shall come up for hearing in due course.

5. Dish TV hadpreferredan Appeal (*2(C) of 2013*) before theHon'ble TDSATagainst the impugned Tariff order "The Telecommunication (Broadcasting & Cable) Services (6th) (The Direct to Home Services) Tariff Order 2013" dated May 27, 2013 passed by the TRAI. The impugned tariff order stipulates (i) ceiling price for the Customer Premises Equipment (CPEs) provided by the DTH operators to its customers; and (ii) while offering CPEs to the customers the DTH operators should provide an option to the customer to opt the CPEs on standard tariff package based on rental scheme wherein the CPEs can be opted on EMIs. The present Appeal has been preferred (i) challenging the aforementioned tariff order and to set aside the same; (ii) alleging that distribution of CPEs is not a licensed activity and therefore TRAI does not have any powers under the TRAI Act and further notifications issued by MIB to regulate the price of the CPEs. The TDSAT has pronounced the judgment in this matter on October 1, 2014 setting aside the impugned Tariff Order. However, TDSAT has uphold the jurisdiction of TRAI to determine the price of the CPEs and has left it open for the TRAI to issue a fresh Tariff Order. Dish TV is in the process of filing an appeal before the Hon'ble Supreme Court against the aforementioned order passed by the TDSAT.

6. Dish TV (*formerly known as ASC Enterprises Limited*) has filed Civil Appeal (*3094 of 2006*) before the Hon'ble Supreme Court of India against Star India Private Limited in relation to the provision of certain channels of Star on the Dish TV DTH platform on reasonable terms. The interim relief applied for in the appeal now stands infructuous and the matter shall come up for hearing in the due course.

7. Dish TV has filed four (4) civil suits (*35 of 2011; 63 of 2011; 72 of 2011 and 73 of 2011*) before the District Court, Rohini against Prem Electronics; M/s. Purnea Cable TV; Regal Electronics; and Signa Electronics respectively for recovery of an aggregate amount of `0.32 million (`3,25,950). The matter(s) shall come up for hearing in due course.

*Cases filed against Siti Cable Network Limited ("**Siti Cable**")*

Civil Cases

1. Dr. Arvind Prabhoo has initiated the Arbitration Proceedings against Siti Cable in relation to a dispute arising out of the purchase of cable business along with 40,000 connections of M/s. Franchnet Cable Network ("***Franchnet***") for a total sum of `18.00 million (`*18,000,000*). Pursuant to the acquisition, it was alleged by Franchnet that Siti Cable has not supplied the material and equipment to for Franchnet uqapgradation of the network. Franchnet initiated the Arbitration Proceedings claiming an amount of `61.20 million (`*61,200,000*) towards compensation /damages against Siti Cable. Siti Cable has also filed counter claim for a sum of `177.20 million (`*177,200,000*) against Franchnet. As award has been passed by the Arbitration Tribunal directing Siti Cable to pay an amount of `9.13 million (`*9,126,000*) including interest to Franchnet. Siti Cable has preferred an Appeal (*584 of 2011*) before the Bombay High Court which has been admitted and is pending for final hearing. The matter shall come up for hearing in regular course.

2. Shreenathji Distributions Private Limited has filed a suit (*782 of 2008*) before the District Court, Varanasi against Mr. Alok Parikh, Siti Cable and Ors. for declaration and injunction that the Agreement executed between the parties is null and void. An Application under Section 8 of the Arbitration and Concilliation Act, 1996 has been made by Mr. Alok Parikh for referring the dispute between the parties to the Arbitration. The matter shall come up for hearing in due course.

3. Magnaquest Technologies Private Limited (the "***Claimant***") has initiated Arbitration Proceedings in relation disputes between the parties under the Software Enduser License agreement dated November 20, 2006 executed with Siti Cable. The Claimant is seeking payment for outstanding dues, interest, damages aggregating to `18.81 million (`*18,810,104*). The matter is at the trial stage.

4. Mr. Rajiv Suri (the "***Plaintiff***") had filed a suit (*2295 of 2002*) before the Bombay High Court against Siti Cable for recovery of `1.50 million (`*1,500,000*) towards business loss and damages for the alleged unauthorized telecast of the film 'Parwana' from head-end operations in the year 1999 without the prior permission and consent of the Plaintiff. A decree has been passed against Siti Cable. Siti Cable is in the process of filing a Revision Petition before the Bombay High Court.

5. Yash Raj Films Private Limited (the "***Plaintiff***") has filed a suit (*3194 of 2012*) before the Delhi High Court against Cable Operations Federation of India & Ors. including Siti Cable (the "***Defendants***") for permanent injunction against the Defendants *inter-alia* restraining them from infringement of copyright of the film 'Jab Tak Hai Jaan'. The Plaintiff has also alleged that the Defendants are likely to exhibit their film 'Jab Tak Hai Jaan' for which copyrights are vested with the Plaintiff and therefore all Defendants is restrained from unauthorized telecast of its film for public view. The matter shall come up for hearing in regular course.

6. Power Grid Corporation of India had filed a Petition (*189(C) of 2014*) before the TDSAT against Siti Cable (the "***Respondent***") for recovery of the alleged bandwidth charges amounting to `4.13 million (`*4,127,000*) besides interest of `0.55 million (`*548,000*) for Central Region operations of the Respondent. The matter shall come up for hearing in due course.

7. MSMD Discovery Private Limited (the "***Petitioner***") has filed a Petition (*19(C) of 2014*) before the TDSAT against Siti Cable (the "***Respondent***") for non-payment of outstanding subscription charges amounting to `3.40 million (`*3,400,000*) after availing pay channel signals in terms of subscription agreement executed between Siti Cable, Trivandrum and the Petitioner. The matter shall come up for hearing in due course.

8. Malwa Cable Operator Sangh has filed a Writ Petition (*2367 of 2014*) before the Indore Bench of Madhya Pradesh High Court, at Indore against the Union of India & Ors. including Siti Cable for setting aside Regulation 9 and 12 of 2012 and Tariff Order 3 of 2012 issued by the TRAI. The matter shall come up for hearing in due course.

*Cases filed by Siti Cable Network Limited ("**Siti Cable**")*

Civil Cases

1. Siti Cable has filed a suit for injunction (*1316 of 1996*) before the Senior Civil Judge District Court, Kanpur nagar against Kanpur Nagar Nigam & Ors. (the "***Defendants***") challenging the demand raised by the Defendant towards pole charges amounting to `1.25 million (`*1,250,000*). The matter shall come up for hearing in due course.

2. Siti Cable has initiated the Arbitration Proceedings against Mr. Anil Gupta, Proprietor of M/s. Visionaries Media Network, Jammu in terms of breach of Agreement(s) dated January 1, 2001 and July 1, 2003 executed with Mr. Anul Gupta. Siti Cable has claimed an amount of `3.12 million (`*3,116,311*) towards unpaid Rights to use charges in terms of the Agreement besides the damages and market value of assets amounting to `6.96 million (`*6,961,873*) which were supplied by Siti Cable to Mr. Anil Gupta. Mr. Anil Gupta has filed a counter claim of `12.30 million (`*12,300,000*) along with interest thereon before the Sole Arbitrator towards loss of optic fibre network and other losses. The proceedings have been concluded and the award has been reserved by the sole Arbitrator.

3. Siti Cable has initiated separate Arbitration Proceedings against (i) Mr. Anirudh Jadeja; (ii) Mr. Karan Jadeja; (iii) Mr. Kanak Rana; and (iv) Mr. Ashwini Gambhir for issues in relation to non-payment of Right to Use charges (RTU) and deposits; Non-delivery of headend and network assets along with the running business to Siti Cable. Siti Cable has claimed `152.30 million (`*152,300,000*) along with interest @ 24% p.a.; `105.40 million (`*105,400,000*); `45.30 million (`*45,300,000*); `42.20 million (`*42,200,000*) excluding interest respectively. The Arbitration Proceedings are at the trial stage.

4. Siti Cable has initiated Arbitration Proceedings against Shreenathji Distributions Private Limited (the "***Respondent***") for issues in relation to non-payment of Right to Use charges (RTU), subscription charges, value of assets and equipment illegally retained by the Respondent; and other other charges and claims amounting to `125.98 million (`*125,976,470*) along with interest @ 20% p.a. The proceedings have been adjourned *sine die* as the suit

before the Varanasi District Court is pending.

5. Siti Cable has filed an Execution Petition (*36 of 2011*) before the District Judge, Delhi against Mr. Prem Sharma in relation to a decree passed by Additional District Judge, Delhi directing the Judgement letter to pay a sum of `0.67 million (`*666,000*) along with interest @ 9% p.a. The Court has further awarded cost of `9,749.45. The matter shall come up for hearing in due course.

6. Siti Cable has filed a Petition (*35(C) of 2013*) before the TDSAT against INX News Private Limited (the "***Respondent***") in relation to the recovery of outstanding dues towards the carriage/ placement charges amounting to `4.02 million (`*4,019,990*) along with interest @ 18% p.a. The matter is currently pending before the TDSAT.

7. Siti Cable has filed a Petition (*172C of 2013*) before the TDSAT against Mr. Laxman Singh (the "***Respondent***") for issues in relation to subscription charges and value of assets and equipment illegally retained by the Respondent aggregating to `3.16 million (`*3,156,622*) along with interest @ 18% p.a. The matter is pending before the TDSAT for final arguments.

8. Siti Cable has filed a Petition (*246(C) of 2012*) before the TDSAT against Mahuaa Media Private Limited (the "***Respondent***") in relation to the recovery of outstanding dues towards the channel payment charges amounting to `0.36 million (`*355,576*). The Respondent has filed a counter claim of `0.14 million (`*137,613*) being excess payment made to Siti Cable.The matter is currently pending before the TDSAT.

9. Siti Cable has filed a Petition (*385(C) of 2011*) before the TDSAT against ACME Digicom Private Limited (the "***Respondent***") in relation to the recovery of outstanding dues towards the carriage/ placement charges amounting to `3.66 million (`*3,662,000*) along with interest @ 12% p.a. The matter is currently pending before the TDSAT.

Criminal Proceedings

1. Siti Cable has filed eleven (11) Criminal Complaints against several parties before various Criminal Courts under Section 138 of the Negotiable Instruments Act, 1881 for dishonour of cheque(s) amounting to `20.45 million (`*20,450,000*). The matter(s) are pending before various Courts and shall come up for hearing in regular course.

*Cases filed against Shirpur Gold Refinery Limited ("**Shirpur Gold**")*

Civil Cases

1. Mr. Satyanarayan Zalani (the "***Plaintiff***") has filed a civil suit (*46 of 2014*) before the Civil Judge, Senior Division, Dhule against Shirpur Gold for recovery of `10.12 million (`*10,121,500*) in relation to non-payment of salary and other benefits accrued to the Plaintiff. The matter shall come up for hearing in due course.

2. M/s. S. Kantilal & Co. (the "***Plaintiff***") has filed a civil suit (*104 of 2013*) before the Civil Judge, Senior Division, Dhule against Shirpur Gold for recovery of `6.75 million (`*6,754,029*) in relation to the deposit of monies for being appointed as the preferred buyer of Shirpur Gold. The matter shall come up for hearing in due course.

3. M/s. Shree Sai Bullion has issued a notice to Shirpur Gold in relation to recovery of `4.76 million (`*4,760,000*). Shirpur Gold has by way of its letter replied to the aforementioned notice disputing the claim of M/s.Shree Sai Bullion.

4. Mr. Sachin Sonigra, Proprieter of M/s. Sonigra Bullion (the "***Plaintiff***") has filed an execution application (*1005 of 2011*) before the Bombay High Court for a decree passed by the Civil Judge, Senior Division, Pune in the summary suit (*86 of 2005*) on December 30, 2008 for an amount of `1.50 million (`*1,500,000*). The matter shall come up for hearing in due course.

Criminal Proceedings

1. The Central Bureau of Investigation (CBI) has filed a Criminal Complaint (*719/TW/13*) before the Mumbai Chief Metropolitan Magistrate, 3rd Court, Esplanade, Mumbai under Section 120B read with 409 and 420 of the Indian Penal Code (IPC) against Shirpur Gold and its erstwhile executives / officials. The present complaint has been filed in relation to a term loan availed from the erstwhile Global Trust Bank and Ors and for the alleged misappropriation of `926.20 million (`*926,200,000*). Shirpur Gold is a party to the proceedings. The matter shall come up for hearing

in due course.

*Cases filed against Zee Learn Limited ("**Zee Learn**")*

Civil Cases

1. Ms. Dipika Kadam has filed a consumer compliant (*118 of 2014*) before the District Consumer Redressal Forum, Thane and has claimed an amount of `0.20 million (`*200,000*) in relation to the non-completion of a course due to non-availability of faculty and closing down of the centre at Thane. The matter shall come up for hearing in due course.

2. Ms. Manjiri Heda (the "***Plaintiff***") has filed a Summary Suit (*3 of 2005*) before the Civil Judge, Senior Division, Nasik against Zee Learn & Ors. in relation with certain disputes arising out of a Franchise Agreement entered between the Plaintiff and Zee Learn. The Plaintiff is seeking recovery of `0.33 million (`*333,000*) including damages from Zee Learn. The matter shall come up for hearing in due course.

3. Ms. Baljit Kaur (the "***Respondent***") has filed a civil suit (*21 of 2013*) before the Senior Civil Judge, Tis Hazari Courts, Delhi against Ms. Manjeet Kaur & Ors (including Zee Learn) in relation to a property dispute between the parties. One of the Respondents is running a franchise of Zee Learn in a part of the disputed property. The matter shall come up for hearing in due course.

4. Ms. Anil Kumari has filed a civil suit (*O.S. 00004393 of 2014*) before the Addl. City Civil & Sessions Judge at Bangalore against Zee Learn in relation to the recovery of monies to the tune of `0.70 million (`*700,000*) paid for entering into a franchise arrangement for setting up Kidzee school. The matter shall come up for filing written statement in due course.

5. Akhil Bhartiya Prem Devi Shikschan Prashikschan Sansthan has filed a consumer complaint (*292 of 2011*) before the District Consumer Forum, Kanpur in relation to the recovery of earnest monies of `0.20 million (`*200,000*) deposited with Zee Learn under a Memorandum of Understanding executed between the parties for opening a franchise of Zee School in Kanpur. The Complainant is claiming an amount of `1.21 million (`*1,210,000*) as compensation and legal expenses. The matter shall come up for hearing in due course.

6. Prime Rose Academy (through its Partners Mrs. Ashwini Lele and Mrs. Prajakta Dighe) has filed a complaint (*344 of 2012*) before the District Consumer Disputes Redressal Forum, Vadodara against Zee Learn in relation to the refund of monies including damages to the tune of `0.30 million (`*300,000*) paid under a franchise arrangement to Zee Learn for setting up a school in Vadodara. The matter shall come up for hearing in due course.

7. Consumer Education and Research Society and Mrs. Kiran Yadav have filed a consumer complaint (*660 of 2009*) before the Consumer District Redressal Forum at Mumbai in relation to the refund of monies and compensation aggregating to `0.45 million (`*450,000*) for opening a franchise of Zee Learn. The matter shall come up for hearing in due course.

8. Mr. Sanwar Lal had filed a consumer complaint (*394 of 2013*) before the District Consumer Forum, Jaipur in relation to the recovery of certain monies aggregating `0.05 million (`*50,000*) deposited with Zee Learn under a Memorandum of Understanding executed between the parties for opening a franchise of Zee School in Jaipur. By an Order dated February 6, 2014, the District Consumer Forum, Jaipur directed Zee Learn to refund an amount of `0.06 million (`*60,000*) including compensation to the Complainant. Zee Learn has filed an Appeal before the Rajasthan State Consumer Dispute Redressal Forum, Jaipur challenging the order of the District Forum. The matter shall come up for hearing in due course.

9. Ms. Vidya Nimje has filed a consumer compliant (*110 of 2014*) before the District Consumer Redressal Forum, Thane and has claimed an amount of `0.30 million (`*300,000*) in relation to the non-completion of a course due to non-availability of faculty and closing down of the centre at Thane. The matter shall come up for hearing in due course.

10. Ms. Sapna Bansal, an employee of Zee Learn, has filed a civil suit before the Civil Judge, Senior Division, Bhatinda for a declaration that the termination of her employment by Zee Learn was illegal and invalid. The matter shall come up for hearing in due course.

11. Mr. Anil Nathani has filed a civil suit (*13 of 2014*) before the Civil Judge, Taluka Court, Gandhidham in relation to the refund of monies and compensation aggregating to `0.42 million (`*420,000*) for opening a franchise of Zee Learn. The matter shall come up for hearing in due course.

12. M/s. Little World (the "***Plaintiff***") has filed suit (*287 of 2013*) before the Civil Judge (Junior Division) at Barrackpore against Zee Learn for declaration and permanent injunction restraining Zee Learn from appointing any new franchisee of Kidzee at Naihati P.S. North Parganas and further restraining the interference of Zee Learn in the running of the school of the Plaintiff in the same area. The matter shall come up for hearing in due course.

*Cases filed by Zee Learn Limited ("**Zee Learn**")*

Criminal Proceedings

1. Zee Learn has filed a criminal complaint (*30 of 2006*) before the Chief Metropolitan Magistrate, Saket Court, New Delhi under Section 138 of the Negotiable Instruments Act, 1888 against Axis Computer Education for the dishonor of a cheque of `0.03 million (`*30,000*). The matter shall come up for hearing in due course.

Revenue Proceedings against Group Entities

*Direct Tax (Income Tax) Proceedings against Zee Entertainment Enterprises Limited ("**ZEEL**")*

1. ZEEL has received several notices and orders for various Assessment Years have been passed on applicability of Income tax, for which aggregate demands of `858.75 million (`*858,751,698*) have been raised by the Income Tax Department in relation to various issues involved which *inter alia* includes *viz.* (i) disallowance of transponder fees paid to foreign company for non deduction of TDS; (ii) upholding additions to income on account of alleged difference in arm's length fees calculated as per RPM taking Associated Enterprises as tested party in relation to the sales made to them; (iii) disallowance of expenses incurred for issue of Foreign Currency Convertible Bonds (FCCB) and allowing only 1/5th thereof under Section 35D to be amortized over a period of five (5) years; (iv) for making addition to income on account of difference in arm's length fees chargeable for corporate guarantee given for borrowings by Associated Enterprises; (v) disallowing crystallized & realized foreign exchange loss on account of structured interest rate foreign exchange swap transactions entered by ZEEL in the normal course of its business by considering the same as speculation loss under Section 43(5) of the IT Act; etc. ZEEL has contested these orders at various Appellate Forums/ Courts (*9 matters*) and the matter(s) are subjudiced.

*Indirect Tax (Service Tax) Proceedings against Zee Entertainment Enterprises Limited ("**ZEEL**")*

1. ZEEL has received several notices and orders for various Assessment Years have been passed on applicability of service tax, for which aggregate demands of `463.40 million (`*463,398,435*) have been raised by the Service Tax Department in relation to various issues involved which *inter alia* includes *viz.* (i) correct classification of service; (ii) utilization of Cenvat credit in excess of 20%; etc. ZEEL has contested these orders at various Appellate Forums/ Courts (*3 matters*) and the matter(s) are subjudiced.

*Indirect Tax (Customs) Proceedings against Zee Entertainment Enterprises Limited ("**ZEEL**")*

1. ZEEL has preferred an Appeal under Section 129A of the Customs Act, 1962 before the Customs, Excise and Service Tax Appellate Tribunal, West Zonal Bench, Mumbai ("***CESTAT***") against the order dated June 9, 2008 (the "***Order***") passed by the Commissioner of Customs. ZEEL has preferred the Appeal *inter alia* for (i) setting aside the Order; (ii) for holding that any license fee even if to be paid after the import of the goods, will form part of the transaction value for the purpose of arriving at the assessable value of the imported goods; etc. The matter is currently pending before the CESTAT, Mumbai.

*Direct Tax (Income Tax) Proceedings against Dish TV India Limited ("**Dish TV**")*

1. Dish TV has received several notices and orders for various Assessment Years have been passed on applicability of income tax and disallowances of various expenses for various Assessment Years. Dish TV and in certain cases the Department have contested these orders at various Appellate Forums/ Courts (*7 matters*) and the matter(s) are subjudiced.

*Direct Tax (TDS) Proceedings against Dish TV India Limited ("**Dish TV**")*

1. The Income Tax Department has issued three (3) notices to Dish TV for several Assessment years in relation to various issues involved *viz.* (i) deduction of TDS by Dish TV on content payment @2% under Section 194C of the IT Act as against 10% under Section 194J of the IT Act as per the IT Department; (ii) deduction of tax on payments to certain parties under Section 194C of the IT Act as against the view of the IT Department to deduct TDS under Section 194J of the IT Act; (iv) non-deduction of tax on payment to Tata Teleservices Limited for SMS expenses as against the view of the IT Department to be liable for deduction under Section 194J of the IT Act; etc. The IT Department has raised an aggregate demand of `63.80 million (`*63,802,454*). Dish TV has contested these notices at various Appellate Forums and the matter(s) are subjudiced.

*Direct Tax (Wealth Tax) Proceedings against Dish TV India Limited ("**Dish TV**")*

1. Dish TV has preferred an Appeal before the Commissioner of Wealth Tax (Appeals) XVI under Section 23/23A of the Wealth Tax Act, 1957 against the order dated March 21, 2012 passed by the Deputy Commissioner of Income Tax, Circle – 13(1), New Delhi (the "***DCIT***") wherein the AO, Delhi has confirmed a demand of `0.16 million (`*163,624*). Dish TV has filed a rectification application dated April 10, 2013 against the aforementioned order before the AO, Delhi. The matter is currently pending before the CIT(A), New Delhi.

*Indirect Tax (Entertainment Tax) Proceedings against Dish TV India Limited ("**Dish TV**")*

1. Dish TV has received several notices for various Assessment Years in various States on applicability of Entertainment Tax, for which no demands have been received by Dish TV. Dish TV has contested these notices at various Appellate Forums/ Courts (*13 matters*) and the matter(s) are subjudiced.

*Indirect Tax (Sales Tax) Proceedings against Dish TV India Limited ("**Dish TV**")*

1. Dish TV has received several notices in various States on applicability of Value Added Tax for various Assessment Years/ period, for which demands have been raised by the Sales Tax Authorities in relation to various nature of demands *viz* (i) consideration of VC as a different product and demand of Right to use Tax (VAT); (ii) demand of 12.5% of VAT as against the payment of 4% made by Dish TV; (iii) tax on non-submission of Form C; (iv) considering ITZ cards as goods; (v) enhancement of the demand in course of the assessment; (vi) demand on entry tax; (vii) alleged suppression of sale price of CPE; (viii) disallowance of sales tax return and imposition of tax; etc. The Sales Tax Authorities have raised an aggregate demand of `209.40 million (`*209,400,000*). Dish TV has contested these notices at various Appellate Forums/ Courts (*22 matters*) and the matter(s) are subjudiced.

2. Dish TV has sought refund of `205.96 million (`*205,955,250*) of VAT from the Sales Tax Authorities for the A.Y. 2010-2011. Dish TV has filed a Writ Petition (Civil) (*6510 of 2014*) before the Delhi High Court against the Government of NCT of Delhi & the Commissioner, Value Added Tax (the "***Respondents***") for *interalia* praying for Writ of Mandamus or direction or appropriate writ or order of similar nature against the impugned arbitrary and unreasonable action of the Respondents of withholding the refunds due to Dish TV. The matter is currently pending before the Delhi High Court and shall come up for hearing in due course.

3. The Sales Tax Authorities of Uttar Pradesh and Kerala have detained certain consignments and vehicle of Dish TV due to incomplete information in the Road permit UPVAT Form 38 and non-payment of VAT and has raised an aggregate demand/ security deposit of `0.49 million (`*492,260*). Dish TV has contested these notices at various Appellate Forums (*3 matters*) and the matter(s) are subjudiced.

*Indirect Tax (Service Tax) Proceedings against Dish TV India Limited ("**Dish TV**")*

1. The Commissioner, Central Excise & Service Tax has issued four (4) show cause cum Demand Notice to Dish TV for various Assessment Years/ period in relation to various issues involved *viz.* (i) alleged payments made to BT Worldwide liable to service tax under reverse charge mechanism; (ii) reversal of cenvat credit on boxes written off; (iii) treatment of CPE as input for CVD purposes; (iv) service tax on viewing card security received during the year; (v) service tax on dealer margins received during the year; etc. and has raised an aggregate demand of `572.10 million (`*572,100,000*). The Department has preferred an Appeal (*1 matter*) before the CESTAT for the A.Y.2007-2008 to A.Y.2011-2012. Dish TV has contested these notices (*3 matters*) at various Appellate Forums and the matter(s) are subjudiced.

*Direct Tax (Income Tax) Proceedings against Siti Cable Network Limited ("**Siti Cable**")*

1. Siti Cable has received notices and various orders have been issued for several Assessment Years in relation to various issues raising an aggregate income tax demand of `1.87 million (`*1,865,260*) which is the demand is subject to rectification letter filed and refund pending of several asst. year. Siti Cable has contested these notices/ orders (*7 matters*) at various Appellate Forums and the matter(s) are subjudiced.

2. Siti Cable has received notices and various orders have been issued for several Assessment Years in relation to *inter alia* the alleged short deduction of taxes (TDS) raising an aggregate demand of `37.41 million (`*37,414,140*) which is subject to effect to CIT(A) Order to be given by AO. Siti Cable has contested these notices/ orders (*8 matters*) at various Appellate Forums and the matter(s) are subjudiced.

*Direct Tax (Entertainment Tax) Proceedings against Siti Cable Network Limited ("**Siti Cable**")*

1. Siti Cable has filed a Writ Petition (*427 of 2014*) before the Delhi High Court against the Government of NCT of Delhi & Ors. challenging the notice issued by the Government of Delhi under the provisions of the Delhi Entertainment and Betting Tax Act, 1996 threathening a penal action by prohibiting the transmission of TV signals through the cable network of Siti Cable. The matter is currently pending before the Delhi High Court.

*Indirect Tax (Service Tax) Proceedings against Siti Cable Network Limited ("**Siti Cable**")*

1. The Commissioner, Central Excise & Service Tax has issued seven (7) show cause cum Demand Notice to Siti Cable for various Assessment Years/ period in relation to various issues involved *viz*. (i) irregular availment and utilization of CENVAT credit; (ii) imposition of penalty; (iii) short payment of service tax; etc. and has raised an aggregate demand of `158.70 million (`*158,700,000*). Siti Cable has contested these notices at various Appellate Forums and the matter(s) are subjudiced.

*Direct Tax (Income Tax) Proceedings against Zee Learn Limited ("**Zee Learn**")*

1. **Assessment Year 2011-2012**

The Income Tax Officer (ITO) had issued a Notice of Intimation under Section 143(3) of the IT Act raising a demand of `1.65 million (`*1,650,550*). Zee Learn by way of its letter dated April 29, 2013 has replied to the aforementioned notice. Zee Learn has further by way of its letter dated February 7, 2014 applied for rectification under Section 154 of the IT Act of the A.Y.2011-2012 and A.Y.2012-2013 which is pertaining to refund of `0.05 million (`*50,870*)The matter is currently pending before the ITO.

*Indirect Tax (Service Tax) Proceedings against Zee Learn Limited ("**Zee Learn**")*

1. Zee Learn has received several notices and orders for various Assessment Years/ period in relation to several issues raising an aggregate service tax demand of `9.33 million (`*9,332,178*) and penalties of `2.17 million (`*2,165,884*). Zee Learn has contested these notices/ orders (*5 matters*) at various Appellate Forums and the matter(s) are subjudiced.

*Indirect Tax (Sales Tax) Proceedings against Zee Learn Limited ("**Zee Learn**")*

1. Zee Learn has received several notices and orders for various Assessment Years/ period in relation to several issues raising an aggregate sales tax demand of `15.16 million (`*15,158,334*) and penalties of `4.65 million (`*4,654,843*). Zee Learn has contested these notices/ orders (*3 matters*) at various Appellate Forums and the matter(s) are subjudiced.

*Direct Tax (Income Tax) Proceedings against Shirpur Gold Refinery Limited ("**Shirpur Gold**")*

1. Shirpur Gold has been issued notices/ orders for various Assessment Years in relation to applicability of Income Tax, for which aggregate demands of `161.86 million (`*161,861,644*) have been raised by the Income Tax Department. Shirpur Gold has contested these notices at various Appellate Forums/ Courts (*3 matters*) and the matter(s) are subjudiced.

*Indirect Tax (Sales Tax) Proceedings against Shirpur Gold Refinery Limited ("**Shirpur Gold**")*

1. Shirpur Gold has received two (2) notices on applicability of Sales Tax, for which aggregate demands of `1.46 million (`*1,462,175*) have been raised by the Sales Tax Department. Shirpur Gold has contested these notices at various Appellate Forums/ Courts (*2 matters*) and the matter(s) are subjudiced.

XI. Show Cause Notices by SEBI; SEBI Orders and Directions against Promoters and Group Entities

1. In an enquiry relating to SEBI (Prohibition of Fradulent and Unfair Trade Practices Relating to Securities Market) Regulations, 1995 the Securities and Exchange Board of India (SEBI) has passed an order dated March 19, 2008 under Section 11 and 11B of the SEBI Act, 1992 cautioning Zee Entertainment Enterprises Limited (*formerly known as Zee Telefilms Limited*) and its promoter entities against any instances of violations or non-compliance of the provisions of Securities and Exchange Board of India Act and the Rules and Regulations framed there under.

2. In relation to the acquisition of additional shares in Rights Issue of Siti Cable Networks Limited, the Securities Exchange Board of India (SEBI) had issued a Show Cause Notice (SCN) dated August 22, 2014 under Rule 4 of SEBI (Procedure of Holding Inquiry and Imposing Penalties by Adjudicting Officer) Rules, 1995 read with Section 15-I of the SEBI Act against Mr. Ashok Kurien; ii) Mr. Laxmi Goel; iii) Mr. Sushila Goel; iv) Ambience Business Services Private Limited; v) Briggs Trading Company Private Limited; vi) Ganjam Trading Company Private Limited; vii) Essel Infraprojects Limited; viii) Veena Investments Limited; ix) Delgrada Ltd. (*now known as Essel Media Ventures Ltd.*); x) Lazarus Investments Ltd. (*now known as Essel International Ltd.*); xi) Churu Trading Co. Private Limited (*now merged with Sprit Textiles*); xii) Prajatma Trading Co. Private Limited (*now merged with Sprit Textiles*); xiii) Premier Finance and Trading Co. Private Limited (*now merged with Sprit Textiles*); and xiv) Jayneer Capital Private Limited for the alleged contravention of Regulation 3(4) of SAST Regulations, 1997. The Adjudicating Officer has passed an order dated December 29, 2014 imposing a penalty of `2.00 million (`*2,000,000*).

3. SEBI had issued a SCN dated July 30, 2013 upon ETC Networks Limited (*now merged with ZEEL, one of the group entity of the Company*) for alleged violations of non-redressal of investors grievances (*1 complaint*); failure to obtain SCORES authentication and submit the Action Taken Report (ATR). Subsequent to response by ZEEL, SEBI in its Adjudication order dated September 10, 2014, concluded that the alleged violations do not stand established against ETC / ZEEL and consequently the Show Cause was disposed off.

4. SEBI had issued a SCN dated February 4, 2008 against Churu Trading Company Private Limited, one of the promoters of ZEEL now merged with Sprit Textiles ("***Churu Trading***") in relation to an alleged violation of Regulation 13(3) of the SEBI (Prohibition of Insider Trading) Regulations, 1992 for having failed to make requisite disclosures as to change in their shareholding of more than 2% of the total shareholding in the scrip of Cranes Software International Limited. Pending the Adjudication Proceedings, Churu Trading opted for consent terms and upon payment of a sum of `0.15 million (`*150,000*) a consent order dated November 11, 2008 was passed by SEBI disposing the aforementioned adjudication proceedings pending against Churu Trading.

5. SEBI had issued a Show Cause Notice (SCN) dated September 8, 2009 to ETC Networks Limited (*now merged with ZEEL*) in relation to alleged violations of Regulation 4(e) of the SEBI (Prohibition of Fradulent and Unfair Trade Practices) Regulations, 1995 by erstwhile promoters of ETC. Pending the Adjudication Proceedings, ETC Networks opted for consent terms and upon payment of `1.50 million (`*1,500,000*) a consent order dated July 12, 2010 was passed by SEBI, disposing the aforementioned adjudication proceedings against ETC.

XII. Matter before the Company Law Board

1. Mr. Sanjay Mukim (the "***Petitioner***") has filed a Company Petition (*08/58, 59/CLB/MB/2014*) under Section 58 and 59 of the Companies Act, 2013 before the Company Law Board against the Company; ZEEL; Zee Learn; Siti Cable; Dish TV and Ors. for seeking direction to ZEEL; Zee Learn; the Company; and Siti Cable for issue and transfer of 2,000; 250; 452; 500 and 575 equity shares respectively in favour of the Petitioner which have arisen and become due after the restructuring, arrangement and demerger of business of ZEEL. The matter shall come up for hearing in the due course.

XIII. RoC Compounding and RBI matters of the Group Entities

1. Pursuant to an inspection under Section 209A of the Companies Act, 1956 carried out by the Office of Regional Director, Western Region in April 2008 and November 2010, ZEEL was issued various show cause notice(s) alleging non-compliance of Sections 77, 147, 193, 209, 211, 212, 217, 224, 301, 303, 307, 308, 372A & 198 read with Section 349 of the Companies Act, 1956. The status of the above show cause notices is as under:

   - The alleged non-compliances under Sections 209, 211, 212, 217, 307, 147, 211, 217, 308, 372A, 303, 307 and 224 have been compounded by payment of compounding fees aggregating to `263,750.

   - In respect of allegation of non-compliance of Section 198 read with Section 349 of the Companies Act, 1956, relating to payment of excess remuneration paid to Whole-time Director during Financial Year 2005-2006 in view of losses suffered by ZEEL, ZEEL has made a submission before the RoC that since the payment of remuneration was approved by Ministry of Corporate Affairs under its letter no. 12/551/2007-CL VII dated September 20, 2007 & 12/550/2007-CL VII dated October 3, 2007, the Show Cause Notice(s) should be withdrawn.

   - In respect of Show Cause Notice(s) alleging non-compliance of Section 77 of the Companies Act, 1956, ZEEL had represented that since the Inter Corporate Deposits were not placed by ZEELfor funding purchase of its own shares, there was no violation of Section 77 as alleged.

   - In respect of Show Cause Notice(s) under Section 193, since the allegednon-compliance like non-numbering of few minutes pages and non-dating of last page of minutes signed by Chairman, in few instances, were of clerical nature ZEEL has sought withdrawal of these Show Cause Notices.

   The above matter is pending before the RoC.

2. Churu Trading Company Private Limited (*now merged with Sprit Textiles*) has received several Show Cause Notices dated April 1, 2008, April 2, 2008 and March 26, 2008 for non-compliance of Section 17, 383A, 212(1), 217(3), 211, 147 and 303(1) of the Companies Act, 1956. The Company and its directors, where applicable, have filed applications for compounding of the above non-compliances. An aggregate compounding fee of `0.63 million (`*63,000*) has been paid under various ordersdated February 28, 2012 passed by the Company Law Board, Western Region, Mumbai Bench.Further, for the above non-compliances, the RoChas also filed separate criminal complaints before the Additional Chief Metropolitan Magistrate, 37th Court, Esplanade, Mumbai. These matters are pending before the Court.

3. Prajatma Trading Company Private Limited (*now merged with Sprit Textiles*) has received several show cause notices dated April 3, 2008 for non-compliance of Section 147, 209, 211, 217 and 224 of the Companies Act, 1956. The Company and its directors, where applicable, have filed applications for compounding of the above non-compliances. An aggregate compounding fee of `0.40 million (`*40,000*) has been paid under various orders dated February 28, 2012 passed by the Company Law Board, Western Region, Mumbai Bench. Further, for the above non-compliances, the RoC has also filed separate criminal complaints before the Additional Chief Metropolitan Magistrate, 37th Court, Esplanade, Mumbai. These matters are pending before the Court.

4. Premier Finance and Trading Co Limited has received several Show Cause Notices dated April 17, 2008 for non-compliance of Section 295(4) and 49(9) of the Companies Act, 1956. The Company and its directors, where applicable, have filed applications for compounding of the above non-compliances. An aggregate compounding fee of `4.20 million (`*420,000*) has been paid under various orders dated February 28, 2012 passed by the Company Law Board, Western Region, Mumbai Bench. Further, for the above non-compliances, the RoC has also filed separate criminal complaints before the Additional Chief Metropolitan Magistrate, 37th Court, Esplanade, Mumbai. These matters are pending before the Court.

5. ZEEL had allotted 272,787,471 equity shares over a period of three (3) years in 2006, 2007, 2008 and 2010 to certain entities resident outside India. However, ZEEL inadvertently did not file Form FC-GPR with the RBI setting out the details of the allotment of shares with thirty (30) days of the issue of shares to these entities. There was a delay of two (2) days to two (2) years in filing the form with the RBI. ZEEL made a compounding application dated

December 12, 2012 before the RBI which was accepted by an order dated May 27, 2013 on the payment of `4.80 million (`*4,800,000*).

XIV. Past cases where penalties imposed upon the Subsidiary and Group Entities

Nil

XV. Pending dues of Small Scale Undertakings

The Company does not have any dues exceeding `1 Lakh outstanding for more than thirty (30) days to any small-scale industrial undertaking(s), other than in the ordinary course of business.

XVI. Material Developments

Except as stated below, there have been no other material developments since the last balance sheet date:

1. Pursuant to a Share Purchase Agreement dated October 7, 2013, Maurya TV Private Limited, an associate company as on September 30, 2014, has become a wholly owned subsidiary company w.e.f. December 12, 2014 on acquisition of remaining shares by the Company. For further details, please refer to section titled "History and Certain Corporate Matters – Material Agreements" beginning on page 137 of this Draft Letter of Offer.

GOVERNMENT AND OTHER APPROVALS

On the basis of the list of approvals provided below, the Company can undertake this Issue and its current business activities and no further major approvals from any Government or regulatory authority are required to undertake the Issue or continue these business activities. Unless otherwise stated, these approvals are valid as on the date of this Draft Letter of Offer.

I. Approvals for the Issue

The following approvals have been obtained or will be obtained in connection with the Issue:

a. The Board of Directors of the Company has, pursuant to board resolution adopted at its meeting held October 20, 2014 authorized the Issue under Section 62 of the Companies Act. Subsequently, the Board of Directors approved this Draft Letter of Offer at their meeting held on January 1, 2015.

b. The Company has obtained in-principle listing approvals dated [●] and [●] from the BSE and NSE respectively and will be required to obtain final listing and trading approvals prior to the commencement of trading of the Equity Shares on the Stock Exchanges.

c. NSDL/CDSL: ISIN No.: INE966H01019.

II. Approvals obtained by the Company

No.	Issuing Authority	Nature of License / Approval	Registration/ License No.	Date of granting License/ Approval	Validity
General Approvals obtained by the Company					
1.	The Registrar of Companies, Mumbai, Maharashtra	Certificate of Incorporation in the name of Zee Sports Limited	11-121506	August 27, 1999	One Time Approval
2.	The Registrar of Companies, Mumbai, Maharashtra	Certificate of Commencement of Business	--	November 19, 1999	One Time Approval
3.	The Registrar of Companies, Mumbai, Maharashtra	Fresh Certificate of Incorporation for change of name from "Zee Sports Limited" to "Zee News Limited".	11-121506	May 27, 2004	One Time Approval
4.	The Registrar of Companies, Mumbai, Maharashtra	Fresh Certificate of Incorporation for change of name from "Zee News Limited" to "Zee Media Corporation Limited".	Corporate Indentity Number (CIN) L92100MH1999 PLC121506	July 6, 2013	One Time Approval
5.	Income Tax Department	Permanent Account Number (PAN)	AAACZ1213B	August 27, 1999	One Time Approval
6.	Income Tax Department	TAN	MRTZ00098A	--	One Time Approval
7.	Deputy Regional Director, Regional office Maharashtra, Employees State Insurance Corporation	Registration of Employees and factories/ establishments under Section 2(12)-1(5) of Employees State Insurance Act, 1948 as amended.	NS-40632-31-32979	June 30, 1994	One Time Approval
8.	Regional Director, Employees State Insurance Corporation, New Delhi	Enhancement of wage ceiling for coverage under the Employees State Insurance Act, 1948, increases in the rate of contribution, and the	31-42013-DL916B	January 14, 1997	One Time Approval

No.	Issuing Authority	Nature of License / Approval	Registration/ License No.	Date of granting License/ Approval	Validity
		maximum daily standard benefit rate.			
9.	Foreign Trade Development Officer, Ministry of Commerce and Industry	Certificate of Importer-Exporter Code (IEC)	0305050338	October 17, 2005	One Time Approval
10.	Sales Tax Officer, Registration branch, (P.T.), Mumbai	Certificate of Registration under sub-section (1) of the Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975 to certify that the proprietor/ partner/ principal officer/ agent/ manager/ head of officer/ establishment has been registered as an employer under the Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975	PT/R/1/1/27/ 20086	January 20, 2007	One Time Approval
11.	Regional Provident Fund Commissioner	Allotment of code number under Employees Provident Fund and Miscellaneous Provisions Act, 1952 wherein the Company with all its branches and departments are brought within the purview of the Employees Provident Fund and Miscellaneous Provisions Act, 1952	MH/BAN/47675	June 7, 2005	One Time Approval
12.	Central Excise Officer	Registration Certificate for various services i.e. Rent-a-cab Scheme operator service; Manpower recruitment/ supply agency service; broadcasting service; franchise service; Renting of immovable property service; works contract service; and legal consultancy service for its offices located at Gautan Budha Nagar; Bhubhaneshwar; Hyderabad; Jaipur; Patna; Ranchi; Mumbai (Fort); Mumbai (Worli); Pune; Mohali; Dehradun; Lucknow; Varanasi; Bhopal; Indore; Raipur; Noida;	AAACZ1213BST 0001	April 23, 2014	One Time Approval
13.	Registering Authority, Noida, Department of Commercial Taxe, Government of Uttar	Certificate of Registration for registering the Company as a dealer and is allotted Taxpayer's Identification Number (TIN)	09665702620C (TIN)	September 10, 2013	One Time Approval

No.	Issuing Authority	Nature of License / Approval	Registration/ License No.	Date of granting License/ Approval	Validity
	Pradesh				
14.	Under Secretary to the Government of India, Ministry of Finance, Department of Economic Affairs, FIPB Unit	FIPB Approval for foreign equity participation (*including FIIs and NRIs*) upto 26%	FC II 244(2006)/ 142 (2006)	December 28, 2006	One Time Approval
15.	The Company has obtained Shops and Establishments Registrations for its various locations (*Bhubaneshwar, Mumbai, Kolkata, Noida, Jaipur, Bhopal, Kanpur, Lucknow and Varanasi*) where the Company has its offices. All of these registrations are valid as on the date of this Draft Letter of Offer.				
16.	The Company has obtained requisite approvals from the Ministry of Information & Broadcasting (MIB) for appointment of its directors. The Company has made an application dated September 16, 2014 for appointment of Ms. Uma Mandavgane as Non- Executive Independent director which is pending approval.				

III. Approvals obtained by the Company from Ministry of Information & Broadcasting (MIB)

No.	Issuing Authority	Nature of License / Approval	Registration/ License No.	Date of granting License/ Approval	Validity
Approvals in relation to Zee News					
17.	Under Secretary to Government of India, Ministry of Information and Broadcasting	Permission for change of Channel Name and Logo to uplink and downlink of News and Current Affairs TV Channel from "Zee News" to "Zee National" from India and change of logo	1404/9(ii)/2004-TV(I) Pt./33	January 30, 2014	One Time Approval
18.	Under Secretary to Government of India, Ministry of Information and Broadcasting	Permission for change of Channel Name and Logo of News and Current Affairs TV Channel from "Zee National" to "Zee News" from India	1404/9(ii)/2004-TV(I) Pt./15	September 30, 2014	One Time Approval
19.	Secretary to Government of India, Ministry of Information and Broadcasting	Permission to the Company to uplink News and Current Affairs TV channel namely "ZEE BIZ" from India in English language (*in digital mode*) through the teleport of Dish TV (India) Limited, Noida, using ASIASAT-3S satellite.	1404/9(ii)/2004-TV (I)Pt./16	September 29, 2011	September 29, 2021
20.	Under Secretary to Government of India, Ministry of Information and Broadcasting	Permission to downlink News and Current Affairs TV Channel "ZEE BIZ" in English language (*in digital mode*) being uplinked from India through the teleport of Dish TV (India) Limited, Noida, using ASIASAT-3S satellite for down linking into India to Zee News Limited.	1404/9(ii)/2004-TV (I)Pt./15	September 29, 2011	September 29, 2016

No.	Issuing Authority	Nature of License / Approval	Registration/ License No.	Date of granting License/ Approval	Validity
21.	Under Secretary to Government of India, Government of India	Permission for change of name and logo to uplink News and Current Affairs TV Channel "ZEE BIZ" (*permitted in SD*) to "ZEE News HD") (*permitted in HD only*) from India and language from English to Hindi	1404/09(ii)/2004-TV/(I)/Pt/8	November 29, 2012	One Time Approval
Approvals in relation to Zee Business					
22.	Under Secretary to Government of India, Ministry of Information and Broadcasting	Renewal of permission to downlink a News and Current Affairs TV Channel "Zee Business" into India in Hindi Language through the Dish TV India Limited Teleport using satellite ASIASAT 3S	1404/9(ii)/2004-TV (I) Pt./14	July 6, 2011	November 8, 2014
23.	Deputy Director (INSAT), Ministry of Information and Broadcasting	Permission to uplink a News and Current Affairs TV Channel "Zee Business" in Hindi language (*in digital mode*) from India through the teleport of ASC Enterprises Limited using ASIASAT 3S Satellite	1404/9(ii)/2004-TV(I)	November 8, 2004	November 8, 2014
Approvals in relation to 24 Ghanta in Bangla Language obtained by Zee Akaash (Subsidiary)					
24.	Deputy Director (INSAT), Ministry of Information and Broadcasting	Permission to Zee Akaash News Private Limited to uplink a News and Current Affairs TV Channel "24 GHANTA" in Bangla language (*in digital mode*) through the teleport of ASC Enterprises Limited using INSAT-4A Satellite	1404/20(ii)/2005-TV(I)	March 20, 2006	March 20, 2016
25.	Under Secretary to the Government of India, Ministry of Information and Broadcasting	Renewal of permission for downlinking Non-News and Current Affairs TV Channel "24 GHANTA" issued to M/s Zee Akaash News Private Limited	1404/20(ii)/2005-TV(I) Pt./20	April 18, 2013	April 23, 2016
Approvals in relation to Zee Kalinga in Telugu Language					
26.	Deputy Director (INSAT), Ministry of Information and Broadcasting	Permission to M/s Zee News Limited to uplink a News and Current Affairs TV Channel "ZEE 24 GHANTALU" in Telugu language (*in digital mode*) through the teleport of Dish TV India Limited, using ASIASAT-3S Satellite	1404/9(ii)/2004-TV (I)	February 27, 2009	February 27, 2019
27.	Under Secretary to Government of India, Ministry of	Permission for change of Name from "Zee 24 Ghantalu" to "Zee Kalinga"	1404/09(ii)/2004-TV(I)/23	December 31, 2013	One Time Approval

No.	Issuing Authority	Nature of License / Approval	Registration/ License No.	Date of granting License/ Approval	Validity
	Information and Broadcasting	and the logo to uplink News & Current Affairs TV Channel "ZEE 24 GHANTALU" from India			
28.	Assistant Engineer (TV, INSAT), Ministry of Information and Broadcasting	Renewal of Annual permission for downlinking of News and Current Affairs TV Channel, "Zee Kalinga" (*co-terminus with Uplinking Permission*)	1404/9(ii)/2004-TV(I)Pt./45	March 24, 2014	February 26, 2019
Approvals in relation to Zee Madhya Pradesh Chattishgarh					
29.	Deputy Director (INSAT), Ministry of Information and Broadcasting	Permission to uplink A News and Current affairs TV Channel "ZEE TAMIL" in Tamil language (*in digital mode*) through the teleport of Dish TV India Limited, using ASIASAT-3S Satellite	1404/9(ii)/2004-TV (I)Pt.	August 6, 2008	August 6, 2018
30.	Under Secretary to the Government of India, Ministry of Information and Broadcasting	Permission for change of name from "Zee Tamil" to "Zee 24 Ghante Madhya Pradesh", logo and language from "Tamil" to "Hindi"	1404/09(ii)/2004-TV(I)Pt./ 27	March 20, 2013	One Time Approval
31.	Under Secretary to the Government of India, Ministry of Information and Broadcasting	Permission for change of name from "Zee 24 Ghante Madhya Pradesh" to "Zee Madhya Pradesh Chattisgarh" and logo	1404/09(ii)/2004-TV(I)Pt./ 15	April 30, 2013	One Time Approval
32.	Under Secretary to the Government of India, Ministry of Information and Broadcasting	Permission for downlinking of News & Current Affairs TV Channel "Zee Madhya Pradesh Chattisgarh"	1404/08(ii)/2001-TV(I) Pt.iii/23	December 10, 2013	August 5, 2018
Approvals in relation to Zee 24 Taas					
33.	Assistant Director (INSAT), Ministry of Information and Broadcasting	Permission to uplink a News and Current Affairs TV channel "ZEE 24 TAAS" in Marathi language (*in digital mode*) through the teleport of M/s. ASC Enterprises Limited, using INSAT-4A satellite	1404/9(ii)/2004-TV(I)	January 5, 2007	January 5, 2017
34.	Under Secretary to the Government of India, Ministry of Information and Broadcasting	Permission to Downlink News and Current Affairs TV Channel "Zee Madhya Pradesh Chhattisgarh" issued to M/s. Zee News Limited	1404/08(ii)/2001-TV (I) Pt. Iii/19	December 10, 2013	January 5, 2017 (*Co-terminus with Uplinking permission subject to submission of annual renewal fee*)
Approvals in relation to Zee Punjab Haryana Himachal					
35.	Deputy Director (INSAT), Ministry of Information and Broadcasting	No Objection for the transfer of permission of Zee Telefilms Limited's five (5) TV channels namely "ZEE	1404/9(ii)/2004-TV(I)	October 13, 2005 (*with effect from*	December 6, 2011

No.	Issuing Authority	Nature of License / Approval	Registration/ License No.	Date of granting License/ Approval	Validity
		Marathi News", "ZEE Gujarati News", "ZEE Bangla News", ZEE Punjabi News", ZEE News" (*Earlier called as Zee Marathi, Zee Gujarati, Zee Bangla, Zee Punjabi, and Zee News*) to Zee News Limited to uplink (*in digital mode*) from India through the teleport of M/s. ASC Enterprises Limited using ASIASAT 3S Satellite		*December 6, 2001*)	
36.	Under Secretary to the Government of India, Ministry of Information and Broadcasting	Permission to uplink/downlink five (5) News and Current Affairs TV Channels, namely, "Zee Cinemalu", "Zee Bangla", "Zee News", "Zee Punjabi" and "Zee Marathi"	1404/08(ii)/2001-TV(I) Pt.iii/ 35	May 22, 2013	December 5, 2021
37.	Under Secretary to the Government of India, Ministry of Information and Broadcasting	Permission for change of name from "Zee News Uttar Pradesh" to "Zee Uttar Pradesh Uttrakhand"; "Zee Punjabi" to "Zee Punjab Haryana Himachal"; change of logo and change of language of Zee Punjabi from Punjabi to Punjabi and Hindi	1404/09(ii)/2004-TV(I)Pt./ 75	May 15, 2013	One Time Approval
Approvals in relation to Zee Sangam					
38.	Under Secretary to the Government of India, Ministry of Information and Broadcasting	Permission for change of name and logo to uplink News and Current Affairs TV Channel "Zee News Uttar Pradesh" and "Zee Punjabi" from India	1404/09(ii)/2004-TV(I)Pt./ 75	May 15, 2013	One Time Approval
39.	Under Secretary to the Government of India, Ministry of Information and Broadcasting	Permission for change of name and logo to downlink News and Current Affairs TV Channel namely "Zee Uttar Pradesh Uttrakhand" to "Zee Sangam" from India	1404/09(ii)/2004-TV(I)pt-ii./ 1	January 2, 2014	One Time Approval
40.	Assistant Engineer (TV, INSAT), Ministry of Information and Broadcasting	Permission to downlink a News and Current Affairs TV Channel, namely, "Zee Sangam"	1404/09(ii)/2004-TV(I) Pt./ 53	March 24, 2014	February 26, 2019 (*Co-terminus with uplinking permission, subject to permission of annual renewal*)
41.	Deputy Director (INSAT), Ministry of Information and Broadcasting	Permission to to uplink news and current affairs TV channel namely "ZEE 24 GHANTE-UTTAR	1404/9(ii)/2004-TV (I)	February 27, 2009	February 27, 2019

No.	Issuing Authority	Nature of License / Approval	Registration/ License No.	Date of granting License/ Approval	Validity
		PRADESH" in Hindi language (*in digital mode*) through the teleport of Dish TV India Limited, located at Noida, using ASIASAT-3S Satellite			
42.	Deputy Director (INSAT), Ministry of Information and Broadcasting	Permission for change of name of channel from ZEE 24 GHANTE - UTTAR PRADESH to ZEE NEWS - UTTAR PRADESH and satellite from ASIASAT 3S to INSAT -4A	1404/9(ii)/2004-TV(I)	March 26, 2009	One Time Approval
Approvals in relation to Zee Marudhara					
43.	Under Secretary to the Government of India, Ministry of Information and Broadcasting	Permission for change of name and logo to uplink News and Current Affairs TV Channel "Zee News HD" to "Zee Rajasthan Plus" from India	1404/09(ii)/2004-TV(I)Pt./ 18	July 19, 2013	One Time Approval
44.	Under Secretary to the Government of India, Ministry of Information and Broadcasting	Permission for change of name from " Zee Rajasthan Plus" to "Zee Marudhara" and change of logo	1404/09(ii)/2004-TV(I)Pt.ii/ 14	January 2, 2014	One Time Approval
Approvals in relation to Maurya TV					
45.	Assistant Director (INSAT), Government of India, Ministry of Information and Broadcasting	Registration Certificate of a News and Current Affairs satellite television channel namely "TV 20" in Hindi language being uplinked from India through the teleport of Essel Shyam Communication Limited located at Noida using INSAT-4A satellite for a period of five (5) years for downlinking into India to Maurya TV Private Limited subject to certain terms and conditions	1404/69(ii)/2007-TV (I)	May 9, 2008	May 7, 2015
46.	Assistant Director (INSAT), Government of India, Ministry of Information and Broadcasting	Permission to Maurya TV to uplink their News & Current Affairs TV channel namely "TV 20" in Hindi language (in digital mode) through the teleport of Essel Shyam Communication Limited located at Noida using INSAT-4A satellite for a period of ten (10) years in accordance with the guidelines for uplinking from India.	1404/69(ii)/2007-TV (I)	May 9, 2008	May 8, 2018

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

The Issue of Equity Shares to the Eligible Equity Shareholders is being made in accordance with the resolution passed by the Board of Directors under Section 62 and other provision of the Companies Act, at their meeting held on October 20, 2014 and January 1, 2015.

The Board of Directors or Committee thereof in their meeting held on [●] have determined the Issue Price as `[●] per Equity Share and the Rights Entitlement as [●] Equity Share(s) for every [●] fully paid up Equity Share(s) held on the Record Date. The Issue Price has been arrived at in consultation with the Lead Manager.

Prohibition by SEBI or RBI

Neither the Company, the Promoters, the Promoter Group Entities, the Directors, the Group Entities nor the persons in control of the corporate Promoters or any other company to which the above persons are associated as promoters, directors or persons in control, have been prohibited from accessing or operating in the capital markets, or restrained from buying, selling or dealing in securities under any order or direction passed by the SEBI.

None of the Directors of the Company are associated with the capital markets in any manner. SEBI has not initiated action against any entities with which the Directors are associated. Further neither the Company, the Promoters, the Promoter Group Entities, the Group Companies nor the relatives of the Promoters have been declared willful defaulters by the RBI or any other authority and no violations of securities laws have been committed by them in the past and no proceedings in relation to such violations are currently pending against them.

RBI Approval for Renunciation

The Company proposes to apply to the RBI for seeking approval for renunciation of Rights Entitlement by an Equity Shareholder (a) Resident in India in favour of any person resident outside India (*other than OCBs*); (b) Resident outside India (*other than OCBs*), in favour of any person resident in India; and (c) Resident outside India (*other than OCBs*), in favour of any person resident outside India (*other than OCBs*).

Common directorships of the Directors in listed companies that have been/were delisted from stock exchanges in India

Except for Dr. Subhash Chandra, none of the directors currently hold or have held directorships in the last five (5) years in a listed company, other than as set out below, whose shares have been suspended from trading on BSE or NSE or in a listed company that has been/ was delisted from any stock exchange(s):

Name of the Company	Zee Media Corporation Limited (*formerly Zee News Limited*)
Listed on	Calcutta Stock Exchange
Date of delisting	March 31, 2009
Compulsory or Voluntary Delisting	Voluntary
Reason for delisting	Nil / Insignificant trading volume
Whether relisted	No
Term of Directorship	N.A.

Name of the Company	Zee Entertainment Enterprises Limited
Listed on	Calcutta Stock Exchange
Date of delisting	May 29, 2008
Compulsory or Voluntary Delisting	Voluntary
Reason for delisting	Nil / Insignificant trading volume
Whether relisted	No
Term of Directorship	N.A.

Name of the Company	Zee Entertainment Enterprises Limited
Listed on	The Stock Exchange – Ahmedabad
Date of delisting	August 18, 2004

Compulsory or Voluntary Delisting	Voluntary
Reason for delisting	Nil / Insignificant trading volume
Whether relisted	No
Term of Directorship	N.A.

Name of the Company	Zee Entertainment Enterprises Limited
Listed on	Delhi Stock Exchange
Date of delisting	July 12, 2004
Compulsory or Voluntary Delisting	Voluntary
Reason for delisting	Nil / Insignificant trading volume
Whether relisted	No
Term of Directorship	N.A.

Name of the Company	Siti Cable Network Limited (*formerly Wire and Wireless (India) Limited*)
Listed on	Calcutta Stock Exchange
Date of delisting	January 27, 2009
Compulsory or Voluntary Delisting	Voluntary
Reason for delisting	Nil / Insignificant trading volume
Whether relisted	No
Term of Directorship	N.A.

Name of the Company	Dish TV India Limited
Listed on	Calcutta Stock Exchange
Date of delisting	December 7, 2009
Compulsory or Voluntary Delisting	Voluntary
Reason for delisting	Nil / Insignificant trading volume
Whether relisted	No
Term of Directorship	N.A.

Eligibility for the Issue

We are an existing company registered under the Companies Act and the Equity Shares of the Company are listed on BSE and NSE. The Company is eligible to undertake the Issue in terms of Chapter IV of the SEBI (ICDR) Regulations.

Due to the provisions of clause 3(b) of Part E of Schedule VIII of the SEBI (ICDR) Regulations, the Company is required to make disclosures as per Part A of Schedule VIII of the SEBI (ICDR) Regulations.

DISCLAIMER CLAUSE OF SEBI

AS REQUIRED, A COPY OF THE DRAFT LETTER OF OFFER HAS BEEN SUBMITTED TO SEBI. IT IS TO BE DISTINCTLY UNDERSTOOD THAT THE SUBMISSION OF THE DRAFT LETTER OF OFFER TO SEBI SHOULD NOT, IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE, OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THIS DRAFT LETTER OF OFFER. THE LEAD MANAGER, AXIS CAPITAL LIMITED, HAS CERTIFIED THAT THE DISCLOSURES MADE IN THIS DRAFT LETTER OF OFFER ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUER COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF

ALL RELEVANT INFORMATION IN THIS DRAFT LETTER OF OFFER, THE LEAD MANAGER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE THE LEAD MANAGER, AXIS CAPITAL LIMITED, HAS FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED JANUARY 1, 2015 WHICH READS AS FOLLOWS:

(1) WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS, ETC. AND OTHER MATERIAL IN CONNECTION WITH THE FINALISATION OF THE DRAFT LETTER OF OFFER PERTAINING TO THE ISSUE;

(2) ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE COMPANY, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE COMPANY, WE CONFIRM THAT:

(a) THE DRAFT LETTER OF OFFER FILED WITH SEBI IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE ISSUE;

(b) ALL THE LEGAL REQUIREMENTS RELATING TO THE ISSUE AS ALSO THE REGULATIONS, GUIDELINES, INSTRUCTIONS, ETC. FRAMED/ ISSUED BY SEBI, THE GOVERNMENT OF INDIA AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND

(c) THE DISCLOSURES MADE IN THE DRAFT LETTER OF OFFER ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 2013, THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 AND OTHER APPLICABLE LEGAL REQUIREMENTS.

(3) WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE DRAFT LETTER OF OFFER ARE REGISTERED WITH SEBI AND THAT UNTIL DATE SUCH REGISTRATION IS VALID.

(4) WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFIL THEIR UNDERWRITING COMMITMENTS – NOT APPLICABLE

(5) WE CERTIFY THAT WRITTEN CONSENT FROM PROMOTERS HAS BEEN OBTAINED FOR INCLUSION OF THEIR SPECIFIED SECURITIES AS PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN AND THE SPECIFIED SECURITIES PROPOSED TO FORM PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED/ SOLD/ TRANSFERRED BY THE PROMOTERS DURING THE PERIOD STARTING FROM THE DATE OF FILING THE DRAFT LETTER OF OFFER/ LETTER OF OFFER WITH SEBI TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE DRAFT LETTER OF OFFER/ LETTER OF OFFER – NOT APPLICABLE

(6) WE CERTIFY THAT REGULATION 33 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, WHICH RELATES TO SPECIFIED SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTERS CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE DRAFT LETTER OF OFFER / LETTER OF OFFER – NOT APPLICABLE

(7) WE UNDERTAKE THAT SUB-REGULATION (4) OF REGULATION 32 AND CLAUSE (C) AND (D) OF SUB-REGULATION (2) OF REGULATION 8 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE ISSUE. WE UNDERTAKE THAT AUDITORS' CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO SEBI. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND

SHALL BE RELEASED TO THE ISSUER ALONG WITH THE PROCEEDS OF THE PUBLIC ISSUE – NOT APPLICABLE

(8) WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE COMPANY FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT ISSUE FALL WITHIN THE OBJECTS LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE COMPANY AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION.

(9) WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE ISSUE ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB-SECTION (3) OF SECTION 40 OF THE COMPANIES ACT, 2013 AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES MENTIONED IN THE DRAFT LETTER OF OFFER. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE ISSUER SPECIFICALLY CONTAINS THIS CONDITION – NOT APPLICABLE FOR A RIGHTS ISSUE. TRANSFER OF MONIES RECEIVED PURSUANT TO THE ISSUE SHALL BE RELEASED TO THE COMPANY AFTER FINALISATION OF THE BASIS OF ALLOTMENT IN COMPLIANCE WITH REGULATION 56 OF THE SEBI (ICDR) REGULATIONS.

(10) WE CERTIFY THAT A DISCLOSURE HAS BEEN MADE IN THE DRAFT LETTER OF OFFER THAT THE INVESTORS SHALL BE GIVEN AN OPTION TO GET THE SHARES IN DEMAT OR PHYSICAL MODE.

(11) WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW, ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL INFORMED DECISION.

(12) WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE DRAFT LETTER OF OFFER:

(a) AN UNDERTAKING FROM THE ISSUER THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE (1) DENOMINATION FOR THE EQUITY SHARES OF THE COMPANY AND

(b) AN UNDERTAKING FROM THE COMPANY THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY SEBI FROM TIME TO TIME.

(13) WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 WHILE MAKING THE ISSUE.

(14) WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OR THE ISSUER, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTERS EXPERIENCE, ETC.

(15) WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE DRAFT LETTER OF OFFER WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY.

(16) WE ENCLOSE STATEMENT ON 'PRICE INFORMATION OF PAST ISSUES HANDLED BY MERCHANT BANKER BELOW (WHO IS RESPONSIBLE FOR PRICING THIS ISSUE)', AS PER FORMAT SPECIFIED BY SEBI THROUGH THE CIRCULAR DATED SEPTEMBER 27, 2011. NOT APPLICABLE.

(17) WE CERTIFY THAT PROFITS FROM RELATED PARTY TRANSACTIONS HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS – COMPLIED WITH TO THE EXTENT OF THE RELATED PARTY TRANSACTIONS REPORTED, IN ACCORDANCE WITH ACCOUNTING STANDARD 18, IN THE FINANCIAL STATEMENTS OF THE COMPANY OF THIS DRAFT LETTER OF OFFER AS CERTIFIED BY MGB & CO. LLP, CHARTERED ACCOUNTANTS, FIRM REGISTRATION NUMBER 110069W/W-100035 BY WAY OF ITS CERTIFICATE DATED DECEMBER 30, 2014.

THE FILING OF THIS DRAFT LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE COMPANY FROM ANY LIABILITIES UNDER SECTION 34 OR SECTION 35 OF THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY OR OTHER CLEARANCE AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THIS DRAFT LETTER OF OFFER.

Disclaimer clauses from the Company and the Lead Manager

The Company and the Lead Manager accept no responsibility for statements made otherwise than in this Draft Letter of Offer or in any advertisement or other material issued by us or by any other persons at our instance and anyone placing reliance on any other source of information would be doing so at his own risk.

Investors who invest in the Issue will be deemed to have represented to us and Lead Manager and their respective directors, officers, employees, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares, and are relying on independent advice/ evaluation as to their ability and quantum of investment in the Issue.

Caution

The Company and the Lead Manager shall make all information available to the Equity Shareholders and no selective or additional information would be available for a section of the Equity Shareholders in any manner whatsoever including at presentations, in research or sales reports etc. after filing of this Draft Letter of Offer with SEBI.

No dealer, salesperson or other person is authorized to give any information or to represent anything not contained in this Draft Letter of Offer. You must not rely on any unauthorized information or representations. This Draft Letter of Offer is an offer to sell only the Equity Shares and rights to purchase the Equity Shares offered hereby, but only under circumstances and in jurisdictions where it is lawful to do so. The information contained in this Draft Letter of Offer is current only as of its date.

Disclaimer with respect to jurisdiction

This Draft Letter of Offer has been prepared under the provisions of Indian laws and the applicable rules and regulations thereunder. Any disputes arising out of the Issue will be subject to the jurisdiction of the appropriate court(s) in Mumbai, India only.

Designated Stock Exchange

The Designated Stock Exchange for the purpose of the Issue will be [●].

Disclaimer Clause of BSE

As required, a copy of this Draft Letter of Offer has been submitted to the BSE. The disclaimer clause as intimated by the BSE to us, post scrutiny of this Draft Letter of Offer, shall be included in the Letter of Offer prior to filing with the Stock Exchanges.

Disclaimer Clause of NSE

As required, a copy of this Draft Letter of Offer has been submitted to the NSE. The disclaimer clause as intimated by the NSE to us, post scrutiny of this Draft Letter of Offer, shall be included in the Letter of Offer prior to filing with the Stock Exchanges.

Filing

This Draft Letter of Offer has been filed with the Corporation Finance Department of the SEBI, located at SEBI Bhavan, C-4-A, G Block, Bandra-Kurla Complex, Bandra-(E), Mumbai 400 051 for its observations. After SEBI gives its observations, the Letter of Offer will be filed with the Designated Stock Exchange as per the provisions of the Companies Act.

Selling Restrictions

The distribution of this Draft Letter of Offer and the issue of Equity Shares on a rights basis to persons in certain jurisdictions outside India may be restricted by the legal requirements prevailing in those jurisdictions. Persons into whose possession this Draft Letter of Offer may come are required to inform themselves about and observe such restrictions. We are making this Issue of Equity Shares on a rights basis to our Eligible Equity Shareholders and will dispatch the Letter of Offer/ Abridged Letter of Offer and CAFs to the Eligible Equity Shareholders who have provided an Indian address.

No action has been or will be taken to permit this Issue in any jurisdiction where action would be required for that purpose, except that this Draft Letter of Offer is filed with SEBI for observations. Accordingly, the rights or Equity Shares may not be offered or sold, directly or indirectly, and this Draft Letter of Offer may not be distributed in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction.

Receipt of this Draft Letter of Offer will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer and, under those circumstances, this Draft Letter of Offer must be treated as sent for information only and should not be copied or redistributed. Accordingly, persons receiving a copy of this Draft Letter of Offer should not, in connection with the issue of the rights or Equity Shares or rights, distribute or send the same in or into the United States or any other jurisdiction where to do so would or might contravene local securities laws or regulations. If this Draft Letter of Offer is received by any person in any such territory, or by their agent or nominee, they must not seek to subscribe to the Equity Shares or the rights referred to in this Draft Letter of Offer.

Neither the delivery of this Draft Letter of Offer nor any sale hereunder, shall under any circumstances create any implication that there has been no change in the Company's affairs from the date hereof or that the information contained herein is correct as at any time subsequent to this date.

IMPORTANT INFORMATION FOR INVESTORS - ELIGIBILITY AND TRANSFER RESTRICTIONS

As described more fully below, there are certain restrictions regarding the rights and Equity Shares that affect potential investors. These restrictions are restrictions on the ownership of Equity Shares by such persons following the offer.

The rights and the Equity Shares have not been and will not be registered under the Securities Act or any other applicable law of the United States and, unless so registered, may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act) ("U.S. Persons") except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws.

The rights and the Equity Shares have not been and will not be registered, listed or otherwise qualified in any jurisdiction outside India and may not be offered or sold, and bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Until the expiry of forty (40) days after the commencement of the Issue, an offer or sale of rights or Equity Shares within the United States by a dealer (whether or not it is participating in the Issue) may violate the registration requirements of the Securities Act.

Eligible Investors

The rights or Equity Shares are being offered and sold only to persons who are outside the United States and are not U.S. Persons, nor persons acquiring for the account or benefit of U.S. Persons, in offshore transactions in reliance on Regulation S under the Securities Act and the applicable laws of the jurisdiction where those offers and sales occur. All persons who acquire the rights or Equity Shares are deemed to have made the representations set forth immediately below.

Equity Shares and Rights Offered and Sold in this Issue

Each purchaser acquiring the rights or Equity Shares, by its acceptance of this Draft Letter of Offer and of the rights or Equity Shares, will be deemed to have acknowledged, represented to and agreed with us and the Lead Manager that it has received a copy of this Draft Letter of Offer and such other information as it deems necessary to make an informed investment decision and that:

(1) the purchaser is authorized to consummate the purchase of the rights or Equity Shares in compliance with all applicable laws and regulations;

(2) the purchaser acknowledges that the rights and Equity Shares have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state of the United States and, accordingly, may not be offered or sold within the United States or to, or for the account or benefit of, U.S. Persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act;

(3) the purchaser is purchasing the rights or Equity Shares in an offshore transaction meeting the requirements of Rule 903 of Regulation S under the Securities Act;

(4) the purchaser and the person, if any, for whose account or benefit the purchaser is acquiring the rights or Equity Shares, is a non-U.S. Person and was located outside the United States at each time (i) the offer was made to it and (ii) when the buy order for such rights or Equity Shares was originated, and continues to be a non-U.S. Person and located outside the United States and has not purchased such rights or Equity Shares for the account or benefit of any U.S. Person or any person in the United Sates or entered into any arrangement for the transfer of such rights or Equity Shares or any economic interest therein to any U.S. Person or any person in the United States;

(5) the purchaser is not an affiliate of the Company or a person acting on behalf of an affiliate;

(6) if, in the future, the purchaser decides to offer, resell, pledge or otherwise transfer such rights or Equity Shares, or any economic interest therein, such rights or Equity Shares or any economic interest therein may be offered, sold, pledged or otherwise transferred only (A) outside the United States in an offshore transaction complying with Rule 903 or Rule 904 of Regulation S under the Securities Act and (B) in accordance with all applicable laws, including the securities laws of the states of the United States. The purchaser understands that the transfer restrictions will remain in effect until the Company determines, in its sole discretion, to remove them, and confirms that the proposed transfer of the rights or Equity Shares is not part of a plan or scheme to evade the registration requirements of the Securities Act;

(7) the purchaser agrees that neither the purchaser, nor any of its affiliates, nor any person acting on behalf of the purchaser or any of its affiliates, will make any "directed selling efforts" as defined in Regulation S under the Securities Act in the United States with respect to the rights or the Equity Shares;

(8) the purchaser understands that such rights or Equity Shares (to the extent they are in certificated form), unless the Company determine otherwise in accordance with applicable law, will bear a legend substantially to the following effect:

THE EQUITY SHARES REPRESENTED HEREBY HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT") OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT IN AN OFFSHORE TRANSACTION COMPLYING WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE SECURITIES ACT, AND IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES.

(9) the purchaser agrees, upon a proposed transfer of the rights or the Equity Shares, to notify any purchaser of such rights or Equity Shares or the executing broker, as applicable, of any transfer restrictions that are applicable to the rights or Equity Shares being sold;

(10) the Company will not recognize any offer, sale, pledge or other transfer of such rights or Equity Shares made other than in compliance with the above-stated restrictions; and

(11) the purchaser acknowledges that the Company, the Lead Manager, their respective affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that, if any of such acknowledgements, representations and agreements deemed to have been made by virtue of its purchase of such rights or Equity Shares are no longer accurate, it will promptly notify the Company, and if it is acquiring any of such rights or Equity Shares as a fiduciary or agent for one or more accounts, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of such account.

Each person in a Member State of the EEA which has implemented the Prospectus Directive (each, a "Relevant Member State") who receives any communication in respect of, or who acquires any rights or Equity Shares under, the offers contemplated in this Draft Letter of Offer will be deemed to have represented, warranted and agreed to and with each Lead Manager and the Company that in the case of any rights or Equity Shares acquired by it as a financial intermediary, as that term is used in Article 3(2) of the Prospectus Directive:

(i) the rights or Equity Shares acquired by it in the placement have not been acquired on behalf of, nor have they been acquired with a view to their offer or resale to, persons in any Relevant Member State other than qualified investors, as that term is defined in the Prospectus Directive, or in circumstances in which the prior consent of the Lead Manager has been given to the offer or resale; or

(ii) where rights or Equity Shares have been acquired by it on behalf of persons in any Relevant Member State other than qualified investors, the offer of those rights or Equity Shares to it is not treated under the Prospectus Directive as having been made to such persons.

For the purposes of this provision, the expression an "offer of Equity Shares to the public" in relation to any of the rights or Equity Shares in any Relevant Member States means the communication in any form and by any means of sufficient information on the terms of the offer and the rights or Equity Shares to be offered so as to enable an investor to decide to purchase or subscribe for the rights or Equity Shares, as the same may be varied in that Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State.

Listing

The existing Equity Shares are listed on the BSE and the NSE. The Company has made applications to the BSE and the NSE for obtaining in-principle approval in respect of the Rights Shares. We will apply to the BSE and the NSE for listing and trading of the Rights Shares.

If the permission to deal in and for an official quotation of the securities is not granted by any of the Stock Exchanges mentioned above, we shall forthwith repay, without interest, all monies received from applicants in pursuance of the Letter of Offer.

The Company will issue and dispatch Allotment advice/ share certificates/demat credit and/or letters of regret along with refund order or credit the Allotted Equity Shares to the respective beneficiary accounts, if any, within a period of fifteen (15) days from the Issue Closing Date. In case of failure to do so, the Company shall pay interest at such rate and within such time as specified under applicable law.

Consents

Consents in writing of the directors, the statutory auditor, the Lead Manager, the legal counsel, the Registrar to the Issue, the Bankers to the Company and Bankers to the Issue to act in their respective capacities have been obtained and such consents have not been withdrawn up to the date of this Draft Letter of Offer.

M/s. MGB & Co. LLP, Chartered Accountants, Statutory Auditors of the Company, have given their written consent for the inclusion of their report in the form and content appearing in this Draft Letter of Offer and such consent and report have not been withdrawn up to the date of this Draft Letter of Offer.

Expert

Except for (i) the reports of the Auditor on the Restated Financial Information, and (ii) the Statement of Possible Tax Benefits Available to the Company and its Shareholders included in this Draft Letter of Offer, we have not obtained any expert opinions.

Issue Related Expenses

The Issue related expenses include, *inter alia*, Lead Managers' fee, printing and distribution expenses, advertisement, registrar, legal and depository fees and other expenses and are estimated at `[●] (approximately [●] % of the total Issue size) and will be met out of the proceeds of the Issue.

Particulars	Amounts (` in million)	As percentage of total expenses	As a percentage of Issue size
Fees of Lead Manager, Bankers to the Issue, Legal Advisor, Registrar to the Issue, commission of SCSBs and out of pocket expenses	[●]	[●]	[●]
Expenses relating to advertising, printing, distribution, marketing and stationery expenses	[●]	[●]	[●]
Regulatory fees, filing fees, listing fees, depository fees, auditor fees and miscellaneous expenses	[●]	[●]	[●]
Total estimated Issue expenses	**[●]**	**[●]**	**[●]**

**Will be incorporated post finalization of the Issue Price*

Filings

This Draft Letter of Offer has been filed with the Corporation Finance Department of SEBI, located at SEBI Bhavan, C-4-A, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai 400 051, India for its observations. After SEBI gives its observations, the final Letter of Offer will be filed with the Designated Stock Exchange as per the provisions of the Companies Act.

Previous issues

The Company has not made a public issue or rights issue of Equity Shares in the last five (5) years.

Except as disclosed in this Draft Letter of Offer under section titled "Capital Structure" beginning on page 58 of this Draft Letter of Offer, the Company has not made any issue of shares for consideration other than cash.

The listed group companies, subsidiaries and/or associates have not made any capital issuance in the last three (3) years.

Investor grievances and redressal system

The Company has adequate arrangements for the redressal of investor complaints in compliance with the corporate governance requirements under the Listing Agreements. Additionally, the Company is registered with the SEBI Complaints Redress System ("***SCORES***") as required by the SEBI Circular no. CIR/ OIAE/ 2/ 2011 dated June 3, 2011. The share transfer and dematerialization is being handled by Sharepro Services (India) Private Limited, the Registrar and Share Transfer agent, which is also the Registrar to the Issue. Letters are filed category wise after being attended to. All investor grievances received by us have been handled by the Registrar and Share Transfer agent in consultation with the compliance officer.

The Stakeholders Relationship Committee comprises of Mr. Vinod Kumar Bakshi; Mr. Surjit Banga and Dr. Subhash Chandra. The Stakeholders Relationship Committee oversees the reports received from the Registrar and Share Transfer agent and facilitates the prompt and effective resolution of complaints from the shareholders and investors of the Company.

Investor grievances arising out of the Issue

The investor grievances arising out of the Issue will be handled by Sharepro Services (India) Private Limited, the Registrar to the Issue. The Registrar will have a separate team of personnel handling post-Issue correspondences only.

The agreement between the Company and the Registrar provides for period for which records shall be retained by the Registrar in order to enable the Registrar to redress grievances of Investors.

All grievances relating to the Issue may be addressed to the Registrar to the Issue or the SCSB in case of ASBA Applicants giving full details such as Folio No. / Demat Account No., name and address, contact telephone/ cell numbers, email id of the first applicant, number of Equity Shares applied for, CAF serial number, amount paid on application and the name of the bank/ SCSB and the branch where the CAF was deposited, along with a photocopy of the acknowledgement slip. In case of renunciation, the same details of the Renouncee should be furnished.

The Company is registered with the SEBI Complaints Redress System ("***SCORES***") as required by the SEBI Circular no. CIR/ OIAE/ 2/ 2011 dated June 3, 2011. Consequently, investor grievances are tracked online by the Company.

The average time taken by the Registrar for attending to routine grievances will be within five (5) Working Days from the date of receipt of complaints. In case of non-routine grievances where verification at other agencies is involved, it would be the endeavour of the Registrar to attend to them as expeditiously as possible. The Company undertakes to resolve the Investor grievances in a time bound manner.

Registrar to the Issue

Sharepro Services (India) Private Limited
13 AB, Samhita Warehousing Complex
2nd Floor, Sakinaka Telephone Exchange Lane
Off Andheri-Kurla Road, Sakinaka
Andheri (E), Mumbai 400 072, India.
Telephone: +91 22 6772 0300

Facsimile: +91 22 2859 1568
Website: www.shareproservices.com
Investor grievance email: rights@shareproservices.com
Contact Person: Mr. Anil Dalvi/ Mr. Sachin Shinde
Compliance Officer: Mr. Anil Dalvi/ Mr. Sachin Shinde
SEBI Registration Number: INR000001476

Investors may contact the Compliance Officer in case of any pre-Issue/ post -Issue related problems such as non-receipt of Allotment advice/ share certificates/ demat credit/ refund orders etc. The contact details of the Compliance Officer are as follows:

Mr. Pushpal Sanghavi
Company Secretary and Compliance Officer
Continental Building
135, Dr. Annie Besant Road
Worli Mumbai 400 018, India
Telephone: +91 22 2483 1234
Facsimile: +91 22 2490 0302
Email:complianceofficer@zeemedia.esselgroup.com

Status of complaints

(a) Total number of complaints received during Fiscal 2012: 8

(b) Total number of complaints received during Fiscal 2013: 18

(c) Total number of complaints received during Fiscal 2014: 9

(d) Time normally taken for disposal of various types of investor complaints: Five (5) Working Days

Status of outstanding investor complaints

As on the date of this Draft Letter of Offer, there are no outstanding investor complaints against the Company or its top five (5) Group Entities.

Changes in Auditors during the last three (3) years

There has been no change in Auditors during the last three (3) years.

Capitalization of reserves or profits / issuance of Equity Shares for consideration other than cash

Other than as disclosed under the section titled "Capital Structure" beginning on page 58 of this Draft Letter of Offer, the Company has not capitalized any of its reserves or profits / issued shares for consideration other than cash.

Revaluation of fixed assets

The Company has not revalued its fixed assets till date.

Performance *vis-à-vis* Objects

During the period of ten (10) years immediately preceding the date of filing this Draft Letter of Offer, the Company has not made any public/rights issue.

Performance *vis-à-vis* Objects

Except as mentioned under the section titled "Group Entities of the Company" beginning on page 157 of this Draft Letter of Offer, none of the Group Entities of the Company have made any public or rights

issues in the ten (10) years preceeding the date of this Draft Letter of Offer.

Stock market data for Equity Shares

For stock market data, please refer to section titled "Market Price Information" beginning on page 398 of this Draft Letter of Offer.

Minimum Subscription

If the Company does not receive the minimum subscription of 90% of the Issue and the sum payable on application is not received within a period of thirty (30) days from the date of the Letter of Offer, the Company shall refund the entire subscription amount received within fifteen (15) days from the Issue Closing Date. If there is delay in the refund of the subscription amount within fifteen (15) days after the Issue Closing Date, the Directors who are "officers in default" shall jointly and severally refund that money along with interest at the rate of fifteen per cent (15%) per annum. Further, the Company and its officer who is in default shall be liable to a penalty of `1,000 for each day during which the default continues or `100,000, whichever is less.

SECTION VII: OFFERING INFORMATION

TERMS OF THE ISSUE

The Equity Shares proposed to be issued on a rights basis, are subject to the terms and conditions contained in this Draft Letter of Offer, the Abridged Letter of Offer, the CAF, the SAF, the Memorandum of Association and Articles of Association of our Company, and the provisions of the Companies Act, FEMA, the guidelines and regulations issued by SEBI, the guidelines, notifications and regulations for the issue of capital and for listing of securities issued by the Government of India and other statutory and regulatory authorities from time to time, approvals, if any from the RBI or other regulatory authorities, the terms of listing agreements entered into by our Company with the Stock Exchanges and terms and conditions as stipulated in the allotment advice or security certificate.

Please note that, in terms of SEBI circular CIR/CFD/DIL/1/2011 dated April 29, 2011, QIB Applicants, Non-Institutional Investors and other Applicants whose application amount exceeds `200,000, complying with the eligibility conditions of SEBI circular SEBI/CFD/DIL/ASBA/1/2009/30/12 dated December 30, 2009, can participate in the Issue only through the ASBA process. The Investors who are not (i) QIBs, (ii) Non-Institutional Investors or (iii) investors whose application amount is more than `200,000, can participate in the Issue either through the ASBA process or the non ASBA process. ASBA Investors should note that the ASBA process involves application procedures that may be different from the procedure applicable to non ASBA process. ASBA Investors should carefully read the provisions applicable to such applications before making their application through the ASBA process. For further details, please refer to section "Terms of Issue - Procedure for Application" beginning on page 470 of this Draft Letter of Offer.

Please note that subject to SCSBs complying with the requirements of SEBI Circular No. CIR/CFD/DIL/13/2012 dated September 25, 2012 within the periods stipulated therein, ASBA Applications may be submitted at all branches of the SCSBs.

Further, in terms of the SEBI circular CIR/CFD/DIL/1/2013 dated January 2, 2013, it is clarified that for making applications by banks on own account using ASBA facility, SCSBs should have a separate account in own name with any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for ASBA applications. SCSBs applying in the Issue using the ASBA facility shall be responsible for ensuring that they have a separate account in its own name with any other SCSB having clear demarcated funds for applying in the Issue and that such separate account shall be used as the ASBA Account for the application, for ensuring compliance with the applicable regulations.

All rights/obligations of the Eligible Equity Shareholders in relation to application and refunds pertaining to this Issue shall apply to the Renouncee(s) as well.

Basis for the Issue

The Equity Shares are being offered for subscription for cash to the existing Equity Shareholders whose names appear as beneficial owners as per the list to be furnished by the Depositories in respect of the Equity Shares held in the electronic form and on the register of members of our Company in respect of the Equity Shares held in physical form at the close of business hours on the Record Date, i.e. [●], fixed in consultation with the Designated Stock Exchange.

Rights Entitlement

As your name appears as a beneficial owner in respect of the Equity Shares held in the electronic form or appears in the register of members as an Eligible Equity Shareholder of our Company in respect of the Equity Shares held in physical form as on the Record Date, i.e., [●], you are entitled to the number of Equity Shares as set out in Part A of the CAFs.

The distribution of the Letter of Offer and the issue of Equity Shares on a rights basis to persons in certain jurisdictions outside India may be restricted by legal requirements prevailing in those

jurisdictions. Our Company is making the issue of Equity Shares on a rights basis to the Eligible Equity Shareholders and the Letter of Offer/Abridged Letter of Offer and the CAFs will be dispatched only to those Eligible Equity Shareholders who have a registered address in India. Any person who acquires Rights Entitlements or Equity Shares will be deemed to have declared, warranted and agreed, by accepting the delivery of the Letter of Offer/Abridged Letter of Offer, that it is not and that at the time of subscribing for the Equity Shares or the Rights Entitlements, it will not be in any restricted jurisdiction.

PRINCIPAL TERMS OF THE EQUITY SHARES

Face Value

Each Equity Share will have the face value of `1.

Issue Price

Each Equity Share shall be offered at an Issue Price of `[●] for cash at a premium of `[●] per Equity Share. The Issue Price will be arrived at after consultation between our Company and the Lead Manager and will be decided prior to the determination of the Record Date.

Rights Entitlement Ratio

The Rights Shares are being offered on a rights basis to Eligible Equity Shareholders in the ratio of [●] Rights Shares for every [●] Equity Shares held on the Record Date.

Terms of Payment

Full amount of `[●] per Rights Share is payable on application.

Fractional Entitlements

The Rights Shares are being offered on a rights basis to Eligible Equity Shareholders in the ratio of [●] Rights Shares for every [●] Equity Shares held as on the Record Date. For Rights Shares being offered on a rights basis under this Issue, if the shareholding of any of the Eligible Equity Shareholders is less than [●] Equity Shares or not in the multiple of [●], the fractional entitlement of such Eligible Equity Shareholders shall be ignored in the computation of the Rights Entitlement. However, Eligible Equity Shareholders whose fractional entitlements are being ignored as above would be given preferential consideration for the Allotment of one (1) additional Right Share each if they apply for additional Rights Shares over and above their Rights Entitlement, if any.

For example, if an Eligible Equity Shareholder holds between [●] and [●] Equity Shares, he will be entitled to [●] Rights Shares on a rights basis. He will also be given a preferential consideration for the Allotment of one (1) additional Rights Share if he has applied for the same.

Those Eligible Equity Shareholders holding less than [●] Equity Shares and therefore entitled to 'zero' Rights Shares under this Issue shall be dispatched a CAF with ‘zero’ entitlement. Such Eligible Equity Shareholders are entitled to apply for additional Rights Shares and would be given preference in the allotment of one (1) additional Right Share if, such Eligible Equity Shareholders have applied for the additional Rights Shares. However, they cannot renounce the same in favour of third parties. CAFs with zero entitlement will be non-negotiable/non-renounceable.

For example, if an Eligible Equity Shareholder holds between one and [●] Equity Shares, he will be entitled to zero Rights Shares on a rights basis. He will be given a preference for Allotment of one (1) additional Equity Share if he has applied for the same.

Ranking

The Rights Shares being issued shall be subject to the provisions of the Memorandum of Association and the Articles of Association. The Rights Shares allotted in the Issue shall rank *pari passu* with the existing Equity Shares.

Mode of payment of dividend

In the event of declaration of dividend, the Company shall pay dividend to the Eligible Equity Shareholders as per the provisions of the Companies Act and the provisions of the Articles of Association.

Listing and trading of Equity Shares proposed to be issued

The Company's existing Equity Shares are currently traded on the Stock Exchanges under the ISIN INE966H01019. The fully paid-up Rights Shares proposed to be issued on a rights basis shall, in terms of SEBI Circular No. CIR/MRD/DP/21/2012 dated August 2, 2012, be Allotted under a temporary ISIN shall be frozen till the time final listing/ trading approval is granted by the Stock Exchanges. Upon receipt of such listing and trading approval, the Rights Shares proposed to be issued on a rights basis shall be debited from such temporary ISIN and credited in the existing ISIN and thereafter be available for trading.

The listing and trading of the Rights Shares shall be based on the current regulatory framework applicable thereto. Accordingly, any change in the regulatory regime would affect the listing and trading schedule.

The Rights Shares allotted pursuant to this Issue will be listed as soon as practicable and all steps for completion of the necessary formalities for listing and commencement of trading of the Rights Shares shall be taken within seven (7) Working Days of finalization of Basis of Allotment. The Company has received in-principle approval from BSE and NSE through letter nos. [●] and [●] dated [●] and [●] respectively.

The Company will apply to the Stock Exchanges for final approval for the listing and trading of the Rights Shares. No assurance can be given regarding the active or sustained trading in the Rights Shares or the price at which the Rights Shares offered under the Issue will trade after the listing thereof.

If permissions to list, deal in and for an official quotation of the Rights Shares are not granted by any of the Stock Exchanges, the Company will forthwith repay, without interest, all moneys received from the Applicants in pursuance of the Letter of Offer. If such money is not repaid beyond eight (8) days after the Company becomes liable to repay it, i.e., the date of refusal of an application for such a permission from a Stock Exchange, or on expiry of fifteen (15) days from the Issue Closing Date in case no permission is granted, whichever is earlier, then the Company and every Director who is an officer in default shall, on and from such expiry of eight (8) days, be liable to repay the money, with interest as applicable.

Subscription to the Issue by the Promoter

The Promoters of the Company, currently holds 250,280,727 Equity Shares aggregating to 69.11% of the pre-Issue share capital of the Company and have undertaken that they intend to subscribe to the full extent of its Rights Entitlement in the Issue. Such allotment of Rights Shares shall be exempt from open offer requirements in terms of Regulation 10(4)(a) of the SEBI Takeover Code.

In addition to subscription to its Rights Entitlement, i) 25FPS Media Private Limited; ii) ARM Infra & Uitilities Limited; iii) Prime Publishing Private Limited; and iv) Sprit Textiles Private Limited by way of their letter dated December 26, 2014 have further confirmed that they intend to subscribe to any unsubscribed portion in the Issue to ensure that atleast 90% of the Issue is subscribed, either jointly and/or severally, subject to aggregate shareholding of the Promoter and Promoter Group not exceeding 75% of the issued, outstanding and fully paid-up equity share capital of the Company after the Issue.

As a result of such subscription and consequent allotment of Equity Shares, the aforementioned Promoters may acquire Equity Shares in excess of its Right Entitlements. Such acquisition will not attract open offer obligation subject to compliance with Regulation 10(4)(b) of the SEBI Takeover Code.

For further details of under subscription and allotment to the Promoter and Promoter Group, please refer to sub-section titled "Basis of Allotment" under the section titled "Terms of the Issue" beginning on page 466 of this Draft Letter of Offer.

General Terms of the Issue

Market Lot

The Equity Shares of the Company are tradable only in dematerialized form. The market lot for Rights Shares in dematerialised mode is one (1) Equity Share. In case an Eligible Equity Shareholder holds Rights Shares in physical form, the Company would issue to the allottees one (1) certificate for the Equity Shares allotted to each folio (the "***Consolidated Certificate***"). Such Consolidated Certificates may be split into smaller denominations at the request of the respective Eligible Equity Shareholder.

Joint Holders

Where two (2) or more persons are registered as the holders of any Rights Shares, they shall be deemed to hold the same as joint holders with the benefit of survivorship subject to the provisions contained in the Articles of Association.

Nomination

Nomination facility is available in respect of the Rights Shares in accordance with the provisions of the Section 72 of the Companies Act. An Eligible Equity Shareholder can nominate any person by filling the relevant details in the CAF in the space provided for this purpose. In case of Eligible Equity Shareholders who are individuals, a sole Eligible Equity Shareholder or the first named Eligible Equity Shareholder, along with other joint Eligible Equity Shareholders, if any, may nominate any person(s) who, in the event of the death of the sole Eligible Equity Shareholder or all the joint Eligible Equity Shareholders, as the case may be, shall become entitled to the Rights Shares offered in the Issue. A person, being a nominee, becoming entitled to the Equity Shares by reason of death of the original Eligible Equity Shareholder(s), shall be entitled to the same advantages to which he would be entitled if he were the registered Eligible Equity Shareholder. Where the nominee is a minor, the Eligible Equity Shareholder(s) may also make a nomination to appoint, in the prescribed manner, any person to become entitled to the Rights Shares, in the event of death of the said Eligible Equity Shareholder, during the minority of the nominee. A nomination shall stand rescinded upon the sale of the Rights Shares by the person nominating. A transferee will be entitled to make a fresh nomination in the manner prescribed. Where the Rights Shares are held by more than one (1) person jointly, the nominee shall become entitled to all the rights in the Rights Shares only in the event of death of all the joint holders. Fresh nominations can be made only in the prescribed form available on request at the Registered Office of the Company or such other person at such addresses as may be notified by the Company. The Investor can make the nomination by filling in the relevant portion of the CAF. Interms of Section 72 of the Companies Act, or any other rules that may be prescribed under the Companies Act, any person who becomes a nominee shall upon the production of such evidence as may be required by the Board, elect either:

- to register himself or herself as the holder of the Equity Shares; or
- to make such transfer of the Equity Shares, as the deceased holder could have made.

If the person being a nominee, so becoming entitles, elects to be registered as holders of the Rights Shares himself, he shall deliver to the Company a notice in writing signed by him stating that he so elects and such notice shall be accompanied with the death certificate of the deceased Equity Shareholder.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Rights Shares, and if the notice is not complied with within a period of ninety (90) days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Rights Shares, until the requirements of the notice have been complied with.

Only one (1) nomination would be applicable for one folio. Hence, in case the Investor(s) has already registered the nomination with the Company, no further nomination needs to be made for Rights Shares that may be allotted in this Issue under the same folio.

In case the Allotment of Rights Shares is in dematerialised form, there is no need to make a separate nomination for the Rights Shares to be allotted in this Issue. Nominations registered with respective DP of the Investor would prevail. Any Investor desirous of changing the existing nomination is requested to inform its respective DP.

Notices

All notices to the Eligible Equity Shareholder(s) required to be given by the Company shall be published in one (1) English language national daily newspaper with wide circulation, one (1) Hindi national daily newspaper with wide circulation and one (1) Marathi language daily newspaper with wide circulation and/or, will be sent by post to the registered address of the Eligible Equity Shareholders in India or the Indian address provided by the Equity Shareholders from time to time.

Procedure for Application

The CAF for the Rights Shares offered as part of the Issue would be printed for all Eligible Equity Shareholders. In case the original CAFs are not received by the Eligible Equity Shareholder or is misplaced by the Eligible Equity Shareholder, the Eligible Equity Shareholder may request the Registrar to the Issue, for issue of a duplicate CAF, by furnishing the registered folio number, DP ID, Client ID and their full name and address. In case the signature of the Investor(s) does not match with the specimen registered with the Company, the application is liable to be rejected.

Please note that neither the Company nor the Registrar to the Issue shall be responsible for delay in the receipt of the CAF/duplicate CAF attributable to postal delays or if the CAF/duplicate CAF are misplaced in the transit.

Please note that QIB Applicants, Non-Institutional Investors and other Applicants whose application amount exceeds `200,000 can participate in the Issue only through the ASBA process. The Investors who are not (i) QIBs, (ii) Non-Institutional Investors, or (iii) Investors whose application amount is more than `200,000, can participate in the Issue either through the ASBA process or the non ASBA process.

Please also note that by virtue of the Circular No. 14 dated September 16, 2003 issued by the RBI, Overseas Corporate Bodies ("*OCBs*") have been derecognized as an eligible class of investors and the RBI has subsequently issued the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCBs)) Regulations, 2003. Any Eligible Equity Shareholder being an OCB is required to obtain prior approval from RBI for applying to this Issue.

The CAF consists of four (4) parts:

Part A:	Form for accepting the Equity Shares offered as a part of this Issue, in full or in part, and for applying for additional Equity Shares;
Part B:	Form for renunciation of Equity Shares;
Part C:	Form for application of Equity Shares by Renouncee(s);
Part D:	Form for request for split Application forms.

Option available to the Eligible Equity Shareholders

The CAFs will clearly indicate the number of Rights Shares that the Eligible Equity Shareholder is entitled to.
If the Eligible Equity Shareholder applies for an investment in Equity Shares, then he can:

- Apply for his Rights Entitlement of Equity Shares in full;
- Apply for his Rights Entitlement of Equity Shares in part;
- Apply for his Rights Entitlement of Equity Shares in part and renounce the other part of the Rights Shares;
- Apply for his Rights Entitlement in full and apply for additional Rights Shares;
- Renounce his Rights Entitlement in full.

Acceptance of the Issue

You may accept the offer to participate and apply for the Rights Shares offered, either in full or in part, by filling Part A of the CAFs and submit the same along with the application money payable to the Bankers to the Issue or any of the collection centers as mentioned on the reverse of the CAFs before close of the banking hours on or before the Issue Closing Date or such extended time as may be specified by the Board of Directors in this regard. Investors at centres not covered by the collection branches of the Bankers to the Issue can send their CAFs together with the cheque drawn at par on a local bank at [●] or a demand draft payable at [●] to the Registrar to the Issue by registered post so as to reach the Registrar to the Issue prior to the Issue Closing Date. Please note that neither the Company nor the Lead Manager or the Registrar to the Issue shall be responsible for delay in the receipt of the CAF attributable to postal delays or if the CAF is misplaced in the transit. Such applications sent to anyone other than the Registrar to the Issue are liable to be rejected. For further details on the mode of payment, please refer to section titled "Terms of Issue - Mode of Payment for Resident Investors" and "Terms of Issue - Mode of Payment for Non-Resident Investors" beginning on pages 476 and 476, respectively of this Draft Letter of Offer.

Additional Rights Shares

You are eligible to apply for additional Rights Shares over and above your Rights Entitlement, provided that you are eligible to apply under applicable law and have applied for all the Rights Shares offered to you without renouncing them in whole or in part in favour of any other person(s). Applications for additional Rights Shares shall be considered and allotment shall be made at the sole discretion of the Board, subject to sectoral caps and in consultation if necessary with the Designated Stock Exchanges and in the manner prescribed under the section titled "Terms of Issue - Basis of Allotment" beginning on page 485 of this Draft Letter of Offer.

If you desire to apply for additional Rights Shares, please indicate your requirement in the place provided for additional Rights Shares in Part A of the CAF. Renouncee(s) applying for all the Rights Shares renounced in their favour may also apply for additional Rights Shares.

Where the number of additional Rights Shares applied for exceeds the number of Rights Shares available for Allotment, the Allotment would be made on a fair and equitable basis in consultation with the Designated Stock Exchange.

Renunciation

The Issue includes a right exercisable by you to renounce the Rights Shares offered to you either in full or in part in favour of any other person or persons. Your attention is drawn to the fact that the Company shall not Allot and/or register the Rights Shares in favour of the following Renouncees: (i) more than three (3) persons (including joint holders); (ii) partnership firm(s) or their nominee(s); (iii) minors; (iv) HUF; or (v) any trust or society (unless the same is registered under the Societies Registration Act, 1860, as amended or the Indian Trust Act, 1882, as amended or any other applicable law relating to societies or trusts and is authorized under its constitution or bye-laws to hold Equity Shares, as the case may be). Additionally, the Eligible Equity Shareholders may not renounce in favour of persons or

entities which would otherwise be prohibited from being offered or subscribing for Rights Shares or Rights Entitlement under applicable securities laws.

Any renunciation (i) from a resident Eligible Equity Shareholder to a non-resident, or (ii) from a non-resident Eligible Equity Shareholder to a resident, or (iii) from a non-resident Eligible Equity Shareholder to a non-resident is subject to the renouncer / renouncee obtaining the necessary approvals, including from the RBI, and such approvals should be attached to the CAF. Applications not accompanied by the aforesaid approvals are liable to be rejected.

By virtue of the Circular No. 14 dated September 16, 2003 issued by the RBI, Overseas Corporate Bodies ("***OCBs***") have been derecognized as an eligible class of investors and the RBI has subsequently issued the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCBs)) Regulations, 2003. Accordingly, the Eligible Equity Shareholders of the Company who do not wish to subscribe to the Rights Shares being offered but wish to renounce the same in favour of Renouncee shall not renounce the same (whether for consideration or otherwise) in favour of OCB(s).

The RBI has, however, clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as incorporated non-resident entities in terms of Regulation 5(1) of RBI Notification No. 20/ 2000-RB dated May 3, 2000 under the FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of the RBI if the investment is through the automatic route on case by case basis. Equity Shareholders renouncing their rights in favour of OCBs may do so provided such Renouncee obtains a prior approval from the RBI. On submission of such approval to us at our Registered Office, the OCB shall receive the Abridged Letter of Offer and the CAF.

Part 'A' of the CAF must not be used by any person(s) other than those in whose favour this offer has been made. If used, this will render the application invalid. Submission of the CAF to the Banker to the Issue at its collecting branches specified on the reverse of the CAF with the form of renunciation (Part 'B' of the CAF) duly filled in shall be the conclusive evidence for the Company of the fact of renouncement to the person(s) applying for Equity Shares in Part 'C' of the CAF for the purpose of Allotment of such Rights Shares. The Renouncees applying for all the Rights Shares renounced in their favour may also apply for additional Rights Shares. Part 'A' of the CAF must not be used by the Renouncee(s) as this will render the application invalid. Renouncee(s) will have no right to further renounce any Rights Shares in favour of any other person.

Procedure for renunciation

To renounce all the Rights Shares offered to an Eligible Equity Shareholder in favour of one Renouncee

If you wish to renounce the offer indicated in Part 'A', in whole, please complete Part 'B' of the CAF. In case of joint holding, all joint holders must sign Part 'B' of the CAF. The person in whose favour renunciation has been made should complete and sign Part 'C' of the CAF. In case of joint Renouncees, all joint Renouncees must sign Part 'C' of the CAF.

To renounce in part/or renounce the whole to more than one person(s)

If you wish to either (i) accept this offer in part and renounce the balance, or (ii) renounce the entire offer under this Issue in favour of two (2) or more Renouncees, the CAF must be first split into requisite number of forms. Please indicate your requirement of SAFs in the space provided for this purpose in Part 'D' of the CAF and return the entire CAF to the Registrar to the Issue so as to reach them latest by the close of business hours on the last date of receiving requests for SAFs as provided herein. On receipt of the required number of SAFs from the Registrar, the procedure as mentioned in paragraph above shall have to be followed.

In case the signature of the Eligible Equity Shareholder(s), who has renounced the Rights Shares, does not match with the specimen registered with our Company/ Depositories, the application is liable to be rejected.

Renouncee(s)

The person(s) in whose favour the Rights Shares are renounced should fill in and sign Part 'C' of the CAF and submit the entire CAF to the Bankers to the Issue or any of the collection branches as mentioned on the reverse of the CAFs on or before the Issue Closing Date along with the application money in full.

Change and/or introduction of additional holders

If you wish to apply for Rights Shares jointly with any other person(s), not more than three (3) including you, who is/are not already a joint holder with you, it shall amount to renunciation and the procedure as stated above for renunciation shall have to be followed. Even a change in the sequence of the name of joint holders shall amount to renunciation and the procedure, as stated above shall have to be followed.

However, this right of renunciation is subject to the express condition that the Board of Directors shall be entitled in its absolute discretion to reject the request for Allotment from the Renouncee(s) without assigning any reason thereof.

Instructions for Options

The summary of options available to the Eligible Equity Shareholder is presented below. You may exercise any of the following options with regard to the Equity Shares offered, using the CAF:

Option Available	Action Required
1. Accept whole or part of your Rights Entitlement without renouncing the balance.	Fill in and sign Part A *(All joint holders must sign)*
2. Accept your Rights Entitlement in full and apply for additional Equity Shares	Fill in and sign Part A including Block III relating to the acceptance of entitlement and Block IV relating to additional Rights Shares *(All joint holders must sign)*
3. Accept a part of your Rights Entitlement and renounce the balance to one or more Renouncee(s) Or Renounce your Rights Entitlement to all the Rights Shares offered to you to more than one Renouncee	Fill in and sign Part D *(all joint holders must sign)* requesting for SAFs. Send the CAF to the Registrar to the Issue so as to reach them on or before the last date for receiving requests for SAFs. Splitting will be permitted only once. On receipt of the SAF take action as indicated below. (i) For the Rights Shares you wish to accept, if any, fill in and sign Part A. (ii) For the Rights Shares you wish to renounce, fill in and sign Part B indicating the number of Equity Shares renounced and hand it over to the Renouncees. (iii) Each Renouncee should fill in and sign Part C for the Rights Shares accepted by them.
4. Renounce your Rights Entitlement in full to one person *(Joint Renouncees are considered as one).*	Fill in and sign Part B *(all joint holders must sign)* indicating the number of Rights Shares renounced and hand it over to the Renouncee. The Renouncee must fill in and sign Part C *(All joint Renouncees must sign)*
5. Introduce a joint holder or change the sequence of joint holders	This will be treated as renunciation. Fill in and sign Part B and the Renouncee must fill in and sign Part C.

Please note that:

- Part 'A' of the CAF must not be used by any person(s) other than the Eligible Equity Shareholder to whom the Letter of Offer has been addressed. If used, this will render the

application invalid.

- Request for each SAF should be made for a minimum of one (1) Rights Share or, in each case, in multiples thereof and one SAF for the balance Rights Shares, if any.
- Request by the Investor for the SAFs should reach the Registrar to the Issue on or before [●].
- Only the Eligible Equity Shareholder to whom the Letter of Offer has been addressed shall be entitled to renounce and to apply for SAFs. Forms once split cannot be split further.
- SAFs will be sent to the Investor(s) by post at the Applicant's risk.
- Eligible Equity Shareholders may not renounce in favour of persons or entities who would otherwise be prohibited from being offered or subscribing for Rights Shares or Rights Entitlement under applicable securities laws.
- While applying for or renouncing their Rights Entitlement, all joint Eligible Equity Shareholders must sign the CAF and in the same order and as per specimen signatures recorded with our Company/ Depositories.
- *Non-resident Eligible Equity Shareholders:* Application(s) received from Non-Resident/ NRIs, or persons of Indian origin residing abroad for allotment of Rights Shares alloted as a part of this Issue shall, *inter alia*, be subject to conditions, as may be imposed from time to time by the RBI under FEMA in the matter of refund of application money, allotment of Rights Shares, subsequent issue and allotment of Rights Shares, interest, export of share certificates, etc. In case a Non-Resident or NRI Eligible Equity Shareholder has specific approval from the RBI, in connection with his shareholding, he should enclose a copy of such approval with the CAF. Applications not accompanied by the aforesaid approvals are liable to be rejected.
- The RBI has mandated that CTS 2010 standard non-compliant cheques can be presented in clearing only in reduced frequency, specifically once a week, on Mondays of every week from November 1, 2014 onwards. This would have an impact on timelines for the issuance of final certificates, hence the CAFs accompanied by non-CTS cheques could get rejected.

Availability of duplicate CAF

In case the original CAF is not received, or is misplaced by the Eligible Equity Shareholder, the Registrar to the Issue will issue a duplicate CAF on the request of the Investor who should furnish the registered folio number/ DP and Client ID number and his/ her full name and address to the Registrar to the Issue. Please note that the request for duplicate CAF should reach the Registrar to the Issue within [●] days from the Issue Closing Date. Please note that those who are making the application in the duplicate form should not utilize the original CAF for any purpose including renunciation, even if it is received/ found subsequently. If the Investor violates such requirements, he/ she shall face the risk of rejection of either original CAF or both the applications. Our Company or the Registrar to the Issue will not be responsible for postal delays or loss of duplicate CAF in transit, if any.

Application on Plain Paper

An Eligible Equity Shareholder who has neither received the original CAF nor is in a position to obtain the duplicate CAF may make an application to subscribe to the Issue on plain paper, along with an account payee cheque drawn on a bank in [●]/ demand draft, net of bank and postal charges payable at [●] and the Investor should send the same by registered post directly to the Registrar to the Issue. For details of the mode of payment, please refer to section titled "Terms of Issue - Modes of Payment" beginning on page 476 of this Draft Letter of Offer. Applications on plain paper will not be accepted from any address outside India.

The envelope should be super scribed "[***Zee Media Corporation Limited – Rights Issue***]" and should be postmarked in India. The application on plain paper, duly signed by the Eligible Equity Shareholder including joint holders, in the same order and as per specimen recorded with the Company/ Depositories, must reach the office of the Registrar to the Issue before the Issue Closing Date and should contain the following particulars:

- Name of the Company, being Zee Media Corporation Limited;
- Name and address of the Eligible Equity Shareholder including joint holders;
- Registered Folio Number/ DP and Client ID No.;
- Number of Equity Shares held as on Record Date;

- Share certificate numbers and distinctive numbers of Equity Shares, if held in physical form;
- Allotment option preferred - physical or demat form, if held in physical form;
- Number of Rights Shares entitled to;
- Number of Rights Shares applied for;
- Number of additional Rights Shares applied for, if any;
- Total number of Equity Shares applied for;
- Total amount paid at the rate of `[●] per Rights Share;
- Particulars of cheque/ demand draft;
- Savings/ current account number and name and address of the bank where the Eligible Equity Shareholder will be depositing the refund order. In case of Equity Shares held in dematerialized form, the Registrar shall obtain the bank account details from the information available with the Depositories;
- Except for applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts, PAN of the Eligible Equity Shareholder and for each Eligible Equity Shareholder in case of joint names, irrespective of the total value of the Rights Shares applied for pursuant to the Issue;
- If the payment is made by a draft purchased from NRE/FCNR/NRO account, as the case may be, an account debit certificate from the bank issuing the draft confirming that the draft has been issued by debiting the NRE/FCNR/NRO account;
- Signature of the Applicant (in case of joint holders, to appear in the same sequence and order as they appear in the records of our Company/Depositories); and
- Additionally, all such Applicants are deemed to have accepted the following:

  "*I/ We understand that neither the Rights Entitlement nor the Equity Shares have been, and will be, registered under the United States Securities Act of 1933 (the "**US Securities Act**") or any United States state securities laws, and may not be offered, sold, resold or otherwise transferred within the United States or to the territories or possessions thereof (the "**United States**") or to,or for the account or benefit of a "U.S. Person" as defined in Regulation S of the US Securities Act ("**Regulation S**"). I/ we understand the Equity Shares referred to in this application are being offered in India but not in the United States. I/ we understand the offering to which this application relates is not, and under no circumstances is to be construed as, an offering of any Equity Shares or Rights Entitlement for sale in the United States, or as a solicitation therein of an offer to buy any of the said Equity Shares or Rights Entitlement in the United States. Accordingly, I/ we understand this application should not be forwarded to or transmitted in or to the United States at any time. I/ we understand that neither us, nor the Registrar, the Lead Manager or any other person acting on behalf of us will accept subscriptions from any person, or the agent of any person, who appears to be, or who we, the Registrar, the Lead Manager or any other person acting on behalf of us have reason to believe is ineligible to participate in the Issue under the securities laws of their jurisdiction.*

  I/ We will not offer, sell or otherwise transfer any of the Equity Shares which may be acquired by us in any jurisdiction or under any circumstances in which such offer or sale is not authorized or to any person to whom it is unlawful to make such offer, sale or invitation except under circumstances that will result in compliance with any applicable laws or regulations. We satisfy, and each account for which we are acting satisfies, all suitability standards for investors in investments of the type subscribed for herein imposed by the jurisdiction of our residence.

  I/ We understand and agree that the Rights Entitlement and Equity Shares may not be reoffered, resold, pledged or otherwise transferred except in an offshore transaction in compliance with Regulation S, or otherwise pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act.

  I/ We acknowledge that we, the Lead Manager, its affiliates and others will rely upon the truth and accuracy of the foregoing representations and agreements."

Please note that those who are making the application otherwise than on original CAF shall not be entitled to renounce their rights and should not utilize the original CAF for any purpose including renunciation even if it is received subsequently. If the Eligible Equity Shareholder violates such

requirements, he/ she shall face the risk of rejection of both the applications. The Company shall refund such application amount to the Eligible Equity Shareholder without any interest thereon.

Last date for Application

The last date for submission of the duly filled in CAF is [●]. The Board or any committee thereof may extend the said date for such period as it may determine from time to time, subject to the Issue Period not exceeding thirty (30) days from the Issue Opening Date.

If the CAF together with the amount payable is not received by the Banker to the Issue/ Registrar to the Issue on or before the close of banking hours on the aforesaid last date or such date as may be extended by the Board/ Committee of Directors, the invitation to offer contained in the Letter of Offer shall be deemed to have been declined and the Board/ Committee of Directors shall be at liberty to dispose off the Equity Shares hereby offered, as provided under the section titled "Basis of Allotment" beginning on page 485 of this Draft Letter of Offer.

Modes of Payment

In terms of the RBI circular (No. DPSS.CO.CHD.No./133/04.07.05/2013-14) dated July 16, 2013, non-CTS cheques will be processed in three CTS centers thrice a week until April 30, 2014, twice a week until October 31, 2014 and once a week from November 1, 2014 onwards. Investors are advised to use CTS cheques or use the ASBA facility to make payment. Investors are cautioned that CAFs accompanied by non-CTS cheques are liable to be rejected due to any delay in clearing beyond six Working Days from the Issue Closing Date.

Mode of payment for Resident Investors

- All cheques / demand drafts accompanying the CAF should be drawn in favour of "[***Zee Media Corporation Limited – Rights Issue***]" crossed 'A/c Payee only' and should be submitted along with the CAF to the Bankers to the Issue/ Collecting Bank or to the Registrar to the Issue;

- Investors residing at places other than places where the bank collection centres have been opened by the Company for collecting applications, are requested to send their CAFs together with an account payee cheque drawn on a bank in [●]/demand draft for the full application amount, net of bank and postal charges drawn in favour of "[***Zee Media Corporation Limited–Rights Issue***]", crossed 'A/c Payee only' and payable at [●] directly to the Registrar to the Issue by registered post so as to reach them on or before the Issue Closing Date. The envelope should be superscribed "[***Zee Media Corporation Limited – Rights Issue***]". The Company or the Registrar to the Issue will not be responsible for postal delays or loss of applications in transit, if any.

Mode of payment for Non-Resident Investors

As regards the application by non-resident Investor, the following conditions shall apply:

- Individual non-resident Indian Applicants who are permitted to subscribe for Rights Shares by applicable local securities laws can obtain application forms from the following address:

  Sharepro Services (India) Private Limited
  13 AB, Samhita Warehousing Complex
  2nd Floor, Sakinaka Telephone Exchange Lane
  Off Andheri-Kurla Road
  Mumbai 400072, India.
  Telephone: +91 22 6772 0300
  Facsimile: +91 22 2859 1568
  Email: rights@shareproservices.com
  Investor grievance email: rights@shareproservices.com
  Contact Person: Mr. Anil Dalvi/ Mr. Sachin Shinde

Compliance Officer: Mr. Anil Dalvi/ Mr. Sachin Shinde
Website: www.shareproservices.com
SEBI Registration Number: INR000001476
CIN: U67120MH2004PTC148994

- Applications will not be accepted from non-resident Indian in any jurisdiction where the offer or sale of the Rights Entitlements and Rights Shares may be restricted by applicable securities laws.

- Non-resident investors applying from places other than places where the bank collection centres have been opened by the Company for collecting applications, are requested to send their CAFs together with Demand Draft for the full application amount, net of bank and postal charges drawn in favour of "[***Zee Media Corporation Limited– Rights Issue***]", crossed 'A/c Payee only' payable at [●] directly to the Registrar to the Issue by registered post so as to reach them on or before the Issue Closing Date. The envelope should be superscribed "[***Zee Media Corporation Limited – Rights Issue***]". The Company or the Registrar to the Issue will not be responsible for postal delays or loss of applications in transit, if any.

- Payment by non-residents must be made by demand draft payable at [●]/ cheque payable drawn on a bank account maintained at [●] or funds remitted from abroad in any of the following ways:

Application with repatriation benefits

- By Indian Rupee drafts purchased from abroad and payable at [●] or funds remitted from abroad (submitted along with Foreign Inward Remittance Certificate); or
- By cheque/draft drawn on an NRE or FCNR Account maintained in [●]; or
- By Rupee draft purchased by debit to NRE/FCNR Account maintained elsewhere in India and payable in [●];
- FIIs/ FPIs registered with SEBI must utilise funds from special non-resident rupee account;
- Non-resident investors with repatriation benefits should draw the cheques/ demand drafts in favour of "[***Zee Media Corporation Limited– Rights Issue – NR***]", crossed 'A/c Payee only' for the full application amount, net of bank and postal charges and which should be submitted along with the CAF to the Bankers to the Issue/collection centres or to the Registrar to the Issue;
- Applicants should note that where payment is made through drafts purchased from NRE/ FCNR/ NRO account as the case may be, an account debit certificate from the bank issuing the draft confirming that the draft has been issued by debiting the NRE/ FCNR/ NRO account should be enclosed with the CAF. In the absence of such an account debit certificate, the application shall be considered incomplete and is liable to be rejected.

Application without repatriation benefits

- As far as non-residents holding Equity Shares on non-repatriation basis are concerned, in addition to the modes specified above, payment may also be made by way of cheque drawn on Non-Resident (Ordinary) Account maintained in [●] or Rupee Draft purchased out of NRO Account maintained elsewhere in India but payable at [●] In such cases, the Allotment of Equity Shares will be on non-repatriation basis.
- Non-resident investors without repatriation benefits should draw the cheques/demand drafts in favour of "[***Zee Media Corporation Limited– Rights Issue***]", crossed 'A/c Payee only' for the full application amount, net of bank and postal charges and which should be submitted along with the CAF to the Bankers to the Issue/collection centres or to the Registrar to the Issue;
- Applicants should note that where payment is made through drafts purchased from NRE/ FCNR/ NRO accounts, as the case may be, an account debit certificate from the bank issuing the draft confirming that the draft has been issued by debiting the

NRE/ FCNR/ NRO account should be enclosed with the CAF. In the absence of such an account debit certificate, the application shall be considered incomplete and is liable to be rejected.

- An Eligible Equity Shareholder whose status has changed from resident to non-resident should open a new demat account reflecting the changed status. Any application from a demat account which does not reflect the accurate status of the Applicant is liable to be rejected at the sole discretion of our Company and the Lead Manager.

Notes:

- In case where repatriation benefit is available, interest, dividend, sales proceeds derived from the investment in Rights Shares can be remitted outside India, subject to tax, as applicable according to the IT Act.
- In case Rights Shares are allotted on a non-repatriation basis, the dividend and sale proceeds of the Rights Shares cannot be remitted outside India.
- The CAF duly completed together with the amount payable on application must be deposited with the Collecting Bank indicated on the reverse of the CAFs before the close of banking hours on or before the Issue Closing Date. A separate cheque or bank draft must accompany each CAF.
- In case of an application received from non-residents, Allotment, refunds and other distribution, if any, will be made in accordance with the guidelines/ rules prescribed by the RBI as applicable at the time of making such Allotment, remittance and subject to necessary approvals.

Procedure for Application through the Applications Supported by Blocked Amount ("*ASBA*") Process

This section is for the information of the ASBA Investors proposing to subscribe to the Issue through the ASBA Process. The Company and the Lead Manager is not liable for any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of the Draft Letter of Offer. Investors who are eligible to apply under the ASBA Process are advised to make their independent investigations and to ensure that the CAF is correctly filled up.

The Lead Manager, the Company, its directors, its employees, affiliates, associates and their respective directors and officers and the Registrar to the Issue shall not take any responsibility for acts, mistakes, errors, omissions and commissions etc. in relation to applications accepted by SCSBs, Applications uploaded by SCSBs, applications accepted but not uploaded by SCSBs or applications accepted and uploaded without blocking funds in the ASBA Accounts. It shall be presumed that for applications uploaded by SCSBs, the amount payable on application has been blocked in the relevant ASBA Account.

Please note that pursuant to the applicability of the directions issued by SEBI *vide* its circular CIR/CFD/DIL/1/ 2011 dated April 29, 2011, all Applicants who are QIBs, Non-Institutional Investors or other Applicants whose application amount exceeds `200,000 can participate in the Issue only through the ASBA process, subject to them complying with the requirements of SEBI Circular SEBI/CFD/DIL/ASBA/1/2009/30/12 dated December 30, 2009. The Investors who are not (i) QIBs, (ii) Non-Institutional Investors (iii) investors whose application amount is more than `200,000, can participate in the Issue either through the ASBA process or the non ASBA process. Please note that subject to SCSBs complying with the requirements of SEBI Circular No. CIR/CFD/DIL/13/2012 dated September 25, 2012 within the periods stipulated therein, ASBA Applications may be submitted at all branches of the SCSBs.

Further, in terms of the SEBI circular CIR/CFD/DIL/1/2013 dated January 2, 2013, it is clarified that for making applications by banks on own account using ASBA facility, SCSBs should have a separate account in own name with any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making application in public/rights issues and clear demarcated funds should be available in such account for ASBA applications. SCSBs applying in the Issue using the ASBA facility shall be responsible for ensuring that they have a separate account in its own name with any other

SCSB having clear demarcated funds for applying in the Issue and that such separate account shall be used as the ASBA Account for the application, in accordance with the applicable regulations.

The list of banks which have been notified by SEBI to act as SCSBs for the ASBA Process is provided on http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries. For details on Designated Branches of SCSBs collecting the CAF, please refer the above mentioned SEBI link.

Eligible Equity Shareholders who are eligible to apply under the ASBA Process

The option of applying for Rights Shares in the Issue through the ASBA Process is only available to the Eligible Equity Shareholders of our Company on the Record Date and who:

- hold the Equity Shares in dematerialised form as on the Record Date and have applied towards his/her Rights Entitlements or additional Rights Shares in the Issue in dematerialised form;
- have not renounced his/her Rights Entitlements in full or in part;
- are not a Renouncee;
- are applying through a bank account maintained with SCSBs; and
- are eligible under applicable securities laws to subscribe for the Rights Entitlement and the Equity Shares in the Issue.

CAF

The Registrar will dispatch the CAF to all Eligible Equity Shareholders as per their Rights Entitlement on the Record Date for the Issue. Those Investors who wish to apply through the ASBA payment mechanism will have to select for this mechanism in Part A of the CAF and provide necessary details.

Investors desiring to use the ASBA Process are required to submit their applications by selecting the ASBA Option in Part A of the CAF only. Application in electronic mode will only be available with such SCSBs who provide such facility. The Investors shall submit the CAF to the Designated Branch of the SCSB for authorising such SCSB to block an amount equivalent to the amount payable on the application in the said ASBA Account.

More than one (1) ASBA Investor may apply using the same ASBA Account, provided that the SCSBs will not accept a total of more than five CAFs with respect to any single ASBA Account.

Acceptance of the Issue

You may accept the Issue and apply for the Rights Shares either in full or in part, by filling Part A of the respective CAFs sent by the Registrar, selecting the ASBA process option in Part A of the CAF and submit the same to the Designated Branch of the SCSB before the close of the banking hours on or before the Issue Closing Date or such extended time as may be specified by the Board of Directors of the Company in this regard.

Additional Rights Shares

You are eligible to apply for additional Rights Shares over and above the number of Rights Shares that you are entitled to, provided that you are eligible to apply for Rights Shares under applicable law and you have applied for all the Rights Shares (*as the case may be*) offered without renouncing them in whole or in part in favour of any other person(s). Applications for additional Rights Shares shall be considered and Allotment shall be made at the sole discretion of the Board, in consultation with the Designated Stock Exchange and in the manner prescribed under the section titled "Terms of the Issue - Basis of Allotment" beginning on page 485 of this Draft Letter of Offer.

If you desire to apply for additional Rights Shares please indicate your requirement in the place provided for additional Rights Shares in Part A of the CAF.

Renunciation under the ASBA Process

ASBA Investors can neither be Renouncees, nor can renounce their Rights Entitlement.

Mode of payment

The Investor applying under the ASBA Process agrees to block the entire amount payable on application with the submission of the CAF, by authorizing the SCSB to block an amount, equivalent to the amount payable on application, in an ASBA Account.

After verifying that sufficient funds are available in the ASBA Account details of which are provided in the CAF, the SCSB shall block an amount equivalent to the amount payable on application mentioned in the CAF until it receives instructions from the Registrar to the Issue. Upon receipt of intimation from the Registrar to the Issue, the SCSBs shall transfer such amount as per the Registrar to the Issue's instruction from the ASBA Account. This amount will be transferred in terms of the SEBI (ICDR) Regulations, into the separate bank account maintained by the Company for the purpose of the Issue. The balance amount remaining after the finalisation of the Basis of Allotment shall be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the Issue and the Lead Manager to the respective SCSB.

The Investor applying under the ASBA Process would be required to give instructions to the respective SCSBs to block the entire amount payable on their application at the time of the submission of the CAF.

The SCSB may reject the application at the time of acceptance of CAF if the ASBA Account, details of which have been provided by the Investor in the CAF does not have sufficient funds equivalent to the amount payable on application mentioned in the CAF. Subsequent to the acceptance of the application by the SCSB, the Company would have a right to reject the application only on technical grounds.

Options available to the Eligible Equity Shareholders applying under the ASBA Process

The summary of options available to the Investors is presented below. You may exercise any of the following options with regard to the Equity Shares, using the respective CAFs received from Registrar:

No.	Option Available	Action Required
1.	Accept whole or part of your Rights Entitlement without renouncing the balance.	Fill in and sign Part A of the CAF *(All joint holders must sign)*
2.	Accept your Rights Entitlement in full and apply for additional Rights Shares.	Fill in and sign Part A of the CAF including Block III relating to the acceptance of entitlement and Block IV relating to additional Rights Shares *(All joint holders must sign)*

The Investors applying under the ASBA Process will need to select the ASBA option process in the CAF and provide required necessary details. However, in cases where this option is not selected, but the CAF is tendered to the Designated Branch of the SCSBs with the relevant details required under the ASBA process option and the SCSBs block the requisite amount, then that CAFs would be treated as if the Investor has selected to apply through the ASBA process option.

Application on Plain Paper

An Eligible Equity Shareholder who has neither received the original CAF nor is in a position to obtain the duplicate CAF and who is applying under the ASBA Process may make an application to subscribe to the Issue on plain paper. Eligible Equity Shareholders shall submit the plain paper application to the Designated Branch of the SCSB for authorising such SCSB to block an amount equivalent to the amount payable on the application in the said bank account maintained with the same SCSB. Applications on plain paper will not be accepted from any address outside India.

The envelope should be super scribed "[***Zee Media Corporation Limited– Rights Issue***]" and should be postmarked in India. The application on plain paper, duly signed by the Eligible Equity Shareholders including joint holders, in the same order and as per the specimen recorded with the Company/

Depositories, must reach the office of the Registrar to the Issue before the Issue Closing Date and should contain the following particulars:

- Name of Issuer, being Zee Media Corporation Limited;
- Name and address of the Eligible Equity Shareholder including joint holders;
- Registered Folio Number/ DP and Client ID No.;
- Certificate numbers and distinctive numbers of Equity Shares, if held in physical form;
- Number of Equity Shares held as on Record Date;
- Number of Rights Shares entitled to;
- Number of Rights Shares applied for;
- Number of additional Rights Shares applied for, if any;
- Total number of Rights Shares applied for;
- Total amount paid at the rate of `[●] per Rights Share;
- Particulars of cheque/ demand draft;
- Details of the ASBA Account such as the account number, name, address and branch of the relevant SCSB;
- In case of non-resident investors, details of the NRE/FCNR/NRO account such as the account number, name, address and branch of the SCSB with which the account is maintained;
- Except for applications on behalf of the Central or State Government, residents of Sikkim and the officials appointed by the courts, PAN of the Eligible Equity Shareholder and for each Eligible Equity Shareholder in case of joint names, irrespective of the total value of the Rights Shares applied for pursuant to the Issue;
- Signature of the Eligible Equity Shareholders to appear in the same sequence and order as they appear in our records; and
- Additionally, all such Applicants are deemed to have accepted the following:

"*I/ We understand that neither the Rights Entitlement nor the Equity Shares have been, and will be, registered under the United States Securities Act of 1933 (the "**US Securities Act**") or any United States state securities laws, and may not be offered, sold, resold or otherwise transferred within the United States or to the territories or possessions thereof (the "**United States**") or to or for the account or benefit of a "U.S. Person" as defined in Regulation S of the US Securities Act ("**Regulation S**"). I/ we understand the Equity Shares referred to in this application are being offered in India but not in the United States. I/ we understand the offering to which this application relates is not, and under no circumstances is to be construed as, an offering of any Equity Shares or Rights Entitlement for sale in the United States, or as a solicitation therein of an offer to buy any of the said Equity Shares or Rights Entitlement in the United States. Accordingly, I/ we understand this application should not be forwarded to or transmitted in or to the United States at any time. I/ we understand that none of we, the Registrar, the Lead Manager or any other person acting on behalf of us will accept subscriptions from any person, or the agent of any person, who appears to be, or who, we, the Registrar, the Lead Manager or any other person acting on behalf of we have reason to believe is ineligible to participate in the Issue under the securities laws of their jurisdiction.*

I/ We will not offer, sell or otherwise transfer any of the Equity Shares which may be acquired by us in any jurisdiction or under any circumstances in which such offer or sale is not authorized or to any person to whom it is unlawful to make such offer, sale or invitation except under circumstances that will result in compliance with any applicable laws or regulations. We satisfy, and each account for which we are acting satisfies, all suitability standards for investors in investments of the type subscribed for herein imposed by the jurisdiction of our residence.

I/ We understand and agree that the Rights Entitlement and Equity Shares may not be reoffered, resold, pledged or otherwise transferred except in an offshore transaction in compliance with Regulation S, or otherwise pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act.

I/ We acknowledge that we, the Lead Manager, its affiliates and others will rely upon the truth and accuracy of the foregoing representations and agreements."

Option to receive Equity Shares in Dematerialized Form

ELIGIBLE EQUITY SHAREHOLDERS UNDER THE ASBA PROCESS MAY PLEASE NOTE THAT THE RIGHTS SHARES UNDER THE ASBA PROCESS CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO THE SAME DEPOSITORY ACCOUNT IN WHICH THE EQUITY SHARES ARE HELD BY SUCH ASBA APPLICANT ON THE RECORD DATE.

General instructions for Investors applying under the ASBA Process

(a) Please read the instructions printed on the respective CAF carefully.

(b) Application should be made on the printed CAF only and should be completed in all respects. The CAF found incomplete with regard to any of the particulars required to be given therein, and/or which are not completed in conformity with the terms of the Draft Letter of Offer, Letter of Offer, Abridged Letter of Offer are liable to be rejected. The CAF must be filled in English.

(c) The CAF in the ASBA Process should be submitted at a Designated Branch of the SCSB and whose bank account details are provided in the CAF and not to the Bankers to the Issue/Collecting Banks (*assuming that such Collecting Bank is not a SCSB*), to the Company or Registrar or Lead Manager to the Issue.

(d) All Applicants, and in the case of application in joint names, each of the joint Applicants, should mention his/her PAN allotted under the IT Act, irrespective of the amount of the application. Except for applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts, **CAFs without PAN will be considered incomplete and are liable to be rejected. With effect from August 16, 2010, the demat accounts for Investors for which PAN details have not been verified shall be "suspended for credit" and no allotment and credit of Equity Shares pursuant to the Issue shall be made into the accounts of such Investors**.

(e) All payments will be made by blocking the amount in the ASBA Account. Cash payment or payment by cheque/demand draft/pay order is not acceptable. In case payment is affected in contravention of this, the application may be deemed invalid and the application money will be refunded and no interest will be paid thereon.

(f) Signatures should be either in English or Hindi or in any other language specified in the Eighth Schedule to the Constitution of India. Signatures other than in English or Hindi and thumb impression must be attested by a Notary Public or a Special Executive Magistrate under his/her official seal. The Investors must sign the CAF as per the specimen signature recorded withour the Company/or Depositories.

(g) In case of joint holders, all joint holders must sign the relevant part of the CAF in the same order and as per the specimen signature(s) recorded with the Company/ Depositories. In case of joint Applicants, reference, if any, will be made in the first Applicant's name and all communication will be addressed to the first Applicant.

(h) All communication in connection with application for the Equity Shares, including any change in address of the Investors should be addressed to the Registrar to the Issue prior to the date of Allotment in this Issue quoting the name of the first/sole Applicant, folio numbers and CAF number.

(i) Only the person or persons to whom the Rights Shares have been offered and not renouncee(s) shall be eligible to participate under the ASBA process.

(j) Only persons outside the restricted jurisdictions and who are eligible to subscribe for Rights Entitlement and Rights Shares under applicable securities laws are eligible to participate.

(k) Only the Eligible Equity Shareholders holding shares in demat are eligible to participate through ASBA process.

(l) Eligible Equity Shareholders who have renounced their entitlement in part/ full are not entitled to apply using ASBA process.

(m) Please note that pursuant to the applicability of the directions issued by SEBI *vide* its circular CIR/CFD/DIL/1/ 2011 dated April 29, 2011, all Applicants who are QIBs, Non-Institutional Investors and other Applicants whose application amount exceeds `200,000 can participate in the Issue only through the ASBA process. The Investors who are not (i) QIBs, (ii) Non-Institutional Investors (iii) investors whose application amount is more than `200,000, can participate in the Issue either through the ASBA process or the non ASBA process.

Please note that subject to SCSBs complying with the requirements of SEBI Circular No. CIR/CFD/DIL/13/2012 dated September 25, 2012 within the periods stipulated therein, ASBA Applications may be submitted at all branches of the SCSBs.

Further, in terms of the SEBI circular CIR/CFD/DIL/1/2013 dated January 2, 2013, it is clarified that for making applications by banks on own account using ASBA facility, SCSBs should have a separate account in own name with any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making application in public/ rights issues and clear demarcated funds should be available in such account for ASBA applications. SCSBs applying in the Issue using the ASBA facility shall be responsible for ensuring that they have a separate account in its own name with any other SCSB having clear demarcated funds for applying in the Issue and that such separate account shall be used as the ASBA Account for the application, in accordance with the applicable regulations.

(n) In case of non – receipt of CAF, application can be made on plain paper mentioning all necessary details as mentioned under the section titled "Terms of the Issue - Application on Plain Paper" beginning on page 474 of this Draft Letter of Offer.

Do's:

(a) Ensure that the ASBA Process option is selected in Part A of the CAF and necessary details are filled in.

(b) Ensure that the details about your Depository Participant and beneficiary account are correct and the beneficiary account is activated as Equity Shares will be allotted in the dematerialized form only.

(c) Ensure that the CAFs are submitted with the Designated Branch of the SCSBs and details of the correct bank account have been provided in the CAF.

(d) Ensure that there are sufficient funds (equal to {number of Equity Shares as the case may be applied for} X {Issue Price of Equity Shares, as the case may be}) available in the ASBA Account mentioned in the CAF before submitting the CAF to the respective Designated Branch of the SCSB.

(e) Ensure that you have authorised the SCSB for blocking funds equivalent to the total amount payable on application mentioned in the CAF, in the ASBA Account, of which details are provided in the CAF and have signed the same.

(f) Ensure that you receive an acknowledgement from the Designated Branch of the SCSB for your submission of the CAF in physical form.

(g) Except for CAFs submitted on behalf of the Central or State Government, residents of Sikkim and the officials appointed by the courts, each Applicant should mention their PAN allotted under the IT Act.

(h) Ensure that the name(s) given in the CAF is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case the CAF is submitted in joint names, ensure that the beneficiary account is also held in same joint names and such names are in the same sequence in which they appear in the CAF.

(i) Ensure that the Demographic Details are updated, true and correct, in all respects.

(j) Ensure that the account holder in whose bank account the funds are to be blocked has signed authorising such funds to be blocked.

Don'ts:

(a) Do not apply if you are not eligible to participate in the Issue under the securities laws applicable to your jurisdiction.

(b) Do not apply on duplicate CAF after you have submitted a CAF to a Designated Branch of the SCSB.

(c) Do not pay the amount payable on application in cash, by money order, pay order or by postal order.

(d) Do not send your physical CAFs to the Lead Manager to Issue / Registrar / Collecting Banks (assuming that such Collecting Bank is not a SCSB) / to a branch of the SCSB which is not a Designated Branch of the SCSB / Company; instead submit the same to a Designated Branch of the SCSB only.

(e) Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground.
(f) Do not apply if the ASBA account has been used for five Applicants.
(g) Do not apply through the ASBA Process if you are not an ASBA Investor.
(h) Do not instruct the SCSBs to release the funds blocked under the ASBA Process.

Grounds for Technical Rejection under the ASBA Process

In addition to the grounds listed under section titled "Terms of the Issue - Grounds for Technical Rejection for Non-ASBA Investors" beginning on page 492 of this Draft Letter of Offer, applications under the ABSA Process are liable to be rejected on the following grounds:

(a) Application on a SAF.
(b) Application for allotment of Rights Entitlements or additional Rights Shares which are in physical form.
(c) DP ID and Client ID mentioned in CAF not matching with the DP ID and Client ID records available with the Registrar.
(d) Sending an ASBA application on plain paper to the Registrar to the Issue.
(e) Sending CAF to Lead Manager / Registrar / Collecting Bank (assuming that such Collecting Bank is not a SCSB) / to a branch of a SCSB which is not a Designated Branch of the SCSB / Company.
(f) Renouncee applying under the ASBA Process.
(g) Submission of more than five CAFs per ASBA Account.
(h) Insufficient funds are available with the SCSB for blocking the amount.
(i) Funds in the ASBA Account whose details are mentioned in the CAF having been frozen pursuant to regulatory orders.
(j) Account holder not signing the CAF or declaration mentioned therein.
(k) CAFs that do not include the certification set out in the CAF to the effect that the subscriber does not have a registered address (and is not otherwise located) in any restricted jurisdiction and is authorized to acquire the rights and the securities in compliance with all applicable laws and regulations.
(l) CAFs which have evidence of being executed in/dispatched from any restricted jurisdiction.
(m) QIBs, Non-Institutional Investors and other Eligible Equity Shareholders applying for Rights Shares in this Issue for value of more than `200,000 who hold Equity Shares in dematerialised form and is not a Renouncer or a Renouncee not applying through the ASBA process.
(n) The application by an Eligible Equity Shareholder whose cumulative value of Rights Shares applied for is more than `200,000 but has applied separately through split CAFs of less than `200,000 and has not done so through the ASBA process.
(o) Multiple CAFs, including cases where an Investor submits CAFs along with a plain paper application.
(p) Submitting the GIR instead of the PAN.
(q) An Eligible Equity Shareholder, who is not complying with any or all of the conditions for being an ASBA Investor, applies under the ASBA process.
(r) Applications by persons not competent to contract under the Indian Contract Act, 1872, as amended, except applications by minors having valid demat accounts as per the demographic details provided by the Depositories.

Depository account and bank details for Investors applying under the ASBA Process

IT IS MANDATORY FOR ALL THE INVESTORS APPLYING UNDER THE ASBA PROCESS TO RECEIVE THEIR RIGHTS SHARES IN DEMATERIALISED FORM AND TO THE SAME DEPOSITORY ACCOUNT IN WHICH THE EQUITY SHARES ARE HELD BY THE INVESTOR AS ON THE RECORD DATE. ALL INVESTORS APPLYING UNDER THE ASBA PROCESS SHOULD MENTION THEIR DEPOSITORY PARTICIPANT'S NAME, DEPOSITORY PARTICIPANT IDENTIFICATION NUMBER AND BENEFICIARY ACCOUNT NUMBER IN THE CAF. INVESTORS APPLYING UNDER THE ASBA PROCESS MUST ENSURE THAT THE NAME GIVEN IN THE CAF IS EXACTLY THE SAME AS THE NAME IN WHICH THE DEPOSITORY ACCOUNT IS HELD. IN CASE THE CAF IS SUBMITTED IN JOINT NAMES, IT SHOULD BE ENSURED THAT THE DEPOSITORY

ACCOUNT IS ALSO HELD IN THE SAME JOINT NAMES AND ARE IN THE SAME SEQUENCE IN WHICH THEY APPEAR IN THE CAF/PLAIN PAPER APPLICATIONS, AS THE CASE MAY BE.

Investors applying under the ASBA Process should note that on the basis of name of these Investors, Depository Participant's name and identification number and beneficiary account number provided by them in the CAF/plain paper applications, as the case may be, the Registrar to the Issue will obtain from the Depository, demographic details of these Investors such as address, bank account details for printing on refund orders and occupation ("Demographic Details"). Hence, Investors applying under the ASBA Process should carefully fill in their Depository Account details in the CAF.

These Demographic Details would be used for all correspondence with such Investors including mailing of the letters intimating unblocking of bank account of the respective Investor. The Demographic Details given by the Investors in the CAF would not be used for any other purposes by the Registrar to the Issue. Hence, Investors are advised to update their Demographic Details as provided to their Depository Participants.

By signing the CAFs, the Investors applying under the ASBA Processwould be deemed to have authorised the Depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

Letters intimating Allotment and unblocking or refund (if any) would be mailed at the address of the Investor applying under the ASBA Process as per the Demographic Details received from the Depositories. The Registrar to the Issue will give instructions to the SCSBs for unblocking funds in the ASBA Account to the extent Rights Shares are not allotted to such Investor. Investors applying under the ASBA Process may note that delivery of letters intimating unblocking of the funds may get delayed if the same once sent to the address obtained from the Depositories are returned undelivered. In such an event, the address and other details given by the Investor in the CAF would be used only to ensure dispatch of letters intimating unblocking of the ASBA Accounts.

Note that any such delay shall be at the sole risk of the Investors applying under the ASBA Process and none of the Company, the SCSBs or the Lead Manager shall be liable to compensate the Investor applying under the ASBA Process for any losses caused due to any such delay or liable to pay any interest for such delay.

In case no corresponding record is available with the Depositories that matches three (3) parameters, (a) names of the Investors (including the order of names of joint holders), (b) the DP ID, and (c) the beneficiary account number, then such applications are liable to be rejected.

Underwriting

The Issue is not underwritten.

Issue Schedule

Issue Opening Date:	[●]
Last date for receiving requests for SAFs:	[●]
Issue Closing Date:	[●]

The Board may however decide to extend the Issue period as it may determine from time to time but not exceeding thrity (30) days from the Issue Opening Date.

Basis of Allotment

Subject to the provisions contained in this Draft Letter of Offer, the Letter of Offer, the Articles of Association of the Company and the approval of the Designated Stock Exchange, the Board will proceed to allot the Rights Shares in the following order of priority:

(a) Full Allotment to those Eligible Equity Shareholders who have applied for their Rights Entitlement either in full or in part and also to the Renouncee(s) who has/ have applied for Rights Shares renounced in their favour, in full or in part.

(b) Investors whose fractional entitlements are being ignored would be given preference in allotment of one (1) additional Rights Share each if they apply for additional Rights Share. Allotment under this head shall be considered if there are any unsubscribed Rights Shares after allotment under (a) above. If number of Rights Shares required for Allotment under this head are more than the number of Rights Shares available after Allotment under (a) above, the Allotment would be made on a fair and equitable basis in consultation with the Designated Stock Exchange and will not be a preferential allotment.

(c) Allotment to the Eligible Equity Shareholders who having applied for all the Rights Shares offered to them as part of the Issue, have also applied for additional Rights Shares. The Allotment of such additional Rights Shares will be made as far as possible on an equitable basis having due regard to the number of Equity Shares held by them on the Record Date, provided there are any unsubscribed Rights Shares after making full Allotment in (a) and (b) above. The Allotment of such Rights Shares will be at the sole discretion of the Board in consultation with the Designated Stock Exchange, as a part of the Issue and will not be a preferential allotment.

(d) Allotment to Renouncees who having applied for all the Rights Shares renounced in their favour, have applied for additional Equity Shares provided there is surplus available after making full Allotment under (a), (b) and (c) above. The Allotment of such Rights Shares will be at the sole discretion of the Board in consultation with the Designated Stock Exchange, as a part of the Issue and will not be a preferential allotment.

(e) Allotment to any other person that the Board of Directors as it may deem fit provided there is surplus available after making Allotment under (a), (b), (c) and (d) above, and the decision of the Board in this regard shall be final and binding.

After taking into account Allotment to be made under (a) to (d) above, if there is any unsubscribed portion, the same shall be deemed to be 'unsubscribed' for the purpose of Regulation 3(1)(b) of the SEBI Takeover Code.

The Promoters of the Company, currently holds 250,280,727 Equity Shares aggregating to 69.11% of the pre-Issue share capital of the Company and have undertaken that they intend to subscribe to the full extent of its Rights Entitlement in the Issue. Such allotment of Rights Shares shall be exempt from open offer requirements in terms of Regulation 10(4)(a) of the SEBI Takeover Code.

In addition to subscription to its Rights Entitlement, i) 25FPS Media Private Limited; ii) ARM Infra & Uitilities Limited; iii) Prime Publishing Private Limited; and iv) Sprit Textiles Private Limited by way of their letter dated December 26, 2014 have further confirmed that they intend to subscribe to any unsubscribed portion in the Issue to ensure that atleast 90% of the Issue is subscribed, either jointly and/or severally, subject to aggregate shareholding of the Promoter and Promoter Group not exceeding 75% of the issued, outstanding and fully paid-up equity share capital of the Company after the Issue. As a result of such subscription and consequent allotment of Equity Shares, the aforementioned Promoters may acquire Equity Shares in excess of its Right Entitlements. Such acquisition will not attract open offer obligation subject to compliance with Regulation 10(4)(b) of the SEBI Takeover Code.

For further details of under subscription and allotment to the Promoter and Promoter Group, please refer to sub-section titled "Basis of Allotment" under the section titled "Terms of the Issue" beginning on page 466 of this Draft Letter of Offer.

Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar to the Issue shall send to the Controlling Branches, a list of the ASBA Investors who have been allocated Equity Shares in the Issue, along with:

- The amount to be transferred from the ASBA Account to the separate bank account opened by our Company for the Issue, for each successful ASBA;
- The date by which the funds referred to above, shall be transferred to the aforesaid bank account; and

- The details of rejected ASBA applications, if any, to enable the SCSBs to unblock the respective ASBA Accounts.

Allotment Advices / Refund Orders

The Company will issue and dispatch Allotment advice/ share certificates/ demat credit and/or letters of regret along with refund order or credit the allotted Rights Shares to the respective beneficiary accounts, if any, within a period of fifteen (15) Working Days from the Issue Closing Date. In case of failure to do so, the Company shall pay interest at such rate and within such time as specified under applicable law.

Investors residing at centers where clearing houses are managed by the RBI will get refunds through National Electronic Clearing Service ("***NECS***") except where Investors have not provided the details required to send electronic refunds.

In case of those Investors who have opted to receive their Rights Entitlement in dematerialized form using electronic credit under the depository system, advice regarding their credit of the Rights Shares shall be given separately. Investors to whom refunds are made through electronic transfer of funds will be sent a letter through ordinary post intimating them about the mode of credit of refund within fifteen (15) Working Days of the Issue Closing Date.

In case of those Investors who have opted to receive their Rights Entitlement in physical form and the Company issues letter of allotment, the corresponding Rights Share certificates will be kept ready within six (6) months from the date of Allotment thereof under Section 56 of the Companies Act or other applicable provisions, if any. Investors are requested to preserve such letters of allotment, which would be exchanged later for the Rights Share certificates.

The letter of allotment/ refund order would be sent by registered post/ speed post to the sole/ first Investor's registered address in India or the Indian address provided by the Eligible Equity Shareholders from time to time. Such refund orders would be payable at par at all places where the applications were originally accepted. The same would be marked 'Account Payee only' and would be drawn in favour of the sole/ first Investor. Adequate funds would be made available to the Registrar to the Issue for this purpose.

In the case of Non-resident Shareholders or Investors who remit their Application Money from funds held in NRE/FCNR Accounts, refunds and/or payment of interest or dividend and other disbursements, if any, shall be credited to such accounts, the details of which should be furnished in the CAF. Subject to the applicable laws and other approvals, in case of Non-resident Shareholders or Investors who remit their application money through Indian Rupee demand drafts purchased from abroad, refund and/or payment of dividend or interest and any other disbursement, shall be credited to such accounts and will be made after deducting bank charges or commission in US Dollars, at the rate of exchange prevailing at such time. The Company will not be responsible for any loss on account of exchange rate fluctuations for conversion of the Indian Rupee amount into US Dollars. The Share Certificate(s) will be sent by registered post / speed post to the address in India of the Non Resident Shareholders or Investors.

The Letter of Offer/ Abridged Letter of Offer and the CAF shall be dispatched to only such Non-resident Shareholders who have a registered address in India or have provided an Indian address.

Payment of Refund

Mode of making refunds

The payment of refund, if any, would be done through any of the following modes:

1. NECS – Payment of refund would be done through NECS for Investors having an account at any of the 68 centres where such facility has been made available. This mode of payment of refunds would be subject to availability of complete bank account details including the MICR

code as appearing on a cheque leaf, from the Depositories/the records of the Registrar. The payment of refunds is mandatory for Investors having a bank account at any centre where NECS facility has been made available (subject to availability of all information for crediting the refund through NECS).

2. National Electronic Fund Transfer ("***NEFT***") – Payment of refund shall be undertaken through NEFT wherever the Investors' bank has been assigned the Indian Financial System Code (IFSC), which can be linked to a MICR, allotted to that particular bank branch. IFSC Code will be obtained from the website of RBI as on a date immediately prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Investors have registered their nine digit MICR number and their bank account number with the Registrar to our Company or with the Depository Participant while opening and operating the demat account, the same will be duly mapped with the IFSC Code of that particular bank branch and the payment of refund will be made to the Investors through this method.

3. Direct Credit – Investors having bank accounts with the Bankers to the Issue shall be eligible to receive refunds through direct credit. Charges, if any, levied by the relevant bank(s) for the same would be borne by our Company.

4. RTGS – If the refund amount exceeds `200,000, the investors have the option to receive refund through RTGS. Such eligible Investors who indicate their preference to receive refund through RTGS are required to provide the IFSC code in the CAF. In the event the same is not provided, refund shall be made through NECS or any other eligible mode. Charges, if any, levied by the refund bank(s) for the same would be borne by our Company. Charges, if any, levied by the Investor's bank receiving the credit would be borne by the Investor.

5. For all other Investors the refund orders will be despatched through Speed Post/ Registered Post. Such refunds will be made by cheques, pay orders or demand drafts drawn in favour of the sole/first Investor and payable at par.

6. Credit of refunds to Investors in any other electronic manner, permissible under the banking laws, which are in force, and is permitted by SEBI from time to time.

Refund payment to Non- residents

Where applications are accompanied by Indian rupee drafts purchased abroad and payable at Mumbai, refunds will be made in the Indian rupees based on the U.S. dollars equivalent which ought to be refunded. Indian rupees will be converted into U.S. dollars at the rate of exchange, which is prevailing on the date of refund. The exchange rate risk on such refunds shall be borne by the concerned Applicant and the Company shall not bear any part of the risk.

Where the applications made are accompanied by NRE/FCNR/NRO cheques, refunds will be credited to NRE/FCNR/NRO accounts respectively, on which such cheques were drawn and details of which were provided in the CAF.

Printing of Bank Particulars on Refund Orders

As a matter of precaution against possible fraudulent encashment of refund orders due to loss or misplacement, the particulars of the Investor's bank account are mandatorily required to be given for printing on the refund orders. Bank account particulars, where available, will be printed on the refund orders/refund warrants which can then be deposited only in the account specified. The Company will in no way be responsible if any loss occurs through these instruments falling into improper hands either through forgery or fraud.

Allotment advice / Share Certificates/ Demat Credit

Allotment advice/ share certificates/ demat credit or letters of regret will be dispatched to the registered address of the first named Investor or respective beneficiary accounts will be credited within fifteen (15) Working Days, from the Issue Closing Date. In case the Company issues Allotment advice, the respective share certificates will be dispatched within one (1) month from the date of the Allotment. Allottees are requested to preserve such allotment advice (if any) to be exchanged later for share certificates.

Option to receive Rights Shares in Dematerialized Form

Investors shall be allotted the Rights Shares in dematerialized (*electronic*) form at the option of the Investor. The Company has signed a tripartite agreement with NSDL on December 27, 2006 which enables the Investors to hold and trade in Equity Shares in a dematerialized form, instead of holding the Equity Shares in the form of physical certificates. The Company has also signed a tripartite agreement with CDSL on January 5, 2007 which enables the Investors to hold and trade in Equity Shares in a dematerialized form, instead of holding the Equity Shares in the form of physical certificates.

In this Issue, the Allottees who have opted for Rights Shares in dematerialized form will receive their Rights Shares in the form of an electronic credit to their beneficiary account as given in the CAF, after verification with a depository participant.Investor will have to give the relevant particulars for this purpose in the appropriate place in the CAF. Allotment advice, refund order (if any) would be sent directly to the Investor by the Registrar to the Issue but the Investor's depository participant will provide to him the confirmation of the credit of such Rights Shares to the Investor's depository account. CAFs, which do not accurately contain this information, will be given the Rights Shares in physical form. No separate CAFs for Rights Shares in physical and/or dematerialized form should be made. If such CAFs are made, the CAFs for physical Rights Shares will be treated as multiple CAFs and is liable to be rejected. In case of partial Allotment, Allotment will be done in demat option for the Rights Shares sought in demat and balance, if any, will be allotted in physical Rights Shares. Eligible Equity Shareholders of the Company holding Equity Shares in physical form may opt to receive Rights Shares in the Issue in dematerialized form.

INVESTORS MAY PLEASE NOTE THAT THE EQUITY SHARES OF THE COMPANY CAN BE TRADED ON THE STOCK EXCHANGES ONLY IN DEMATERIALIZED FORM.

The procedure for availing the facility for Allotment of Rights Shares in this Issue in the electronic form is as under:

- Open a beneficiary account with any depository participant (*care should be taken that the beneficiary account should carry the name of the holder in the same manner as is registered in the records of the Company. In the case of joint holding, the beneficiary account should be opened carrying the names of the holders in the same order as registered in the records of the Company*). In case of Investors having various folios in the Company with different joint holders, the Investors will have to open separate accounts for such holdings. *Those Investors who have already opened such beneficiary account(s) need not adhere to this step.*

- For Eligible Equity Shareholders already holding Equity Shares of the Company in dematerialized form as on the Record Date, the beneficial account number shall be printed on the CAF. For those who open accounts later or those who change their accounts and wish to receive their Rights Shares pursuant to this Issue by way of credit to such account, the necessary details of their beneficiary account should be filled in the space provided in the CAF. It may be noted that the Allotment of Rights Shares arising out of this Issue may be made in dematerialized form even if the original Equity Shares of the Company are not dematerialized. Nonetheless, it should be ensured that the depository account is in the name(s) of the Investors and the names are in the same order as in the records of the Company/ Depositories.

  The responsibility for correctness of information (*including Investor's age and other details*) filled in the CAF *vis-à-vis* such information with the Investor's depository participant, would rest with the Investor. Investors should ensure that the names of the Investors and the order in

which they appear in CAF should be the same as registered with the Investor's depository participant.

If incomplete / incorrect beneficiary account details are given in the CAF, the Investor will get Rights Shares in physical form.

The Rights Shares allotted to Applicants opting for issue in dematerialized form, would be directly credited to the beneficiary account as given in the CAF after verification. Allotment advice, refund order (if any) would be sent directly to the Applicant by the Registrar to the Issue but the Applicant's depository participant will provide to him the confirmation of the credit of such Rights Shares to the Applicant's depository account.

Renouncees will also have to provide the necessary details about their beneficiary account for Allotment of Rights Shares in this Issue. In case these details are incomplete or incorrect, the application is liable to be rejected.

General instructions for non-ASBA Investors

(a) Please read the instructions printed on the CAF carefully.

(b) Applicants that are not QIBs or are not Non – Institutional Investor or those whose Application Money does not exceed `200,000 may participate in the Issue either through ASBA or the non-ASBA process. Eligible Equity Shareholders who have renounced their entitlement (*in full or in part*), Renouncees and Applicants holding Equity Shares in physical form and/or subscribing in the Issue for Allotment in physical form may participate in the Issue only through the non ASBA process.

(c) Application should be made on the printed CAF, provided by the Company except as mentioned under the section titled "Terms of the Issue - Application on Plain Paper" beginning on page 474 of this Draft Letter of Offer and should be completed in all respects. The CAF found incomplete with regard to any of the particulars required to be given therein, and/ or which are not completed in conformity with the terms of this Draft Letter of Offer are liable to be rejected and the money paid, if any, in respect thereof will be refunded without interest and after deduction of bank commission and other charges, if any. The CAF must be filled in English and the names of all the Investors, details of occupation, address, father's / husband's name must be filled in block letters.

The CAF together with the cheque/demand draft should be sent to the Bankers to the Issue/Collecting Bank or to the Registrar to the Issue and not to the Company or Lead Manager to the Issue. Investors residing at places other than cities where the branches of the Bankers to the Issue have been authorised by the Company for collecting applications, will have to make payment by Demand Draft payable at [●] of an amount net of bank and postal charges and send their CAFs to the Registrar to the Issue by registered post. If any portion of the CAF is/are detached or separated, such application is liable to be rejected.

Applications where separate cheques/demand drafts are not attached for amounts to be paid for Rights Shares are liable to be rejected. Applications accompanied by cash, postal order or stockinvest are liable to be rejected.

(d) Except for applications on behalf of the Central and State Government, the residents of Sikkim and the officials appointed by the courts, all Investors, and in the case of application in joint names, each of the joint Investors, should mention his/her PAN allotted under the IT Act, irrespective of the amount of the application. CAFs without PAN will be considered incomplete and are liable to be rejected.

(e) Investors, holding Equity Shares in physical form, are advised that it is mandatory to provide information as to their savings/current account number, the nine digit MICR number and the name of the bank with whom such account is held in the CAF to enable the Registrar to the Issue to print the said details in the refund orders, if any, after the names of the payees. Application not containing such details is liable to be rejected.

(f) All payment should be made by cheque/demand draft only. Cash payment is not acceptable. In case payment is effected in contravention of this, the application may be deemed invalid and

the application money will be refunded and no interest will be paid thereon.

(g) Signatures should be either in English or Hindi or in any other language specified in the Eighth Schedule to the Constitution of India. Signatures other than in English or Hindi and thumb impression must be attested by a Notary Public or a Special Executive Magistrate under his/ her official seal. The Investors must sign the CAF as per the specimen signature recorded with the Company.

(h) In case of an application under power of attorney or by a body corporate or by a society, a certified true copy of the relevant power of attorney or relevant resolution or authority to the signatory to make the relevant investment under this Issue and to sign the application and a copy of the Memorandum and Articles of Association and / or bye laws of such body corporate or society must be lodged with the Registrar to the Issue giving reference of the serial number of the CAF. In case the above referred documents are already registered with the Company, the same need not be a furnished again. In case these papers are sent to any other entity besides the Registrar to the Issue or are sent after the Issue Closing Date, then the application is liable to be rejected. In no case should these papers be attached to the application submitted to the Bankers to the Issue.

(i) In case of joint holders, all joint holders must sign the relevant part of the CAF in the same order and as per the specimen signature(s) recorded with the Company/Depositories. Further, in case of joint Investors who are Renouncees, the number of Investors should not exceed three. In case of joint Investors, reference, if any, will be made in the first Investor's name and all communication will be addressed to the first Investor.

(j) Application(s) received from NRs/NRIs, or persons of Indian origin residing abroad for Allotment of Equity Shares shall, *inter alia*, be subject to conditions, as may be imposed from time to time by the RBI under FEMA, including regulations relating to QFI's, in the matter of refund of application money, Allotment of Rights Shares, subsequent issue and Allotment of Rights Shares, interest, export of share certificates, etc. In case an NR or NRI Investor has specific approval from the RBI, in connection with his shareholding, he should enclose a copy of such approval with the CAF. Additionally, applications will not be accepted from NRs/NRIs in any jurisdiction where the offer or sale of the Rights Entitlements and Rights Shares may be restricted by applicable securities laws.

(k) All communication in connection with application for the Rights Shares, including any change in address of the Investors should be addressed to the Registrar to the Issue prior to the date of Allotment in this Issue quoting the name of the first/sole Investor, folio numbers and CAF number. Please note that any intimation for change of address of Investors, after the date of Allotment, should be sent to the Registrar and Transfer Agents of the Company, in the case of Equity Shares held in physical form and to the respective depository participant, in case of Equity Shares held in dematerialized form.

(l) SAFs cannot be re-split.

(m) Only the person or persons to whom Rights Shares have been offered and not Renouncee(s) shall be entitled to obtain SAFs.

(n) Investors must write their CAF number at the back of the cheque /demand draft.

(o) Only one (1) mode of payment per application should be used. The payment must be by cheque / demand draft drawn on any of the banks, including a co-operative bank, which is situated at and is a member or a sub member of the Bankers Clearing House located at the centre indicated on the reverse of the CAF where the application is to be submitted.

(p) A separate cheque / draft must accompany each CAF. Outstation cheques / demand drafts or post-dated cheques and postal / money orders will not be accepted and applications accompanied by such cheques / demand drafts / money orders or postal orders will be rejected. The Registrar will not accept payment against application if made in cash.

(q) No receipt will be issued for application money received. The Bankers to the Issue / Collecting Bank/ Registrar will acknowledge receipt of the same by stamping and returning the acknowledgment slip at the bottom of the CAF.

(r) The distribution of the Letter of Offer and issue of Rights Shares and Rights Entitlements to persons in certain jurisdictions outside India may be restricted by legal requirements in those jurisdictions. Persons in such jurisdictions are instructed to disregard the Letter of Offer and not to attempt to subscribe for Rights Shares.

Do's for non-ASBA Investors:

(a) Check if you are eligible to apply i.e. you are an Eligible Equity Shareholder on the Record Date.

(b) Read all the instructions carefully and ensure that the cheque/ draft option is selected in Part A of the CAF and necessary details are filled in.

(c) In the event you hold Equity Shares in dematerialised form, ensure that the details about your Depository Participant and beneficiary account are correct and the beneficiary account is activated as the Rights Shares will be allotted in the dematerialized form only.

(d) Ensure that your Indian address is available to the Company and the Registrar and Transfer Agent, in case you hold Equity Shares in physical form or the depository participant, in case you hold Equity Shares in dematerialised form.

(e) Ensure that the value of the cheque/ draft submitted by you is equal to the (number of Equity Shares applied for) X (Issue Price of Equity Shares, as the case may be) before submission of the CAF.

(f) Ensure that you receive an acknowledgement from the collection branch of the Banker to the Issue for your submission of the CAF in physical form.

(g) Ensure that you mention your PAN allotted under the IT Act with the CAF, except for Applications on behalf of the Central and State Governments, residents of the state of Sikkim and officials appointed by the courts.

(h) Ensure that the name(s) given in the CAF is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case the CAF is submitted in joint names, ensure that the beneficiary account is also held in same joint names and such names are in the same sequence in which they appear in the CAF.

(i) Ensure that the demographic details are updated, true and correct, in all respects.

Don'ts for non-ASBA Investors:

(a) Do not apply if you are not eligible to participate in the Issue the securities laws applicable to your jurisdiction.

(b) Do not apply on duplicate CAF after you have submitted a CAF to a collection branch of the Banker to the Issue.

(c) Do not pay the amount payable on application in cash, by money order or by postal order.

(d) Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground.

(e) Do not submit Application accompanied with stockinvest.

Grounds for Technical Rejections for non-ASBA Investors

Investors are advised to note that applications are liable to be rejected on technical grounds, including the following:

- Amount paid does not tally with the amount payable.
- Bank account details (*for refund*) are not given and the same are not available with the DP (*in the case of dematerialized holdings*) or the Registrar and Transfer Agent (*in the case of physical holdings*).
- Age of Investor(s) not given (*in case of Renouncees*).
- Except for CAFs on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts, PAN not given for application of any value.
- In case of CAF under power of attorney or by limited companies, corporate, trust, relevant documents are not submitted.
- If the signature of the Investor does not match with the one given on the CAF and for renounce(s) if the signature does not match with the records available with their depositories.
- CAFs are not submitted by the Investors within the time prescribed as per the CAF and this Draft Letter of Offer.
- CAFs not duly signed by the sole/joint Investors.
- CAFs/ SAFs by OCBs not accompanied by a copy of an RBI approval to apply in this Issue.
- CAFs accompanied by stockinvest/ outstation cheques/ post-dated cheques/ money order/ postal order/ outstation demand drafts.

- In case no corresponding record is available with the depositories that match three parameters, namely, names of the Investors (including the order of names of joint holders), DP ID and Client ID.
- CAFs that do not include the certifications set out in the CAF to the effect that the subscriber does not have a registered address (and is not otherwise located) in any restricted jurisdictions and is authorized to acquire the Rights Entitlements and Equity Shares in compliance with all applicable laws and regulations.
- CAFs which have evidence of being executed in/dispatched from restricted jurisdictions.
- CAFs by ineligible Non-Residents (including on account of restriction or prohibition under applicable local laws) and where a registered address in India has not been provided.
- CAFs where the Company believes that CAF is incomplete or acceptance of such CAF may infringe applicable legal or regulatory requirements.
- In case the GIR number is submitted instead of the PAN.
- Applications by Renouncees who are persons not competent to contract under the Indian Contract Act, 1872, except applications by minors having valid demat accounts as per the demographic details provided by the Depositories.
- Multiple CAFs, including cases where an Investor submits CAFs along with a plain paper application.
- Applications from QIBs, Non-Institutional Investors or Investors applying in this Issue for Equity Shares for an amount exceeding `200,000, not through ASBA process.

Please read this Draft Letter of Offer and the instructions contained therein and in the CAF carefully before filling in the CAF. The instructions contained in the CAF are an integral part of this Draft Letter of Offer and must be carefully followed. The CAF is liable to be rejected for any non-compliance of the provisions contained in this Draft Letter of Offer or the CAF.

Bids by FPIs, FIIs and QFIs

In terms of the SEBI (FPI) Regulations, the issue of Equity Shares to a single FPI or an investor group (*which means the same set of ultimate beneficial owner(s) investing through multiple entities*) is not permitted to exceed 10% of the Company's post-Issue equity share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10% of the total paid-up equity share capital of the Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up equity share capital of the Company. The aggregate limit of 24% may be increased up to the sectoral cap by way of a resolution passed by the Board of Directors followed by a special resolution passed by the Equity Shareholders of the Company. However, as on the date of this Draft Letter of Offer, the Company has not increased the FII limit. In this regard, the Company will have to make an application to RBI and FIPB, seeking permission for increasing the FII investment limits from the current 24% under the portfolio investment scheme (presently, the foreign portfolio investors scheme) in the Company.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

An FII who holds a valid certificate of registration from SEBI shall be deemed to be an FPI until the expiry of the block of three (3) years for which fees have been paid as per the SEBI FII Regulations. An FII or a sub-account (other than a sub-account which is a foreign corporate or a foreign individual) may participate in the Issue, until expiry of its registration as an FII or sub-account or until it obtains a certificate of registration as an FPI, whichever is earlier. If the registration of an FII or sub-account has expired or is about to expire, such FII or sub-account may, subject to payment of conversion fees as applicable under the SEBI FPI Regulations, participate in the Issue. An FII or sub-account shall not be eligible to invest as an FII after registering as an FPI under the SEBI FPI Regulations.

In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs as well as holding of FIIs (*being deemed FPIs*) shall be included.

Further, in terms of the SEBI (FPI) Regulations, a QFI may continue to buy, sell or otherwise deal in securities, subject to the provisions of the SEBI (FPI) Regulations, until January 6, 2015 (or such other

date as may be specified by SEBI) or until the QFI obtains a certificate of registration as FPI, whichever is earlier.

The existing individual and aggregate investment limits for Eligible QFIs in an Indian company are 5% and 10% of the paid-up capital of an Indian company, respectively**.** In terms of the FEMA Regulations, a QFI shall not be eligible to invest as a QFI upon obtaining registration as an FPI. However, all investments made by a QFI in accordance with the regulations, prior to registration as an FPI shall continue to be valid and taken into account for computation of the aggregate limit.

Investment by NRIs

Investments by NRIs are governed by the Portfolio Investment Scheme under Regulation 5(3)(i) of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, as amended. Applications will not be accepted from NRIs in restricted jurisdictions.

Please note that pursuant to the applicability of the directions issued by SEBI *vide* its circular bearing number CIR/ CFD/ DIL/1/2011 dated April 29, 2011, all Applicants who are QIBs, Non-Institutional Investors or are applying in this Issue for Equity Shares for an amount exceeding `200,000 shall mandatorily make use of ASBA facility.

Procedure for Applications by Mutual Funds

A separate application can be made in respect of each scheme of an Indian mutual fund registered with SEBI and such applications shall not be treated as multiple applications. The applications made by asset management companies or custodians of a mutual fund should clearly indicate the name of the concerned scheme for which the application is being made.

Please note that pursuant to the applicability of the directions issued by SEBI *vide* its circular bearing number CIR/ CFD/ DIL/ 1/ 2011 dated April 29, 2011, all Applicants who are QIBs, Non-Institutional Investors or are applying in this Issue for Equity Shares for an amount exceeding ` 200,000 shall mandatorily make use of ASBA facility.

Impersonation

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

"***Any person who:***

(a) ***makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or***

(b) ***makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or***

(c) ***otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,***

shall be punishable with imprisonment for a term which may extend to ten years**".**

Dematerialized dealing

The Company has entered into agreements dated December 27, 2006 and January 5, 2007 with NSDL and CDSL, respectively, and its Equity Shares bear the ISIN INE 966H01019.

Payment by stockinvest

In terms of RBI Circular DBOD No. FSC BC 42/24.47.00/2003- 04 dated November 5, 2003, the stockinvest Scheme has been withdrawn. Hence, payment through stockinvest would not be accepted in this Issue.

Disposal of application and application money

No acknowledgment will be issued for the application moneys received by the Company. However, the Bankers to the Issue / Registrar to the Issue/ Designated Branch of the SCSBs receiving the CAF will acknowledge its receipt by stamping and returning the acknowledgment slip at the bottom of each CAF.

The Board reserves its full, unqualified and absolute right to accept or reject any application, in whole or in part, and in either case without assigning any reason thereto.

In case an application is rejected in full, the whole of the application money received will be refunded. Wherever an application is rejected in part, the balance of application money, if any, after adjusting any money due on Rights Shares allotted, will be refunded to the Investor within a period of fifteen (15) Working Days from the Issue Closing Date. In case of failure to do so, the Company shall pay interest at such rate and within such time as specified under applicable law.

For further instructions, please read the CAF carefully.

Utilisation of Issue Proceeds

The Board of Directors declares that:

(i) All monies received out of the Issue shall be transferred to a separate bank account;
(ii) Details of all monies utilized out of the Issue shall be disclosed, and continue to be disclosed till the time any part of the Issue Proceeds remains unutilised, under an appropriate separate head in the balance sheet of the Company indicating the purpose for which such monies have been utilised;
(iii) Details of all unutilized monies out of the Issue, if any, shall be disclosed under an appropriate separate head in the balance sheet of the Company indicating the form in which such unutilized monies have been invested; and
(iv) The Company may utilize the funds collected in the Issue only after the basis of Allotment is finalized.

Undertakings by the Company

The Company undertakes the following:

1. The complaints received in respect of the Issue shall be attended to by the Company expeditiously and satisfactorily.
2. All steps for completion of the necessary formalities for listing and commencement of trading at all Stock Exchanges where the Rights Shares are to be listed will be taken within seven (7) Working Days of finalization of Basis of Allotment.
4. The funds required for making refunds to unsuccessful Applicants as per the mode(s) disclosed shall be made available to the Registrar to the Issue by the Company.
5. Where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the Investor within fifteen (15) Working Days of the Issue Closing Date, giving details of the banks where refunds shall be credited along with amount and expected date of electronic credit of refund.
6. No further issue of securities affecting the Company's equity share capital shall be made till the securities issued/ offered through this Draft Letter of Offer are listed or till the application money are refunded on account of non-listing, under-subscription etc.
7. The Company accepts full responsibility for the accuracy of information given in this Draft

Letter of Offer and confirms that to the best of its knowledge and belief, there are no other facts the omission of which makes any statement made in this Draft Letter of Offer misleading and further confirms that it has made all reasonable enquiries to ascertain such facts.

8. Adequate arrangements shall be made to collect all ASBA applications and to consider then similar to non-ASBA applications while finalising the basis of Allotment.
9. At any given time there shall be only one (1) denomination for the Equity Shares of the Company.
10. The Company shall comply with such disclosure and accounting norms specified by SEBI from time to time.

Minimum Subscription

If the Company does not receive the minimum subscription of 90% of the Issue, the Company shall refund the entire subscription amount received within fifteen (15) Working Days from the Issue closing date. If there is delay in the refund of the subscription amount by more than eight (8) days after the Company becomes liable to pay the subscription amount (*i.e., 15 days after the Issue Closing Date*), the Company shall pay interest for the delayed period, as prescribed under Section 39 of the Companies Act.

Further, as per the Companies Act, if the minimum amount has not been subscribed and the sum payable on application is not received within a period of thrity (30) days from the date of this Draft Letter of Offer, the application money has to be returned within such period as may be prescribed. In the event of any failure to refund the application money within the specified period, the Company and its officer who is in default shall be liable to a penalty of `1,000 for each day during which the default continues or `100,000, which ever is less.

Important

- Please read this Draft Letter of Offer carefully before taking any action. The instructions contained in the CAF are an integral part of the conditions of the Letter of Offer and must be carefully followed; otherwise the application is liable to be rejected.

- All enquiries in connection with this Draft Letter of Offer or CAF and requests for SAFs must be addressed quoting the Registered Folio Number/ DP and Client ID number, the CAF number and the name of the first Eligible Equity Shareholder as mentioned on the CAF and superscribed "[***Zee Media Corporation Limited - Rights Issue***]" on the envelope and postmarked in India) to the Registrar to the Issue at the following address:

  Sharepro Services (India) Private Limited
  13 AB, Samhita Warehousing Complex
  2nd Floor, Sakinaka Telephone Exchange Lane
  Off Andheri-Kurla Road, Sakinaka
  Andheri (E), Mumbai 400 072, India.
  Telephone: +91 22 6772 0300
  Facsimile: +91 22 2859 1568
  Website: www.shareproservices.com
  Investor grievance email: rights@shareproservices.com
  Contact Person: Mr. Anil Dalvi/ Mr. Sachin Shinde
  Compliance Officer: Mr. Anil Dalvi/ Mr. Sachin Shinde
  SEBI Registration Number: INR000001476

- The Issue will remain open for a minimum fifteen (15) days. However, the Board will have the right to extend the Issue period as it may determine from time to time but not exceeding thrity (30) days from the Issue Opening Date.

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The government bodies responsible for granting foreign investment approvals are FIPB and the RBI.

The Government has from time to time made policy pronouncements on FDI through press notes and press releases. The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India ("***DIPP***"), issued Circular 1 of 2014 ("***Circular 1 of 2014***"), which with effect from April 17, 2014, consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DIPP that were in force and effect as on April 16, 2014. The Government proposes to update the consolidated circular on FDI Policy once every year and therefore, Circular 1 of 2014 will be valid until the DIPP issues an updated circular (expected on April 16, 2015 and effective from April 17, 2015).

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the FIPB or the RBI, provided that (i) the activities of the investee company are under the automatic route under the foreign direct investment ("***FDI***") Policy and transfer does not attract the provisions of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended; (ii) the non-resident shareholding is within the sectoral limits under the FDI policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue.

SECTION VIII: MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION

Capitalised terms used in this section have the meaning given to such terms in the Articles of the Company. Pursuant to Schedule II of the Companies Act, 1956 and the SEBI (ICDR) Regulations, the main provisions of the Articles of Association of the Company relating to voting rights, dividend, lien, forfeiture, restrictions on transfer and transmission of Equity Shares and or their consolidation/splitting are required to be stated. The regulations contained in Table A of Schedule I of the Companies Act, 1956, shall apply to the Company in so far as they are not inconsistent with or repugnant to any of the regulations contained in the Articles of Association of the Company.

SHARES

3.	The Authorised Share Capital of the Company shall be such amount and be divided into such shares as may, from time to time, be provided in clause V of Memorandum of Association with power to subdivide, consolidate and increase and with power from time to time, to issue any shares of the original capital with and subject to any preferential, qualified or special rights, privileges or conditions as may be, thought fit, and upon the subdivision of shares to apportion the right to participate in profits, in any manner as between the shares resulting from sub-division. Minimum paid up share capital of the Company shall be Rs.5,00,000/- (Rupees Five Lacs).	Share Capital
4	The Company shall have power to issue Preference Shares carrying right to redemption out of profits which would otherwise be available for dividend, or out of the proceeds of a fresh issue of shares made for the purpose of such redemption, or liable to be redeemed at the option of the Company, and the Board may subject to the provisions of Section 80 of the Act, exercise such power in such manner as it think fit.	Redeemable Preference Shares
4A	Subject to the provisions of Section 80,81,85 to 90 and other applicable provisions of the Companies Act, 1956 including applicable rules, the new shares shall be issued upon terms and conditions and with such rghts and privileges as the Board shall determine; and in particular such shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company and subject to the provisions of the said sections of the Act, with special or differential voting rights.	
5	Subject to the provisions of Section 81 of the Act and these Articles, the shares I the capital of the Company for the time being shall be under the control of the Directors who may issue, allot or otherwise dispose off the same on such terms and condition, and at such time as the Directors think fit and with power to issue any shares as fully paid up in consideration, of services rendered to the Company in its formation or otherwise, provided that where the Directors decide to increase the issued capital of the Company by the issue of further shares, the provisions of Section 81 of the Act will be complied with. Provided further that the option or right to call of shares shall not be given to any person except with the sanction of the company in general meeting.	Allotment of Shares
6	Subject to the provisions of the Act it shall be lawful for the company to issue at a discount, shares of a class already issued.	Issue of Shares at a discount
7	The Company may, subject to compliance with the provisions of Section 76 of the Act, exercise the powers of paying commission on the issue of shares debentures. The commission may be paid or satisfied in cash or shares, debentures or debenture stock of the Company.	Commission for placing shares

8	The Company may pay a reasonable sum of brokerage, subject to the ceiling prescribed under the Act.	Brokerage
9	Subject to Section 187C of the Act, the Company shall be entitled to treat the registered holder of any share as the absolute owner thereof and accordingly shall not, except as ordered by a Court of competent jurisdiction or as by law required, be bound to recognize any trust, benami or equitable or other claim to or interest in such shares or any fractional part of a share whether or not it shall have express or other notice thereof.	Trusts not recognize

CERTIFICATE

10	The certificate to title to shares shall be issued under the Seal of the Company.	Certificate
11	Every member shall be entitled, without payment, to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the Directors so approve (upon paying such fee as the Directors may from time to time determine) to several certificates, each for one or more of such shares and the company shall complete and have ready for delivery such certificates within three months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within one month of the receipt of application of registration of transfer, transmission, sub-division, consolidation or renewal of any of its shares as the case may be. Every certificate of shares shall be under the seal of the company and shall specify the number and distinctive numbers of shares in respect of which it is issued and amount paid-up thereon and shall be in such form as the directors may prescribe or approve, provided that in respect of a share or shares held jointly by several persons, the company shall not be borne to issue more than one certificate and delivery of a certificate of shares to one of several joint holders shall be sufficient delivery to all such holder. Particulars of every certificate issued shall be entered in the Register maintained in the form set out in the Companies (Issue of Share Certificate) Rules, 1960.	Member's right to certificate
12(1)	If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, a new Certificate may be issued in lieu thereof, and if any certificate lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, being given, an a new Certificate in lieu thereof shall be given to the party entitled to such lost or destroyed Certificate. Every Certificates under the Article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rs.2/- for each certificate) as the Directors shall prescribe. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer. Provided that notwithstanding what is stated above the Directors shall comply with such Rules or Regulation or requirements of any Stock Exchange or the Rules made under the Act or the rules made under Securities Contracts (Regulation) Act, 1956 or any other Act, or rules applicable in this behalf. The provisions of this Article shall mutatis mutandis apply to debentures of the Company.	As to issue of new certificates

12(2) No fee shall be charged for sub-division and consolidation of share and debenture certificates and for sub-division of letter of allotment and split, consolidation, renewal and pucca transfer receipts into denominations corresponding to the market units of trading, for sub-division of renounceable letters of rights; for issue of new certificate in replacement of those which are old, decrepit or worn out, or where the cages on the reverse for recording transfers have been fully utilized. Provided that the Company may charge such fees as may be agreed by it with the Stock Exchange with which its shares may be enlisted for the time being for issue of new certificates in replacement of those that are torn, defaced, lost or destroyed, and for sub-division and consolidation of share and debenture certificates and for sub-division of letter of allotment and split, consolidation, renewal and pucca transfer receipts into denominations other than those fixed for the market units of trading.

CALLS

16	The Directors may, from time to time, subject to the terms on which any shares may have been issued, make such calls as they think fit upon the members in respect of all moneys unpaid on the shares held by them respectively, and not by the conditions of allotment thereto made payable at fixed times, and each member shall pay the amount of every call so made on him to the persons and at the times and places appointed by the Directors. A call may be made payable by installments.	Calls
17	That the option or right to call of shares shall not be given to any person except with the sanction of the Company in general meeting.	When call deemed to have been made
18	Not less than 30 (thirty) days notice of any call shall be given specifying the time and place of payment and to whom such call shall be paid.	Notice to all
19	If by the terms of issue of any share or otherwise, the whole or part of the amount of issue price thereof is made payable at any fixed time or by installments at fixed times, every such amount of issue price or installment thereof shall be payable as if it was a call duly made by the Directors and of which due notice had been given and all the provisions herein contained in respect of calls shall apply to such amount or issue price or installments accordingly.	Amount payable
20	If the sum payable in respect of any call or installment not paid on or before the day appointed for the payment thereof, the holder for the time being of the share in respect of which the call shall have been made or the installment shall be due, shall pay interest for the same , from the day appointed for the payment thereof to the actual payment at such rate as the Directors may determine but they shall have power to waive the payment thereof wholly or in part.	Interest to be charged on non-payment of call
21	On the trial or hearing of any action or suit brought by the Company against any member or his representative to recover any debt or money claimed to be due to the Company in respect of his shares, it shall be sufficient to prove that the name of the defendant is, or was, when the claim arose, on the Register of the Company as a holder, or one of the holders of the number of shares in respect of which such claim is made, that the resolution making the call is duly recorded in the minute book and that the amount claimed is not entered as paid in the books of the Company, and it shall not be necessary to prove the appointment of the Directors who made any call nor that a quorum of Directors was present at the meeting at which any call was made nor that such meeting was duly	Evidence in actions by Company against Shareholders

convened or constituted, nor any other matter whatsoever; but the proof of the matters aforesaid shall be conclusive evidence of the debt.

22 The Board may, if it thinks fit, receive from any member willing to advance the same, all or any part of the money due upon the shares held by him beyond the sums actually called for, and upon the money so paid or satisfied in advance, or so much thereof as from time to time exceeds the amount of call then made, upon the share in respect of which such advance has been made, the Company may pay interest at such rate as the Board think fit. Money so paid in excess of the amount of call shall not rank for dividends or confer a right to participate in profits. The Board may at any time repay the amount so advanced. Payment of calls in advance

FORFEITURE AND LIEN

23 If any member fails to pay any call or installment on or before the day appointed for the payment of the same, the Directors may at any time thereafter, during such time as the call or installment remains unpaid, serve notice on such member requiring him to pay the same together with any interest that may have accrued and expenses, that may have been incurred by the Company by reasons of such non-payment. Notice may be given for calls or installment not paid.

24 The notice shall name a day (not being less than 30 (Thirty) days from the date of the notice and a place or places on and at which such call or installment and such interest and expenses as aforesaid are to be paid. The notice shall also state that in the event of non-payment at or before the time, and at the place or places appointed, the shares in respect of which such call was made or installment is payable will be liable to be forfeited. Form of notice

25 If the requirement of any such notice as aforesaid be not complied with, any shares in respect which such notice has been given may, at any time thereafter before payment of all calls or installments, interest and expenses due in respect thereof be forfeited by a resolution of the Directors to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited share not actually paid before the forfeiture. Neither the receipt by the Company of a portion of any money which shall, from time to time, be due from any member of the Company in respect of his shares, either by way of principal or interest, nor any indulgency granted by the Company in respect of the payment of any such money shall preclude the Company from thereafter proceeding to enforce a forfeiture of such share as herein provided. If notice not complied with shares may be forfeited.

26 When any shares shall have been so forfeited, notice of the forfeiture shall be given to the member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture with the date thereof, shall forthwith be made in the Register but no forfeiture with the date thereof, shall forthwith be made in the Register but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make such entry as aforesaid. Notice after forfeiture

27 Any share so forfeited shall be deemed to be the property of the Company, and the Directors may sell, re-allot or otherwise dispose off the same in such manner as they think fit. Forfeited share to become property of the Company

28 The Directors may, at any time before any share so forfeited shall not be sold, re-allotted or otherwise disposed off, annul the forfeiture thereof upon such conditions as they think fit. Power to annul forfeiture

29	Any member whose shares have been forfeited shall notwithstanding such forfeiture, be liable to pay and shall forthwith pay to the Company all calls, installments, interest and the expenses, owing upon or in respect of such shares, at the time of all installments, interest and the forfeiture together with interest thereupon, from the time of the forfeiture until payment at 12 (Twelve) per cent per annum or such other rate as the Directors may determine and the Directors may enforce the payment thereof without any deduction or allowance for the value of shares at the time of forfeiture but shall not be under any obligation to do so.	Arrears to be paid notwithstanding forfeiture
30	The forfeiture of a share shall involve the extinction of all the interest in and also of all claims and demands against the Company in respect of the share and all other rights incidental to the share except only such of those rights as by these Articles are expressly saved.	Effect of forfeiture
31	A duly verified declaration in writing that the declarent is a Director of the Company and that certain shares in the Company have been duly forfeited on a date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the shares and the receipt of the Company for the consideration, if any, given for the shares on the sale or disposition thereof, shall constitute a written title to such shares.	Evidence of forfeiture
32	a) The Company shall have a first and paramount lien upon all the shares/debentures (other than fully paid-up shares/debentures) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares/debentures and no equitable interest in any share shall be created except upon the footing and condition that this Article will have full effect. And such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares/debentures. Unless otherwise agreed the registration of a transfer of shares/debentures shall operate as a waiver of the Company's lien if any, on such shares/debentures. The Directors may at any time declare any shares/debentures wholly or in part to be exempt from the provisions of this clause. b) That a common form of transfer shall be used.	Company's lien on shares/ Debentures
33	For the purpose of enforcing such lien, the Directors may sell the shares subject thereto in such manner as they think fit, but no sale shall be made until such period as aforesaid shall have elapsed and until notice in writing of the intention to sell shall have been served on such member, his committee, a curator bonis or other person recognized by the Company as entitled to represent such member and default shall have been made by him or them in the payment of the sum payable as aforesaid for thirty days after such notice. The net proceeds of any such sale shall be applied in or towards satisfaction of such part of the amount in respect of which the lien exists as is presently payable by such member, and the residual (if any) be paid to such member, his executors, administrators or other representatives or persons so recognized as aforesaid.	Intention as to enforcing lien by sale Application of proceeds of sale
34	Upon sale after forfeiture or for enforcing a lien in purported exercise of the powers by these presents given, the Directors may appoint some person to execute an instrument of transfer of the shares sold and cause the purchaser's name to be entered in the register in respect of the shares sold and after his name has been entered in the Register in respect of such shares his title to such shares shall not be affected by any Irregularity or invalidity in the proceedings in reference to such forfeiture, sale or	Validity of Shares

disposition, nor impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.

35 Where any shares under the powers in that behalf herein contained are sold by the Directors and the certificate thereof has not been delivered to the Company by the former holders of the said shares the Directors may issue new certificate in lieu of certificate not so delivered. Power to issue new certificate

TRANSFER AND TRANSMISSION OF SHARES

36 Subject to the provisions of the Act, no transfer of shares shall be registered unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor or transferee has been delivered to the Company together with the certificate or certificates of the shares, or if no such certificate is in existence along with the letter of allotment of shares. The instrument of transfer of any shares shall be signed both by or on behalf of the transferor and by or on behalf of transferees and the transferor shall be deemed to remain the holder of such share until the name of the transferee is entered in the Register in respect thereof. Execution of transfer, etc.

37 Application for the registration of the transfer of a share may be made either by the transferor or the transferee provided that, where such application is made by the transferor, no registration shall in the case of partly paid shares be effected unless the Company gives notice of the application to the transferee in the manner prescribed by the Act, and, subject to the provisions of Articles hereof, the company shall, unless objection is made by the transferee within two weeks from the date of receipt of the notice, enter in the Register the name of the transferee in the same manner and subject to the same conditions as if the application for registration was made by the transferee. Application for transfer

38 Before registering any transfer tendered for registration, the Company may, if it so thinks fit, give notice by letter posted in the ordinary course to the registered holder that such transfer deed has been lodged and that, unless objection is taken, the transfer will be registered and if such registered holder fails to lodge an objection in writing at the office of the Company within two weeks from the posting of such notice to him he shall be deemed to have admitted the validity of the said transfer. Notice of transfer to registered holder

39 The Company shall keep a "Register of Transfers" and therein shall be fairly and distinctly entered particular of every transfer of any share. Register of transfers

40 The provisions of Section 111 of the Companies Act, 1956, regarding powers to refuse Registration of Transfer and appeal against such refusal should be adhered to. Provided that registration of transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except when the company has a lien on the shares. Transfer of shares/debentures in whatever lot shall not be refused. In what case to decline to register transfer of shares

41 No transfer shall be made to a minor / person of unsound mind. No transfer to minor / unsound mind

42 No fee shall be charged for registration of transfer, probate, letter of administration, certificate of death or marriage, Power of Attorney or similar other instruments. No fee for registration for transfer

43 All instruments of transfer duly approved shall be retained by the When instrument

	Company and in case of refusal, instruments of transfer shall be returned to the person who lodges the transfer deeds.	of transfer to be retained
44	If the Directors refuse to register the transfer of any shares, the Company shall, within one month from the date on which the instrument of transfer was lodged with the Company or intimation given, send to the transferor and the transferee or the person giving intimation of such transfer, notice of such refusal.	Notice of refusal to register transfer
45	On giving seven days' notice by advertisement in a news paper circulating in the District in which the Registered Office of the Company is situated, the Register of Members may be closed during such time as the Directors think fit not exceeding in the whole forty five days in each year but not exceeding thirty days at a time.	Power to close transfer books and register
46	The executors or administrators or the holder of a succession certificate in respect of shares of a deceased member (not being one of several joint holders) shall be the only person whom the Company shall recognize as having any title to the shares registered in the name of such member and, in case of the death of any one or more of the joint-holders of any registered shares the survivors shall be only persons recognized by the Company as having any title to or interest in such share but nothing herein contained shall be taken to release the estate of a deceased joint-holder from any liability on shares held by him jointly with any other person. Before recognizing any legal representative or heir or a person otherwise claiming title to the shares the Company may require him to obtain a grant of probate or letters of administration or succession certificate, or other legal representation, as the case may be from a competent Court, provided nevertheless that in any case where the Board in its absolute discretion think fit, it shall be lawful for the Board to dispense with production of probate or letters of administration or a succession certificate or such other legal representation upon such terms as to indemnify or otherwise as the Board may consider desirable.	Transmission of registered shares
47	Any person becoming entitled to or to transfer shares in consequence of the death or insolvency of any member, upon producing such evidence that he sustains the character in respect of which he proposes to act under this article, or of his title as the Directors think sufficient, may with the consent of the Directors (which they shall not be under any obligation to give), be registered as a member in respect of such shares or may, subject to the regulations as to transfer hereinbefore contained, transfer such shares. This Article is hereinafter referred to as "The transmission Article". Subject to any other provisions of these Articles if the person so becoming entitled to shares under this or the last preceding Articles shall elect to be registered as a member in respect of the share himself he shall deliver or send to the company a notice in writing signed by him stating that he so elects. If he shall elect to transfer to some other person he shall execute an instrument of transfer of shares. All the limitations, restrictions and provisions of these articles relating to the rights to transfer and the registration of transfers of shares shall be applicable to any such notice of transfer as aforesaid.	As to transfer of shares of deceased or insolvent members Transmission Article Notice of election to be registered
48	Subject to any other provisions of these Articles if the Directors in their sole discretion are satisfied in regard thereof, a person becoming entitled to a share in consequence of the death or insolvency of a member may receive and give a discharge for any dividends or other money payable in respect of the share.	Rights of executors and trustees
49	The instrument of transfer shall be in writing and all the provisions of	Provisions of

	Section 108 of the Companies Act, 1956 and of any statutory modification thereof for the time being shall be duly complied with in respect of all transfers of shares and the registration thereof.	articles relating to transfer applicable.
50	Subject to the provisions of Sections 114 and 115 of the Act and subject to any directions which may be given by the Company in General Meeting, the Board may issue share-warrants in such manner and on such terms and conditions as the Board may deem fit. In case of such issue Regulations 40 to 43 of table "A" in Schedule 1 to the Act, shall apply.	Power to issue share warrants

ALTERATION OF CAPITAL

52	The company may, by ordinary resolution, from time to time, alter the condition of Memorandum of Association as follows:	
(a)	Increase the Share Capital by such amount to be divided into shares of such amount as may be specified in the resolution.	Power to Increase
(b)	Consolidate and divide all or any of its share capital into shares of larger amount than its existing shares.	Power to consolidate
(c)	Convert all or any of its fully paid up shares into stock, and reconvert that stock into fully paid up shares of any denomination;	Power to convert
(d)	Sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the Memorandum of Association, so however, that in the sub-division the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in the share from which the reduced share is derived, and	Power to subdivide
(e)	Cancel shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the share so cancelled.	Power to cancel

BORROWING POWERS

56	The Board may from time to time and at its discretion, subject to the provisions of Section 58A, 292 of the Act, and Regulations made there under and Directions issued by RBI raise or borrow, either from the Directors or from elsewhere and secure the payment of any sums or sum of money for the purpose of the Company.	Power to borrow
57	The Board may raise or secure the repayment of such sum or sums in such manner and upon such terms and conditions in all respects as it thinks fit, and in particular, by the issue of bonds, perpetual or redeemable debentures or debenture-stock, or any mortgage, or other security on the undertaking of the whole or part of the property of the Company (both present and future), including its uncalled capital for the time being, provided that debentures with the rights to allotment of or conversion into shares shall not be issued except with the sanction of the Company in general meeting and subject to the provisions of the Act.	Conditions on which money may be borrowed
58	Any debentures, debenture-stock, bonds or other securities may be issued at a discount, premium or otherwise and with any special privileges, as to redemption, surrender, drawings, allotment of shares, appointment of Directors and otherwise. Debentures, debenture-stock, bonds and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.	Issue at discount etc. or with special privileges

59	Save as provided in Section 108 of the Act, no transfer of debenture shall be registered unless a proper instrument of transfer duly stamped and executed by the transferor and transferee has been delivered to the Company together with the Certificate or certificates of debentures.	Instrument of transfer
60	If the Board refuses to register the transfer of any debentures, the Company shall, within two months from the date on which the instrument of transfer was lodged with the Company, send to the transferee and to the transferor notice of the refusal.	
61	Subject to the provisions of the Act, the Board shall in accordance with Section 205 (2A) of the Act, before recommending any dividend, set aside out of the profits of the Company such sum as it thinks proper as reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied and pending such application may at its discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company as the Board may from time to time think fit). The Board may also carry forward any profit which it may think prudent not to divide without setting them aside as a reserve.	Reserves
62	Any General Meeting may resolve that the whole or any part of the undivided profits of the Company (which expression shall include any premiums received on the issue of shares and any profits or other sums which have been set aside as a reserve or reserves or have been carried forward without being divided) be capitalized and distributed amongst such of the members as would be entitled to the footing that they become entitled thereto as capital and that all or any part of such capitalized amount be applied on behalf of such members in paying up in full any unissued shares of the Company which shall be distributed accordingly or in or towards payment of the uncalled liability on any issued shares, and that such distribution or payment shall be accepted by such members in full satisfaction of their interest in the said capitalized amount. Provided that any sum standing to the credit of a Share Premium Account or a Capital Redemption Reserve Account may, for the purposes of this Article only be applied in paying up of unissued shares to be issued to members of the company as fully-paid bonus shares.	Capitalisation
63	For the purpose of giving effect to any resolution under last two preceding Articles, the Directors may settle any difficulty, which may arise in regard to the distribution as they think expedient and in particular may issue fractional certificate.	Fractional certificates

SEAL

121	The Board shall provide a common seal for the purposes of the company and shall have power from time to time to destroy the same and substitute a new seal in lieu thereof, and the board shall provide for the safe custody of the seal for the time being, and the seal shall never be used except by or under the authority of the Board or any Board Committee or Executive Committee constituted by the Board. Every deed or other instrument, to which the seal of the Company is required to be affixed, shall be executed either by a Director or Company Secretary or any other person authorized by the Board or any Committee of the Board.	Custody of seal

NOTICES

142	The Company shall comply with the provisions of Sections 53, 172 and 190 of the Act as to the serving of notices.	How notice served on members
143	Every person who, by operation of law, or by transfer or by other means whatsoever, shall become entitled to any shares shall be bound by every notice in respect of such share which previously to his name and address being entered on the register shall be duly given to the person from whom he derives his title to such share.	Transfer etc. bound by prior notices
144	Any notice or document delivered or sent by post to or left at the registered address of any member in pursuance of these presents shall notwithstanding such member be then deceased and whether or not the Company has notice of his demise, be deemed to have been duly served in respect of any registered shares whether held solely or jointly with other persons by such member, until some other person be registered in his stead as the holder or joint-holders thereof and such service shall for all purposes of these presents be deemed a sufficient service of such notice or document on his or her heirs, executors or administrators, and all persons, if any, jointly interested with him or her in any such share.	Notice valid through members deceased
145	The signature to any notice to be given by the Company may be written or printed.	How notice to be signed

SECRECY

147	Subject to the provisions of law of land and the Act, no member or other person (not being a Director) shall be entitled to enter upon the property of the Company's premises or properties of the Company without the permission of the Directors, or subject to article 126 to require discovery or any information respecting any detail of the Company's trading or any matter which is or may be in nature of a trade secret, mystery of trade, or secret process or of any matter whatsoever which may relate to the conduct of the business of the Company and which, in the opinion of the Directors, will be inexpedient in the interest of the members of the Company to communicate.	No shareholder to enter the premises of the Company without permissions

WINDING UP

148	If the Company shall be wound up and the assets available for distribution among the members as such shall be insufficient to repay the whole of the paid-up capital such assets shall be distributed so that as nearly as may be the losses shall be borne by the members in proportion to the capital paid-up or which ought to have been paid-up at the commencement of the winding-up on the shares held by them respectively. And if in a winding-up the assets available for distribution among the members shall be more than sufficient to repay the whole of the capital paid-up at the commencement of the winding-up, the excess shall be distributed amongst the members in proportion to the capital at the commencement of the winding up, paid up or which ought to have been paid-up on the shares held by them respectively. But this Article is to be without prejudice to the rights of the holders of shares issued upon special terms and conditions.	Distribution of assets
149	In the event of Company being wound-up, whether voluntarily or otherwise, the liquidators, may with sanction of Special Resolution divide among the contributories, in specie or kind, any part of the assets of the Company and may with the like sanction, vest any part of the assets of the Company in Trustees upon such trusts for the benefit of the contributories or any of them, as the Liquidators, with like sanction shall think fit.	Distribution of assets in specie

INDEMNITY

150	Subject to the provisions of Section 201 of the Act, every Director, Manager, Secretary and other officer or employee of the Company shall be indemnified against and it shall be the duty of the Directors to pay out of the funds of the Company all bonafide costs, losses and expenses (including traveling expenses) which any such Directors, Manager or Secretary or other officer or employee may incur or become liable to by reason of any contract entered into or any way in the discharge of his or their duties and in particular, and so as not to limit the generality of the foregoing provisions, against all liabilities incurred by him or by them as such Director, Manager, Secretary, Officer or employee in defending any proceedings whether civil or criminal in which judgment is given in his or their favour or he or they is or are acquitted, or in connection with any application under Section 633 of the Act in which relief is granted by the Court and the amount for which such indemnity is provided shall immediately attach as a lien on the property of the Company and have priority as between the members over all other claims.	Indemnity
151	Subject to the provisions of the Act and so far as such provisions permit, no Director, Auditor or other Officer of the Company shall be liable for acts, receipts, neglects or defaults of any other Director or Officer or for joining in any receipt or act for conformity, or for any loss or expense happening to the Company through the insufficiency or deficiency of title to any property acquired by order of the Director for or on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested, or for any loss occasioned by any error of judgment, omission, default, or oversight on his part, or for any loss, damage or misfortune whatever which shall happen in the execution of the duties of his or in relation thereto, unless the same happens through his own dishonesty.	Individual responsibility of Directors

SECTION IX: OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following contracts which have been entered or are to be entered into by the Company (not being contracts entered into in the ordinary course of business carried on by the Company or contracts entered into more than two (2) years before the date of this Letter of Offer) which are or may be deemed material have been entered or are to be entered into by the Company. Copies of the abovementioned contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered Office between 10 a.m. and 5 p.m. on all Working Days from the date of this Letter of Offer until the Issue Closing Date.

A Material Contracts

1. Engagement letter dated October 20, 2014 appointing Axis Capital Limited to act as Lead Manager to the Issue.

2. Issue Agreement dated December 26, 2014 between the Company and the Lead Manager to the Issue.

3. Registrar Agreement dated December 26, 2014 between the Company and the Registrar to the Issue.

4. Tripartite agreement dated January 5, 2007 between the Company, CDSL and Sharehpro Services (India) Private Limited.

5. Tripartite agreement dated December 26, 2006 between the Company, NSDL and Sharehpro Services (India) Private Limited.

B Documents

1. Memorandum and Articles of Association of the Company.

2. Certificate of Incorporation dated August 27, 1999 and subsequent fresh certificates of incorporation dated May 27, 2004 and July 6, 2013.

3. Copy of the resolution of the Board of Directors under Section 62 of the Companies Act passed in its meeting dated October 20, 2014 authorising the Issue. Subsequently, the Board of Directors approved this Draft Letter of Offer at their meeting held on January 1, 2015.

4. Consents of the Directors, Company Secretary and Compliance Officer, Statutory Auditors, Lead Manager to the Issue, Legal Advisor to the Issue and Registrar to the Issue to include their names in the Draft Letter of Offer to act in their respective capacities.

5. Letter dated December 24, 2014 from the Statutory Auditor of the Company, M/s. MGB & Co. LLP, Chartered Accountants, confirming the Statement of Possible Tax Benefits Available to the Company and its Shareholders as disclosed in this Draft Letter of Offer.

6. The Report of the Statutory Auditors, M/s. MGB & Co. LLP, Chartered Accountants, dated December 24, 2014 in relation to the Restated Financial Statements of the Company for the six (6) months period ended on September 30, 2014 and Financial Years ended on March 31, 2014, 2013, 2012, 2011 and 2010.

7. Audited Reports of the Company for the six (6) months period ended as on September 30, 2014 and Financial Years ended as on March 31, 2014, 2013, 2012, 2011 and 2010.

8. Annual Reports of the Company for Financial Years 2015, 2013, 2012, 2011 and 2010 taken on a standalone and consolidated basis.

9. In-principle listing approvals dated [●] and [●] issued by BSE and the NSE respectively.

10. Due Diligence Certificate dated January 1, 2015 from the Lead Manager.

11. Observation Letter No. [●] dated [●], issued by SEBI for the Issue.

Any of the contracts or documents mentioned in this Draft Letter of Offer may be amended or modified at any time if so required in the interest of the Company or if required by the other parties, without reference to the Equity Shareholders, subject to compliance with applicable law.

DECLARATION

We hereby certify that no statement made in this Draft Letter of Offer contravenes any of the provisions of the Companies Act, the SEBI Act or the rules made thereunder or regulations issued thereunder, as the case may be. We further certify that all the legal requirements connected with the Issue as also the regulations, guidelines, instructions, etc., issued by SEBI, the Government of India and any other competent authority in this behalf, have been duly complied with. We further certify that all disclosures made in this Draft Letter of Offer are true and correct.

SIGNED BY THE BOARD OF DIRECTORS OF THE COMPANY:

Subhash Chandra *Non-Executive Chairman*	Vinod Kumar Bakshi *Non-Executive & Independent Director*
Surjit Banga *Non-Executive & Independent Director*	Uma Mandavgane *Non-Executive & Independent Director*

SIGNED BY CHIEF FINANCIAL OFFICER (CFO): Dinesh Garg	**SIGNED BY CHIEF EXECUTIVE OFFICER (CEO):** Bhaskar Das

Date: January 1, 2015
Place: Mumbai