NETFLIX TO BE TAXED

Netflix will have to pay tax on its earnings on India. The government can tax Netflix’s income generated in India since the company has a permanent establishment (PE) in the country.

Netflix posted an income of Rs 55 crore in the assessment year 2021-22 and was on secondment in India to support its streaming services.

DISNEY POSTS INCREASED REVENUE

The Walt Disney Company has posted revenue for the quarter ended April 1, 2023, at $21,815 million as compared to $19,249 million for the same quarter last year, an increase by 13 per cent.

The streaming losses have reduced by $400 million in the second quarter as compared to Q1. However, the company has witnessed a slight decline in the number of subscribers.

The company’s Direct-to-Consumer revenues for the quarter increased 12% to $5.5 billion and operating loss decreased $0.2 billion to $0.7 billion. The decrease in operating loss was due to improved results at Disney+ and ESPN+, partially offset by lower operating income at Hulu, said the company in an official statement.

Christine McCarthy, Senior Executive Vice-President and Chief Financial Officer, The Walt Disney Company, informed that they will be removing certain content from their streaming platforms and currently expect to take an impairment charge of approximately 1.5 to $1.8 billion. “The charge which will not be recorded in our segment results will primarily be recognized in the third quarter as we complete our review and remove the content. And going forward, we intend to produce lower volumes of content in alignment with this strategic shift.”

DISH TV SEeks RECONSTITUTION OF COMPANY BOARD

Minority stakeholders of Dish TV have demanded that the company board be reconstituted, say media reports.

They have also sought forming of a new management team. The minority shareholders who hold a 10.15% stake have said these steps are essential to put the company back on growth track.

In March, Dish TV appointed an independent director.

Media reports say this is the first appointment after March. The shareholders of Dish TV had earlier rejected special resolutions seeking their approval for the appointment of four new independent directors.

TV TODAY SEES REVENUE DROP

TV Today Network posted a 10.4% drop in its revenue from operations at Rs. Rs 217.14 crore in its fourth quarter results as compared to Rs 242.26 crore, a year ago.

Company’s total income fell about 11% to Rs 225.01 crore in the March quarter from a year ago period while expenses ticked 1.1% higher to Rs 207.36 crore from Rs 205.17 crore.

The Network’s net profit for the quarter fell by 85% to Rs 5.38 crore from Rs 35.88 crore.

The company’s revenue from Television and other media operations for the quarter ended March 31, 2023 was Rs 213.25 crore against Rs 236.13 crore. It also saw a dip in its radio broadcasting results as it recorded Rs 3.89 crore in its revenue from the segment versus Rs 6.13 crore from a year ago period.

ZEE’S PETITION DISMISSED

The National Company Law Tribunal (NCLT) has dismissed the insolvency petition filed by IDBI against Zee Entertainment.

In December 2022, IDBI Bank filed an insolvency plea against the media conglomerate for initiating a corporate insolvency resolution process (CIRP).

The tribunal’s bench led by Justice Kishore Vemulapalli and member Prabhat Kumar quashed the petition supporting Zee’s stance. The bank is one of the financial creditors of ZEE Entertainment. It said that it had filed the plea claiming that the company defaulted payment of Rs 149 crore.

SUN TV REVENUE RISES

Sun TV Network Limited reported a rise of 5.2% in its full-year consolidated revenue to Rs 3,772.1 crore for the year ended March 31, 2023 as compared to Rs 3,584.8 crore from a year ago period.

The company, however, saw a drop of about 2% in its fourth quarter consolidated revenue at Rs 840.36 crore. It reported Rs 380.40 crore in profit after tax for the quarter, lower than Rs 410.17 crore, as reported in year-ago quarter.

The advertisement revenues for the quarter were at Rs.338.37 crores compared to Rs.337.13 crores for the corresponding quarter while subscription revenues for the quarter fell to Rs.406.11 crores as against Rs.416.03 crores for the corresponding quarter.