Independent Auditors' Report

To The Members of
Zee Entertainment Enterprises Limited

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

QUALIFIED OPINION

We have audited the accompanying consolidated financial statements of Zee Entertainment Enterprises Limited (the Parent/the Company) and its subsidiaries, (the Parent and its subsidiaries together referred to as 'the Group') which includes the Group's share of profit in its associate and joint venture, which comprise the Consolidated Balance Sheet as at 31st March 2022, and the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors on separate financial statements of the subsidiaries, associate and joint venture referred to in the Other Matters section below, except for the possible effects of the matter described in the Basis for Qualified Opinion section below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the Act) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March 2022, and their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

BASIS FOR QUALIFIED OPINION

We draw attention to Note 36 of the consolidated financial statements, where the Management has explained reasons for not accounting for the Put Option. As explained in the said Note, the Put Option agreement was initially entered into by ATL Media Limited (ATL), a wholly-owned subsidiary of the Parent on 20th January 2016 and renewed on 29th July 2019 to be valid until 30th December 2026. The Put Option agreement requires ATL to purchase the issued share capital of Veria International Limited (VIL), a related party of the Parent to the extent of 64.38% held by Living Entertainment Limited (LEL), another related party of the Parent [total exercise price of the Put Option $52.50 million (₹ 3,969 million as at 31st March 2022 (₹ 3,848 million as at 31st March 2021))]. In order to secure a borrowing from Yes Bank Limited (Bank), LEL had assigned all its right, title, benefit and interest under the said Put Option agreement in favour of the Bank. As explained in the note, ATL has rescinded the renewal of the Put Option from the date of its renewal and the validity of the Put Option agreement is sub-judice in the Hon'ble Supreme Court of Mauritius. In view of the above, the auditors of ATL have been unable to determine whether any adjustments are required to be made in respect of the fair value of the Put Option (including any impact in the prior periods) in the financial statements of ATL that have been audited and provided for inclusion in the Statement and have modified their audit report on the said financial statements of ATL on the said matter.

Consequently, we are unable to comment if any adjustments are required to these consolidated financial results under Ind AS 109 on 'Financial Instruments' in respect of the said Put Option (including any impact in the prior periods).

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditors' Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group, its associate and joint venture in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us and other auditors in terms of their reports referred to in the sub-paragraphs (a) and (b) of the Other Matters section below, is sufficient and appropriate to provide a basis for our qualified audit opinion on the consolidated financial statements.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	Auditors' Response
Goodwill impairment assessment as at 31st March 2022: The consolidated financial statements reflect goodwill aggregating ₹ 3,450 million recognised mainly for the acquisition and allocated to following cash generating unit (CGUs): 1. Online Media Business (₹ 640 million (net of impairment of ₹ 1,620 million)); 2. International business (₹ 2,013 million); and 3. Regional channel in India (₹ 621 million). We considered this as key audit matter due to the significance of the balance of goodwill and because of the Group's assessment of the fair value less cost of disposal (FVLCD) and value-in-use (VIU) calculations of the CGU, which involve significant judgements about the valuation methodology, future performance of business including likely impact on account of lockdowns due to spread of COVID-19 pandemic and discount rate applied to future cash flow projections. Refer note 7(a) of the consolidated financial statements.	**Principal audit procedures performed:** Our procedures consisted of understanding the Management's methodology and key assumptions and included performance of the following audit procedures: • Evaluated the design and operating effectiveness of internal controls relating to review of goodwill impairment testing performed by Management; • Validating impairment models through testing of the mathematical accuracy and verifying the application of the key input assumptions; • Understanding the underlying process used to determine the risk adjusted discount rates; • Assessing the appropriateness of significant changes to assumptions since the prior period; • Validating the cash flow forecasts with reference to historical forecasts and actual performance to support any significant expected future changes to the business; • Working with auditor's valuation experts to benchmark the discount rates and perpetual growth rates applied by the Group for the purposes of computing VIU; • We have also engaged auditor's valuation experts to assist us in evaluating the FVLCD determined by the Group. The valuation experts independently evaluated revenue multiple used in determination of FVLCD.
Audit of transactions involving payment of advance for movie rights acquisitions: The Parent pays advances for acquiring movies from aggregators, sub-agents of aggregators and production houses. During the year, the Company paid advances to such aggregators and production houses for acquiring rights of movies on the basis of Memorandum of Understanding (MOU) and/or agreements entered into with the respective aggregators or production houses. We considered this as key audit matter on account of the value of such movie advances and the risks associated with non-performance.	**Principal audit procedures performed:** • Evaluated the design and operating effectiveness of internal controls relating to authorisation of movie advances and adherence to the approval policy framed by the Parent; • Obtained supporting documents for the sample of movie advances paid during the year which includes the MOU/agreement executed between the Parent and content aggregators and production houses stating business rationale for the advance payments; • Checked appropriate approvals for the advance payments and adherence to the approval policy; • For samples selected, obtained direct confirmation from the content aggregators and the production houses confirming the outstanding balances as at the year-end including identification of the films against which the advances were given and the manner of utilisation of the advances by such aggregators, where considered necessary in our professional judgement.
Recoverability of long overdue receivables from a customer: The Parent has receivables of ₹ 2,446 million (net of allowance for doubtful debts) from a customer, which include amounts which are long overdue, as at 31st March 2022. We considered this as key audit matter on account of risk associated with long outstanding receivables from this customer, the Parent's assessment of the recoverability of these receivables and consequent determination of provision for expected credit loss which requires significant Management estimates and judgements. Specific factors considered by the Management includes credit worthiness of the customer, adherence to the payment plan agreed by the Parent with this customer, including ageing analysis. Refer note 44d(ii)B of the consolidated financial statements.	**Principal audit procedures performed:** • Evaluated the design and operating effectiveness of internal controls relating to the assessment of recoverability of receivables and determination of the provision for expected credit loss; • Verified the completeness and accuracy of data considered for ageing analysis and assessment of recoverability of receivables and determination of the provision for expected credit loss; • Obtained the revised payment plan agreed by the Company (presented to the Board of Directors by the Management) with the customer and checked if the collections were in line with the agreed payment plan, including subsequent collection after the balance sheet date till the date of the consolidated audit report; • Evaluated whether the provision for expected credit loss recorded by the Parent is appropriate considering specific factors like credit worthiness of these customers and adherence to the payment plan agreed with the Parent; • Obtained direct confirmations from the customer as at the year-end for the outstanding balance.

Key Audit Matter	Auditors' Response
Matter of litigation relating to the Put Option issued by ATL (a wholly-owned subsidiary) which was assigned in favour of Yes Bank Limited (Bank):	**Principal audit procedures performed:**
With respect to the matter relating to the Put Option issued by ATL referred to in the Basis of Qualified Opinion section above and as explained in note 36 of the consolidated financial statements, we considered this to be a key audit matter.	• Perused the copies of the Put Option agreements and the suit filed by ATL in the Supreme Court of Mauritius; • Discussed the legal opinions obtained by ATL with the auditors of ATL; • Reviewed the basis of qualification reported by the auditors of ATL and discussed with the auditors of ATL their basis of conclusion.

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITORS' REPORT THEREON

- The Parent's Board of Directors is responsible for the other information. The other information comprises the Management Discussion and Analysis, Directors' report including the Annexures to the Directors' report, but does not include the consolidated financial statements, standalone financial statements and our auditors' report thereon. Management Discussion and Analysis report and Directors' report (including annexures to Directors' report) is expected to be made available to us after the date of this auditors' report.
- Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, compare with the financial statements of the subsidiaries, joint venture and associate audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiaries, joint venture and associate, is traced from their financial statements audited by the other auditors.
- When we read Management Discussion and Analysis report and Directors' report (including annexures to Directors' report), if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 on 'The Auditor's responsibilities Relating to Other Information'.

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Parent's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group including its associate and joint ventures in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group and of its associate and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associate and joint venture and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associate and joint venture are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associate and joint venture are also responsible for overseeing the financial reporting process of the Group and of its associate and joint venture.

AUDITORS' RESPONSIBILITY FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Parent has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associate and joint venture to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group and its associate and joint venture to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associate and joint venture to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities or business activities included in the consolidated financial statements of which we are the independent auditors. For the other entities or business activities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Parent and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

OTHER MATTERS

(a) We did not audit the financial statements of 21 subsidiaries whose financial statements reflect total assets of ₹ 54,417 million as at 31st March 2022, total revenues of ₹ 12,093 million and net cash inflows amounting to ₹ 1,066 million for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit of ₹ 1 million for the year ended 31st March 2022, as considered in the consolidated financial statements, in respect of an associate and a joint venture, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, joint venture and associate, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, joint venture and associate is based solely on the reports of the other auditors.

(b) We did not audit the financial statements of 2 subsidiaries and whose financial statements reflect total assets of ₹ 54 million as at 31st March 2022, total revenues of ₹ 81 million and net cash (outflows) amounting to ₹ 1 million for the year ended on that date, as considered in the consolidated financial statements. These financial statements are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial statements of the subsidiaries, associate and joint venture referred to in the Other Matters section above we report, to the extent applicable that:

a) We have sought and except for the matter described in the Basis for Qualified Opinion section above, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

b) In our opinion, except for the possible effect of the matter described in the Basis for Qualified Opinion section above, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books, returns and the reports of the other auditors.

c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

d) In our opinion, except for the possible effect of the matter described in the Basis for Qualified Opinion section above, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.

e) On the basis of the written representations received from the directors of the Parent as on 31st March 2022 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary companies and joint venture company incorporated in India, none of the directors of the Group companies, and joint venture company incorporated in India is disqualified as on 31st March 2022 from being appointed as a director in terms of Section 164 (2) of the Act.

f) The qualification relating to maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion section above.

g) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in Annexure 'A' which is based on the auditors' reports of the Parent, subsidiary companies, and joint venture company incorporated in India. Our report expresses a unmodified opinion on the operating effectiveness of internal financial controls over financial reporting of those companies.

h) With respect to the other matters to be included in the Auditors' Report in accordance with the requirements of Section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Parent to their directors during the year is in accordance with the provisions of Section 197 of the Act.

i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

i. Except for the possible effect of the matter described in the Basis of Qualified Opinion section above, the consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associate and joint venture;

ii. Except for the possible effect of the matter described in the Basis of Qualified Opinion section above, provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent and its subsidiary companies and joint venture company incorporated in India.

iv. a) The respective Managements of the Parent and its subsidiaries, associate and joint venture which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries, associate and joint venture respectively that, to the best of their knowledge and belief, as disclosed in the note 40 to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Parent or any of such subsidiaries, associate and joint venture to or in any other person(s) or entity(ies), including foreign entities (Intermediaries), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Parent or any of such subsidiaries, associate and joint venture (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

b) The respective Managements of the Parent and its subsidiaries, associate and joint venture which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries, associate and joint venture respectively that, to the best of their knowledge and belief, as disclosed in the note 40 to the consolidated financial statements, no funds have been received by the Parent or any of such subsidiaries, associate and joint venture from any person(s) or entity(ies), including foreign entities (Funding Parties), with the understanding, whether recorded in writing or otherwise, that the Parent or any of such subsidiaries, associate and joint venture shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries, associate and joint venture which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The final dividend proposed in the previous year, declared and paid by the Parent which is incorporated in India, whose financial statements have been audited under the Act, during the year is in accordance with Section 123 of the Act. The subsidiaries and joint venture which are companies incorporated in India have not proposed final dividend in the previous year.

As stated in note 50 to the consolidated financial statements, the Board of Directors of the Parent which is incorporated in India, whose financial statements have been audited under the Act, have proposed final dividend for the year which is subject to the approval of the members of the Parent at the ensuing respective Annual General Meeting. Such dividend proposed is in accordance with Section 123 of the Act. The subsidiaries and joint venture which are companies incorporated in India have not proposed final dividend for the year.

2. With respect to the matters specified in clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 (CARO/the Order) issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO reports issued by us and the auditors of respective companies included in the consolidated financial statements to which reporting under CARO is applicable, as provided to us by the Management of the Parent, we report that there are no qualifications or adverse remarks by the respective auditors in the CARO reports of the said companies included in the consolidated financial statements.

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

A. B. Jani
Partner
Membership No. 46488
UDIN: 22046488AJQDZO3769

Mumbai, 26th May 2022

Annexure 'A' to the Independent Auditors' report

(Referred to in paragraph 1(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

REPORT ON THE INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 (THE ACT)

In conjunction with our audit of the consolidated Ind AS financial statements of the Zee Entertainment Enterprises Limited (hereinafter referred to as (the Parent/Company) as of and for the year ended 31st March 2022, we have audited the internal financial controls over financial reporting of the Company and its subsidiary companies and joint venture, which are companies incorporated in India, as of that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The respective Board of Directors of the Parent, its subsidiary companies and a joint venture, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Parent, its subsidiary companies and joint venture, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the 'Guidance Note') issued by the ICAI and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the subsidiary companies and a joint venture, which are companies incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Parent, its subsidiary companies, and a joint venture, which are companies incorporated in India.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

In our opinion to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors referred to in the Other Matters paragraph below, the Parent, its subsidiary companies and a joint venture, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2022, based on the criteria for internal financial control over financial reporting established by the respective companies considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

OTHER MATTERS

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to 3 subsidiary companies and a joint venture, which are companies incorporated in India, is based solely on the corresponding reports of the auditors of such companies incorporated in India.

Our opinion is not modified in respect of the above matters.

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

A. B. Jani
Partner
Membership No. 46488
UDIN: 22046488AJQDZO3769

Mumbai, 26th May 2022

Consolidated Balance Sheet

AS AT 31ST MARCH 2022

(₹ million)

Particulars	Note	Mar-22	Mar-21
ASSETS			
Non-current assets			
(a) Property, plant and equipment	5a	5,825	5,809
(b) Capital work-in-progress	5b	47	129
(c) Investment property	6	1,083	520
(d) Goodwill	7a	3,450	3,804
(e) Other intangible assets	7a	1,893	1,779
(f) Intangible assets under development	7b	825	625
(g) Financial assets			
(i) Investments			
a) Investments in associate	8	4	4
b) Investments in joint venture	8	17	16
c) Other investments	8	388	296
(ii) Other financial assets	9	351	347
(h) Income-tax assets (net)		3,844	4,229
(i) Deferred tax assets (net)	10	3,080	3,151
(j) Other non-current assets	11	116	227
Total non-current assets		**20,923**	**20,936**
Current assets			
(a) Inventories	12	63,862	54,030
(b) Financial assets			
(i) Investments	13	242	7,667
(ii) Trade receivables	14	17,375	19,452
(iii) Cash and cash equivalents	15a	11,987	10,485
(iv) Bank balances other than (iii) above	15b	746	422
(v) Loans	44	-	-
(vi) Other financial assets	9	5,061	3,418
(c) Other current assets	11	12,172	11,035
Total current assets		**111,445**	**106,509**
Non-current asset classified as held for sale	41	28	742
Total assets		**132,396**	**128,187**
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	16	961	961
(b) Other equity	17a	107,667	99,985
Equity attributable to shareholders		**108,628**	**100,946**
Non-controlling interests	17b	-	129
Total equity		**108,628**	**101,075**
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings			
Others	18	21	14
(ii) Lease liabilities	33	535	181
(b) Provisions	19	1,040	1,546
Total non-current liabilities		**1,596**	**1,741**
Current liabilities			
(a) Financial liabilities			
(i) Borrowings			
Redeemable preference shares	18	-	3,832
Others	18	14	10
(ii) Lease liabilities	33	193	194
(iii) Trade payables	44	13,719	13,982
(iv) Other Financial Liabilities	20	4,547	3,294
(b) Other current liabilities	21	3,221	2,811
(c) Provisions	19	119	163
(d) Income-tax liabilities (net)		359	1,085
Total current liabilities		**22,172**	**25,371**
Total liabilities		**23,768**	**27,112**
Total equity and liabilities		**132,396**	**128,187**

See accompanying notes to the consolidated financial statements

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

A. B. Jani
Partner

Place: Mumbai
Date: 26th May 2022

For and on behalf of the Board

Punit Goenka
Managing Director & CEO

Vivek Mehra
Director

Rohit Kumar Gupta
Chief Financial Officer

Ashish Agarwal
Company Secretary

Place: Mumbai
Date: 26th May 2022

Consolidated Statement of Profit and Loss

FOR THE YEAR ENDED 31ST MARCH 2022

(₹ million)

Particulars		Notes	Mar-22	Mar-21
Revenue				
Revenue from operations		22	81,893	77,299
Other income		23	1,213	1,104
Total Income	I		**83,106**	**78,403**
Expenses				
Operational cost		24	40,449	37,505
Employee benefits expense		25	8,641	8,183
Finance costs		26	451	571
Depreciation and amortisation expense		27	2,459	2,649
Fair value loss on financial instruments at fair value through profit and loss		28	37	1,962
Other expenses		29	15,582	13,710
Total Expenses	II		**67,619**	**64,580**
Profit before share of profit/(loss) in associate and joint venture, exceptional items and tax	III=(I-II)		**15,487**	**13,823**
Less: Share of profit/(loss) in associate and joint venture	IV		1	(1)
Profit before exceptional items and tax	V=(III+IV)		**15,488**	**13,822**
Less: Exceptional items	VI	30	(1,333)	(1,266)
Profit before tax	VII=(V+VI)		**14,155**	**12,556**
Less: Tax expense				
Current tax - current year		31	4,312	5,162
- earlier years		31	196	(101)
Deferred tax		31	89	(436)
	VIII		**4,597**	**4,625**
Profit for the year	IX=(VII-VIII)		**9,558**	**7,931**
Other comprehensive income/(loss)				
A Items that will not be reclassified to profit or loss				
(a) (i) Re-measurement of defined benefit obligation			9	(2)
(ii) Fair value changes of equity instruments through other comprehensive income			4	6
(b) Income-tax relating to items that will not be reclassified to profit or loss			(4)	0
	X		**9**	**4**
B Items that will be reclassified profit or loss				
Exchange differences on translation of financial statements of foreign operations	XI		427	(214)
Total other comprehensive income/(loss)	XII=(X+XI)		**436**	**(210)**
Total comprehensive income for the year	XIII=(IX+XII)		**9,994**	**7,721**
Profit for the year				
Attributable to:				
Shareholders of the Company	XIV=(IX-XV)		9,646	8,001
Non-controlling interests (Refer Note 17 b)	XV		(88)	(70)
			9,558	**7,931**
Total comprehensive income for the year				
Attributable to:				
Shareholders of the Company	XVI= (XIII-XVII)		10,082	7,791
Non-controlling interests (Refer Note 17 b)	XVII		(88)	(70)
			9,994	**7,721**
Earnings per Equity share (face value ₹ 1 /- each)		32		
Basic (₹)			10.04	8.33
Diluted (₹)			10.04	8.33

'0' (zero) denotes amounts less than a million.

See accompanying notes to the consolidated financial statements

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

A. B. Jani
Partner

Place: Mumbai
Date: 26th May 2022

For and on behalf of the Board

Punit Goenka
Managing Director & CEO

Vivek Mehra
Director

Rohit Kumar Gupta
Chief Financial Officer

Ashish Agarwal
Company Secretary

Place: Mumbai
Date: 26th May 2022

Consolidated Statement of Cash Flows

FOR THE YEAR ENDED 31ST MARCH 2022

(₹ million)

Particulars		Mar-22	Mar-21
A.	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Profit before tax	14,155	12,556
	Adjustments for:		
	Depreciation and amortisation expense	2,459	2,649
	Allowances for doubtful debts and advances	415	956
	Exceptional items (Refer note 30)	527	1,266
	Share based payment expense	0	3
	Liabilities and excess provision written back	(144)	(137)
	Unrealised loss on exchange adjustments (net)	3	3
	Loss on sale or impairment of property, plant and equipment (net)	1	188
	Profit on sale of investments	(256)	(102)
	Profit on sale of digital publishing business (Refer note 45)	(41)	-
	Interest expenses	226	104
	Fair value loss on financial instruments classified as fair value through profit and loss	37	1,962
	Share of (profit)/loss in associate and joint venture	(1)	1
	Dividend on Cumulative Redeemable Non-Convertible Preference Shares	225	467
	Dividend income	-	(1)
	Interest income	(202)	(236)
	Operating profit before working capital changes	**17,404**	**19,679**
	Adjustments for:		
	(Increase) in inventories	(9,805)	(534)
	(Increase)/Decrease in trade and other receivables	(1,271)	2,934
	Increase/(Decrease) in trade and other payables	1,438	(1,591)
	Cash generated from operations	**7,765**	**20,488**
	Direct taxes paid (net)	(4,966)	(5,011)
	Net cash flow from operating activities (A)	**2,799**	**15,477**
B.	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Purchase of property, plant and equipment/capital work-in-progress	(833)	(610)
	Purchase of intangible assets	(1,528)	(1,450)
	Sale of property, plant and equipment/intangible assets	75	320
	Proceeds from sale of digital publishing business (Refer note 45)	448	-
	Proceeds from sale of subsidiary (Refer Note 50)	0	-
	Fixed deposit invested	(2,038)	(409)
	Fixed deposit matured	1,769	1,807
	Purchase of non-current investments	(12)	(213)
	Sale of non-current investments	26	10
	Purchase of current investments	-	(14,106)
	Proceeds from sale/redemption of current investments	7,647	9,146
	Dividend received	-	177
	Interest received	217	266
	Net cash flow from/(used in) investing activities (B)	**5,771**	**(5,062)**

Consolidated statement of Cash Flows

FOR THE YEAR ENDED 31ST MARCH 2022

(₹ million)

Particulars	Mar-22	Mar-21
C. CASH FLOW FROM FINANCING ACTIVITIES		
Redemption of Cumulative Redeemable Non-Convertible Preference Shares	(4,034)	(4,027)
Payment of lease liabilities	(230)	(225)
Proceeds from long-term borrowings	23	14
Repayment of long-term borrowings	(13)	(10)
Dividend paid on equity shares	(2,401)	(290)
Dividend paid on Cumulative Redeemable Non-Convertible Preference Shares	(449)	(827)
Interest paid	(49)	(43)
Net cash flow (used in) financing activities (C)	**(7,153)**	**(5,408)**
Net cash flow during the year (A+B+C)	**1,417**	**5,007**
Effect of exchange differences on translation of foreign currency cash and cash equivalents	85	(51)
Cash and cash equivalents at the beginning of the year	10,485	5,529
Net cash and cash equivalents at the end of the year	**11,987**	**10,485**

'0' (zero) denotes amounts less than a million.

See accompanying notes to the consolidated financial statements

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

A. B. Jani
Partner

Place: Mumbai
Date: 26th May 2022

For and on behalf of the Board

Punit Goenka
Managing Director & CEO

Vivek Mehra
Director

Rohit Kumar Gupta
Chief Financial Officer

Ashish Agarwal
Company Secretary

Place: Mumbai
Date: 26th May 2022

Consolidated Statement of Changes in Equity

FOR THE YEAR ENDED 31ST MARCH 2022

A. EQUITY SHARE CAPITAL

	(₹ million)
As at 1st April 2020	**960**
Add: Issued during the year (Refer note 16)	0
As at 31st March 2021	**961**
Add: Issued during the year (Refer note 16)	0
As at 31st March 2022	**961**

0' (zero) denotes amounts less than a million.

B. OTHER EQUITY

(₹ million)

	Reserves and surplus					Other comprehensive income			
	Capital redemption reserve	Shared based payment reserve	Capital reserve	General Reserves	Retained earnings	Foreign currency translation reserve	Equity instruments	Total other equity	Attributable to non-controlling interests
As at 1st April 2020	**12,163**	**31**	**340**	**2,820**	**75,290**	**1,895**	**(60)**	**92,479**	**110**
Profit for the year	-	-	-	-	8,001	-	-	8,001	(70)
Less: Foreign currency translation loss for the year	-	-	-	-	-	(214)	-	(214)	-
Add/(Less): Transfer on redemption of preference shares	4,034	-	-	-	(4,034)	-	-	-	-
Add: Share options granted during the year	-	3	-	-	-	-	-	3	-
Add: Re-measurement loss on defined benefit plans	-	-	-	-	(2)	-	-	(2)	-
Less: Income-tax impact thereon	-	-	-	-	0	-	-	0	-
Add: Non-controlling interest created due to part stake sale in a subsidiary	-	-	-	-	-	-	-	-	89
Add: Gain on fair value of Equity instruments classified as fair value through other comprehensive income (net) (Refer note 17)	-	-	-	-	-	-	6	6	-
Less: Dividend on Equity shares	-	-	-	-	(288)	-	-	(288)	-
As at 31st March 2021	**16,197**	**34**	**340**	**2,820**	**78,967**	**1,681**	**(53)**	**99,985**	**129**
Profit for the year	-	-	-	-	9,646	-	-	9,646	(88)
Less: Foreign currency translation gain for the year	-	-	-	-	-	427	-	427	-
Add/(Less): Transfer on redemption of preference shares	4,034	-	-	-	(4,034)	-	-	-	-
Add: Share options granted during the year	-	0	-	-	-	-	-	0	-
Add: Re-measurement gain on defined benefit plans	-	-	-	-	9	-	-	9	-
Less: Income-tax impact thereon	-	-	-	-	(4)	-	-	(4)	-
Less: Non-controlling interest eliminated due to stake sale in subsidiaries	-	-	-	-	-	-	-	-	(41)
Add: Gain on fair value of Equity instruments classified as fair value through other comprehensive income (net) (Refer note 17)	-	-	-	-	-	-	4	4	-
Less: Dividend on Equity Shares	-	-	-	-	(2,401)	-	-	(2,401)	-
As at 31st March 2022	**20,231**	**34**	**340**	**2,820**	**82,183**	**2,107**	**(49)**	**107,667**	**-**

'0' (zero) denotes amounts less than a million.

See accompanying notes to the consolidated financial statements

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

A. B. Jani
Partner

Place: Mumbai
Date: 26th May 2022

For and on behalf of the Board

Punit Goenka
Managing Director & CEO

Vivek Mehra
Director

Rohit Kumar Gupta
Chief Financial Officer

Ashish Agarwal
Company Secretary

Place: Mumbai
Date: 26th May 2022

Notes

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

Zee Entertainment Enterprises Limited ('ZEEL' or 'the Company') is incorporated in the State of Maharashtra, India and is listed on Bombay Stock Exchange (BSE) and National Stock Exchange (NSE) in India. The registered office of the Company is 18th floor, A Wing, Marathon Futurex, N. M. Joshi Marg, Mumbai – 400 013, India. The Company along with its subsidiaries (collectively referred as 'the Group') engaged in the business of media and entertainment. The Group is mainly in the following businesses:

i. Broadcasting of Satellite Television Channels and digital media;

ii. Space Selling agent for other satellite television channels;

iii. Sale of Media Content i.e. programmes/film rights/feeds/music rights

iv. Movie production and distribution

2. SIGNIFICANT ACCOUNTING POLICIES

a) Statement of compliance

These consolidated financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the Ind AS) as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 (the Act) read with the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

b) Basis of preparation of consolidated financial statements

These consolidated financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for certain financial assets and liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies stated out below.

Previous year figures, where applicable have been indicated under brackets.

c) Basis of consolidation

The consolidated financial statements incorporate the financial statements of ZEEL and entities controlled by ZEEL and its subsidiaries.

Control is achieved when the parent has power over the investees, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns by using its power. Subsidiaries are consolidated from the date control commences until the date control ceases.

The financial statements are consolidated on a line-by-line basis and intra-group balances and transactions including unrealised gain/loss from such transactions are eliminated upon consolidation.

These financial statements are prepared by applying uniform accounting policies in use at the Group.

Non-controlling interests of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and consolidated balance sheet respectively.

d) Investment in associate and joint venture

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a joint arrangement whereby the parties have joint control of the arrangement and have rights to the net assets of the joint arrangement. Joint control is the contractual agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The profit/(loss) and assets and liabilities of associates or joint venture are incorporated in these consolidated financial statements using equity method of accounting. Under the equity method, an investment in an associate or a joint venture is initially recognised in the consolidated balance sheet at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate or joint venture. When the Group's share of losses of an associate or a joint venture exceeds the Group's interest in the associate or the joint venture, the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligation or made payments on behalf of the associate or joint venture.

When necessary, the entire amount of the investment is tested for impairment in accordance with Ind AS 36 on 'Impairment of Assets' as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount, any impairment loss is recognised in consolidated statement of profit and loss.

Notes
FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Name of the Subsidiaries	Proportion of Interest (including beneficial interest)/Voting Power (either directly/ indirectly or through Subsidiaries)	Principal place of business
Direct Subsidiaries		
ATL Media Limited	100 (100)	Mauritius
Zee Studios Limited (Formerly known as Essel Vision Productions Limited)	100 (100)	India
Zee Multimedia Worldwide (Mauritius) Limited	100 (100)	Mauritius
Fly-By-Wire International Private Limited $	Nil (51)	India
Margo Networks Private Limited	80 (80)	India
Indirect Subsidiaries		
Zee Unimedia Limited	100 (100)	India
Zee Digital Convergence Limited*	Nil (100)	India
Zee Network Distribution Limited (Formerly known as Zee Turner Limited)*	Nil (100)	India
India Webportal Private Limited*	Nil (100)	India
Asia TV Limited	100 (100)	United Kingdom
Expand Fast Holdings (Singapore) Pte. Limited	100 (100)	Singapore
OOO Zee CIS Holding LLC#	100 (100)	Russia
OOO Zee CIS LLC	100 (100)	Russia
Taj TV Limited	100 (100)	Mauritius
Asia Today Singapore Pte. Limited	100 (100)	Singapore
Asia TV USA Limited, Wyoming	100 (100)	United States of America
Asia Today Limited	100 (100)	Mauritius
Zee Technologies (Guangzhou) Limited^	Nil (Nil)	China
Zee Entertainment Middle East FZ-LLC	100 (100)	U.A.E.
ATL Media FZ-LLC	100 (100)	U.A.E.
Zee TV South Africa (Proprietary) Limited	100 (100)	South Africa
Zee TV USA Inc. @	Nil (Nil)	United States of America
Asia Multimedia Distribution Inc.	100 (100)	Canada
Idea Shop Web and Media Private Limited &&	Nil (51.04)	India
Asia TV GmbH &	100 (100)	Germany
Pantheon Productions Limited	100 (100)	Canada
Z5X Global FZ-LLC	100 (100)	U.A.E.
Zee Studios International Limited	100 (100)	Canada

Zero capital company

@ dissolved w.e.f. 1st May 2020

^ dissolved w.e.f. 9th December 2020

& under liquidation w.e.f. 31st January 2021

$ The Company has sold 51% Equity shares of one of its subsidiary, Fly-By-Wire International Private Limited on 18th August 2021.

* Wholly-owned subsidiaries of Zee Studios Limited (ZSL) i.e. India Webportal Private Limited, Zee Digital Convergence Limited and Zee Network Distribution Limited merged/amalgamated into ZSL in accordance with the Scheme of Amalgamation approved by the Hon'ble National Company Law Tribunal.

&& The Group has sold 51.04% Equity shares in one of its subsidiary, Idea Shop Web and Media Private Limited, held through ZSL on 31st January 2022.

Associate

Name of the Associate	Percentage of holding	Principal place of business
Asia Today Thailand Limited (Held through Asia Today Singapore Pte. Limited)	25 (25)	Thailand

Jointly controlled entity

Name of the jointly controlled entity	Percentage of holding	Principal place of business
Media Pro Enterprise India Private Limited *	50 (50)	India

*Through subsidiary, Zee Studios Limited

Notes
FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

e) Business Combinations

Business combinations have been accounted for using the acquisition method.

The consideration transferred is measured at the fair value of the assets transferred, equity instruments issued and liabilities incurred or assumed at the date of acquisition, which is the date on which control is achieved by the Group. The cost of acquisition also includes the fair value of any contingent consideration. Identifiable assets acquired, and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair value on the date of acquisition.

Business combinations involving entities that are controlled by the group are accounted for using the pooling of interests method as follows:

1. The assets and liabilities of the combining entities are reflected at their carrying amounts.
2. No adjustments are made to reflect fair values, or recognise any new assets or liabilities. Adjustments are only made to harmonise accounting policies.
3. The balance of the retained earnings appearing in the financial statements of the transferor is aggregated with the corresponding balance appearing in the financial statements of the transferee or is adjusted against general reserve.
4. The identity of the reserves are preserved and the reserves of the transferor become the reserves of the transferee.
5. The difference, if any, between the amounts recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve and is presented separately from other capital reserves.
6. The financial information in the financial statements in respect of prior periods is restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of combination. However, where the business combination had occured after that date, the prior period information is restated only from that date.

Transaction costs that the Group incurs in connection with a business combination such as finder's fees, legal fees, due diligence fees, and other professional and consulting fees are expensed as incurred.

Goodwill is measured as the excess of the sum of the consideration transferrred, the amount of any non-controlling interest in the acquiree, and the fair value of the acquirers's previously held equity interest in the acquiree (if any) over the net acquisition date amounts of the identifiable assets acquired and the liabilities assumed.

In case of a bargain purchase, before recognising a gain in respect thereof, the Group determines whether there exists clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. Thereafter, the Group reassesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and recognises any additional assets or liabilities that are identified in that reassessment. The Group then reviews the procedures used to measure the amounts that Ind AS requires for the purposes of calculating the bargain purchase. If the gain remains after this reassessment and review, the Group recognises it in other comprehensive income and accumulates the same in equity as capital reserve. This gain is attributed to the acquirer. If there does not exist clear evidence of the underlying reasons for classifying the business combination as a bargain purchase, the Group recognises the gain, after assessing and reviewing (as described above), directly in equity as capital reserve.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis.

When the consideration transferred by the Group in the business combination includes assets and liabilities resulting from the contingent consideration arrangement, the contingent consideration arrangement is measured at its acquistion date fair value and included as a part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with the corresponding adjustments against goodwill or capital reserve, as the case may be. Measurement period adjustments are adjustments that arise from additional information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for changes in the fair value of the contingent consideration are recognised in consolidated statement of profit and loss.

When the business combination is achieved in stages, the Group previously held equity interest in the acquiree is remeasured to its acquistion date fair value and the resulting gain or loss, if any, is recognised in consolidated statement of profit and loss. Amount arising from interest in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassifed to consolidated statement of profit and loss where such treatment would be appropriate if that interest were disposed off.

f) Property, plant and equipment

i. Property, plant and equipment are stated at cost, less accumulated depreciation and impairment loss, if any. The cost comprises purchase price and related expenses and for qualifying assets, borrowing costs are capitalised based on the Group's accounting policy. Integrated Receiver Decoders (IRD) boxes are capitalised, when available for deployment.

ii. Capital work-in-progress comprises cost of property, plant and equipment and related expenses that are not yet ready for their intended use at the reporting date.

Notes
FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

iii. Depreciation is recognised so as to write off the cost of assets (other than free hold land and capital work-in-progress) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at each reporting period, with the effect of changes in estimate accounted for on a prospective basis.

iv. The estimate of the useful life of the assets has been assessed based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, etc. The estimated useful life of items of property, plant and equipment is as mentioned below:

Furniture and Fixtures - 5 years ^

Buildings - 60 years *

Computers - 3 and 6 years *

Equipment - 3 to 5 years ^

Plant and Machinery: ^

Gas plant - 20 years

Others - 5 to 10 years

Vehicles - 5 years ^

Aircraft - 15 years ^

* Useful life is as prescribed in Schedule II to the Companies Act, 2013

^ Useful life is lower than as prescribed in Schedule II to the Companies Act, 2013

g) Right-of-use assets

Right-of-use (ROU) assets are stated at cost, less accumulated depreciation and impairment loss, if any. The carrying amount of ROU assets is adjusted for remeasurement of lease liability, if any, in future. Cost of ROU assets comprises the amount of initial measurement of lease liability, lease payments made before the commencement date (net of incentives received), initial direct costs and present value of estimated costs of dimantling and restoration, if any.

ROU assets are depreciated on straight line basis from the commencement date to the end of useful life of asset or lease term whichever is earlier.

h) Investment property

i. Investment property are properties (land or a building or part of a building or both) held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment property is measured initially at cost including purchase price, borrowing costs. Subsequent to initial recognition, investment property is measured at cost less accumulated depreciation and impairment, if any.

ii. Depreciation on investment property is provided as per the useful life prescribed in Schedule II to the Companies Act, 2013.

i) Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

For the purpose of impairment testing, goodwill is allocated to the respective cash generating units that is expected to benefit from the synergies of the combination.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit on a pro-rata basis, based on the carrying amount of each asset in the unit. Any impairment loss for the goodwill is recognised directly in consolidated statement of profit and loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On the disposal of the relevant cash generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

j) Intangible assets

Intangible assets with finite useful lives that are acquired are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over the estimated useful lives.

The estimated useful life for intangible assets is 3 years. The estimated useful life and amortisation method are reviewed at each reporting period, with the effect of any changes in the estimate being accounted for on a prospective basis.

Intangible assets acquired in a business combination:

Intangible assets acquired in a business combination and recognised separately from Goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost). Subsequent to initial recognition, the intangible assets acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

k) Impairment of property, plant and equipment/right-of-use assets/other intangible assets/investment property

The carrying amounts of the Group's property, plant and equipment, right-of-use assets, other intangible assets and investment property are reviewed at each reporting date to determine whether there is any indication that those assets have suffered an impairment loss. If there are indicators of impairment, an assessment is made to determine whether the asset's carrying value exceeds its recoverable amount. Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash generating unit to which the asset belongs.

An impairment loss is recognised in consolidated statement of profit and loss whenever the carrying amount of an asset or a cash generating unit exceeds its recoverable amount. The recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing the value in use, the estimated future cash flows are discounted to the present value using a pre-tax discount rate that

Notes
FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

reflects current market assessments of the time value of money and the risks specific to the assets for which the estimates of future cash flows have not been adjusted.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash generating unit) in prior years. Reversal of an impairment loss is recognised immediately in consolidated statement of profit and loss.

l) Derecognition of property, plant and equipment/right-of-use assets/other intangible assets/investment property

The carrying amount of an item of property, plant and equipment/ right-of-use assets/other intangible assets/investment property is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an item of property, plant and equipment/right-of-use assets/other intangible assets/investment property is determined as the difference between the net disposal proceeds and the carrying amount of the item and is recognised in the consolidated statement of profit and loss.

m) Non-current assets held for sale

The Group classifies non-current assets as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use and the sale is highly probable. Management must be committed to the sale, which should be expected within one year from the date of classification.

For these purposes, sale transactions include exchanges of non-current assets for other non-current assets when the exchange has commercial substance. The criteria for held for sale classification is regarded as met only when the asset is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets, its sale is highly probable; and it will genuinely be sold, not abandoned. The Group treats sale of the asset to be highly probable when:

i. The appropriate level of management is committed to a plan to sell the asset,

ii. An active programme to locate a buyer and complete the plan has been initiated (if applicable),

iii. The asset is being actively marketed for sale at a price that is reasonable in relation to its current fair value,

iv. The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and

v. Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Non-current assets held for sale are measured at the lower of their carrying amount and the fair value less costs to sell.

Property, plant and equipment and intangible assets once classified as held for sale are not depreciated or amortised.

Gains and losses on disposals of non-current assets are determined by comparing proceeds with carrying amounts, and are recognised in the consolidated statement of profit and loss.

n) Leases

The Company evaluates each contract or arrangement, whether it qualifies as lease as defined under Ind AS 116 on 'Leases'.

For effects of application of IND AS 116 on financial position, refer note 33. If this rate cannot be readily determined, the Company uses its incremental borrowing rate

i. The Company as lessee:

The Company assesses whether a contract is or contains a lease, at inception of the contract. The Company recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease.

If this rate cannot be readily determined, the Company uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- The amount expected to be payable by the lessee under residual value guarantees;
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease. The lease liability is presented as a separate line item in the balance sheet.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Company remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

i. The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise

Notes

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

ii. The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).

iii. A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The Company did not make any such adjustments during the periods presented.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the right-of-use asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Company expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets is presented as a separate line item in the balance sheet.

The Company applies Ind AS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the 'Property, Plant and Equipment' policy."

ii. The Company as a lessor:

The Company enters into lease agreements as a lessor with respect to some of its investment properties.

Leases for which the Company is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

o) Cash and cash equivalents

Cash and cash equivalents in the consolidated balance sheet comprise cash at banks and in hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

p) Inventories

i. Media Content:

Media content i.e. Programmes, Film rights, Music rights (completed (commissioned/acquired) and under production) including content in digital form are stated at lower of cost/unamortised cost or realisable value. Cost comprises acquisition/direct production cost. Where the realisable value of media content is less than its carrying amount, the difference is expensed. Programmes, film rights, music rights are expensed/amortised as under:

1. Programmes - reality shows, chat shows, events, game shows etc. are fully expensed on telecast/upload.
2. Programmes (other than (1) above) are amortised over three financial years starting from the year of first telecast/upload, as per management estimate of future revenue potential.
3. Film rights are amortised on a straight-line basis over the licensed period or sixty months from the commencement of rights, whichever is shorter.
4. The cost of educational content acquired is amortised on a straight line basis over the license period or 60 months from the date of acquisition/right start date whichever is shorter.
5. Music rights are amortised over three financial years starting from the year of commencement of rights, as per management estimate of future revenue potential.
6. Films produced and/or acquired for distribution/sale of rights:

Cost is allocated to each right based on management estimate of revenue. Film rights are amortised as under:

- Satellite rights - Allocated cost of right is expensed immediately on sale.
- Theatrical rights - Amortised in the month of theatrical release.
- Intellectual Property Rights (IPRs) - Allocated cost of IPRs are amortised over 5 years from release of film.
- Music and Other Rights - Allocated cost of each right is expensed immediately on sale.

ii. **Raw Stock:** Tapes are valued at lower of cost or estimated net realisable value. Cost is taken on weighted average basis.

q) Financial Instruments

Financial instruments is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

i. Initial Recognition

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition

Notes

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit and loss are recognised immediately in the consolidated statement of profit and loss.

ii. **Financial assets**

1. **Classification of financial assets**

Financial assets are classified into the following specified categories: amortised cost, financial assets 'at fair value through profit and loss' (FVTPL), 'Fair value through other comprehensive income' (FVTOCI). The classification depends on the Group's business model for managing the financial assets and the contractual terms of cash flows.

2. **Subsequent measurement**

- **Debt Instrument - amortised cost**

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. This category generally applies to trade and other receivables.

- **Fair value through other comprehensive income (FVTOCI)**

A 'debt instrument' is classified as FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets.

b) The asset's contractual cash flows represent solely payments of principal and interest.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI). However, the Group recognises interest income, impairment losses and reversals and foreign exchange gain or loss in the consolidated statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to consolidated statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the effective interest rate method.

- **Fair value through Profit and Loss (FVTPL)**

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortised cost or as FVTOCI, is classified as at FVTPL. In addition, the Group may elect to designate a debt instrument, which otherwise meets amortised cost or FVTOCI criteria, as at FVTPL. However, such election is considered only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVTPL category are measured at fair value with all changes recognised in the consolidated statement of profit and loss.

- **Equity investments**

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to consolidated statement of profit and loss. Dividends from such investments are recognised in consolidated statement of profit and loss as other income when the Group's right to receive payment is established.

- **Derivative financial instruments**

Derivative financial instruments are classified and measured at fair value through profit and loss."

3. **Derecognition of financial assets**

A financial asset is derecognised only when:

i. The Group has transferred the rights to receive cash flows from the asset or the rights have expired or

ii. The Group retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients in an arrangement.

Where the Group has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the Group has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

4. **Impairment of financial assets**

The Group measures the expected credit loss associated with its financial assets based on historical trend, industry practices and the business enviornment in which the entity operates or any other appropriate basis. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

iii. **Financial liabilities and equity instruments**

1. **Classification of Debt and Equity**

Debt or equity instruments issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

2. **Subsequent measurement**

- **Financial liabilities measured at amortised cost**

Financial liabilities are subsequently measured at amortised cost using the effective interest rate (EIR) method. Gains and losses are recognised in consolidated statement of profit and loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in the consolidated statement of profit and loss.

Notes

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Lease liability associated with assets taken on lease (except short-term and low value assets) is measured at the present value of lease payments to be made. Lease payments are discounted using the incremental rate of borrowing as the case may be. Lease payments comprise fixed payments in relation to the lease (less lease incentives receivable), variable lease payments, if any and other amounts (residual value guarantees, penalties, etc.) to be payable in future in relation to the lease arrangement.

- **Financial liabilities measured at fair value through profit and loss (FVTPL)**

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as FVTPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Derivatives, including separated embedded derivatives are classified as held for trading unless they are designated as effective hedging instruments. Financial liabilities at fair value through profit and loss are carried in the financial statements at fair value with changes in fair value recognised in other income or finance costs in the consolidated statement of profit and loss.

3. Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the consolidated statement of profit and loss.

iv. Fair value measurement

The Group measures financial instruments such as debt and certain investments, at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- **Level 1 —** Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- **Level 2 —** Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- **Level 3 —** Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the consolidated balance sheet on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

r) Borrowings and Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use of sale. All other borrowing costs are recognised in consolidated statement of profit and loss in the period in which they are incurred.

s) Provisions, contingent liabilities and contingent assets

The Group recognises provisions when a present obligation (legal or constructive) as a result of a past event exists and it is probable that an outflow of resources embodying economic benefits will be required to settle such obligation and the amount of such obligation can be reliably estimated.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainities surrounding the obligation. When a provision is measured using the cash flow estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurence or non-occurence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognised because it is not probable that the outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Group does not recognise a

Notes
FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

contingent liability but discloses its existence in the consolidated financial statements.

Contingent assets are not recognised in the consolidated financial statements, however they are disclosed where the inflow of economic benefits is probable. When the realisation of income is virtually certain, then the related asset is no longer a contingent asset and is recognised as an asset.

t) Revenue recognition

Ind AS 115 on 'Revenue from Contracts with Customers'

Revenue is recognised to the extent it is probable that economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable. All revenues are accounted on accrual basis except to the extent stated otherwise.

i. Broadcasting revenue - Advertisement revenue (net of discount and volume rebates) is recognised when the related advertisement or commercial appears before the public i.e. on telecast. Subscription revenue (net of share to broadcaster) is recognised on time basis on the provision of television/digital broadcasting service to subscribers.

ii. Sales of media content - Revenue is recognised when the significant risks and rewards have been transferred to the customers in accordance with the agreed terms.

iii. Commission revenue - Commision of space selling is recognised when the related advertisement or commercial appears before the public i.e. on telecast.

iv. Revenue from other services is recognised as and when such services are completed/performed.

v. Interest income from debt instruments is recognised using the effective interest rate (EIR) method.

vi. Dividend income is recognised when the Group's right to receive dividend is established.

vii. Rent income is recognised on accrual basis as per the agreed terms on straight line basis.

viii. Revenue from theatrical distribution of films is recognised over period of time on the basis of related sales report.

u) Retirement and other employee benefits

Payments to defined contribution plans viz. government administered provident funds and pension schemes are recognised as an expense when employees have rendered service entitling them to the contributions.

For defined retirement benefit plans in the form of gratuity and leave encashment, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the consolidated balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to consolidated statement of profit and loss. Past service cost is recognised in consolidated statement of profit and loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

i. service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);

ii. net interest expense or income; and

iii. remeasurement

The Group presents the first two components of defined benefit costs in consolidated statement of profit and loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the consolidated balance sheet represents the actual deficit or surplus in the Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognised at the earlier of when the Group can no longer withdraw the offer of the termination benefit and when the Group recognises any related restructuring costs.

Short-term and other long-term employee benefits:

A liability is recognised for benefits accruing to employees in respect of wages and salaries and annual leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date.

v) Transactions in foreign currencies

The functional currency of the Group is Indian Rupees ('₹').

i. Foreign currency transactions are accounted at the exchange rate prevailing on the date of such transactions.

ii. 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 period, or reported in previous consolidated financial statements are recognised as income or as expenses in the period in which they arise.

Notes

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

iii. Non-monetary foreign currency items are measured in terms of historical cost in the foreign currency and are not retranslated.

iv. On consolidation, the assets and liabilities of foreign operations are translated into Indian Rupees at the exchange rate prevailing at the reporting date and their statements of profit and loss are translated at exchange rates prevailing at the dates of the transactions. For practical reasons, the Group uses an average rate to translate income and expense items, if the average rate approximates the exchange rates at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in other comprehensive income (OCI). On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is reclassified to consolidated statement of profit and loss.

w) Accounting for taxes on income

Tax expense comprises of current and deferred tax.

i. Current tax:

Current tax is the amount of income taxes payable in respect of taxable profit for the year. Current tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted at the balance sheet date. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

ii. Deferred tax:

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax for the year:

Current and deferred tax are recognised in consolidated statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

x) Earnings per share

Basic earnings per share are calculated by dividing the net profit for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share are computed by dividing the profit after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on conversion of all dilutive potential equity shares.

y) Share based payments

The Group recognises compensation expense relating to share-based payments in net profit using fair-value in accordance with Ind AS 102 on 'Share-Based Payment'. The estimated fair value of awards is charged to consolidated statement of profit and loss on a straight-line basis over the requisite service period for each separately vesting portion of the award as if the award was in-substance, multiple awards with a corresponding increase to share based payment reserves.

3. KEY ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Group's consolidated financial statements requires the Management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The key assumptions concerning the future and other key sources of estimating the uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:

a) Income-taxes

The Group's tax jurisdiction is India. Significant judgements are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

b) Property, plant and equipment

Property, plant and equipment represent a significant proportion of the asset base of the Group. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's

Notes

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Group's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technical or commercial obsolescence arising from changes or improvements in production or from a change in market demand of the product or service output of the asset.

c) Impairment of Goodwill

Goodwill is tested for impairment on an annual basis and whenever there is an indication that the recoverable amount of a cash-generating unit is less than its carrying amount based on a number of factors including operating results, business plans, future cash flows and economic conditions. The recoverable amount of cash generating units is determined based on higher of value-in-use and fair value less cost to sell. The goodwill impairment test is performed at the level of the cash-generating unit or groups of cash-generating units which are benefitting from the synergies of the acquisition and which represents the lowest level at which goodwill is monitored for internal management purposes.

Market related information and estimates are used to determine the recoverable amount. Key assumptions on which management has based its determination of recoverable amount include estimated long-term growth rates, weighted average cost of capital and estimated operating margins. Cash flow projections take into account past experience and represent management's best estimate about future developments.

In estimating the future cash flows/fair value less cost of disposal, the Group has made certain assumptions relating to the future customer base, future revenues, operating parameters, capital expenditure and terminal growth rate which the Group believes reasonably reflects the future expectation of these items. However, if these assumptions change consequent to change in future conditions, there could be further favorable/adverse effect on the recoverable amount of the assets. The assumptions will be monitored on periodic basis by the Group and adjustments will be made if conditions relating to the assumptions indicate that such adjustments are appropriate.

d) Defined Benefit Obligation

The costs of providing pensions and other post-employment benefits are charged to the consolidated statement of profit and loss in accordance with Ind AS 19 on 'Employee benefits' over the period during which benefit is derived from the employees' services. The costs are assessed on the basis of assumptions selected by the Management. These assumptions include salary escalation rate, discount rates, expected rate of return on assets and mortality rates.

e) Fair value measurement of financial instruments

When the fair values of financials assets and financial liabilities recorded in the consolidated balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques, including the discounted cash flow model, which involve various judgements and assumptions.

f) Media Content, including content in digital form

The Group has several types of inventory such as general entertainment, movies and music. Such inventories are expensed/amortised based on certain estimates and assumptions made by Group, which are as follows:

i. Reality shows, chat shows, events, game shows and sports rights: are fully expensed on telecast/upload which represents best estimate of the benefits received from the acquired rights.

ii. The cost of programme (own production and commissioned program) are amortised over a period of three financial years over which revenue is expected to be generated from exploitation of programmes.

iii. Cost of movie rights - The Group's expectation is that substantial revenue from such movies is earned during the period of five years from the date of acquisition of license to broadcast/upload on digital platform. Hence, it is amortised on a straight line basis over the license period or 60 months from the date of acquisition/right start date, whichever is shorter.

iv) Music rights are amortised over three financial years starting from the year of commencement of rights over which revenue is expected to be generated from exploitation of rights.

v. Films produced and/or acquired for distribution/sale of rights:

Cost is allocated to each right based on management estimate of revenue. Film rights are amortised as under:

- Satellite rights - Allocated cost of right is expensed immediately on sale.
- Theatrical rights - Amortised in the month of theatrical release.
- Intellectual Property Rights (IPRs) - Allocated cost of IPRs are amortised over 5 years from year in which film is released.
- Music and Other Rights - Allocated cost of each right is expensed immediately on sale.

g) Estimation of uncertainties relating to the global health pandemic from Corona virus (COVID-19):

The outbreak of the Corona virus (COVID-19) pandemic has spread globally and in India, which has affected economic activities. The impact on this financial statements for the year ended 31st March 2022 is primarily due to restrictions caused by the COVID-19 on the business activities. Hence, these financial statements for the year ended 31st March 2022 are not strictly comparable with the financial statements of the earlier year presented.

Since early March 2021, India has witnessed a second wave of COVID-19 with sudden rise in COVID-19 cases across the country. This led to imposing lockdown like restrictions across the country and impacted the economic activity.

During the year, on account of the ongoing COVID-19 pandemic, the Group has incurred additional costs aggregating ₹ 307 million during the year ended 31st March 2022, relating to shifting of shooting locations to ensure uninterrupted operations.

Notes

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

The Group has assessed the impact of this pandemic and the same has been incorporated in the plans going forward. In addition to the aforesaid assessment and review of the current indicators of future economic conditions, the Group has also taken various steps aimed at augmenting liquidity, conserving cash including various cost saving initiatives, and sale of non-core and other assets.

Based on the assessment and steps being taken, the Group expects no further adjustments to the carrying amounts of the property plant and equipment, intangible assets (including goodwill), investments, receivables, inventory and other current assets, as at 31st March 2022.

As a result of the growing uncertainties with respect to COVID-19, the impact of this pandemic may be different from that estimated as at the date of approval of these financial statements. The Group will continue to closely monitor any material changes to future economic condition.

4. RECENT INDIAN ACCOUNTING STANDARD (IND AS)

a) Standards issued but not effective

Ministry of Corporate Affairs (MCA) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 23rd March 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below.

Ind AS 16 on Property Plant and equipment

The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the consolidated statement of profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after 1st April 2022. The amendment is not expected to have any impact on financial statements.

Ind AS 37 on Provisions, Contingent Liabilities and Contingent Assets

The amendment specifies that the cost of fulfilling a contract comprises the costs that relate directly to the contract. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after 1st April 2022, although early adoption is permitted. The amendment is not expected to any have material impact on the financial statements.

b) Changes in accounting policies and adoption of new/revision in accounting standard:

Ministry of Corporate Affairs (MCA) notifies new standard or amendments to the existing standards. There is no such notification which were applicable for the current financial year.

Notes

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

5a) PROPERTY, PLANT AND EQUIPMENT

(₹ million)

Description of Assets	Buildings	Plant and machinery	Furniture and fittings	Vehicles	Equipments	Computers	Right-to-use assets (Refer note 33)	Leasehold improvements	Total
I. Cost									
As at 1st April 2020	**1,844**	**6,020**	**520**	**275**	**1,107**	**1,672**	**1,303**	**1,266**	**14,007**
Additions	-	451	16	18	57	221	-	155	918
Transfer from investment property (Refer note 6)	274	-	-	-	-	-	-	-	274
Held for sale (Refer Note 41)	198	-	-	-	-	-	-	-	198
Disposals (Refer note VI below)	-	117	63	12	64	66	345	160	827
Translation	(0)	(24)	1	(0)	1	1	-	4	(17)
As at 31st March 2021	**1,920**	**6,330**	**474**	**281**	**1,101**	**1,828**	**958**	**1,265**	**14,157**
Additions	-	355	18	47	75	309	561	155	1,520
Disposals/write offs (Refer note VI below)	-	923	17	96	35	69	108	28	1,276
Translation	0	37	2	1	1	3	-	(0)	44
As at 31st March 2022	**1,920**	**5,799**	**477**	**233**	**1,142**	**2,071**	**1,411**	**1,392**	**14,445**
II. Accumulated depreciation									
As at 1st April 2020	**115**	**3,679**	**368**	**182**	**745**	**996**	**294**	**831**	**7,210**
Depreciation charge for the year	43	605	65	44	146	242	267	164	1,576
Transfer from investment property (Refer note 6)	7	-	-	-	-	-	-	-	7
Held for sale (Refer Note 41)	16	-	-	-	-	-	-	-	16
Disposals (Refer note VI below)	-	94	52	9	43	57	121	37	413
Translation	(0)	(23)	1	(1)	1	2	-	4	(16)
Up to 31st March 2021	**149**	**4,167**	**382**	**216**	**849**	**1,183**	**440**	**962**	**8,348**
Depreciation charge for the year	41	644	46	28	121	251	203	81	1,415
Disposals/write offs (Refer note VI below)	-	914	12	87	24	45	67	11	1,160
Translation	0	11	2	1	1	2	-	(0)	17
Up to 31st March 2022	**190**	**3,908**	**418**	**158**	**947**	**1,391**	**576**	**1,032**	**8,620**
Net book value									
As at 31st March 2022	**1,730**	**1,891**	**59**	**75**	**195**	**680**	**835**	**360**	**5,825**
As at 31st March 2021	1,771	2,163	92	65	252	645	518	303	5,809

Notes:

I. '0' (zero) denotes amounts less than a million.

II. Buildings include ₹ 114,100 (₹ 114,100) being the value of shares in a co-operative society.

III. Part of property, plant and equipment have been given on lease.

IV. Property, plant and Equipment written off during the year aggregating ₹ 1 million (₹ 154 million) is charged to the consolidated statement of profit and loss.

V. Certain vehicles have been hypothecated against borrrowings for vehicles aggregating to ₹ 35 million (₹ 24 million).

VI. Disposals under Right-to-use assets represent the lease premises vacated by the Group.

VII. Part of buildings were identified as assets held for sale and disposed off during the previous year.

Notes
FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

b) CAPITAL WORK-IN-PROGRESS

(₹ million)

Net book value	Mar-22	Mar-21
Capital work-in-progress	47	129

(₹ million)

Ageing of capital work-in-progress (CWIP)	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
As at 31st March 2022	17	17	13	0	47
As at 31st March 2021	100	17	12	0	129

The projects are expected to be completed in the next financial year.

6. INVESTMENT PROPERTY

(₹ million)

Description of Assets	Land and Building
I. Cost	
As at 1st April 2020	**875**
Transfer to property, plant and equipment (Refer note 5)	274
As at 31st March 2021	**601**
Disposal	-
Reclassified from non-current asset held for sale (Refer note 41)	573
As at 31st March 2022	**1,174**
II. Accumulated depreciation	
As at 1st April 2020	**78**
Depreciation charge for the year	10
Transfer to property, plant and equipment (Refer note 5)	7
Upto 31st March 2021	**81**
Depreciation charge for the year	10
Upto 31st March 2022	**91**
Net book value	
As at 31st March 2022	**1,083**
As at 31st March 2021	520

The fair value of the Group's investment property aggregating ₹ 2,416 million (₹ 1,084 million) has been arrived at on the basis of a valuation carried out as at balance sheet date by independent valuers. Independent valuers have appropriate qualifications and experience in the valuation of properties in the relevant locations. The fair valuations of investment property in India is based on the valuation by a registered valuer as defined under Rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017. The valuation was arrived at by reference to market evidence of transaction prices for similar properties. The fair value measurement is categorised as Level 3, in the fair value hierarchy as per the requirements of Ind AS 113 on 'Fair value measurement'.

Notes
FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

7a) GOODWILL AND OTHER INTANGIBLE ASSETS

(₹ million)

Description of Assets	Goodwill	Trademark	Customer list and websites	Software	Channels	Total
I. Cost						
As at 1st April 2020	**5,425**	**322**	**1,081**	**2,895**	**229**	**9,952**
Additions	-	47	-	1,255	20	1,322
Translation	(1)	-	-	(37)	-	(38)
As at 31st March 2021	**5,424**	**369**	**1,081**	**4,113**	**249**	**11,236**
Additions (Refer Note 45)	-	253	-	1,075	-	1,328
Disposals	-	-	-	3	-	3
Transfer on account of sale of digital publishing business (Refer Note 45)	1,288	253	-	-	-	1,541
Translation	1	-	-	96	-	97
As at 31st March 2022	**4,137**	**369**	**1,081**	**5,281**	**249**	**11,117**
II. Accumulated amortisation						
As at 1st April 2020	**1,355**	**301**	**970**	**1,609**	**163**	**4,398**
Amortisation for the year	-	11	111	865	26	1,013
Impairment (Refer Note 45)	265	-	-	-	-	265
Translation	-	-	-	(23)	-	(23)
Upto 31st March 2021	**1,620**	**312**	**1,081**	**2,451**	**189**	**5,653**
Amortisation for the year	-	10	-	981	25	1,016
Disposals	-	-	-	1	-	1
Transfer on account of sale of digital publishing business (Refer Note 45)	933	15	-	-	-	948
Translation	-	-	-	54	-	54
Upto 31st March 2022	**687**	**307**	**1,081**	**3,485**	**214**	**5,774**
Net book value						
As at 31st March 2022	**3,450**	**62**	**-**	**1,796**	**35**	**5,343**
As at 31st March 2021	3,804	57	-	1,662	60	5,583

(₹ million)

Net book value	Mar-22	Mar-21
Goodwill	3,450	3,804
Other intangible assets	1,893	1,779

The carrying amount of goodwill which is tested for impairment is allocated to following cash generating units:

(₹ million)

Cash generating unit	Mar-22	Mar-21
Regional Channel in India	621	621
International business	2,013	2,013
Online media business	640	995

Regional Channel in India and International business

The recoverable amount of this Cash Generating Unit (CGU) is determined based on a value in use. The estimated value in use of this CGU is based on the future cash flows using a 2% terminal growth rate for periods subsequent to the 5 years and discount rate of 19%. An analysis of the sensitivity of the computation to a change in key parameters (operating margin, discount rate and long-term growth rate), based on reasonably probable assumptions, did not identify any probable scenario in which the recoverable amount of the CGU would decrease below its carrying amount.

Notes
FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Online media business

As at 31st March 2020, the Group assessed the recoverable amount of Goodwill allocated to the Online Media Business which represent a separate CGU. The recoverable amount of this CGU was determined by an independent expert based on the fair value less cost of disposal. The fair value was determined based on revenue multiple of other companies in media industry which was higher then the carrying value of CGU accordingly no impairment in required.

Due to use of significant unobservable inputs to compute the fair value, it is classified as Level 3 in the fair value hierarchy as per the requirements of Ind AS 113 on 'Fair value measurement'.

Also, refer note 45.

b) INTANGIBLES ASSETS UNDER DEVELOPMENT

(₹ million)

Net book value	Mar-22	Mar-21
Intangibles assets under development	825	625

Note:

(₹ million)

Ageing of Intangible assets under development (IUD)	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
As at 31st March 2022	618	201	1	5	825
As at 31st March 2021	589	29	2	5	625

Projects included in more than 1 year include a digital platform development project aggregating to ₹ 198 million which is expected to be capitalised in next financial year.

8. NON-CURRENT INVESTMENTS

(₹ million)

		Mar-22	Mar-21
a)	**Investments in associate**		
	Investments accounted using equity method		
	Investments in equity instruments		
	In Associate - Unquoted		
	10,000 (10,000) Equity shares of Baht 100/- each of Asia Today Thailand Limited (Extent of holding 25%)	4	4
		4	**4**
b)	**In Joint venture - Unquoted**		
	2,500,000 (2,500,000) Equity shares of ₹ 10/- each of Media Pro Enterprise India Private Limited (extent of holding 50% (50%))	17	16
		17	**16**
c)	**Other investments**		
i.	**Investments in redeemable debentures at amortised cost**		
	Others - Quoted		
	Nil (50) 10.20% Unsecured redeemable non-convertible debentures of ₹ 1,000,000 /- each of Yes Bank Limited (Tenure - 10 years)	-	52
	Less: Amount disclosed under the head 'Current Investments'	-	(52)
		-	**-**
	Others - Unquoted		
	489 (650) 10.02% Secured redeemable non-convertible debentures of ₹ 684,785/ - Zee Learn Limited	337	437
	Less: Amount disclosed under the head 'Current Investments'	(242)	(259)
		95	**178**

Notes
FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ million)

		Mar-22	Mar-21
ii.	**Investments at fair value through other comprehensive income**		
	Investments in equity instruments - Quoted		
	475,000 (475,000) Equity shares of ₹ 10/- each of Aplab Limited	12	8
	Investments in equity instruments - Unquoted		
	396,715 (396,715) Equity shares of USD 2.521/- each of Sensory Cloud Inc	9	8
	1 (1) Equity share of ₹ 10/- each of Tagos Design Innovations Private Limited	0	0
	30,000 (30,000) Equity shares of ₹ 10/- each of Last Minute Media Private Limited ₹ 300,000 (₹ 300,000)	0	0
	Less: Impairment in value of investment ₹ 300,000 (₹ 300,000)	0	0
		-	-
iii.	**Investments at fair value through profit and loss**		
	Others - Unquoted		
	1,069.6 (1,069.6) Units of ₹ 1,000,000 /- each of Morpheus Media Fund	0	10
	100 (100) Units of ₹ 921,508 /- (₹ 1,000,000 /-) each (fully paid (partly paid: ₹ 870,000 /-) each) of Exfinity Technology Fund-Series II	272	91
		388	**296**
	Total	**409**	**316**
	(All the above securities are fully paid-up except where mentioned as partly paid)		
	'0' (zero) denotes amounts less than a million.		
	Aggregate amount and market value of quoted investments	12	8
	Aggregate carrying value of unquoted investments	397	308
	Aggregate amount of impairment in value of investments ₹ 300,000 (₹ 300,000)	0	0

9. OTHER FINANCIAL ASSETS

(₹ million)

	Non-Current		Current	
	Mar-22	Mar-21	Mar-22	Mar-21
Deposits - unsecured and considered good				
Considered good				
- to related parties	13	13	357	359
- to others	338	282	415	205
Considered doubtful	-	-	76	76
	351	295	848	640
Less: Loss allowance for doubtful deposits	-	-	76	76
	351	**295**	**772**	**564**
Deposits with bank having maturity period for more than twelve months*	-	52	-	-
Unbilled revenue	-	-	2,983	2,599
Interest accrued on fixed deposits	-	-	5	22

Notes
FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ million)

	Non-Current		Current	
	Mar-22	Mar-21	Mar-22	Mar-21
Other receivables				
Considered good				
- to related parties	-	-	381	105
- to others (Refer note 34C)	-	-	920	128
Considered doubtful	454	440	2,341	1,794
	454	**440**	**3,642**	**2,027**
Less: Loss allowance for doubtful other receivables (refer note 44 (d)(ii)A)	454	440	2,341	1,794
	-	**-**	**1,301**	**233**
Total	**351**	**347**	**5,061**	**3,418**

For transactions relating to related party receivables, refer note 46.

*Under lien against guarantee given.

10. DEFERRED TAX ASSETS (NET)

The components of deferred tax balances are as under:

(₹ million)

	Mar-22	Mar-21
Deferred tax assets		
Employee retirement benefits obligation	262	400
Depreciation and amortisation	35	87
Allowances for doubtful debts, loans, advances and others	2,471	2,310
Unutilised tax losses	224	316
Disallowances under Section 40(a)	88	38
	3,080	**3,151**
Deferred tax liabilities	-	-
Deferred tax assets (net)	**3,080**	**3,151**

11. OTHER ASSETS

(₹ million)

	Non-Current		Current	
	Mar-22	Mar-21	Mar-22	Mar-21
Capital advances (unsecured)	104	28	-	-
Other advances (unsecured)				
Considered good				
- to related parties	-	-	-	122
- to others (Refer note 37)	-	-	8,219	8,520
Considered doubtful	-	-	2,678	2,169
	-	**-**	**10,897**	**10,811**
Less: Loss allowance for doubtful advances	-	-	2,678	2,169
	-	**-**	**8,219**	**8,642**
Prepaid expenses	12	199	801	235
Balance with government authorities	-	-	3,152	2,158
Total	**116**	**227**	**12,172**	**11,035**

For transactions relating to related party advances, refer note 46.

Notes
FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

12. INVENTORIES (VALUED AT LOWER OF COST/UNAMORTISED COST OR REALISABLE VALUE)

(₹ million)

	Mar-22	Mar-21
Raw stock - tapes	13	12
Media content *	57,872	50,375
Under production- Media content	5,977	3,643
Total	**63,862**	**54,030**

*Includes rights aggregating to ₹ 11,433 million (₹ 10,521 million), which will commence at a future date. Inventories expected to be amortised 12 months after the year-end is 64% (58%)

13. CURRENT INVESTMENTS

(₹ million)

	Mar-22	Mar-21
A) Investments at amortised cost		
Others - Quoted		
Nil (50) 10.20% Unsecured redeemable non-convertible debentures of ₹ 1,000,000 /- each of Yes Bank Limited (Tenure - 10 years)	-	52
Others-Unquoted		
489 (650) 10.02% Secured redeemable non-covertible debentures of ₹ 684,785/ - Zee Learn Limited	242	259
	242	**311**
B) Investments at fair value through profit and loss		
Mutual Funds - Quoted		
Nil (3,490,948) units of ₹ 100/- each of ICICI Prudential Savings Fund - Direct Plan - Growth	-	1,465
Nil (458,480) units of ₹ 1,000/- each of Tata Liquid Fund - Direct Plan - Growth	-	1,489
Nil (30,870,408) units of ₹ 1,000/- each of HDFC Low Duration Fund - Direct Plan - Growth	-	1,469
Nil (3,438,324) units of ₹ 100/- each of Aditya Birla Sunlife Savings Fund - Direct Plan - Growth	-	1,468
Nil (528,332) units of ₹ 1,000/- each of Kotak Low Duration Fund - Direct Plan - Growth	-	1,465
	-	**7,356**
Total (A+B)	**242**	**7,667**
(All the above securities are fully paid-up)		
Aggregate amount and market value of quoted investments	-	7,408
Aggregate carrying value of unquoted investments	242	259

14. TRADE RECEIVABLES (UNSECURED)

(₹ million)

	Mar-22	Mar-21
Considered good	17,851	20,457
With significant increase in credit risk*	395	302
Credit Impaired*	3,556	3,966
	21,803	**24,725**
Less: Loss allowance for doubtful debts (refer note 44(d)(ii))	4,428	5,273
Total	**17,375**	**19,452**

For transactions relating to related party receivables, refer note 46. For ageing refer note 44 d (ii)

*The amount of trade receivables where credit risk is assessed on individual basis aggregate ₹ 3,951 million (₹ 4,268 million) for which loss allowance has been fully recognised.

Notes
FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

15. CASH AND BANK BALANCES

(₹ million)

	Mar-22	Mar-21
a) Cash and cash equivalents		
Balances with banks		
In Current accounts	7,455	6,533
In Deposit accounts	3,818	3,019
Cheques in hand	711	930
Cash in hand	3	3
	11,987	**10,485**
b) Other banks balances		
In deposit accounts*	693	375
In unclaimed dividend accounts		
- Preference shares	24	25
- Equity shares	29	22
	746	**422**
Total	**12,733**	**10,907**

*Fixed deposits aggregating ₹ 653 (₹ 375 million) is under lien on account of performance guarantee given by the bank on behalf of a subsidiary company.

16. EQUITY SHARE CAPITAL

(₹ million)

	Mar-22	Mar-21
Authorised*		
2,000,000,000 (2,000,000,000) Equity shares of ₹ 1/- each	2,000	2,000
	2,000	**2,000**
Issued, subscribed and paid-up		
960,515,715 (960,504,475) Equity shares of ₹ 1/- each fully paid-up	961	961
Total	**961**	**961**

*Authorised capital of 2,100,000,000 (2,100,000,000) Redeemable Preference Shares of ₹ 10/- (₹ 10/-) each is not considered above. Redeemable preference shares issued have been considered as borrowings in accordance with the requirement of Ind AS. (Refer Note 18).

a) Reconciliation of number of Equity shares and Share capital

	Mar-22		Mar-21	
	Number of Equity shares	₹ million	Number of Equity shares	₹ million
At the beginning of the year	960,504,475	961	960,483,235	961
Add: Issued during the year	11,240	0	21,240	0
Outstanding at the end of the year	**960,515,715**	**961**	**960,504,475**	**961**

'0' (zero) denotes amounts less than a million.

b) Terms/rights attached to Equity shares

The Group 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 Group declares and pays dividend in Indian Rupees. The final dividend 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 Group, the holders of Equity shares will be entitled to receive remaining assets of the Group, after distribution of preferential amounts. The distribution will be in proportion to the number of Equity shares held by the shareholders.

Notes
FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

c) **Details of Equity Shareholders holding more than 5% of the aggregate Equity shares**

Name of the Shareholders	Mar-22		Mar-21	
	Number of Equity shares	% Shareholding	Number of Equity shares	% Shareholding
OFI Global China Fund, LLC	97,350,000	10.14%	97,350,000	10.14%
Invesco Oppenheimer Developing Markets Fund	74,318,476	7.74%	74,318,476	7.74%

As per the records of the Group, 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.

d) **Shareholding of promoters**

Name of the Promoters	Mar-22		
	Number of Equity shares	% Shareholding	% change
Cyquator Media Services Private Limited	1,928,636	0.20%	-
Essel Corporate LLP	185,700	0.02%	-
Sprit Infrapower & Multiventures Private Limited	400	0.00%	-
Essel Infraprojects Limited	100	0.00%	-
Essel International Limited	1,327,750	0.14%	-
Essel Holdings Limited	1,718,518	0.18%	-
Essel Media Ventures Limited	33,155,180	3.45%	-

Name of the Promoters	Mar-21		
	Number of Equity shares	% Shareholding	% change
Cyquator Media Services Private Limited	1,928,636	0.20%	(76%)
Essel Corporate LLP	185,700	0.02%	(88%)
Sprit Infrapower & Multiventures Private Limited	400	0.00%	-
Essel Infraprojects Limited	100	0.00%	-
Essel International Limited	1,327,750	0.14%	-
Essel Holdings Limited	1,718,518	0.18%	-
Essel Media Ventures Limited	33,155,180	3.45%	-

e) The Group has instituted an Employee Stock Option Plan (ESOP 2009) as approved by the Board of Directors and Shareholders of the Group 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 Group as at 31st March 2009 i.e. up to 21,700,355 Equity shares of ₹ 1 /- each (enhanced to 43,400,710 Equity shares in view of Bonus issue in 2010 in ratio of 1:1), to the employees of the Group as well as that of its subsidiaries. The said ESOP 2009 was amended during an earlier year to align the Scheme in line with the requirements of Companies Act, 2013 and SEBI (Share Based Employee Benefits) Regulations 2014 and provide flexibility to the Nomination and Remuneration Committee for determination of exercise price. The said scheme is administered by the Nomination and Remuneration Committee of the Board.

The movement in Options is as follows:

Particulars	Mar-22	Mar-21
	Number of Options	
Opening at the beginning of the year	14,945	36,185
Exercised during the year	(11,240)	(21,240)
Outstanding at the end of the year	**3,705**	**14,945**

During the year, the Group recorded an employee stock compensation expense of ₹ 0 million (₹ 3 million) in the Consolidated Statement of Profit and Loss.

Notes
FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

The fair value of each Equity settled share based payment is estimated on the date of grant using the Black-Scholes-Merton model with the following assumptions:

Assumptions	Year 1	Year 2	Year 3
Exercise price of the option	₹ 1	₹ 1	₹ 1
Expected term of the option (in years)	1	2	3
Expected volatility of the underlying share for the expected term of the option	22%	20%	16%
Expected dividend yield on the underlying share for the expected term of the option	2.50	2.50	2.50
Risk-free interest rate for the expected term of the award	6-7%	6-7%	6-7%

The share options outstanding at the end of the year has an weighted average remaining contractual life of 3 days.

17a) OTHER EQUITY

(₹ million)

	Mar-22	Mar-21
Capital Redemption Reserve		
As per last Balance Sheet	16,197	12,163
Add: Transfer from retained earnings	4,034	4,034
	20,231	**16,197**
Capital reserve		
As per last Balance Sheet	**340**	**340**
Share based payment reserve		
As per last balance sheet	34	31
Add: Options granted during the year	0	3
	34	**34**
General reserve		
As per last Balance Sheet	**2,820**	**2,820**
Retained earnings		
As per last Balance Sheet	78,967	75,290
Add: Profit for the year	9,646	8,001
Less: Transfer to Capital redemption reserve	(4,034)	(4,034)
Add/(Less): Re-measurement gain/(loss) on defined benefit plans	9	(2)
(Less)/Add: Income-tax impact thereon	(4)	0
Less: Payment of dividend on Equity shares	(2,401)	(288)
	82,183	**78,967**
Other comprehensive income		
Foreign currency translation reserve		
As per last balance sheet	1,681	1,895
Add/(Less): Foreign currency translation gain/(loss) for the year	427	(214)
	2,107	**1,681**
Equity instruments		
As per last Balance Sheet	(53)	(60)
Add: Gain on fair value of Equity instruments classified as fair value through other comprehensive income (net)	4	6
	(49)	**(53)**
Total	**107,667**	**99,985**

'0' (zero) denotes amounts less than a million.

Notes
FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

b) Non-controlling interest

(₹ million)

	Mar-22	Mar-21
As per last Balance Sheet	129	110
Less: Loss for the year	(88)	(70)
(Less)/Add: Non-controlling interest eliminated/created due to stake sale in subsidiaries	(41)	89
Total	**-**	**129**

1. Capital Redemption Reserve is created on redemption of redeemable preference shares issued.
2. Share based payment reserve is reserve related to share options granted by the Group to its employee under its Employee Share Option Plan.
3. General reserve is used from time to time to transfer profits from retained earnings for appropriation purposes.
4. Retained earnings represent the accumulated earnings net of losses, if any, made by the Group over the years.
5. Other Comprehensive income includes:
   a) Exchange differences relating to translation of the results and net assets of the Group's foreign operations from their functional currencies to the Group's reporting currency are directly recognised in other comprehensive income.
   b) Cumulative gains and losses arising on the revaluation of investment in Equity instruments measured at fair value through other comprehensive income, net of amounts reclassified to retained earnings when those investments have been disposed off.
6. Capital Reserve is related to merger/demerger/acquisition of business undertaking.

18. LONG-TERM BORROWINGS

(₹ million)

	Mar-22	Mar-21
a) Redeemable preference shares - Unsecured, at fair value through profit and loss		
Nil (2,016,942,312) 6% cumulative redeemable non-convertible preference shares of Nil (₹ 2/-) each fully paid up - quoted	-	3,832
Less: Amount disclosed under the head 'Current financial liabilities - borrowings'	-	3,832
	-	-
b) Vehicle loan from banks, at amortised cost*	35	24
Less: Amount disclosed under the head 'Current financial liabilities - borrowings'	14	10
Total (a+b)	**21**	**14**

*Secured against hypothecation of vehicles. The borrowings carry interest rates ranging from 7.35% p.a. - 10.14% p.a.and are repayable up to March 2026.

Terms/rights attached to Preference Shares

(i) 6% Cumulative redeemable non-convertible preference shares - quoted

During year ended 31st March 2014, the Company had issued 20,169,423,120 6% Cumulative redeemable non-convertible preference shares of ₹ 1 /- each (consolidated to face value of ₹ 10 each in FY 2017) by way of bonus in the ratio of 21 Bonus Preference Shares of ₹ 1 /- each fully paid-up for every one Equity share of ₹ 1 each fully paid-up and are listed on Bombay Stock Exchange (BSE) and National Stock Exchange (NSE) in India. During the year ended 31st March 2017, 6% Cumulative redeemable non-convertible preference shares of ₹ 1/- each has been converted to 6% Cumulative redeemable non-convertible preference shares of ₹ 10/- each.

The Company has redeemed at par value, 20% of the total Bonus Preference Shares allotted, every year from the fourth anniversary of the date of allotment. The Company had an option to buy back the Bonus Preference Shares fully or in parts at an earlier date(s) as may be decided by the Board. Further, if on any anniversary of the date of allotment beginning from the fourth anniversary, the total number of Bonus Preference Shares bought back and redeemed cumulatively is in excess of the cumulative Bonus Preference Shares required to be redeemed till the said anniversary, then there will be no redemption on that anniversary. At the 8th anniversary of the date of allotment, all the remaining and outstanding bonus preference shares shall be redeemed by the Company.

Notes
FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

The holders of Bonus Preference Shares shall have a right to vote only on resolutions which directly affect their rights. The holders of Bonus Preference Shares shall also have a right to vote on every resolution placed before the Company at any meeting of the Equity shareholders if dividend or any part of the dividend has remained unpaid on the said bonus preference shares for an aggregate period of atleast two years preceding the date of the meeting.

On 5th March 2022, the Company redeemed balance 20% (₹ 2/- each) of the Nominal Value of 2,016,942,312 bonus preference shares of ₹ 10/- each (par value). Upon such redemption of the final tranche of ₹ 2/- per share, the bonus preference shares stand extinguished on and from 5th March 2022.

19. PROVISIONS

(₹ million)

	Non-Current		Current	
	Mar-22	Mar-21	Mar-22	Mar-21
Provision for employee benefits				
- Gratuity	1,036	995	65	51
- Compensated absences	4	551	54	112
Total	**1,040**	**1,546**	**119**	**163**

20. OTHER FINANCIAL LIABILITIES - CURRENT

(₹ million)

	Mar-22	Mar-21
Deposits received (Refer note 34B)	490	474
Unclaimed preference shares redemption/dividend #	24	25
Unclaimed equity dividends #	29	22
Creditors for capital expenditure	320	201
Employee benefits payable	2,151	1,337
Dividend payable on cumulative redeemable non-convertible preference shares and tax thereon	-	224
Temporary overdrawn balances	-	1
Other payables (Refer note 44(d)(ii)A)	1,533	1,010
Total	**4,547**	**3,294**

For transactions relating to related party payables, refer note 46.

Dividend aggregating ₹ 3 million (₹ 2 million) unclaimed for a period of more than seven years is transferred to Investors' Education and Protection Fund during the year. Further, there are no amounts due and outstanding to be credited to Investors' Education and Protection Fund as at 31st March 2022.

21. OTHER CURRENT LIABILTIES

(₹ million)

	Mar-22	Mar-21
Advances received from customers	406	572
Deferred revenue	1,380	1,077
Statutory dues payable	1,435	1,162
Total	**3,221**	**2,811**

For transactions relating to related party payables, refer note 46.

Notes

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

22. REVENUE FROM OPERATIONS

(₹ million)

	Mar-22	Mar-21
Services- Broadcasting revenue		
Advertisement	43,965	37,488
Subscription	32,466	32,430
- Theatrical revenue	3,191	167
- Sale of media content	2,086	6,944
- Transmission revenue	114	96
- Commission	12	74
Other operating revenue	59	100
Total	**81,893**	**77,299**

23. OTHER INCOME

(₹ million)

	Mar-22	Mar-21
Interest income		
- Bank deposits	96	145
- Other financial assets	42	45
- Others (including on income-tax refund ₹ 39 million (Nil))	64	46
Dividend income from:		
- Investment classified as fair value through profit and loss	-	1
Gain on sale of investments classified as fair value through profit and loss	256	58
Gain on sale of investments in subsidiary (Refer note 41)	86	44
Profit on sale of digital publishing business (Refer note 45)	41	-
Liabilities/excess provision written back	144	137
Rent income	217	214
Miscellaneous income	267	414
Total	**1,213**	**1,104**

24. OPERATIONAL COST

(₹ million)

	Mar-22	Mar-21
a) Media content		
Opening - Inventory	54,018	53,464
Add: Purchase of inventory	38,103	31,193
Less: Closing - Inventory	63,849	54,018
Amortisation of inventory #	28,272	30,639
Other production expenses	8,498	3,990
Media content	**36,770**	**34,629**
b) Telecast and technical cost	3,679	2,876
Total (a+b)	**40,449**	**37,505**

Media content of Nil (₹ 962 million) are written down during the year as the estimated net realisable value was lower than amortised cost.

Notes

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

25. EMPLOYEE BENEFITS EXPENSE

(₹ million)

	Mar-22	Mar-21
Salaries and allowances	7,990	7,689
Share based payment expense	0	3
Contribution to provident and other funds	387	363
Staff welfare expenses	264	128
Total	**8,641**	**8,183**

'0' (zero) denotes amounts less than a million.

26. FINANCE COSTS

(₹ million)

	Mar-22	Mar-21
Interest expense on:		
- vehicle loans	3	3
- lease liabilities	60	61
- others*	141	18
Dividend on redeemable preference shares	225	467
Other financial charges	22	22
Total	**451**	**571**

*Includes ₹ 117 million (Nil) towards delayed payment on self assessment tax of earlier year.

27. DEPRECIATION AND AMORTISATION EXPENSE

(₹ million)

	Mar-22	Mar-21
Depreciation on property, plant and equipment	1,415	1,576
Depreciation on investment property	10	10
Depreciation on non-current asset held for sale	18	50
Amortisation of intangible assets	1,016	1,013
Total	**2,459**	**2,649**

28. FAIR VALUE LOSS ON FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT AND LOSS

(₹ million)

	Mar-22	Mar-21
Fair value (gain)/loss on financial assets (net)	(165)	46
Fair value loss on financial liabilities	202	1,916
Total	**37**	**1,962**

Notes
FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

29. OTHER EXPENSES

(₹ million)

		Mar-22	Mar-21
Rent		568	605
Repairs and maintenance			
- Buildings		17	19
- Plant and machinery		136	100
- Others		389	324
Insurance		88	80
Rates and taxes		324	238
Electricity and water charges		151	158
Communication charges		115	118
Printing and stationery		120	89
Travelling and conveyance expenses		674	663
Legal and professional charges		1,169	885
Directors remuneration and sitting fees		42	43
Payment to auditors		45	45
Corporate Social Responsibility expenses		437	500
Hire and service charges		762	805
Advertisement and publicity expenses		8,643	6,166
Commission expenses		94	88
Marketing, distribution and promotion expenses		1,321	1,537
Conference expenses		0	0
Allowances for doubtful debts and advances (Refer note 44(d)(ii))		415	956
Bad debts and advances written off	1,028	-	-
Less: Provisions for doubtful debts adjusted	(1,028)	-	
Foreign exchange loss (net)		7	38
Loss on sale/write off of property, plant and equipment (net)		1	127
Miscellaneous expenses		64	126
Total		**15,582**	**13,710**

'0' (zero) denotes amounts less than a million.

30. EXCEPTIONAL ITEMS

(₹ million)

	Mar-22	Mar-21
Provision for other receivables (Refer note 44(d)(ii)A)	(527)	(1,001)
Other exceptional expenses @	(806)	-
Impairment loss on goodwill (Refer note 7 and 45)	-	(265)
Total	**(1,333)**	**(1,266)**

@During the year, the Board of Directors approved payment of one-time bonus as part of Talent Retention Plan, payable in two tranches. Accordingly, amount aggregating ₹ 733 million (Nil) has been accounted during the year.

Further, during the year, the Company accounted for legal expenses aggregating ₹ 73 million (Nil) in connection with the proposed Scheme of Arrangement (Refer note 49).

Notes
FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

31. TAX EXPENSE

The major components of income-tax for the year are as under:

(₹ million)

	Mar-22	Mar-21
Income-tax related to items recognised directly in the consolidated statement of profit and loss		
Current tax - current year	4,312	5,162
- earlier years	196	(101)
Deferred tax expense/(benefit)	89	(436)
Total	**4,597**	**4,625**
Effective tax rate	**32.5%**	**36.8%**

A reconciliation of income-tax expense applicable to profit before income-tax at statutory rate to income-tax expense at the Group's effective income-tax rate for the year ended 31st March 2022 and 31st March 2021 is as follows:

(₹ million)

	Mar-22	Mar-21
Profit before tax	**14,155**	**12,556**
Income-tax		
Statutory income-tax rate of 25.168% (25.168%) on profit	3,562	3,160
Effect of differential tax rates for subsidiaries	27	59
Tax effect on non-deductible expenses	928	1,420
Non-creation of deferred tax asset on unused tax losses	238	(111)
Additional allowances for tax purposes	(337)	(2)
Effect of exempt income and income taxed at lower rates	(15)	199
Short/(excess) provision for earlier years	196	(101)
Others	(3)	1
Tax expense recognised in the income statement	**4,597**	**4,625**

Deferred tax recognised in consolidated statement of other comprehensive income.

(₹ million)

For the year ended 31st March	Mar-22	Mar-21
Employee retirement benefits obligation	4	(0)
Total	**4**	**(0)**

The applicable tax rate is the standard effective corporate income-tax rate in India. The tax rate is 25.168% (25.168%) for the year ended 31st March 2022. Deferred tax assets and liabilities are offset where the Group has a legally enforceable right to do so.

'0' (zero) denotes amounts less than a million.

Notes

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Deferred tax recognised as on 31st March 2022

(₹ million)

Deferred tax (liabilities)/assets in relation to:	Opening Balance	Recognised in profit or loss	Recognised in other comprehensive income *	Closing balance
Employee retirement benefits obligation	400	(138)	-	262
Allowances for doubtful debts, loans, advances and others	2,310	143	18	2,471
Unutilised tax losses	316	(92)	-	224
Disallowances under Section 40(a)	38	50	-	88
Depreciation and amortisation	87	(52)	0	35
Total	**3,151**	**(89)**	**18**	**3,080**

Deferred tax recognised as on 31st March 2021

(₹ million)

Deferred tax (liabilities)/assets in relation to:	Opening Balance	Recognised in profit or loss	Recognised in other comprehensive income *	Held for sale #	Closing balance
Employee retirement benefits obligation	358	42	(0)	-	400
Allowances for doubtful debts, loans, advances and others	2,061	258	(9)	-	2,310
Unutilised tax losses	81	235	-	-	316
Disallowances under Section 40(a)	98	(60)	-	-	38
Depreciation and amortisation	144	(39)	(0)	(18)	87
Total	**2,742**	**436**	**(9)**	**(18)**	**3,151**

The Group has unused tax losses of ₹ 854 million (₹ 841 million) with no expiry on carry forward whereas ₹ 5,268 million (₹ 4,306 million) are available for offsetting over a period of time till 2029-30. The losses are mainly in the nature of business losses.

* includes foreign currency translation reserve.

Represents elimination of deferred tax liability on non-current Investments classified as held for sale.

'0' (zero) denotes amounts less than a million.

32. EARNINGS PER SHARE (EPS)

(₹ million)

		Mar-22	Mar-21
a)	Profit after Tax (₹/million)	9,646	8,001
b)	Weighted average number of Equity shares for basic EPS (in numbers)	960,515,376	960,503,195
c)	Nominal value of Equity shares (₹)	1	1
d)	Basic EPS (₹)	10.04	8.33
e)	Weighted average number of Equity shares for diluted EPS (in numbers)	960,519,420	960,519,420
f)	Nominal value of Equity shares (₹)	1	1
g)	Diluted EPS (₹)	10.04	8.33

Notes

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

33. DISCLOSURES UNDER IND AS 116 ON LEASES

Operating leases:

The Company has made use of the following practical expedients available in its transition to Ind AS 116:

i. Applied the exemption not to recognise right-of-use assets (ROU) and liabilities for leases with less than twelve months of lease term on the date of initial application.

ii. Excluded the initial direct costs from the measurement of the ROU at the date of initial application.

iii. Applied a similar discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.

a) The group as a lessee:

i. The following is the break-up of current and non-current lease liabilities as at:

(₹ million)

Particulars	Mar-22	Mar-21
Current lease liabilities	193	194
Non-current lease liabilities	535	181
Total (Refer Note 44(d)(iii))	**728**	**375**

ii. The table below provides details regarding the contractual maturities of lease liabilities as at:

(₹ million)

Particulars	Mar-22	Mar-21
Due in 1st year	193	194
Due in 2nd to 5th year	525	142
Due after 5 years	10	39
Total	**728**	**375**

iii. The following is the movement in lease liabilities during the year ended:

(₹ million)

Land and buildings	Mar-22	Mar-21
Opening Balance	375	856
Additions	561	-
Finance Expenses	60	61
Reversal of lease liabilities	(32)	(317)
Payment of lease liabilities	(236)	(225)
Closing Balance	**728**	**375**

The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

iv. The changes in the carrying amounts of ROU assets of land and buildings is as follows:

(₹ million)

	Mar-22	Mar-21
Opening Balance	958	1,303
Additions	561	-
Reversals	(108)	(345)
Closing Balance	**1,411**	**958**
Reversal of accumulated depreciation	67	121
Depreciation for ROU assets	203	267

Notes
FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

v. Expenses relating to short-term leases and leases of low-value assets is ₹ 568 million (₹ 605 million).

The Group has entered into various lease contracts at various premises used in its operations. Leases of premises generally have lease terms upto 6 years.

b) The Group as a lessor:

The Group has given part of its buildings/investment property under cancellable operating lease agreement. The initial term of the lease is for 9 to 12 months.

(₹ million)

	Mar-22	Mar-21
Lease rental income	217	214

c) The Group has also sub-leased part of leased office premises with certain fixed assets under non-cancellable operating lease agreements that are renewable on a periodic basis at the option of both the lessor and lessee. The tenure of the lease is generally upto 12 months.

(₹ million)

	Mar-22	Mar-21
Sub-lease rent income	-	37

34A) CONTINGENT LIABILITIES

(₹ million)

		Mar-22	Mar-21
a)	Corporate Guarantees/Undertaking		
	- For related parties$	-	17
	- For other parties, loans outstanding ₹ 326 million (₹ 316 million)	320	316
b)	Disputed Indirect Taxes	585	585
c)	Disputed Direct Taxes*#	6,884	6,892
d)	Claims against the Group not acknowledged as debts##	528	544
e)	Legal cases against the Group@	Not ascertainable	Not ascertainable

$ Corporate guarantees aggregating ₹ 1,528 million (₹ 1,001 million) have been provided for. The related loans outstanding aggregate ₹ 2,009 million (₹ 2,018 million). (Refer note 44(d)(ii)A).

* Income-tax demands mainly include appeals filed by the Group before various appellate authorities (including Dispute Resolution panel) against disallowance of expenses/claims, non-deduction/short deduction of tax at source, transfer pricing adjustments etc. The Management is of the opinion that its tax cases are likely to be decided in its favour and hence no provision is considered necessary.

Includes an income-tax demand, issued by Indian income-tax Authorities on a foreign subsidiary, Taj TV Limited, Mauritius (Taj Mauritius), amounting to ₹ 6,215 million mainly on account of sale of Global Sports Broadcasting Undertaking during the year ended 31st March 2017.

During the FY 2017-18, one of the step down subsidiaries of ZEEL i.e. Taj, Mauritius, had sold sports business on a going concern & slump sale basis to a third party in Mauritius. The Income-tax authorities during assessment scrutiny had disregarded the India-Mauritius Tax Treaty benefits and taxed the entire Gains arising on Sale of Sports Broadcasting Undertaking under the Income-tax Act, 1961 alleging fixed place PE in India. Considering the facts of the case, technical position under the India-Mauritius tax treaty collaborated by the opinion from leading tax experts, the Group is of the view that the gain arising on sale of Sports Broadcasting Undertaking outside India i.e. Mauritius is not taxable in India. The group subsequently filed an appeal before the Income Tax Appellate Tribunal (ITAT) and the matter is currently under litigation before the second appellate authority. Considering the merits of the case, the Group has not recognised a provision in the books of account.

The amount represents the best possible estimate arrived at on the basis of available information. The Group has engaged reputed advocates to protect its interests and has been advised that it has strong legal positions against such disputes.

@ The Group has received legal notices of claims/lawsuits filed against it relating to infringement of copyrights, defamation suits etc. in relation to the programmes produced/other matters. In the opinion of the Management, no material liability is likely to arise on account of such claims/law suits.

Notes

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

B) The Group has preferred a legal case against The Board of Control for Cricket in India (BCCI) for premature termination of Media Rights contract for telecast of cricket matches between India and other countries in neutral territories outside India. The Hon'ble Arbitration Tribunal in November 2012 has passed an Arbitral award of ₹ 1,236 million (plus interest) in favour of the Group. BCCI has filed a petition before the Hon'ble High Court of Judicature at Madras challenging the Tribunal Award. The Company has also filed an execution petition in April 2018. Accordingly, pending final outcome, effect has not been given in these financial statements. During an earlier year, the Company has received ₹ 300 million which is accounted as deposits received in Other financial liabilities.

C) During the year, Group's network partner namely RailTel Corporation of India limited has terminated the Letter of Award (LoA) and invoked the performance bank guarantee issued. However, the Group, based on the legal opinion obtained, believes that this termination is based on the inaccurate facts and acordingly, initiated arbitration proceedings before appropriate forum. Pending outcome of the ongoing arbitration proceedings, the Group has considered the amounts paid for this project aggregating to ₹ 809 million (including the performance bank guarantee invoked), outstanding as at 31st March 2022 as good and recoverable from network partner and is accounted as other receivables.

35. CAPITAL AND OTHER COMMITMENTS

i. Estimated amount of contracts remaining to be executed on capital account not provided for (net of advances) ₹ 453 million (₹ 651 million).

ii. Other Commitments as regards media content and others (net off advances) ₹ 27,074 million (₹ 25,924 million).

iii. Uncalled Liability/contractual obligation on investments committed is Nil (₹ 13 million).

36. ATL Media Limited (ATL), an overseas wholly-owned subsidiary of the Company incorporated in Mauritius, is engaged in broadcasting business. Living Entertainment Limited, Mauritius (LEL), a related party of the Company, is a content provider. During the financial year ended 31st March 2016, ATL had entered into a Put Option agreement with LEL to acquire the issued share capital to the extent of 64.38% held by LEL in Veria International Limited (VIL) (another related party of the Group) at an exercise price of $ 105 million. The exercise period of the Put Option was from the agreement date till the expiry date, i.e. 30th July 2019. In order to secure a borrowing, from Axis Bank Limited and Yes Bank Limited (Bank), LEL had assigned all its right, title, benefit and interest under the said Put Option agreement in favour of Axis Bank DIFC branch, the security trustee for the benefit of Axis Bank Limited and Yes Bank Limited. The Put Option agreement was amended and renewed by the parties (ATL and LEL) on 29th July 2019 and extended till 30th December 2026 based on certain representations made by LEL and the exercise price was set at $52.50 million (₹ 3,969 million as at March 2022; ₹ 3,848 million as at 31st March 2021) for the same quantum of shares as per the earlier Put Option agreement and LEL extended the assignment of the Put Option to the security trustee.

During the financial year ended 31st March 2020, the Bank invoked the Put Option pursuant to the assignment and demanded ATL to pay the exercise price. Subsequently, upon inquiry, ATL became aware of certain misrepresentations by LEL at the time of renewal of the Put Option agreement and consequently, ATL has rescinded the Put Option from the renewal date of the Put Option agreement and also filed a suit against LEL and the security trustee of the said Bank (security trustee subsequently excluded in the amended plaint filed during the year) in the Hon'ble Supreme Court of Mauritius for inter alia declaration that the amended Put Option agreement has been properly rescinded and no longer binding and enforceable. The matter is now sub-judice in Mauritius.

ATL does not consider that any liability will devolve on it and hence has not recognised any liability towards the fair value of the Put Option in its books of account. Further, the Management of ATL has determined that based on valuation reports of VIL provided by LEL annually for subsequent periods up till 31st March 2019, the value of the underlying shares in VIL was higher than the exercise price and hence no amount was required to be recognised as liability towards the fair value of the Put Option in respect of those financial year ends.

37. During an earlier year, considering the increasing competition and content cost inflation, the Company entered into strategic content partnerships with major production houses, movie studios and creative partners for movies monetisation. Accordingly, the advances aggregating ₹ 2,640 million were outstanding as at 31st March 2021.

During the current year, the Company has received inventories and hence the aforesaid advances are settled.

38. Operational cost, employee benefits expense, advertisement and publicity expenses, electricity and water charges and repairs and maintenance (plant and machinery) are net off recoveries ₹ 139 million (₹ 153 million).

Notes
FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

39. SEGMENT INFORMATION

a) Business Segment

The Group operates only in one Segment namely ‘Content and Broadcasting’ and hence business segment disclosure as per Ind AS 108 on ‘Segment Reporting’ is not applicable.

b) Geographical Segment

The geographical segments considered for disclosure are India and Rest of the World.

(₹ million)

	Segment revenue *	
	Mar-22	Mar-21
India	74,115	64,754
Rest of the world	7,778	12,545
Total	**81,893**	**77,299**

There are no transactions with single external customers which amounts to 10% or more of the Group’s revenue.

(₹ million)

	Carrying cost of segment non-current assets ** @	
	Mar-22	Mar-21
India	12,860	11,709
Rest of the world	3,863	4,329
Total	**16,723**	**16,038**

* The revenues are attributable to countries based on location of customers.

** Based on location of assets.

@ Excluding financial assets and deferred tax assets.

Considering the nature of business of the Group in which it operates, the Group deals with various customers including multiple geographies. Consequently, none of the customers contribute materially to the revenue of the Group.

40. i. The Company or any of the subsidiaries, associate and joint venture has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entity(ies) (intermediaries) with the understanding that the intermediary shall ;

a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of the subsidiaries, associate and joint venture (ultimate beneficiaries) or

b) provide any guarantee, security, or the like to or on behalf of the ultimate beneficiaries.

ii. The Company or any of the subsidiaries, associate and joint venture has not received any fund from any other person(s) or entity(ies), including foreign entity(ies) (funding party) with the understanding (whether recorded in writing or otherwise) that the funding party shall ;

a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or

b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

41. NON-CURRENT ASSET CLASSIFIED AS HELD FOR SALE

(₹ million)

	Mar-22	Mar-21
Subsidiary assets held for sale (Refer Note (a) below)		
Assets	-	510
Less: Liabilities	-	(368)
	-	**142**
Freehold land and building (Refer Note (b) below)	-	573
Others	28	27
Total	**28**	**742**

Notes

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Notes:

a) The Company had entered into share purchase agreement after 31st March 2020, to sell its entire investment in its 100% subsidiary, Fly-By-Wire International Private Limited, which was subject to fulfilment of certain conditions/approvals. The Company had received the entire consideration for the aforesaid sale, in advance, during the year ended 31st March 2020. The Company had sold 49% of its investment in the previous year. The balance investment is sold in the current year on fulfilment of the conditions/receipt of the requisite approvals, resulting in a gain of ₹ 86 million (₹ 44 million).

b) During the year ended 31st March 2020, the Company had classified freehold land, considered as investment property, as non-current asset held for sale. However, due to delays, including on account of the COVID-19 pandemic, in concluding the sale, the Management has reassessed the proposed sale of freehold land as not being highly probable. Accordingly, the freehold land of ₹ 573 million has been reclassified as investment property as at 31st March 2022.

42. EMPLOYEE BENEFITS

Disclosures as per Ind AS 19 on 'Employee Benefits' are as follows:

a) Defined contribution plans

Contribution to provident and other funds' is recognised as an expense in Note 25 'Employee benefits expense' of the Consolidated Statement of Profit and Loss.

b) Defined benefit plans

The present value of gratuity obligation 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.

(₹ million)

		Mar-22	Mar-21
		Gratuity (Non-Funded)	
I.	**Expenses recognised during the year**		
	1. Current Service Cost	107	103
	2. Interest Cost	67	58
	3. Actuarial Losses/(Gains)	-	-
	4. Past Service cost	-	1
	Total Expenses	**174**	**162**
II.	**Amount recognised in other comprehensive income (OCI)**		
	1. Opening amount recognised in OCI	(32)	(36)
	2. Remeasurement during the period due to		
	Experience adjustments		
	- Changes in financial assumptions	(27)	(28)
	- Changes in demographic Assumptions	(5)	-
	- Changes in experience charges	22	32
	Closing amount recognised in OCI	**(42)**	**(32)**
III.	**Net Liability recognised in the Balance Sheet as at 31st March**		
	1. Present value of defined benefit obligation (DBO)	973	929
	2. Net Liability	973	929
IV.	**Reconciliation of Net Liability recognised in the Balance Sheet as at 31st March**		
	1. Net Liability at the beginning of year	929	824
	2. Expense as per I above	174	162
	3. Other comprehensive (income)/loss as per II above	(10)	4
	4. Liabilities transferred on divestiture	(3)	(32)
	5. Benefits paid	(117)	(29)
	Net Liability at the end of the year	**973**	**929**

Notes
FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ million)

		Mar-22	Mar-21
		Gratuity (Non-Funded)	
V.	**The following payments are expected to defined benefit plan in future years:**		
	1. Expected benefits for year 1	67	42
	2. Expected benefits for year 2 to year 5	234	163
	3. Expected benefits beyond year 5	1,807	2,710

'0' (zero) denotes amounts less than a million.

(₹ million)

		Mar-22	Mar-21
VI.	**Actuarial Assumptions**		
	1. Discount rate	7.27%	7.02%
	2. Expected rate of salary increase	7.00%	7.00%
	3. Mortality	IAL (2012-14)	IAL (2012-14)

VII. The defined benefit plans expose the Group to actuarial risks such as interest rate risk, longevity risk and salary risk:

Interest risk: A decrease in the bond interest rate will increase the plan liability.

Longevity risk: The present value of the defined benefit plan liability is calculated by reference to the best estimate of mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk: The present value of defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of plan participants will increase the plan's liability.

VIII. Sensitivity Analysis

The key actuarial assumptions to which the benefit obligation results are particularly sensitive to discount rate and future salary escalation rate. The following table summarises the impact in percentage terms on the reported defined benefit obligation at the end of the reporting period arising on account of an increase or decrease in the reported assumption by 50 basis points.

(₹ million)

	Mar-22	Mar-21
Impact of increase in 50 bps on DBO - discount rate	930	876
Impact of decrease in 50 bps on DBO - discount rate	1,020	982
Impact of increase in 50 bps on DBO - salary escalation rate	1,020	984
Impact of decrease in 50 bps on DBO - salary escalation rate	929	875

Notes:

(a) The current service cost recognised as an expense is included in Note 25 'Employee benefits expense' as gratuity. The remeasurement of the net defined benefit liability is included in other comprehensive income.

(b) The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the Actuary.

Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase and mortality. The sensitivity analysis above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

C) Other long-term benefits

The obligation for leave benefits (non-funded) is also recognised using the Projected Unit Credit Method (PUCM) and accordingly the long-term paid absences have been valued. The leave encashment expense is included in Note 25 'Employee benefits expense'.

Notes
FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

43. DISCLOSURE IN RESPECT OF ASSOCIATE AND JOINT VENTURE

a) The summarised financial information of the Group's associate and joint venture are set out below.

b) The principal place of business for the associate is in Thailand and for the joint venture is in India.

1. Asia Today Thailand Limited (held through Asia Today Singapore Pte. Limited) - Associate Company

(₹ million)

Particulars	Mar-22	Mar-21
Current assets	21	49
Non-current assets	2	2
Current liabilities	(6)	(35)
Equity	17	16
Proportion of Group ownership	25%	25%
Carrying amount of the investment	4	4

(₹ million)

Particulars	Mar-22	Mar-21
Total revenue	57	90
Profit for the year	1	1
Total comprehensive income	1	1
Group's Share of profit	0	0

2. Media Pro Enterprise India Private Limited - Joint Venture

(₹ million)

Particulars		Mar-22	Mar-21
Current assets		172	170
Non-current assets		0	0
Current liabilities		(1)	(1)
Equity		171	169
Proportion of Group ownership		50%	50%
Proportion of Group share	(A)	86	85
Adjustment for proportionate share of investment	(B)	(69)	(69)
Carrying amount of investment	(A+B)	17	16
Cash and cash equivalents		141	141

(₹ million)

Particulars	Mar-22	Mar-21
Total revenue	5	7
Income-tax expense	-	-
Profit/(Loss) for the year	2	(3)
Total comprehensive Income/(loss)	2	(3)
Group's Share of Profit/(loss)	1	(1)

0' (zero) denotes amounts less than a million.

Group's share in contingent liabilities is ₹ 1 million (₹ 1 million).

Notes

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

44. FINANCIAL INSTRUMENTS

a) Capital management

The Group manages its capital to ensure that it will be able to continue as a going concern while maximising the return to the stake holders through optimisation of debt and equity balance. The Group is not subject to any externally imposed capital requirements. The Group's Risk Management Committee reviews the capital structure of the Group.

b) Categories of financial instruments and fair value thereof

(₹ million)

Carrying amount	Mar-22		Mar-21	
	Carrying amount	Fair value	Carrying amount	Fair value
A) Financial assets				
i. Measured at amortised cost				
Trade receivables	17,375	17,375	19,452	19,452
Cash and cash equivalents	11,987	11,987	10,485	10,485
Other bank balances	746	746	422	422
Other financial assets	5,412	5,412	3,765	3,765
Redeemable non-convertible debentures*	337	337	489	489
	35,857	**35,857**	**34,613**	**34,613**
ii. Measured at fair value through profit and loss account				
Investments				
Tagos Design Innovations Private Limited	-	-	-	-
Morpheus Media Fund	0	0	10	10
Exfinity Technology Fund-Series II	272	272	91	91
Mutual fund	-	-	7,356	7,356
	272	**272**	**7,457**	**7,457**
iii. Measured at fair value through other comprehensive income				
Equity shares	21	21	17	17
B) Financial liabilities				
i. Measured at amortised cost				
Trade payables	13,719	13,719	13,982	13,982
Other financial liabilities	4,547	4,547	3,295	3,295
Lease liabilities*	728	728	375	375
Vehicle loans*	35	35	24	24
	19,029	**19,029**	**17,676**	**17,676**
ii. Measured at fair value through Profit and Loss				
6% Cumulative redeemable non-convertible preference shares*	-	-	3,832	3,832

* Includes current maturities.

'0' (zero) denotes amounts less than a million.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Financial instruments measured at amortised cost

The carrying amount of financial assets and financial liabilities measured at amortised cost in the consolidated financial statements are a reasonable approximation of their fair values, since, the Group does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

Notes
FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

c) **Fair value measurement**

The following table provides the fair value measurement hierarchy of the Group's assets and liabilities.

Quantative disclosures of fair value measurement hierarchy for assets and liabilities as at:

(₹ million)

	Mar-22	Mar-21		Valuation Technique(s) & key inputs used
Financial assets at fair value through other comprehensive income				
Investment in Equity shares	12	9	Level 1	Quoted in an active market
Investment in Equity shares	9	8	Level 3	Discounted cash flow at a discount rate that reflects the issuer's current borrowing rate at the end of the reporting period.
Financial assets at fair value through profit and loss				
Investment in Mutual funds	-	7,356	Level 1	Quoted in an active market
Tagos Design Innovations Private Limited	-	-	Level 3	Discounted cash flow at a discount rate that reflects the issuer's current borrowing rate at the end of the reporting period and NAV statements.
Morpheus Media Fund	0	10	Level 3	
Exfinity Technology Fund-Series II	272	91	Level 3	
Financial liabilities at fair value through profit and loss				
6% Cumulative redeemable non-convertible preference shares	-	3,832	Level 1	Quoted in an active market

'0' (zero) denotes amounts less than a million.

Reconciliation of Level 3 category of financial assets:

(₹ million)

	Mar-22	Mar-21
Opening balance	**109**	**2,471**
Additions	15	27
Redeemed	-	(2,233)
Gain/(Loss) recognised	157	(143)
Effect of foreign currency translation	-	(13)
Closing balance	**281**	**109**

d) **Financial risk management objective and policies**

The Group's principal financial liabilities, comprise loans and borrowings (majorly comprises cummulative redeemable non-convertible preference shares issued by the Company), interest free business deposits, trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include investments, loans, unsecured interest free deposits, trade and other receivables and cash and cash equivalents that are derived directly from its operations.

The Group is exposed to market risk, credit risk and liquidity risk. The Group's Senior Management oversees the management of these risks.

i. **Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk such as equity price risk.

- **Foreign Currency risk**

The Group undertakes transactions denominated in foreign currencies, consequently exposures to exchange rate fluctuations arise. The Management has taken a position not to hedge this currency risk.

Notes

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

The carrying amounts of financial assets and financial liabilities of the Group denominated in currencies other than its functional currency are as follows:

(₹ million)

Currency	Assets as at		Liabilities as at	
	Mar-22	Mar-21	Mar-22	Mar-21
Indian Rupees (₹)	52	71	81	47
United States Dollar (USD)	483	479	197	75
Euro (EUR)	1	1	8	5
Great Britain Pound (GBP)	-	-	-	0
Mauritian Rupee	5	3	7	6
Australian Dollar (AUD)	19	59	-	-
UAE Dirhams (AED)	21	13	25	17
Singapore Dollar (SGD)	15	19	43	52
Pakistani Rupee (PKR)	-	-	3	4
Egypt Pound (EGP)	108	138	-	-
Japanese Yen (JPY)	2	2	-	-
South African Rand (ZAR)	11	-	-	-

'0' (zero) denotes amounts less than a million.

- **Foreign Currency sensitivity analysis**

The following table details the Group's sensitivity to a 10% increase and decrease in the Rupee against the relevant foreign currencies. 10% is the sensitivity rate used while reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the year end for a 10% change in foreign currency rates. A positive number below indicates an increase in profit where the Rupee strengthens 10% against the relevant currency. For a 10% weakening of the Rupee against the relevant currency, there would be a comparable impact on the profit and the balance would be negative.

(₹ million)

Currency	Sensitivity analysis			
	Mar-22		Mar-21	
	Decrease by 10%	Increase by 10%	Decrease by 10%	Increase by 10%
Indian Rupees (₹)	3	(3)	(2)	2
United States Dollar (USD)	(29)	29	(40)	40
Euro (EUR)	1	(1)	0	(0)
Great Britain Pound (GBP)	-	-	0	(0)
Mauritian Rupee	0	(0)	0	(0)
Australian Dollar (AUD)	(2)	2	(6)	6
UAE Dirhams (AED)	0	(0)	0	(0)
Singapore Dollar (SGD)	3	(3)	3	(3)
Pakistani Rupee (PKR)	0	(0)	0	(0)
Egypt Pound (EGP)	(11)	11	(14)	14
Japanese Yen (JPY)	(0)	0	(0)	0
South African Rand (ZAR)	(1)	1	-	-

'0' (zero) denotes amounts less than a million.

The Group is mainly exposed to USD currency fluctuation risk.

The Group's sensitivity to foreign currency assets has increased during the current year in line with increase in foreign currency trade receivables.

The Group's sensitivity to foreign currency liabilities has increased during the current year mainly on account of increase in foreign currency trade payables.

Notes
FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

- **Interest rate risk**

  The borrowing of the Group includes vehicle loan which carries fixed coupon rate and consequently the Group is not exposed to interest rate risk.

  The Group's investment in debt instruments and loans given by the Group are at fixed interest rates, consequently the Group is not exposed to interest rate risk.

- **Other price risk**

  The Group is exposed to equity price risks arising from equity investments. The Group's equity investments are held for strategic rather than trading purposes.

Equity price sensitivity analysis:

The sensitivity analysis below has been determined based on the exposure to equity price risks at the end of the reporting period. If the equity prices had been 10% lower/higher:

(₹ million)

Currency	Sensitivity analysis			
	Mar-22		Mar-21	
	Decrease by 10%	Increase by 10%	Decrease by 10%	Increase by 10%
Other comprehensive income for the year ended would (decrease)/increase by	(1)	1	(1)	1

ii. Credit risk management

Credit risk is the risk of financial loss to the Group if a customer or counterparty fails to meet its contractual obligations and arises principally from the Group's receivables, deposits given, loans given, investments made and balances at bank.

The maximum exposure to the credit risk at the reporting date is primarily from investments made, loans given and trade receivables.

In case of trade receivables, the Group does not hold any collateral or other credit enhancements to cover its credit risks. Credit risk has always been managed by the Group through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Group grants credit terms in the normal course of business. On account of adoption of Ind AS 109 on 'Financial Instruments', the Group uses expected credit loss model to assess the impairment loss or gain.

Trade receivables are non-interest bearing and the average credit period is 45 days. The Group's exposure to customers is diversified and except for two customers, no single customer contributes to more than 10% of outstanding trade receivables and unbilled revenue.

The carrying amounts of trade receivables outstanding from the due dates as at 31st March 2022 is follows:

(₹ million)

Particulars	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed							
i. Considered good	8,150	8,778	688	224	13	-	17,852
ii. which have significant increase in credit risk	-	0	-	395	0	-	395
iii. Credit impaired	0	0	0	16	1,271	2,065	3,352
Disputed							
i. Considered good	-	-	-	-	-	-	-
ii. Credit impaired	-	0	13	11	109	70	204
Total	**8,150**	**8,778**	**701**	**646**	**1,393**	**2,135**	**21,803**

Notes

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

The carrying amounts of trade receivables outstanding from the due dates as at 31st March 2021 is follows:

(₹ million)

Particulars	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed							
i. Considered good	8,439	9,333	2,526	85	42	33	20,457
ii. which have significant increase in credit risk	-	0	5	294	3	-	302
iii. Credit impaired	3	2	13	2,175	411	959	3,563
Disputed							
i. Considered good	-	-	-	-	-	-	-
ii. Credit impaired	-	3	12	120	52	215	403
Total	**8,442**	**9,338**	**2,556**	**2,674**	**508**	**1,206**	**24,725**

'0' (zero) denotes amounts less than a million.

The carrying amount of following financial assets represents the maximum credit exposure:

(₹ million)

	Mar-22	Mar-21
Movement in allowance for credit loss during the year was as follows:		
Balance at the beginning of the year	5,273	4,707
Add: Provided during the year	115	787
Less: Reversal/write offs during the year	(998)	(204)
Impact of Foreign Translation	38	(17)
Balance as at the end of the year	**4,428**	**5,273**
Net Trade receivable	**17,375**	**19,452**

Trade receivable consists of a large number of customers, spread across diverse industries and geographical areas. Ongoing credit evaluation is performed on the financial condition of the accounts receivable.

A) During earlier years, the Company had provided commitments for funding shortfalls in Debt Service Reserve Account (DSRA guarantee) in relation to certain financial facilities availed from banks by Siti Networks Limited (SNL), which continues to be disclosed as a related party for the current year, based on past association with SNL, even though SNL does not meet the criteria for being a related party from a legal form perspective. The above facilities include certain facilities availed when the cable business undertaking was part of the Company before its demerger into SNL.

The loan outstanding of SNL as at 31st March 2022 is ₹ 2,009 million which is backed by DSRA guarantee as per the terms of the relevant agreements. On account of defaults made in repayments by SNL, during the year ended 31st March 2021, the Company has received demand notices/communications from the banks/representatives calling upon the Company to honor the obligations under the DSRA guarantee.

The Company has also been informed that SNL is in discussions with the banks for renegotiating the repayment terms and also restructuring/ rescheduling of its' facilities. The Company has obtained legal advice about its obligations under the terms of the DSRA guarantee and the demands raised. Certain demands are sub-judice before various judicial forums.

Based on the aforesaid, as a matter of abundant caution, the Company has without prejudice to its rights in the pending legal proceedings, accounted for an amount aggregating ₹ 1,001 million towards DSRA during the year ended 31st March 2021. During the year ended 31st March 2022, the Company has further accounted for an amount of ₹ 527 million. The Company has also provided for the aforesaid amounts receivable from SNL and disclosed the same as part of 'Exceptional items'.

As a matter of abundant caution, the Company had provided for the overdue trade receivables from SNL aggregating ₹ 1,991 million in the year ended 31st March 2021. The Company recognises revenue to the extent collected. On account of a pending legal proceeding, amounts aggregating ₹ 189 million (net) are yet to be collected and accounted for.

Notes
FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

B) The Company has trade receivable of ₹ 2,446 million (₹ 4,546 million) from a key strategic customer as at 31st March 2022, which include amounts which are overdue. The Management has agreed with the customer for a revised collection plan, which involves recovering the significant amounts by next financial year. Further, the customer has been generally paying as per the agreed plan and has reduced the overdue amount. Accordingly, the Management has considered the aforesaid amounts as good of recovery.

As at the year end, the Company is carrying provision for expected credit loss of ₹ 92 million (₹ 324 million) as per the requirements of Ind AS 109 on 'Financial Instruments' towards time value of money on account of the said collection plan.

C) The Company, in an earlier year, had given an Inter-corporate Deposit (ICD) aggregating ₹ 1,500 million. On account of delays in recovery of the amount, the ICD was assigned to certain related parties (refer note 46), to secure payment of ₹ 1,706 million (including accrued interest up to the date of assignment). Further since, there are delays in receiving payment from these related parties, the aforesaid amount has been provided during an earlier year. The Company has initiated arbitration proceedings against the said parties for recovering the amounts.

D) During the year, the Company has made provision for slow moving financial assets aggregating ₹ 547 million (including ₹ 527 million for DSRA guarantee) (Previous year ₹ 1,139 million including ₹ 1,001 million for DSRA guarantee) resulting in aggregate provision of ₹ 2,321 million (₹ 1,794 million).

Credit risk on cash and cash equivalents is limited as the Group generally invests in deposits with banks and financial institutions with high credit ratings assigned by credit rating agencies. The credit risk on mutual funds, non-convertible debentures, certificates of deposit and other debt instruments is limited because the counterparties are generally banks and financial institutions with high credit ratings assigned by credit rating agencies.

iii. Liquidity risk

Liquidity risk refers to the risk that the Group cannot meet its financial obligations. The Group's principal source of liquidity are cash and cash equivalents and the cash flow generated from operations. The Group consistently generated strong cash flows from operations which together with the available cash and cash equivalents and current investment provides adequate liquidity in short-term as well as in the long-term. Trade and other payables are non-interest bearing and the average credit term is 45 days.

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at 31st March 2022:

(₹ million)

	Due in 1st year	Due in 2 to 5th year	Due after 5 years	Total	Carrying value
Financial Liabilities					
Trade payables and other financial liabilities	18,266	-	-	18,266	18,266
Lease liabilities	193	525	10	728	728
Borrowings	14	21	-	35	35
Total	**18,474**	**546**	**10**	**19,030**	**19,030**

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at 31st March 2021.

(₹ million)

	Due in 1st year	Due in 2 to 5th year	Due after 5 years	Total	Carrying value
Financial Liabilities					
Trade payables and other financial liabilities	17,277	-	-	17,277	17,277
Lease liabilities	194	142	39	375	375
Borrowings	4,058	-	-	4,058	3,856
Total	**21,529**	**142**	**39**	**21,710**	**21,508**

The amount of financial guarantees included in contingent liabilities are the maximum amounts the Group could be forced to settle under the arrangement for the full guaranteed amount if the amount is claimed by the counterparty to the guarantee.

Notes
FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

The table below provides ageing of trade payables as at 31st March 2022:

(₹ million)

Particulars	Accruals	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed	6,474	2,249	3,910	247	275	522	13,677
Disputed	-	-	0	0	26	15	41
Total	**6,474**	**2,249**	**3,910**	**248**	**301**	**537**	**13,719**

'0' (zero) denotes amounts less than a million.

The table below provides ageing of trade payables as at 31st March 2021:

(₹ million)

Particulars	Accruals	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed	5,556	1,989	5,136	599	264	390	13,935
Disputed	-	-	1	30	6	11	47
Total	**5,556**	**1,989**	**5,137**	**629**	**270**	**401**	**13,982**

45. During the year ended 31st March 2021, the Board of Directors of the Company had approved the sale of digital publishing business to Indiadotcom Digital Private Limited (formerly known as Rapidcube Technologies Private Limited) (Indiadotcom), a related party, subject to regulatory and other approvals. Based on the binding quote received for this sale, the Company had assessed the carrying value of Goodwill relating to the aforesaid business and accordingly, accounted for an impairment charge of ₹ 265 million during the year ended 31st March 2021 and had disclosed the same as part of 'Exceptional items'. During the year, the Company has transferred the business to Indiadotcom post receipt of aforesaid regulatory and other approvals.

The details of assets and liabilities transferred are as follows:

(₹ million)

Particulars	Mar-22
Assets	
Property, plant and equipment	4
Intangible assets	238
Goodwill	355
Trade Receivables	158
Total assets transferred (A)	**755**
Liabilities	
Provisions	4
Financial liabilities	4
Total liabilities acquired (B)	**8**
Net assets transferred (C)=(A-B)	**747**
Consideration (D)	638
Working capital adjustment (E)	150
Total consideration (F) = (D + E)	**788**
Profit on sale of digital publishing business (F - C)	**41**

Notes

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

46. RELATED PARTY DISCLOSURES

a) Associates

Name of the Associate	Extent of holding	Country of Incorporation
Asia Today Thailand Limited (held through Asia Today Singapore Pte. Limited)	25% (25%)	Thailand

b) Joint Venture

Name of the Jointly Controlled Entity	Extent of holding	Country of Incorporation
Media Pro Enterprise India Private Limited (held through Zee Studios Limited)	50% (50%)	India

c) Other Related parties consist of companies controlled by key management personnel and its relatives with whom transactions have taken place during the year and balance outstanding as on the last day of the year:

Asian Satellite Broadcast Private Limited; Broadcast Audience Research Council (upto 24th March 2022); Cyquator Media Services Private Limited; Creantum Security Solutions Private Limited; Digital Subscriber Management and Consultancy Services Private Limited; Diligent Media Corporation Limited; Edisons Infrapower & Multiventures Private Limited; Essel Corporate LLP; Essel Corporate Resources Private Limited; Essel Finance Business Loans Limited; Essel Finance Management LLP; Essel Infra Projects Limited; Elouise Green Mobility Limited (formerly known as Essel Green Mobility Limited); Essel Realty Private Limited; Essel Utilities Distribution Company Limited; Evenness Business Excellence Services Private Limited (Formerly known as Essel Business Excellence Services Limited); EZ Buy Private Limited; EZ Mall Online Limited; Indiadotcom Digital Private Limited; Konti Infrapower & Multiventures Private Limited; Liberium Global Resources Private Limited; Living Entertainment Enterprises Private Limited; Omnitrade Marketing Services Private Limited; Pan India Network Infravest Limited; Pan India Network Limited; Real Media FZ-LLC; *Siti Group (Siti Networks Limited; Indian Cable Net Company Limited; Master Channel Community Network Private Limited; Siti Broadband Services Private Limited; Siti Guntur Digital Network Private Limited; Siti Jai Maa Durgee Communication Private Limited; Siti Jind Digital Media Communication Private Limited; Siti Karnal Digital Media Network Private Limited; Siti Maurya Cable Net Private Limited; Siti Prime Uttranchal Communications Private Limited; Siti Saistar Digital Media Private Limited; Siti Siri Digital Network Private Limited; Siti Vision Digital Media Private Limited); Today Merchandise Private Limited; Veria International Limited; Widescreen Holdings Private Limited; Zee Akaash News Private Limited; *Zee Learn Limited; Zee Media Corporation Limited; Zen Cruises Private Limited; Pan Asia Infrastructure FZ LLC.

* Even though the Siti Group and Zee Learn Limited does not meet the criteria for being a related party from a legal form perspective, based on the past association with these Companies, the Company has disclosed them as a related parties and has disclosed all the transactions with the said Companies.

Directors/Key Management Personnel

Dr. Subhash Chandra (Non-Executive Director) upto 18th August 2020; Mr. Punit Goenka (Managing Director & CEO); Mr. R. Gopalan (Independent Director - Chairman); Mr. Ashok Kurien (Non-Executive Director- upto 12th September 2021); Mr. Manish Chokhani (Non-Executive Director - upto 12th September 2021); Mr. Adesh Kumar Gupta (Non-Executive Director); Mr. Piyush Pandey (Independent Director); Ms. Alicia Yi (Independent Director) w.e.f. 24th April 2020; Mr. Sasha Mirchandani (Independent Director) w.e.f. 24th December 2020; Mr. Vivek Mehra (Independent Director) w.e.f. 24th December 2020.

Relatives of Key Management Personnel

Amit Goenka

Notes

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

d) **Disclosure in respect of related party transactions and balances as at and during the year**

(₹ million)

Sr. No.	Particulars	Mar 22	Mar 21
	Transactions during the year		
i.	**Revenue from operations**		
	- **Advertisement income**		
	Other related parties	116	128
	- **Subscription income**		
	Other related parties	1,380	1,930
	- **Share of subscription income payable**		
	Other related parties	385	399
	- **Commission**		
	Other related parties	-	50
	- **Transmission income**		
	Other related parties	114	96
	- **Sales of Media content**		
	Other related parties	-	2
	- **Other operating revenue**		
	Other related parties	-	9
ii.	**Other income**		
	- **Rent/Miscellaneous income**		
	Other related parties	153	192
	- **Interest income**		
	Other related parties	45	32
iii.	**Purchase of services**		
	Other related parties	1,507	1,787
iv.	**Recoveries/(Reimbursement) (net)**		
	Other related parties	112	140
v.	**Investments purchased/subscribed**		
	Other related parties	-	445
vi.	**Investments sold/redemption**		
	Other related parties	100	10
vii.	**Sale of digital publishing business**		
	Other related parties (Refer Note 45)	788	-
viii.	**Assets transfer**		
	Other related parties	-	1
ix.	**Transfer of retirement benefits**		
	Other related parties	-	88
x.	**Loans, advances and deposits repayment received**		
	Other related parties	9	9
xi.	**Loans, advances and deposits repayment given**		
	Other related parties	-	6
xii.	**Provision for loans, advance and deposit given, trade and other receivables (Refer note 44(d)(ii))**		
	Other related parties	26	993

Notes
FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ million)

Sr. No.	Particulars	Mar 22	Mar 21
xiii.	**Provision for Corporate guarantees given (Refer note 44(d)(ii)(D))**		
	Other related parties	527	1,001
xiv.	**Liabilities written back**		
	Other related parties (₹ Nil (₹ 164,000/-))	-	0
xv.	**Remuneration to Key Management Personnel**		
	Short-term employee benefits@	411	132
xvi.	**Remuneration to relative of Key Management Personnel**		
	Short-term employee benefits@	189	51
xvii.	**Commission and sitting fees**		
	Non-Executive directors	42	42
xviii.	**Dividend paid**		
	Director (₹ 7,395/- (₹ 2,524/-))	0	0

(₹ million)

Sr. No.	Particulars	Mar 22	Mar 21
	Balance as at 31st March		
i.	**Investment**		
	Associates	4	5
	Joint venture	17	13
	Other related parties	337	437
ii.	**Trade receivables**		
	Other related parties	281	309
iii.	**Loans, advances and deposits given**		
	Other related parties	357	364
iv.	**Other receivables**		
	Other related parties	466	235
v.	**Trade advances and deposits received**		
	Other related parties	25	28
vi.	**Trade/other payables**		
	Other related parties	215	323
vii.	**Corporate guarantees given**		
	Other related parties	-	17

@ Does not include provision made for gratuity and leave encashment as they are determined on actuarial basis for all the employees together.

Notes

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

e) **Disclosure in respect of material related party which account for 10% or more of the transactions and balances as at and during the year**

(₹ million)

Sr. No.	Particulars	Mar 22	Mar 21
	Transactions during the year		
i.	**Revenue from operations**		
	- **Advertisement income**		
	Indiadotcom Digital Private Limited	116	127
	Others	-	1
	- **Subscription income**		
	Siti Networks Limited*	831	1,216
	Indian Cable Net Company Limited	549	714
	- **Share of subscription income payable**		
	Zee Media Corporation Limited	385	399
	- **Transmission income**		
	Zee Media Corporation Limited	112	94
	Zee Akaash News Private Limited	2	2
	- **Commission**		
	Zee Akaash News Private Limited	-	8
	Zee Media Corporation Limited	-	42
	- **Sales of Media content**		
	Zee Media Corporation Limited	-	2
	Others (₹ Nil (₹ 143,000/-))	-	0
	- **Other operating revenue**		
	Zee Media Corporation Limited	-	9
ii.	**Other income**		
	- **Rent/Miscellaneous income**		
	Siti Networks Limited*	-	31
	Zee Media Corporation Limited	151	155
	Evenness Business Excellence Services Private Limited	-	5
	Others	2	1
	- **Interest income**		
	Zee Learn Limited*	39	32
	Indiadotcom Digital Private Limited	6	-
iii.	**Purchase of services**		
	Broadcast Audience Research Council	351	271
	Zee Media Corporation Limited	110	262
	Digital Subscriber Management and Consultancy Services Private Limited	501	542
	Evenness Business Excellence Services Limited	-	150
	Siti Networks Limited $ *	190	229
	Indian Cable Net Company Limited	196	156
	Others	160	177
iv.	**Recoveries/(Reimbursement) (net)**		
	Zee Media Corporation Limited	88	125
	Siticable Network Limited*	17	12
	Others	6	2

Notes

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ million)

Sr. No.	Particulars	Mar 22	Mar 21
v.	**Investments purchased/subscribed**		
	10.02% Secured redeemable non-convertible debentures of Zee Learn Limited*	-	445
vi.	**Investments sold/redemption**		
	10.02% Secured redeemable non-convertible debentures of Zee Learn Limited*	100	10
vii.	**Sale of digital publishing business**		
	Indiadotcom Digital Private Limited (Refer Note 45)	788	-
viii.	**Assets transfer**		
	Zee Media Corporation Limited	-	1
	Zee Akaash News Private Limited (₹ Nil (₹ 160,070/-))	-	0
ix.	**Transfer of retirement benefits**		
	Zee Media Corporation Limited	-	82
	Others	-	6
x.	**Loans, advances and deposits repayment received**		
	Broadcast Audience Research Council	9	9
xi.	**Loans, advances and deposits repayment given**		
	Zee Media Corporation Limited	-	6
xii.	**Provision for loans, advance and deposit given, trade and other receivables (Refer note 44(d)(ii))**		
	Siti Networks Limited*	18	855
	Evenness Business Excellence Services Limited	6	137
	Others	2	1
xiii.	**Provision for corporate guarantees given (Refer note 44(d)(ii)(D))**		
	Siti Networks Limited (DSRA Value) # @*	527	1,001
xiv.	**Liabilities written back**		
	Diligent Media Corporation Limited (₹ Nil (₹ 164,000/-))	-	0
xv.	**Remuneration to Key Management Personnel**		
	Punit Goenka@	411	132
xvi.	**Remuneration to relative of Key Management Personnel**		
	Amit Goenka@	189	51
xvii.	**Commission and sitting fees**		
	Non-Executive directors	42	42
xviii.	**Dividend paid**		
	Director (₹ 7,395/- (₹ 2,524/-))	0	0

Notes
FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ million)

Sr. No.	Particulars	Mar 22	Mar 21
	Balance as at 31st March		
i.	**Investment**		
	Equity Shares of Media Pro Enterprises India Private Limited	17	13
	10.02% Secured redeemable non convertible debenture of Zee Learn Limited*	337	437
	Others	4	5
ii.	**Trade receivables**		
	Indian Cable Net Company Limited	217	227
	Zee Media Corporation Limited	56	78
	Others (net of provision)	8	4
iii.	**Loans, advances and deposits given (Refer note 44(d)(ii))**		
	Digital Subscriber Management and Consultancy Services Private Limited	340	340
	Widescreen Holdings Private Limited (net of provision)	-	-
	Konti Infrapower & Multiventures Private Limited (net of provision)	-	-
	Edisons Infrapower & Multiventures Private Limited (net of provision)	-	-
	Asian Satellite Broadcast Private Limited (net of provision)	-	-
	Others (net of provision)	17	24
iv.	**Other receivables**		
	Broadcast Audience Research Council	68	65
	Digital Subscriber Management and Consultancy Services Private Limited	-	49
	Zee Media Corporation Limited	22	73
	Evenness Business Excellence Services Limited (net of provision)	-	6
	Indiadotcom Digital Private Limited	340	-
	Others (net of provision)	36	42
v.	**Trade advances and deposits received**		
	Essel Corporate LLP	10	10
	Essel Infra Projects Limited	12	12
	Zee Media Corporation Limited	-	3
	Others	3	3
vi.	**Trade/other payables**		
	Zee Media Corporation Limited	135	216
	Digital Subscriber Management and Consultancy Services Private Limited	8	46
	Siti Networks Limited*	24	5
	Others	48	56
vii.	**Corporate guarantees given**		
	Broadcast Audience Research Council	-	17
	Siti Networks Limited # * (net of provision) (Refer note 44 (d) (ii) D)	-	-

$ This includes Logical Channel Number (LCN) incentive which is netted off from subscription revenue

Loan Outstanding amounting (₹ 2,009 million (₹ 2,018 million)).

@ Does not include provision made for gratuity and leave encashment as they are determined on actuarial basis for all the employees together.

* Even though the Siti Group and Zee Learn Limited does not meet the criteria for being a related party from a legal form perspective, based on the past association with these Companies, the Company has disclosed them as a related parties and has disclosed all the transactions with the said Companies.

Notes

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

47. Additional information, as required to consolidated financial statements to Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary/Associates/ Joint Ventures for the year ended 31st March 2022.

(₹ million)

Name of the entity	Net assets, i.e. total assets minus total liabilities		Share of profit or loss		Share in other comprehensive income		Share of total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Zee Entertainment Enterprises Limited	91%	98,477	140%	13,389	3%	12	134%	13,401
SUBSIDIARIES								
Indian								
1. Zee Studios Limited (Formerly Essel Vision Productions Limited)	0%	336	-3%	(327)	0%	1	-3%	(326)
2. Zee Unimedia Limited	0%	25	0%	(0)	0%	-	0%	(0)
3. Margo Networks Pvt. Ltd.	1%	800	-12%	(1,182)	-1%	(3)	-12%	(1,185)
4. Fly by Wire International Private Limited (upto 17th August 2021)	0%	-	0%	(41)	0%	-	0%	(41)
5. Idea Shopweb and Media Private Limited (upto 31st January 2022)	0%	-	0%	4	0%	-	0%	4
Foreign								
1. ATL Media Limited (Formerly Asia Today Limited)	9%	9,748	-5%	(436)	0%	-	-4%	(436)
2. Zee Multimedia Worldwide (Mauritius) Limited	6%	6,482	1%	84	0%	-	1%	84
3. Asia TV Limited (UK)	1%	1,424	1%	52	0%	-	1%	52
4. Expand Fast Holdings (Singapore) Pte. Limited	0%	159	0%	0	0%	-	0%	0
5. OOO Zee CIS Holding LLC	0%	-	0%	-	0%	-	0%	-
6. OOO Zee CIS LLC	0%	20	0%	(0)	0%	-	0%	(0)
7. Taj TV Limited	1%	1,428	0%	17	0%	-	0%	17
8. Zee Entertainment Middle East FZ-LLC	2%	2,364	4%	364	0%	-	4%	364
9. ATL Media FZ-LLC	0%	519	5%	461	0%	-	5%	461
10. Zee TV South Africa (Proprietary) Limited	0%	(61)	0%	36	0%	-	0%	36
11. Asia Multimedia Distribution Inc.	0%	(18)	0%	14	0%	-	0%	14
12. Asia Today Singapore Pte. Limited	0%	139	0%	29	0%	-	0%	29

(₹ million)

Name of the entity	Net assets, i.e. total assets minus total liabilities		Share of profit or loss		Share in other comprehensive income		Share of total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
13. Asia TV (USA) Limited, Wyoming	-1%	(1,510)	-5%	(449)	0%	-	-4%	(449)
14. Asia Today Limited (Formerly Zee Multimedia (Maurice) Limited)	1%	977	5%	479	0%	-	5%	479
15. Zee Studio International Limited	0%	(103)	0%	(1)	0%	-	0%	(1)
16. Z5X Global FZ - LLC	-4%	(4,405)	-14%	(1,331)	0%	-	-13%	(1,331)
17. Asia TV Gmbh (under liquidation w.e.f. 31st January 2021)	0%	20	0%	0	0%	-	0%	-
18. Pantheon Productions Limited	0%	(14)	0%	(0)	0%	-	0%	(0)
Non-Controlling Interests in all subsidiaries	0%	0	0%	0	0%	0	0%	0
ASSOCIATES (INVESTMENT AS PER THE EQUITY METHOD)								
Foreign								
1. Asia Today Thailand Limited	0%	4	0%	0	0%	-	0%	0
JOINT VENTURES (INVESTMENT AS PER THE EQUITY METHOD)								
Indian								
1. Media Pro Enterprise India Private Limited	0%	17	0%	1	0%	-	0%	1
TOTAL	**107%**	**116,828**	**117%**	**11,163**	**2%**	**10**	**114%**	**11,173**
Add/(Less): Effect of Elimination		(8,200)		(1,605)		426		(1,179)
TOTAL		**108,628**		**9,558**		**436**		**9,994**

0’ (zero) denotes amounts less than a million.

The figures have been computed based on the respective audited financial statements of the Companies vis-à-vis consolidated figures. Impact of consolidation adjustments have not been considered.

Notes
FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

48. DETAILS OF STRUCK OFF COMPANIES

(₹ million)

Name of the struck off company	Balance type	Balance outstanding as at 31st March 2022	Balance outstanding as at 31st March 2021
Alleppey Digital Private Limited	Trade receivables	0	0
Amber Sky Telecommunication Digital Network Private Limited	Trade receivables	-	0
Bhusawal Cable Network Private Limited	Trade receivables	0	0
Dhubri Cable Tv Network Private Limited	Trade receivables	0	-
Hornbill Media Private Limited	Trade receivables	0	0
Kriarj Entertainment Private Limited	Trade receivables	3	3
Malayora Digital Cable Vision Private Limited	Trade receivables	0	0
Mridul Films Private Limited	Trade receivables	-	2
Nilgiri Cable Tv Private Limited	Trade receivables	0	0
Paramhans Creation Private Limited	Trade receivables	-	0
Pleroma Consulting Private Limited	Trade receivables	-	2
Satkar Chitralaya Private Limited	Trade receivables	-	-
Shiv Digitek Private Limited	Trade receivables	0	0
Space Television Network Private Limited	Trade receivables	0	0
Venkata Sai Jk Communication Media Private Limited	Trade receivables	0	0
Vishalraj Films & Production Private Limited	Trade receivables	-	0
Yes India Digital Network Private Limited	Trade receivables	2	2
Aatharv4U Recreation And Media Private Limited	Other advances	-	1
Cair Saangri Manoranjan Company Private Limited	Other advances	-	0
Fantastic Multi Links Private Limited	Other advances	-	3
Frontline Trade Private Limited	Other advances	-	16
Kriarj Entertainment Private Limited	Other advances	-	12
Ysr Films Private Limited	Other advances	12	12
Alleppey Digital Private Limited	Trade payables	0	0
Bhusawal Cable Network Private Limited	Trade payables	-	0
Dhubri Cable Tv Network Private Limited	Trade payables	-	0
Hornbill Media Private Limited	Trade payables	-	0
Mridul Films Private Limited	Trade payables	-	0
Nilgiri Cable Tv Private Limited	Trade payables	0	0
R K Digital Cable Service Private Limited	Trade payables	1	1
Vishal International Productions Private Limited	Trade payables	-	16
Yes India Digital Network Private Limited	Trade payables	0	0
24 Fps Films Private Limited	Advances received from customers	0	0
Aquarius Mediaa Private Limited	Advances received from customers	0	0
Atrix Educare Business Private Limited	Advances received from customers	0	-

Notes
FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ million)

Name of the struck off company	Balance type	Balance outstanding as at 31st March 2022	Balance outstanding as at 31st March 2021
Balaji Cine Vision Private Limited	Advances received from customers	0	-
Deetya Advertising Agency Private Limited	Advances received from customers	0	0
Media Partners Advertising Private Limited	Advances received from customers	0	-
Nine Spheres Broadcast (India) Private Limited	Advances received from customers	0	0
Parambaria Edible Oil Private Limited	Advances received from customers	0	0
Passion Movies Private Limited	Advances received from customers	0	0
Saanvi Pictures Private Limited	Advances received from customers	1	1
The Rise Pictures Private Limited	Advances received from customers	0	0

'0' (zero) denotes amounts less than a million.

None of the aforesaid companies are related parties in accordance with related party definition as per Section 2 (76) of the Companies Act, 2013.

49. The Board of Directors of the Company, at its meeting on 21st December 2021, has considered and approved Scheme of Arrangement under Sections 230 to 232 of the Companies Act, 2013 (Scheme), whereby the Company and Bangla Entertainment Private Limited (an affiliate of Sony Pictures Networks India Private Limited) shall merge in Sony Pictures Networks India Private Limited. The Scheme is subject to receipt of approvals from the Stock Exchanges, National Company Law Tribunal, Mumbai bench (NCLT), shareholders and creditors of the Company as may be directed by the NCLT and approval of other regulatory or statutory authorities as may be required.

50. Final dividend on Equity shares for the year ended 31st March 2021 of ₹ 2.5 per share (₹ 0.3 per share) aggregating to ₹ 2,401 million (₹ 288 million) was paid during the year.

Final dividend on Equity shares for the year ended 31st March 2022 of ₹ 3 per share aggregating to ₹ 2,882 million was approved by the Board of Directors in their meeting held on 26th May 2022. The same is subject to approval of the shareholders at the Annual General Meeting and hence not recognised as a liability.

51. The consolidated financial statements of the Group for the year ended 31st March 2022, were reviewed by the Audit Committee at their meeting held on 25th May 2022 and were approved for issue by the Board of Directors at their meeting held on 26th May 2022.

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

A. B. Jani
Partner

Place: Mumbai
Date: 26th May 2022

For and on behalf of the Board

Punit Goenka
Managing Director & CEO

Vivek Mehra
Director

Rohit Kumar Gupta
Chief Financial Officer

Ashish Agarwal
Company Secretary

Place: Mumbai
Date: 26th May 2022