Independent Auditors' Report

To The Members of
Zee Entertainment Enterprises Limited

REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

OPINION

We have audited the accompanying standalone financial statements of Zee Entertainment Enterprises Limited (the Company), which comprise the Balance Sheet as at 31st March 2022, and the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and the 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, the aforesaid standalone 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 prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, (Ind AS) and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2022, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

BASIS FOR OPINION

We conducted our audit of the standalone 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 Standalone Financial Statements section of our report. We are independent of the Company 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 standalone 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 is sufficient and appropriate to provide a basis for our audit opinion on the standalone 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 standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone 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 standalone financial statements reflect goodwill aggregating ₹ 1,261 million recognised mainly on acquisitions and allocated to the following cash generating units (CGUs): 1. Online Media Business (₹ 640 million (net of impairment of ₹ 1,620 million)); and 2. 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 Company'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 and discount rate applied to future cash flow projections. Refer note 7(a) of the standalone 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 the 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 Company for the purposes of computing VIU; • We have also engaged auditor's valuation experts to assist us in evaluating the FVLCD determined by the Company. The valuation experts independently evaluated revenue multiple used in determination of FVLCD.

Key Audit Matter	Auditors' Response
Audit of transactions involving payment of advance for movie rights acquisitions: The Company 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 Company; • Obtained supporting documents for the sample of movie advances paid during the year which includes the MOU/agreement executed between the Company 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 Company 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 Company'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 Company with this customer, including ageing analysis. Refer note 44d(ii)B of the standalone 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 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 standalone audit report; • Evaluated whether the provision for expected credit loss recorded by the Company is appropriate considering specific factors like credit worthiness of these customers and adherence to the payment plan agreed with the Company; • Obtained direct confirmation from the customer as at the year-end for the outstanding balance.
Valuation of investment in Optionally Convertible Debentures (OCDs) of a subsidiary as at 31st March 2022: The standalone financial statements reflect investments in Optionally Convertible Debentures (OCDs) in a subsidiary with a carrying value of ₹ 2,151 million. These OCDs are accounted at fair value through profit and loss account. We considered this as key audit matter due to the fair value gain recorded during the year and because of the Company's assessment of the fair value calculations of the OCDs. This assessment involves significant judgements about the valuation methodology, future performance of business and discount rate applied to future cash flow projections.	**Principal audit procedures performed:** Our procedures consisted of understanding the Management's methodology and key assumptions and included the following audit procedures: • Evaluated the design and operating effectiveness of internal controls relating to Management's review of fair value calculations; • Validating fair valuation model through testing of the mathematical accuracy and verifying the application of the key input assumptions; • Validating the cash flow forecasts with reference to historical forecasts and actual performance to support any significant expected future changes to the business; • Obtained the fair valuation report issued by an independent valuer to the Company and evaluated the appropriateness of key assumptions.

Key Audit Matter	Auditors' Response
Matter of litigation relating to Letter of Comfort (LOC) issued by the Company to Yes Bank Limited: With respect to the matter relating to the LOC issued by the Company to Yes Bank as explained in note 36 of the standalone financial statements. On account of the amount involved as well as the matter being under sub-judice, we considered this to be a key audit matter.	**Principal audit procedures performed:** • Perused the legal opinions obtained by the Management from various lawyers based on which the Management has concluded that LOC is not in the nature of guarantee; • Perused the judgements of the Hon'ble High Court of Bombay respect of the ad-interim application; • Considered if the LOC met the requirements of an executory contract and if so whether it could be onerous in nature requiring a provision under Ind AS 37 on 'Provisions, Contingent Liabilities and Contingent Assets'.

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITORS' REPORT THEREON

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in Management Discussion and Analysis report and Directors' report (including annexures to 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 standalone financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.
- In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- 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 STANDALONE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company 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 standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

AUDITORS' RESPONSIBILITY FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone 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 standalone 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 Company 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 Company's ability 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 standalone 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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone 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 standalone financial statements.

We communicate with those charged with governance 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 standalone 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.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by Section 143(3) of the Act, based on our audit, we report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid standalone 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 as on 31st March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2022 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure 'A'. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

g) 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 Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.

h) With respect to the other matters to be included in the Auditors' 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. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements;

   ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

   iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

   iv. (a) The Management has represented that, to the best of it's knowledge and belief, as disclosed in note 49 to the 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 Company 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 Company (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The Management has represented, that, to the best of it's knowledge and belief, as disclosed in the note 49 to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities (Funding Parties), with the understanding, whether recorded in writing or otherwise, that the Company 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, nothing has come to our notice that has caused us 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 Company during the year is in accordance with Section 123 of the Act, as applicable.

As stated in note 46 to the financial statements, the Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend proposed is in accordance with Section 123 of the Act, as applicable.

2. As required by the Companies (Auditor's Report) Order, 2020 (the Order) issued by the Central Government in terms of Section 143(11) of the Act, we give in Annexure 'B' a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

A. B. Jani
Partner
Membership No. 46488
UDIN: 22046488AJQDJO6088

Mumbai, 26th May 2022

Annexure 'A' to the Independent Auditors' report

(Referred to in paragraph 1(f) 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)

We have audited the internal financial controls over financial reporting of Zee Entertainment Enterprises Limited (the Company) as of 31st March 2022 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company 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 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.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company 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 auditor's 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 is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

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, the Company has, 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 Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

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

A. B. Jani
Partner
Membership No. 46488
UDIN: 22046488AJQDJO6088

Mumbai, 26th May 2022

Annexure 'B' to the Independent Auditors' report

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on Companies (Auditor's Report) Order, 2020 (the Order) issued by the Central Government in terms of Section 143(11) of the Companies Act, 2013 (the Act) of Zee Entertainment Enterprises Limited (the Company)

According to the information and explanations given to us by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment, capital work-in-progress, investment properties and relevant details of right-of-use assets.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has a programme of verification of property, plant and equipment, capital work-in-progress, investment properties and right-of-use assets so to cover all the items once every three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain property, plant and equipment, capital work-in-progress, investment properties and right-of-use assets were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) Based on the examination of the registered sale deed/transfer deed/conveyance deed provided to us, we report that, the title deeds of all the immovable properties, (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements (included in property, plant and equipment, and investment property) are held in the name of the Company as at the balance sheet date.

(d) The Company has not revalued any of its property, plant and equipment (including right-of-use assets) and intangible assets during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at 31st March 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

(ii) (a) The nature of the inventories of the Company are such that clause (ii)(a) of paragraph 3 of the Order is not applicable to the Company.

(b) At any point of time of the year, the Company has not been sanctioned any working capital facility from banks or financial institutions and hence reporting under clause (ii)(b) of the Order is not applicable.

(iii) The Company has made investments in and granted loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year, in respect of which:

(a) The Company has provided loans during the year, details of which are given below:

(₹ in million)

Particulars	Loans
A. Aggregate amount granted/provided during the year:	
- Subsidiary*	1,885
B. Balance outstanding as at balance sheet date in respect of above cases:	
- Subsidiary	-

*This loan has been pre-paid during the year.

The Company has not provided any guarantee or advances in the nature of loans or security to any other entity during the year.

(b) The investments made, and the terms and conditions of the grant of all the above-mentioned loans, during the year are, in our opinion, *prima facie*, not prejudicial to the Company's interest.

(c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments or receipts of principal amounts and interest have been regular as per stipulations except for the following loans (assignment of Inter Corporate Deposit (ICD)):

Name of entity	Nature	₹ in million	Due date	Extent of delay	Remarks, if any
Edison Infrapower & Multiventures Private Limited	Loans assigned (ICD) (refer note 44d(ii)C)	570	30th September 2019	914 days	The Company has initiated arbitration proceedings against the said entities for recovering the amounts. Refer note 44d(ii)C
Konti Infrapower & Multiventures Private Limited		560			
Widescreen Holdings Private Limited		460			
Asian Satellite Broadcast Private Limited		116			
Total		**1,706**			

(d) In respect of following loans (assignment of ICD) granted by the Company, which have been overdue for more than 90 days at the balance sheet date, as explained to us, the Management has taken reasonable steps for recovery of the principal amounts:

Name of entity	Principal Amount overdue (₹ in million)	Remarks, if any
Edison Infrapower & Multiventures Private Limited	570	The Company has initiated arbitration proceedings against the said entities for recovering the amounts. Refer note 44d(ii)C
Konti Infrapower & Multiventures Private Limited	560	
Widescreen Holdings Private Limited	460	
Asian Satellite Broadcast Private Limited	116	
Total	**1,706**	

(e) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

(f) According to information and explanations given to us and based on the audit procedures performed, the Company has not granted any loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause (iii)(f) is not applicable.

(iv) The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made, guarantees and securities provided, as applicable.

(v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits. Hence, reporting under clause (v) of the Order are not applicable to the Company.

(vi) The maintenance of cost records has been specified by the Central Government under Section 148(1) of the Act for Broadcasting services. We have broadly reviewed the books of account maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Act and are of the opinion that, *prima facie*, the prescribed cost records have been made and maintained by the Company. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) According to the information and explanations given to us, in respect of statutory dues:

a) Undisputed statutory dues, including Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, Sales tax, duty of Custom, duty of Excise, Value Added Tax, cess and other material statutory dues applicable to the Company have generally been regularly deposited by it with the appropriate authorities.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, Sales tax, duty of Customs, duty of Excise, Value Added Tax, cess and other material statutory dues in arrears as at 31st March 2022 for a period of more than six months from the date they became payable.

b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on 31st March 2022 on account of disputes are given below:

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount Unpaid (₹ in million)
The Central Excise Act, 1944	Service Tax	Customs, Central Excise and Service Tax Appellate Tribunal	F.Y. 2006-07	312
			F.Y. 2007-08	148
			F.Y. 2011-12	4
			F.Y. 2012-13	
			F.Y. 2012-13	30
			F.Y. 2013-14	
			F.Y. 2014-15	
		Additional Commissioner of Service Tax, Mumbai	F.Y. 2015-16	47
			F.Y. 2016-17	
			F.Y. 2012-13	6
			F.Y. 2013-14	
			F.Y. 2014-15	
The Income-tax Act, 1961	Income-tax	Income Tax Appellate Tribunal	F.Y. 2008-09	3*
The Income-tax Act, 1961	The Income-tax Act, 1961	Commissioner of Income Tax (Appeals)	F.Y. 2012-13	12
			F.Y. 2013-14	
			F.Y. 2014-15	
			F.Y. 2015-16	
			F.Y. 2016-17	
			F.Y. 2017-18	
			F.Y. 2018-19	

*pertains to erstwhile ETC Networks Limited, merged with the Company

(viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income-tax Act, 1961 during the year.

(ix) (a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

(b) According to the information and explanation given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) The Company has not taken any term loan during the year and there are no unutilised term loans at the beginning of the year and hence, reporting under clause (ix)(c) of the Order is not applicable.

(d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, *prima facie*, not been used during the year for long-term purposes by the Company.

(e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associate or joint venture.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint venture or associate company.

(x) (a) The Company has not issued any of its securities (including debt instruments) during the year and hence reporting under clause (x) (a) of the Order is not applicable.

(b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.

(xi) (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) No report under sub-section (12) of Section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) We have taken into consideration the whistle blower complaints received by the Company during the year and upto the date of this report and provided to us, when performing our audit.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone Ind AS financial statements as required by the applicable accounting standards.

(xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) We have considered the internal audit reports issued to the Company during the year and the internal audit reports for the quarter ended 31st March 2022 which were issued after the balance sheet date.

(xv) In our opinion and according to the information and explanations given to us, during the year, the Company has not entered into any non-cash transactions with its directors or directors of its holding, subsidiary or associate company or persons connected with such directors and hence provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi) (a), (b) and (c) of the Order is not applicable.

(b) The Group does not have any Core Investment Company (CIC) as part of the group and accordingly reporting under clause (xvi)(d) of the Order is not applicable.

(xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors of the Company during the year and hence reporting under clause (xviii) of the Order is not applicable.

(xix) According to the information and explanation given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) There were no Corporate Social Responsibility (CSR) projects other than ongoing projects during the year and immediately preceding year and hence, reporting under clause 3(XX)(a) of the Order is not applicable.

(b) In respect of ongoing projects, the Company has transferred unspent CSR amount, to a Special account before the date of this report and within a period of 30 days from the end of the financial year in compliance with the provision of Section 135(6) of the Act.

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

A. B. Jani
Partner
Membership No. 46488
UDIN: 22046488AJQDJO6088

Mumbai, 26th May 2022

Balance Sheet

AS AT 31ST MARCH 2022

(₹ million)

	Note	Mar-22	Mar-21
ASSETS			
Non-current assets			
(a) Property, plant and equipment	5a	3,517	3,156
(b) Capital work-in-progress	5b	47	120
(c) Investment property	6	1,083	520
(d) Goodwill	7a	1,261	1,616
(e) Other intangible assets	7a	148	240
(f) Intangible assets under development	7b	808	198
(g) Financial assets			
(i) Investments			
- Investments in subsidiaries	8	6,179	6,179
- Other investments	8	3,079	657
(ii) Other financial assets	9	145	115
(h) Income-tax assets (net)		1,390	1,380
(i) Deferred tax assets (net)	10	2,259	2,409
(j) Other non-current assets	11	53	39
Total non-current assets		**19,969**	**16,629**
Current assets			
(a) Inventories	12	59,995	49,440
(b) Financial assets			
(i) Investments	13	2,393	7,667
(ii) Trade receivables	14	16,318	17,721
(iii) Cash and cash equivalents	15a	6,247	5,811
(iv) Bank balances other than (iii) above	15b	93	422
(v) Loans	44	-	-
(vi) Other financial assets	9	4,474	4,212
(c) Other current assets	11	11,100	10,339
Total current assets		**100,620**	**95,612**
Non-current asset classified as held for sale	41	-	587
Total assets		**120,589**	**112,828**
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	16	961	961
(b) Other equity	17	97,516	86,516
Total equity		**98,477**	**87,477**
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings			
- Others	18	20	13
(ii) Lease liabilities	33	504	116
(b) Provisions	19	886	1,412
Total non-current liabilities		**1,410**	**1,541**
Current liabilities			
(a) Financial liabilities			
(i) Borrowings			
- Redeemable preference shares	18	-	3,832
- Others	18	11	9
(ii) Lease liabilities	33	150	109
(iii) Trade payables			
- Total outstanding dues of micro and small enterprises	44 and 50	14	5
- Total outstanding dues of creditors other than micro and small enterprises	44	13,150	12,922
(iv) Other financial liabilities	20	4,195	3,111
(b) Other current liabilities	21	2,772	2,663
(c) Provisions	19	64	95
(d) Income-tax liabilities (net)		346	1,064
Total current liabilities		**20,702**	**23,810**
Total liabilities		**22,112**	**25,351**
Total equity and liabilities		**120,589**	**112,828**

See accompanying notes to the 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

Statement of Profit and Loss

FOR THE YEAR ENDED 31ST MARCH 2022

(₹ million)

		Note	Mar-22	Mar-21
REVENUE				
Revenue from operations		22	75,111	66,654
Other income		23	1,193	2,624
Total income	I		**76,304**	**69,278**
EXPENSES				
Operational cost		24	37,932	29,613
Employee benefits expense		25	6,910	6,856
Finance costs		26	404	526
Depreciation and amortisation expense		27	1,106	1,457
Fair value (gain)/loss on financial instruments at fair value through profit and loss		28	(1,744)	2,161
Other expenses		29	12,555	11,375
Total expenses	II		**57,163**	**51,988**
Profit before exceptional item and tax	**III=(I-II)**		**19,141**	**17,290**
Less: Exceptional items		30	1,271	1,266
Profit before tax	IV		**17,870**	**16,024**
Less: Tax expense				
Current tax - current year		31	4,138	5,104
- earlier years		31	196	(100)
Deferred tax		31	147	(190)
	V		**4,481**	**4,814**
Profit for the year	VI=(IV-V)		**13,389**	**11,210**
Other comprehensive income				
(a) Items that will not be reclassified to profit or loss				
(i) Re-measurement of defined benefit obligation			11	1
(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 the profit or loss			(3)	(0)
Total other comprehensive income	VII		**12**	**7**
Total comprehensive income for the year	VIII=(VI+VII)		**13,401**	**11,217**
Earnings per Equity share (face value ₹ 1/- each)				
Basic		32	13.94	11.67
Diluted		32	13.94	11.67

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

See accompanying notes to the 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

Statement of Cash Flows
FOR THE YEAR ENDED 31ST MARCH 2022

(₹ million)

	Mar-22	Mar-21
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	17,870	16,024
Adjustments for:		
Depreciation and amortisation expense	1,106	1,457
Allowances for doubtful debts and advances	(194)	958
Exceptional items (Refer note 30)	527	1,266
Adjustment on account of restatement due to common control acquisition	-	148
Share based payment expense	0	3
Liabilities and excess provision written back	(73)	(64)
Unrealised loss on exchange adjustments (net)	4	3
(Profit)/Loss on sale or impairment of property, plant and equipment (net)	(3)	184
Interest expenses	179	59
Fair value (gain)/loss on financial instruments classified as fair value through profit and loss	(1,744)	2,161
Dividend on cumulative redeemable non-convertible preference shares	225	467
Dividend income	-	(262)
Profit on sale of investments	(373)	(1,890)
Profit on sale of digital publishing business (Refer note 45)	(41)	-
Interest income	(326)	(172)
Operating profit before working capital changes	**17,157**	**20,342**
Adjustments for:		
(Increase) in inventories	(10,555)	(2,569)
Decrease in trade and other receivables	139	1,013
Increase/(Decrease) in trade and other payables	1,297	(2,642)
Cash generated from operations	**8,038**	**16,144**
Direct taxes paid (net)	(5,179)	(5,128)
Net cash flow from operating activities (A)	**2,859**	**11,016**
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment/capital work-in-progress	(755)	(535)
Purchase of intangible assets	(914)	(317)
Sale of property, plant and equipment/intangible assets	70	361
Proceeds from sale of digital publishing business (Refer note 45)	448	-
Fixed deposit invested	(1,394)	(409)
Fixed deposit matured	1,769	996
Purchase of non-current investments	(2,713)	(213)
Proceeds from sale of non-current investments	26	2,964
Purchase of current investments	-	(14,009)
Proceeds from sale/redemption of current investments	7,733	7,075
Dividend received from subsidiary company	-	261
Dividend received from others	-	1
Interest received	348	167
Loan given	(1,885)	-
Loan repayment received	1,885	-
Net cash flow from/(used in) investing activities (B)	**4,618**	**(3,658)**

Statement of Cash Flows
FOR THE YEAR ENDED 31ST MARCH 2022

(₹ million)

	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	(153)	(219)
Proceeds from long-term borrowings	23	14
Repayment of long-term borrowings	(14)	(10)
Dividend paid on equity shares	(2,401)	(290)
Dividend paid on cumulative redeemable non-convertible preference shares	(449)	(827)
Interest paid	(13)	(13)
Net cash flow (used in) financing activities (C)	**(7,041)**	**(5,372)**
Net cash flow during the year (A+B+C)	**436**	**1,985**
Cash and cash equivalents at the beginning of the year	5,811	3,826
Net cash and cash equivalents at the end of the year	**6,247**	**5,811**

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

See accompanying notes to the 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

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)

	Other equity							
	Reserves and surplus						Other comprehensive income	Total other equity
	Capital redemption reserve	Capital reserve on scheme of amalgamation	Capital reserve on business combination	Share based payment reserve	General reserves	Retained earnings	Equity instruments	
As at 1st April 2020	**12,163**	**787**	**340**	**31**	**3,996**	**58,010**	**(7)**	**75,320**
Profit for the year	-	-	-	-	-	11,210	-	11,210
Add/(less): Transfer on redemption of preference shares	4,034	-	-	-	-	(4,034)	-	-
Add: Re-measurement gain on defined benefit plans	-	-	-	-	-	1	-	1
Less: Income-tax impact thereon	-	-	-	-	-	(0)	-	(0)
Add: Share options granted during the year	-	-	-	3	-	-	-	3
Add: Gain on account of acquisition of film business	-	-		-	-	148	-	148
Add: Gain on transfer of shares of wholly-owned subsidiary	-	-	116	-	-	-	-	116
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**	**787**	**456**	**34**	**3,996**	**65,047**	**(1)**	**86,516**
Profit for the year	-	-	-	-	-	13,389	-	13,389
Add/(less): Transfer on redemption of preference shares	4,034	-	-	-	-	(4,034)	-	-
Add: Re-measurement gain on defined benefit plans	-	-	-	-	-	11	-	11
Less: Income-tax impact thereon	-	-	-	-	-	(3)	-	(3)
Add: Share options granted during the year	-	-	-	0	-	-	-	0
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**	**787**	**456**	**34**	**3,996**	**72,009**	**3**	**97,516**

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

See accompanying notes to the 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 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 is mainly in the following businesses:

A) Broadcasting of Satellite Television Channels and digital media;

B) Space Selling agent for other satellite television channels;

C) Sale of Media Content i.e. programmes/film rights/feeds/music rights;

D) Movie production and distribution.

2. SIGNIFICANT ACCOUNTING POLICIES

A) Statement of compliance

These 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 financial statements

These 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 in brackets.

C) 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 Company. 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:

I. The assets and liabilities of the combining entities are reflected at their carrying amounts.

II. No adjustments are made to reflect fair values, or recognise any new assets or liabilities. Adjustments are only made to harmonise accounting policies.

III. 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.

IV. The identity of the reserves are preserved and the reserves of the transferor become the reserves of the transferee.

V. 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.

VI. 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 Company 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 transferred, the amount of any non-controlling interest in the acquiree, and the fair value of the acquirer'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 Company determines whether there exists clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. Thereafter, the Company 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 Company 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 Company 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 Company recognises the gain, after assessing and reviewing (as described above), directly in equity as capital reserve.

When the consideration transferred by the Company in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration arrangement is measured at its acquisition 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

Notes
FORMING PART OF THE FINANCIAL STATEMENTS

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 contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured at fair value at subsequent reporting dates with the corresponding gain or loss being recognised in the statement of profit and loss.

When a business combination is achieved in stages, the Company's previously held equity interest in the acquiree is remeasured to its acquisition date fair value and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interest were disposed off.

D) 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 Company'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.

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 ^

* 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

E) 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.

F) 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.

G) Non-current assets held for sale

The Company 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 Company 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.

Notes

FORMING PART OF THE FINANCIAL STATEMENTS

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 statement of profit and loss.

H) 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 the 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.

I) 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 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.

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

The carrying amounts of the Company'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 any 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 Company estimates the recoverable amount of the cash generating unit to which the asset belongs.

An impairment loss is recognised in 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 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 the statement of profit and loss.

K) 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 deteremined as the difference between the net disposal proceeds and the carrying amount of the item and is recognised in the Statement of profit and loss.

L) 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 32.

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.

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

a) Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable;

b) 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;

c) The exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and

d) 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:

a) The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

b) 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).

c) 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.

M) Cash and cash equivalents

Cash and cash equivalents in the 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 statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

N) 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:

a) Programmes - reality shows, chat shows, events, game shows, etc. are fully expensed on telecast/upload.

b) 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.

c) Film rights are amortised on a straight-line basis over the licensed period or sixty months from the commencement of rights, whichever is shorter.

d) Music rights are amortised over three financial years starting from the year of commencement of rights, as per management estimate of future revenue potential.

e) 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.

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f) 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:

i. Satellite rights - Allocated cost of right is expensed immediately on sale.

ii. Theatrical rights - Amortised in the month of theatrical release.

iii. Intellectual Property Rights (IPRs) - Allocated cost of IPRs are amortised over 5 years from release of film.

iv. 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.

O) 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 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 statement of profit and loss.

II. Financial assets

a) 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 Company's business model for managing the financial assets and the contractual terms of cash flows.

b) Subsequent measurement

i. 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.

ii. Fair value through other comprehensive income (FVTOCI):

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

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets.
- 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 Company recognises interest income, impairment losses and reversals and foreign exchange gain or loss in the statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the effective interest rate method.

iii. 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 Company 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 statement of profit and loss.

iv. Equity investments:

The Company subsequently measures all equity investments at fair value. Where the Company'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 statement of profit and loss. Dividends from such investments are recognised in statement of profit and loss as other income when the Company's right to receive payment is established.

v. Investment in subsidiaries, joint ventures and associates:

Investment in subsidiaries, joint ventures and associates are carried at cost less impairment loss in accordance with Ind AS 27 on 'Separate Financial Statements'.

vi. Derivative financial instruments:

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

c) Derecognition of financial assets

A financial asset is derecognised only when:

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

ii. The Company 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 entity has transferred an asset, the Company 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 entity has not transferred substantially all risks and

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rewards of ownership of the financial asset, the financial asset is not derecognised.

d) Impairment of financial assets

The Company 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

a) Classification of debt or equity:

Debt or equity instruments issued by the Company 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.

b) Subsequent measurement:

i. 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 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 statement of profit and loss.

ii. 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 statement of profit and loss.

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.

c) Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. 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 statement of profit and loss.

IV. Fair value measurement

The Company measures financial instruments such as debts 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:

a) In the principal market for the asset or liability or

b) 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 Company.

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 Company 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 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:

a) **Level 1 —** Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

b) **Level 2 —** Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

c) **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 balance sheet on a recurring basis, the Company 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 Company 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.

P) Borrowings and borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily

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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 profit or loss in the period in which they are incurred.

Q) Provisions, contingent liabilities and contingent assets

The Company 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 occurance or non-occurance of one or more uncertain future events beyond the control of the Company 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 Company does not recognise a contingent liability but discloses its existence in the financial statements.

Contingent assets are not recognised in the 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.

R) 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 Company 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. Sale 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 theatrical distribution of films is recognised over a period of time on the basis of related sales reports.

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

VI. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate (EIR) applicable.

VII. Dividend income is recognised when the Company's right to receive dividend is established.

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

S) 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 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 statement of profit and loss. Past service cost is recognised in 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 Company presents the first two components of defined benefit costs in 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 balance sheet represents the actual deficit or surplus in the Company'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 entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

Short-term and other long-term employee benefits:

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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 Company in respect of services provided by employees up to the reporting date.

T) Transactions in foreign currencies

The functional currency of the Company 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 financial statements are recognised as income or as expenses in the period in which they arise.

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

U) 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 a 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 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 Company 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 the 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.

V) Earnings per share

Basic earnings per share are calculated by dividing the net profit for the year attributable to equity share holders 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.

W) Share-based payments

The Company recognises compensation expense relating to share-based payments in net profit using fair-value in accordance with Ind AS 102, Share-Based Payment. The estimated fair value of awards is charged to 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 Company's 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:

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A) Income-taxes

The Company'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 Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company'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 Company has made certain assumptions relating to the future customer base, future revenues, operating parameters, capital expenditure and terminal growth rate which the Company believes reasonably reflects the future expectation of these items. However, if these assumptions change consequent to change in future conditions, there could be further favourable/adverse effect on the recoverable amount of the assets. The assumptions will be monitored on periodic basis by the Company 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 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 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 Company 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 Company, 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 Company'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 sixty months from the date of acquisition/rights 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. 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.

VI. 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:

a) Satellite rights - Allocated cost of right is expensed immediately on sale.

b) Theatrical rights - Amortised in the month of theatrical release.

c) Intellectual Property Rights (IPRs) - Allocated cost of IPRs are amortised over 5 years from release of film.

d) 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

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impact on the financial statements for the year ended 31st March 2022 is primarily due to restrictions caused by the COVID-19 on the business activities. Hence, the financial statements for the year ended 31st March 2022 are not strictly comparable with the financial statements of the earlier years 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 Company has incurred additional costs aggregating ₹ 307 million for the year ended 31st March 2022, relating to shifting of shooting locations to ensure uninterrupted operations.

The Company 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 Company 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 Company 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 Company will continue to closely monitor any material changes to future economic condition.

4. RECENT INDIAN ACCOUNTING STANDARDS (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:

I. 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 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.

II. 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 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	**462**	**3,850**	**368**	**216**	**946**	**1,192**	**851**	**1,196**	**9,081**
Additions	-	262	16	18	57	207	-	155	715
Transfers on account of acquisition of film business	-	-	-	-	-	2	-	-	2
Transfer from investment property (Refer note 6)	274	-	-	-	-	-	-	-	274
Assets held for sale (Refer note 41)	198	-	-	-	-	-	-	-	198
Disposals/write offs (Refer note v below)	-	115	19	12	40	30	278	160	654
As at 31st March 2021	**538**	**3,997**	**365**	**222**	**963**	**1,371**	**573**	**1,191**	**9,220**
Additions	-	268	17	42	63	291	565	155	1,401
Disposals/write offs (Refer note v below)	-	107	14	55	23	42	60	26	327
As at 31st March 2022	**538**	**4,158**	**368**	**209**	**1,003**	**1,620**	**1,078**	**1,320**	**10,294**
II. Accumulated depreciation									
As at 1st April 2020	**75**	**2,353**	**254**	**133**	**643**	**780**	**225**	**788**	**5,251**
Depreciation charge for the year	10	326	49	40	127	188	203	163	1,106
Transfer from investment property (Refer note 6)	7	-	-	-	-	-	-	-	7
Depreciation on transfers on account of acquistion of film business	-	-	-	-	-	1	1	-	2
Assets held for sale (Refer note 41)	16	-	-	-	-	-	-	-	16
Disposals/write offs (Refer note v below)	-	79	11	9	19	23	106	39	286
Up to 31st March 2021	**76**	**2,600**	**292**	**164**	**751**	**946**	**323**	**912**	**6,064**
Depreciation charge for the year	8	340	39	25	106	193	147	80	938
Disposals/write offs (Refer note v below)	-	104	10	46	12	18	25	10	225
Up to 31st March 2022	**84**	**2,836**	**321**	**143**	**845**	**1,121**	**445**	**982**	**6,777**
Net book value									
As at 31st March 2022	**454**	**1,322**	**47**	**66**	**158**	**499**	**633**	**338**	**3,517**
As at 31st March 2021	462	1,397	73	58	212	425	250	279	3,156

Notes:

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

ii. Part of Property, plant and equipment have been given on lease.

iii. During the year, the Company has written off property, plant and equipment of ₹ 1 million (₹ 148 million) which is charged to the statement of profit and loss.

iv. Certain vehicles have been hypothecated against borrrowings for vehicles aggregating to ₹ 31 million (₹ 22 million).

v. Disposals under Right-to-use assets represent the lease premises vacated by the Company.

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

Notes
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b) CAPITAL WORK-IN-PROGRESS

(₹ million)

Net book value	Mar-22	Mar-21
Capital work-in-progress	47	120

Ageing of capital work-in-progress	Less 1 year	1-2 years	2-3 years	More than 3 years	Total
As at 31st March 2022	17	17	13	-	47
As at 31st March 2021	101	17	2	-	120

The projects are expected to be completed in 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**
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 Company'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
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7a) GOODWILL AND OTHER INTANGIBLE ASSETS

(₹ million)

		Goodwill	Trademark	Customer list and websites	Software	Channels	Total
i.	**Cost**						
	As at 1st April 2020	**3,236**	**290**	**1,081**	**1,202**	**160**	**5,969**
	Additions	-	47	-	50	20	117
	Transfers on account of acquisition of film business	-	-	-	2	-	2
	As at 31st March 2021	**3,236**	**337**	**1,081**	**1,254**	**180**	**6,088**
	Additions	-	253	-	51	-	304
	Transfers on account of sale of digital publishing business (Refer note 45)	1,288	253	-	-	-	1,541
	Disposals	-	-	-	1	-	1
	As at 31st March 2022	**1,948**	**337**	**1,081**	**1,304**	**180**	**4,850**
ii.	**Accumulated amortisation**						
	As at 1st April 2020	**1,355**	**290**	**970**	**906**	**107**	**3,628**
	Amortisation for the year	-	-	111	205	22	338
	Impairment (Refer note below)	265	-	-	-	-	265
	Transfers on account of acquisition of film business	-	-	-	1	-	1
	Upto 31st March 2021	**1,620**	**290**	**1,081**	**1,112**	**129**	**4,232**
	Amortisation for the year	-	25	-	108	25	158
	Transfers on account of sale of digital publishing business (Refer note 45)	933	15	-	-	-	948
	Disposals	-	-	-	1	-	1
	As at 31st March 2022	**687**	**300**	**1,081**	**1,219**	**154**	**3,441**
	Net book value						
	As at 31st March 2022	**1,261**	**37**	**-**	**85**	**26**	**1,409**
	As at 31st March 2021	1,616	47	-	142	51	1,856

(₹ million)

Net book value	**Mar-22**	**Mar-21**
Goodwill	1,261	1,616
Other intangible assets	148	240

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

(₹ million)

Cash generating unit	**Mar-22**	**Mar-21**
Regional channel in India	621	621
Online media business	640	995

Regional channel in India

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.

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Online media business

The Company 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	808	198

(₹ million)

Ageing of Intangible assets under development (IUD)	Less 1 year	1-2 years	2-3 years	More than 3 years	Total
As at 31st March 2022	**610**	**198**	**-**	**-**	**808**
As at 31st March 2021	198	-	-	-	198

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 subsidiaries (carried at cost)		
Investment in equity instruments		
- Wholly-owned subsidiaries - unquoted		
56,796,292 (56,796,292) Ordinary shares of USD 1/- each of Zee Multimedia Worldwide (Mauritius) Limited	2,584	2,584
583 (583) Ordinary shares of USD 1/- each of ATL Media Limited	2,515	2,515
13,009,997 (13,009,997) Equity shares of ₹ 10/- each of Zee Studios Limited	330	330
- Others - unquoted		
40,000 (40,000) Equity shares of ₹ 10/- each of Margo Networks Private Limited (Extent of holding is 80%)	750	750
	6,179	**6,179**
b) Other investments		
i. Investments in 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 investment' (Refer note 13)	-	52
	-	**-**
- Others - unquoted		
489 (650) 10.02% Secured redeemable non-convertible debentures of ₹ 684,785/- each of Zee Learn Limited	337	437
Less: Amount disclosed under the head 'Current investment' (Refer note 13)	242	259
	95	**178**

Notes
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(₹ 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
Investment in equity instruments - unquoted		
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		
- **Investment in debentures**		
Wholly-owned subsidiaries - unquoted		
2,520,000,000 (2,520,000,000) 0% Optionally convertible debentures of ₹ 1/- each of Zee Studios Limited *	2,151	370
Less: Amount disclosed under the head 'Current investment' (Refer note 13)	2,151	-
	-	**370**
Subsidiaries - unquoted		
2,700 (Nil) 0.001% Non-cumulative optionally convertible debentures of ₹ 1,000,000/- each of Margo Networks Private Limited	2,700	-
- **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 (each partly paid ₹ 870,000/-) of Exfinity Technology Fund-Series II	272	91
	3,079	**657**
Total	**9,258**	**6,836**
(All the above securities are fully paid-up except where mentioned as partly paid)		
'0' (zero) denotes amounts less than a million.		
During the previous year, 100% Equity Shares held in four wholly-owned subsidiaries of the Company i.e. Zee Unimedia Limited, Zee Digital Convergence Limited, Zee Network Distribution Limited and India Webportal Private Limited were sold to another wholly-owned subsidiary Company i.e. Zee Studios Limited.		
*During the previous year, Zee Studios Limited redeemed 2,703,600,000 units of OCD aggregating to ₹ 2,704 million.		
Aggregate amount and market value of quoted investments	12	60
Aggregate carrying value of unquoted investments	9,246	6,776
Aggregate amount of impairment in value of investments (₹ 3,00,000 (₹ 3,00,000))	0	0

Notes
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9. OTHER FINANCIAL ASSETS

(₹ million)

	Non-current		Current	
	Mar-22	Mar-21	Mar-22	Mar-21
Deposits (unsecured)				
Considered good				
- to related parties	13	13	342	342
- to others	132	62	105	126
Considered doubtful	-	-	76	76
	145	**75**	**523**	**544**
Less: Loss allowance for doubtful deposits	-	-	76	76
	145	**75**	**447**	**468**
Deposits with bank having original maturity period for more than twelve months *	-	40	-	-
Unbilled revenue	-	-	3,141	2,591
Interest accrued on fixed deposits	-	-	3	22
Other receivables				
Considered good				
- to related parties	-	-	759	1,003
- to others	-	-	124	128
Considered doubtful	-	-	2,341	1,794
	-	**-**	**3,224**	**2,925**
Less: Loss allowance for doubtful other receivables (Refer note 44(d)(ii)A)	-	-	2,341	1,794
	-	**-**	**883**	**1,131**
Total	**145**	**115**	**4,474**	**4,212**

*Under lien against guarantee given.

For transactions relating to related party receivables, refer note 47.

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	239	379
Depreciation and amortisation	126	180
Allowance for doubtful debts, loans, advances and others	1,752	1,725
Disallowances under Section 40(a)	85	33
Transfers on account of acquisition of film business	57	92
	2,259	**2,409**
Deferred tax liabilities	-	-
Deferred tax assets (net)	**2,259**	**2,409**

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11. OTHER ASSETS

(₹ million)

	Non-current		Current	
	Mar-22	Mar-21	Mar-22	Mar-21
Capital advances (unsecured)	43	28	-	-
Other loans and advances (unsecured)				
Other advances (unsecured)				
Considered good				
- to related parties	-	-	-	893
- to others (Refer note 37)	-	-	7,692	7,570
Considered doubtful	-	-	443	418
	-	**-**	**8,135**	**8,881**
Less: Loss allowance for doubtful advances	-	-	443	418
	-	**-**	**7,692**	**8,463**
Prepaid expenses	10	11	742	127
Balance with Government authorities	-	-	2,666	1,749
Total	**53**	**39**	**11,100**	**10,339**

For transactions relating to related party advances, refer note 47.

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

(₹ million)

	Mar-22	Mar-21
Raw tapes	13	12
Media content *	54,523	45,785
Under production - Media content	5,459	3,643
Total	**59,995**	**49,440**

*Includes rights ₹ 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 65% (61%).

13. CURRENT INVESTMENTS

(₹ million)

	Mar-22	Mar-21
a) Investment 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
b) Certificate of deposit (non-transferable) - unquoted		
Others - unquoted		
489 (650) 10.02% Secured redeemable non-convertible debentures of ₹ 684,785/- each of Zee Learn Limited	242	259
	242	**311**

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(₹ million)

	Mar-22	Mar-21
c) Investments at fair value through profit and loss		
i. Investment in debentures - wholly-owned subsidiaries - unquoted		
2,520,000,000 (Nil) 0% Optionally convertible debentures of ₹ 1/- each of Zee Studios Limited	2,151	-
ii. 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 ₹ 1000/- each of Tata Liquid Fund - Direct Plan - Growth	-	1,489
Nil (30,870,408) units of ₹ 10/- 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 ₹ 1000/- each of Kotak Low Duration Fund - Direct Plan - Growth	-	1,465
Total	**2,393**	**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	2,393	259

14. TRADE RECEIVABLES (UNSECURED)

(₹ million)

	Mar-22	Mar-21
Considered good	16,662	18,609
With significant increase in credit risk*	205	132
Credit Impaired*	2,396	2,842
	19,263	**21,583**
Less: Loss allowance for doubtful debts	2,945	3,862
Total	**16,318**	**17,721**

For transactions relating to related party receivables, refer note 47. For ageing, refer note 44(d)(ii)

*The amount of trade receivables where credit risk is assessed on individual basis aggregate ₹ 2,601 million (₹ 2,974 million) for which loss allowance has been fully recognised.

15. CASH AND BANK BALANCES

(₹ million)

	Mar-22	Mar-21
a) Cash and cash equivalents		
Balances with banks		
In current accounts	2,496	1,961
In deposit accounts	3,040	2,920
Cheques in hand	711	930
Cash in hand	0	0
	6,247	**5,811**
b) Other bank balances		
In deposit accounts *	40	375
In unclaimed dividend accounts		
Preference shares	24	25
Equity shares	29	22
	93	**422**
Total	**6,340**	**6,233**

*Fixed deposits aggregating Nil (₹ 375 million) is under lien on account of performance guarantee given by the bank on behalf of a subsidiary company.
'0' (zero) denotes amounts less than a million.

Notes
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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	960
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 Company has only one class of Equity shares having a par value of ₹ 1/- each. Each holder of Equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The final dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of Equity shares will be entitled to receive remaining assets of the Company, after distribution of preferential amounts. The distribution will be in proportion to the number of Equity shares held by the shareholders.

c) Details of 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 Company, including its register of shareholders/members and other declaration received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

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%	-

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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) **Employees Stock Option Scheme (ESOP)**

The Company has instituted an Employee Stock Option Plan (ESOP 2009) as approved by the Board of Directors and Shareholders of the Company in 2009 for issuance of stock options convertible into Equity shares not exceeding in the aggregate 5% of the issued and paid-up capital of the Company as at 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 Company 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 Company recorded an employee stock compensation expense of ₹ 0 million (₹ 3 million) in the Statement of Profit and Loss.

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 a weighted average remaining contractual life of 3 days.

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

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17. 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 on scheme of amalgamation		
As per last Balance Sheet	**787**	**787**
Capital reserve		
As per last Balance Sheet	456	340
Add: Gain on transfer of shares of wholly-owned subsidiary (Refer note 8)	-	116
	456	**456**
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	**3,996**	**3,996**
Retained earnings		
As per last Balance Sheet	65,047	58,010
Add: Profit for the year	13,389	11,210
Less: Transfer to Capital redemption reserve	(4,034)	(4,034)
Add: Re-measurement gain on defined benefit plans	11	1
Less: Income-tax impact thereon	(3)	(0)
Add: Gain on account of acquisition of film business	-	148
Less: Payment of dividend on Equity shares	(2,401)	(288)
	72,009	**65,047**
Other comprehensive income		
As per last Balance Sheet	(1)	(7)
Add: Gain on fair value of Equity instruments classified as fair value through other comprehensive income (net)	4	6
	3	**(1)**
Total	**97,516**	**86,516**

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

i. Capital redemption reserve is created on redemption of redeemable preference shares issued.
ii. Capital reserve is related to merger/demerger/acquisition of business undertakings.
iii. Share based payment reserve is related to share options granted by the Company to its employee under its Employee Share Option Plan.
iv. General reserve is used from time to time to transfer profits from retained earnings for appropriation purposes.
v. Retained earnings represent the accumulated earnings net of losses, if any, made by the Company over the years.
vi. Other comprehensive income includes 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.

Notes
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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 loans from bank, at amortised cost***	31	22
	Less: Amount disclosed under the head 'current financial liabilities - borrowings'	11	9
		20	**13**
	Total (a+b)	**20**	**13**

*Secured against hypothecation of vehicles. The borrowings carry interest rates ranging from 7.25% to 10.14% p.a. and are repayable upto March 2026.

Terms/rights attached to preference shares

i. 6% Cumulative redeemable non-convertible preference shares - quoted

During the 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 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.

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 the remaining balance 20% (₹ 2/- each) of the 2,016,942,312 bonus preference shares of ₹ 10/- each (par value). Upon such redemption, the bonus preference shares stand extinguished on and from the date of redemption.

19. PROVISIONS

(₹ million)

	Non-current		Current	
	Mar-22	Mar-21	Mar-22	Mar-21
Provision for employee benefits				
- Gratuity	886	868	64	40
- Compensated absences	-	544	-	55
Total	**886**	**1,412**	**64**	**95**

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20. OTHER FINANCIAL LIABILITIES - CURRENT

(₹ million)

	Mar-22	Mar-21
Deposits received (Refer note 34b)	467	450
Unclaimed Preference shares redemption/dividend #	24	25
Unclaimed Equity dividends #	29	22
Creditors for capital expenditure	182	159
Employee benefits payable	1,960	1,221
Dividend payable on cumulative redeemable non-convertible preference shares and tax thereon	-	224
Other payables (Refer note 44(d)(ii)A)	1,533	1,010
Total	**4,195**	**3,111**

For transactions relating to related party payables, refer note 47.

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 LIABILITIES

(₹ million)

	Mar-22	Mar-21
Advances received from customers	220	473
Deferred revenue	1,236	1,077
Statutory dues payable	1,316	1,113
Total	**2,772**	**2,663**

For transactions relating to related party payables, refer note 47.

22. REVENUE FROM OPERATIONS

(₹ million)

		Mar-22	Mar-21
Services -	**Broadcasting revenue**		
	- Advertisement	41,828	35,544
	- Subscription	27,711	28,173
-	Theatrical revenue	3,125	146
-	Sale of media content	1,844	2,242
-	Transmission revenue	356	332
-	Commission	198	122
Other operating revenue		49	95
Total		**75,111**	**66,654**

23. OTHER INCOME

(₹ million)

	Mar-22	Mar-21
Interest income		
- Bank deposits	84	122
- Loans (Refer note 47)	196	-
- Other financial assets	42	45
- Others	4	5

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(₹ million)

	Mar-22	Mar-21
Dividend income		
- Subsidiaries	-	261
- Investments classified as fair value through profit and loss	-	1
Gain on sale of investments classified as fair value through profit and loss	249	1,771
Gain on sale of investment in subsidiary (Refer note 41)	124	119
Profit on sale of digital publishing business (Refer note 45)	41	-
Profit on sale of property, plant and equipment (net)	3	-
Liabilities and excess provision written back	73	64
Rent income	217	214
Miscellaneous income	160	22
Total	**1,193**	**2,624**

24. OPERATIONAL COST

(₹ million)

		Mar-22	Mar-21
a)	**Media content**		
	Opening Inventory	49,427	46,860
	Add: Purchase of inventory	36,767	25,831
	Less: Closing inventory	59,982	49,427
	Amortisation of inventory #	**26,212**	**23,264**
	Other production expenses	8,289	3,670
		34,501	**26,934**
b)	**Telecast and technical cost**	3,431	2,679
	Total (a+b)	**37,932**	**29,613**

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

25. EMPLOYEE BENEFITS EXPENSE

(₹ million)

	Mar-22	Mar-21
Salaries and allowances	6,332	6,429
Share based payment expense	0	3
Contribution to provident and other funds	351	322
Staff welfare expenses	227	102
Total	**6,910**	**6,856**

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

26. FINANCE COSTS

(₹ million)

	Mar-22	Mar-21
Interest expense on:		
- vehicle loans	2	2
- lease liabilities	49	46
- others*	120	1
Dividend on redeemable preference shares	225	467
Other financial charges	8	10
Total	**404**	**526**

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

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27. DEPRECIATION AND AMORTISATION EXPENSE

(₹ million)

	Mar-22	Mar-21
Depreciation on property, plant and equipment	938	1,108
Depreciation on investment property	10	10
Amortisation of intangible assets	158	339
Total	**1,106**	**1,457**

28. FAIR VALUE (GAIN)/LOSS ON FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT AND LOSS

(₹ million)

	Mar-22	Mar-21
Fair value (gain)/loss on financial assets (net)	(1,946)	245
Fair value loss on financial liabilities	202	1,916
Total	**(1,744)**	**2,161**

29. OTHER EXPENSES

(₹ million)

		Mar-22	Mar-21
Rent		479	503
Repairs and maintenance			
- Buildings		7	14
- Plant and machinery		132	99
- Others		346	312
Insurance		65	67
Rates and taxes		58	17
Electricity and water charges		133	145
Communication charges		82	87
Printing and stationery		113	84
Travelling and conveyance expenses		504	425
Legal and professional charges		944	470
Directors remuneration and sitting fees		42	42
Payment to auditors (Refer note 40)		18	20
Corporate Social Responsibility expenses (Refer note 43)		437	500
Hire and service charges		694	741
Advertisement and publicity expenses		7,474	5,300
Commission expenses		3	7
Marketing, distribution and promotion expenses		1,176	1,295
Conference expenses		-	3
Allowances for doubtful debts and advances (Refer note 44(d)(ii))		(194)	958
Bad debts and advances written off	678		
Less: Provisions for doubtful debts adjusted	(678)	-	-
Foreign exchange loss (net)		11	65
Loss on sale/write off of property, plant and equipment (net)		-	123
Miscellaneous expenses		31	98
Total		**12,555**	**11,375**

Notes
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30. EXCEPTIONAL ITEMS

(₹ million)

	Mar-22	Mar-21
Provision for other receivables (Refer note 44(d)(ii)A)	527	1,001
Other exceptional expenses #	744	-
Impairment of goodwill (Refer note 7 and 45)	-	265
Total	**1,271**	**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 ₹ 671 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 55).

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 Statement of Profit and Loss			
Current tax	- current year	4,138	5,104
	- earlier years	196	(100)
Deferred tax (benefit)		147	(190)
Total		**4,481**	**4,814**
Effective tax rate		**25%**	**30%**

A reconciliation of income-tax expense applicable to profit before income-tax at statutory rate to the income-tax expense at Company'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	**17,870**	**16,024**
Income-tax		
Statutory income-tax rate of 25.168% (25.168%) on profit	4,498	4,038
Tax effect on non-deductible expenses	271	693
Additional allowance for tax purpose (net)	(338)	(2)
Effect of exempt income and income taxed at lower rates	-	(56)
(Recognition)/Reversal of deferred tax for earlier years	(146)	241
Short/(excess) provision of earlier years	196	(100)
Tax expense recognised in the statement of profit and loss	**4,481**	**4,814**

Deferred tax recognised in Statement of other comprehensive income for the year ended

(₹ million)

	Mar-22	Mar-21
Employee retirement benifit obligation	3	0

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

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 Company has a legally enforceable right to do so.

The Company does not have any temporary differences in respect of unutilised tax losses.

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Deferred tax recognised as on 31st March 2022

(₹ million)

Deferred tax assets/(liabilities) in relation to:	Opening balance	Recognised in statement of profit and loss	Recognised in other comprehensive income	Closing balance
Employee retirement benefit obligation	379	(137)	(3)	239
Depreciation and amortisation	180	(54)	-	126
Allowance for doubtful debts, loans, advances and others	1,725	27	-	1,752
Disallowances under Section 40(a)	33	52	-	85
Transfers on account of acquisition of film business	92	(35)	-	57
Total	**2,409**	**(147)**	**(3)**	**2,259**

Deferred tax recognised as on 31st March 2021

(₹ million)

Deferred tax assets/(liabilities) in relation to:	Opening balance	Recognised in statement of profit and loss	Recognised in other comprehensive income	Closing balance
Employee retirement benefit obligation	338	41	0	379
Depreciation and amortisation	225	(45)	-	180
Allowance for doubtful debts, loans, advances and others	1,477	248	-	1,725
Disallowances under Section 40 (a)	84	(51)	-	33
Transfers on account of acquisition of film business	95	(3)	-	92
Total	**2,219**	**190**	**0**	**2,409**

32. EARNINGS PER SHARE (EPS)

(₹ million)

		Mar-22	Mar-21
a)	Profit after Tax (₹ million)	13,389	11,210
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 (₹)	13.94	11.67
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 (₹)	13.94	11.67

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:

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

b) Excluded the initial direct costs from the measurement of the ROU asset at the date of initial application.

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

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a) The Company as a lessee:

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

(₹ million)

	Mar-22	Mar-21
Current lease liabilities	150	109
Non-current lease liabilities	504	116
Total (Refer note 44 d iii)	**654**	**225**

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

(₹ million)

	Mar-22	Mar-21
Due in 1st year	150	109
Due in 2nd to 5th year	493	78
Due after 5 years	11	38
Total	**654**	**225**

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

(₹ million)

	Mar-22	Mar-21
Opening balance	225	596
Additions	565	-
Finance expense	49	46
Liabilities written back	(32)	(197)
Payment of lease liabilities	(153)	(220)
Closing balance	**654**	**225**

The Company 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	573	851
Additions	565	-
Reversals	(60)	(278)
Closing balance	**1,078**	**573**
Reversal of accumulated depreciation	**25**	**106**
Depreciation for ROU assets for the year	**147**	**203**

v. Expenses relating to short-term leases and leases of low-value assets is ₹ 479 million (₹ 503 million).

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

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b) The Company as a lessor:

i. The Company has given part of its 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

ii. The Company 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 initial tenure of the lease is generally upto 12 months.

(₹ million)

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

34 a) CONTINGENT LIABILITIES

(₹ million)

		Mar-22	Mar-21
i.	Corporate guarantees		
	- For related parties**	-	17
ii.	Disputed indirect taxes	557	557
iii.	Disputed direct taxes*	664	672
iv.	Claims against the Company not acknowledged as debts#	285	309
v.	Legal cases against the Company@	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 Company before various appellate authorities against the 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.

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

@ The Company 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.

b) The Company 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 Company. 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.

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35. CAPITAL AND OTHER COMMITMENTS

a) Estimated amount of contracts remaining to be executed for capital expenditure not provided for (net of advances) is ₹ 327 million (₹ 214 million).

b) Other commitments as regards media content and others (net of advances) are ₹ 19,501 million (₹ 19,364 million).

c) Uncalled liability/contractual obligation on investments committed is Nil (₹ 13 million).

36. ATL Media Limited (ATL), an overseas wholly-owned subsidiary of the Company 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 purchase the issued share capital held by LEL to the extent of 64.38% in Veria International Limited (VIL) (another related party of the Company) 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. Based on certain representations made by LEL, the Put Option agreement was renewed and amended by the parties (ATL and LEL) on 29th July 2019 and extended till 30th December 2026, and the exercise price was set at $ 52.50 million (₹ 3,969 million as at 31st March 2022 (₹ 3,848 million as at 31st March 2021)) for the same quantum of shares 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.

In May 2016, the Company had issued a Letter of Comfort (LOC) to the said Bank confirming its intention, among other matters, to support ATL by infusing equity/debt for meeting all its working capital requirements, debt requirements, business expansion plans, honouring the Put Option, take or pay agreements and guarantees. The Company has received communication from the Bank mentioning defaults committed by LEL in repayment of their loans to the Bank and calling upon the Company to support ATL in connection with honouring the Put Option. However, the Bank and LEL remained in discussion to settle the borrowing.

The Company is of the view, based on legal advice, that the LOC neither provides any guarantee, commitment or assurance to pay the Bank. On 26th June 2020, the Bank filed a plaint seeking ad-interim relief in the Hon'ble High Court of Bombay on the grounds that the aforesaid LOC provided to the Bank is a financial guarantee. The Hon'ble High Court of Bombay, vide Orders dated 30th June 2020 and 19th August 2020 has refused/dismissed the ad-interim relief sought by the Bank, including as part of the appeal proceedings filed by the Bank that were in favour of the Company. The primary suit filed by the Bank on 26th June 2020 is yet to be heard by the Hon'ble High Court of Bombay.

The Management has assessed the nature of the LOC and based on legal advice obtained, the LOC has not been considered as a financial guarantee by the Management, which would require recognition of a liability in the books of account of the Company. Further, based on an independent valuation of ATL obtained, the Management has determined that the LOC also does not result in any executory contract that is onerous on the Company which requires any recognition of liability in the books of account of the Company.

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 ₹ 249 million (₹ 231 million).

39. SEGMENT INFORMATION

The Company operates in a single reporting segment namely 'Content and Broadcasting'.

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40. PAYMENT TO AUDITORS

(₹ million)

	Mar-22	Mar-21
Audit fees	12	12
Certification	6	7
Reimbursement of expenses	0	1
Total	**18**	**20**

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

41. NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE

(₹ million)

	Mar-22	Mar-21
Investment in subsidiary #	-	14
Freehold land and building $	-	573
Total	**-**	**587**

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 ₹ 124 million (₹ 119 million).

$ 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

The 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 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	102	97
2. Interest cost	66	56
Total Expenses	**168**	**153**
ii. Amount recognised in other comprehensive income (OCI)		
1. Opening amount recognised in OCI	(33)	(34)
2. Remeasurement during the period due to		
- Changes in financial assumptions	(26)	(28)
- Changes in demographic assumptions	(5)	-
- Changes in experience charges	20	29
Closing amount recognised in OCI	**(44)**	**(33)**

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(₹ million)

	Mar-22	Mar-21
	Gratuity (Non-Funded)	
iii. Net liability recognised in the Balance Sheet as at 31st March		
1. Present value of Defined Benefit Obligation (DBO)	950	908
2. Net liability	950	908
iv. Reconciliation of net liability recognised in the Balance Sheet		
1. Net liability at the beginning of year	908	815
2. Expense as per (i) above	168	153
3. Other comprehensive income as per (ii) above	(11)	1
4. Liabilities transferred on divestiture	(3)	(32)
5. Benefits paid	(112)	(29)
Net liability at the end of the year	**950**	**908**
v. The following payments are expected to defined benefit plan in future years:		
1. Expected benefits for year 1	66	41
2. Expected benefits for year 2 to year 5	226	158
3. Expected benefits beyond year 5	1,796	2,698
vi. Actuarial assumptions		
1. Discount rate	7.27%	7.02%
2. Expected rate of salary increase	7.00%	7.00%
3. Mortality	IALM (2012-14)	IALM (2012-14)

vii. The defined benefit plans expose the Company 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
1. Impact of increase in 50 bps on DBO - discount rate	908	857
2. Impact of decrease in 50 bps on DBO - discount rate	995	961
3. Impact of increase in 50 bps on DBO - salary escalation rate	995	963
4. Impact of decrease in 50 bps on DBO - salary escalation rate	906	855

Notes:

1. 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.
2. 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 and accordingly the long-term paid absences have been valued. The leave encashment expense is included in Note 25 'Employee benefits expense'.

Notes

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43. CORPORATE SOCIAL RESPONSIBILITY (CSR)

a) Gross amount required to be spent by the Company is ₹ 437 million (₹ 500 million)

b) Amount spent during the year ended 31st March 2022 on ongoing projects:

(₹ million)

Nature of activities	Mar-22		
	Spent amount	Unspent amount	Total
Disaster relief and recovery	66	34	100
Integrated rural development	29	81	110
Women empowerment	140	60	200
Preservation of art and culture	17	4	21
Others	6	-	6
Total	**258**	**179**	**437**

Provision of ₹ 179 million has been recorded during the year with respect to liability for contractual obligation. The said amount is transferred to designated bank account before the due date as per the regulatory requirements.

Amount spent during the year ended 31st March 2021 on ongoing projects:

(₹ million)

Nature of activities	Mar-21		
	Spent amount	Unspent amount	Total
COVID-19 related CSR spends	335	-	335
CSR support to Indian Institute of Development	35	97	132
CSR support to build school for girls	33	-	33
Total	**403**	**97**	**500**

Provision of ₹ 97 million has been recorded during the year with respect to liability for contractual obligation. The said amount is transferred to designated bank account before the due date as per the regulatory requirements.

c) Movement of unspent amount

(₹ million)

	Mar-21	Utilisation from opening unspent	Current year unspent	Mar-22
Balance unspent	97	-	179	276

44. FINANCIAL INSTRUMENTS

a) Capital management

The Company 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 Company is not subject to any externally imposed capital requirements. The Company's Risk Management Committee reviews the capital structure of the Company.

Notes
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B. Categories of financial instruments and fair value thereof

(₹ million)

	Mar-22		Mar-21	
	Carrying amount	Fair value	Carrying amount	Fair value
a) Financial assets				
i. Measured at amortised cost				
Trade receivables	16,318	16,318	17,721	17,721
Cash and cash equivalents	6,247	6,247	5,811	5,811
Other bank balances	93	93	422	422
Loans	-	-	-	-
Other financial assets*	4,619	4,619	4,327	4,327
Redeemable non-convertible debentures*	337	337	489	489
	27,614	**27,614**	**28,770**	**28,770**
ii. Measured at fair value through profit and loss account				
Investments				
Zee Studios Limited (Formerly, Essel Vision Productions Limited) (optionally convertible debentures)*	2,151	2,151	370	370
2,700 (Nil) 0.001% Non-cumulative optionally convertible debentures of ₹ 1,000,000/- each of Margo Networks Private Limited	2,700	2,700	-	-
Morpheus Media Fund	0	0	10	10
Exfinity Technology Fund-Series II	272	272	91	91
Mutual funds	-	-	7,356	7,356
	5,123	**5,123**	**7,827**	**7,827**
iii. Measured at fair value through other comprehensive income				
Equity shares	12	12	9	9
b) Financial liabilities				
i. Measured at amortised cost				
Trade payables	13,164	13,164	12,927	12,927
Other financial liabilities	4,195	4,195	3,111	3,111
Lease liabilities*	654	654	225	225
Vehicle loans*	31	31	22	22
	18,044	**18,044**	**16,285**	**16,285**
ii. Fair value through Profit and Loss				
6% Cumulative redeemable non-convertible preference shares*	-	-	3,832	3,832

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

*Includes current maturities.

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 financial statements are a reasonable approximation of their fair values, since, the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

Notes
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c) Fair value measurement

The following table provides the fair value measurment hierarchy of the Company's assets and liabilities.

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

(₹ million)

	Mar-22	Mar-21	Fair Value Hierarchy	Valuation technique(s) & key inputs used
Financial assets at fair value through other comprehensive income				
Investment in Equity shares	12	8	Level 1	Quoted in an active market
Investment in Equity shares	0	0	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				
Mutual funds	-	7,356	Level 1	Quoted in an active market
Zee Studios Limited (optionally convertible debentures)*	2,151	370	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.
2,700 (Nil) 0.001% Non-cumulative optionally convertible debentures of ₹ 1,000,000/- each of Margo Networks Private Limited	2,700	-	Level 3	
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				
Quoted 6% cumulative redeemable non-convertible preference shares*	-	3,832	Level 1	Quoted in an active market

* Includes current maturities.

The fair values of the financial assets under Level 3 category have been determined based on following valuation techniques:

- the fair value of the optionally convertible debentures has been calculated by using discounted cash flow method.
- Investments in funds is valued basis the net asset value received from the fund house.

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

Reconciliation of Level 3 category of financial assets:

(₹ million)

	Mar-22	Mar-21
Opening balance	471	1,772
Additions	2,713	1,697
Redemption	(7)	(4,374)
Gain recognised	1,946	1,376
Closing balance	**5,123**	**471**

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d) Financial risk management objective and policies

The Company's principal financial liabilities comprise loans and borrowings (majorly comprises cumulative redeemable preference shares issued by the Company), trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company'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 Company is exposed to market risk, credit risk and liquidity risk. The Company'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 Company 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.

The carrying amounts of financial assets and financial liabilities the Company 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
United States Dollar (USD)	970	467	354	97
Euro (EUR)	1	1	8	3
Singapore Dollar (SGD)	-	-	0	1
UAE (AED)	-	-	0	-
Japanese Yen (JPY)	2	2	-	-
Mauritian Rupee (MUR)	-	-	0	-
Great Britain Pound (GBP)	-	-	-	0

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

Foreign currency sensitivity analysis

The following table details the Company'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 in 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%
United States Dollar (USD)	(62)	62	(37)	37
Euro (EUR)	1	(1)	0	(0)
Singapore Dollar (SGD)	0	(0)	0	(0)
UAE (AED)	0	(0)	-	-
Japanese Yen (JPY)	(0)	0	(0)	0
Mauritian Rupee (MUR)	0	(0)	-	-
Great Britain Pound (GBP)	-	-	0	(0)

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

Notes
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The Company is mainly exposed to USD currency fluctuation risk.

The Company's sensitivity to foreign currency assets has increased during the current year mainly due to overall increase in assets in foreign currency.

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

- **Interest rate risk**

The borrowings of the Company include vehicle loan which carries fixed coupon rate and consequently the Company is not exposed to interest rate risk.

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

- **Other price risk**

The Company is exposed to equity price risks arising from equity investments. The Company'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)

	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 Company if a customer or counterparty fails to meet its contractual obligations and arises principally from the Company'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 Company does not hold any collateral or other credit enhancements to cover its credit risks. Credit risk has always been managed by the Company through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Company grants credit terms in the normal course of business. On account of adoption of Ind AS 109 on 'Financial Instruments', the Company 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 Company's exposure to customers is diversified and except for two customers, no other customer contributes to more than 10 % of outstanding trade receivables and unbilled revenue.

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

(₹ million)

	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed							
a) Considered good	7,376	8,332	769	154	20	11	16,662
b) which have significant increase in credit risk	-	-	-	204	1	-	205
c) Credit impaired	-	-	-	13	1,139	1,200	2,352
Disputed							
a) Considered good	-	-	-	-	-	-	-
b) which have significant increase in credit risk	-	-	-	-	-	-	-
c) Credit impaired	-	0	1	7	10	26	44
Total	**7,376**	**8,332**	**770**	**378**	**1,170**	**1,238**	**19,263**

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

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

(₹ million)

	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed							
a) Considered good	7,355	8,698	2,391	92	39	36	18,611
b) which have significant increase in credit risk	-	1	5	123	3	-	132
c) Credit impaired	1	-	4	2,169	166	264	2,604
Disputed							
a) Considered good	-	-	-	-	-	-	-
b) which have significant increase in credit risk	-	-	-	-	-	-	-
c) Credit impaired	-	3	9	25	29	172	238
Total	**7,357**	**8,702**	**2,408**	**2,409**	**236**	**472**	**21,585**

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	3,862	3,173
Add: Provided during the year	-	689
Less: Reversal during the year	(391)	-
Less: Write off during the year	(526)	-
Balance as at the end of the year	**2,945**	**3,862**
Net trade receivables	**16,318**	**17,721**

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

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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 honour 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 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.

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 47), 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 Company 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 Company cannot meet its financial obligations. The Company's principal source of liquidity are cash and cash equivalents and the cash flow generated from operations. The Company consistently generated 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.

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

(₹ million)

	Accruals	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Trade payables							
a) MSME	-	14	-	-	-	-	14
b) Others	5,245	2,118	4,834	171	176	564	13,108
c) Disputed dues – MSME	-	-	-	-	-	-	-
d) Disputed Others dues	-	-	-	-	27	15	42
Total	**5,245**	**2,132**	**4,834**	**171**	**203**	**579**	**13,164**

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

(₹ million)

	Accruals	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Trade payables							
a) MSME	-	5	-	-	-	-	5
b) Others	4,664	1,622	5,344	620	225	399	12,874
c) Disputed dues – MSME	-	-	-	-	-	-	-
d) Disputed Others dues	-	-	1	30	6	11	47
Total	**4,664**	**1,627**	**5,345**	**650**	**231**	**410**	**12,927**

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	17,359	-	-	17,359	17,359
Lease liabilities	150	493	11	654	654
Borrowings	11	20	-	31	31
Total	**17,520**	**513**	**11**	**18,044**	**18,044**

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	16,038	-	-	16,038	16,038
Lease liabilities	109	78	38	225	225
Borrowings	4,043	13	-	4,056	3,854
Total	**20,190**	**91**	**38**	**20,319**	**20,117**

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

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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 as at 28th February 2022 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 (a)	**755**
Liabilities	
Provisions	4
Financial liabilities	4
Total Liabilities (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**

46. 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.

47. RELATED PARTY DISCLOSURES

a) List of parties where control exists

Subsidiary companies

i. Wholly-owned (direct and indirect subsidiaries)

Asia Multimedia Distribution Inc.; Asia Today Limited ; Asia Today Singapore Pte. Limited; ^^Asia TV Gmbh; Asia TV USA Limited; Asia TV Limited; ATL Media FZ-LLC; ATL Media Limited; *Zee Studios Limited (formerly known as Essel Vision Productions Limited); Expand Fast Holdings (Singapore) Pte. Limited; *India Webportal Private Limited; OOO Zee CIS Holding LLC; OOO Zee CIS LLC; Pantheon Productions Limited; Taj TV Limited; *Zee Digital Convergence Limited; Zee Entertainment Middle East FZ-LLC; Zee Multimedia Worldwide (Mauritius) Limited; *Zee Network Distribution Limited (formerly known as Zee Turner Limited); **Zee Technologies (Guangzhou) Limited; Zee TV South Africa (Proprietary) Limited; Zee Unimedia Limited; Z5X Global FZ-LLC; Zee Studios International Limited; ^Zee TV USA Inc.

*India Web Portal Private Limited, Zee Digital Convergence Limited, Zee Network Distribution Limited were merged with Zee Studios Limited effective 18th November 2021

**Deregistered as on 9th December 2020

^Deregistered as on 1st May 2020

^^ Under liquidation w.e.f. 31st January 2021

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ii. **Other subsidiaries**

Margo Networks Private Limited (extent of holding 80%)

Fly-by-Wire International Private Limited (extent of Holding NIL w.e.f. 18th August 2021,extent of holding 51% w.e.f. 30th July 2020 upto 17th August 2021)

Idea Shop Web and Media Private Limited (extent of Holding NIL w.e.f. 31st January 2022, extent of holding 51.04% held through Zee Studios Limited upto 30th January 2022)

b) **Associates**

Asia Today Thailand Limited (extent of holding 25% through Asia Today Singapore Pte. Limited)

c) **Joint Venture**

Media Pro Enterprise India Private Limited (extent of holding 50% through Zee Studios Limited)

d) **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.

*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

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

(₹ million)

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		
Subsidiaries	968	979
Other related parties	385	399
- Commission		
Subsidiaries	198	71
Other related parties	-	50
- Transmission income		
Subsidiaries	246	236
Other related parties	114	96
- Sales of media content		
Subsidiaries	752	1,560
- Other operating income		
Subsidiaries	370	1
Other related parties	-	9
ii. Other income		
- Dividend income		
Subsidiaries	-	261
- Rent/miscellaneous income		
Other related parties	153	192
- Interest income		
Subsidiaries	196	-
Other related parties	45	32
iii. Purchase of media content		
Subsidiaries	1,656	1,504
iv. Purchase of services		
Subsidiaries	1,888	626
Other related parties	1,451	1,755
v. Recoveries/(reimbursement) (net)		
Subsidiaries	630	314
Other related parties	112	140
vi. Investments purchased/subscribed		
Subsidiaries	2,700	-
Other related parties	-	445

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(₹ million)

Particulars		Mar-22	Mar-21
vii.	**Investments sold/redemption**		
	Subsidiaries	-	2,832
	Other related parties	100	10
viii.	**Acquisition of business**		
	Subsidiaries	-	2,695
ix.	**Sale of digital publishing business**		
	Other related Parties (Refer note 45)	788	-
x.	**Assets purchased**		
	Subsidiaries	253	-
xi.	**Assets transfer**		
	Other related parties	-	1
xii.	**Transfer of retirement benefits**		
	Other related parties	-	88
xiii.	**Loans, advances and deposits given**		
	Subsidiaries	1,885	770
xiv.	**Loans, advances and deposits repayment received**		
	Subsidiaries	2,655	-
	Other related parties	9	9
xv.	**Loans, advances and deposits repayment given**		
	Other related parties	-	6
xvi.	**Provision for loans, advance and deposit given, trade and other receivables**		
	Other related parties (Refer note 44(d)(ii))	26	991
xvii.	**Provision for Corporate guarantees given**		
	Other related parties (Refer note 44(d)(ii)(D))	527	1,001
xviii.	**Remuneration to Managing Director & CEO**		
	Short-term employee benefits[@]	411	132
xix.	**Commission and sitting fees**		
	Non-Executive directors	42	42
xx.	**Dividend paid**		
	Director (₹ 7,395/- (₹ 2,524/-))	0	0

(₹ million)

Particulars		Mar-22	Mar-21
Balance as at 31st March			
i.	**Investment**		
	Subsidiaries	11,030	6,563
	Other related parties	337	437
ii.	**Trade receivables**		
	Subsidiaries	650	221
	Other related parties	281	307
iii.	**Loans, advances and deposits given (Refer note 44(d)(ii))**		
	Subsidiaries	-	770
	Other related parties	355	364
iv.	**Other receivables**		
	Subsidiaries	392	898
	Other related parties	448	215

Notes
FORMING PART OF THE FINANCIAL STATEMENTS

(₹ million)

Particulars		Mar-22	Mar-21
v.	**Trade advances and deposits received**		
	Subsidiaries	-	5
	Other related parties	24	27
vi.	**Trade/other payables**		
	Subsidiaries	1,114	1,646
	Other related parties	195	319
vii.	**Due to principals**		
	Subsidiaries	327	480
viii.	**Corporate guarantees given**		
	Subsidiaries	-	371
	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.

f) 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)

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		
ATL Media Limited	968	979
Zee Media Corporation Limited	385	399
- Commission		
ATL Media Limited	16	19
ATL Media FZ-LLC	165	41
Asia Today Limited	17	11
Zee Akaash News Private Limited	-	8
Zee Media Corporation Limited	-	42
- Transmission income		
Asia Today Limited	179	176
ATL Media Limited	67	60
Zee Media Corporation Limited	112	94
Others	2	2
- Sales of media content		
Asia Today Limited	752	1,560
- Other operating income		
ATL Media Limited	370	-
Zee Media Corporation Limited	-	9
Others	-	1

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FORMING PART OF THE FINANCIAL STATEMENTS

(₹ million)

Particulars	Mar-22	Mar-21
ii. Other Income		
- **Dividend income**		
Zee Network Distribution Limited	-	261
- **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**		
Margo Networks Private Limited	196	-
Zee Learn Limited*	39	32
Others	6	-
iii. Purchase of media content		
Zee Studios Limited	1,510	1,079
ATL Media Limited	146	425
iv. Purchase of services		
ATL Media FZ-LLC	1,652	413
Broadcast Audience Research Council	351	271
Zee Media Corporation Limited	80	233
Digital Subscriber Management and Consultancy Services Private Limited	499	541
Evenness Business Excellence Services Limited	-	150
Siti Networks Limited $*	190	229
Others	567	543
v. Recoveries/(reimbursement) (net)		
Z5X Global FZ-LLC	332	235
Margo Networks Private Limited	372	-
ATL Media Limited	(74)	79
Zee Media Corporation Limited	88	125
Others	24	15
vi. Investments purchased/subscribed		
0.001% Non-cumulative optionally convertible debentures of Margo Networks Private Limited	2,700	-
10.02% Secured redeemable non convertible debentures of Zee Learn Limited*	-	445
vii. Investments sold/redemption		
0% optionally convertible debentures of Zee Studios Limited	-	2,704
10.02% Secured redeemable non convertible debentures of Zee Learn Limited*	100	10
Others	-	128
viii. Acquisition of business		
Zee Studios Limited	-	2,695
ix. Sale of digital publishing business		
Indiadotcom Digital Private Limited (Refer Note 45)	788	-
x. Assets purchased		
Asia Today Limited	253	-

Notes
FORMING PART OF THE FINANCIAL STATEMENTS

(₹ million)

Particulars	Mar-22	Mar-21
xi. Assets transfer		
Zee Media Corporation Limited	-	1
Zee Akaash News Private Limited (PY ₹ 160,070/-)	-	0
xii. Transfer of retirement benefits		
Zee Media Corporation Limited	-	82
Others	-	6
xiii. Loans, advances and deposits given		
Margo Networks Private Limited	1,885	770
xiv. Loans, advances and deposits repayment received		
Margo Networks Private Limited	2,655	-
Broadcast Audience Research Council	9	9
xv. Loans, advances and deposits repayment given		
Zee Media Corporation Limited	-	6
xvi. Provision for loans, advance and deposit given, trade and other receivables (Refer note 44(d) (ii) D)		
Evenness Business Excellence Services Limited	6	137
Siti Networks Limited*	18	855
Living Entertainment Enterprises Private Limited	-	14
Others	2	(15)
xvii. Provision for corporate guarantees given (Refer note 44(d)(ii)D)		
Siti Networks Limited (DSRA Value) #*	527	1,001
xviii. Remuneration to Managing Director & CEO		
Short-term employee benefits @	411	132
xix. Commission and sitting fees		
Non-Executive directors	42	42
xx. Dividend paid		
Director (₹ 7,395/- (₹ 2,524/-))	0	0

(₹ million)

Particulars	Mar-22	Mar-21
Balance as at 31st March		
i. Investment		
Equity Shares of Zee Multimedia Worldwide (Mauritius) Limited	2,584	2,584
Equity Shares of ATL Media Ltd.	2,515	2,515
Debentures - Zee Studios Limited	2,151	370
Equity Shares of Margo Networks Private Limited	750	750
Debentures - Margo Networks Private Limited	2,700	-
Others	667	781
ii. Trade receivables		
Asia Today Limited	121	116
ATL Media Limited	225	6
Indian Cable Net Company Limited	217	227
Z5X Global FZ-LLC	275	74
Zee Media Corporation Limited	56	78
Siti Networks Limited (net of provision) *	-	-
Others (net of provision)	36	27

Notes
FORMING PART OF THE FINANCIAL STATEMENTS

(₹ million)

Particulars	Mar-22	Mar-21
iii. Loans, advances and deposits given (Refer note 44(d)(ii))		
Digital Subscriber Management and Consultancy Services Private Limited	340	340
Margo Networks Private Limited	-	770
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)	15	24
iv. Other receivables		
Margo Networks Private Limited	372	-
Indiadotcom Digital Private Limited	340	-
ATL Media Limited	21	76
Siti Networks Limited (net of provision) *	-	5
Zee Studios Limited	-	786
Others (net of provision)	107	246
v. Trade advances and deposits received		
ATL Media Limited	-	5
Essel Corporate LLP	10	10
Essel Infra Projects Limited	12	12
Zee Media Corporation Limited	-	3
Others	2	2
vi. Trade/other payables		
ATL Media Limited	464	637
ATL Media FZ-LLC	546	372
Zee Media Corporation Limited	116	214
Zee Studios Limited	25	592
Others	158	150
vii. Due to principals		
Asia Today Limited	41	138
ATL Media Limited	286	342
viii. Corporate guarantees given		
Broadcast Audience Research Council	-	17
Margo Networks Private Limited	-	371
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 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	-
Balaji Cine Vision Private Limited	Advances received from customers	0	-
Deetya Advertising Agency Private Limited	Advances received from customers	0	0

Notes

FORMING PART OF THE 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
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. a) The Company 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;

i. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (ultimate beneficiaries) or

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

b) The Company 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;

i. 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

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

50. DISCLOSURE REQUIRED UNDER SECTION 22 OF MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006.

The information regarding Micro or Small Enterprises as required by the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company, which has been relied upon by the auditors.

The principal amount and the interest due thereon remaining unpaid as at the end of each accounting year are as follows:

(₹ million)

	Mar-22	Mar-21
Principal amount due to Micro and Small Enterprises	14	5
Interest due on above		
The amount of interest paid by the buyer in terms of Section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the suppliers beyond the appointed day during each accounting year	-	-
Principal amount due to Micro and Small Enterprises which was paid beyond the appointed day as per the MSMED Act, 2006	3	39
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interset specified under the MSMED Act, 2006	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are acutally paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act, 2006	-	-

Notes
FORMING PART OF THE FINANCIAL STATEMENTS

51. INFORMATION UNDER SECTION 186 (4) OF THE COMPANIES ACT, 2013

a) Loans given

During the year ended 31st March 2022

(₹ million)

	Mar-21	Given	Repaid	Mar-22
In the form of unsecured short-term inter corporate deposits (excluding roll over) #	-	1,885	(1,885)	-

During the year ended 31st March 2021

(₹ million)

	Mar-20	Given	Repaid	Mar-21
In the form of unsecured short-term inter corporate deposits (excluding roll over) #	-	-	-	-

Inter Corporate Deposits are given to a subsidiary of the Company on following terms:

i. Loans are given at an interest rate of 8.5% p.a.

ii. Loans given are short-term in nature.

iii. Loans given are provided for business purposes.

b) Investments made

There are no investments by the Company other than those stated under Note 8 and Note 13 in the Financial Statements.

c) Guarantees given

(₹ million)

	Mar-22	Mar-21
Performance guarantees		
To Banks to secure obligations of other related parties:		
- Guarantees	-	17
- Commitment for meeting shortfall funding towards revolving Debt Service Reserve Account (DSRA) obligation against financial facilities availed by the borrowers (Refer note 34)	-	-

d) Securities provided

There are no securities provided during the year.

52. During the year, the Company has made political contribution of Nil (Nil).

53. MANAGERIAL REMUNERATION

Remuneration paid or provided in accordance with Section 197 of the Companies Act, 2013 to the Managing Director & CEO, included in Note 25 'Employee benefits expense' is as under:

(₹ million)

	Managing Director & CEO	
	Mar-22	Mar-21
Salary and allowances *	409	123
Contribution to provident fund	2	9

*Salary and allowances include basic salary, house rent allowance, leave travel allowance and performance bonus but excluding leave encashment and gratuity provided on the basis of actuarial valuation.

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FORMING PART OF THE FINANCIAL STATEMENTS

54. FINANCIAL RATIOS

		Mar-22	Mar-21	% change
a)	Current Ratio	4.86	4.02	21%
b)	Debt-Equity Ratio (Refer note below)	0.00	0.04	-99%
c)	Debt Service Coverage Ratio	3.34	2.92	15%
d)	Return on Equity Ratio	14%	14%	1%
e)	Inventory turnover ratio (number of days)	527	594	-11%
f)	Trade Receivables turnover ratio (number of days)	83	107	-22%
g)	Trade payables turnover ratio (number of days)	94	125	-25%
h)	Net capital turnover ratio	0.94	0.93	1%
i)	Net profit ratio	18%	17%	1%
j)	Return on Capital employed	19%	19%	0%
k)	Return on investment (%)	12%	27%	-15%

Explanation for change in ratios exceeding 25% compared to previous year

a) Debt-Equity Ratio:

During the year, the preference shares were redeemed (Refer note 18).

	Ratios	Numerator	Denominator
a)	Current Ratio	Current assets	Current liabilities
b)	Debt-Equity Ratio (Refer note below)	Total debt	Shareholders' equity
c)	Debt Service Coverage Ratio	Profit after tax + Depreciation and amortisation + interest expense + Loss on sale/write off of property, plant and equipments	Interest expense + principal repayment of borrowings
d)	Return on Equity Ratio	Net profit after tax less preference dividend	Average Shareholders' equity
e)	Inventory turnover ratio (number of days)	Average inventories x 365	Operating cost
f)	Trade Receivables turnover ratio (number of days)	Average trade receivables x 365	Revenue from operations
g)	Trade payables turnover ratio (number of days)	Average trade payables x 365	Operating cost + Other expenses
h)	Net capital turnover ratio	Revenue from operations	Working capital (current assets - current liabilities)
i)	Net profit ratio	Net profit after tax (after exceptional items)	Revenue from operations
j)	Return on Capital employed	Profit before interest and tax	Tangible net worth + total debt + deferred tax liability
k)	Return on investment (%)	Other income excluding dividend	Average cash and cash equivalent, loans and other marketable securities

Notes

FORMING PART OF THE FINANCIAL STATEMENTS

55. 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.

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

See accompanying notes to the 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