NOTES
FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

Zee Entertainment Enterprises Limited ('ZEEL' or 'the Company') is incorporated in the State of Maharashtra, India and is listed on Bombay Stock Exchange (BSE) and National Stock Exchange (NSE) in India. The registered office of the Company is 18th floor, A Wing, Marathon Futurex, N.M.Joshi Marg, Mumbai 400013, India. The Company along with its subsidiaries (collectively referred as 'the Group') engaged in the business of media and entertainment. The Group is mainly in the following businesses:

(i) Broadcasting of Satellite Television Channels;

(ii) Space Selling agent for other satellite television channels;

(iii) Sale of Media Content i.e. programs / film rights / feeds / music rights

2. SIGNIFICANT ACCOUNTING POLICIES

a. Statement of compliance

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

b. Basis of preparation of consolidated financial statements

These consolidated financial statements have been prepared and presented under the historical cost convention, on the accural 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.

c. Basis of consolidation

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

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

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

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

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

d. Investment in associates and joint ventures

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

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

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

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

NOTES
FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Name of the Subsidiaries	Proportion of Interest (including beneficial interest) / Voting Power (either directly / indirectly or through Subsidiaries)	Principal place of business
Direct Subsidiaries		
ATL Media Ltd	100 (100)	Mauritius
Essel Vision Productions Limited	100 (100)	India
Zee Unimedia Limited	100 (100)	India
Zee Digital Convergence Limited	100 (100)	India
Zee Turner Limited	74 (74)	India
Zee Multimedia Worldwide (Mauritius) Limited	100 (100)	Mauritius
India Webportal Private Limited (w.e.f 22nd July 2017)	100 (51)	India
Fly By Wire International Private Limited (w.e.f 14th July 2017)	100 (49)	India
Margo Networks Private Limited (w.e.f 3rd May 2017)	80(Nil)	India
Indirect Subsidiaries		
Asia TV Limited	100 (100)	United Kingdom
Expand Fast Holdings (Singapore) Pte Limited	100 (100)	Singapore
OOO Zee CIS Holding LLC #	100 (100)	Russia
OOO Zee CIS LLC	100 (100)	Russia
Taj TV Limited	100 (100)	Mauritius
Asia Today Singapore Pte Limited	100 (100)	Singapore
Asia TV USA Limited, Wyoming	100 (100)	United States of America
Asia Today Limited	100 (100)	Mauritius
Zee Technologies (Guangzhou) Limited	100 (100)	China
Zee Entertainment Middle East FZ-LLC	100 (100)	U.A.E.
ATL Media FZ-LLC	100 (100)	U.A.E.
Zee TV South Africa (Proprietary) Limited	100 (100)	South Africa
Zee TV USA Inc.	100 (100)	United States of America
Asia Multimedia Distribution Inc.	100 (100)	Canada
Idea Shop Web and Media Private Limited	51.04(51.04)	India
Eevee Multimedia Inc.	100 (100)	United States of America
Asia TV GmbH	100 (Nil)	Germany
ZEE Radio Network Middle East FZ -LLC $	Nil (Nil)	U.A.E.
Pantheon Productions Limited ^	100 (Nil)	Canada
Z5X Global FZ-LLC	100 (Nil)	U.A.E.
Zee Studios International Limited*	100 (Nil)	Canada

* Incorporated on 20 March 2017
# Zero capital company
^ Incorporated on 29 March 2018
$ Deregistered on 24 December 2017 effective 3 September 2017.

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

ASSOCIATE

Name of the Associates	Percentage of holding	Principal place of business
Aplab Limited	26.42% (26.42%)	India
Asia Today Thailand Limited (Held through Asia Today Singapore Pte Limited)	25% (25%)	Thailand
Fly by Wire International Private Limited (upto 13 July 2017)	49% (49%)	India

JOINTLY CONTROLLED ENTITIES

Name of the jointly controlled entities	Percentage of holding	Principal place of business
Media Pro Enterprise India Private Limited*	50% (50%)	India
India Webportal Private Limited $	51% (51%)	India

* Through subsidiary, Zee Turner Limited
$ upto 21 July 2017

e. Business Combinations

Business combinations have been accounted for using the acquisition method.

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

Business combinations between entities under common control is accounted for at carrying value.

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

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

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

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

When the consideration transferred by the Group in the business combination includes assets and liabilities resulting from the contingent consideration arrangement, the contingent consideration arrangement is measured at its acquistion date fair value and included as a part of the consideration transferred in a business combination.

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

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

NOTES
FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

f. Property, plant and equipment

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

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

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

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

Furniture and Fixtures - 5 years ^
Buildings - 60 years *
Computers - 3 and 6 years *
Equipment - 3 to 5 years ^
Plant and Machinery ^
    Gas plant - 20 years
    Others - 5 to 10 years
Vehicles - 5 years ^
Aircraft - 15 years ^

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

g. 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.

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 profit or 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 / other intangible assets

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

An impairment loss is recognised in consolidated statement of profit and loss whenever the carrying amount of an asset or a cash generating unit exceeds its recoverable amount. The recoverable amount is the higher of fair value less costs of disposal and

NOTES
FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

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 profit or loss.

k. Derecognition of property, plant and equipment / other intangibles / investment property

The carrying amount of an item of property, plant and equipment / intangibles / 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 / intangibles / investment property is determined as the difference between the net disposal proceeds and the carrying amount of the item and is recognised in the consolidated statement of profit and loss.

l. Leases

(i) Finance lease

The Group as a lessee:

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

(ii) Operating lease

The Group as a lessee:

Lease of assets under which all the risks and rewards of ownership are effectively retained by the lessor are classified as operating leases. Operating lease payments / revenue are recognised on straight line basis over the lease period in the consolidated statement of profit and loss account unless increase is on account of inflation.

The Group as a lessor:

Rental income from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the Group's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue.

m. Cash and cash equivalents

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

n. Inventories

(i) Media Content :

Media content i.e. Programs, 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. Programs, film rights, music rights are expensed / amortised as under :

1. Programs - reality shows, chat shows, events, game shows and sports rights etc. are fully expensed on telecast / upload.

2. Programs (other than (1) above) are amortised over three financial years starting from the year of first telecast/upload, as per management estimate of future revenue potential.

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

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

5. 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 - 80% of allocated cost is amortized immediately on theatrical release and balance allocated cost is amortised equally in following six months.

c) Intellectual Property Rights (IPRs) - Allocated cost of IPRs are amortised over 5 years subsequent to year in which film is released.

d) 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

NOTES
FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

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

(ii) Financial assets

(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 Group's business model for managing the financial assets and the contractual terms of cash flows.

(b) Subsequent measurement

- **Debt Instrument - amortised cost**

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

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

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

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

  b) The asset's contractual cash flows represent solely payments of principle 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 recognized in the other comprehensive income (OCI). However, the Group recognizes interest income, impairment losses and reversals and foreign exchange gain or loss in the consolidated statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to consolidated statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the effective interest rate method.

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

  FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. In addition, the Group may elect to designate a debt instrument, which otherwise meets amortized 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 recognized in the consolidated statement of profit and loss.

- **Equity investments**

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

- **Derivative financial instruments**

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

(c) Derecognition of financial assets

A financial asset is derecognised only when:

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

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

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

(d) Impairment of financial assets

The Group measures the expected credit loss associated with its 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 & Equity

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

NOTES
FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

- **Equity instruments**

  An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

  Repurchase of the Group's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised on the purchase, sale, issue or cancellation of the Group's own equity instruments.

(b) Subsequent measurement

- **Financial liabilities measured at amortised cost**

  Financial liabilities are subsequently measured at amortized cost using the effective interest rate (EIR) method. Gains and losses are recognized in consolidated statement of profit and loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized 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 amortization is included in finance costs in the consolidated statement of profit and loss.

- **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 recognized in other income or finance costs in the consolidated statement of profit and loss.

(c) Derecognition of financial liabilities

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

(d) Fair value measurement

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

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

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

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

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

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

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

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

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

- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

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

p. Borrowings and Borrowing costs

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

q. Provisions, contingent liabilities and contingent assets

The Group recognizes 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 Group or a present obligation that is not recognised because it is not probable that the outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Group does not recognise a contingent liability but discloses its existence in the consolidated financial statements.

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

r. Revenue recognition

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

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

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

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

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

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

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

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

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 consolidated balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to consolidated statement of profit and loss. Past service cost is recognised in consolidated statement of profit and loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

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

(ii) net interest expense or income; and

(iii) remeasurement

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

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

The retirement benefit obligation recognised in the consolidated balance sheet represents the actual deficit or surplus in the Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.
A liability for a termination benefit is recognised at the earlier of when the Group can no longer withdraw the offer of the termination benefit and when the Group recognises any related restructuring costs.

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

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

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

t. Transactions in foreign currencies

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

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

(ii) Foreign currency monetary items are translated using the exchange rate prevailing at the reporting date. Exchange differences arising on settlement of monetary items or on reporting such monetary items at rates different from those at which they were initially recorded during the period, or reported in previous consolidated financial statements are recognised as income or as expenses in the period in which they arise.

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

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

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

(ii) Deferred tax:

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

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

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

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

NOTES
FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Current and deferred tax for the year:
Current and deferred tax are recognised in profit or 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 is computed and disclosed using the weighted average number of equity shares outstanding during the period. Dilutive earnings per share is computed and disclosed using the weighted average number of equity and dilutive equity equivalent shares outstanding during the period, except when the results would be anti-dilutive.

w. Share based payments
The Group recognizes 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 consolidated statement of profit and loss on a straight-line basis over the requisite service period for each separately vesting portion of the award as if the award was in-substance, multiple awards with a corresponding increase to share based payment reserves.

3. KEY ACCOUNTING JUDGEMENTS AND ESTIMATES

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

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

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

b. Business combinations and intangible assets
Business combinations are accounted for using IND AS 103, Business Combinations. IND AS 103 requires the identifiable intangible assets and contingent consideration to be fair valued in order to ascertain the net fair value of identifiable assets, liabilities and contingent liabilities of the acquiree. Significant estimates are required to be made in determining the value of contingent consideration and intangible assets. These valuations are conducted by independent valuation experts.

c. Property, plant and equipment
Property, plant and equipment represent a significant proportion of the asset base of the Group. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Group's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technical or commercial obsolescence arising from changes or improvements in production or from a change in market demand of the product or service output of the asset.

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

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

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

e. Defined Benefit Obligation
The costs of providing pensions and other post-employment benefits are charged to the consolidated statement of profit and loss in accordance with IND AS 19 '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.

f. Fair value measurement of financial instruments

NOTES
FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

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.

g. Media Content, including content in digital form

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

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

ii. The cost of program (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 programs.

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

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

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

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

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

b) Theatrical rights - 80% of allocated cost is amortized immediately on theatrical release and balance allocated cost is amortised equally in following six months.

c) Intellectual Property Rights (IPRs) - Allocated cost of IPRs are amortised over 5 years subsequent to year in which film is released.

d) Music and Other Rights - Allocated cost of each right is expensed immediately on sale.

4. STANDARDS ISSUED BUT NOT YET EFFECTIVE

In March 2018, the Ministry of Corporate Affairs (MCA) issued the Companies (Indian Accounting Standards) Amendment Rules, 2018, notifying Ind AS 115 on Revenue from Contract with Customers, Appendix B to Ind AS 21 on Foreign currency transactions and advance consideration and amendments to certain other standards. These amendments are in line with recent amendments made by International Accounting Standards Board (IASB). These amendments are applicable to the Company from 1 April 2018. The Group will be adopting the amendments from their effective date.

a) Ind AS 115 on Revenue from Contract with Customers:

Ind AS 115 supersedes Ind AS 11 on Construction Contracts and Ind AS 18 on Revenue. Ind AS 115 requires an entity to report information regarding nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with customers. The principle of Ind AS 115 is that an entity should recognize revenue that demonstrates the transfer of promised goods and services to customers at an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standard can be applied either retrospectively to each prior reporting period presented or can be applied retrospectively with recognition of cumulative effect of contracts that are not completed contracts at the date of initial application of the standard.

Based on the preliminary assessment performed by the Company, the impact of application of the Standard is not expected to be material.

b) Appendix B to Ind AS 21 on Foreign currency transactions and advance consideration:

The Appendix clarifies that the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the asset, expense or income (or part of it) is the date on which an entity initially recognises the non-monetary asset or non-monetary liability arising from the payment or receipt of advance consideration towards such assets, expenses or income. If there are multiple payments or receipts in advance, then an entity must determine transaction date for each payment or receipts of advance consideration.

The impact of the Appendix on the financial statements, as assessed by the Group, is expected to be not material.

NOTES
FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

5. PROPERTY, PLANT AND EQUIPMENT

(₹ Millions)

Description of Assets	Buildings	Plant and machinery	Furniture and Fittings	Vehicles	Equipments	Computers	Aircraft	Leasehold improvements	Total
I. Cost									
As at 31 March 2016	624	4,615	257	180	482	438	-	494	7,090
Additions	779	620	98	103	142	268	-	92	2,102
Transfer to Investment Property	201	-	-	-	-	-	-	-	201
Disposals	20	329	7	20	1	79	-	(4)	452
Translation	(13)	(34)	(4)	(1)	(3)	(5)	-	-	(60)
As at 31 March 2017	**1,169**	**4,872**	**344**	**262**	**620**	**622**	**-**	**590**	**8,479**
On Account of acquisition (Refer note 39)	-	12	0	-	0	5	-	0	17
As at 31 March 2017 restated	**1,169**	**4,884**	**344**	**262**	**620**	**627**	**-**	**590**	**8,496**
Additions	25	524	130	12	316	466	-	250	1,723
Transfer on acquisition	-	-	1	-	4	19	764	-	788
Transfer from investment property	198	-	-	-	-	-	-	-	198
Disposals	-	572	7	25	4	8	-	2	618
Translation	21	4	3	1	3	1	-	4	37
As at 31 March 2018	**1,413**	**4,840**	**471**	**250**	**939**	**1,105**	**764**	**842**	**10,624**
II. Accumulated depreciation									
As at 1 April 2016	53	2,191	118	108	223	260	-	164	3,117
Depreciation charge for the year	10	513	44	35	92	103	-	142	939
Transfer to investment property	3	-	-	-	-	-	-	-	3
Disposals	-	305	6	16	9	53	-	0	389
Translation	(5)	(19)	(3)	(1)	(4)	(5)	-	(3)	(40)
Upto 31 March 2017	**55**	**2,380**	**153**	**126**	**302**	**305**	**-**	**303**	**3,624**
Depreciation charge for the year	45	478	69	39	136	181	56	188	1,192
Transfer on acquisition	-	-	1	-	2	15	214	-	232
Disposals	-	442	6	21	3	7	-	-	479
Translation	0	31	5	(6)	9	3	-	8	50
Upto 31 March 2018	**100**	**2,447**	**222**	**138**	**446**	**497**	**270**	**499**	**4,619**
Net book value									
As at 31 March 2018	1,313	2,393	249	112	493	608	494	343	6,005
As at 31 March 2017	1,114	2,504	191	136	318	322	-	287	4,872

NOTES
FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ Millions)

Net book value	Mar-18	Mar-17 (Restated)
Property, plant and equipment	6,005	4,872
Capital Work-In-Progress	780	1,270

1. '0' (zero) denotes amounts less than a million.
2. Buildings include ₹ 0 Million (₹ 0 Million), ₹ 114,100 (₹ 114,100) the value of share in a co-operative society.
3. Part of property, plant and equipment have been given on operating lease.
4. Capital work-in-progress is net of impairment loss of ₹ 340 Millions (₹ 328 Millions). Amount charged to the Consolidated Statement of Profit and Loss is ₹ 12 Millions (₹ 164 Millions)
5. Certain vehicles have been hypothecated against borrrowings for vehicles aggregating to ₹ 17 Millions (₹ 19 Millions)

6 INVESTMENT PROPERTY

(₹ Millions)

Description of Assets	Land and Building	Total
I. Cost		
As at 31 March 2016	1,202	1,202
Transfer From property, plant and equipment	200	200
As at 31 March 2017	**1,402**	**1,402**
Additions	601	601
Transfer to property, plant and equipment	198	198
Translation	3	3
As at 31 March 2018	**1,808**	**1,808**
II. Accumulated depreciation		
Upto 31 March 2016	223	223
Depreciation Charge for the year	26	26
Transfer From property, plant and equipment	3	3
Upto 31 March 2017	**252**	**252**
Depreciation charge for the year	6	6
Translation	(1)	(1)
Transfer to property, plant and equipment	4	4
Upto 31 March 2018	**253**	**253**
Net book value		
As at 31 March 2018	1,555	1,555
As at 31 March 2017	1,150	1,150

The fair value of the Group's investment property ₹ 3,620 Millions (₹ 2,352 Millions) has been arrived at on the basis of a valuation carried out at that date by independent valuers. Independent valuers have appropriate qualifications and experience in the valuation of properties in the relevant locations. The valuation was arrived at by reference to market evidence of transaction prices for similar properties. The fair value measurement is categorized as Level 2.

NOTES
FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

7. GOODWILL AND OTHER INTANGIBLE ASSETS

(₹ Millions)

Description of Assets	Goodwill	Trademark	Customer list and websites	Software	Channels	Total
I. Cost						
As at 1 April 2016	8,843	291	-	481	133	9,748
Additions	-	0	-	88	69	157
Disposals	6,144	-	-	23	-	6,167
Translation	(23)	-	-	(2)	-	(25)
As at 31 March 2017	**2,676**	**291**	**-**	**544**	**202**	**3,713**
On Account of acquisition (Refer note 39)	-	-	-	1	-	1
As at 31 March 2017 (Restated)	**2,676**	**291**	**-**	**545**	**202**	**3,714**
Additions	2,791	31	1,081	788	-	4,691
Transfer on acquisition	-	-	-	1	-	1
Disposals	-	-	-	-	30	30
Translation	-	-	-	12	-	12
As at 31 March 2018	**5,467**	**322**	**1,081**	**1,346**	**172**	**8,388**
II. Accumulated amortisation						
As at 1 April 2016	-	19	-	355	40	414
Amortisation for the year	-	58	-	102	27	187
Disposals	-	-	-	21	-	21
Translation	-	-	-	0	-	0
Upto 31 March 2017	**-**	**77**	**-**	**436**	**67**	**580**
Amortisation for the year	-	128	250	183	62	623
Transfer on acquisition	-	-	-	1	-	1
Disposals	-	-	-	-	18	18
Translation	-	-	-	1	-	1
Upto 31 March 2018	**-**	**205**	**250**	**621**	**111**	**1,187**
Net book value						
As at 31 March 2018	5,467	117	831	725	61	7,201
As at 31 March 2017	2,676	214	-	109	135	3,134

NOTES
FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ Millions)

Net book value	Mar-18	Mar-17 (Restated)
Goodwill	5,467	2,676
Other intangible assets	1,734	458
Intangibles assets under development	139	287

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

Goodwill of ₹ 2,013 millions and ₹ 621 millions has been allocated for impairment testing purpose to the Cash Generating Unit (CGU) viz. International business of the Group and a Regional Channel in India respectively. Recoverable amounts for these CGUs has been determined based on value in use for which cash flow forecasts of the related CGU's using a 2% terminal growth rate for periods subsequent to 5 years and a pre-tax discount rate of 19.1% has been applied. 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 a reasonable assumptions, did not identify any probable scenario in which the recoverable amount of the CGU would decrease below its carrying amount.

During the year, the Group has completed the 100% acquisition of the Online Media Business (identified as a separate CGU) resulting into goodwill of ₹ 2,615 Millions. For the purpose of impairment testing, the recoverable amount of this CGU is determined based on fair value less cost of disposal as per the requirement of Ind AS 36. The fair value is computed as per the market approach using revenue multiples. 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 requirement of Ind AS 113.

8. NON-CURRENT INVESTMENTS

(₹ Millions)

		Mar-18	Mar-17 (Restated)
a	**Investments in associates**		
	Investments accounted using equity method		
	Investments in equity instruments		
	In Associate - Quoted		
	1,321,200 (1,321,200) Equity shares of ₹ 10/- each of Aplab Limited (Extent of holding 26.42%)	-	-
	In Associate - Unquoted		
	10,000 (10,000) Equity shares of Baht 100/- each of Asia Today Thailand Limited (Extent of holding 25%)	2	1
	Nil (980,000) Equity Shares of ₹ 10/- each of Fly By Wire International Private Limited	-	7
	690 (690) Equity Shares of ₹ 100/- each in Idea Shop Web and Media Private Limited	-	-
		2	**8**
b	**In Joint venture - Unquoted**		
	2,500,000 (2,500,000) Equity Shares of ₹ 10/- each of Media Pro Enterprise India Private Limited (extent of holding 50%)	194	163
	Nil (126,990,000) Equity shares of ₹ 1/- each of India Webportal Private Limited (extent of holding 51% - upto 21 July 2017)	-	-
		194	**163**

NOTES
FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ Millions)

		Mar-18	Mar-17 (Restated)
c	**Other investments**		
i)	**Investments at amortised cost**		
	Investments in redeemable debentures		
	Others - Quoted		
	50 (50) 10.20% Unsecured Redeemable Non-Convertible Debentures of ₹ 1,000,000 each of Yes Bank Limited (Tenure - 10 years)	52	52
	Others - Unquoted		
	50,000 (50,000) 9.35% Secured Redeemable Non-Convertible Debentures of ₹ 1,000 each of IFCI Limited (Tenure - 5 years)	62	61
	50,000 (50,000) 9.80% Secured Redeemable Non-Convertible Debentures of ₹ 1,000 each of IFCI Limited (Tenure - 5 years)	55	51
ii)	**Investments at fair value through other comprehensive income**		
	Investments in equity instruments - quoted		
	1,822,000 (1,822,000) equity shares of ₹ 2/- each of Essel Propack Limited	438	433
	1,000,000 (1,000,000) equity shares of USD 5.995 of DHX Media Ltd	191	269
	Others - Unquoted		
	396,715 (396,715) equity shares of USD 2.521/- each of Vapour Communications, Inc	65	65
	1 (Nil) equity shares face value ₹ 10/- each of Tagos Design Innovations Private Limited	0	-
	30,000 (30,000) Equity shares of ₹ 10/- each of Last Minute Media Private Limited ₹ 300,000 (₹ 300,000)	0	0
	Less: Impairment in value of investment ₹ 300,000 (₹ 300,000)	0	0
		-	**-**
iii)	**Investments at fair value through profit and loss**		
	Others - Unquoted		
	1069.6 (1069.6) units of ₹ 1,000,000 each of Morpheus Media Fund	323	446
	175 (100) units of ₹ 2,00,000 /- each of Exfinity Technology Fund-Series II	27	15
	2,905 (Nil) compulsorily convertible preference shares face value ₹ 10/- each of Tagos Design Innovations Private Limited	184	-
		1,397	**1,392**
	Total	**1,593**	**1,564**

(All the above securities are fully paid-up)
"0' (zero) denotes amounts less than a million.

Aggregate amount and market value of quoted Investments	681	754
Aggregate carrying value of unquoted Investments	912	810
Aggregate amount of impairment in value of investments ₹ 300,000 (₹ 300,000)	0	0

NOTES
FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

9. OTHER FINANCIAL ASSETS

(₹ Millions)

	Non-Current		Current	
	Mar-18	Mar-17 (Restated)	Mar-18	Mar-17 (Restated)
Deposits - unsecured and considered good				
- to related parties	75	478	365	91
- to others	293	303	291	578
Unbilled revenue	-	-	444	123
Balances with banks - in deposit accounts	-	2	-	-
Interest accrued	-	-	67	18
Other receivables - Related parties	-	-	559	284
- Others * #	390	390	72	1,122
Total	**758**	**1,173**	**1,798**	**2,216**

* Includes ₹ Nil (₹ 1,069 Millions) receivable against sale of sports business.

The Group has recognised a receivable of ₹ 389 Millions (₹ 389 Millions) claimed from competing broadcaster for recovery of the telecast rights money relating to the sports event, which is under litigation. The management on the basis of review of the current status of this case and on the basis of opinion received from the lawyers representing in this matter, are confident that the ultimate outcome of the legal dispute will be in its favour and the receivable will be fully realised.

10. DEFERRED TAX (LIABILITIES) / ASSETS (NET)

The components of deferred tax balances are as under:

(₹ Millions)

	Mar-18	Mar-17 (Restated)
Deferred tax assets		
Employee retirement benefits obligation	309	265
Allowances for doubtful debts and advances	418	313
Unutilised tax losses	147	318
Disallowances under section 40(a)	449	-
Other disallowances	132	79
	1,455	**975**
Deferred tax liabilities		
Depreciation and amortisation	167	55
Disallowances under section 40(a)	-	17
Tax on preference share redemption	3,284	-
	3,451	**72**
Deferred tax (liabilities) / assets (net)	**(1,996)**	**903**

NOTES
FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

11. OTHER ASSETS

(₹ Millions)

	Non-Current		Current	
	Mar-18	**Mar-17 (Restated)**	**Mar-18**	**Mar-17 (Restated)**
Capital advances (unsecured)	117	161	-	-
Other advances (unsecured)				
- Considered good				
to related parties	39	45	104	-
others	-	3	9,216	8,728
- Considered doubtful	-	2	339	183
	39	**50**	**9,659**	**8,911**
Less: Allowance for doubtful advances	-	2	339	183
	39	**48**	**9,320**	**8,728**
Prepaid expenses	184	270	165	308
Balance with Government authorities	-	79	733	1,111
Less: Provision	-	-	-	13
	-	**79**	**733**	**1,098**
Total	**340**	**558**	**10,218**	**10,134**

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

(₹ Millions)

	Mar-18	**Mar-17 (Restated)**
Raw stock - tapes	9	10
Media content *	24,228	16,308
Under production- Media Content	2,041	644
Total	**26,278**	**16,962**

*Includes rights ₹ 3,607 Millions (₹ 2,986 Millions), which will commence at a future date. Inventories expected to be recovered post 12 months is 60 % (64%)

13. CURRENT INVESTMENTS

(₹ Millions)

		Mar-18	**Mar-17 (Restated)**
A	**Investments at amortised cost**		
	Investment in redeemable debentures - Unquoted		
	12,500 (12,500) 17% Secured Redeemable Unrated Non-Convertible Subordinate Debentures of ₹ 100,000/- each of SGGD Projects Development Private Limited	1,725	1,543
	Certificate of Deposit (Non-Transferable) - Unquoted		
	7.10% (Nil) Housing Development Finance Corporation Ltd. (Tenure - 1 year)	1,500	-
	7.10% (Nil) Housing Development Finance Corporation Ltd. (Tenure - 1 year)	500	-

Essel GROUP

NOTES
FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ Millions)

			Mar-18	Mar-17 (Restated)
	Nil (10%) SICOM Limited (Tenure - 1 year)		-	1,000
	Nil (10%) SICOM Limited (Tenure - 1 year)		-	1,000
	Nil (10%) SICOM Limited (Tenure - 1 year)		-	1,000
		A	**3,725**	**4,543**
B	**Investments carried at fair value through profit and loss**			
	Mutual Funds - Quoted			
	3,610,705 (Nil) units of ₹ 100/- each of Aditya Birla Sun Life Cash Plus- Growth		1,005	-
	791,763 (Nil) units of ₹ 1,000/- each of Essel Liquid Fund- Growth		1,515	-
	211,533 (Nil) units of ₹ 1,000/- each of Invesco India Liquid Fund- Growth		506	-
	515,751 (Nil) units of ₹ 1,000/- each of UTI Money Market Fund- Growth		1,006	-
	386,159 (Nil) units of ₹ 100/- each of SBI Arbitrage fund		5	-
	19.834 (Nil) units of ₹ 100/- each of SBI Corporate bond Fund		0	-
	319,582 (Nil) units of ₹ 100/- each of ICICI Prudential Savings Fund - Direct Plan - Growth		86	-
	240,172 (Nil) units of ₹ 100/- each of Aditya Birla Sun Life Savings Fund - Growth - Direct Plan		83	-
	6,972,862 (Nil) units of ₹ 10/- each of Franklin India Ultra Short Bond SI - Direct - Growth		168	-
	2,127,406 (Nil) units of ₹ 10/- each of JM High Liquidity Fund (Direct) - Growth Option		101	-
	53,187 (Nil) units of ₹ 1,000/- each of Essel Liquid Fund - Direct Plan - Growth		102	-
	Nil (305,118) units of ₹ 1,000/- each of Peerless Liquid Fund - Daily Dividend		-	306
	Nil (5,989,991) units of ₹ 100/- each of ICICI Prudential Savings Fund- Daily Dividend		-	608
	Nil (2,800,381) units of ₹ 100/- each of Birla Sun Life Savings Fund -Daily Dividend		-	281
	Nil (38,746,264) units of ₹ 10/- each of JM High Liquidity Fund - Daily Dividend		-	404
	Nil (24,928,512) units of ₹ 10/- each of Reliance Medium Term Fund - Daily Dividend		-	425
	Nil (499,330) units of ₹ 1,000/- each of Tata Money Market Fund- Daily Dividend		-	500
	Nil (400,353) units of ₹ 1,000/- each of Invesco India Liquid Fund- Daily Dividend		-	401
	Nil (137,061) units of ₹ 1,000/- each of LIC MF Liquid Fund - Direct Dividend		-	150
	Mutual Funds - unquoted			
	29,850 (Nil) units of USD 1,000 each of Actinium Investments Funds Limited		1,976	-
	44,107 (57,990) units of USD 1,000 each of Poseidon Opportunities Fund Limited		3,418	4,250
		B	**9,971**	**7,325**
	Total (A+B)		**13,696**	**11,868**
	(All the above securities are fully paid-up)			
	Aggregate amount and market value of quoted Investments		4,577	3,075
	Aggregate carrying value of unquoted Investments		9,118	8,793

NOTES
FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

14. TRADE RECEIVABLES (UNSECURED)

(₹ Millions)

	Mar-18	Mar-17 (Restated)
Considered good	15,365	12,418
Considered doubtful	1,759	1,319
	17,124	**13,737**
Less: Allowance for doubtful debts	1,759	1,319
Total	**15,365**	**12,418**

* For transactions relating to related party receivables, refer note 43

15. CASH AND BANK BALANCES

(₹ Millions)

	Current	
	Mar-18	Mar-17 (Restated)
a Cash and cash equivalents		
Balances with banks		
In Current accounts	2,857	2,360
In Deposit accounts	5,284	21,837
Cheques in hand	1,200	915
Cash in hand	4	4
	9,345	**25,116**
b Other balances with banks		
Balances with banks		
In deposit accounts	6,749	1,000
In unclaimed dividend accounts		
- Preference shares	4	-
- Equity shares	19	17
	6,772	**1,017**
Total	**16,117**	**26,133**

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

16. EQUITY SHARE CAPITAL

(₹ Millions)

	Mar-18	Mar-17 (Restated)
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		
960,453,620 (960,448,720) Equity Shares of ₹ 1/- each fully paid up	960	960
Total	**960**	**960**

* 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).

i) Reconciliation of number of Equity Shares and Share capital

	Mar-18		Mar-17 (Restated)	
	Number of Equity Shares	₹ Millions	Number of Equity Shares	₹ Millions
At the beginning of the year	960,448,720	960	960,448,720	960
Add : Issued during the year	4,900	0	-	-
Outstanding at the end of the year	**960,453,620**	**960**	**960,448,720**	**960**

ii) Terms / rights attached to Equity Shares

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

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

iii) Details of aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during five years preceding 31 March 2018.

	Mar-18	Mar-17 (Restated)
Equity Shares bought back and cancelled	4,812,357	24,185,210

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

Name of the Shareholders	Mar-18		Mar-17 (Restated)	
	Number of Equity Shares	% Shareholding	Number of Equity Shares	% Shareholding
Cyquator Media Services Private Limited	241,412,908	25.14%	241,402,908	25.13%
Essel Media Ventures Limited	102,888,286	10.71%	102,888,286	10.71%
Oppenheimer Developing Markets Fund	65,300,739	6.80%	65,978,899	6.87%

As per the records of the Group, including its register of shareholders / members and other declaration received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

NOTES
FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

v) Employees Stock Option Scheme (ESOP):

The Group has instituted an Employee Stock Option Plan (ESOP 2009) as approved by the Board of Directors and Shareholders of the Group in 2009 for issuance of stock options convertible into equity shares not exceeding in the aggregate 5% of the issued and paid up capital of the Group as at 31 March 2009 i.e. up to 21,700,355 equity shares of ₹ 1 each (enhanced to 43,400,710 Equity Shares in view of Bonus issue in 2010 in ratio of 1:1), to the employees of the Group as well as that of its subsidiaries. The said ESOP 2009 was amended during the previous 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.

During the year, the Nomination and Remuneration Committee of the Board granted 18,900 stock options convertible at ₹ 1/- each to an employee of the Group. The options granted under the above Scheme, shall vest in the ratio 50%:35%:15% at the end of year 1, 2 and 3 respectively. These options would be exercisable at any time within a period of four years from each vesting date and the equity shares arising on exercise of options shall not be subject to any lock in.

The movement in options is as follows:

Particulars	Number of Options
Opening at beginning of the year	9,800
Grant during the year	18,900
Exercised during the year	(4,900)
Outstanding at the end of the year	23,800

During the year, the Group recorded an employee stock compensation expense of ₹ 6 Millions (₹ 2 Millions) in the statement of profit and loss. The market price at the date of grant was ₹ 529/- (₹ 512/-) per share.

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	21%	22%	20%
Expected dividend yield on the underlying share for the expected term of the option	2.25	2.25	2.25
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 had an weighted average remaining contractual life of 257 days.

17a. OTHER EQUITY

(₹ Millions)

	Mar-18	Mar-17 (Restated)
Capital Redemption Reserve		
As per last Balance Sheet	22	22
Add: Transfer from retained earnings	4,034	-
	4,056	**22**
Capital reserve		
As per last Balance Sheet	340	-
Add: On account of acquisition (Refer note 39)	-	340
	340	**340**

NOTES
FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ Millions)

	Mar-18	Mar-17 (Restated)
Share based payment reserve		
As per last balance sheet	2	-
Add: Options granted during the year	6	2
	8	**2**
General reserve		
As per last Balance Sheet	**2,820**	**2,820**
Retained earnings		
As per last Balance Sheet	62,898	43,319
Add : Profit for the year	14,791	22,213
Add / (Less): Re-measurement gains / (loss) on defined benefit plans	47	(41)
(Less) / Add : Income tax impact thereon	(14)	15
Less: Tax on dividend on equity shares by subsidiaries	-	(280)
Less: Payment of dividend on equity shares	(2,401)	(2,161)
Less: Tax on dividend on equity shares	-	(167)
Less: Transfer to Capital redemption reserve	(4,034)	-
Less: Deferred tax liability on preference shares	(3,284)	-
	68,003	**62,898**
Other comprehensive income		
Foreign currency translation reserve		
As per last balance sheet	(444)	629
Less: Foreign currency translation loss for the year	(364)	(1,073)
	(808)	**(444)**
Equity instruments		
As per last Balance Sheet	306	289
(Less) / Add: Gain on fair value of financial assets through other comprehensive income	(68)	17
	238	**306**
Total	**74,657**	**65,944**

b. NON-CONTROLLING INTEREST

(₹ Millions)

	Mar-18	Mar-17 (Restated)
As per last Balance Sheet	10	22
Less: Loss for the year	(14)	(12)
Add: Non-controlling interest arising on account of acquisition of a subsidiary	146	-
Total	**142**	**10**

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

NOTES
FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

18. LONG-TERM BORROWINGS

(₹ Millions)

		Mar-18	Mar-17 (Restated)
a	**Redeemable preference shares - Unsecured, at fair value through profit and loss**		
	2,016,942,312 (2,016,942,312) 6% Cumulative Redeemable Non-Convertible Preference Shares of ₹ 8/- (₹ 10/-) each fully paid up - quoted	15,206	19,077
	Less: Amount disclosed under the head "Other financial liabilities" (Refer note 20)	3,802	3,815
		11,404	**15,262**
b	**3,949,105 6% Series B Cumulative Redeemable Non Convertible Preference shares of ₹ 10/- each - Unsecured, at amortised cost**	**39**	**-**
		11,443	**15,262**
c	**Vehicle loan from banks, at amortised cost***	**17**	**19**
	Less : Amount disclosed under the head 'Other financial liabilities' (Refer note 20)	8	8
		9	**11**
d	**Others - unsecured, at amortised cost**	-	2,935
		9	**2,946**
	Total (a+b+c+d)	**11,452**	**18,208**

* Secured against hypothecation of vehicles. The aforesaid borrowings carry interest rates ranging from 9.93% p.a. - 13.18% p.a. and are repayable upto September 2019.

Terms / rights attached to Preference Shares

(i) 6% Cumulative Redeemable Non-Convertible Preference Shares - Quoted

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

The Company will redeem at par value, 20% of the total Bonus Preference Shares allotted, every year from the fourth anniversary of the date of allotment. The Company shall have 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.

During the year, the Company redeemed 20% (₹ 2/- each) of the Nominal Value of 2,016,942,312 Bonus preference shares of ₹ 10/- each consequent to which the face value of these Preference Shares stand revised to ₹ 8/- each.

During the year ended 31 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.

(ii) 6% Series B Cumulative Redeemable Non-Convertible Preference Shares - unquoted

During the year the Company has issued and allotted 3,949,105, 6% cumulative redeemable non-convertible unlisted preference shares of ₹ 10/- each towards acquisition of the general entertainment television broadcasting undertakings (Refer note 39).
These Preference shares are redeemable at par at any time within three years from the date of allotment.

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

19. PROVISIONS

(₹ Millions)

	Non-Current		Current	
	Mar-18	Mar-17 (Restated)	Mar-18	Mar-17 (Restated)
Provision for employee benefits				
- Gratuity	499	408	15	22
- Compensated absences	392	360	68	68
- Super annuation	1	-	-	-
Total	**892**	**768**	**83**	**90**

20. OTHER FINANCIAL LIABILITIES - CURRENT

(₹ Millions)

	Mar-18	Mar-17 (Restated)
Current maturities of long term borrowings - Redeemable preference shares (Refer note 18a)	**3,802**	**3,815**
Current maturities of long-term borrowings - vehicle loan from banks (Refer note 18c)	8	8
Consideration payable on business acquisition	-	39
Deposits received	164	153
Unclaimed preference shares redemption	4	-
Unclaimed dividends	19	17
Creditors for capital expenditure	179	181
Employee benefits payable	811	698
Dividend payable on redeemable preference shares and tax thereon	1,104	1,211
Other interest accrued but not due	-	0
Temporary overdrawn balances	13	268
Other payables	277	0
	2,579	**2,575**
Total	**6,381**	**6,390**

For transactions relating to related party payables, refer note 43

Dividend ₹ 2 Millions (₹ 1 Million) unclaimed for a period of more than seven years is transferred to Investor's Education and Protection Fund during the year. Further, there are no amounts due and outstanding to be credited to Investor's Education and Protection Fund as at 31 March 2018.

21. OTHER CURRENT LIABILTIES

(₹ Millions)

	Mar-18	Mar-17 (Restated)
Advances received from customers	931	671
Statutory dues payable	507	508
Total	**1,438**	**1,179**

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

22. REVENUE FROM OPERATIONS

(₹ Millions)

	Mar-18	Mar-17 (Restated)
Services - Broadcasting revenue		
Advertisement	42,048	36,735
Subscription	20,287	22,629
Commission	676	603
Sales - Media content	2,775	3,001
Transmission revenue	104	64
Other operating revenue	967	1,310
Total	**66,857**	**64,342**

23. OTHER INCOME

(₹ Millions)

	Mar-18	Mar-17 (Restated)
Interest income from:		
- Bank deposits	493	172
- Other financial assets	807	801
- Income tax refunds	303	133
Dividend income from :		
- Investment classified as fair value through other comprehensive income	4	4
- Investment classified as fair value through profit and loss	191	95
Net gain on sale of investments classified as fair value through profit and loss	12	90
Foreign exchange gain (net)	357	48
Liabilities / excess provision written back	10	365
Rent income	435	244
Insurance claim received	-	157
Remeasurement income*	1,609	-
Miscellaneous income	182	131
Total	**4,403**	**2,240**

*Represents fair value gain of ₹ 1,609 Millions (net) arising due to re-measurement of previously held equity interests in India Webportal Private Limited and Fly By Wire International Private Limited to its acquisition-date fair value.

NOTES
FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

24. OPERATIONAL COST

(₹ Millions)

	Mar-18	Mar-17 (Restated)
a) Media content		
Opening - Inventory	16,308	12,992
- Under production - programs	644	178
Add: Amortisation of acquired inventory #	20,308	18,805
Add: Production expenses	12,580	11,204
Less: Closing - Inventory	24,228	16,308
- Under production - programs	2,041	644
	23,571	**26,227**
b) Telecast and technical cost	1,704	1,530
Total (a+b)	**25,275**	**27,757**

Media content of ₹ 1,225 Millions (₹ 1,855 Millions) are written down during the year as the estimated net realisable value was lower than cost.

25. EMPLOYEE BENEFITS EXPENSE

(₹ Millions)

	Mar-18	Mar-17 (Restated)
Salaries and allowances	6,241	5,644
Share based payment expense	6	2
Contribution to provident and other funds	296	258
Staff welfare expenses	114	139
Total	**6,657**	**6,043**

26. FINANCE COSTS

(₹ Millions)

	Mar-18	Mar-17 (Restated)
Interest - vehicle loans	2	2
- others	99	71
Dividend on redeemable preference shares	1,328	1,211
Other financial charges	19	88
Total	**1,448**	**1,372**

27. DEPRECIATION AND AMORTISATION EXPENSE

(₹ Millions)

	Mar-18	Mar-17 (Restated)
Depreciation on property, plant and equipment	1,192	939
Depreciation on investment properties	6	26
Amortisation of intangible assets	623	187
Total	**1,821**	**1,152**

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

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

(₹ Millions)

	Mar-18	Mar-17 (Restated)
Fair value (gain) / loss on financial assets (net)	(96)	269
Fair value loss on financial liabilities (net)	164	1,936
Total	**68**	**2,205**

29. OTHER EXPENSES

(₹ Millions)

	Mar-18	Mar-17 (Restated)
Rent	959	813
Repairs and maintenance		
- Buildings	18	13
- Plant and machinery	117	109
- Others	177	120
Insurance	25	23
Rates and taxes	117	123
Electricity and water charges	181	158
Communication charges	172	163
Printing and stationery	36	39
Travelling and conveyance expenses	843	597
Legal and professional charges	803	617
Directors remuneration and sitting fees	22	18
Deferred consideration	49	-
Payment to auditors (Refer note 38)	39	50
Corporate Social Responsibility expenses	75	267
Donations	4	20
Hire and Service Charges	677	707
Advertisement and publicity expenses	5,773	4,472
Commission expenses	218	258
Marketing, distribution and promotion expenses	2,822	1,989
Conference expenses	297	146
Allowances for doubtful debts and advances	547	197
Loss on sale of investments classified as fair value through profit and loss	8	-
Bad debts and advances written off	16	126
Loss on sale / write off of property, plant and equipment (net)	105	166
Miscellaneous expenses	64	82
Total	**14,164**	**11,273**

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

30. EXCEPTIONAL ITEMS

(₹ Millions)

	Mar-18	Mar-17 (Restated)
Profit on sale of sports business	1,346	12,234
Total	**1,346**	**12,234**

31. TAX EXPENSE

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

(₹ Millions)

	Mar-18	Mar-17 (Restated)
Income tax related to items recognised directly in the statement of profit and loss		
Current tax - current year	8,792	4,280
- earlier years	(14)	53
Deferred tax charge / (benefit)	(369)	2,475
Total	**8,409**	**6,808**
Effective tax rate	**36%**	**23%**

A reconciliation of income tax expense applicable to profit before income tax at statutory rate to income tax expense at the Company's effective income tax rate for the year ended 31 March 2018 and 31 March 2017 is as follows:

(₹ Millions)

	Mar-18	Mar-17 (Restated)
Profit before tax	**23,187**	**29,009**
Income tax		
Statutory income tax rate of 34.608% (34.608%) on profit	8,024	10,040
Effect of differential tax rates for components	(2,882)	(4,090)
Tax effect on non-deductible expenses	791	1,195
Prior Years tax loss carry forward utilised	2	(39)
Non creation of deferred tax asset on unused tax losses	134	194
Additional allowances for tax purposes	(120)	(136)
Effect of exempt income and income taxed at lower rates	2,788	(437)
Tax credit availed	(450)	-
Tax effect for earlier years	(14)	53
Others	136	28
Tax expense recognised in the income statement	**8,409**	**6,808**

Deferred tax recognized in consolidated statement of other comprehensive income

(₹ Millions)

For the year ended 31 March	Mar-18	Mar-17 (Restated)
Employee retirement benefits obligation	14	(15)
Foreign currency translation reserve	2	(6)
Total	**16**	**(21)**

The applicable tax rate is the standard effective corporate income tax rate in India. The tax rate is 34.608% (34.608%) for the year ended 31 March 2018. Deferred tax assets and liabilities are offset where the Company has a legally enforceable right to do so.

NOTES
FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Deferred tax recognized as on 31 March 2018 (₹ Millions)

Deferred Tax (liabilities)/ Assets in relation to:	Opening Balance	Recognised in profit or loss	Recognised in other comprehensive income	Recognised directly in equity	Closing balance
Defined benefits obligation	265	30	14	-	309
Allowances for doubtful debts and advances	313	105	-	-	418
Unutilized tax losses	318	(170)	-	-	148
Disallowances under section 40(a)	(17)	466	-	-	449
Other disallowances	79	53	-	-	132
Depreciation and amortisation	(55)	(115)	2*	-	(167)
Tax liability on redemption of preference shares	-	-	-	(3,284)	(3,284)
Total	**903**	**369**	**16**	**(3,284)**	**(1,996)**

* Represents foreign currency translation reserve

Deferred tax recognized as on 31 March 2017 (₹ Millions)

Deferred Tax (liabilities)/ Assets in relation to:	Opening balance	Recognised in profit or loss	Recognised in other comprehensive income	Derecognised on sale of subsidaries / sports business	Recognised directly in equity	Closing balance
Defined benefits obligation	166	84	(15)	30	-	265
Allowances for doubtful debts and advances	337	(24)	-	-	-	313
Unutilized tax losses	62	(2,622)	-	-	2,878	318
Disallowances under section 40(a)	-	(17)	-	-	-	(17)
Other disallowances	76	96	-	(93)	-	79
Depreciation and amortisation	7	8	(6)*	(64)	-	(55)
Total	**648**	**(2,475)**	**(21)**	**(127)**	**2,878**	**903**

* Represents foreign currency translation reserve

The group has unused tax losses of ₹ 635 Millions (₹ 256 Millions) with no expiry on carry forward whereas ₹ 1,113 Millions (₹ 1,300 Millions) are available for offsetting over a period of time till 2026-27. The losses are mainly in the nature of business losses.

32. EARNINGS PER SHARE (EPS)

(₹ Millions)

	Mar-18	Mar-17 (Restated)
a. Profit after Tax (₹ /Millions)	14,791	22,213
b. Weighted average number of equity shares for basic EPS	960,450,559	960,448,720
c. Weighted average number of equity shares for diluted EPS	960,477,265	960,452,935
d. Nominal value of equity shares (₹)	1	1
e. Basic EPS (₹)	15.40	23.13
f. Diluted EPS (₹)	15.40	23.13

NOTES
FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

33 . LEASES

A. Operating Leases:

The Group as a lessee:

(a) The Group has taken office, residential premises, aircraft and plant and machinery (including equipments) etc. under cancellable / non-cancellable lease agreements that are renewable on a periodic basis at the option of both the Lessor and the Lessee. The initial tenure of the lease is generally ranging from 6 months to 120 months.

(₹ Millions)

	Mar-18	Mar-17 (Restated)
Lease rental charges for the year	2,078	1,852
Future Lease rental obligation payable (under non-cancellable lease)		
Not later than one year	1,072	1,330
Later than one year but not later than five years	783	1,636
Later than five years	90	118

The Group as a lessor:

(b) The Group has given part of its buildings / investment property under cancellable operating lease agreement. The initial term of the lease is for 9 to 36 months.

(₹ Millions)

	Mar-18	Mar-17 (Restated)
Lease rental income for the year	435	244
Future Lease rental obligation receivable (under non-cancellable lease)		
Not later than one year	150	141
Later than one year but not later than five years	826	798
Later than five years	342	517

(c) The Group has also sub-leased part of leased office premises with certain fixed assets under non-cancellable operating lease agreements that are renewable on a periodic basis at the option of both the lessor and lessee. The initial tenure of the lease is generally upto 24 months.

(₹ Millions)

	Mar-18	Mar-17 (Restated)
Sub lease rent income (₹ 91 Millions (167) netted against rent expenses)	91	167
Future sub lease rental receivable (under non-cancellable lease)		
Not later than one year	87	91
Later than one year but not later than five years	-	87

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

34 (A) CONTINGENT LIABILITIES

(₹ Millions)

	Mar-18	Mar-17 (Restated)
a. Corporate Guarantees		
-For subsidiaries	-	4,018
-For other related parties ^^	1,037	1,039
b. Disputed Indirect Taxes	536	495
c. Disputed Direct Taxes*	4,746	5,431
d. Claims against the Group not acknowledged as debts #	650	611
e. Legal cases against the Group @	Not ascertainable	Not ascertainable

^^ Includes commitment for meeting shortfall funding towards revolving debt service reserve account (DSRA) obligation against financial facilities availed by the borrowers.
* Disputed Direct tax demands mainly include appeals filed by the Group before various appellate authorities (including Dispute Resolution panel) against disallowance of expenses / claims, non-deduction / short deduction of tax at source, transfer pricing adjustments etc. The management is of the opinion that its tax cases are likely to be decided in its favour and hence no provision is considered necessary.
# The amount represents the best possible estimate arrived at on the basis of available information. The Group has engaged reputed advocates to protect its interests and has been advised that it has strong legal positions against such disputes.
@ The Group has received legal notices of claims / lawsuits filed against it relating to infringement of copyrights, defamation suits etc. in relation to the programs 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 Group has preferred a legal case against The Board of Control for Cricket in India (BCCI) for premature termination of Media Rights contract for telecast of cricket matches between India and other countries in neutral territories outside India. The Hon'ble Arbitration Tribunal in November 2012 has passed an Arbitral award of ₹ 1,236 Millions (plus interest) in favour of the Group. BCCI has filed a petition before the Hon'ble High Court of Judicature at Madras challenging the Tribunal Award. The Company has also filed an execution petition in April 2018. Accordingly, pending final outcome and receipt of the award amount, effect has not been given in these financial statements.

35. CAPITAL AND OTHER COMMITMENTS

(i) Estimated amount of contracts remaining to be executed on capital account not provided for (net of advances) ₹ 426 Millions (₹ 359 Millions).
(ii) Other Commitments towards media content ₹ 3,088 Millions (₹ 6,720 Millions).
(iii) Uncalled Liability / contractual obligation on investments committed is ₹ 65 Millions (₹ 880 Millions)

36 (A) Operational cost, Employee benefits expense and other expenses are net off recoveries ₹ 348 Millions (₹ 397 Millions).

(B) The Company has been deploying its surplus funds by way of inter-corporate deposits, debt instruments etc. and the parties are generally regular in the payment of interest and hence considered good.

37. **Segment Information**

a. Business Segment

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

b. Geographical Segment

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

(₹ Millions)

	Segment revenue*	
	Mar-18	Mar-17 (Restated)
India	57,241	48,437
Rest of the world	9,616	15,905
Total	**66,857**	**64,342**

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

NOTES
FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ Millions)

	Carrying cost of segment non-current assets ** @	
	Mar-18	Mar-17 (Restated)
India	21,013	15,657
Rest of the world	2,033	2,005
Total	**23,046**	**17,662**

* The revenues are attributable to countries based on location of customers.
** Based on location of assets
@ Excluding financial assets and deferred tax assets
Considering the nature of business of the Group in which it operates, the Group deals with various customers including multiple geographies. Consequently, none of the customers contribute materially to the revenue of the Group.

38. PAYMENT TO AUDITORS

(₹ Millions)

For standalone	Mar-18	Mar-17 (Restated)
Audit fees	9	8
Tax audit fees	-	1
Certification and tax representation	3	14
Other services (₹ 500,000 (₹ Nil))	1	-
Reimbursement of expenses (₹ 148,479 (₹ 486,785))	0	0
Total	**13**	**23**

(₹ Millions)

For subsidiaries	Mar-18	Mar-17 (Restated)
Audit fees	25	21
Tax audit fees	1	1
Certification and tax representation (₹ 316,000)	0	5
Other services (₹ 414,320 (₹ Nil))	0	-
Reimbursement of expenses (₹ 136,001 (₹ 229,755))	0	0
Total	**26**	**27**

39. ACQUISITIONS

The figures for the year ended 31 March 2017 have been restated to give effect to the scheme of acquisition explained below:

a. The Board of Directors of the Company at their meeting held on 23 November 2016 had approved the acquisition of the general entertainment television broadcasting undertakings of Reliance Big Broadcasting Private Limited (RBBPL), Big Magic Limited (BML) and Azalia Broadcast Private Limited (ABPL), through demerger and vesting of said undertakings with the Company under a Composite Scheme of Arrangement.

The Scheme provided for the Demerger of Undertakings (as defined in the Scheme) of RBBPL, BML and ABPL which inter-alia includes 5 (five) General Entertainment Television channels owned by RBBPL and 1 (one) General Entertainment Television Channel owned by ABPL and the Media business of BML.

The said Scheme was approved by the Hon'ble National Company Law Tribunal on 13 July 2017 and the certified copy of the Order approving the said Scheme was been filed with the Registrar of Companies on 21 July 2017. The appointed date of the said scheme was 31 March 2017 and accordingly, the figures for the year ended 31 March 2017 are restated.

NOTES
FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

i. **Purchase Consideration:**

(₹ Millions)

	Amount
3,949,105, 6% Series B cumulative redeemable non-convertible unlisted Preference Shares of ₹ 10/- each	39

ii. **The fair value of assets and liabilities recognised as a result of the acquisition is as follows:**

(₹ Millions)

	Amount
ASSETS	
Non-current assets	
Property, plant and equipment	17
Other non current assets	82
Deferred tax assets (net)*	2,876
Current Assets	
Inventories	118
Financial assets	137
Other current assets	856
Total assets acquired (A)	**4,086**
LIABILITIES	
Non Current Liabilities	
Borrowing	2,934
Provisions	1
Other non-current liabilities	1
Current liabilities	
Financial liabilities	629
Other current liabilities	141
Provisions	1
Total Liabilities acquired (B)	**3,707**
Net Identifiable Assets Acquired (C=A-B)	**379**

iii. **Calculation of Capital Reserve**

(₹ Millions)

	Amount
Net Identifiable Assets Acquired	379
Less: Purchase Consideration	39
Capital Reserve @	**340**

@ The excess of net identifiable assets acquired over the consideration paid have been reassessed and reviewed and has been recognised directly in equity as Capital Reserve.

*The restated figures as at 31 March 2017 does not include the deferred tax assets as the same have been utilised during the year ended 31 March 2017. Correspondingly, the net income tax liability stands reduced as at 31 March 2017. The aforesaid utilisation of deferred tax asset, has resulted in restatement of statement of profit and loss for the year ended 31 March 2017 whereby deferred tax expense has increased by ₹ 2,877 Millions and current tax expense has reduced by ₹ 2,873 Millions.

NOTES
FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

b. The Company had acquired 49% stake in Fly by Wire International Private Limited (FBW), on 13 July 2017 the Company acquired the balance 51% stake and FBW becoming a wholly owned subsidiary of the Company. The effect of acquisition on the financial position included in the consolidated financial statements as at 14 July 2017 is as follows:

Purchase Consideration:

(₹ Millions)

	Amount
Amount paid to acquire balance 51% stake	14
Fair value of existing stake in Fly By Wire International Private Limited (49%)	14
Total purchase consideration	**28**

(₹ Millions)

	Amount
ASSETS	
Non-current assets	
Property, plant and equipment	549
Other non current assets	7
Deferred tax assets (net)	26
Income tax assets	2
Current assets	
Financial assets	78
Other current assets	5
Total assets	**667**
LIABILITIES	
Non current liabilities	
Borrowings	393
Other non current liabilities	175
Provisions	1
Current liabilities	
Borrowings	2
Financial liabilities	8
Other current liabilities	44
Provisions	3
Total liabilities	**626**
Total identifiable net assets at fair value	**41**

Computation of goodwill

(₹ Millions)

	Amount
Purchase Consideration	28
Equity Value of optionally convertible debentures	62
Less: Net identifiable assets acquired	41
Goodwill	**49**

NOTES
FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

c. During the the year, the Company acquired 80% stake of Margo Networks Private Limited for a consideration of ₹ 750 Millions, making it a subsidiary of the Company.

d. India Webportal Private Limited (IWPL) was a joint venture in which the Company had 51% stake, on 21 July 2017, the Company acquired the balance 49% stake and achieved control over IWPL resulting in Company forming wholly owned subsidiary of the Company. The effect of acquisition on the financial position included in the consolidated financial statements as at 22 July 2017 is as follows:

i. Purchase Consideration:

(₹ Millions)

	Amount
Amount paid to acquire balance 49% stake	1,996
Fair value of existing stake in IWPL (51%)	1,556
Total purchase consideration	**3,552**

(₹ Millions)

	Amount
ASSETS	
Non-current assets	
Property, plant and equipment	4
Other intangible assets	1,081
Other non current assets	4
Current assets	
Financial assets	184
Other current assets	72
Total assets	**1,345**
LIABILITIES	
Non current liabilities	
Provisions	15
Current liabilities	
Financial liabilities	389
Other current liabilities	1
Provisions	3
Total liabilities	**408**
Total identifiable net assets at fair value	**937**

iii. Computation of goodwill

(₹ Millions)

	Amount
Net identifiable assets acquired	937
Purchase consideration	3,552
Goodwill	**2,615**

NOTES
FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

40. DISCLOSURE IN RESPECT OF ASSOCIATES AND JOINT VENTURES

a. The summarized financial information of the Group's associates and joint ventures are set out below.
b. The principal place of business for all associates and joint ventures is in India, except for Asia Today Thailand Limited which operates in Thailand.

1. Aplab Limited - Associate Company

(₹ Millions)

Particulars	Mar-18	Mar-17 (Restated)
Current assets	367	375
Non-current assets	828	814
Current liabilities	(1,473)	(1,247)
Non-current liabilities	(104)	(122)
Equity	(382)	(180)
Proportion of Group ownership	26.42%	26.42%
Carrying amount of investment		
Unrecognized share of profit / (loss) for the year	(56)	(33)
Unrecognized share of cumulative losses	(130)	(74)
Fair value of the investment	27	35

Particulars	Mar-18	Mar-17 (Restated)
Total revenue	618	729
Profit / (loss) for the year	(212)	(124)
Other comprehensive Income	11	-
Total comprehensive income	(201)	(124)

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

(₹ Millions)

Particulars	Mar-18	Mar-17 (Restated)
Current assets	29	13
Non-current assets	1	1
Current liabilities	(21)	(10)
Equity	9	4
Proportion of Group ownership	25%	25%
Carrying amount of the investment	2	1

Particulars	Mar-18	Mar-17 (Restated)
Total revenue	102	27
Profit / (loss) for the year	5	(12)
Total comprehensive income	5	(12)
Group's Share of profit / (loss)	1	(3)

NOTES
FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

3. Fly by Wire International Private Limited - Associate Company (till 13 July 2017)

(₹ Millions)

Particulars	Mar-18	Mar-17 (Restated)
Total revenue	88	345
Profit for the year	11	17
Total comprehensive income	11	17
Group's share of profit	6	8

4. Media Pro Enterprise India Private Limited - Joint Venture

(₹ Millions)

Particulars		Mar-18	Mar-17 (Restated)
Current assets		217	148
Non-current assets		297	522
Current liabilities		(9)	(247)
Equity		505	423
Proportion of Group ownership		37%	37%
Proportion of Group share	(A)	186	156
Adjustment for proportionate share of investment	(B)	7	7
Carrying amount of investment	(A+B)	**193**	**163**
Cash and cash equivalents		2	1
Current financial liabilities		-	16

(₹ Millions)

Particulars	Mar-18	Mar-17 (Restated)
Total revenue	92	289
Income tax expense	(2)	61
Profit for the year	81	206
Total comprehensive income	81	206
Group's Share of profit	30	76

5. India Webportal Private Limited -Joint Venture (till 21 July 2017)

(₹ Millions)

Particulars	Mar-18	Mar-17 (Restated)
Total revenue	170	647
Interest income	-	1
Depreciation and amortisation	1	5
Interest expense	0	0
Income tax expense	-	3
Loss for the year	(50)	(141)
Other comprehensive Income	1	2
Total comprehensive income	(49)	(139)
Group's Share of Loss	(25)	(71)

The Group's share of contingencies is ₹ Nil (₹ 9 Millions) and Group's share of commitments is ₹ Nil (₹ Nil).

NOTES
FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

41. FINANCIAL INSTRUMENTS

a. Capital management

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

b. Categories of financial instruments and fair value thereof

(₹ Millions)

	Mar-18		Mar-17 (Restated)	
	Carrying amount	Fair value	Carrying amount	Fair value
A Financial assets				
i) Measured at amortised cost				
Trade receivables	15,365	15,365	12,418	12,418
Cash and cash equivalents	9,345	9,345	25,116	25,116
Other bank balances	6,772	6,772	1,017	1,017
Loans	2,428	2,428	1,542	1,542
Other financial assets	2,556	2,556	3,389	3,389
Redeemable non-convertible debentures	169	169	164	164
Redeemable non-convertible subordinate debentures	1,725	1,725	1,543	1,543
Certificate of deposits	2,000	2,000	3,000	3,000
	40,360	**40,360**	**48,189**	**48,189**
ii) Measured at fair value through profit and loss account				
Investments				
Compulsorily convertible preference shares	184	184	-	-
Morpheus Media Fund	323	323	446	446
Exfinity Technology Fund-Series II	27	27	15	15
Mutual fund	9,971	9,971	7,325	7,325
iii) Measured at fair value through other comprehensive income				
Equity shares	694	694	767	767
B Financial liabilities				
i) Measured at amortised cost				
Trade payables	11,497	11,497	8,343	8,343
Other financial liabilities	2,571	2,571	2,567	2,567
Vehicle loans*	17	17	19	19
6% Series B Cumulative Redeemable Non-Convertible Preference Shares	39	39	-	-
Other loans	-	-	2,935	2,935
ii) Fair value through Profit and Loss				
6% Cumulative Redeemable Non-Convertible Preference Shares*	15,206	15,206	19,077	19,077

* Includes current maturities of long term borrowings.

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.

NOTES
FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Financial instruments measured at amortised cost

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

c. **Fair value measurement**

The following table provides the fair value measurment hierarchy of the Group's assets and liabilities.
Quantative disclosures of fair value measurement hierarchy for assets and liabilities as at 31 March 2018.

(₹ Millions)

	Mar-18	Mar-17 (Restated)	Fair Value Hierarchy	Valuation Technique(s) & key inputs used
Financial assets at fair value through other comprehensive income				
Investment in Equity shares	629	702	Level 1	Quoted in an active market
Investment in equity shares	65	65	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 Black - Scholes method.
Financial assets at fair value through profit and loss				
Investment in Mutual funds	4,578	3,075	Level 1	Quoted in an active market
Investment in Mutual funds	5,393	4,250	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 Black - Scholes method / NAV statements.
Investment in compulsorily convertible preference shares	184	-	Level 3	
Morpheus Media Fund	323	446	Level 3	
Exfinity Technology Fund-Series II	27	15	Level 3	
Financial liabilities at fair value through profit and loss				
Quoted 6% Cumulative Redeemable Non-Convertible Preference Shares	15,206	19,077	Level 1	Quoted in an active market
Unquoted 6% Series B Cumulative Redeemable Non-Convertible Preference Shares	39	-	Level 2	Based on quoted share price of Company's listed non-convertible preference shares

The fair values of the financial assets and financial liabilities included in the level 3 category above have been determined in accordance with generally accepted pricing models which includes discounted cash flow analysis, with the most significant input being the discount rate that reflects the credit risk of counterparties.

Reconciliation of Level 3 category of financial assets:

(₹ Millions)

	Mar-18	Mar-17 (Restated)
Opening balance	4,776	5,050
Funds invested	2,101	85
Redeemed	(967)	-
Gains / (loss) recognised	68	(267)
Effect of foreign currency translation	14	(92)
Closing balance	**5,992**	**4,776**

NOTES
FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

d. Financial risk management objective and policies

The Group's principal financial liabilities, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include investments, loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations.

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks. The Group's senior management is supported by a financial risk committee that advises on financial risks and the appropriate financial risk governance framework for the Group.

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: interest rate risk, currency risk and other price risk such as equity price risk.

- Foreign Currency risk

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

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

(₹ Millions)

Currency	Assets as at		Liabilities as at	
	Mar-18	Mar-17 (Restated)	Mar-18	Mar-17 (Restated)
Indian Rupees (INR)	282	186	38	45
United States Dollar (USD)	232	131	44	138
Euro (EUR)	0	3	39	11
Great Britain Pound (GBP)	0	0	4	6
Mauritian Rupee	2	2	0	-
UAE Dirhams (AED)	13	-	21	-
Singapore Dollar (SGD)	24	-	16	0
Pakistani Rupee (PKR)	327	372	3	12
Egypt Pound (EGP)	15	-	-	-

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

NOTES
FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

- Foreign Currency sensitivity analysis

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

(₹ Millions)

Currency	Sensitivity analysis			
	Mar-18		Mar-17 (Restated)	
	Decrease by 10%	Increase by 10%	Decrease by 10%	Increase by 10%
Indian Rupees (INR)	(24)	24	(14)	14
United States Dollar (USD)	(19)	19	1	(1)
Euro (EUR)	4	(4)	1	(1)
Great Britain Pound (GBP)	0	(0)	1	(1)
Mauritian Rupee	(0)	0	(0)	0
UAE Dirhams (AED)	1	(1)	-	-
Singapore Dollar (SGD)	(1)	1	0	(0)
Pakistani Rupee (PKR)	(32)	32	(36)	36
Egypt Pound (EGP)	(2)	2	-	-

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

The Group is mainly exposed to USD currency fluctuation risk.

The Group's sensitivity to foreign currency assets has increased during the current year mainly due to increase in Foreign Currency Trade Receivables.

The Group's sensitivity to foreign currency liabilities has decreased during the current year is mainly on account of decrease in Trade Payables

- Interest rate risk

The borrowing of the Group includes redeemable preference shares and vehicle loan which carries fixed coupon rate and consequently the Group is not exposed to interest rate risk. The Group's investment in debt instruments and loans given by the Group are at fixed interest rates, consequently the Group not exposed to interest rate risk.

- Other price risk

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

Equity price sensitivity analysis:

The sensitivity analyses 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 :

(₹ Millions)

Currency	Sensitivity analysis			
	Mar-18		Mar-17 (Restated)	
	Decrease by 10%	Increase by 10%	Decrease by 10%	Increase by 10%
Other comprehensive income for the year ended would decrease / increase by	(63)	63	(70)	70

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

ii. Credit risk management

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

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

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

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

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

(₹ Millions)

	Mar-18	Mar-17 (Restated)
Trade Receivables (Unsecured)		
Over six months	2,359	2,182
Less than six months	14,765	11,555
Total	**17,124**	**13,737**

(₹ Millions)

	Mar-18	Mar-17 (Restated)
Movement in allowance for credit loss during the year was as follows :		
Balance at the beginning of the year	1,319	1,581
Add: Transferred on account of amalgamation	67	6
Add: Provided during the year	370	462
Less: Reversal during the year	(1)	(721)
Impact of Foreign Translation	4	(8)
Balance as at the end of the year	**1,759**	**1,319**
Net Trade receivable	**15,365**	**12,418**

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.

Investments in Secured Non-convertible debenture of an entity aggregating ₹ 1,725 Millions (including interest) are outstanding and overdue as at 31 March 2018. The Company has initiated legal action in terms of enforcing the security attached to the said debenture etc. Accordingly, the outstanding amounts are considered good.

Loan given aggregating ₹ 1,706 Millions (including interest) is outstanding and overdue as at 31 March 2018. The Company does not consider any credit risk on such loan given as it has been indemnified against any financial loss.

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

NOTES
FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

iii. Liquidity risk

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

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at 31 March 2018

(₹ Millions)

	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	14,069	-	-	14,069	14,069
Borrowings	4,041	12,151	-	16,192	15,262
Total	**18,110**	**12,151**	**-**	**30,261**	**29,331**

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at 31 March 2017.

(₹ Millions)

	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	10,911	-	-	10,911	10,911
Borrowings	4,042	19,082	-	23,124	22,031
Total	**14,953**	**19,082**	**-**	**34,035**	**32,942**

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.

42. EMPLOYEE BENEFITS

Disclosures as per Ind AS 19 - Employee Benefits are as follows:

A. Defined Contribution Plans

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

B. Defined Benefit Plans

The present value of gratuity obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for leave benefits (non funded) is also recognised using the projected unit credit method.

(₹ Millions)

		Mar-18	Mar-17 (Restated)
		Gratuity (Non Funded)	
I.	**Expenses recognised during the year**		
1	Current service cost	69	73
2	Interest cost	27	25
3	Actuarial losses / (gains)	-	0
4	Past service cost	50	0
	Total Expenses	**146**	**98**

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ Millions)

		Mar-18	Mar-17 (Restated)
		Gratuity (Non Funded)	
II.	**Amount recognized in other comprehensive income (OCI)**		
1	Opening amount recognized in OCI	22	7
2	Remeasurement during the period due to		
	Experience adjustments		
	- Changes in financial assumptions	(30)	5
	- Changes in experience charges	(18)	10
	Closing amount recognized in OCI	**(26)**	**22**
III.	**Net (Asset) / Liability recognised in the Balance Sheet as at 31 March**		
1	Present value of defined benefit obligation (DBO)	410	344
2	Net (Asset) / Liability	410	344
IV.	**Reconciliation of Net (Asset) / Liability recognised in the Balance Sheet as at 31 March**		
1	Net (Asset) / Liability at the beginning of year	344	240
2	Transferred during the year	8	-
3	Expense as per I above	146	98
4	Other comprehensive income as per II above	(47)	15
5	Liabilities transferred on divestiture	(3)	28
6	Benefits paid	(38)	(37)
	Net (Asset) / Liability at the end of the year	**410**	**344**
V.	**The following payments are expected to defined benefit plan in future years :**		
1	Expected benefits for year 1	16	14
2	Expected benefits for year 2 to year 5	91	73
3	Expected benefits beyond year 5	1,118	972

		Mar-18	Mar-17
VI.	**Actuarial Assumptions**		
1	Discount rate	7.85%	7.25%
2	Expected rate of salary increase	9.50%	9.50%
3	Mortality	IAL (2006-08)	IAL (2006-08)

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.

NOTES
FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

VIII. Sensitivity Analysis

The key actuarial assumptions to which the benefit obligation results are particularly sensitive to are discount rate and future salary escalation rate. The following table summarizes 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

(₹ Millions)

	Mar-18	Mar-17
Impact of increase in 50 bps on DBO - discount rate	381	421
Impact of decrease in 50 bps on DBO - discount rate	444	481
Impact of increase in 50 bps on DBO - salary escalation rate	435	466
Impact of decrease in 50 bps on DBO - salary escalation rate	388	433

Notes:

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

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

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

C. Other long term benefits

The obligation for leave benefits (non funded) is also recognised using the projected unit credit method and accordingly the long term paid absences have been valued. The leave encashment expense is included in Note 25 'Employee benefits expense'.

43. RELATED PARTY DISCLOSURES

(i) Associates

Name of the Associates	Extent of holding	Country of Incorporation
Aplab Limited	26.42% (26.42%)	India
Fly by Wire International Private Limited*	100% (49%)	India
Asia Today Thailand Limited (held through Asia Today Singapore Pte Limited)	25% (25%)	Thailand

* Became wholly owned subsidiary w.e.f. 14 July 2017

(ii) Joint Ventures

Name of the Jointly Controlled entities	Extent of holding	Country of Incorporation
India Webportal Private Limited**	100% (51%)	India
Media Pro Enterprise India Private Limited (held through Zee Turner Limited)	50% (50%)	India

** Became wholly owned subsidiary w.e.f. 22 July 2017

(iii) Other Related parties consists 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:

Axom Communication and Cable Private Limited; Broadcast Audience Research Council; Cyquator Media Services Private Limited; Creantum Security Solutions Private Limited; Digital Subscriber Management and Consultancy Services Private Limited; Diligent Media Corporation Limited; Dish Infra Services Private Limited; Dish TV India Limited; Essel Business Excellence Services Limited; Essel Finance VKC Forex Limited; Essel Corporate Resources Private Limited; Essel Finance Business Loans Limited; Essel Finance Management LLP; Essel Infra Projects Limited; Essel Finance Wealth Zone Private Limited; Essel Solar Energy Private Limited; Indian Cable Net Company Limited; Living Entertainment Enterprises Private Limited; Master Channel Community Network Private Limited; Pan India Network Infravest Private Limited; Pan India Network Limited; Real Media FZ-LLC; Siti Networks Limited; Siti Maurya Cable Net Private Limited; Siti Prime Uttranchal Communications Private Limited; Siti Siri Digital Network Private Limited; Siti Vision Digital Media Private Limited; Smart Wireless Private Limited; Subhash Chandra Foundation; Today Merchandise Private Limited; Veria International Limited; Zee Akaash News Private Limited; Zee Learn Limited; Zee Media Corporation Limited

NOTES
FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(iv) Directors / Key Management Personnel

Dr. Subhash Chandra (Non-Executive Director); Punit Goenka (Managing Director & CEO); Ashok Kurien (Non-Executive Director); Subodh Kumar (Non-Executive Director); Professor Sunil Sharma (Independent Director); Professor Neharika Vohra (Independent Director); Manish Chokhani (Independent Director); Adesh Kumar Gupta (Independent Director)

(v) Relatives of Key Management Personnel

Amit Goenka, CEO international business

(vi) Disclosure in respect of related party transactions and balances as at and during the year

(₹ Millions)

	Particulars	Mar-18	Mar-17 (Restated)
	Transaction during the year		
A)	**Fixed Assets**		
I)	**Assets purchased**		
	Other Related Parties	-	2
II)	**Assets sold**		
	Subsidiaries	-	4
B)	**Revenue from operations**		
I)	**Advertisement income**		
	Joint Venture	-	60
	Other Related Parties	108	111
II)	**Subscription income**		
	Other Related Parties	3,481	3,228
III)	**Share of subscription income payable**		
	Other Related Parties	713	603
IV)	**Commission - Space Selling**		
	Other Related Parties	392	358
V)	**Sales - Media Content**		
	Joint Venture	58	147
	Other Related Parties	21	-
VI)	**Other operating revenue**		
	Other Related Parties	76	58

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ Millions)

	Particulars	Mar-18	Mar-17 (Restated)
C)	**Other Income**		
	Rent / Miscellaneous income		
	Joint Venture (2017: ₹ 71,808)	-	0
	Other Related Parties	277	99
D)	**Purchase - Media Content**		
	Other Related Parties	43	-
E)	**Purchase of Services**		
	Joint Venture	-	1
	Associate	165	267
	Other Related Parties	2,365	2,060
F)	**Advances and Deposits received**		
	Other Related Parties (2017: ₹ 92,877)	2	0
G)	**Recoveries / (Reimbursement) (net)**		
	Joint Venture	-	7
	Other Related Parties	348	390
H)	**Loans, Advances and Deposits given**		
	Associates	-	40
I)	**Loans, Advances and Deposits Repayment received**		
	Other Related Parties	44	-
J)	**Corporate Social Responsibility**		
	Other Related Parties	75	218
K)	**Remuneration to Managing Director & CEO and CEO international business**		
	Short term employee benefits*	139	118
L)	**Commission and sitting fees**		
	Non-executive directors	22	18
M)	**Dividend paid**		
	Director (2018: ₹ 870; 2017: ₹ 765)	0	0

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ Millions)

	Particulars	Mar-18	Mar-17 (Restated)
	Balance as at 31 March		
A)	**Investment**		
	Associates	2	8
	Joint Venture	194	163
B)	**Trade Receivable**		
	Joint Venture	1	257
	Associates (2018: ₹ 42,547; 2017: ₹ 42,445)	0	0
	Other Related Parties	1,159	823
C)	**Loans, Advances And Deposits Given**		
	Joint Venture (2017: ₹ 307,984)	-	0
	Associates	-	175
	Other Related Parties	427	471
D)	**Other Receivables**		
	Joint Venture (2018: ₹ 213,400; 2017: ₹ 213,400)	0	0
	Other Related Parties	724	321
E)	**Trade Advances Received**		
	Other Related Parties	25	24
F)	**Trade / Other Payables**		
	Joint Venture	1	-
	Associates	2	-
	Other Related Parties	564	333
G)	**Corporate Gurantees given**		
	Subsidiaries	-	4,018
	Other Related Parties	1,037	1,039

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

NOTES
FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

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

(₹ Millions)

	Particulars	Mar-18	Mar-17 (Restated)
	Transaction during the year		
A)	Fixed Assets		
I)	**Assets purchased**		
	Diligent Media Corporation Limited (2017: ₹ 305,667)	-	0
	Zee Media Corporation Limited	-	2
	Others (2017: ₹ 155,069)	-	0
II)	**Assets sold**		
	Zee Media Corporation Limited	-	4
B)	**Revenue from operations**		
I)	Advertisement income		
	India Webportal Private Limited	-	60
	Dish TV India Limited	94	91
	Living Entertainment Enterprises Private Limited	-	15
	Others	14	5
II)	**Subscription income**		
	Dish TV India Limited	2,442	2,313
	Siti Networks Limited	746	707
	Others	293	209
III)	**Share of subscription income payable**		
	Living Entertainment Enterprises Private Limited	238	223
	Zee Media Corporation Limited	475	380
IV)	**Commission - Space Selling**		
	Diligent Media Corporation Limited	70	55
	Zee Aakash News Private Limited	65	52
	Zee Media Corporation Limited	241	246
	Others	16	5
V)	**Sales - Media Content**		
	India Webportal Private Limited	58	147
	Living Entertainment Enterprises Private Limited	20	-
	Others	1	-

NOTES
FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ Millions)

	Particulars	Mar-18	Mar-17 (Restated)
VI)	**Other operating revenue**		
	Living Entertainment Enterprises Private Limited	20	12
	Zee Media Corporation Limited	56	46
	Others (2018: ₹ 14,000; 2017: ₹ 144,100)	0	0
C)	**Other Income**		
I)	**Rent / Miscellaneous income**		
	Dish TV India Limited	19	16
	Siti Networks Limited	36	6
	Zee Media Corporation Limited	106	57
	Dish Infra Services Private Limited	18	15
	Essel Business Excellence Services Limited	30	-
	Essel Infra Projects Limited	27	-
	Others	41	5
D)	**Purchase - Media Content**		
	Zee Media Corporation Limited	6	-
	Living Entertainment Enterprises Private Limited	37	-
E)	**Purchase of Services**		
	Broadcast Audience Research Council	287	273
	Digital Subscriber Management and Consultancy Services Private Limited	563	528
	Essel Business Excellence Services Limited	302	197
	Siti Networks Limited	270	261
	Essel Corporate Resources Private Limited	366	200
	Fly by Wire International Private Limited	88	267
	Others	654	602
F)	**Advances and Deposits received**		
	Zee Learn Limited (2017: ₹ 92,877)	2	0
G)	**Recoveries / (Reimbursement) (net)**		
	Dish TV India Limited	41	32
	Essel Corporate Resources Private Limited	23	124
	Living Entertainment Enterprises Private Limited	43	-
	Zee Media Corporation Limited	154	212
	Others	87	29

NOTES
FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ Millions)

	Particulars	Mar-18	Mar-17 (Restated)
H)	**Loans, Advances and Deposits given**		
	Fly by Wire International Private Limited	-	40
I)	**Loans, Advances and Deposits Repayment received**		
	Essel Corporate Resources Private Limited	35	-
	Broadcast Audience Research Council	9	-
J)	**Corporate Social Responsibility**		
	Subhash Chandra Foundation	75	218
K)	**Remuneration paid**		
	Punit Goenka, Managing Director and CEO	104	82
	Amit Goenka, CEO international business	35	36
L)	**Commission and sitting fees**		
	Non-executive directors	22	18
M)	**Dividend paid**		
	Director (2018: ₹ 870; 2017: ₹ 765)	0	0
	Balance as at 31 March		
A)	**Investment**		
	Equity Shares of Media Pro Enterprises India Private Limited	194	163
	Others	2	8
B)	**Trade Receivable**		
	India Webportal Private Limited	-	171
	Dish TV India Limited	268	2
	Siti Networks Limited	639	535
	Zee Media Corporation Limited	85	142
	Others	168	230
C)	**Loans, Advances And Deposits Given**		
	Fly by Wire International Private Limited	-	175
	Digital Subscriber Management and Consultancy Services Private Limited	340	340
	Others	87	131

NOTES
FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ Millions)

	Particulars	Mar-18	Mar-17 (Restated)
D)	**Other Receivables**		
	Zee Media Corporation Limited	268	79
	Essel Infra Projects Limited	53	71
	Living Entertainment Enterprises Private Limited	139	118
	Essel Business Excellence Services Limited	70	-
	Others	194	53
E)	**Trade Advances Received**		
	Essel Corporate Resources Private Limited	10	10
	Essel Infra Projects Limited	12	12
	Others	3	2
F)	**Trade / Other Payables**		
	Dish TV India Limited	113	11
	Essel Business Excellence Services Limited	31	47
	Zee Media Corporation Limited	153	33
	Indian Cablenet Company Limited	229	178
	Others	41	64
G)	**Corporate Gurantees given**		
	Taj Tv Limited	-	4,018
	Broadcast Audience Research Council	170	170
	Siti Networks Limited	867	869

NOTES
FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

44. Additional information, as required to consolidated financial statements to Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary / Associates / Joint Ventures for the year ended 31 March 2018.

(₹ Millions)

	Name of the entity	Net assets, i.e., total assets minus total liabilities		Share of profit or loss		Share in other comprehensive income		Share of total comprehensive income	
		As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
	Zee Entertainment Enterprises Limited	77%	58,197	129%	19,119	-10%	41	133%	19,160
	SUBSIDIARIES								
	Indian								
1	Zee Turner Limited	0%	53	0%	5	0%	-	0%	5
2	Essel Vision Productions Limited	0%	(132)	-4%	(527)	1%	(2)	-4%	(529)
3	Zee Digital Convergence Limited	0%	(6)	0%	(5)	0%	-	0%	(5)
4	Zee Unimedia Limited	0%	34	0%	8	0%	0	0%	8
5	Margo Networks Pvt. Ltd.	1%	677	0%	(71)	0%	-	0%	(71)
6	Fly by Wire International Private Limited (wef 14 July 2017)	0%	82	0%	47	0%	(0)	0%	47
7	India Webportal Private Limited (wef 22 July 2017)	0%	4	0%	(1)	0%	-	0%	(1)
8	Idea Shopweb and Media Private Limited (wef 22 July 2017)	0%	(5)	0%	(1)	0%	-	0%	(1)
	Foreign								
1	ATL Media Limited (Formerly Asia Today Limited)	18%	13,479	80%	11,859	0%	-	82%	11,859
2	Zee Multimedia Worldwide (Mauritius) Limited	7%	5,231	1%	109	0%	(0)	1%	108
3	Asia TV Limited (UK)	1%	1,053	1%	80	0%	-	1%	80
4	Expand Fast Holdings (Singapore) Pte Limited	0%	137	0%	4	0%	-	0%	4

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ Millions)

	Name of the entity	Net assets, i.e., total assets minus total liabilities		Share of profit or loss		Share in other comprehensive income		Share of total comprehensive income	
		As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
5	OOO Zee CIS Holding LLC	0%	-	0%	-	0%	-	0%	0
6	OOO Zee CIS LLC	0%	18	0%	(13)	0%	-	0%	(13)
7	Taj TV Limited	4%	2,881	12%	1,735	0%	-	12%	1,735
8	Zee Technologies (Guangzhou) Limited	0%	(75)	0%	(10)	0%	-	0%	(10)
9	Zee Entertainment Middle East FZ-LLC	2%	1,843	4%	587	0%	-	4%	587
10	ATL Media FZ-LLC	0%	(231)	-1%	(77)	0%	-	-1%	(77)
11	Zee TV South Africa (Proprietary) Limited	0%	(255)	0%	7	0%	-	0%	7
12	Zee TV USA Inc.	0%	-	0%	-	0%	-	0%	0
13	Asia Multimedia Distribution Inc.	0%	18	0%	8	0%	-	0%	8
14	Eevee Multimedia Inc.	0%	(62)	0%	(2)	0%	-	0%	(2)
15	Asia Today Singapore Pte Limited	0%	15	0%	22	0%	-	0%	22
16	Asia TV (USA) Limited, Wyoming	0%	131	1%	82	0%	-	1%	82
17	Asia Today Limited (Formerly Zee Multimedia (Maurice) Limited)	1%	916	2%	338	20%	(80)	2%	258
18	Zee Radio Network Middle east FZ - LLC	0%	1	0%	0	0%	-	0%	0
19	Zee Studio International Limited	0%	(11)	0%	(11)	0%	-	0%	(11)
20	Z5X Global FZ - LLC	0%	(312)	-2%	(283)	0%	-	-2%	(283)
21	Asia TV Gmbh	0%	5	0%	3	0%	-	0%	3
22	Pantheon Productions Limited	0%	-	0%	-	0%	-	0%	0
	Non Controlling Interests in all subsidiaries	**0%**	**142**	**0%**	**(14)**	**0%**	**-**	**0%**	**(14)**

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ Millions)

	Name of the entity	Net assets, i.e., total assets minus total liabilities		Share of profit or loss		Share in other comprehensive income		Share of total comprehensive income	
		As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
	ASSOCIATES (INVESTMENT AS PER THE EQUITY METHOD)								
	Indian								
1	Aplab Limited	0%	-	0%	-	0%	-	0%	0
2	Fly by Wire International Private Limited (upto 13 July 2017)	0%	-	0%	6	0%	-	0%	6
	Foreign								
1	Asia Today Thailand Limited	0%	2	0%	1	0%	-	0%	1
	JOINT VENTURES (INVESTMENT AS PER THE EQUITY METHOD)								
	Indian								
1	Media Pro Enterprise India Private Limited	0%	187	0%	30	0%	-	0%	30
2	India Webportal Private Limited (upto 21 July 2017)	0%	-	0%	(25)	0%	0	0%	(25)
	TOTAL	**111%**	**84,016**	**223%**	**33,009**	**10%**	**(41)**	**229%**	**32,967**
	Less: Effect of Elimination		(8,257)		(18,231)		(358)		(18,588)
	TOTAL	**100%**	**75,759**	**100%**	**14,778**	**100%**	**(399)**	**100%**	**14,379**

'0' (zero) denotes amounts less than a million.
Note : The figures have been computed based on the respective audited financial statements of the Companies vis-a-vis consolidated figures. Impact of consolidation adjustments have not been considered.

45. DIVIDEND

Dividend on equity shares is approved by the Board of Directors in their meeting held on 10 May 2018 and is subject to approval of shareholders at the annual general meeting and hence not recognised as a liability (including Dividend distribution tax thereon). Appropriation of dividend is done in the financial statements subsequent to approval by the shareholders.

Final dividend on equity shares for the current year is ₹ 2.9 per share (₹ 2.5 per share) which aggregates to ₹ 2,785 Millions (₹ 2,401 Millions).

46. The consolidated financial statements of the Group for the year ended 31 March 2018, were reviewed by the Audit Committee at their meeting held on 9 May 2018 and were approved for issue by the Board of Directors at their meeting held on 10 May 2018.

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

A. B. Jani
Partner
Place: Mumbai
Date: 10 May 2018

For and on behalf of the Board
Punit Goenka
Managing Director and CEO

Sundeep Mehta
Financial Controller

Adesh Kumar Gupta
Director

M Lakshminarayanan
Company Secretary