Zee Akaash News Private Limited

Financial Statement
2019-2020

Independent Auditor's Report on Financial Statements

To the Members of
Zee Akaash News Private Limited

1. **Opinion**
We have audited the accompanying financial statements of **Zee Akaash News Private Limited** ('the Company'), which comprise the balance sheet as at 31 March 2020, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements including a summary of the significant accounting policies and other explanatory information (herein after referred to as "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, of the state of affairs of the Company as at 31 March 2020, and its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

2. **Basis for opinion**
We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) prescribed under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

3. **Other Information**
The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors Report along with annexures, but does not include the financial statements and our auditor's report thereon. The other information is expected to be made available to us after the date of this auditor's report.

In our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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When we read the other information, if we conclude that there is a material misstatement therein, we will communicate the matter to those charges with governance.

4. **Management's responsibility for the financial statements**
The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

6. **Report on other Legal and Regulatory requirements**

I. As required by the Companies (Auditor's Report) Order, 2016 issued by the Central Government of India in terms of Section 143(11) of the Act ("the Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the "Annexure A", a statement on the matters specified in the paragraph 3 and 4 of the Order.

II. As required by Section143(3) of the Act, we report that:

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

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

c) The balance sheet, the statement of profit and loss (including other comprehensive income), the statement of change in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account;

d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

e) On the basis of written representations received from the directors of the Company as on 31 March 2020 and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2020 from being appointed as a director in terms of Section 164 (2) of the Act;

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended:

To the best of our information and according to the explanations given to us, the Company has not paid any remuneration to its directors during the year.

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

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements;

ii. The Company did not have any long-term contracts including derivative contracts having any material foreseeable losses; and

iii. There are no amounts required to be transferred, to the Investor Education and Protection Fund by the Company during the year.

For **MGB & Co. LLP**
Chartered Accountants
Firm Registration Number: 101169W/W-100035

Lalit Kumar Jain
Partner
Membership Number 072664
UDIN: 20072664AAAABA7255

Noida 25 June 2020

Annexure - A to the Independent Auditor's Report

Annexure referred to in paragraph 6(I) under "Report on other Legal and Regulatory requirements" of our report of even date to the members of the Company on the financial statements for the year ended 31 March 2020

i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) All the fixed assets of the Company have been physically verified by the management during the year. As informed to us, discrepancies noticed on such verification, which were not material, have been properly dealt with in the books of account.

(c) According to the information and explanations given to us and on the basis of our examination of the records, the Company does not have any immovable property.

ii. The Company does not have any inventory and accordingly the provisions of Clause 3(ii) of the Order are not applicable.

iii. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act. Accordingly the provisions of Clause 3(iii) of the Order are not applicable.

iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act, in respect loan granted and investment made. The Company has not provided any guarantees.

v. The Company has not accepted any deposits from the public within the meaning of Sections 73 to 76 of the Act.

vi. We have broadly reviewed the cost records maintained by the Company prescribed by the Central Government under Section 148(1) of the Act and are of the opinion that prima facie the prescribed accounts and records have been made and maintained. We have however not made a detailed examination of such records with a view to determine whether they are accurate or complete.

vii. According to the records of the Company examined by us and information and explanations given to us:

a) Undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, goods and services tax, cess and others as applicable have generally been regularly deposited with the appropriate authorities except slight delay in few cases. There are no undisputed amounts payable in respect of aforesaid dues outstanding as at 31 March 2020 for a period of more than six months from the date they became payable.

b) There are no dues of income tax, sales tax, service tax, duty of customs, duty of excise and value added tax which have not been deposited on account of any dispute except the following related to income tax:

Name of statute	Nature of dues	Amount (Rs in Lakhs)	Period to which the amount relates	Forum where dispute is pending
The Income Tax Act, 1961	Income Tax and interest	417.47	Assessment year 2017-18	The Commissioner of Income Tax (Appeals), Mumbai

viii. According to the records of the Company examined by us, the Company does not have any loans or borrowings from financial institutions, banks, government or debentures holders hence provisions of paragraph 3(viii) of the Order are not applicable to the Company.

ix. In our opinion and according to the information and explanations given to us, the Company has not raised money by way of public issue (including debt instruments) or term loan during the year.

x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have been informed of any such case by the Management.

xi. According to the records of the Company examined by us, the Company has not paid any managerial remuneration during the year hence provisions of paragraph 3(xi) of the Order are not applicable to the Company.

xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company and hence provisions of paragraph 3(xii) are not applicable to the Company.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 188 of the Act, and details of such transactions have been disclosed in the financial statements as required by the applicable Indian Accounting Standards. Further in our opinion, the Company is not required to constitute audit committee under section 177 of the Act.

xiv. According to the records of the Company examined by us, and information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year hence paragraph 3(xiv) are not applicable to the Company.

xv. According to the records of the Company examined by us, and information and explanations given to us, the Company has not entered into non-cash transactions with directors or persons connected with them hence provisions of paragraph 3(xv) are not applicable to the Company.

xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 hence paragraph 3(xvi) are not applicable to the Company.

For **MGB & Co. LLP**
Chartered Accountants
Firm Registration Number: 101169W/W-100035

Lalit Kumar Jain
Partner
Membership Number 072664
UDIN: 20072664AAAABA7255

Noida 25 June 2020

Annexure - B to the Independent Auditor's Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") as referred to in paragraph 6(II)(f) under "Report on other Legal and Regulatory requirements" of our report of even date to the members of the Company on the financial statements for the year ended 31 March 2020

We have audited the internal financial controls over financial reporting of **Zee Akaash News Private Limited** ("the Company") as of 31 March 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the Institute of Chartered Accountants of India.

For **MGB & Co. LLP**
Chartered Accountants
Firm Registration Number: 101169W/W-100035

mgb&co LLP CHARTERED ACCOUNTANTS

Lalit Kumar Jain
Partner
Membership Number 072664
UDIN: 20072664AAAABA7255

Noida 25 June 2020

ZEE AKAASH NEWS PRIVATE LIMITED

Balance Sheet as at 31 March, 2020

(Rupees in lacs)

	Note	31 March 2020	31 March 2019
ASSETS			
Non-current assets			
(a) Property, plant and equipment	5	4,549.27	4,452.37
(b) Right-of-use asset	6(a)	33.70	-
(c) Capital work-in-progress	5	-	3.97
(d) Intangible assets	6(b)	200.96	338.80
(e) Financial assets			
(i) Investment	7	0.00	0.00
(ii) Other financial assets	8 (b)	-	89.36
(f) Non - Current tax assets (net)	9	123.50	19.32
(g) Deferred tax assets (net)	10	186.49	77.00
(h) Other non-current assets	11	3.26	42.28
Total non-current assets		**5,097.18**	**5,023.10**
Current assets			
(a) Financial assets			
(i) Trade receivables	12	1,737.20	2,515.28
(ii) Cash and cash equivalents	13	3,338.55	1,162.72
(iii) Loan given	8 (a)	-	330.00
(iv) Other financial assets	8 (b)	1,502.19	1,483.80
(b) Other current assets	11	116.13	359.43
Total current assets		**6,694.07**	**5,851.23**
Total assets		**11,791.25**	**10,874.33**
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	14(a)	400.00	400.00
(b) Other equity	14(b)	9,108.86	7,644.82
Total equity		**9,508.86**	**8,044.82**
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	15	1,000.00	1,000.00
(b) Provisions	16	289.60	246.05
Total non-current liabilities		**1,289.60**	**1,246.05**
Current liabilities			
(a) Financial liabilities			
(i) Trade payables	17(a)		
Dues of micro enterprises and small enterprises		-	-
Dues of creditors other than micro enterprises and small enterprises		43.04	204.07
(ii) Other financial liabilities	17(b)		
Dues of micro enterprises and small enterprises		3.54	-
Dues of creditors other than micro enterprises and small enterprises		625.27	1,091.40
(b) Other current liabilities	18	238.86	270.30
(c) Provisions	16	17.53	17.69
(d) Current tax liabilities (net)	19	64.55	-
Total current liabilities		**992.79**	**1,583.46**
Total Liabilities		**2,282.39**	**2,829.51**
Total equity and liabilities		**11,791.25**	**10,874.33**

Notes forming part of the financial statements 1-45

As per our attached report of even date

For MGB & Co LLP
Chartered Accountants
Firm Registration Number - 101169W/W-100035

Lalit Kumar Jain
Partner
Membership Number - 072664

Place: Noida
Date: 25 June 2020

mgb&co LLP CHARTERED ACCOUNTANTS

For and on behalf of the Board

Dinesh Garg
Director
DIN - 02048097

Mukesh Jindal
Director
DIN - 02589636

ZEE AKAASH NEWS PVT. LTD. NOIDA

ZEE AKAASH NEWS PRIVATE LIMITED

Statement of Profit and Loss for the year ended 31 March, 2020

(Rupees in lacs)

	Note	31 March 2020	31 March 2019
Revenue			
Revenue from operations	20	7,314.06	8,071.85
Other income	21	68.42	69.06
Total		**7,382.48**	**8,140.91**
Expenses			
Operational cost	22	866.45	772.49
Employee benefit expense	23	1,033.09	1,025.82
Finance costs	24	122.18	18.37
Depreciation and amortisation expense	25	1,614.04	822.63
Other expenses	26	1,638.07	1,688.53
Total		**5,273.83**	**4,327.84**
Profit before Tax		**2,108.65**	**3,813.07**
Less: Tax expense	31		
Current tax		735.23	873.61
Deferred tax		(104.75)	87.25
Profit for the year	A	**1,478.17**	**2,852.21**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurement gain / (loss) on defined benefits obligation plans		(18.88)	(11.19)
Income tax effect on above	31	4.75	3.26
Other comprehensive income / (loss) for the year	B	**(14.13)**	**(7.93)**
Total comprehensive income for the year	(A+B)	**1,464.04**	**2,844.28**
Earning per equity share (face value of Rs. 10 each fully paid up)	35		
Basic and diluted (Rupees)		36.95	71.31

Notes forming part of the financial statements **1-45**

As per our attached report of even date

For MGB & Co LLP
Chartered Accountants
Firm Registration Number - 101169W/W-100035

Lalit Kumar Jain
Partner
Membership Number - 072664

Place: Noida
Date: 25 June 2020

mgb&co LLP CHARTERED ACCOUNTANTS

For and on behalf of the Board

Dinesh Garg
Director
DIN - 02048097

Mukesh Jindal
Director
DIN - 02589636

ZEE AKAASH NEWS PVT. LTD. NOIDA

ZEE AKAASH NEWS PRIVATE LIMITED

Statement of Cash Flow for the year ended 31 March 2020

(Rupees in lacs)

		31 March 2020	31 March 2019
A. Cash flow from operating activities			
Profit before tax		2,108.65	3,813.07
Adjustments for :			
Depreciation and amortization expense		1,614.04	822.63
Net loss/ (profit) on sale / discard of property, plant and equipment / Intangibles assets		13.42	35.71
Liabilities and provisions written back		(27.22)	(53.90)
Interest expense		122.04	18.07
Interest income		(41.11)	(13.45)
Unrealized loss(gain) on exchange adjustment (Net)		1.89	1.04
Allowances/(reversal) for doudbtful debts, loans and other advances		393.07	(192.74)
Operating profit before working capital changes		**4,184.78**	**4,430.43**
Adjustments For :			
(Increase) / Decrease in inventories		-	-
(Increase) / Decrease in trade and other receivables		1,034.10	(955.25)
Increase / (Decrease) in trade and other payables		(607.74)	674.17
Cash generated from operations		**4,611.14**	**4,149.35**
Direct taxes paid (Net of refunds)		(774.86)	(1,064.55)
Net cash flow from/(used in) operating activities	**(A)**	**3,836.28**	**3,084.80**
B. Cash flow from investing activities			
Purchase of property, plant and equipment, intangible assets and capital work in progress		(1,507.01)	(3,356.30)
Sale of property, plant and equipment and intangible assets		0.57	2.19
Loan given		-	(200.00)
Loan repayment received		-	70.00
Interest received		40.17	5.97
Net cash flow from/ (used in) investing activities	**(B)**	**(1,466.27)**	**(3,478.14)**
C. Cash flow from financing activities			
Loan received		-	1,000.00
Principal payment of lease liability		(72.14)	-
Interest paid		(115.50)	(18.07)
Payment of lease interest		(6.54)	-
Net cash flow from/ (used in) financing activities	**(C)**	**(194.18)**	**981.93**
Net Change in cash and cash equivalents	**(A+B+C)**	**2,175.83**	**588.59**
Cash and cash equivalents at the beginning of the year		1,162.72	574.13
Cash and cash equivalents at the end of the year		**3,338.55**	**1,162.72**

Notes:

1. As required by Ind AS 7 "statement of Cash Flow" a reconcilliation between opening and closing balance in the balance sheet for the liabilities arising from financing activities is given in Note 43 of the Financial Statements.
2. Previous year figures are regrouped / reclassified whereever necessary.

As per our attached report of even date

For MGB & Co LLP
Chartered Accountants
Firm Registration Number - 101169W/W-100035

Lalit Kumar Jain
Partner
Membership Number - 072664

Place: Noida
Date: 25 June 2020

mgb&co LLP CHARTERED ACCOUNTANTS

For and on behalf of the Board

Dinesh Garg
Director
DIN - 02048097

Mukesh Jindal
Director
DIN - 02589636

ZEE AKAASH NEWS PVT. LTD. NOIDA

ZEE AKAASH NEWS PRIVATE LIMITED
Notes forming part of the financial statements

1 **Corporate Information**

Zee Akaash News Private Limited ("ZANPL" or "the Company") is incorporated in the State of Maharashtra. The registered office of the Company is situated at 14th Floor, 'A' Wing, Marathon Futurex, N M Joshi Marg, Lower Parel, Mumbai - 400013, Maharashtra, India. The Company is mainly engaged in the business of broadcasting of satellite television channels namely ZEE 24GHANTA in Bengali Language.

The separate financial statements (hereinafter referred to as "Financial Statements") of the Company for the year ended 31 March 2020 were authorized for issue by the Board of Directors at their meeting held on 25 June 2020.

2 **Basis of preparation and other significant accounting policies**

2.1 **Basis of preparation of financial statements**

a The financial statements have been prepared to comply in all material respects with the Indian Accounting Standards (Ind AS) as notified under Section 133 of the Companies Act, 2013 ('Act') read with Companies (Indian Accounting Standards) Rules, 2015 (as amended) and other relevant provisions of the Act and rules framed thereunder. The financial statements have been prepared under the historical cost convention and on the accrual basis, except for certain financial assets and liabilities and defined benefit plan assets and liabilities being measured at fair value.

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or a liability at the measurement date.

b **Rounding of amounts**

The financial statements are presented in Indian Rupees ('INR') with amounts rounded off to the nearest Lakhs (00,000) with two decimals thereof, unless otherwise indicated. Zero '0.00' denotes amount less than Rs 500.

c **Current and non-current classification**

Assets and liabilities are classified as current if expected to realize or settle within twelve months after the balance sheet date. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

2.2 **Accounting pronouncements issued**

a **New Standard adopted**

Ind AS 116 " Leases"

The Companies (Indian Accounting Standards) Amendment Rules, 2019 issued by the Ministry of Corporate Affairs (MCA) notified Ind AS 116 "Leases" which replaced Ind AS 17. The revised standard eliminates the current classification model for lessee's lease contracts as either operating or finance leases and, instead, introduces a single lessee accounting model requiring lessees to recognize right-of-use assets and lease liabilities for leases with a term of more than twelve months to bring the previous off-balance sheet leases on the balance sheet in a manner largely comparable to current finance lease accounting.

The Company has, as a lessee, adopted Ind AS 116 w.e.f. 1 April 2019 using the modified retrospective approach to replace rent expenses in the statement of profit and loss with interest and depreciation. The total expense on account of adoption of the standard will result in higher expense in initial years and lower in the later years of the lease term.

Lease payments associated with short-term leases or those for which the underlying asset is of low value are recognised as an expense in the statement of profit and loss.

Comparative amounts have not been adjusted and continued to be reported in accordance with Ind AS 17 "Leases". Refer note 2.3(a)(iii), 2.3(c)(iii) and 2.3(g) below for the Company's accounting policy for Right-of-use assets, depreciation and lease liability as per Ind AS 116.

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2.3 **Summary of significant accounting policies**

a **Property, plant and equipment**

(i) Property, plant and equipment are stated at original cost of acquisition / installation (net of goods and service tax / cenvat credit availed), less accumulated depreciation and impairment loss, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use and estimated cost for decommissioning of an asset. Integrated Receiver Decoders (IRD) boxes are capitalized, 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) Right-of-use (ROU) assets are stated at cost, less accumulated depreciation and impairment loss, if any. The carrying amount of ROU assets is adjusted for remeasurement of lease liability, if any, in future. Cost of ROU assets comprises the amount of initial measurement of lease liability, lease payments made before the commencement date (net of incentives received), initial direct costs and present value of estimated costs of dimantling and restoration.

b **Intangible assets**

(i) Intangible assets acquired or developed are measured on initial recognition at cost and stated at cost less accumulated amortization and impairment loss, if any.

(ii) Intangible assets under development comprises cost of intangible assets and related expenses that are not yet ready for their intended use at the reporting date.

c **Depreciation / amortization on property, plant and equipment / intangible assets**

Depreciable / amortizable amount for property, plant and equipment / intangible assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

(i) Depreciation on property, plant and equipment is provided on straight-line method over the useful life of asset as specified in Part-C of Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, where the life of the assets has been assessed lower than the life prescribed in Schedule II, 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.

Assets	Management's estimate of useful life
Plant and machinery	
(i) Studio equipment - Linear	10 years
(ii) Studio equipment - Non-linear	5 years
(iii) Integrated receiver / decoder (IRD) boxes	1 year
Vehicles	5 years

(ii) Leasehold building and leasehold improvements are amortized over the period of lease or useful life of assets, whichever is lower.

(iii) Right to use (ROU) assets are depreciated on straight line basis over the commencement date to the end of useful life of asset or lease term whichever is earlier.

(iv) Intangible assets (computer softwate) are amortised on straight line basis over useful life of three years as estimated by the management or licence period of the computer software whichever is lower.

d **Impairment of non-financial assets**

The carrying amounts of non-financial assets are reviewed at each balance sheet date if there is any indication of impairment based on internal / external factors. An asset is treated as impaired when the carrying amount exceeds its recoverable value. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to the present value using a pre-tax discount rate that reflects current market assessment of the time value of money and risks specific to the assets. An impairment loss is charged to the statement of profit and loss in the year in which an asset is identified as impaired. After impairment, depreciation / amortisation is provided on the revised carrying amount of the asset over its remaining useful life. The impairment loss recognised in prior accounting periods is reversed by crediting the statement of profit and loss if there has been a change in the estimate of recoverable amount.

e **Derecognition of property, plant and equipment / intangible assets**

The carrying amount of an item of property, plant and equipment / intangible assets is derecognized 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 / intangible assets is measured as the difference between the net disposal in proceeds and the carrying amount of the item and is recognised in the statement of profit and loss when the item is derecognized.

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f **Lease Liability**

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

g **Cash and cash equivalents**

(i) Cash and cash equivalents in the balance sheet comprise cash at banks and on 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.

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

h **Inventories**

(i) Television programs (completed, under production, available for sale) are stated at lower of cost / unamortized cost or realizable value. Cost comprises acquisition / direct production cost and other allocated production overheads. Where the realizable value on the basis of its estimated useful economic life is less than its carrying amount, the difference is expensed as impairment. Programs are expensed / amortized as under:

1 Programs - news / current affairs / chat shows / events etc. are fully expensed on telecast.
2 Programs (other than (1) above) are amortized over three financial years starting from the year of first telecast, as per management estimate of future revenue potential.

i **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.

Initial recognition of financial assets and liabilities

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

l **Financial assets**

A **Subsequent measurement**

Financial assets are classified into the specified categories i.e. amortized cost, fair value through profit or loss (FVTPL) and fair value through other comprehensive income (FVTOCI). The classification depends on the Company's business model for managing the financial assets and the contractual terms of cash flows.

(i) **Debt instruments**

Amortized cost:

Fair value through other comprehensive income (FVTOCI):

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:
(a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets.
(b) The asset's contractual cash flows represent solely payments of principal and interest.

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

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Fair value through profit or 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 FVTPL.
In addition, the Company 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 statement of profit and loss.

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

B **Derecognition of financial assets**
A financial asset is derecognized only when
(a) The Company has transferred the rights to receive cash flows from the financial asset or the rights have expired or
(b) The Company retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients in an arrangement.

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

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

C **Impairment of financial assets**
The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

II **Financial liabilities and equity instruments**
Debt or equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax.

A **Subsequent measurement**
Financial liabilities measured at amortized cost:
Financial liabilities are subsequently measured at amortized cost using the effective interest rate (EIR). Gains and losses are recognized in the 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 statement of profit and loss.

Financial liabilities measured at fair value through profit or 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 or loss are carried in the financial statements at fair value with changes in fair value recognized in other income or finance costs in the statement of profit and loss.

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B **Derecognition of financial liabilities**

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

j **Borrowings and borrowing costs**

Borrowings are initially recognised net of transaction costs incurred and subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the statement of profit and loss over the period of the borrowings using the effective interest rate (EIR) method.

Borrowing costs that are attributable to the acquisition or construction of qualifying assets till the time such assets are ready for intended use are capitalized as part of cost of the assets. All other borrowing costs are expensed in the period they occur.

k **Provisions, contingent liabilities and contingent assets**

The Company 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. Provisions are not recognised for future operating losses.

If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

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

l **Revenue recognition**

(i) **Revenue from contract with customers**

Revenue from contract with customers is recognised when control of the goods or services is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

Revenue from advertisement

Revenue from advertisement is recognized over time based on the contract terms. The advertising benefits are transferred to the customer when each advertisement is aired as per the contract terms.

Revenue is recognized at the fair value of the consideration received or receivable, net of shortfalls, discounts, and goods and services tax.

Revenue from subscription

Revenue from subscription is recognized over time on performance of television broadcasting service to subscribers or as per the terms of the contract.

Variable consideration

If the consideration promised in a contract includes a variable amount, the Company estimates the amount of consideration to which the Company will be entitled in exchange for transferring the promised goods or services to the customer. Where customers are provided with discounts, rebates etc., such discounts and rebates will give rise to variable consideration. The Company follows the 'most likely amount' method in estimating the amount of variable consideration.

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Contract balances

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised. Contract liabilities are recognised as revenue when the Company performs under the contract.

Trade receivables

A receivable represents the Company's right to an amount of consideration under the contract with a customer that is unconditional and realizable on the due date.

Arrangements with Multiple Performance Obligations

The Company's contracts with customers may include multiple performance obligations. For such arrangements, the Company allocates revenue to each performance obligation based on its relative standalone selling price, which is generally determined based on the price charged to customers.

(ii) Interest income is recognized using the effective interest rate (EIR) method, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial assets.

m **Retirement and other employee benefits**

(i) The Company operates both defined benefit and defined contribution schemes for its employees.
For defined contribution schemes the amount charged as expense is equal to the contributions paid or payable when employees have rendered services entitling them to the contributions.
For defined benefit plans, actuarial valuations are carried out at each balance sheet date using the Projected Unit Credit Method. All such plans are unfunded.
All expenses represented by current service cost, past service cost, if any, and net interest on the defined benefit liability/ (asset) are recognized in the statement of profit and loss. Remeasurements of the net defined benefit liability/ (asset) comprising actuarial gains and losses (excluding interest on the net defined benefit liability/asset)) are recognised in Other Comprehensive Income (OCI). Such remeasurements are not reclassified to the statement of profit and loss, in the subsequent periods.

(ii) Other long-term employee benefits: The Company has a policy on compensated absences which are both accumulated and non-accumulated. The expected cost of accumulated compensated absences is determined by actuarial valuation performed by an independent actuary at each balance sheet date using projected unit credit method on the additional amount expected to be paid/availed as a result of the unused entitlement that has accumulated at the balance sheet date. Expense on non-accumulated compensated absences is recognized in the period in which the absences occur.
The Company presents the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for twelve months after the reporting date. Where Company has the unconditional legal and contractual right to defer the settlement for a period beyond twelve months, the same is presented as non-current liability.

(iii) Short-term employee benefits: All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and they are recognized in the period in which the employee renders the related service. The Company recognizes the undiscounted amount of short-term employee benefits expected to be paid in exchange for services rendered as a liability.

n **Transactions in foreign currency**

The functional currency of the Company is Indian Rupee (Rs.) which is also the presentation currency. All other currencies are accounted as foreign currency.

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

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

(iii) Non-monetary foreign currency items are carried at historical cost and translated at the exchange rate prevalent at the date of transaction.

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o **Income taxes**

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 by 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 assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred tax arises from the initial recognition of an asset or liability that effects neither accounting nor taxable profit or loss at the time of transition.

Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

(iii) **Presentation of current and deferred tax**

Current and deferred tax is recognised in the statement of profit and loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

p **Earnings per share**

Basic earnings per share is calculated by dividing the net profit or loss (excluding other comprehensive income) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events such as bonus issue, bonus element in a right issue, shares split and reserve share splits (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss (excluding other comprehensive income) for the year attributable to equity share holders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

q **Dividend**

Provision is made for the amount of any dividend declared on or before the end of the reporting period but remaining undistributed at the end of the reporting period, where the same has been appropriately authorized and is no longer at the discretion of the entity.

r **Exceptional items**

Certain occasions, the size, type, or incidences of the item of income or expenses pertaining to the ordinary activities of the Company is such that its disclosure improves the understanding of the performance of the Company, such income or expenses is classified as an exceptional item and accordingly, disclosed in the financial statements.

3 **Critical accounting judgment and estimates**

The preparation of financial statements in conformity with Ind AS requires the management to make estimates, assumptions and exercise judgement in applying the accounting policies that affect the reported amount of assets, liabilities and disclosure of contingent liabilities at the date of financial statements and the reported amounts of income and expenses during the year.

The Management believes that these estimates are prudent and reasonable and are based on the Management's best knowledge of current events and actions. Actual results could differ from these estimates and differences between actual results and estimates are recognised in the periods in which the results are known or materialized.

This note provides an overview of the areas that involves a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed.

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a **Contingencies**

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Potential liabilities that have a low probability of crystallizing or are very difficult to quantify reliably, are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognized.

b **Useful lives and residual values**

The Company reviews the useful lives and residual values of property, plant and equipment and intangible assets at each financial year end.

c **Impairment testing**

(i) **Impairment of financial assets**

The impairment provisions for financial assets disclosed are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

(ii) **Impairment of non-financial assets**

Impairment exists when the carrying value of an asset or cash generating unit (CGU) exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the future years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate.

d **Income taxes**

(i) The Company's tax charge is the sum of the total current and deferred tax charges. The calculation of the Company's total tax charge necessarily involves a degree of estimation and judgment in respect of certain items whose tax treatment cannot be finally determined until resolution has been reached with the relevant tax authority or, as appropriate, through a formal legal process.

(ii) Accruals for tax contingencies require management to make judgments and estimates in relation to tax related issues and exposures.

(iii) The recognition of deferred tax assets is based upon whether it is more likely than not that sufficient and suitable taxable profits will be available in the future against which the reversal of temporary differences can be deducted. Where the temporary differences are related to losses, the availability of the losses to offset against forecast taxable profits is also considered. Recognition therefore involves judgment regarding the future financial performance of the particular legal entity or tax Company in which the deferred tax asset has been recognized.

e **Fair value of financial instruments**

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. In applying the valuation techniques, management makes maximum use of market inputs and uses estimates and assumptions that are, as far as possible, consistent with observable data that market participants would use in pricing the instrument. Where applicable data is not observable, management uses its best estimate about the assumptions that market participants would make. These estimates may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date. For details of the key assumptions used and the impact of changes to these assumptions refer note 30.

f **Defined benefit obligation**

The cost of post-employment and other long term benefits is determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include determination of discount rates, expected rate of return on assets, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The assumptions used are disclosed in note 28.

f **Leases**

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjust ed with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to the Company's operations and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances. After considering current and future economic conditions, the Company has concluded that no changes are required to lease period relating to the existing lease contracts (refer note 32).

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Notes forming part of the Financial Statements

(Rupees in lacs)

Description of assets	Leasehold Improvements	Plant and Machinery	Furniture and Fittings	Vehicles	Equipments	Computers	Total
5. Property, plant and equipment							
I. Cost							
As at 01 April 2018	-	2,975.79	129.72	64.53	125.96	644.65	3,940.65
Additions	656.17	653.37	112.08	33.27	86.95	1,318.54	2,860.38
Disposal	-	(433.03)	(18.27)	(29.34)	(10.28)	(29.36)	(520.28)
As at 31 March 2019	**656.17**	**3,196.13**	**223.53**	**68.46**	**202.63**	**1,933.83**	**6,280.75**
Additions	-	1,289.27	0.13	-	199.06	25.09	1,513.55
Disposal	-	(550.96)	(3.15)	-	(4.51)	(31.93)	(590.55)
As at 31 March 2020	**656.17**	**3,934.44**	**220.51**	**68.46**	**397.18**	**1,926.99**	**7,203.75**
II. Depreciation							
As at 01 April 2018	-	1,196.86	27.59	42.73	34.64	272.03	1,573.85
Depreciation charge for the year	91.58	239.54	23.25	15.53	20.86	346.16	736.92
Disposal	-	(399.31)	(17.91)	(25.60)	(10.21)	(29.36)	(482.39)
Upto 31 March 2019	**91.58**	**1,037.09**	**32.93**	**32.66**	**45.29**	**588.83**	**1,828.38**
Depreciation charge for the year	369.72	364.61	43.76	12.14	37.80	574.63	1,402.66
Disposal	-	(536.98)	(3.14)	-	(4.51)	(31.93)	(576.56)
Upto 31 March 2020	**461.30**	**864.72**	**73.55**	**44.80**	**78.58**	**1,131.53**	**2,654.48**
III. Net book value							
As at 31 March 2020	194.87	3,069.72	146.96	23.66	318.60	795.46	4,549.27
As at 31 March 2019	564.59	2,159.04	190.60	35.80	157.34	1,345.00	4,452.37

Net book value	31 March 2020	31 March 2019
Property, plant and equipment	4,549.27	4,452.37
Capital work-in-progress	-	3.97

Contractual obligation

Refer note 40 for disclosure of contractual commitments for the acquisition of property, plant and equipment

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Notes forming part of the Financial Statements

6 (a) **Right-of-use asset**

(Rupees in lacs)

Description of assets	Leasehold premises	Total
I. Cost		
As at 01 April 2018	-	-
Additions	-	-
Disposal	-	-
Balance as at 31 March 2019	**-**	**-**
Additions	107.24	107.24
Disposal	-	-
Balance as at 31 March 2020	**107.24**	**107.24**
II. Amortisation		
Balance as at 01 April 2018	-	-
Amortisation expense for the year	-	-
Disposal	-	-
Upto 31 March 2019	**-**	**-**
Amortisation expense for the year	73.54	73.54
Disposal	-	-
Upto 31 March 2020	**73.54**	**73.54**
III. Net book value		
As at 31 March 2020	33.70	33.70
As at 31 March 2019	-	-

6 (b) **Intangible assets**

(Rupees in lacs)

Description of assets	Computer Software	Total
I. Cost		
As at 01 April 2018	163.93	163.93
Additions	377.54	377.54
Disposal	(34.36)	(34.36)
Balance as at 31 March 2019	**507.11**	**507.11**
Additions	-	-
Disposal	(33.75)	(33.75)
Balance as at 31 March 2020	**473.36**	**473.36**
II. Amortisation		
Balance as at 01 April 2018	116.96	116.96
Amortisation expense for the year	85.71	85.71
Disposal	(34.36)	(34.36)
Upto 31 March 2019	**168.31**	**168.31**
Amortisation expense for the year	137.84	137.84
Disposal	(33.75)	(33.75)
Upto 31 March 2020	**272.40**	**272.40**
III. Net book value		
As at 31 March 2020	200.96	200.96
As at 31 March 2019	338.80	338.80

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Notes forming part of the Financial Statements

(Rupees in lacs)

		31 March 2020	31 March 2019
7	**Non-current investments**		
	Investments carried at fair value through other comprehensive income		
	Investments in Equity instrument (Un-quoted)		
	1 (2019: 1) equity share of Rs.10 each fully paid of Dr Subhash Chandra Foundation *	0.00	0.00
	Total	**0.00**	**0.00**

Aggregate value of quoted share	-	-
Aggregate value of un-quoted share *	0.00	0.00
Aggregate impairment in value of investments	-	-

* Value 0.00, (0.00) represents Rs.10

(Rupees in lacs)

		Non current		Current	
		31 March 2020	31 March 2019	31 March 2020	31 March 2019
8	**a) Loan given**				
	Loan given - (Unsecured; considered doubtful*)				
	To related parties	-	-	200.00	200.00
	To others	-	-	130.00	130.00
		-	-	330.00	330.00
	Less: Allowances for bad and doubtful loans	-	-	330.00	-
	Total (a)	**-**	**-**	**-**	**330.00**
	b) Other financial assets				
	Security deposits (unsecured, considered good)	-	89.36	1,498.82	1,471.70
	Interest accrued on loans (considered doubtful*)				
	From related parties	-	-	8.42	7.48
	From others	-	-	0.94	0.94
		-	-	9.36	8.42
	Less: Allowances for bad and doubtful interest	-	-	9.36	-
		-	-	-	8.42
	Other receivables (Unsecured)				
	From related parties	-	-	3.37	3.68
	Total (b)	**-**	**89.36**	**1,502.19**	**1,483.80**
	Total (a+b)	**-**	**89.36**	**1,502.19**	**1,813.80**

Refer Note 29 for transaction relating to related party receivable.

* Considered doubtful during FY 2019-2020

mgb&co LLP CHARTERED ACCOUNTANTS

ZEE AKAASH NEWS PVT. LTD. NOIDA

(Rupees in lacs)

		31 March 2020	31 March 2019
9	**Non - curent tax assets (net)**		
	Advance direct tax (net of provisions)	123.50	19.32
	Total	**123.50**	**19.32**

(Rupees in lacs)

		31 March 2020	31 March 2019
10	**Deferred tax assets (net)**		
	The component of deferred tax balances are as at 31 March, 2020 are as under		
	Deferred tax assets		
	Employee retirement benefits obligation	77.30	76.81
	Depreciation and amortization on property, plant, equipment and intangible assets	70.12	-
	Fiscal disallowances	20.04	34.82
	Allowances for bad and doubtful debts/advances	19.03	3.65
	(A)	**186.49**	**115.28**
	B) Deferred tax liabilities		
	Depreciation and amortization on property, plant, equipment and intangible assets	-	38.28
	(B)	**-**	**38.28**
	Total	**186.49**	**77.00**

(Rupees in lacs)

		Non current		Current	
		31 March 2020	31 March 2019	31 March 2020	31 March 2019
11	**Other assets**				
	(Unsecured; considered good)				
	Capital advance.	-	35.15	-	-
	Other advances	-	-	66.24	73.11
	Prepaid expenses	3.26	7.13	27.15	22.38
	Balance with government authorities-indirect taxes	-	-	22.74	263.94
	Total	**3.26**	**42.28**	**116.13**	**359.43**

(Rupees in lacs)

		31 March 2020	31 March 2019
12	**Trade receivables** (Unsecured)		
	-Considered good - Related Party (Refer note 29)	110.40	303.74
	-Considered good - Others	1,626.80	2,211.54
	-Considered doubtful - Other	66.26	12.54
		1,803.46	**2,527.82**
	Less: Allowances for bad and doubtful debts	66.26	12.54
	Total	**1,737.20**	**2,515.28**

Trade receivables are non-interest bearing and credit period terms are generally 0-60 days. The Company's exposure to credit and currency risks related to trade receivables is disclosed in note 30.

(Rupees in lacs)

		31 March 2020	31 March 2019
13	**Cash and cash equivalents**		
	Balances with banks -In current accounts	3,026.12	1,161.81
	Cheques on hand	311.20	-
	Cash in hand	1.23	0.91
	Total	**3,338.55**	**1,162.72**

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AASH NEWS PVT. LTD. NOIDA

ZEE AKAASH NEWS PRIVATE LIMITED

Notes forming part of the Financial Statements

(Rupees in lacs)

	31 March 2020	31 March 2019
14 (a) Equity share capital		
Authorised		
4,000,000 (2019 : 4,000,000) equity shares of Rs. 10 each	400.00	400.00
	400.00	400.00
Issued , subscribed and fully paid up		
4,000,000 (2019 : 4,000,000) equity shares of Rs. 10 each fully paid-up	400.00	400.00
	400.00	400.00

(i) Reconciliation of number of equity shares and share capital

(Rupees in lacs)

	31 March 2020		31 March 2019	
	No. of Equity Shares	Amount	No. of Equity Shares	Amount
At the beginning of the year	4,000,000	400.00	4,000,000	400.00
Add: Changes during the year	-	-	-	-
At the end of the year	4,000,000	400.00	4,000,000	400.00

(ii) Terms / rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs.10 each. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The final dividend proposed by the Board of Directors is subject to the approval of the shareholders in the Annual General Meeting.

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

(iii) Details of equity shares held by the holding company:

(Rupees in lacs)

	31 March 2020	31 March 2019
Zee Media Corporation Limited, the holding Company and its nominees		
4,000,000 (2019 - 4,000,000) Equity shares of Rs. 10 each fully paid up	400.00	400.00

(iv) Details of Shareholders holding more than 5 percent of aggregate shares in the Company

Name of Shareholders	31 March 2020		31 March 2019	
	No. of Equity Shares	% Shareholding	No. of Equity Shares	% Shareholding
Zee Media Corporation Limited	4,000,000	100%	4,000,000	100%

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

(v) The Company has not issued any bonus share nor any share for consideration other than cash or bought back any share during five years preceding 31 March, 2020

mgb&co LLP CHARTERED ACCOUNTANTS

ZEE AKAASH NEWS PVT. LTD. NOIDA

ZEE AKAASH NEWS PRIVATE LIMITED

Statement of Changes in Equity for the year ended on 31 March, 2020

A) Equity Share Capital

(Rupees in lacs)

Particulars	Note	Amount
As at 01 April, 2018		400.00
Change in equity share capital	14 (a)	-
As at 31 March, 2019		400.00
Change in equity share capital	14 (a)	-
As at 31 March, 2020		400.00

B) Other Equity

(Rupees in lacs)

	Securities Premium	General Reserve	Retained Earnings	Total other equity
Balance as at 01 April 2018	988.00	227.21	3,585.33	4,800.54
Profit for the year	-	-	2,852.21	2,852.21
Other comprehensive income/(loss) for the year	-	-	(7.93)	(7.93)
Total comprehensive income for the year	-	-	2,844.28	2,844.28
Balance at 31 March 2019	988.00	227.21	6,429.61	7,644.82
Profit for the year	-	-	1,478.17	1,478.17
Other comprehensive income/(loss) for the year			(14.13)	(14.13)
Total comprehensive income for the year	-	-	1,464.04	1,464.04
Balance at 31 March 2020	988.00	227.21	7,893.65	9,108.86

Notes forming part of the financial statements 1-45

As per our attached report of even date

For MGB & Co LLP
Chartered Accountants
Firm Registration Number - 101169W/W-100035

Lalit Kumar Jain
Partner
Membership Number - 072664

Place: Noida
Date: 25 June 2020

mgb&co LLP CHARTERED ACCOUNTANTS

For and on behalf of the Board

Dinesh Garg
Director
DIN - 02048097

Mukesh Jindal
Director
DIN - 02589636

ZEE AKAASH NEWS PVT. LTD. NOIDA

ZEE AKAASH NEWS PRIVATE LIMITED

Notes forming part of the financial statements

(Rupees in lacs)

	31 March 2020	31 March 2019
14 (b) Other equity		
Securities premium		
As per last balance sheet	988.00	988.00
	988.00	**988.00**
General reserve		
As per last balance sheet	227.21	227.21
	227.21	**227.21**
Retained earnings		
As per last balance sheet	6,429.61	3,585.33
Add / (less):		
Profit for the year	1,478.17	2,852.21
Remeasurement gains / (losses) on defined benefit plans	(18.88)	(11.19)
Income tax impact on above	4.75	3.26
	7,893.65	**6,429.61**
Total	**9,108.86**	**7,644.82**

i) Securities premium reserve represents the premium on equity shares issued. The reserve is utilised in accordance with the provision of the Companies Act, 2013.

ii) The General reserve is distributable reserve maintained by the Company out of the transfers made from annual profit.

iii) Retained earnings represent the accumulated earnings net of losses, if any, made by the Company over the years.

mgb&co LLP CHARTERED ACCOUNTANTS

ZEE AKAASH NEWS PVT. LTD. NOIDA

ZEE AKAASH NEWS PRIVATE LIMITED

Notes forming part of the Financial Statements

(Rupees in lacs)

	Non current		Current	
	31 March 2020	31 March 2019	31 March 2020	31 March 2019
15 Borrowings				
(Unsecured)				
Long term borrowings				
From holding company	1,000.00	1,000.00	-	-
Total	**1,000.00**	**1,000.00**	**-**	**-**

Note: The loan is repayble at any time within five years i.e. on or before 31 March 2024 and carries interest @ 10% p.a. payable monthly.

(Rupees in lacs)

	Non current		Current	
	31 March 2020	31 March 2019	31 March 2020	31 March 2019
16 Provisions				
Provision for employee benefits				
- Gratuity	205.27	174.98	12.26	12.45
- Leave benefits	84.33	71.07	5.27	5.24
Total	**289.60**	**246.05**	**17.53**	**17.69**

(Rupees in lacs)

	31 March 2020	31 March 2019
17 Financial liabilties		
a **Trade payables**		
Dues of micro and small enterprises	-	-
Other trade payable	43.04	204.07
	43.04	**204.07**
b **Other financial liabilities**		
Dues of micro and small enterprises	3.54	-
Other payables:		
Creditors for capital expenditure	17.21	49.80
Lease Liability	35.10	-
Other payables	572.96	1,041.60
	625.27	1,091.40
	628.81	**1,091.40**
Total	**671.85**	**1,295.47**

Trade and other payables are non-interest bearing and credit term for same is generally in the range of 0 to 90 days.

(Rupees in lacs)

	31 March 2020	31 March 2019
18 Other current liabilties		
Unearned revenue	150.84	104.16
Advances received from customers	53.22	106.83
Statutory dues payable	34.80	59.31
Total	**238.86**	**270.30**

(Rupees in lacs)

	Current	
	31 March 2020	31 March 2019
19 Current tax liabilities (net)		
Provision for direct tax payable (net of advances)	64.55	-
Total	**64.55**	**-**

mgb&co LLP CHARTERED ACCOUNTANTS

ZEE AKAASH NEWS PVT. LTD. NOIDA

ZEE AKAASH NEWS PRIVATE LIMITED

Notes forming part of the Financial Statements

(Rupees in lacs)

	31 March 2020	31 March 2019
20 Revenue from operations		
Services (broadcasting revenue)		
Advertisement revenue	7,240.79	7,980.72
Subscription revenue	73.27	91.13
Total	**7,314.06**	**8,071.85**

(Rupees in lacs)

	31 March 2020	31 March 2019
21 Other Income		
Interest received on financial assets carried at amortised cost		
• Bank deposits	22.07	-
• Interest income on loans	10.08	13.31
Interest income others	8.96	0.14
Liabilities / excess provision written back	27.22	53.90
Miscellaneous income	0.09	1.71
Total	**68.42**	**69.06**

(Rupees in lacs)

	31 March 2020	31 March 2019
22 Operational cost		
Television programs (production/ acquisition cost)		
Programme purchased	300.00	-
Consultancy and professional charges	185.84	209.88
News subscription fees	2.68	7.50
Vehicle running, maintenance and hire charges	98.22	118.04
Travelling and conveyance expenses	27.57	39.53
Lease-line and v-sat expenses	107.32	97.11
Hire charges	45.58	41.40
Other production expenses	43.11	184.59
	810.32	**698.05**
Telecast cost	56.13	74.44
Total	**866.45**	**772.49**

(Rupees in lacs)

	31 March 2020	31 March 2019
23 Employee benefit expenses		
Salaries and allowances	967.20	954.92
Contribution to provident and other funds	56.84	57.07
Staff welfare expenses	9.05	13.83
Total	**1,033.09**	**1,025.82**

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ZEE AKAASH NEWS PVT. LTD. NOIDA

ZEE AKAASH NEWS PRIVATE LIMITED

Notes forming part of the Financial Statements

(Rupees in lacs)

		31 March 2020	31 March 2019
24 Finance costs			
Interest - on loan		100.27	5.62
Interest - on lease liabilities		6.54	-
Interest - on others		15.23	12.45
Other financial charges		0.14	0.30
Total		**122.18**	**18.37**

(Rupees in lacs)

		31 March 2020	31 March 2019
25 Depreciation and amortisation expense			
Depreciation on property, plant and equipment		1,402.66	736.92
Amortisation of right to use assets		73.54	-
Amortisation of intangible assets		137.84	85.71
Total		**1,614.04**	**822.63**

(Rupees in lacs)

		31 March 2020	31 March 2019
26 Other Expenses			
Rent		10.66	88.30
Rates and taxes		7.70	1.36
Repairs and maintenance			
-Plant and machinery		44.41	24.51
-Others		84.98	83.73
Insurance		3.19	2.67
Electricity and water charges		83.95	83.79
Communication expenses		35.40	37.90
Printing and stationary expenses		2.08	4.78
Hire and service charges		55.71	53.84
Travelling and conveyance expenses		73.29	81.84
Legal and professional charges		155.32	137.74
Payment to auditors (Refer note 27)		11.48	7.34
Business promotion expenses		107.34	273.44
Advertisement and publicity expenses		63.73	124.95
Commission/ discount expenses		460.65	588.16
Bad debts and advances written off		12.93	196.41
Allowances/(reversal) for doudbtful debts, loans and other advances		393.07	(192.74)
Loss on sale / discard of plant, properties and equipments and intangible assets (net)		13.42	35.71
Foreign exchange loss (net)		0.90	36.34
Miscellaneous expenses		17.86	18.46
Total		**1,638.07**	**1,688.53**

27 Payment to auditors

(Rupees in lacs)

		31 March 2020	31 March 2019
Audit Fee		4.00	3.50
Tax Audit Fee		1.20	1.05
Certification and quarterly limited review		2.55	2.25
Tax matters and other services		3.40	0.30
Reimbursement of expenses		0.33	0.24
Total		**11.48**	**7.34**

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ZEE AKAASH NEWS PVT. LTD. NOIDA

28 Employee benefits

The Disclosures of employee benefits as defined in the Ind AS 19 - Employee Benefits are as follows:

A Defined contribution plan:

"Contribution to provident and other funds" is recognized as an expense in note 23 "Employee benefit expenses" of the statement of profit and loss.

B Defined benefit plans

i) 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 gratuity is non funded.

Details of post retirement gratuity plan arer as follows:-

(Rupees in lacs)

	31 March 2020	31 March 2019
	Gratuity (Non funded)	
I. Expenses recognized during the year in statement of profit and loss		
1 Current service cost	18.19	17.38
2 Interest cost	14.46	12.19
3 Past service cost	-	-
Total Expenses	**32.65**	**29.57**
II. Amount recognized in other comprehensive income (OCI)		
Expenses recognise during the year due to		
Changes in financial assumptions	19.23	11.17
Changes in demographic assumptions	(0.02)	2.21
Experience adjustments	(0.33)	(2.19)
Net expenses recognized in OCI	**18.88**	**11.19**
III. Net liability recognized in the Balance Sheet		
1. Present value of defined benefit obligation (DBO)	217.53	187.43
2. Net liability	217.53	187.43
IV. Reconciliation of net liability recognized in the Balance Sheet		
1 Net Liability at the beginning of year	187.43	169.50
2 Defined benefit cost included in statement of profit and loss	32.65	29.57
3 Amount recognised in other comprehensive income	18.88	11.19
4 Benefit paid	(21.43)	(10.76)
5 Adjustment for employees transferred	-	(12.07)
6 Net liability at the end of the year	217.53	187.43
V. Acturial assumptions:	**31 March 2020**	**31 March 2019**
1 Discount rate (per annum)	6.80%	7.70%
2 Expected rate of salary increase	6.50%	6.50%
3 Mortality	IALM (2012-14)	IALM (2006-08)
4 Attrition rate	12% up to age 30, 7% from age 31 to 44 and 3% above 44 years	12% up to age 30, 7% from age 31 to 44 and 3% above 44 years
VI. The following payments are expected to defined benefit plan in future years :	(Rupees in lacs)	
1 Expected benefits for year 1	12.26	12.45
2 Expected benefits for year 2 to year 5	55.20	48.87
3 Expected benefits for year 6 to year 10	81.96	79.49
4 Expected benefits beyond year 10	349.14	343.25

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VII. 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 100 basis points.

	Discount Rate	Salary Escalation rate	Employee Turnover	Mortality rate
Impact of increase in 100 Bps on DBO	196.37	241.95	217.55	217.56
Impact of decrease in 100 Bps on DBO	242.12	196.13	217.51	21.75

Notes:

(a) Amount recognized as an expense and included in the note 23 "Employee benefits expense" are gratuity Rs. 18.19 lcas (2019 : Rs. 17.38 lacs) and leave encashment Rs. 35.42 lacs (2019 : Rs. 27.68 lacs). Net interest cost on defined benefit obligation recognised in note 24 under "Finance cost" is Rs. 14.46 lacs (2019 : Rs. 12.19 lacs).

(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.

(c) Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase and mortality. The sensitivity analyses 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.

VIII. **The Company is exposed to various actuarial risks which are as follows:**

(a) Interest rate risk - The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the defined benefit and will thus result in an increase in the value of the liability.

(b) Liquidity risk - This is the risk that the Company is not able to meet the short-term benefit payouts. This may arise due to non availability of enough cash / cash equivalent to meet the liabilities or holding of illiquid assets not being sold in time.

(c) Salary escalation risk - The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

(d) Regulatory risk - Gratuity benefit is paid in accordance with the requirements of the Payment of Gratuity Act, 1972 (as amended from time to time). There is a risk of change in regulations requiring higher gratuity payouts (e.g. Increase in the maximum limit on gratuity of Rs.20.00 lacs).

(e) Demographic risk - The Company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse as compared to the assumptions.

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 the note 23 "Employee benefit expenses".

D **Contribution to provident and other funds**

"Contribution to provident and other funds" which is a defined contribution plan is recognised as an expense in note 23 of the financial statements.

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ZEE NEWS PVT. LTD. NOIDA

29 **Related Party Transactions**

(i) **List of Parties where control exists:**

Holding Company:

M/s Zee Media Corporation Limited (Extent to holding 100% w.e.f 1 June, 2018)

Fellow subsidiaty companies:

Ez-Mall Online Limited (upto 30 June 2018)

Party holding substantial share of the Company:

Sky B (Bangla) Private Limited (upto 31 May 2018)

(ii) **Other Related Parties with whom transactions have taken place during the year and balance outstanding as on the last day of the year:**

Zee Entertainment Enterprise Limited
Dish TV India Limited
Essel Infraprojects Limited
Zee Learn Limited
Dr. Subhash Chandra Foundation
Essel Corporate LLP

Key Management Personnel

Directors

Shri Mukesh Jindal
Shri Dinesh Garg (upto 10 August, 2018 and from 16 July, 2019)
Shri Purushottam Vaishnava (from 05 November, 2019)
Shri Rajiv Singh (upto 28 February, 2019)
Shri Sumit Kapoor (from 27 February, 2019 to 05 November, 2019)
Shri Ashok Venkatramani (from 02 August, 2018 to 10 July, 2019)

(iii) **Transactions with Related Parties:**

(Rupees in lacs)

	31 March 2020	31 March 2019
(A) **Transactions :**		
(i) With Holding Company		
-Zee Media Corporation Limited		
. Advertisement income received	85.17	149.67
. Subscription income received	73.27	91.13
. Amount collected on behalf of the Company	65.13	7.89
· Loan received	-	1,000.00
· Transmission charges paid	43.13	43.13
· Interest paid on loan	100.27	5.62
(ii) With other related parties		
· **Loan given**	-	**200.00**
Essel Infraprojects Limited	-	200.00
· **Advertisement Income**	**160.01**	**105.70**
Zee Entertainment Enterprises Limited	55.64	85.35
Dish TV India Limited	104.37	13.48
Zee Learn Limited	-	6.87
· **Interest income**	**10.08**	**13.31**
Essel Infraprojects Limited	10.08	13.31
· **Telecast cost**	**6.00**	**24.00**
Dish TV India Limited	6.00	24.00
· **Other production expenses**	-	**3.01**
Zee Entertainment Enterprises Limited	-	3.01

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ZEE AKAASH NEWS PVT. LTD. NOIDA

· **Repair and maintenance - others**	**3.00**	-
Zee Entertainment Enterprises Limited	3.00	-
· **Leaseline and V-sat expenses**	**102.18**	**90.75**
Dish TV India Limited	102.18	90.75
· **Legal and professional charges**	**150.00**	**131.10**
Essel Corporate LLP	150.00	131.10
· **Commission paid**	**343.15**	**420.68**
Zee Entertainment Enterprises Limited	343.15	420.68
· **Advertisement expenses**	**10.02**	**10.08**
Zee Entertainment Enterprises Limited	10.02	10.08
· **Expense provision write back**	**4.49**	-
Zee Entertainment Enterprises Limited	4.49	-
· **Provision for doubtful loans and advances**	**200.00**	-
Essel Infraprojects Limited	200.00	-
· **Provision for doubtful interest receivable**	**8.42**	-
Essel Infraprojects Limited	8.42	-
(B) Balances at the end of the year:	**31 March 2020**	**31 March 2019**
(i) With Holding Company		
- Zee Media Corporation Limited		
· Trade receivable	58.22	181.02
· Other current receivable	0.65	0.96
· Trade payable/ Other payable	11.64	46.58
· Loan received	1,000.00	1,000.00
(ii) Other Related Parties		
· **Trade payables / Other payables**	**175.08**	**759.24**
Dish TV India Limited	-	121.74
Zee Entertainment Enterprises Limited	175.08	600.03
Essel Corporate LLP	-	37.47
· **Trade receivable**	**52.18**	**122.72**
Dish TV India Limited	37.92	33.90
Zee Entertainment Enterprises Limited	11.12	85.63
Zee Learn Limited	3.14	3.19
· **Other current receivable**	**2.72**	**2.72**
Zee Entertainment Enterprises Limited	2.72	2.72
· **Loans and advances given**	**200.00**	**200.00**
Essel Infraprojects Limited	200.00	200.00
· **Interest receivable**	**8.42**	**7.48**
Essel Infraprojects Limited	8.42	7.48
· **Provision for doubtful loans and advances**	**200.00**	-
Essel Infraprojects Limited	200.00	-
· **Provision for doubtful interest receivable**	**8.42**	-
Essel Infraprojects Limited	8.42	-
· **Investments**		
Dr. Subhash Chandra Foundation *	0.00	0.00

* Value 0.00, (0.00) represents Rs.10

Notes :

i) All transaction with related parties are made on arm's length basis in the ordinary course of business. The outstanding balance at year end are unsecured due to be settled for consideration in cash.

ii) The above disclosures are excluding Ind AS adjustment.

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ZEE NEWS PVT. LTD. NOIDA

30 **Financial Instruments**

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

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

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management provides guidance for overall risk-management, as well as policies covering specific areas such as credit risk, liquidity risk and investment of excess liquidity.

a) **Market risk**

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. The sensitivity analysis excludes the impact of movements in market variables on the carrying value of post-employment benefit obligations provisions and on the non-financial assets and liabilities. The sensitivity of the relevant profit and loss item is the effect of the assumed changes in respective market risks. Financial instruments affected by market risk includes borrowings, deposits and other financial instruments.

1) **Interest rate risk**

This refers to risk to Company's cash flow and profits on account of movement in market interest rates.

For the Company the interest risk arises mainly from interest bearing borrowings which are at variable interest rates. To mitigate interest rate risk, the Company closely monitors market interest and as appropriate makes use of optimised borrowing mix / composition etc. However the Company is not having any variable rate borrowings outstanding at balance sheet date.

Interest risk exposure

(Rupees in lacs)

	31 March 2020	31 March 2019
Fixed rate borrowings	1,000.00	1,000.00
Total borrowings	**1,000.00**	**1,000.00**

2) **Foreign Currency risk**

Currency risk is the risk that the fair value or future cash flows fluctuate because of changes in market prices. The Company is exposed to foreign exchange risk on their receivables and payables which are mainly held in the United State Dollar ("USD") and the Euro ("EUR"). Consequently, the Company is exposed primarily to the risk that the exchange rate of the Indian Rupees ("INR") relative to the USD and the EUR may change in a manner that has an effect on the reported values of the Company's assets and liabilities that are denominated in these foreign currencies. Exchange rate exposures are not hedged considering the insignificant impact and period involved on such exposure.

The following table sets forth information relating to unhedged foreign currency exposure at the end of reporting period :

(Rupees in lacs)

Currency	Assets as at		Liabilities as at	
	31 March 2020	31 March 2019	31 March 2020	31 March 2019
United States Dollar (USD)	-	-	26.31	14.07
European Currency (EURO)	-	0.97	-	-

Sensitivity to foreign currency risk

The following table demonstrates the sensitivity to a 10% increase / decrease in foreign currencies with all other variable held constant. The below impact on the Company's profit before tax is based on changes in the fair value of unhedged foreign currency monetary assets and liablities at balance sheet date.

Currency	Sensitivity analysis			
	31 March 2020		31 March 2019	
	Rs. Depreciated by 10%	Rs. appreciated by 10%	Rs. Depreciated by 10%	Rs. appreciated by 10%
United States Dollar (USD)	2.63	(2.63)	1.41	(1.41)
European Currency (EURO)	-	-	(0.10)	0.10

b) **Credit risk**

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, deposits and loans given, investments and balances at bank. The Company measures the expected credit loss of trade receivables based on financial conditions / market practices, credit track record in the market, analysis of historical bad debts and past dealings for extension of credit to customers. Individual credit limits are set accordingly. The Company monitors the payment track record of the customers and ageing of receivables. Outstanding customer receivables are regularly monitored. The Company considers the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets. The Company has also taken advances from some of its customers, which mitigate the credit risk to an extent.

Ageing of trade receivables

(Rupees in lacs)

	As at 31 March 2020	As at 31 March 2019
Trade Receivables (Unsecured)		
Over six months	102.18	197.92
Less than six months	1,701.28	2,329.90
Total	**1,803.46**	**2,527.82**

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Provision for doubt debt, loans and advances -trade receivables and other financial assets:

As at 31 March 2020

(Rupees in lacs)

	Estimated gross carrying amount	Considered doubtful	Carrying amount net of provision
Trade Receivables	1,803.46	66.26	1,737.20
Other financial assets	1,841.55	339.36	1,502.19
Total	3,645.01	405.62	3,239.39

As at 31 March 2019

(Rupees in lacs)

	Estimated gross carrying amount	Considered doubtful	Carrying amount net of provision
Trade Receivables	2,527.82	12.54	2,515.28
Other financial assets	1,903.16	-	1,903.16
Total	4,430.98	12.54	4,418.44

Reconciliation of provision for doubtfl debts, loans and advances – Trade receivables and other financial assets

(Rupees in lacs)

Particulars	As at 31 March 2020	As at 31 March 2019
Balance at 1 April	12.54	205.28
Add: Provided during the year	393.08	-
Less: Reversed during the year	-	192.74
balance at 31 March	405.62	12.54

Credit risk on cash and cash equivalents is limited as the Company generally invest in deposits with banks and financial institutions with high credit ratings assigned by credit rating agencies. Security deposits against leasing of premises are refundable upon closure of the lease and credit risk associated with such depsoits is relatively low.

The following table gives details in respect of percentage of revenues generated from top 10 customers

	31 March 2020	31 March 2019
Revenues generated from top 10 customers	49.04%	48.09%

c) **Liquidity risk**

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. For the Company, liquidity risk arises from obligations on account of financial liabilities – borrowings, trade payables and other financial liabilities. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Company manages liquidity risk by maintaining adequate reserves, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of the financial assets and liabilities. It maintains adequate sources of financing including loans, debt and overdraft from banks. It also enjoys strong access to domestic capital markets across various debt instruments.

Exposure to liquidity risk

The table below provides details regarding the contractual maturities of financial liabilities (including interest accrued) at the reporting date. The contractual cashflow amounts are gross and undiscounted.

As at 31 March 2020

(Rupees in lacs)

	Less than 1 year	Between 2 to 5 year	Beyon 6 to 10 year
Financial Liabilities			
Long term borrowings	-	1,000.00	-
Trade payables	43.04	-	-
Other current financial liability -lease liability	35.10		
Other current financial liabilities-others	593.71	-	-
Total	671.85	1,000.00	-

As at 31 March 2019

	Due in 1 year	Due in 2 to 5 year	Due in 5 to 10 year
Financial Liabilities			
Long term borrowings	-	1,000.00	-
Trade payables	204.07	-	-
Other current financial liability -lease liability	-	-	-
Other current financial liabilities-others	1,091.40	-	-
Total	1,295.47	1,000.00	-

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ii) **Capital Management**

Risk Management

The Company manages its capital structure and necessary adjustment in light of change in economic conditions and the requirement of financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders, issue new share capital or raise / retire debts. The prime objective of the Company's capital management is to maximize the shareholder's value.

For the purpose of the Companies capital management, equity includes issued capital, security premium and other reserves. Net debt includes loans less cash and bank balances. The Commpany manages capital by monitoring gearing ratio which is net debt divided by equity plus net debt.

(Rupees in lacs)

The capital composition is as follows:	31 March 2020	31 March 2019
Gross debts	1,000.00	1,000.00
Less: cash and bank balances	(3,338.55)	(1,162.72)
Net debts	(2,338.55)	(162.72)
Total equity	9,508.86	8,044.82
Total capital	7,170.31	7,882.10
Geaing ratio	-32.61%	-2.06%

iii) **Fair value measurements**

(i) **Categories of financial instruments**

(Rupees in lacs)

Particulars	31 March 2020		31 March 2019	
	Carrying amount	Fair value	Carrying amount	Fair value
A) Financial assets				
i) Measured at amortised cost				
Non-current assets				
Other financial assets	-	-	89.36	89.36
Current assets				
Trade receivables	1,737.20	1,737.20	2,515.28	2,515.28
Cash and cash equivalents and bank balances	3,338.55	3,338.55	1,162.72	1,162.72
Loan given	-	-	330.00	330.00
Other financial assets	1,502.19	1,502.19	1,483.80	1,483.80
Total financial assets measured at amortised cost	**6,577.94**	**6,577.94**	**5,581.16**	**5,581.16**
ii) Measured at fair value through other comprehensive income				
Non current assets				
Investment*	0.00	0.00	0.00	0.00
Total financial assets measured at fair value	**0.00**	**0.00**	**0.00**	**0.00**
B) Financial liabilities				
i) Measured at amortised cost				
Non-current liabilities				
Borrowings	1,000.00	1,000.00	1,000.00	1,000.00
Current liabilities				
Trade payable	43.04	43.04	204.07	204.07
Other financial liabilities	628.81	628.81	1,091.40	1,091.40
Total financial liabilities measured at amortised cost	**1,671.85**	**1,671.85**	**2,295.47**	**2,295.47**

* Value 0.00, (0.00) represents Rs.10

The management assessed that cash and cash equivalents and bank balances, trade receivables, other financial assets, trade payables and other current liabilities approximate their fair value largely due to the short-term maturities of these instruments. Difference between carrying amount and fair value of bank deposits, other financial assets and other financial liabilities subsequently measured at amortised cost is not significant in each of the year presented.

(ii) **Fair value hierarchy**

The fair values of the financial assets and liabilities are the amount 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.

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into three levels prescribed under the Indian Accounting Standards. An explanation for each level is given below.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. Instruments in the level 2 category for the Company include foreign exchange forward contracts.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in this level.

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(iii) Financial assets measured at fair value through other comprehensive income at each reporting date

(Rupees in lacs)

	31 March 2020		31 March 2019	
	Level 3	Carrying amount	Level 3	Carrying amount
Non-current financial assets				
Investments *	0.00	0.00	0.00	0.00

* Value 0.00, (0.00) represents Rs.10

(iv) Non-current financial assets and financial liabilities measured at amortised cost at each reporting date

(Rupees in lacs)

	31 March 2020		31 March 2019	
	Level 3	Carrying amount	Level 3	Carrying amount
Non-current financial assets				
Other financial assets	-	-	89.36	89.36
Non-current financial liabilities				
Borrowings	1,000.00	1,000.00	1,000.00	1,000.00

(a) The fair values for other non-current financial assets, non current financial liabilities and long term borroowing are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs.

(b) The carrying amounts of trade receivables, cash and bank balances, trade payables and other current financial liabilities are considered to be approximately equal to the fair value due to the short-term maturities of these financial assets/liabilities.

(c) There have been no transfers between level 1, level 2 and level 3 for the years ended 31 March 2020 and 31 March 2019

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31 Taxes expenses

(a) The major components of income tax for the year end 31 March 2020 are as under:

(i) Income Tax related to items recognised directly in the statement of profit and loss during the year :

(Rupees in lacs)

	31 March 2020	31 March 2019
Current tax - current year	732.10	1,034.22
- adjustment for current tax of prior periods	3.13	(160.61)
Total curent tax expenses	735.23	873.61
Deferred tax charge	(104.75)	87.25
Total tax expense reported in the statement of profit and loss	**630.48**	**960.86**
Effective tax rate	29.90%	25.20%

(ii) Deferred tax related to items recognized in other comprehensive income (OCI) during the year

(Rupees in lacs)

	31 March 2020	31 March 2019
Deferred tax charge / (credit) on measurement of defined benefit plan	(4.75)	(3.26)
Total deferred tax charge / (credit) recognised in OCI	(4.75)	(3.26)

(b) Reconciliation of tax expense and the accounting profit multiplied by tax rate

(Rupees in lacs)

	31 March 2020	31 March 2019
Accounting profit before tax	2,108.65	3,813.07
Statutory income tax @ of 25.168% (Previous year : 29.12%)	530.70	1,110.37
Tax effect on non-deductible expenses/credit loss	86.20	11.10
Impact of change in tax rate on deferred tax assets	10.45	-
Adjustments in respect of current income tax of previous years	3.13	(160.61)
Tax expense recognised in the statement of profit and loss	**630.48**	**960.86**

The statutory tax rate is the standard effective corporate income tax rate in India. The tax rate for deferred tax assets for the year ended 31 March 2020 is 25.168% (Previous year : 29.12%). Deferred tax assets and liabilities are offset where the Company has a legally enforceable right to do so.

(c) Deferred tax relates to the following:

(Rupees in lacs)

	Balance sheet		Recongnised in statement of profit and loss		Recognised in OCI	
	31 March 2020	31 March 2019	31 March 2020	31 March 2019	31 March 2020	31 March 2019
(a) Deductible temporary differences						
Employee retirement benefit/expenses allowable on payment basis	77.30	76.81	4.25	(4.07)	(4.75)	(3.26)
Depreciation and amortization on property, plant, equipment and intangible assets	70.12	-	(108.40)	45.17	-	-
Other allowances for doubtful debts and advances	19.03	3.65	(15.38)	56.13	-	-
Other deductible temporary differences	20.04	34.82	14.78	(9.98)	-	-
Total (a)	**186.49**	**115.28**	**(104.75)**	**87.25**	**(4.75)**	**(3.26)**
(b) Taxable temporary differences						
Depreciation and amortization on property, plant, equipment and intangible assets	-	38.28	-	-	-	-
Total (b)	-	**38.28**	-	-	-	-
Net deferred tax assets / (liabilities) (a-b)	**186.49**	**77.00**	-	-		
Deferred tax charge / (credit) (a-b)			**(104.75)**	**87.25**	**(4.75)**	**(3.26)**

(d) Reconciliation of deferred tax assets / (liabilities) (net)

(Rupees in lacs)

Reconciliation of deferred tax assets / (liabilities) net:	31 March 2020	31 March 2019
Opening balance	77.00	160.99
Deferred tax (charge)/credit recognised in		
- Statement of profit and loss	104.75	(87.25)
- Recognised in other comprehensive income	4.75	3.26
Total	**186.49**	**77.00**

(e) The Company does not have any unutilized tax losses.

(f) The Company has opted the lower rate of income tax under section 115BAA of the Income Tax Act, 1961 made effective from current assessment year i.e. 2020-21.

32 Disclosures pertaining to Ind AS 116 " Leases"

The effects of adoption of Ind AS 116 is as follows :

(a) i) The Company has recognised Right- of- use assets (ROU) and lease liability of Rs 107.24 lacs as at 1 April 2019 i.e. Transition date.

ii)Expense relating to the short term leases and leases of low value of assets amounted to Rs 44.64 lacs.

(b) Carrying value Right- of- use- assets (ROU) :

(Rupees in lacs)

	Leased premises	Total
Gross carrying amount:		
As at 1 April 2019	-	-
Addition during the year	107.24	107.24
As at 1 April 2020	107.24	107.24
Accumulated depreciation / Amortisation:		
Depreciation for the year	73.54	73.54
Upto 31 March 2020	73.54	73.54
Net Book Value:		
As at 31 March 2020	33.70	33.70

(c) The details of the lease liability of the Company is as follows:

(Rupees in lacs)

	31 March 2020
	107.24
Additions for year ended 31 March 2020	6.54
Add: Accretion of interest	78.68
Less: Payments	35.10
Net carrying amount as at 31 March 2020	

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Lease liability (Current) shown under Other Current Financial Liabilities	35.10
Lease liability (Non Current) shown under Other Non-Current Financial Liabilities	-
Net carrying amount as at 31 March 2020	35.10

(d) The following are the amounts recognised in statement of profit and loss:

(Rupees in lacs)

	31 March 2020
Depreciation expense of right-of-use assets	73.54
Interest expense on lease liabilities	6.54
Total amount recognised in statement of profit and loss	80.08

(e) The following is the summary of practical expedients elected on intitial aplication:
Applied the exemption not to recognize right-of-use assets and liabilities for lease with less than twelve months of lease term on date of initial application.
Excluded the initial direct costs from the measurement of the right- of - use asset at the date of initial application.

(f) Maturity analysis of lease liabilities is given note 30(i)(c).

(g) Future Lease rental obligation payable (under non-cancellable lease)

(Rupees in lacs)

	31 March 2020	31 March 2019
Future Lease rental obligation payable (under non-cancellable lease)		
Not later than one year	-	78.68
Later than one year but not later than five years	-	36.06

33 Disclosures pertaining to Ind AS 115 " Revenue from Contracts with Customers"

(a) The Company believes that the information provided under note 20 -'Revenue from operations' is sufficient to meet the disclosure objectives with respect to disaggregation of revenue under Ind AS 115, Revenue from Contracts with Customers."

(b) Reconciliation of revenue recognised in the statement of profit and loss with the contracted price:

(Rupees in lacs)

	31 March 2020	31 March 2019
Revenue which should have been recognised as per the contracted price	7,329.03	8,160.83
Less:		
Refunds given	-	5.57
Credits / discount given	14.97	83.40
Revenue recognised in the statement of profit and loss	**7,314.06**	**8,071.85**

(c) Contract liabilities

(Rupees in lacs)

	31 March 2020	31 March 2019
Contract liabilities		
Advances received from customers	53.22	106.83
Unearned revenue	150.84	104.16
	204.06	210.99

(d) Reconciliation of contract liabilities at the beginning and at the end of the year

(Rupees in lacs)

	31 March 2020	31 March 2019
Opening balance of contract liabilities	210.99	126.26
Add: Contract liabilities recognised during the year	193.25	131.19
Less: Contract liabilities against which revenue recognised	189.54	26.52
Less: Contract liabilities written back	10.64	19.94
Closing balance of contract liabilities	**204.06**	**210.99**

(e) No revenue has been recognised during the year on account of change in transaction price from performance obligations partly / fully satisfied in the previous period.

34 Information required under Section 186 (4) of the Companies Act, 2013

(i) Loan given

(Rupees in lacs)

Name of the party	31 March 2019	Given	Repaid	Provided for	31 March 2020
Unsecured short term loan					
India Center Foundation *	130.00	-	-	130.00	-
Essel Infraprojects Limited **	200.00	-	-	200.00	-

* Loan given to India Center Foundation is short term in nature given for general purpose, and carried interest @ 9% p.a.

** Loan given to Essel Infraprojects Limited is short term in nature given for general purpose, and carried interest @ 10% p.a.

(ii) Investments made

There are no investments made during the year except those mentioned in Note 7.

(iii) Guarantees and Security given

There are no guarantees and security given during the year.

35 Earnings per share:

	31 March 2020	31 March 2019
a) Profit after tax for EPS (Rupees in lacs)	1,478.17	2,852.21
b) Weighted average number of equity shares for Basic and Diluted EPS	4,000,000	4,000,000
Nominal value of equity shares (In Rupees)	10	10
c) Basic and Diluted EPS (in Rupees)	36.95	71.31

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36 Foreign exchange

(Rupees in lacs)

	31 March 2020	31 March 2019
Payable	26.31	14.07
Receivable	-	0.97

37 Micro, small and medium enterprises

Disclosure required under the Micro, Small and Medium Enterprises Development Act, 2006 ("The Act") are given as follows:

(Rupees in lacs)

		31 March 2020	31 March 2019
i)	Principal amount payable to suppliers under the Act		
	- For capital goods	-	-
	- For others	3.54	-
ii)	Principal amount due to suppliers under the Act	-	-
iii)	Interest accrued and due to suppliers under the Act, on the above amount	-	-
iv)	Payment made to suppliers (Other than interest) beyond the appointed day, during the year	-	-
v)	Interest paid to suppliers under the Act	-	-
vi)	Interest due and payable to suppliers under the Act, for payments already made	-	-
vii)	Interest accrued and remaining unpaid at the end of the year under the Act	-	-

Note: The information has been given in respect of such vendors to the extent they could be identified as "Micro and Small" enterprises on the basis of information available with the Company.

38 Corparate Social Responsibility (CSR)

In accordance with the provisions of Section 135 of the Companies Act, 2013, the Board of Directors of the Company had constituted a Corporate Social Responsibility ('CSR') Committee. In terms with the provisions of the said Act, amount to be spend and amount actually spent by the Company is as under:

(Rupees in lacs)

	31 March 2020	31 March 2019
Unspent amount as at 1 April	42.33	-
Amount to spend for the year	55.22	42.33
Amount spent during the year	-	-
Unspent amount as at 31 March	97.55	42.33

39 Contingent liabilities

(Rupees in lacs)

	31 March 2020	31 March 2019
Disputed direct taxes #	530.09	0.61
Legal cases against the Company *		
-Defermation (No. of pending cases 2 (1))	-	-
-Others (No. of pending cases 1 (1))	25.00	25.00

Income tax demands mainly include appeals filed by the Company before various appellate authorities against the disallowance of expenses / claims. Tax demand includes demand related to non-deduction / short deduction of tax at source etc. The management is of the opinion that its tax cases will be decided in its favour and hence no provision is considered necessary at this stage. The Company is in the process of rectifying demands related to short deduction/ non deduction of tax at source hence no provision is required at this stage.

* The Company has received legal notices of claims / law suits filed against it relating to infringment of copyrights, defamation suits etc. in relation to programs telecasted / other matters. The claim amount is based on best possible estimate arrived at on the basis of available information. The Company has engaged reputed advocates to protect its interest and has been advised that it has strong legal position against such disputes. In the opinion of the management, no material liability is likely to arise on account of such claims / law suits.

40 Capital and other commitment

(Rupees in lacs)

	31 March 2020	31 March 2019
Estimated amount of contract executed on capital account net of advances	2,600.00	14.53

41 Segment reporting

The Company is engaged in the business of "Production and Broadcasting of Television channel" which in the context of IND AS 108 "Operating Segment " is considered as the only reportable operating segment.

42 Dividend Paid

No dividend was paid during the current year as well as in preceeding financial year. Further no dividend is proposed for the current financial year.

43 Reconciliation between opening and closing balances in the balance sheet for liabilities arising from financing activities as required by Ind AS 7 "Statement of Cash Flows" is as under:

(Rupees in lacs)

	As at 31 March 2019	Cash inclows	Cash outflows	Non-cash changes		As at 31 March 2020
				Interest accrued	Other changes	
Equity share capital	400.00	-	-	-	-	400.00
Securities premium	988.00	-	-	-	-	988.00
Loan received	1,000.00	-	-	-	-	1,000.00
Lease liabilities (including current maturities)#	107.24	-	72.14	-	-	35.10

recognised as per Ind AS 116 "Leases"

(Rupees in lacs)

	As at 1 April 2018	Cash inclows	Cash outflows	Non-cash changes		As at 31 March 2019
				Interest accrued	Other changes	
Equity share capital	400.00	-	-	-	-	400
Securities premium	988.00	-	-	-	-	988
Long term borrowings	-	1,000.00	-	-	-	1,000

44 Estimation of uncertainties relating to the global health pandemic from COVID-19:

COVID-19 Pandemic has caused unprecedented economic disruption globally and in India. The Company is sensitive about the impact of the Pandemic, not only on its human resources but on business activity of the Company as well, which will be realized only over next few months. Television channel broadcasting, being essential services, are allowed to continue operation during the period of lockdown and so far, hence no major adverse impact on operation is observed. However the extent of the impact of the COVID -19 on the Company's operational and financial performance will depend on certain developments, including the duration and spread of the outbreak, spending of industries and trade on marketing/promotional activities and governments spending on promotion for public welfare and information. The Company is monitoring the developments and is taking necessary measures to mitigate the impact on the Company, if any.

45 Previous year comparatives

Previous year's figures have been regrouped, rearranged or recast wherever necessary to conform to current year's classification. Figures in brackets pertain to previous year.

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