Independent Auditor's Report

To The Members of
Zee Akaash News Private Limited

1. **Report on the Ind AS financial statements**

We have audited the accompanying Ind AS financial statements of **Zee Akaash News Private Limited** ('the Company'), which comprise the balance sheet as at 31 March 2018, the statement of profit and loss (including other comprehensive income), statement of cash flows and the statement of changes in equity for the year then ended and a summary of the significant accounting policies and other explanatory information (herein after referred to as "Ind AS financial statements").

2. **Management's Responsibility for the Ind AS financial statements**

The Company's Board of Directors is responsible for the matters stated in Section 134 (5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the 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.

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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

3. **Auditor's Responsibility**

Our responsibility is to express an opinion on these Ind AS financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.

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MGB & CO (A partnership firm) converted into MGB & Co LLP (a Limited Liability Partnership with Regn. No. AAC-2940) w.e.f. 13th May, 2014

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

4. **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2018, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

5. **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 cash flows and the statement of changes in equity dealt with by this Report are in agreement with the books of account;

d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act;

e) On the basis of the written representations received from the directors as on 31 March 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2018 from being appointed as a director in terms of Section 164 (2) of the Act;

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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"; and

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

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

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

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company; and

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

mgb&co LLP CHARTERED ACCOUNTANTS

Lalit Kumar Jain
Partner
Membership Number 072664

Mumbai, 14 May 2018

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 Ind AS financial statements for the year ended 31 March, 2018.

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

(b) The fixed assets, except Integrated Receiver Decoders (IRD) boxes lying with third parties, have been physically verified by the management. No discrepancies have been noticed on such verification.

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

ii. The Company does not hold any inventory and accordingly paragraph 3 (ii) of the Order is not applicable to the Company.

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.

iv. In our opinion and according to the information and explanations given to us, the Company has not, provided guarantee or security. The Company has complied with the provisions of Section 185 and 186 of the Act, in respect of loan granted and investments made by it.

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

vi. The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

vii. According to the 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 service tax, cess and others as applicable have generally been regularly deposited with the appropriate authorities except delay in few cases. There are no undisputed amounts payable in respect of aforesaid dues outstanding as at 31 March, 2018 for a period of more than six months from the date they became payable except work contract tax payable under the West Bengal Sales Tax Act of Rs 0.03 lacs due since June 2017 (since paid).

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b) According to records of Company, there are no dues of income tax, sales tax, duty of customs, duty of excise, good and service tax or value added tax which have not been deposited on account of any dispute.

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 paragraph 3(viii) of the Order is 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 paragraph 3(xi) of the Order is 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 the Nidhi Rules, 2014 are not applicable to it.

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 Ind AS 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.

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 him.

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xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

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

Lalit Kumar Jain
Partner
Membership Number 072664
Mumbai, 14 May 2018

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 Ind AS financial statements for the year ended 31 March, 2018.

We have audited the internal financial controls over financial reporting of **Zee Akaash News Private Limited**("the Company") as of 31 March,2018 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (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 and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. 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 thefinancial 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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, 2018, 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 ICAI.

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

mgb&co LLP CHARTERED ACCOUNTANTS

Lalit Kumar Jain
Partner
Membership Number 072664

Mumbai, 14 May 2018

Zee Akaash News Private Limited

Financial Statement

2017 -2018

ZEE AKAASH NEWS PRIVATE LIMITED

Balance Sheet as at 31 March, 2018

(Rupees in lacs)

	Note	31 March 2018	31 March 2017
ASSETS			
Non-current assets			
(a) Property, plant and equipment	5	2,366.80	399.97
(b) Capital work-in-progress	5	126.49	16.13
(c) Intangible assets	6	46.97	23.34
(d) Financial assets			
(i) Investment	7	0.00	0.00
(ii) Other financial assets	8 (b)	0.29	0.27
(e) Non - Curent tax assets (net)	9	22.36	121.96
(f) Deferred tax assets (net)	10	161.00	256.08
(g) Other non-current assets	11	101.63	5.50
Total non-current assets		**2,825.54**	**823.25**
Current assets			
(a) Inventories	12	-	1.12
(b) Financial assets			
(i) Trade receivables	13	2,568.26	1,944.04
(ii) Cash and cash equivalents	14	574.13	992.30
(iii) Loan given	8 (a)	200.00	-
(iv) Other financial assets	8 (b)	368.03	1,317.03
(c) Other current assets	11	361.64	81.73
Total current assets		**4,072.06**	**4,336.22**
Total assets		**6,897.60**	**5,159.47**
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	15 (a)	400.00	400.00
(b) Other equity	15 (b)	4,800.54	3,986.83
Total equity		**5,200.54**	**4,386.83**
Liabilities			
Non-current liabilities			
(a) Provisions	16	205.55	190.72
Total non-current liabilities		**205.55**	**190.72**
Current liabilities			
(a) Financial liabilities			
(i) Trade payables	17 (a)	148.63	82.82
(ii) Other financial liabilities	17 (b)	924.38	251.58
(b) Other current liabilities	18	191.49	155.45
(c) Provisions	16	33.03	31.91
(d) Current tax liabilities (net)	19	193.98	60.16
Total current liabilities		**1,491.51**	**581.92**
Total Liabilities		**1,697.06**	**772.64**
Total equity and liabilities		**6,897.60**	**5,159.47**

Notes forming part of the financial statements **1-43**

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: Mumbai
Date: 14 May, 2018

mgb&co LLP CHARTERED ACCOUNTANTS

For and on behalf of the Board

Dinesh Garg
Director
DIN - 2048097

Rajiv Singh
Director
DIN - 2245630

ZEE AKAASH NEWS PRIVATE LIMITED

Statement of Profit and Loss for the year ended on 31 March, 2018

(Rupees in lacs)

	Note	31 March 2018	31 March 2017
Revenue			
Revenue from operations	20	6,430.31	5,396.92
Other income	21	106.17	146.96
Total		**6,536.48**	**5,543.88**
Expenses			
Operational cost	22	665.11	963.03
Employee benefits expense	23	941.41	941.08
Finance costs	24	15.17	19.75
Depreciation and amortisation expense	25	87.35	122.22
Other expenses	26	1,660.83	2,073.27
Total		**3,369.87**	**4,119.35**
Profit before Tax		**3,166.61**	**1,424.53**
Less: Tax expense	31		
Current tax		1,054.12	497.92
Deferred tax		95.12	0.76
Profit for the year	A	**2,017.37**	**925.85**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurement gains / (losses) on defined benefits obligation plans		(0.12)	(25.45)
Income tax effect on above		0.04	8.81
Other comprehensive income /(loss) for the year	B	**(0.08)**	**(16.64)**
Total comprehensive income for the year	(A+B)	**2,017.29**	**909.21**
Earning per equity share (face value of Rs. 10 each fully paid up)	34		
Basic and diluted (Rupees)		50.43	23.15

Notes forming part of the financial statements **1-43**

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: Mumbai
Date: 14 May, 2018

For and on behalf of the Board

Dinesh Garg
Director
DIN - 2048097

Rajiv Singh
Director
DIN - 2245630

ZEE AKAASH NEWS PVT. LTD. KOLKATA

ZEE AKAASH NEWS PRIVATE LIMITED
Statement of Changes in Equity for the year ended on 31 March, 2018

A) Equity Share Capital

(Rupees in lacs)

Particulars	Note	Amount
As at 01 April, 2016		**400.00**
Change in equity share capital	15 (a)	-
As at 31 March, 2017		**400.00**
Change in equity share capital	15 (a)	-
As at 31 March, 2018		**400.00**

B) Other Equity

(Rupees in lacs)

	Securities Premium Reserve	General Reserve	Retained Earnings	Total other equity
Balance as at 01 April 2016	**988.00**	**227.21**	**1,862.41**	**3,077.62**
Profit for the year	-	-	925.85	925.85
Other comprehensive income/(loss) for the year	-	-	(16.64)	(16.64)
Total comprehensive income for the year	**-**	**-**	**909.21**	**909.21**
Balance at 31 March 2017	**988.00**	**227.21**	**2,771.62**	**3,986.83**
Profit for the year	-	-	2,017.37	2,017.37
Other comprehensive income/(loss) for the year			(0.08)	(0.08)
Total comprehensive income for the year	-	-	**2,017.29**	**2,017.29**
Interim dividend on equity shares [Refer Notes 41]			(1,000.00)	(1,000.00)
Tax on dividend on equity share			(203.58)	(203.58)
Balance at 31 March 2018	**988.00**	**227.21**	**3,585.33**	**4,800.54**

Notes forming part of the financial statements **1-43**

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: Mumbai
Date: 14 May, 2018

For and on behalf of the Board

Dinesh Garg
Director
DIN - 2048097

Rajiv Singh
Director
DIN - 2245630

ZEE AKAASH NEWS PRIVATE LIMITED

Statement of Cash Flow Statement for the year ended 31 March 2018

(Rupees in lacs)

		31 March 2018	31 March 2017
A. Cash flow from operating activities			
Profit before tax		3,166.61	1,424.53
Adjustments For :			
Depreciation and amortization expense		87.35	122.22
Net loss/ (profit) on sale / discard of property, plant and equipment / Intangibles assets		(18.52)	1.19
Liabilities and provisions written back		(7.53)	(9.83)
Interest expense		13.95	19.67
Interest income		(79.75)	(135.25)
Allowances / (reversal) for credit losses on trade receivables and other advances		5.65	7.24
Operating profit before working capital changes		**3,167.76**	**1,429.77**
Adjustments For :			
(Increase) / Decrease in inventories		1.12	(0.81)
(Increase) / Decrease in trade and other receivables		(16.06)	(1,421.34)
Increase / (Decrease) in trade and other payables		442.14	(191.69)
Cash generated from operations		**3,594.96**	**(184.07)**
Direct taxes paid (Net of refunds)		(820.71)	(346.47)
Net cash flow from/(used in) operating activities	**(A)**	**2,774.25**	**(530.54)**
B. Cash flow from investing activities			
Purchase of property, plant and equipment, intangible assets and capital work in progress		(1,939.68)	(47.16)
Sale of property, plant and equipment and intangible assets		29.27	2.45
Purchase of non-current investments (Previous year Rs. 10)		-	(0.00)
Loan given		(200.00)	-
Deposit with Banks (Net)		-	50.00
Interest received		135.52	97.80
Net cash flow from/ (used in) investing activities	**(B)**	**(1,974.89)**	**103.09**
C. Cash flow from financing activities			
Dividend (Including dividend tax)		(1,203.58)	-
Interest paid		(13.95)	(19.67)
Net cash flow from/ (used in) financing activities	**(C)**	**(1,217.53)**	**(19.67)**
Net Change in cash and cash equivalents	**(A+B+C)**	**(418.17)**	**(447.12)**
Cash and cash equivalents at the beginning of the year		992.30	1,439.42
Cash and cash equivalents at the end of the year		**574.13**	**992.30**

Note:

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 42 of the Financial Statement.

2. Previous year figures are regrouped / reclassified wherever 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: Mumbai
Date: 14 May, 2018

For and on behalf of the Board

Dinesh Garg
Director
DIN - 2048097

Rajiv Singh
Director
DIN - 2245630

ZEE AKAASH NEWS PVT. LTD. KOLKATA

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, India . The registered office of the Company is situated at Continental Building, 135, Dr. Annie Besant Road, Worli, Mumbai - 400018, Maharashtra, India. The Company is mainly engaged in the business of broadcasting of satellite television channels namely ZEE 24GHANTA in Bengali Language.

2 **Significant Accounting Policies**

a **Basis of preparation**

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

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

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.

Rounding of amounts

The financial statements are presented in Indian Rupees ('INR') with values rounded off to the nearest lac (00,000), except otherwise indicated. Zero '0' denotes amount less than Rs.1,000.00 .

Current and non-current classification

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

b **Property, plant and equipment**

(i) Property, plant and equipment are stated at cost, less accumulated depreciation and impairment loss, if any. The cost comprises purchase price, borrowing costs if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Integrated Receiver Decoders (IRD) boxes are capitalised, when available for deployment.

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

c **Intangible assets**

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

d **Depreciation / amortisation on property, plant and equipment / intangible assets**

Depreciable amount for property, plant and equipment / intangible fixed 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 as per the useful life prescribed in 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 (Studio equipments - Linear)	10 Years
Plant and Machinery (Studio equipments - Non-Linear)	5 Years
Equipments	3 - 5 Years
Furniture and fixture	5 Years

(ii) Intangible assets are amortised on straight line basis over their respective individual useful lives estimated by the management.

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ZEE AKAASH NEWS PVT. LTD. KOLKATA

e **Impairment of property, plant and equipment and intangible assets**

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

An impairment is recognised in statement of profit and loss whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. The recoverable amount is the higher of net selling price, defined as the fair value less costs to sell, and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market rates and risks specific to the asset.

An impairment loss for an individual asset or cash generating unit is reversed if there has been a change in estimates used to determine the recoverable amount since the last impairment loss was recognised and is only reversed to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. Impairment loss is recognised in the statement of profit and loss.

f **Derecognition of property, plant and equipment / intangibles**

The carrying amount of an item of property, plant and equipment / intangibles are derecognised on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an item of property, plant and equipment / intangibles are 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 derecognised.

g **Leases**

(i) **Finance lease**

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

(ii) **Operating lease**

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

h **Cash and cash equivalent**

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

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

i **Inventories**

(i) **Television programs** (completed, under production, available for sale) are stated at lower of cost / unamortised cost or realisable value. Cost comprises acquisition / direct production cost and other allocated production overheads. Where the realisable 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 / amortised as under:

(a) Programs - news / current affairs / chat shows / events etc. are fully expensed on telecast.

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

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

j **Financial Instruments**

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

(i) **Initial recognition**

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

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(ii) **Subsequent measurement**

Financial assets

Financial assets are classified into the specified categories i.e. amortised 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.

Debt instrument

Amortised cost

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

Fair value through other comprehensive income (FVTOCI)

A 'debt instrument' is classified as 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.

Fair value through profit and loss (FVTPL)

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as 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.

Derivative financial instruments

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

Derecognition of financial assets

A financial asset is derecognised only when

(a) The Company has transferred the rights to receive cash flows from the 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 receipients in an arrangement.

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

Impairment of financial assets

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

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.

Equity instruments

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

Financial liabilities

Subsequent measurement

Financial liabilities measured at amortised cost

Financial liability are subsequently measured at amortized cost using the EIR method. 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.

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Financial liabilities measured at fair value through profit or loss (FVTPL)

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.

Determination of fair value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an ordinary transaction between market participants at the measurement date.

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis and available quoted market prices. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized.

k **Borrowings and borrowing costs**

Borrowings are initially recognised at net of transaction costs incurred and measured at amortised 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 attributable to the acquisition or construction of qualifying assets till the time such assets are ready for intended use are capitalised as part of cost of the assets. All other borrowing costs are expensed in the period they occur.

l **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.

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 realisation of income is virtually certain, then the related asset is no longer a contingent asset and is recognised as an asset.

m **Revenue recognition**

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

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

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

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

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n **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 accumulating and non-accumulating in nature. The expected cost of accumulating 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-accumulating 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.

o **Transactions in foreign currencies**

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

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

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

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

p **Accounting for taxes on income**

Tax expense comprises of current and deferred tax.

(i) **Current tax**

Current tax is the amount of income taxes payable in respect of taxable profit for a period. Current tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted 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**

(a) 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.

(b) Minimum Alternate Tax paid in accordance with tax laws, which give rise to future economic benefits in the form of adjustment of future tax liability, is recognised as an asset only when, based on convincing evidence, it is probable that the future economic benefits associated with it will flow to the Company and the assets can be measured reliably.

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

Current and deferred tax are recognized as income or an expense in the statement of profit and loss, except to the extent that they relates to items that are recognized directly in other comprehensive income, in which case, the current and deferred tax income / expense are recognised in other comprehensive income.

q **Earnings per share**

Basic earnings per share is computed and disclosed using the weighted average number of equity shares outstanding during the period. Dilutive earnings per share is computed and disclosed using the weighted average number of equity and dilutive equity equivalent shares outstanding during the period, except when the results would be anti-dilutive.

r **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 authorised and is no longer at the discretion of the entity.

s **Contributed equity**

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown as deduction in equity, net of tax.

t **Exceptional items**

Certain occassions, 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 requires management to exercise judgment in applying the Company's accounting policies. It also requires the use of estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses and the accompanying disclosures including disclosure of contingent liabilities . Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis, with revisions recognised in the period in which the estimates are revised and in any future periods affected.

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 crystallising or are very difficult to quantify reliably, are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not provided for in the financial statements. There can be no assurance regarding the final outcome of these legal proceedings.

b **Useful lives and residual values**

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

c **Impairment testing**

(i) Judgment is also required in evaluating the likelihood of collection of customer debt after revenue has been recognised. This evaluation requires estimates to be made, including the level of provision to be made for amounts with uncertain recovery profiles. Provisions are based on historical trends in the percentage of debts which are not recovered, or on more detailed reviews of individually significant balances.

(ii) Determining whether the carrying amount of these assets has any indication of impairment also requires judgment. If an indication of impairment is identified, further judgment is required to assess whether the carrying amount can be supported by the net present value of future cash flows forecast to be derived from the asset. This forecast involves cash flow projections and selecting the appropriate discount rate.

d **Tax**

(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.

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e **Fair value measurement**

A number of company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

-Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

-Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. prices) or indirectly (i.e. derived from prices).

-Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of a fair value hierarchy, then the fair value measurement is categorized in its entirely in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognizes transfers between levels of the fair value hierarchy at the end of reporting year during which the change has occurred.

f **Television Programs**

The Company has several types of programming inventory: news current affairs and regional language. The key area of accounting for inventory requiring judgment is the assessment of the appropriate nature over which to programming inventory should be amortized. The key factors considered by the Company are as follows:

a) News / current affairs / chat shows / events etc. are fully expensed on telecast since such programs do not have repeat value. This treatment best represents our estimate of the benefits received from the acquired rights.

b) The programs (other than (a) above) are amortised over a period of three financial years over which revenue is expected to be generated from exploitation of programs.

g **Defined benefit obligation**

The costs of providing pensions and other post-employment benefits are charged to the statement of profit and loss in accordance with Ind AS 19 'Employee benefits' over the period during which benefit is derived from the employees' services. The costs are assessed on the basis of assumptions selected by the management. These assumptions include salary escalation rate, discount rates, expected rate of return on assets and mortality rates. The same is disclosed in note 28, 'Employee benefits'.

4 **Recent accounting pronouncements**

In March 2018, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) Amendment Rules, 2018, notifying Indian Accounting Standard (Ind AS) 115 "Revenue from Contracts with Customers"; notifying amendments to Ind AS 12 "Income Taxes" and Ind AS 21 "The Effects of Changes in Foreign Exchange Rates". Ind AS 115, amendments to the Ind AS 12 and Ind AS 21 are applicable to the Company w.e.f. 1 April 2018.

i) **Ind AS 115 "Revenue from Contracts with Customers"**

The core principle of Ind AS 115 is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further this standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers. The standard permits two possible methods of transition:a) Retrospective approach - Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 - "Accounting Policies, Changes in Accounting Estimates and Errors". b) Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch - up approach).

Amendments to Ind AS

ii) **a) Ind AS 12 "Income Taxes"**

TThe amendment considers that tax law determines which deductions are offset against taxable income and that no deferred tax asset is recognised if the reversal of the deductible temporary difference will not lead to tax deductions.

Accordingly, segregating deductible temporary differences in accordance with tax law and assessing them on entity basis or on the basis of type of income is necessary to determine whether taxable profits are sufficient to utilise deductible temporary differences.

b) Ind AS 21 "The Effects of Changes in Foreign Exchange Rates"

The amendment to this Ind AS requires foreign currency consideration paid or received in advance of an item of asset, expense or income, resulting in recognition of a non-monetary prepayment asset or deferred income liability, to be recorded in the Company's functional currency by applying the spot exchange rate on the date of transaction.

The date of transaction which is required to determine the spot exchange rate for translation of such items would be earlier of:

- the date of initial recognition of the non-monetary prepayment asset or deferred income liability, and
- the date on which the related item of asset, expense or income is recognised in the financial statements.

If the transaction is recognised in stages, then a spot exchange rate for each transaction date would be applied to translate each part of the transaction.

The Company is evaluating the requirements of the amendments and its impact on the financial statement.

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Notes forming part of the Financial Statements

(Rupees in lacs)

Description of assets	Plant and Machinery	Furniture and Fittings	Vehicles	Equipments	Computers	Total
5. Property, plant and equipment						
I. Cost						
As at 01 April 2016	1,497.01	206.90	76.20	46.36	291.69	2,118.16
Additions	17.28	0.55	-	0.48	10.56	28.87
Disposal	(0.40)	-	(7.13)	(0.23)	(15.77)	(23.53)
As at 31 March 2017	**1,513.89**	**207.45**	**69.07**	**46.61**	**286.48**	**2,123.50**
Additions	1,492.57	105.27	-	90.22	358.17	2,046.23
Disposal	(30.67)	(183.00)	(4.54)	(10.87)	-	(229.08)
As at 31 March 2018	**2,975.79**	**129.72**	**64.53**	**125.96**	**644.65**	**3,940.65**
II. Depreciation						
As at 01 April 2016	1,132.12	195.02	43.18	35.30	234.57	1,640.19
Depreciation charge for the year	64.19	3.06	8.42	5.12	22.44	103.23
Disposal	(0.14)	-	(4.33)	(0.06)	(15.36)	(19.89)
Upto 31 March 2017	**1,196.17**	**198.08**	**47.27**	**40.36**	**241.65**	**1,723.53**
Depreciation charge for the year	29.63	3.52	-	5.12	30.38	68.65
Disposal	(28.94)	(174.01)	(4.54)	(10.84)	-	(218.33)
Upto 31 March 2018	**1,196.86**	**27.59**	**42.73**	**34.64**	**272.03**	**1,573.85**
III. Net book value						
As at 31 March 2018	1,778.93	102.13	21.80	91.32	372.62	2,366.80
As at 31 March 2017	317.72	9.37	21.80	6.25	44.83	399.97

Net book value	31 March 2018	31 March 2017
Property, plant and equipment	2,366.80	399.97
Capital work-in-progress	126.49	16.13

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Notes forming part of the Financial Statements

(Rupees in lacs)

Description of assets	Computer software	Total
6 Intangible assets		
I. Cost		
As at 01 April 2016	115.05	115.05
Additions	6.55	6.55
Disposal	-	-
Balance as at 31 March 2017	**121.60**	**121.60**
Additions	42.33	42.33
Disposal	-	-
Balance as at 31 March 2018	**163.93**	**163.93**
II. Amortisation		
Balance as at 01 April 2016	79.27	79.27
Amortisation expense for the year	18.99	18.99
Disposal	-	-
Upto 31 March 2017	**98.26**	**98.26**
Amortisation expense for the year	18.70	18.70
Disposal	-	-
Upto 31 March 2018	**116.96**	**116.96**
III. Net book value		
As at 31 March 2018	46.97	46.97
As at 31 March 2017	23.34	23.34

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Notes forming part of the Financial Statements

(Rupees in lacs)

		31 March 2018	31 March 2017
7	**Non-current investments**		
	Investments carried at fair value through other comprehensive income		
	Investments in Equity instrument (Un-quoted)		
	1 (2017: 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 2018	31 March 2017	31 March 2018	31 March 2017
8	**a. Loan given**				
	Loan given - others (Unsecured considered good)	-	-	200.00	-
	Total	-	-	**200.00**	-
	b. Other financial assets				
	Security deposits (unsecured, considered good)	0.29	0.27	362.01	361.23
	Balance with bank - in deposit accounts	-	-	-	850.00
	Interest accrued on bank deposits	-	-	-	56.71
	Interest accrued on loans	-	-	0.94	-
	Other receivables (Unsecured)				
	From related parties	-	-	2.72	46.73
	From others	-	-	2.36	2.36
	Total	**0.29**	**0.27**	**368.03**	**1,317.03**

Refer Note 29 for transaction relating to related party receivable.

(Rupees in lacs)

		31 March 2018	31 March 2017
9	**Non - curent tax assets (net)**		
	Advance direct tax (net of provisions)	22.36	121.96
	Total	**22.36**	**121.96**

(Rupees in lacs)

		31 March 2018	31 March 2017
10	**Deferred tax assets (net)**		
	The component of deferred tax balances are as at 31 March 2018 are as under		
	Deferred tax assets		
	Employee retirement benefits obligation	69.48	77.05
	Depreciation and amortization	6.90	89.76
	Fiscal disallowances	24.84	20.18
	Allowances for credit losses	59.78	69.09
	Total	**161.00**	**256.08**

(Rupees in lacs)

		Non current		Current	
		31 March 2018	31 March 2017	31 March 2018	31 March 2017
11	**Other assets**				
	Capital advance.	100.33	3.69	-	-
	Prepaid expenses	1.30	1.81	21.05	23.34
	Balance with Government authorities				
	Advance indirect tax	-	-	297.27	32.65
	Other advances	-	-	43.32	25.74
	Total	**101.63**	**5.50**	**361.64**	**81.73**

(Rupees in lacs)

		31 March 2018	31 March 2017
12	**Inventories**		
	Raw stock - tapes	-	1.12
	Total	-	**1.12**

(Rupees in lacs)

		31 March 2018	31 March 2017
13	**Trade receivables** (Unsecured)		
	-Considered good - Related parties (Refer note 29)	1,011.32	927.60
	-Considered good - Others	1,556.94	1,016.44
	-Considered doubtful - Other	205.28	199.64
		2,773.54	**2,143.68**
	Less : Allowances for credit losses	205.28	199.64
	Total	**2,568.26**	**1,944.04**

Trade receivables are non-interest bearing and credit period extended to them is generally 0-60 days.

(Rupees in lacs)

		31 March 2018	31 March 2017
14	**Cash and cash equivalents**		
	Balances with banks -in current accounts	572.95	991.50
	Cash in hand	1.18	0.80
	Total	**574.13**	**992.30**

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Notes forming part of the Financial Statements

(Rupees in lacs)

	31 March 2018	31 March 2017
15 (a) Share capital		
Authorised		
4,000,000 (2017 : 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 (2017 : 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

	31 March 2018		31 March 2017	
	No. of Equity Shares	Amount (Rs in lacs)	No. of Equity Shares	Amount (Rs in lacs)
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 2018	31 March 2017
Zee Media Corporation Limited, the holding Company and its nominees		
2,400,002 (2017 - 2,400,002) Equity shares of Rs. 10 each fully paid up	240.00	240.00

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

Name of Shareholders	31 March 2018		31 March 2017	
	No. of Equity Shares	% Shareholding	No. of Equity Shares	% Shareholding
Zee Media Corporation Limited	2,400,002	60%	2,400,002	60%
Sky B (Bangla) Private Limited	1,599,998	40%	1,599,998	40%

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 2018.

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(Rupees in lacs)

	31 March 2018	31 March 2017
15 (b) Other equity		
Securities premium reserve		
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	2,771.62	1,862.41
Add / (loss):		
Profit for the year	2,017.37	925.85
Remeasurement gains / (losses) on defined benefit plans	(0.12)	(25.45)
Income tax impact on above	0.04	8.81
Interim dividend on equity share	(1,000.00)	-
Tax on dividend on equity share	(203.58)	-
	3,585.33	**2,771.62**
Total	**4,800.54**	**3,986.83**

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 profits.

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

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(Rupees in lacs)

	Non current		Current	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017
16 Provisions				
Provision for employee benefits				
- Gratuity	147.25	133.31	22.25	21.23
- Leave benefits	58.30	57.41	10.78	10.68
Total	**205.55**	**190.72**	**33.03**	**31.91**

(Rupees in lacs)

	31 March 2018	31 March 2017
17 Financial liabilties		
a **Trade payables**		
Trade payables	148.63	82.82
	148.63	**82.82**
b **Other financial liabilities**		
Creditors for capital expenditure	355.86	-
Other payables	568.52	251.58
	924.38	**251.58**
Total	**1,073.01**	**334.40**

Trade and other payables are non-interest bearing and credit term for same is generally in the range of 0 to 30 days.

(Rupees in lacs)

	31 March 2018	31 March 2017
18 Other current liabilties		
Unearned revenue	28.06	43.85
Advances received from customers	98.20	72.94
Statutory dues payable	65.23	38.66
Total	**191.49**	**155.45**

(Rupees in lacs)

	Current	
	31 March 2018	31 March 2017
19 Current tax liabilities (net)		
Provision for direct tax payable (net of advances)	193.98	60.16
Total	**193.98**	**60.16**

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(Rupees in lacs)

	31 March 2018	31 March 2017
20 Revenue from operations		
Services (broadcasting revenue)		
Advertisement revenue	6,330.55	5,178.41
Subscription revenue	99.76	218.51
Total	**6,430.31**	**5,396.92**

(Rupees in lacs)

	31 March 2018	31 March 2017
21 Other income		
Interest received on financial assets carried at amortised cost		
- Bank deposits	73.45	103.18
- Interest income loans	0.94	-
Interest income others (Including interest on income tax refund)	5.36	32.07
Profit on sale of property, plant and equipment and intangible assets (net)	18.52	-
Liabilities / excess provision written back	7.53	9.83
Foreign exchange gain (net)	-	0.14
Miscellaneous income	0.37	1.74
Total	**106.17**	**146.96**

(Rupees in lacs)

	31 March 2018	31 March 2017
22 Operational cost		
Television programs (production/ acquisition cost)		
Raw tapes consumed	1.50	0.78
Consultancy and professional charges	185.48	135.97
News subscription fees	9.45	16.39
Vehicle running, maintenance and hire charges	112.56	105.47
Travelling and conveyance expenses	34.42	18.88
Lease-line and v-sat expenses	116.38	124.10
Hire charges	11.75	29.28
Other production expenses	71.89	407.69
	543.43	**838.56**
Telecast cost	121.68	124.47
Total	**665.11**	**963.03**

(Rupees in lacs)

	31 March 2018	31 March 2017
23 Employee benefit expenses		
Salaries and allowances	873.39	915.43
Contribution to provident and other funds	53.77	17.47
Staff welfare expenses	14.25	8.18
Total	**941.41**	**941.08**

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Notes forming part of the Financial Statements

(Rupees in lacs)

	31 March 2018	31 March 2017
24 Finance costs		
Interest - others	13.95	19.67
Other financial charges	1.22	0.08
Total	**15.17**	**19.75**

(Rupees in lacs)

	31 March 2018	31 March 2017
25 Depreciation and amortisation expense		
Depreciation on property, plant and equipment	68.65	103.23
Amortisation of intangible assets	18.70	18.99
Total	**87.35**	**122.22**

(Rupees in lacs)

	31 March 2018	31 March 2017
26 Other Expenses		
Rent	203.14	119.82
Rates and taxes	8.22	0.06
Repairs and maintenance		
-Plant and machinery	11.26	22.02
-Others	47.40	25.14
Insurance	1.95	3.04
Electricity and water charges	98.64	100.14
Communication expenses	36.83	26.23
Printing and stationary expenses	3.40	2.94
Hire and service charges	42.50	36.17
Travelling and conveyance expenses	83.05	86.23
Legal and professional charges	121.96	16.43
Payment to auditors (Refer Note 27)	6.67	5.21
Corporate Social Responsibility expenses (Refer Note 39)	30.00	26.43
Business promotion expenses	90.90	306.42
Advertisement and publicity expenses	265.04	728.91
Commission/ discount expenses	572.72	551.76
Allowances for credit losses on trade receivables and other advances	5.65	7.24
Loss on sale / discard of plant, properties and equipments (net)	-	1.19
Foreign exchange loss (net)	0.82	-
Miscellaneous expenses	30.68	7.89
Total	**1,660.83**	**2,073.27**

27 Payment to auditors

(Rupees in lacs)

	31 March 2018	31 March 2017
Audit Fee	3.00	2.48
Tax Audit Fee	0.90	0.82
Certification and tax matter	2.48	1.70
Reimbursement of expenses including swacha bharat cess	0.29	0.21
Total	**6.67**	**5.21**

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Notes forming part of the Financial Statements

28 Employee benefits

The Disclosures as per Ind AS 19 - Employee Benefits is as follows:

A Defined contribution plan:

"Contribution to provident and other funds" is recognized as an expense in note 23 Employee benefits expense 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.

ii) The obligation for leave benefits (non funded) is also recognised using the projected unit credit method.

Disclosure of Gratuity (unfunded) in terms of Ind AS 19 is as under:

(Rupees in lacs)

	31 March 2018	31 March 2017
	Gratuity (Non funded)	
I. Expenses recognized in statement of profit and loss		
1 Current Service Cost	17.26	16.30
2 Interest Cost	10.54	9.71
3 Past Service cost	-	-
Total Expenses	**27.80**	**26.01**
II. Amount recognized in other comprehensive income (OCI)		
Remeasurment during the period due to		
Changes in financial assumptions	(3.99)	7.21
Experience adjustments	4.11	18.23
Net expenses recognized in OCI	**0.12**	**25.44**
III. Net Asset/(Liability) recognized in the Balance Sheet		
1. Present value of defined benefit obligation (DBO)	169.50	154.54
2. Net Asset / (Liability)	(169.50)	(154.54)
IV. Reconciliation of Net Asset/(Liability) recognized in the Balance Sheet		
1 Net Asset/(Liability) at the beginning of year	(154.54)	(121.37)
2 Defined benefit cost included in statement of profit and loss	(27.80)	(26.01)
3 Amount recognised in other comprehensive income	(0.12)	(25.44)
4 Benefit paid	12.96	18.28
5 Net Asset/(Liability) at the end of the year	(169.50)	(154.54)
V. Acturial assumptions:	**31 March 2018**	**31 March 2017**
1 Discount rate	7.75%	7.50%
2 Expected rate of salary increase	6.00%	6.00%
3 Mortality	IALM (2006-08)	IALM (2006-08)
VI. The following payments are expected to defined benefit plan in future years :	**(Rupees in lacs)**	
1 Expected benefits for year 1	9.44	8.63
2 Expected benefits for year 2 to year 5	40.56	36.72
3 Expected benefits beyond year 5	56.97	48.40

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.

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	Discount Rate	Salary Escalation rate	Employee Turnover
Impact of increase in 100 Bps on DBO	142.44	175.88	159.70
Impact of decrease in 100 Bps on DBO	174.96	141.44	154.88

Notes:

(a) Amount recognized as an expense and included in the Note 23 "Employee benefits expense" are gratuity Rs. 17.26 lacs (2017 : Rs. 16.30 lacs) and leave encashment Rs. 15.29 lacs (2017 : Rs. 26.16 Lacs). Net interest cost on defined benefit obligation recognised in Note 24 under "Finance cost" is Rs. 10.54 Lacs (2017 : Rs. 9.71 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.

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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29 Related Party Transactions

(i) List of Parties where control exists:

Holding Company:

M/s Zee Media Corporation Limited (Extent of holding 60%)

Fellow Subsidiary Companies:
Mediavest India Private Limited (Upto 31 March 2017)
Pri-Media Services Private Limited (Upto 31 March 2017)
Diligent Media Corporation Limited . (Upto 31 March 2017)
Maurya TV Private Limited .(Merged with holding company w.e.f. 1 April 2017)
Ez - Mall Online Limited . (w.e.f. 21 June 2017)

Party holding substantial share of the Company:
Sky B (Bangla) Private Limited

(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 Corporate Resources Private Limited
Dr. Subhash Chandra Foundation

Key Management Personnel

Directors
Dinesh Garg
Rajiv Singh (w.e.f. 09 September 2016)
Mukesh Jindal (w.e.f. 22 May 2017)
Avik Dutta (upto 26 April 2017)

(iii) Transactions with Related Parties: **(Rupees in lacs)**

	31 March 2018	31 March 2017
(A) Transactions :		
(i) With Holding Company		
-Zee Media Corporation Limited		
Advertisement income received	144.91	412.76
Subscription income received	99.76	218.51
Amount collected on behalf of the Company	7.69	44.01
Amount collected by us on their behalf	0.31	0.87
Expenses incurred on behalf of the Company	1.97	-
Dividend paid	600.00	-
(ii) With fellow subsidiary company		
-Diligent Media Corporation Limited	-	**781.20**
Advertisement & Publicity Expenses	-	540.00
Market Research Expenses	-	241.20
(iii) With other related parties		
Advertisement Income	**98.16**	**110.70**
Zee Entertainment Enterprises Limited	66.29	69.99
Dish TV India Limited	31.87	40.71
Telecast cost	**111.74**	**114.87**
Dish TV India Limited	111.74	114.87
Other Operational cost	**6.53**	**0.76**
Zee Entertainment Enterprises Limited	6.53	0.76
Leaseline and V-sat expenses	**104.17**	**111.41**
Dish TV India Limited	104.17	111.41
Management and Administrative Charges	**114.00**	-
Essel Corporate Resources Private Limited	114.00	-
Advertisement Expenses	-	**160.80**
Sky B Bangla Private Limited	-	160.80

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· **Corporate soial responsibility expenses**	**30.00**	**26.43**
Dr. Subhash Chandra Foundation	30.00	26.43
· **Investments in equity share**	**-**	**0.00**
Dr. Subhash Chandra Foundation*	-	0.00
· **Dividend paid**	**400.00**	**-**
Sky B Bangla Private Limited	400.00	-
(B) Balances at the end of the year:	**31 March 2018**	**31 March 2017**
(i) With Holding Company		
- Zee Media Corporation Ltd		
· Trade receivable	917.35	854.59
· Other current receivable	-	44.01
· Trade payable/ Other payable	1.97	0.87
(ii) Other Related Parties		
· **Trade payables / Other payables**	**157.08**	**59.96**
Dish TV India Limited	85.54	59.17
Zee Entertainment Enterprises Limited	7.62	0.79
Essel Corporate Resources Private Limited	63.92	-
· **Trade receivable**	**93.97**	**73.01**
Dish TV India Limited	73.82	36.37
Zee Entertainment Enterprises Limited	20.15	36.64
· **Other receivable**	**2.72**	**2.72**
Zee Entertainment Enterprises Limited	2.72	2.72
· **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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(Rupees in lacs)

	As at 31 March 2018	As at 31 March 2017
Movement in allowance for credit loss during the year was as follows :		
Balance at 1 April	199.64	192.40
Add :- Provided during the year	5.65	7.24
Less :- Reversal during the year	-	-
Balance as at 31 March	**205.28**	**199.64**
Net Trade receivable	**2,568.26**	**1,944.04**

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.

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

	31 March 2018	31 March 2017
Revenues generated from top 10 customers	41.02%	41.06%

b) **Liquidity risk**

Liquidity risk refers to the risk that the Company cannot meet its financial obligations on time or at a resonable price. The Company's principal source of liquidity are cash and cash equivalents and the cash flow i.e. generated from operations. The Company consistently generated strong cash flows from operations which together with the available cash and cash equivalents provides adequate liquidity in short terms as well in the long term.

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

(Rupees in lacs)

	Due in 1st year	Due in 2 to 5th year	Due in 5 to 10th year
Financial Liabilities			
Trade payable and other current liabilities	1,073.01	-	-
Total	**1,073.01**	**-**	**-**

The table below provides details regarding the contractual maturities of financial liabilities as at 31 March 2017

	Due in 1st year	Due in 2 to 5th year	Due in 5 to 10th year
Financial Liabilities			
Trade payable and other current liabilities	334.40	-	-
Total	**334.40**	**-**	**-**

ii) **Capital Management**

For the purpose of the Company' s capital management, capital includes issued capital and all other equity reserves. The Company manages its capital structure to ensure that it's revenue will be able to continue as a going concern while maximising the return to the stakeholders.

c) **Fair value measurements**

i) **Categories of financial instruments**

(Rupees in lacs)

Particulars	As at 31 March 2018		As at 31 March 2017	
	Carrying amount	Fair value	Carrying amount	Fair value
A) Financial assets				
i) Measured at amortised cost				
Trade receivables	2,568.26	2,568.26	1,944.04	1,944.04
Cash and cash equivalents and bank balances	574.13	574.13	992.30	992.30
Loan given	200.00	200.00	-	-
Other financial assets	368.32	368.32	1,317.30	1,317.30
	3,710.71	**3,710.71**	**4,253.64**	**4,253.64**
ii) Measured at Fair value through other comprehensive income				
Investment*	0.00	0.00	0.00	0.00
	0.00	**0.00**	**0.00**	**0.00**
B) Financial liabilities				
i) Measured at amortised cost				
Trade payable	148.63	148.63	82.82	82.82
Other financial liabilities	924.38	924.38	251.58	251.58
	1,073.01	**1,073.01**	**334.40**	**334.40**

* Value 0.00, (0.00) represents Rs.10.

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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.

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

(Rupees in lacs)

	31 March 2018		31 March 2017	
	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 2018		31 March 2017	
	Level 3	Carrying amount	Level 3	Carrying amount
Non-current financial assets				
Other financial assets	0.29	0.29	0.27	0.27
Non-current financial liabilities	-	-	-	-

(a) The fair values for other non-current financial assets and liabilities 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 2018 and 31 March 2017

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31 Taxes expenses

(a) The major components of income tax for the year end 31 March 2018 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 2018	31 March 2017
Current tax - current year	1,044.50	497.92
- adjustment for current tax of prior period	9.62	-
Total curent tax expenses	1,054.12	497.92
Deferred tax charge / (credit)	95.12	0.76
Total tax expense reported in the statement of profit and loss	**1,149.24**	**498.68**
Effective tax rate	36.29%	35.01%

(ii) Deferred tax related to items recognized in other comprehensive income (OCI) during the year ended 31 March

(Rupees in lacs)

	31 March 2018	31 March 2017
Deferred tax charge / (credit) on measurement of defined benefit plan	(0.04)	(8.81)
Total deferred tax charge / (credit) recognised in OCI	(0.04)	(8.81)

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

(Rupees in lacs)

	31 March 2018	31 March 2017
Accounting profit before tax	3,166.61	1,424.53
Statutory income tax @ of 34.608% (34.608%)	1,095.90	493.00
Tax effect on non-deductible expenses	5.29	5.68
Impact of change in tax rate on deferred tax assets	38.43	-
Adjustments in respect of current income tax of previous years	9.62	-
Tax expense recognised in the statement of profit and loss	**1,149.24**	**498.68**

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 2018 is 29.12% (34.608%). 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 2018	31 March 2017	31 March 2018	31 March 2017	31 March 2018	31 March 2017
(a) Deductible temporary differences						
Employee retirement benefit/expenses allowable on payment basis	69.48	77.05	7.61	(6.34)	(0.04)	(8.81)
Depreciation and amortization on property, plant, equipment and intangible assets	6.90	89.76	82.86	10.02	-	-
Allowances for doubtful debts and advances	59.78	69.09	9.31	(2.51)	-	-
Other deductible temporary differences	24.84	20.18	(4.66)	(0.41)	-	-
Total (a)	**161.00**	**256.08**	**95.12**	**0.76**	**(0.04)**	**(8.81)**
(b) Taxable temporary differences						
Other taxable differences	-		-		-	-
Total (b)	-	-	-	-	-	-
Net deferred tax assets / (liabilities) (a-b)	**161.00**	**256.08**				
Deferred tax charge / (credit) (a-b)			**95.12**	**0.76**	**(0.04)**	**(8.81)**

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

(Rupees in lacs)

Reconciliation of deferred tax assets / (liabilities) net:	31 March 2018	31 March 2017
Opening balance	256.08	248.03
Deferred tax (charge)/credit recognised in		
- Statement of profit and loss	(95.12)	(0.76)
- Recognised in other comprehensive income	0.04	8.81
Total	**161.00**	**256.08**

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

32 Operating leases:

The Company has taken office premises and plant and machinery (including equipments) under cancellable/non-cancellable lease agreements that are renewable on a periodic basis at the option of both the Lessor and the Lessee. The initial tenure of the lease generally is for 11 months to 36 months.

(Rupees in lacs)

	31 March 2018	31 March 2017
Lease rental charges for the year	290.86	207.86
Future Lease rental obligation payable (under non-cancellable lease)		
Not later than one year	113.65	-
Later than one year but not later than five years	151.54	-

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

(i) Loan given

(Rupees in lacs)

Name of the party	31 March 2017	Given	Repaid	31 March 2018
In the form of unsecured short term loan to India Center Foundation (excluding Interest receivable)	-	200.00	-	200.00

Note : The loan is short term in nature given for general purpose, and carry interest @ 9% 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.

34 Earnings per share:

(Rupees in lacs)

	31 March 2018	31 March 2017
a) Profit after tax for EPS (Rupees in lacs)	2,017.37	925.85
b) Weighted average number of equity shares for Basic and	4,000,000	4,000,000
Nominal value of equity shares (In Rupees)	10	10
c) Basic and Diluted EPS (in Rupees)	50.43	23.15

35 Foreign exchange

(Rupees in lacs)

	31 March 2018	31 March 2017
Payable	42.23	0.03
Receivable	0.55	-

36 Micro, small and medium enterprises

The Company has no dues to Micro, Small and Medium enterprises during the year ended 31 March 2018, on the basis of information provided by the parties and available on record.

37 Corparate Social Responsibility. (CSR)

During the year, the Company has spent Rs. 30.00 lacs (2017 Rs. 26.43 lacs) towards CSR initiative as required by Section 135 read with Schedule VII of the Companies Act, 2013. CSR spend has been charged to the statement of profit and loss under 'Other expenses' in line with ICAI guidance note Issued in May 2015.

38 Contingent liabilities

(Rupees in lacs)

	31 March 2018	31 March 2017
Claims against the Company not acknowledged as debt		
Disputed direct taxes #	-	4.20
Legal cases against the Company ^		
- Defamation (No. of pending cases 1 (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, 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 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 laibility is likely to arise on account of such claims / law suits.

39 Capital and other commitment

(Rupees in lacs)

	31 March 2018	31 March 2017
Estimated amount of contract executed on capital account net of advances	526.77	219.48

40 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.

41 Dividend Paid

Interim dividend paid on equity shares for the year ended on 31 March 2018 is Rs.25 per equity share which aggregates to Rs.1000.00 Lacs excluding dividend distribution tax of Rs.203.58 lacs. No Dividend was paid during previous year.

42 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 2017	Cash inclows	Cash outflows	Non-cash changes		As at 31 March 2018
				Interest	Other changes	
Equity share capital	400.00	-	-	-	-	400.00
Securities premium	988.00	-	-	-	-	988.00

mgb&co LLP CHARTERED ACCOUNTANTS

ZEE AKAASH NEWS PVT. LTD. KOLKATA

ZEE AKAASH NEWS PRIVATE LIMITED

Notes forming part of the Financial Statements

43 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.

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: Mumbai
Date: 14 May, 2018

mgb&co LLP CHARTERED ACCOUNTANTS

For and on behalf of the Board

Dinesh Garg
Director
DIN - 2048097

Rajiv Singh
Director
DIN - 2245630

ZEE AKAASH NEWS PVT. LTD. KOLKATA